

VEECO INSTRUMENTS INC

FORM 10-Q (Quarterly Report)

Filed 05/07/25 for the Period Ending 03/31/25

Address	TERMINAL DRIVE PLAINVIEW, NY, 11803
Telephone	516 677-0200
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Industry	Semiconductor Equipment & Testing
Sector	Technology
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 0-16244

VEECO INSTRUMENTS INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

11-2989601

(I.R.S. Employer Identification No.)

Terminal Drive

Plainview, New York

(Address of Principal Executive Offices)

11803

(Zip Code)

Registrant's telephone number, including area code:

(516) 677-0200

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	VECO	The NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Non-accelerated filer ☐

Accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 1, 2025, there were 58,292,152 shares of the registrant's common stock outstanding.

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VEECO INSTRUMENTS INC.

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Safe Harbor Statement

This quarterly report on Form 10-Q (the “Report”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, relating to Veeco Instruments Inc. (together with its consolidated subsidiaries, “Veeco,” the “Company,” “Registrant,” “we,” “our,” or “us,” unless the context indicates otherwise) that are based on management’s expectations, estimates, projections, and assumptions. When used in this Report, the words such as “expects,” “anticipates,” “plans,” “believes,” “scheduled,” “estimates,” and variations of these words and similar expressions are intended to identify forward-looking statements. Discussions containing such forward-looking statements may be found in Part I - Items 1, 2, and 3 hereof, as well as within this Report generally.

In addition, the preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates and assumptions are based on knowledge of current events and planned actions to be undertaken in the future, they may ultimately differ from actual results. Operating results for the three months ended March 31, 2025 are not necessarily indicative of the results that may be expected for the year ending December 31, 2025. All estimates and assumptions are subject to a number of risks and uncertainties that could cause actual results to differ materially from these estimates and assumptions.

Forward-looking statements in this discussion include, but are not limited to, those regarding anticipated growth and trends in our business and markets, industry outlooks and demand drivers, our investment and growth strategies, our development of new products and technologies, our business outlook for the current and future periods, and other statements that are not historical facts. Factors that could cause actual results to differ materially from those expressed or implied by such statements include, without limitation, those set forth under the heading “Risk Factors” in Part 1, Item 1A of our 2024 Form 10-K, and the following:

- Changes in U.S. and foreign trade policies, including the recent imposition of tariffs, together with the prospect of additional foreign and domestic trade restrictions;
- Risks associated with operating a global business, including ongoing trade disputes between the U.S. and China;
- An inability to obtain required export licenses for the sale of our products;
- Unfavorable market conditions;
- Significant third party competition;
- Risks associated with operating in industries characterized by rapid technological change;
- Our dependency on the demand for consumer electronic products and automobiles;
- Our concentrated customer base;
- The cyclicity of the industries we serve;
- A failure to estimate customer demand accurately;
- Our reliance on a limited number of suppliers, some of whom are our sole source for particular components;

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- A failure to successfully manage our outsourcing activities or a failure of our outsourcing partners to perform as anticipated;
- The timing of our orders, shipments, and revenue recognition;
- Our long and unpredictable sales cycles;
- Customer order cancellations or modifications;
- Risks associated with business combinations, acquisitions, strategic investments and divestitures;
- Risks associated with global regulatory requirements;
- Disruptions in our information technology systems or data security incidents;
- An inability to effectively enforce and protect our intellectual property rights;
- Claims of intellectual property infringement by others;
- Tightening credit markets;
- Foreign currency exchange risks;
- Asset impairment charges;
- Changes in accounting pronouncements or taxation rules, practices, or rates;
- Restrictions, covenants and repurchase provisions appearing in our current debt facilities;
- Possible impairment to our ability to utilize our research and development credits carryforwards caused by the issuance of common stock upon the conversion of the Notes, or by the capped call transactions or the hedging activities of the option counterparties;
- Our capped call transactions, which may affect the value of the 2027 Notes and our common stock;
- An inability to attract, retain, and motivate employees;
- Risks associated with non-compliance with environmental, health, and safety regulations;
- Environmental, social and governance goals, strategies and requirements which could be costly to implement and which expose us to risks associated with failures to comply;
- Measures adopted by Veeco which may have anti-takeover effects or which may make an acquisition of our Company by another company more difficult; and
- Other risks and uncertainties described in our SEC filings on Forms 10-K, 10-Q, and 8-K, including those included in Item 1A, "Risk Factors" of this Form 10-Q, and from time-to-time in our other SEC reports.

All forward-looking statements speak only to management's expectations, estimates, projections and assumptions as of the date of this filing or, in the case of any document referenced herein or incorporated by reference, the date of that document. The Company does not undertake any obligation to update or publicly revise any forward-looking statements to reflect events, circumstances or changes in expectations after the date of this filing.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

Veeco Instruments Inc. and Subsidiaries Consolidated Balance Sheets (in thousands, except share amounts)

	March 31, 2025	December 31, 2024
Assets	(unaudited)	
Current assets:		
Cash and cash equivalents	\$ 174,898	\$ 145,595
Restricted cash	169	224
Short-term investments	178,395	198,719
Accounts receivable, net	114,368	96,834
Contract assets	33,586	37,109
Inventories	254,051	246,735
Prepaid expenses and other current assets	39,338	39,316
Total current assets	794,805	764,532
Property, plant, and equipment, net	113,787	113,789
Operating lease right-of-use assets	25,991	26,503
Intangible assets, net	8,010	8,832
Goodwill	214,964	214,964
Deferred income taxes	118,567	120,191
Other assets	2,700	2,766
Total assets	\$ 1,278,824	\$ 1,251,577
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 57,845	\$ 43,519
Accrued expenses and other current liabilities	62,257	55,195
Contract liabilities	57,211	64,986
Income taxes payable	1,546	2,086
Current portion of long-term debt	—	26,496
Total current liabilities	178,859	192,282
Deferred income taxes	663	689
Long-term debt	249,955	249,702
Long-term operating lease liabilities	33,694	34,318
Other liabilities	3,795	3,816
Total liabilities	466,966	480,807
Stockholders' equity:		
Preferred stock, \$0.01 par value; 500,000 shares authorized; no shares issued and outstanding.	—	—
Common stock, \$0.01 par value; 120,000,000 shares authorized; 58,291,513 shares issued and outstanding at March 31, 2025 and 56,827,915 shares issued and outstanding at December 31, 2024	583	569
Additional paid-in capital	1,256,153	1,227,134
Accumulated deficit	(446,508)	(458,455)
Accumulated other comprehensive income	1,630	1,522
Total stockholders' equity	811,858	770,770
Total liabilities and stockholders' equity	\$ 1,278,824	\$ 1,251,577

See accompanying Notes to the Consolidated Financial Statements.

Veeco Instruments Inc. and Subsidiaries
Consolidated Statements of Operations
(in thousands, except per share amounts)
(unaudited)

	Three months ended March 31,	
	2025	2024
Net sales	\$ 167,292	\$ 174,484
Cost of sales	98,825	99,065
Gross profit	68,467	75,419
Operating expenses, net:		
Research and development	28,514	29,642
Selling, general, and administrative	25,028	24,700
Amortization of intangible assets	821	1,891
Other operating expense (income), net	(44)	(2,859)
Total operating expenses, net	54,319	53,374
Operating income	14,148	22,045
Interest income	3,342	3,324
Interest expense	(2,506)	(2,619)
Income before income taxes	14,984	22,750
Income tax expense	3,037	896
Net income	<u>\$ 11,947</u>	<u>\$ 21,854</u>
Income per common share:		
Basic	\$ 0.21	\$ 0.39
Diluted	\$ 0.20	\$ 0.37
Weighted average number of shares:		
Basic	57,753	55,968
Diluted	60,234	60,764

See accompanying Notes to the Consolidated Financial Statements.

Veeco Instruments Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
(in thousands)
(unaudited)

	Three months ended March 31,	
	2025	2024
Net income	\$ 11,947	\$ 21,854
Other comprehensive income (loss), net of tax:		
Unrealized gain (loss) on available-for-sale securities	100	(95)
Change in currency translation adjustments	8	(33)
Total other comprehensive income (loss), net of tax	108	(128)
Total comprehensive income	\$ 12,055	\$ 21,726

See accompanying Notes to the Consolidated Financial Statements.

Veeco Instruments Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Three months ended March 31,	
	2025	2024
Cash Flows from Operating Activities		
Net income	\$ 11,947	\$ 21,854
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	5,035	6,405
Non-cash interest expense	257	296
Deferred income taxes	1,567	(842)
Share-based compensation expense	9,208	8,082
Changes in contingent consideration	—	(625)
Changes in operating assets and liabilities:		
Accounts receivable and contract assets	(14,011)	(13,480)
Inventories	(7,316)	(4,838)
Prepaid expenses and other current assets	(2,434)	395
Accounts payable and accrued expenses	21,874	17,621
Contract liabilities	(7,776)	(24,215)
Income taxes receivable and payable, net	2,475	853
Other, net	(834)	(2,145)
Net cash provided by (used in) operating activities	<u>19,992</u>	<u>9,361</u>
Cash Flows from Investing Activities		
Capital expenditures	(6,755)	(5,990)
Proceeds from the sale of investments	66,200	53,473
Payments for purchases of investments	(44,922)	(28,791)
Proceeds from sale of productive assets	—	2,033
Net cash provided by (used in) investing activities	<u>14,523</u>	<u>20,725</u>
Cash Flows from Financing Activities		
Restricted stock tax withholdings	(6,675)	(14,340)
Contingent consideration payments	—	(1,818)
Proceeds (net of tax withholdings) from option exercises and employee stock purchase plan	1,399	1,318
Net cash provided by (used in) financing activities	<u>(5,276)</u>	<u>(14,840)</u>
Effect of exchange rate changes on cash and cash equivalents	9	(42)
Net increase (decrease) in cash, cash equivalents, and restricted cash	29,248	15,204
Cash, cash equivalents, and restricted cash - beginning of period	145,819	159,120
Cash, cash equivalents, and restricted cash - end of period	<u>\$ 175,067</u>	<u>\$ 174,324</u>
Supplemental Disclosure of Cash Flow Information		
Interest paid	\$ 712	\$ 619
Net income taxes paid (refunded)	(1,671)	992
Non-cash activities		
Capital expenditures included in accounts payable and accrued expenses	2,455	599
Right-of-use assets obtained in exchange for lease obligations	127	—

See accompanying Notes to the Consolidated Financial Statements.

Veeco Instruments Inc. and Subsidiaries
Notes to the Consolidated Financial Statements
(unaudited)

Note 1 — Basis of Presentation

The accompanying unaudited Consolidated Financial Statements of Veeco have been prepared in accordance with U.S. GAAP as defined in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification 270 for interim financial information and with the instructions to Rule 10-01 of Securities and Exchange Commission Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements as the interim information is an update of the information that was presented in Veeco’s most recent annual financial statements. For further information, refer to Veeco’s Consolidated Financial Statements and Notes thereto included in the Annual Report on Form 10-K for the year ended December 31, 2024 (“2024 Form 10-K”). In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All such adjustments are of a normal, recurring nature.

Veeco reports interim quarters on a 13-week basis ending on the last Sunday of each quarter. The fourth quarter always ends on the last day of the calendar year, December 31. The 2025 interim quarters end on March 30, June 29, and September 28, and the 2024 interim quarters end on March 31, June 30, and September 29. These interim quarters are reported as March 31, June 30, and September 30 in Veeco’s interim consolidated financial statements.

The preparation of financial statements in conformity with U.S. GAAP requires the Company’s management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management’s knowledge of current events and actions it may undertake in the future, actual results may differ from these estimates.

Accounting Standards Recently Adopted

In December 2023, the FASB issued ASU 2023-09: *Improvements to Income Tax Disclosures (Topic 740)*. This amendment requires public entities annually to disclose consistent categories and greater disaggregation of information in the rate reconciliation and for income taxes paid. It also includes certain other amendments to improve the effectiveness of annual income tax disclosures. This authoritative guidance is effective for the Company’s annual reporting periods beginning January 1, 2025. The amendments require increased annual disclosures on current and comparable reporting periods presented in annual company filings. The resulting new annual disclosure requirements will be reflected in the Company’s 2025 report on Form 10-K.

Recent Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, “Disaggregation of Income Statements Expenses (Subtopic 220-40),” to improve income statement expenses disclosure. The standard requires more detailed information related to the types of expenses, including (among other items) the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization included within each interim and annual income statement’s expense caption, as applicable. This authoritative guidance can be applied prospectively or retrospectively and will be effective for financial statements issued for annual periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently in the process of evaluating the impact of adoption on its consolidated financial statements.

Veeco Instruments Inc. and Subsidiaries
Notes to the Consolidated Financial Statements - continued
(unaudited)

Note 2 — Income Per Common Share

Basic income per share is calculated by dividing net income by the weighted average number of shares outstanding during the period. Diluted income per share is calculated by dividing net income available to common shareholders by the weighted average number of shares used to calculate basic income per share plus the weighted average number of common share equivalents outstanding during the period. The dilutive effect of outstanding options to purchase common stock and share-based awards is considered in diluted income per share by application of the treasury stock method. The dilutive effect of performance share units is included in diluted income per common share if the performance targets have been achieved, or would have been achieved if the reporting date was the end of the contingency period. Finally, the Company includes the dilutive effect of shares issuable upon conversion of its Notes in the calculation of diluted income per share using the if-converted method. The Company has the option for the 2027 Notes to settle the conversion value in any combination of cash or shares, and as such, the maximum number of shares issuable are included in the dilutive share count if the effect would be dilutive. The Company must settle the principal amount of the 2029 Notes in cash, and has the option to settle any excess of the conversion value over the principal amount in any combination of cash or shares. As such, the Company only includes the excess shares that may be issuable above the principal amount of the 2029 Notes in the dilutive share count, if the effect would be dilutive.

The computations of basic and diluted income per share for the three months ended March 31, 2025 and 2024 are as follows:

	Three months ended March 31,	
	2025	2024
	<i>(in thousands, except per share amounts)</i>	
Numerator:		
Net income	\$ 11,947	\$ 21,854
Interest expense associated with convertible notes	253	514
Net income available to common shareholders	\$ 12,200	\$ 22,368
Denominator:		
Basic weighted average shares outstanding	57,753	55,968
Effect of potentially dilutive share-based awards	693	939
Dilutive effect of convertible notes	1,788	3,857
Diluted weighted average shares outstanding	60,234	60,764
Net income per common share:		
Basic	\$ 0.21	\$ 0.39
Diluted	\$ 0.20	\$ 0.37
Potentially dilutive shares excluded from the diluted calculation as their effect would be antidilutive	954	213
Potential shares to be issued for settlement of the convertible notes excluded from the diluted calculation as their effect would be antidilutive	174	N/A

Note 3 — Assets

Investments

Short-term investments are generally classified as available-for-sale and reported at fair value, with unrealized gains and losses, net of tax, presented as a separate component of stockholders' equity under the caption "Accumulated other comprehensive income" in the Consolidated Balance Sheets. These securities may include U.S. treasuries, government agency securities, corporate debt, and commercial paper, all with maturities of greater than three months when

Veeco Instruments Inc. and Subsidiaries
Notes to the Consolidated Financial Statements - continued
(unaudited)

purchased. All realized gains and losses and unrealized losses resulting from declines in fair value that are other than temporary are included in "Other operating expense (income), net" in the Consolidated Statements of Operations.

Fair value is the price that would be received for an asset or the amount paid to transfer a liability in an orderly transaction between market participants. Veeco classifies certain assets based on the following fair value hierarchy:

Level 1: Quoted prices in active markets that are unadjusted and accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices for identical assets and liabilities in markets that are not active, quoted prices for similar assets and liabilities in active markets or financial instruments for which significant inputs are observable, either directly or indirectly; and

Level 3: Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Veeco has evaluated the estimated fair value of financial instruments using available market information and valuations as provided by third-party sources. The use of different market assumptions or estimation methodologies could have a significant effect on the estimated fair value amounts.

Veeco Instruments Inc. and Subsidiaries
Notes to the Consolidated Financial Statements - continued
(unaudited)

The following table presents the portion of Veeco's assets that were measured at fair value on a recurring basis at March 31, 2025 and December 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	(in thousands)			
March 31, 2025				
Cash equivalents				
Certificate of deposits and time deposits	\$ 67,362	\$ —	\$ —	\$ 67,362
Government agency securities	—	1,998	—	1,998
U.S. treasuries	9,974	—	—	9,974
Money market cash	21,866	—	—	21,866
Total	<u>\$ 99,202</u>	<u>\$ 1,998</u>	<u>\$ —</u>	<u>\$ 101,200</u>
Short-term investments				
U.S. treasuries	\$ 52,922	\$ —	\$ —	\$ 52,922
Government agency securities	—	44,036	—	44,036
Corporate debt	—	79,952	—	79,952
Commercial paper	—	1,485	—	1,485
Total	<u>\$ 52,922</u>	<u>\$ 125,473</u>	<u>\$ —</u>	<u>\$ 178,395</u>
December 31, 2024				
Cash equivalents				
Certificate of deposits and time deposits	\$ 66,023	\$ —	\$ —	\$ 66,023
Money market cash	15,003	—	—	15,003
Total	<u>\$ 81,026</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 81,026</u>
Short-term investments				
U.S. treasuries	\$ 84,032	\$ —	\$ —	\$ 84,032
Government agency securities	—	30,167	—	30,167
Corporate debt	—	83,051	—	83,051
Commercial paper	—	1,469	—	1,469
Total	<u>\$ 84,032</u>	<u>\$ 114,687</u>	<u>\$ —</u>	<u>\$ 198,719</u>

There were no transfers between fair value measurement levels during the three months ended March 31, 2025.

Veeco Instruments Inc. and Subsidiaries
Notes to the Consolidated Financial Statements - continued
(unaudited)

At March 31, 2025 and December 31, 2024, the amortized cost and fair value of available-for-sale securities consist of:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
	<i>(in thousands)</i>			
March 31, 2025				
U.S. treasuries	\$ 52,906	\$ 26	\$ (10)	\$ 52,922
Government agency securities	44,067	8	(39)	44,036
Corporate debt	80,018	24	(90)	79,952
Commercial paper	1,485	—	—	1,485
Total	<u>\$ 178,476</u>	<u>\$ 58</u>	<u>\$ (139)</u>	<u>\$ 178,395</u>
December 31, 2024				
U.S. treasuries	\$ 84,008	\$ 45	\$ (21)	\$ 84,032
Government agency securities	30,244	13	(90)	30,167
Corporate debt	83,209	17	(175)	83,051
Commercial paper	1,469	—	—	1,469
Total	<u>\$ 198,930</u>	<u>\$ 75</u>	<u>\$ (286)</u>	<u>\$ 198,719</u>

Available-for-sale securities in a loss position at March 31, 2025 and December 31, 2024 consist of:

	Continuous Loss Position for Less than 12 Months		Continuous Loss Position for 12 Months or More	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
	(in thousands)			
March 31, 2025				
U.S. treasuries	\$ 31,249	\$ (10)	\$ —	\$ —
Government agency securities	38,128	(39)	—	—
Corporate debt	51,294	(90)	—	—
Total	<u>\$ 120,671</u>	<u>\$ (139)</u>	<u>\$ —</u>	<u>\$ —</u>
December 31, 2024				
U.S. treasuries	\$ 26,756	\$ (21)	\$ —	\$ —
Government agency securities	20,062	(90)	—	—
Corporate debt	58,967	(175)	—	—
Total	<u>\$ 105,785</u>	<u>\$ (286)</u>	<u>\$ —</u>	<u>\$ —</u>

The contractual maturities of securities classified as available-for-sale at March 31, 2025 were as follows:

	March 31, 2025	
	Amortized Cost	Estimated Fair Value
	(in thousands)	
Due in one year or less	\$ 113,581	\$ 113,515
Due after one year through two years	64,895	64,880
Total	\$ 178,476	\$ 178,395

Veeco Instruments Inc. and Subsidiaries
Notes to the Consolidated Financial Statements - continued
(unaudited)

Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties. There were no realized gains or losses, or unrealized losses from declines in fair value that are other than temporary, for the three months ended March 31, 2025 and 2024.

Accounts Receivable

Accounts receivable is presented net of an allowance for doubtful accounts of \$1.0 million at March 31, 2025 and December 31, 2024. The Company considers its current expectations of future economic conditions when estimating its allowance for doubtful accounts.

Inventories

Inventories at March 31, 2025 and December 31, 2024 consist of the following:

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
	<i>(in thousands)</i>	
Materials	\$ 132,909	\$ 129,178
Work-in-process	87,726	88,361
Finished goods	6,950	3,016
Evaluation inventory	26,466	26,180
Total	<u>\$ 254,051</u>	<u>\$ 246,735</u>

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets primarily consist of supplier deposits, prepaid value-added tax, lease deposits, prepaid insurance, prepaid software and maintenance, and other receivables. The Company had deposits with its suppliers of \$18.8 million and \$18.7 million at March 31, 2025 and December 31, 2024, respectively.

Property, Plant, and Equipment

Property, plant, and equipment at March 31, 2025 and December 31, 2024 consist of the following:

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
	<i>(in thousands)</i>	
Land	\$ 5,061	\$ 5,061
Building and improvements	61,527	61,504
Machinery and equipment ⁽¹⁾	194,117	190,810
Leasehold improvements	54,641	53,759
Gross property, plant, and equipment	315,346	311,134
Less: accumulated depreciation and amortization	201,559	197,345
Property, plant, and equipment, net	<u>\$ 113,787</u>	<u>\$ 113,789</u>

⁽¹⁾ Machinery and equipment also includes software, furniture and fixtures

For the three months ended March 31, 2025 and 2024, depreciation expense was \$4.2 million and \$4.5 million, respectively.

Veeco Instruments Inc. and Subsidiaries
Notes to the Consolidated Financial Statements - continued
(unaudited)

Goodwill

Goodwill represents the future economic benefits arising from assets acquired in a business combination that are not individually identified and separately recognized. There were no changes to goodwill during the three months ended March 31, 2025.

Intangible Assets

Intangible assets consist of purchased technology, customer relationships, patents, trademarks and tradenames, licenses, and backlog, and are initially recorded at fair value. Long-lived intangible assets are amortized over their estimated useful lives in a method reflecting the pattern in which the economic benefits are consumed or amortized on a straight-line basis if such pattern cannot be reliably determined.

The components of purchased intangible assets were as follows:

	March 31, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization and Impairment	Net Amount	Gross Carrying Amount	Accumulated Amortization and Impairment	Net Amount
	<i>(in thousands)</i>					
Technology	\$ 355,928	\$ 354,446	\$ 1,482	\$ 355,928	\$ 354,066	\$ 1,862
Customer relationships	146,925	140,397	6,528	146,925	139,955	6,970
Trademarks and tradenames	30,910	30,910	—	30,910	30,910	—
Other	3,746	3,746	—	3,746	3,746	—
Total	\$ 537,509	\$ 529,499	\$ 8,010	\$ 537,509	\$ 528,677	\$ 8,832

Other intangible assets primarily consist of patents, licenses, and backlog.

Note 4 — Liabilities

Accrued Expenses and Other Current Liabilities

The components of accrued expenses and other current liabilities at March 31, 2025 and December 31, 2024 consist of:

	March 31, 2025	December 31, 2024
	<i>(in thousands)</i>	
Payroll and related benefits	\$ 31,448	\$ 30,398
Warranty	9,974	9,740
Operating lease liabilities	3,814	3,757
Interest	2,658	1,198
Professional fees	2,468	1,969
Sales, use, and other taxes	3,247	1,539
Contingent consideration	702	702
Other	7,946	5,892
Total	\$ 62,257	\$ 55,195

Warranty

Warranties are typically valid for one year from the date of system final acceptance. The Company estimates the costs that may be incurred under the warranty which are determined by analyzing specific product and historical configuration

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statistics and regional warranty support costs and are affected by product failure rates, material usage, and labor costs incurred in correcting product failures during the warranty period. Unforeseen component failures or exceptional component performance can also result in changes to warranty costs. Changes in product warranty reserves for the three months ended March 31, 2025 include:

	<i>(in thousands)</i>
Balance - December 31, 2024	\$ 9,740
Warranties issued	1,791
Consumption of reserves	(1,348)
Changes in estimate	(209)
Balance - March 31, 2025	\$ 9,974

Contract Liabilities and Performance Obligations

Contract liabilities consist of unsatisfied performance obligations related to advanced payments received and billing in excess of revenue recognized. The contract liability balance as of December 31, 2024 was approximately \$65.0 million, of which the Company recognized approximately \$22.7 million in revenue during the three months ended March 31, 2025.

This reduction in contract liabilities was offset in part by new billings for products and services which were unsatisfied performance obligations to customers and revenue had not yet been recognized as of March 31, 2025.

As of March 31, 2025, the Company has approximately \$57.5 million of remaining performance obligations on contracts with an original estimated duration of one year or more, of which approximately 84% is expected to be recognized within one year, with the remaining amounts expected to be recognized between one to three years. The Company has elected to exclude disclosures regarding remaining performance obligations that have an original expected duration of one year or less.

Convertible Senior Notes

2025 Notes

On November 17, 2020, as part of the privately negotiated exchange agreement, the Company issued \$132.5 million of 3.50% convertible senior notes due 2025 (the “2025 Notes”). The 2025 Notes bear interest at a rate of 3.50% per year, payable semiannually in arrears on January 15 and July 15 of each year, commencing on July 15, 2021. On May 19, 2023, in connection with the completion of a private offering of \$230.0 million aggregate principal amount of 2.875% convertible senior notes due 2029 described below, the Company repurchased and retired approximately \$106.0 million in aggregate principal amount of its outstanding 2025 Notes. The remaining principal amount of \$26.5 million 2025 Notes matured on January 15, 2025 and were settled through the issuance of 1.1 million shares of the Company’s common stock to the noteholders.

2027 Notes

On May 18, 2020, the Company completed a private offering of \$125.0 million of 3.75% convertible senior notes due 2027 (the “2027 Notes”). The Company received net proceeds of approximately \$121.9 million, after deducting underwriting discounts and fees and expenses payable by the Company. Additionally, the Company used approximately \$10.3 million of cash to purchase capped calls, discussed below. The 2027 Notes bear interest at a rate of 3.75% per year, payable semiannually in arrears on June 1 and December 1 of each year, commencing on December 1, 2020. The 2027 Notes mature on June 1, 2027, unless earlier purchased by the Company, redeemed, or converted. On May 19, 2023, in connection with the completion of a private offering of \$230.0 million aggregate principal amount of 2.875%

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convertible senior notes due 2029 described below, the Company repurchased and retired approximately \$100.0 million in aggregate principal amount of its outstanding 2027 Notes.

2029 Notes

On May 19, 2023, the Company completed a private offering of \$230.0 million of 2.875% convertible senior notes due 2029 (the “2029 Notes”). The Company received net proceeds of approximately \$223.2 million, after deducting underwriting discounts and fees and expenses payable by the Company. Additionally, the Company used approximately \$198.8 million of net proceeds from the offering to fund the cash portion of the 2025 Notes and 2027 Notes extinguishments described above and the remainder for general corporate purposes. The 2029 Notes bear interest at a rate of 2.875% per year, payable semiannually in arrears on June 1 and December 1 of each year, commencing on December 1, 2023. The 2029 Notes mature on June 1, 2029, unless earlier purchased by the Company, redeemed, or converted. The Company will settle any conversions of the 2029 Notes by paying cash up to the aggregate principal amount of the 2029 Notes to be converted, and paying or delivering either cash, shares of Company’s common stock, or a combination of cash and shares of common stock at the Company’s election, in respect of the remainder, if any, of the conversion obligation in excess of the aggregate principal amount of the 2029 Notes being converted.

The 2027 Notes and 2029 Notes (collectively, the “Notes”) are unsecured senior obligations of Veeco and rank senior in right of payment to any of Veeco’s subordinated indebtedness; equal in right of payment to all of Veeco’s unsecured indebtedness that is not subordinated; effectively subordinated in right of payment to any of Veeco’s secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally subordinated to all indebtedness and other liabilities (including trade payables) of Veeco’s subsidiaries.

The Company may redeem for cash, at its option, all or any portion of (i) the outstanding 2027 Notes at any time on or after June 6, 2024 and/or (ii) the outstanding 2029 Notes at any time on or after June 8, 2026, in each case, at a redemption price equal to 100% of the principal amount of such Notes to be redeemed plus accrued and unpaid interest to, but excluding, the redemption date, if the last reported sale price of the common stock has been at least 130% of the conversion price for the applicable series of Notes then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides the redemption notice. Upon the Company’s notice of redemption, holders may elect to convert their Notes based on the conversion rates and criteria outlined below.

The Notes are convertible at the option of the holders upon the satisfaction of specified conditions and during certain periods as described below. The initial conversion rates are 71.5372 and 34.21852 shares of the Company’s common stock per \$1,000 principal amount of the 2027 Notes and 2029 Notes, respectively, representing initial effective conversion prices of \$13.98 and \$29.22 per share of common stock, respectively. The conversion rates may be subject to adjustment upon the occurrence of certain specified events.

Holders may convert all or any portion of their Notes, in multiples of one thousand dollar principal amount, at their option at any time prior to the close of business on the business day immediately preceding October 1, 2026, with respect to the 2027 Notes and February 1, 2029 with respect to the 2029 Notes, only under the following circumstances:

- (i) During any calendar quarter (and only during such calendar quarter), if the last reported sale price of the common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- (ii) During the five consecutive business day period after any five consecutive trading day period (the “measurement period”) in which the trading price per one thousand dollar principal amount of Notes for

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each trading day of the measurement period was less than 98% of the product of the last reported sale price of Veeco's common stock and the conversion rate on each such trading day;

- (iii) If the Company calls any or all of applicable series of the Notes for redemption at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or
- (iv) Upon the occurrence of specified corporate events.

For the calendar quarter ended March 31, 2025, the last reported sales price of the common stock during the 30 consecutive trading days, based on the criteria outlined in (i) above, was greater than 130% of the conversion price of the 2027 Notes, and as such the 2027 Notes are convertible by the holders and callable by the Company until June 30, 2025.

Holders may convert their Notes at any time, regardless of the foregoing circumstances, on October 1, 2026 with respect to the 2027 Notes, and February 1, 2029 with respect to the 2029 Notes, until the close of business on the business day immediately preceding the respective maturity date.

The Notes are recorded as a single unit within liabilities in the consolidated balance sheets as the conversion features within the Notes are not derivatives that require bifurcation and the Notes do not involve a substantial premium. Transaction costs of \$1.9 million, \$3.1 million, and \$6.8 million incurred in connection with the issuance of the 2025 Notes, 2027 Notes, and 2029 Notes, respectively, were recorded as direct deductions from the related debt liabilities and recognized as non-cash interest expense using the effective interest method over the expected terms of the Notes.

The carrying value of the 2025 Notes, 2027 Notes, and 2029 Notes are as follows:

	March 31, 2025			December 31, 2024		
	Principal Amount	Unamortized transaction costs	Net carrying value	Principal Amount	Unamortized transaction costs	Net carrying value
	<i>(in thousands)</i>					
2025 Notes	\$ —	\$ —	\$ —	\$ 26,500	\$ (4)	\$ 26,496
2027 Notes	25,000	(205)	24,795	25,000	(223)	24,777
2029 Notes	230,000	(4,840)	225,160	230,000	(5,075)	224,925
Net carrying value	\$ 255,000	\$ (5,045)	\$ 249,955	\$ 281,500	\$ (5,302)	\$ 276,198

Total interest expense related to the 2025 Notes, 2027 Notes, and 2029 Notes is as follows:

	Three months ended March 31,	
	2025	2024
	<i>(in thousands)</i>	
Cash Interest Expense		
Coupon interest expense - 2025 Notes	\$ 39	\$ 232
Coupon interest expense - 2027 Notes	234	234
Coupon interest expense - 2029 Notes	1,653	1,653
Non-cash Interest Expense		
Amortization of debt discount/transaction costs- 2025 Notes	4	28
Amortization of debt discount/transaction costs- 2027 Notes	18	20
Amortization of debt discount/transaction costs- 2029 Notes	235	248
Total Interest Expense	\$ 2,183	\$ 2,415

The Company determined the 2027 Notes and 2029 Notes are Level 2 liabilities in the fair value hierarchy and had an estimated fair value at March 31, 2025 of \$38.6 million and \$230.0 million, respectively.

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Capped Call Transactions

In connection with the offering of the 2027 Notes, on May 13, 2020, the Company entered into privately negotiated capped call transactions (the “Capped Call Transactions”), pursuant to capped call confirmations, covering the total principal amount of the 2027 Notes for an aggregate premium of \$10.3 million. The Capped Call Transactions are expected generally to reduce the potential dilution to the Company’s common stock upon any conversion of the 2027 Notes and/or offset any cash payments the Company is required to make in excess of the aggregate principal amount of converted 2027 Notes, as the case may be, with such reduction and/or offset subject to a cap based on the capped price of the Capped Call Transactions. The Capped Call Transactions exercise price is equal to the initial conversion price of the 2027 Notes, and the capped price of the Capped Call Transactions is approximately \$18.46 per share and is subject to certain adjustments under the terms of the capped call confirmations.

The Capped Call Transactions are separate transactions entered into by the Company with the capped call counterparties, are not part of the terms of the 2027 Notes and do not change the holders’ rights under the 2027 Notes. Holders of the 2027 Notes do not have any rights with respect to the Capped Call Transactions. The cost of the Capped Call Transactions is not expected to be tax-deductible as the Company did not elect to integrate the Capped Call Transactions into the 2027 Notes for tax purposes. The Company used a portion of the net proceeds from the offering of the 2027 Notes to pay for the Capped Call Transactions, and the cost of the Capped Call Transactions was recorded as a reduction of the Company’s additional paid-in capital in the accompanying consolidated financial statements.

Revolving Credit Facility

On December 16, 2021, the Company entered into a loan and security agreement providing for a senior secured revolving credit facility in an aggregate principal amount of \$150 million (the “Credit Facility”), including a \$15 million letter of credit sublimit. The Credit Facility is guaranteed by the Company’s direct material U.S. subsidiaries, subject to customary exceptions. Borrowings under the Credit Facility are secured by a first-priority lien on substantially all of the assets of the Company, subject to customary exceptions. The Credit Facility has a term of five years, maturing on December 16, 2026. Subject to certain conditions and the receipt of commitments from the lenders, the Loan and Security Agreement allows for revolving commitments under the Credit Facility to be increased by up to \$75 million. The existing lenders under the Credit Facility are entitled, but not obligated, to provide such incremental commitments. On August 2, 2024, the Company obtained commitments from lenders to increase the Credit Facility by \$75 million, and as such the total available under the revised Credit Facility is \$225 million.

Borrowings will bear interest at a floating rate which can be, at the Company’s option, either (a) an alternate base rate plus an applicable rate ranging from 0.50% to 1.25% or (b) a Secured Overnight Financing Rate (“SOFR”) (with a floor of 0.00%) for the specified interest period plus an applicable rate ranging from 1.50% to 2.25%, in each case, depending on the Company’s Secured Net Leverage Ratio (as defined in the Loan and Security Agreement). The Company will pay an unused commitment fee ranging from 0.25% to 0.35% based on unused capacity under the Credit Facility and the Company’s Secured Net Leverage Ratio. The Company may use the proceeds of borrowings under the Credit Facility to pay transaction fees and expenses, provide for its working capital needs and reimburse drawings under letters of credit and for other general corporate purposes.

The Loan and Security Agreement contains customary affirmative covenants for transactions of this type, including, among others, the provision of financial and other information to the administrative agent, notice to the administrative agent upon the occurrence of certain material events, preservation of existence, maintenance of properties and insurance, compliance with laws, including environmental laws, the provision of additional guarantees, and an affiliate transactions covenant, subject to certain exceptions. The Loan and Security Agreement contains customary negative covenants, including, among others, restrictions on the ability to merge and consolidate with other companies, incur indebtedness,

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refinance our existing convertible notes, grant liens or security interests on assets, make investments, acquisitions, loans, or advances, pay dividends, and sell or otherwise transfer assets.

The Loan and Security Agreement contains financial maintenance covenants that require the Borrower to maintain an Interest Coverage Ratio (as defined in the Loan and Security Agreement) of not less than 3.00 to 1.00, a Total Net Leverage Ratio (as defined in the Loan and Security Agreement) of not more than 4.50 to 1.00, and a Secured Net Leverage Ratio (as defined in the Loan and Security Agreement) of not more than 2.50 to 1.00, in each case, tested at the end of each fiscal quarter commencing with the fiscal quarter ending September 30, 2022. The Loan and Security Agreement also provides for a number of customary events of default, including, among others: payment defaults to the lenders; voluntary and involuntary bankruptcy proceedings; covenant defaults; material inaccuracies of representations and warranties; certain change of control events; material money judgments; and other customary events of default. The occurrence of an event of default could result in the acceleration of obligations and the termination of lending commitments under the Loan and Security Agreement.

No amounts were outstanding under the Credit Facility as of March 31, 2025 or December 31, 2024.

Other Liabilities

Other Liabilities at March 31, 2025 and December 31, 2024 was approximately \$3.8 million, which included medical and dental benefits for former executives, asset retirement obligations, contingent consideration, and tax liabilities.

Note 5 — Commitments and Contingencies

Leases

The Company's operating leases primarily include real estate leases for properties used for manufacturing, R&D activities, sales and service, and administration, as well as certain equipment leases. Some leases may include options to renew for a period of up to 5 years, while others may include options to terminate the lease. The weighted average remaining lease term of the Company's operating leases as of March 31, 2025 was 10 years, and the weighted average discount rate used in determining the present value of future lease payments was 5.7%.

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The following table provides the maturities of lease liabilities at March 31, 2025:

	Operating Leases <i>(in thousands)</i>
Payments due by period:	
2025	\$ 3,021
2026	4,865
2027	4,626
2028	4,210
2029	4,295
Thereafter	30,616
Total future minimum lease payments	51,633
Less: Imputed interest	(14,125)
Total	<u>\$ 37,508</u>
Reported as of March 31, 2025	
Accrued expenses and other current liabilities	\$ 3,814
Long-term operating lease liabilities	33,694
Total	<u>\$ 37,508</u>

Operating lease costs for both the three months ended March 31, 2025 and 2024 was \$1.2 million. Variable lease costs for the three months ended March 30, 2025 and 2024 were \$0.3 million and \$0.4 million, respectively. Additionally, the Company has an immaterial amount of short-term leases. Cash outflows from operating leases for the three months ended March 31, 2025 and 2024 were \$1.8 million and \$1.6 million, respectively.

Receivable Purchase Agreement

The Company entered into a receivable purchase agreement with a financial institution to sell certain of its trade receivables from customers without recourse, up to \$30.0 million at any point in time. Pursuant to this agreement, the Company sold no receivables for the three months ended March 31, 2025, and \$30.0 million was available under the agreement for additional sales of receivables as of March 31, 2025. The Company did not sell any receivables during the three months ended March 31, 2024. The net sale of accounts receivable under the agreement is reflected as a reduction of accounts receivable in the Company's Consolidated Balance Sheet at the time of sale and any fees for the sale of trade receivables were not material for the periods presented.

Purchase Commitments

Veeco has purchase commitments of \$152.7 million at March 31, 2025 to secure the rights to various assets and services to be used in the future in the normal course of business, substantially all of which become due within one year.

Bank Guarantees

Veeco has bank guarantees and letters of credit issued by a financial institution on its behalf as needed. At March 31, 2025, outstanding bank guarantees and standby letters of credit totaled \$11.1 million, and unused bank guarantees and letters of credit of \$29.6 million were available to be drawn upon.

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Notes to the Consolidated Financial Statements - continued
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Legal Proceedings

The Company is involved in various legal proceedings arising in the normal course of business. The Company does not believe that the ultimate resolution of these matters will have a material adverse effect on its consolidated financial position, results of operations, or cash flows.

Note 6 — Equity

Statement of Stockholders' Equity

The following tables present the changes in Stockholders' Equity:

	Common Stock		Additional	Accumulated	Accumulated	
	Shares	Amount	Paid-in	Deficit	Other Comprehensive Income	Total
			Capital			
			(in thousands)			
Balance at December 31, 2024	56,828	\$ 569	\$ 1,227,134	\$ (458,455)	\$ 1,522	\$ 770,770
Net income	—	—	—	11,947	—	11,947
Other comprehensive income (loss), net of tax	—	—	—	—	108	108
Share-based compensation expense	—	—	9,208	—	—	9,208
Settlement of the 2025 Notes	1,104	11	26,489	—	—	26,500
Net issuance under employee stock plans	360	3	(6,678)	—	—	(6,675)
Balance at March 31, 2025	<u>58,292</u>	<u>\$ 583</u>	<u>\$ 1,256,153</u>	<u>\$ (446,508)</u>	<u>\$ 1,630</u>	<u>\$ 811,858</u>

	Common Stock		Additional	Accumulated	Accumulated	
	Shares	Amount	Paid-in	Deficit	Other Comprehensive Income	Total
			Capital			
			(in thousands)			
Balance at December 31, 2023	56,364	\$ 564	\$ 1,202,440	\$ (532,169)	\$ 1,607	\$ 672,442
Net income	—	—	—	21,854	—	21,854
Other comprehensive income (loss), net of tax	—	—	—	—	(128)	(128)
Share-based compensation expense	—	—	8,082	—	—	8,082
Net issuance under employee stock plans	273	2	(14,342)	—	—	(14,340)
Balance at March 31, 2024	<u>56,637</u>	<u>\$ 566</u>	<u>\$ 1,196,180</u>	<u>\$ (510,315)</u>	<u>\$ 1,479</u>	<u>\$ 687,910</u>

Accumulated Other Comprehensive Income ("AOCI")

The following table presents the changes in the balances of each component of AOCI, net of tax:

	Foreign	Unrealized	
	Currency	Gains (Losses)	
	Translation	on Available-	Total
		for-Sale	
		Securities	
		(in thousands)	
Balance - December 31, 2024	\$ 1,777	\$ (255)	\$ 1,522
Other comprehensive income (loss)	8	100	108
Balance - March 31, 2025	<u>\$ 1,785</u>	<u>\$ (155)</u>	<u>\$ 1,630</u>

There were immaterial reclassifications from AOCI into net income for the three months ended March 31, 2025 and 2024.

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Note 7 — Share-based Compensation

Restricted share awards are issued to employees and to members of our board of directors that are subject to specified restrictions and a risk of forfeiture. The restrictions typically lapse over one to four years and may entitle holders to dividends and voting rights. Other types of share-based compensation include performance share awards, performance share units, and restricted share units (collectively with restricted share awards, “restricted shares”), as well as options to purchase common stock.

Share-based compensation expense was recognized in the following line items in the Consolidated Statements of Operations for the three months ended March 31, 2025 and 2024:

	Three months ended March 31,	
	2025	2024
	<i>(in thousands)</i>	
Cost of sales	\$ 1,343	\$ 1,730
Research and development	3,048	2,318
Selling, general, and administrative	4,817	4,034
Total	\$ 9,208	\$ 8,082

For the three months ended March 31, 2025, equity activity related to non-vested restricted shares and performance shares was as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
	<i>(in thousands)</i>	
Balance - December 31, 2024	2,604	\$ 32.53
Granted	1,061	23.23
Performance award adjustments	(21)	45.28
Vested	(843)	31.64
Forfeited	(20)	29.83
Balance - March 31, 2025	2,781	\$ 29.17

Note 8 — Income Taxes

Income taxes are estimated for each of the jurisdictions in which the Company operates. Deferred income taxes reflect the net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, as well as the tax effect of carryforwards. Realization of net deferred tax assets is dependent on future taxable income.

At the end of each interim reporting period, the effective tax rate is aligned with expectations for the full year. This estimate is used to determine the income tax provision on a year-to-date basis and may change in subsequent interim periods.

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Income before income taxes and income tax expense for the three months ended March 31, 2025 and 2024 were as follows:

	Three months ended March 31,	
	2025	2024
	<i>(in thousands, except percentages)</i>	
Income before income taxes	\$ 14,984	\$ 22,750
Income tax expense	\$ 3,037	\$ 896
Effective tax rate	20.27%	3.94%

The Company's income tax expense for the three months ended March 31, 2025 and 2024 was \$3.0 million and \$0.9 million, respectively.

For the three months ended March 31, 2025, the effective tax rate was in line with the U.S. statutory tax rate, which included a \$1.5 million tax expense related to share-based compensation shortfalls, partially offset by tax benefits related to Foreign-Derived Intangible Income and research and development tax credits. For the three months ended March 31, 2024 the effective tax rate was lower than the U.S. statutory tax rate primarily relating to a discrete income tax benefit for share-based compensation windfall. Additionally, the effective tax rate was also favorably impacted by the tax benefits related to Foreign-Derived Intangible Income and research and development tax credits.

Note 9 — Segment Reporting and Geographic Information

The Company operates and measures its results in one operating segment and therefore has one reportable segment: the development, manufacture, sales, and support of semiconductor and thin film process equipment primarily sold to make electronic devices. The accounting policies of this one operating segment are the same as those described in the Company's 2024 Form 10-K. The Chief Operating Decision Maker ("CODM"), the Chief Executive Officer, assesses segment performance and decides how to allocate resources based on net income that is reported on the Consolidated Statements of Operations. The measure of segment assets is reported on the Consolidated Balance Sheet as total assets. The Company does not have intra-entity sales or transfers. The CODM uses net income to evaluate income generated from segment assets (return on assets) in deciding whether to reinvest profits into the segment or into other parts of the Company, such as for acquisitions. Net income is used to monitor forecast versus actual results. The CODM also uses net income in competitive analysis by benchmarking the Company's competitors. The competitive analysis along with the monitoring of forecasted versus actual results are used in assessing performance of the segment. The Company regularly provides management reports to the CODM on a consolidated expense basis which includes actuals, forecasted, and budgeted information. These reports are similar to the Company's consolidated financial statements.

There are no additional expenses categories and amounts that meet the definition of significant expense items that are regularly provided to the CODM and included in the reported measure of net income.

Veeco serves the following four end-markets:

Semiconductor

The Semiconductor market refers to early process steps in logic and memory applications where silicon wafers are processed. There are many different process steps in forming patterned wafers, such as deposition, etching, masking, and doping, where the microchips are created but remain on the silicon wafer. This market includes mask blank production for extreme ultraviolet ("EUV") lithography, as well as Advanced Packaging, which refers to a portfolio of wafer-level assembly technologies that enable improved performance of electronic products, such as smartphones, high-end servers, and graphical processors.

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Compound Semiconductor

The Compound Semiconductor market includes Photonics, Power Electronics, RF Filters and Amplifiers, and Solar applications. Photonics refers to light source technologies and laser-based solutions for 3D sensing, datacom and telecom applications. This includes micro-LED, laser diodes, edge emitting lasers and vertical cavity surface emitting lasers (“VCSELs”). Power Electronics refers to semiconductor devices such as rectifiers, inverters and converters for the control and conversion of electric power in applications such as fast or wireless charging of consumer electronics and automotive applications. RF power amplifiers and filters (including surface acoustic wave (“SAW”) and bulk acoustic wave (“BAW”) filters) are used in 5G communications infrastructure, smartphones, tablets, and mobile devices. They make use of radio waves for wireless broadcasting and/or communications. Solar refers to power obtained by harnessing the energy of the sun through the use of compound semiconductor devices such as photovoltaics.

Data Storage

Data Storage refers to the Hard Disk Drive (“HDD”) market, for which our systems enable customers to manufacture thin film magnetic heads for hard disk drives as part of large capacity storage applications.

Scientific & Other

Scientific & Other refers to advanced materials research and a range of manufacturing applications including optical coatings (laser mirrors, optical filters, and anti-reflective coatings).

Sales by end-market and geographic region for the three months ended March 31, 2025 and 2024 were as follows:

	Three months ended March 31,	
	2025	2024
	<i>(in thousands)</i>	
Sales by end-market		
Semiconductor	\$ 123,823	\$ 120,384
Compound Semiconductor	14,397	21,002
Data Storage	6,705	18,017
Scientific & Other	22,367	15,081
Total	\$ 167,292	\$ 174,484
Sales by geographic region		
United States	\$ 24,062	\$ 27,868
EMEA ⁽¹⁾	12,337	8,488
China	70,892	64,308
Rest of APAC	59,976	73,220
Rest of World	25	600
Total	\$ 167,292	\$ 174,484

(1) EMEA consists of Europe, the Middle East, and Africa

For geographic reporting, sales are attributed to the location in which the customer facility is located.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Statement Regarding Forward Looking Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to facilitate an understanding of our business and results of operations. This MD&A should be read in conjunction with our Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements included elsewhere in this Form 10-Q. The following discussion contains forward-looking statements and should also be read in conjunction with the cautionary statement set forth at the beginning of this Form 10-Q.

The following section generally discusses 2025 and 2024 items and year-to-year comparisons between 2025 and 2024. Discussions of 2024 items that are not included in this Form 10-Q can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Item 2 of our Quarterly Report on Form 10-Q for the interim period ended March 31, 2024, filed on May 7, 2024.

Executive Summary

We are an innovative manufacturer of semiconductor process equipment. Our proven ion beam, laser annealing, lithography, MOCVD, and single wafer wet processing technologies play an integral role in the fabrication and packaging of advanced semiconductor devices. With equipment designed to optimize performance, yield and cost of ownership, Veeco holds leading technology positions in the markets we serve. To learn more about Veeco's systems and service offerings, visit www.veeco.com.

Business Update

The Semiconductor industry has historically demonstrated cyclicalities based on fluctuations in global chip demand and production capacity. Sales in the Semiconductor industry are estimated to have increased year-over-year in 2024 to around \$650 billion. Looking ahead, industry analysts are forecasting long-term growth of the industry, driven by secular growth trends such as artificial intelligence, high-performance computing, mobile connectivity, and the electrification of the automotive industry. Additionally, government investments in the Semiconductor industry are projected to accelerate global spending in next-generation technologies.

Growth in the Semiconductor industry, coupled with increasing technological complexity of Semiconductor chips, are expected to drive long-term growth in WFE spending. In an effort to improve chip performance, optimize power consumption, and reduce costs, today's most advanced Semiconductor manufacturers are shrinking device geometries, investing in more complex transistor designs such as Gate-All-Around and exploring 3D architectures. As a result, growth of the WFE market is forecasted to keep pace with long-term growth of the Semiconductor industry, which we believe should benefit semiconductor capital equipment providers, including Veeco.

Our strategy of investing in advanced logic and memory has enabled our Semiconductor business to outperform WFE growth for four consecutive years. Veeco's technologies are at the forefront of enabling new technical innovations in the manufacture of high-performance AI chips and High-Bandwidth Memory ("HBM"). We continue to invest in new technologies to expand our SAM to a broad range of new applications.

While the long-term outlook of the Semiconductor industry remains favorable, recently enacted tariffs, foreign and domestic, have resulted in uncertainty across Veeco's business. Recently enacted tariffs are currently causing some customers in China to delay shipments. The tariffs have also resulted in an increase in certain of our costs and those of our customers, and could impact future end market demand. Given the dynamic nature of the situation, we continue to evaluate the potential impacts to our business, and our team is working diligently with our suppliers and customers to assess, manage and mitigate the related impacts.

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Semiconductor revenue increased by 3% in the first quarter from the comparable prior year period, comprising 74% of total revenue. Growth was primarily driven by an increase in system shipments in Advanced Packaging, including wet processing systems to a leading foundry and HBM manufacturer, as well as lithography systems to IDM and OSAT customers.

Our laser annealing solutions continue to gain traction at advanced logic nodes, highlighted by recent order activity and new application wins. In 2024 and the first quarter of 2025, we received laser annealing orders from and shipped systems to leading-edge logic customers Gate-All-Around nodes. We also shipped and recognized revenue on our first NSA system to a leading logic customer in the fourth quarter of 2024. Recently, we announced our Laser Spike Annealing LSA system was named production tool of record for new applications at two leading-edge logic customers most advanced gate-all-around nodes. In the memory market, we continue to ship LSA systems to a Tier 1 customer for high volume production of HBM and advanced DRAM devices. While our growth strategy is predominately focused on advanced node logic and memory, LSA shipments to mature node customers increased in 2023 and 2024, predominantly driven by new greenfield fabs and capacity additions in China.

We have two next generation laser annealing systems under evaluation at Tier 1 foundry and logic customers. This next generation system, the NSA500, covers the nano-second annealing regime and complements our LSA product. This new system is part of our continued effort to enable our customers' product roadmap by providing innovative annealing solutions. Nanosecond annealing provides Veeco with an opportunity to expand our laser annealing SAM for new advanced node logic and memory applications, including low thermal budget anneals for Gate-All-Around transistors and advanced 3D devices.

The ongoing adoption of EUV Lithography for advanced node semiconductor manufacturing continues to drive demand for our Ion Beam Deposition LDD system for mask blanks. Leading logic and memory customers expect EUV and High Numerical Aperture ("High-NA") lithography to be integral to their future roadmaps, which our Ion Beam Deposition technology is a key enabler of. Our product roadmap is well positioned as the industry adopts next-generation High-NA EUV lithography, and we are expanding our EUV related business to new mask blank applications.

We also have two Ion Beam Deposition "IBD300" systems under evaluation at leading memory customers. Our IBD300 system provides Veeco with another opportunity to expand our SAM to advanced node applications where low resistance films are critical. These initial systems are being evaluated for advanced memory applications, such as DRAM bitline.

In Advanced Packaging, our Wet Processing systems are used for several applications, and we continue to see strong demand driven by Heterogenous Integration and 3D Packaging for AI. In the fourth quarter of 2024, we announced over \$50 million in orders for our Wet Processing systems from a leading foundry, a HBM manufacturer, and OSATs driven by AI and high-performance computing. We also recently announced our wet processing systems were qualified by an IDM for two new applications, and the customer also placed initial orders for these applications. Both applications represent key Served Available Market expansion opportunities for our Wet Processing systems at separate Tier 1 customers.

Our Advanced Packaging lithography systems are used for packaging applications such as fan out wafer level packaging and other advanced packaging solutions. After two years of slow order activity driven by consumer markets, we're seeing an increase in order activity from several customers. We also just announced over \$35 million in orders for our lithography systems from an IDM and OSATs driven by AI and high-performance computing, and mobile.

Looking ahead, we anticipate seeing growth in leading-edge investment driven by new nodes and AI-related demand, including investment in Gate-All-Around nodes, High-Bandwidth Memory, and 3D packaging for AI. At the same time, engagement with customers in China has moderated, and we expect a decline in China revenue in 2025.

Veeco also serves customers in the Compound Semiconductor, Data Storage, and Scientific & Other markets. We address the Compound Semiconductor market with a broad portfolio of technologies, including Wet Processing, MOCVD, MBE and Ion Beam, for Power Electronics, Photonics, and 5G RF applications. Sales in the Compound Semiconductor market declined in the first quarter from the comparable prior year period. In GaN Power, emerging use

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cases have driven some traditional silicon power electronics manufacturers to consider adoption of GaN at 300mm, and we have an evaluation system outstanding at a Tier 1 Power device customer. We are also seeing photonics opportunities in areas such as solar and MicroLEDs.

We address the Data Storage market with sales of our Ion Beam technology. Demand for our Ion Beam products is driven by demand for cloud-based storage. Revenue from our Data Storage declined in the first quarter from the comparable prior year period. Looking ahead, while customer utilizations are improving, they remain well below peak levels from a few years ago and customers are not investing to expand new system capacity in 2025 as they bring idle capacity back on line. As a result, we expect an approximate \$60 to \$70 million reduction in revenue in our Data Storage business in 2025.

Sales in the Scientific & Other market are largely driven by sales to governments, universities, and research institutions. We address the Scientific & Other market with several technologies, including MBE, ALD, MOCVD, Wet Processing, and IBD/IBE, which support scientific, optical coating and other applications, and sales in this market increased in the first quarter from the comparable prior year period.

Results of Operations

For the three months ended March 31, 2025 and 2024

The following table presents revenue and expense line items reported in our Consolidated Statements of Operations for the indicated periods in 2025 and 2024 and the period-over-period dollar and percentage changes for those line items. Our results of operations are reported as one business segment, represented by our single operating segment.

	Three Months Ended March 31,				Change	
	2025		2024		Period to Period	
	(dollars in thousands)					
Net sales	\$ 167,292	100%	\$ 174,484	100%	\$ (7,192)	(4)%
Cost of sales	98,825	59%	99,065	57%	(240)	(0)%
Gross profit	68,467	41%	75,419	43%	(6,952)	(9)%
Operating expenses, net:						
Research and development	28,514	17%	29,642	17%	(1,128)	(4)%
Selling, general, and administrative	25,028	15%	24,700	14%	328	1%
Amortization of intangible assets	821	0%	1,891	1%	(1,070)	(57)%
Other operating expense (income), net	(44)	(0)%	(2,859)	-	2,815	(98)%
Total operating expenses, net	54,319	32%	53,374	31%	945	2%
Operating income	14,148	8%	22,045	13%	(7,897)	(36)%
Interest income, net	836	0%	705	0%	131	19%
Income before income taxes	14,984	9%	22,750	13%	(7,766)	(34)%
Income tax expense	3,037	2%	896	-	2,141	239%
Net income	\$ 11,947	7%	\$ 21,854	13%	\$ (9,907)	(45)%

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Net Sales

The following is an analysis of sales by market and by region:

	Three Months Ended March 31,				Change	
	2025		2024		Period to Period	
	(dollars in thousands)					
Sales by end-market						
Semiconductor	\$ 123,823	74%	\$ 120,384	69%	\$ 3,439	3%
Compound Semiconductor	14,397	9%	21,002	12%	(6,605)	(31)%
Data Storage	6,705	4%	18,017	10%	(11,312)	(63)%
Scientific & Other	22,367	13%	15,081	9%	7,286	48%
Total	\$ 167,292	100%	\$ 174,484	100%	\$ (7,192)	(4)%
Sales by geographic region						
United States	\$ 24,062	15%	\$ 27,868	16%	\$ (3,806)	(14)%
EMEA	12,337	7%	8,488	5%	3,849	45%
China	70,892	42%	64,308	37%	6,584	10%
Rest of APAC	59,976	36%	73,220	42%	(13,244)	(18)%
Rest of World	25	-	600	-	(575)	*
Total	\$ 167,292	100%	\$ 174,484	100%	\$ (7,192)	(4)%

* Not meaningful

Sales decreased for the three months ended March 31, 2025 against the comparable prior year period driven by a decrease in sales in the Data Storage and Compound Semiconductor markets, partially offset by an increase in sales in the Semiconductor and Scientific & Other markets. By geography, sales decreased in the Rest of APAC and United States, partially offset by increased sales in the China and the EMEA regions. Sales in the Rest of APAC region for the three months ended March 31, 2025 included sales in Taiwan and Japan of \$32.5 million, and \$14.0 million respectively. Sales in the Rest of APAC region for the three months ended March 31, 2024 included sales in Japan and Taiwan of \$32.9 million, and \$19.3 million respectively. In light of the global nature of our business, we are impacted by conditions in the various countries in which we and our customers operate, including the recent tariff and trade dynamics which has caused some customers in China to delay shipments. We expect there will continue to be year-to-year variations in our future sales distribution across markets and geographies.

Gross Profit

For the three months ended March 31, 2025, gross profit decreased against the comparable prior period primarily due to a decrease in sales volume, as well as a decrease in gross margins. Gross margins decreased principally due to unfavorable product mix of sales. In addition to product mix and other factors that will cause our gross margins to fluctuate each period, we expect higher costs in future periods as we incur tariffs on imported materials from overseas suppliers, as well as higher costs from domestic suppliers incurring tariffs on their imports.

Research and Development

The markets we serve are characterized by continuous technological development and product innovation, and we invest in various research and development initiatives to maintain our competitive advantage and achieve our growth objectives. Research and development expenses decreased for the three months ended March 31, 2025 against the comparable prior period primarily due to a decrease in personnel-related expenses as part of our continued initiative to manage costs.

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Selling, General, and Administrative

Selling, general, and administrative expenses remained consistent for the three months ended March 31, 2025 against the comparable prior period.

Amortization Expense

Amortization expense decreased compared to the comparable prior year period primarily due to the full impairment of the Epiluvac related intangibles in 2024, as well as changes in amortization expense to reflect expected cash flows of certain intangible assets, and certain other intangible assets becoming fully amortized.

Interest Income (Expense)

We recorded net interest income of \$0.8 million for the three months ended March 31, 2025, compared to net interest income of \$0.7 million for the comparable prior year period. The increase in net interest income was primarily due to reduced interest expense on the 2025 Notes as they matured on January 15, 2025.

Income Taxes

At the end of each interim reporting period, we estimate the effective income tax rate expected to be applicable for the full year. This estimate is used to determine the income tax provision or benefit on a year-to-date basis and may change in subsequent interim periods.

Our tax expense for the three months ended March 31, 2025, was \$3.0 million, compared to \$0.9 million of tax expense for the comparable prior period. For the three months ended March 31, 2025, the effective tax rate was in line with the U.S. statutory tax rate, which included a \$1.5 million tax expense related to share-based compensation shortfalls, partially offset by tax benefits related to Foreign-Derived Intangible Income and research and development tax credits. For the three months ended March 31, 2024, the effective tax rate was lower than the U.S. statutory tax rate primarily relating to discrete income tax benefit for share-based compensation windfall. Additionally, the effective tax rate was also favorably impacted by the tax benefits related to Foreign-Derived Intangible Income and research and development tax credits.

Liquidity and Capital Resources

Our cash and cash equivalents, restricted cash, and short-term investments are as follows:

	March 31, 2025	December 31, 2024
	<i>(in thousands)</i>	
Cash and cash equivalents	\$ 174,898	\$ 145,595
Restricted cash	169	224
Short-term investments	178,395	198,719
Total	\$ 353,462	\$ 344,538

At March 31, 2025 and December 31, 2024, cash and cash equivalents of \$44.0 million and \$45.1 million, respectively, were held outside the United States. As of March 31, 2025, we had \$23.0 million of accumulated undistributed earnings generated by our non-U.S. subsidiaries for which the U.S. tax has previously been provided. Approximately \$10.6 million of undistributed earnings will be subject to foreign withholding taxes if distributed back to the United States and we accrued \$1.1 million for foreign withholding taxes for the undistributed earnings.

We believe that our projected cash flow from operations, combined with our cash and short-term investments, will be sufficient to meet our projected working capital requirements, contractual obligations, and other cash flow needs for the next twelve months, including scheduled principal and interest payments on our convertible senior notes, purchase commitments, and payments required under our operating leases.

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A summary of the cash flow activity for the three months ended March 31, 2025 and 2024 is as follows:

Cash Flows from Operating Activities

	Three Months Ended March 31,	
	2025	2024
	<i>(in thousands)</i>	
Net income	\$ 11,947	\$ 21,854
Non-cash items:		
Depreciation and amortization	5,035	6,405
Non-cash interest expense	257	296
Deferred income taxes	1,567	(842)
Share-based compensation expense	9,208	8,082
Change in contingent consideration	—	(625)
Changes in operating assets and liabilities	(8,022)	(25,809)
Net cash provided by (used in) operating activities	\$ 19,992	\$ 9,361

Net cash provided by operating activities was \$20.0 million for the three months ended March 31, 2025 and was due to net income of \$11.9 million and adjustments for non-cash items of \$16.1 million, partially offset by a decrease in cash flow from changes in operating assets and liabilities of \$8.0 million. The changes in operating assets and liabilities were largely attributable to a decrease in contract liabilities and increases in accounts receivables, inventories, and contract assets, partially offset by a increase in accounts payable and accrued expenses.

Cash Flows from Investing Activities

	Three Months Ended March 31,	
	2025	2024
	<i>(in thousands)</i>	
Capital expenditures	\$ (6,755)	\$ (5,990)
Changes in investments, net	21,278	24,682
Proceeds from the sale of productive assets	—	2,033
Net cash provided by (used in) investing activities	\$ 14,523	\$ 20,725

The cash used in investing activities during the three months ended March 31, 2025 was primarily attributable to net cash used for investment activity, partially offset by capital expenditures. The cash used in investing activities during the three months ended March 31, 2024 was primarily attributable to net cash provided by net investment activity and proceeds from the sale of productive assets, partially offset by capital expenditures.

Cash Flows from Financing Activities

	Three Months Ended March 31,	
	2025	2024
	<i>(in thousands)</i>	
Settlement of equity awards, net of withholding taxes	\$ (5,276)	\$ (13,022)
Contingent consideration payment	—	(1,818)
Net cash provided by (used in) financing activities	\$ (5,276)	\$ (14,840)

The cash used in financing activities for the three months ended March 31, 2025 was related to cash used to settle taxes related to employee equity programs, partially offset by cash received under the Employee Stock Purchase Plan. The cash used in financing activities for the three months ended March 31, 2024 was related to cash used to settle taxes related to employee equity programs and contingent consideration payment related to Epiluvac acquisition, partially offset by cash received under the Employee Stock Purchase Plan.

Convertible Senior Notes

We have \$25.0 million outstanding principal balance of 3.75% convertible senior notes that bear interest at a rate of 3.75% per year, payable semiannually in arrears on June 1 and December 1 of each year, and mature on June 1, 2027, unless earlier purchased by the Company, redeemed, or converted. In addition, we have \$230.0 million outstanding principal balance of 2.875% convertible senior notes that bear interest at a rate of 2.875% per year, payable semiannually in arrears on June 1 and December 1 of each year, and mature on June 1, 2029, unless earlier purchased by the Company, redeemed, or converted. The 2027 Notes are currently convertible by noteholders and callable by the Company until June 30, 2025.

We believe that we have sufficient capital resources and cash flows from operations to support scheduled interest payments on this debt. In addition, on August 2, 2024, we increased the total funds available to us through our revolving credit facility from \$150 million to \$225 million. The Company has no immediate plans to draw down on the facility, which expires in December of 2026. Interest under the facility is variable based on the Company's secured net leverage ratio and is expected to bear interest based on SOFR plus a range of 150 to 225 basis points, if drawn. There is a yearly commitment fee of 25 to 35 basis points, based on the Company's secured net leverage ratio, charged on the unused portion of the Facility.

Additionally, on January 15, 2025, the \$26.5 million of outstanding principal amount on our 2025 Notes matured and was settled through the issuance of 1,104,165 shares of the Company's common stock to the noteholders. The shares were issued pursuant to the exemption in Section 3(a)(9) of the Securities Act of 1933, as amended. The Company did not receive any proceeds from the issuance of the shares.

Contractual Obligations and Commitments

We have commitments under certain contractual arrangements to make future payments for goods and services. These contractual arrangements secure the rights to various assets and services to be used in the future in the normal course of business. We expect to fund these contractual arrangements with cash generated from operations in the normal course of business.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Our exposure to market rate risk for changes in interest rates primarily relates to our investment portfolio. We centrally manage our investment portfolios considering investment opportunities and risks, tax consequences, and overall financing strategies. Our investment portfolio includes fixed-income securities with a fair value of approximately \$178.4 million at March 31, 2025. These securities are subject to interest rate risk and, based on our investment portfolio at March 31, 2025, a 100 basis point increase in interest rates would result in a decrease in the fair value of the portfolio of \$1.2 million. While an increase in interest rates may reduce the fair value of the investment portfolio, we will not realize the losses in the Consolidated Statements of Operations unless the individual fixed-income securities are sold prior to recovery or the loss is determined to be other-than-temporary.

Currency Exchange Risk

We conduct business on a worldwide basis and, as such, a portion of our revenues, earnings, and net investments in foreign affiliates is exposed to changes in currency exchange rates. The economic impact of currency exchange rate movements is complex because such changes are often linked to variability in real growth, inflation, interest rates, governmental actions, and other factors. These changes, if material, could cause us to adjust our financing and operating strategies. Consequently, isolating the effect of changes in currency does not incorporate these other important economic factors.

Changes in currency exchange rates could affect our foreign currency denominated monetary assets and liabilities and forecasted cash flows. We may enter into monthly forward derivative contracts from time to time with the intent of

mitigating a portion of this risk. We only use derivative financial instruments in the context of hedging and not for speculative purposes and have not historically designated our foreign exchange derivatives as hedges. Accordingly, changes in fair value from these contracts are recorded as “Other, net” in our Consolidated Statements of Operations. We execute derivative transactions with highly rated financial institutions to mitigate counterparty risk.

Our net sales to customers located outside of the United States represented approximately 86% and 84% of our total net sales for the three months ended March 31, 2025 and 2024, respectively. We expect that net sales to customers outside the United States will continue to represent a large percentage of our total net sales. Our sales denominated in currencies other than the U.S. dollar represented approximately 6% and 3% of total net sales for the three months ended March 31, 2025 and 2024, respectively.

A 10% change in foreign exchange rates would have an immaterial impact on the consolidated results of operations since most of our sales outside the United States are denominated in U.S. dollars.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our principal executive and financial officers have evaluated and concluded that our disclosure controls and procedures are effective as of March 31, 2025. The disclosure controls and procedures are designed to ensure that the information required to be disclosed in this report filed under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms and is accumulated and communicated to our principal executive and financial officers as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

During the quarter ended March 31, 2025, there were no changes in internal control that have materially affected or are reasonably likely to materially affect internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in various legal proceedings arising in the normal course of business. The Company does not believe that the ultimate resolution of these matters will have a material adverse effect on its consolidated financial position, results of operations, or cash flows.

Item 1A. Risk Factors

Information regarding risk factors appears in the Safe Harbor Statement at the beginning of this quarterly report on Form 10-Q, and in Part I — Item 1A of our 2024 Form 10-K. There have been no material changes from the risk factors previously disclosed, except as follows:

Changes in U.S. and foreign trade policies, including the imposition of tariffs and the resulting consequences, could have a material adverse impact on our business, operating results, and financial condition.

In February of 2025, the U.S. Government issued proclamations imposing a 25% tariff on imports of steel and aluminum products (including derivative products). In April 2025, the U.S. Government announced a baseline tariff of 10% on imported products from all countries, plus additional individualized reciprocal tariffs on countries with whom the United States has the largest trade deficits. In response, affected foreign countries, including China and members of the European Union, announced or threatened retaliatory tariffs on U.S. imports. The tariff landscape continues to shift and evolve, creating considerable uncertainty for U.S. manufacturers, particularly those – such as Veeco – with global sales, supply chains and international operations.

Tariffs and other duties have increased, and will likely continue to increase, the cost of our parts and components. These increased costs will negatively impact our margins and/or cause us to increase our prices to our customers, which may reduce demand for our products. Our customers, who may be confronted with the prospect of price and/or cost increases resulting from U.S. tariffs and tariffs imposed by their home country governments, may seek to cancel equipment orders with us, attempt to renegotiate terms in a manner unfavorable to Veeco, or cease to do business with us altogether. Furthermore, the current tariff landscape favors certain of our competitors with foreign manufacturing operations, which are not subject to U.S. tariffs nor foreign country tariffs imposed on the import of U.S. origin products.

The volatility and unpredictability of international trade policies and conditions add further complexity to our operations, making it extremely challenging to forecast and plan effectively. We are not able to predict future trade policy of the United States or of any foreign country in which we do business. The continuation or exacerbation of the current trade environment will adversely impact our costs and the demand for our products, which in turn could have a material adverse effect on our business, operating results and financial condition.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

None.

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Item 6. Exhibits

Unless otherwise indicated, each of the following exhibits has been filed with the Securities and Exchange Commission by Veeco under File No. 0-16244.

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Exhibit	Filing Date	
10.1	Form of Notice of Performance Restricted Stock Unit Award and related terms and conditions pursuant to the Veeco 2019 Stock Incentive Plan, effective March 2025.				*
10.2	Form of Notice of Restricted Stock Unit Award and related terms and conditions pursuant to Veeco 2019 Stock Incentive Plan, effective March 2025.				*
31.1	Certification of Chief Executive Officer pursuant to Rule 13a—14(a) or Rule 15d—14(a) of the Securities and Exchange Act of 1934.				*
31.2	Certification of Chief Financial Officer pursuant to Rule 13a—14(a) or Rule 15d—14(a) of the Securities and Exchange Act of 1934.				*
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes - Oxley Act of 2002.				*
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes - Oxley Act of 2002.				*
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				**
101.XSD	XBRL Schema.				**
101.PRE	XBRL Presentation.				**
101.CAL	XBRL Calculation.				**
101.DEF	XBRL Definition.				**
101.LAB	XBRL Label.				**
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).				**

* Filed herewith

** Filed herewith electronically

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on May 7, 2025.

Veeco Instruments Inc.

By: /s/ WILLIAM J. MILLER, Ph.D.
William J. Miller, Ph.D.
Chief Executive Officer

By: /s/ JOHN P. KIERNAN
John P. Kiernan
Senior Vice President and Chief Financial Officer

VEECO INSTRUMENTS INC. 2019 STOCK INCENTIVE PLAN

NOTICE OF PERFORMANCE RESTRICTED STOCK UNIT AWARD (2025)

Veeco Instruments Inc. (the “Company”) is pleased to confirm the award to the employee named below (the “Grantee”) of Restricted Stock Units (the “Award”), subject to the terms and conditions of this Notice of Performance Restricted Stock Unit Award (2025) (the “Notice”), the Veeco Instruments Inc. 2019 Stock Incentive Plan, as amended from time to time (the “Plan”) and the Veeco Instruments Inc. Terms and Conditions of Restricted Stock Unit Award (2025) (the “Terms and Conditions”) attached hereto, as follows. Unless otherwise provided herein, the terms in this Notice shall have the same meaning as those defined in the Plan.

Grantee:

Date of Award: March 14, 2025

Target Number of Restricted Stock
Units Awarded (the “Units”):

Performance Period: March 14, 2025 to March 13, 2028

The Units shall be earned based on the Company’s Three Year Total Shareholder Return (“TSR”) versus the Three Year TSR of the Russell 2000 Index (the “Index”) measured at the end of the Performance Period. Subject to the Grantee’s Continuous Service and other limitations set forth in this Notice, the Terms and Conditions and the Plan, the Units shall be earned and will “vest” in accordance with the schedules set forth in Exhibit A. For purposes of this Notice and the Terms and Conditions, the term “vest” shall mean, with respect to any Units, that such Units are no longer subject to forfeiture to the Company. If the Grantee would become vested in a fraction of a Unit, such Unit shall not vest until the Grantee becomes vested in the entire Unit.

Except as may otherwise be specifically provided for under the terms of any other agreement or policy between the Company and the Grantee, vesting shall cease upon the date the Grantee terminates Continuous Service for any reason, including death or Disability, and in the event the Grantee terminates Continuous Service for any reason, including death or Disability, any unvested Units held by the Grantee at the time of such termination of the Grantee’s Continuous Service shall be forfeited.

Additional Provisions:

This Award shall be subject to the terms and conditions set forth in the Plan and the Terms and Conditions, including, without limitation, the Forfeiture for Restricted Activity, Clawback, Governing Law, and Venue and Jurisdiction provisions of Sections 2.2, 2.3, 4.1 through 4.5, 6.5, and 6.6 of the Terms and Conditions.

IMPORTANT NOTICE

Grantee must sign this Notice and return it to the Company's Sr. VP, Chief Administrative Officer on or before April 30, 2025. Return your executed Notice to: Robert Bradshaw by mail at 1 Terminal Drive, Plainview, New York 11803, or email at RBradshaw@Veeco.com. If Grantee has received this Notice by way of email from the Company, and if Grantee is unable to sign and return the Notice on or before the aforementioned date, Grantee may accept the Award by reply email to the Company, stating "I accept" (or words to this effect) on or before the aforementioned date.

PLEASE NOTE THAT YOUR ACCEPTANCE OF THE AWARD WILL ALSO CONSTITUTE ACCEPTANCE OF, AND AGREEMENT TO BE BOUND BY THE TERMS AND CONDITIONS GOVERNING THE PERFORMANCE RESTRICTED STOCK UNIT AWARD, INCLUDING WITHOUT LIMITATION, THE RESTRICTED ACTIVITY, CLAWBACK, GOVERNING LAW, AND VENUE AND JURISDICTION PROVISIONS OF SECTIONS 2.2, 2.3, 4.1 through 4.5, 6.5, AND 6.6 OF THE TERMS AND CONDITIONS.

VEECO INSTRUMENTS INC.



Name: Robert Bradshaw

Title: Sr. VP, Chief Administrative Officer

Grantee

Date

VEECO INSTRUMENTS INC. 2019 STOCK INCENTIVE PLAN

TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD (2025)

These TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD (2025) (these “Terms and Conditions”) apply to any award by Veeco Instruments Inc., a Delaware corporation (the “Company”), of Restricted Stock Units, subject to certain restrictions pursuant to the Veeco Instruments Inc. 2019 Stock Incentive Plan (as it may be amended from time to time, the “Plan”), which specifically references these Terms and Conditions.

ARTICLE 1 ISSUANCE OF UNITS

The Company hereby issues to the Grantee (the “Grantee”) named in the Notice of Performance Restricted Stock Unit Award (2025) (the “Notice”) an award (the “Award”) of Restricted Stock Units, as set forth in the Notice (the “Units”), subject to the Notice, these Terms and Conditions, and the terms and provisions of the Plan, which is incorporated herein by reference. Unless otherwise provided herein, the terms in these Terms and Conditions shall have the same meaning as those defined in the Plan.

ARTICLE 2 CONVERSION OF UNITS AND ISSUANCE OF SHARES

2.1 General. Subject to Sections 2.2 through 2.4 below, one share of Common Stock shall be issuable for each Unit subject to the Award (the “Shares”) upon vesting. Immediately thereafter, or as soon as administratively feasible, the Company will transfer the appropriate number of Shares to the Grantee after satisfaction of any required tax or other withholding obligations. Any fractional Unit remaining after the Award is fully vested shall be discarded and shall not be converted into a fractional Share. Notwithstanding the foregoing, the relevant number of Shares shall be issued no later than March 15th of the year following the calendar year in which the Award vests. The Company may however, in its sole discretion, make a cash payment in lieu of the issuance of the Shares in an amount equal to the value of one share of Common Stock multiplied by the number of Units subject to the Award. The number of Shares covered by the Award shall be proportionately adjusted for any stock dividend affecting the Shares in accordance with Section 10 of the Plan.

2.2 Forfeiture for Restricted Activity. The Grantee acknowledges that the Company is making this Award of additional compensation, among other reasons, to provide an incentive to the Grantee to remain with and to promote the best interests of, the Company, and to protect the Company’s assets, including its goodwill, Confidential Information (as defined below) and trade secrets, which are legitimate business interests of the Company, and that engaging in “Restricted Activities” (as described in Article 4 below), would be detrimental to the legitimate business interests of the Company. Therefore, in exchange for this Award, notwithstanding anything to the contrary in these Terms and Conditions or otherwise, if the Grantee engages in “Restricted Activities” (as described in Sections 4.1 through 4.5 below), (a) all unvested Units will immediately be forfeited, and (b) the Grantee shall be required to (i) return to the Company,

within 10 business days after the Company's request to Grantee therefor, all Shares received pursuant to the Award that are owned, directly or indirectly, by the Grantee, any Cash Dividend Equivalents, and any cash payment made in lieu of the issuance of the Shares, and (ii) pay to the Company, within 10 business days of the Company's request to the Grantee therefor, an amount equal to the excess, if any, of the aggregate after-tax proceeds (taking into account all amounts of tax that would be recoverable upon a claim of loss for payment of such proceeds in the year of repayment) the Grantee received upon the sale or other disposition of all Shares received pursuant to the Award (the "After-Tax Proceeds"). The forfeiture for Restricted Activity provisions of this Section 2.2 and Article 4 shall survive and continue to apply beyond settlement of all Awards under the Plan, any termination or expiration of this Award for any reason, and after the provisions of any employment or other agreement between the Company and the Grantee have lapsed.

2.3 Clawback. This Award, all Units received pursuant to the Award, all shares of Common Stock received pursuant to the Award that are owned, directly or indirectly, by the Grantee, any cash payments made in lieu of the issuance of the Shares, any Cash Dividend Equivalents, and any After-Tax Proceeds shall be subject to the Compensation Recoupment Policy, established by the Company, as amended from time to time, or any similar or successor policy.

2.4 Delay of Issuance of Shares. The Company shall delay the issuance of any Shares under this Article 2 to the extent necessary to comply with Section 409A(a)(2)(B)(i) of the Code (relating to payments made to certain "specified employees" of certain publicly-traded companies); in such event, any Shares to which the Grantee would otherwise be entitled during the six (6) month period following the date of the Grantee's termination of Continuous Service will be issuable on the first business day following the expiration of such six (6) month period.

ARTICLE 3 RIGHT TO SHARES

Except as set forth herein, the Grantee shall not have any right in, to or with respect to any of the Shares (including any voting rights) issuable under the Award until the Award is settled by the issuance of such Shares to the Grantee. Notwithstanding the foregoing, while one or more Shares remain subject to this Award, the Grantee shall have the right to accrue Cash Dividend Equivalents. For purposes herein, a "Cash Dividend Equivalent" means, for each Share subject to the Award, a cash payment equal to the cash dividend, if any, that would become payable to the Grantee with respect to such Share had the Grantee been the holder of such Share on the record date for such cash dividend. Cash Dividend Equivalents will be subject to all of the terms and conditions of the Award, including that the Cash Dividend Equivalents will vest, become payable, and be subject to forfeiture and clawback upon the same terms and at the same time as the Units to which they relate.

ARTICLE 4 FORFEITURE FOR RESTRICTED ACTIVITY

4.1 Restricted Activity. For the avoidance of doubt, the Company and the Grantee agree that the Grantee is free to engage in the activities described in this Article 4 and that the Company will not seek to enjoin or otherwise stop the Grantee from engaging in any such

Restricted Activities (provided, however, that the Company reserves such rights as may exist at law or in equity and/or pursuant to any other agreement entered into between the Company and the Grantee, including, without limitation, in the Veeco Instruments Inc. Employee Confidentiality and Inventions Agreement (“ECIA”)), but that if the Grantee engages in such activities the Company shall have all of the rights set forth in Section 2.2 with respect to the Award, all Shares or cash received pursuant to the Award, and any After-Tax Proceeds.

4.2 Company Information. During the term of employment with the Company and for five years thereafter, the Grantee will not use or disclose to any individual or entity any Confidential Information (as defined below) of the Company except (i) in the performance of the Grantee’s duties for the Company, (ii) as authorized in writing by the Company, or (iii) as required by law or legal process, provided, that, prior to any such required disclosure, the Grantee will notify the Company of the requirement to disclose and, if requested, the Grantee will cooperate with the Company’s efforts to prevent or limit such disclosure. The Grantee understands that “Confidential Information” means any information that: (a) is disclosed to, learned by, or created by the Grantee in connection with the Grantee’s employment with the Company (or a predecessor company now owned by or part of the Company), and (b) the Company treats as proprietary, private or confidential. Confidential Information may include, without limitation, information relating to the Company’s products, services and methods of operation, the identities and competencies of the Company’s employees, customers and suppliers, trade secrets, know-how, processes, Inventions and the Company Related Inventions (each as defined in the ECIA), techniques, data, sketches, plans, drawings, chemical formulae, computer software, financial information, operating and cost data, research databases, selling and pricing information, business and marketing plans, and information concerning potential acquisitions, dispositions or joint ventures. The Grantee further understands that “Confidential Information” does not include any of the foregoing items that has become publicly known or made generally available (provided that information will not cease to be “Confidential Information” as a result of the Grantee’s breach of confidentiality). The Grantee will promptly notify the Company if the Grantee becomes aware of any unauthorized use or disclosure of Confidential Information.

4.3 Third Party Information. The Grantee recognizes that the Company has received and in the future will receive from its customers, suppliers and trading partners their confidential or proprietary information subject to a duty on the Company’s part to maintain the confidentiality of such information and to use it only for certain limited purposes. The Grantee agrees to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person or entity or to use it except as necessary in carrying out the Grantee’s work for the Company consistent with the Company’s agreement with such third party.

4.4 Non-Competition. During employment with the Company and for one year thereafter, (a) the Grantee will not own, manage, work for or otherwise participate in any business whose products, services or activities compete with the current or currently contemplated products, services or activities of the Company in any state or country in which the Company sells products or conducts business and (x) in which the Grantee was involved or (y) with respect to which the Grantee had access to Confidential Information, in each case, during the 5 years prior to termination, provided, however, that the Grantee may own up to 1% of the securities of any such public company (but without otherwise participating in the activities of

such enterprise); and (b) the Grantee will not, for himself or any other person: (i) induce or try to induce any customer, supplier, licensor or business relation to stop doing business with the Company or otherwise interfere with the relationship between the Company and any of its customers, suppliers, licensors or business relations; or (ii) solicit the business of any person known by the Grantee to be a customer of the Company, whether or not the Grantee had personal contact with such person, with respect to products or activities that compete with the products or activities of the Company in existence or contemplated at the time of termination of the Grantee's Continuous Service. The Grantee agrees that this covenant is reasonable with respect to its scope, geographical area, and duration.

4.5 Non-Solicitation. During employment with the Company and for one year thereafter, the Grantee will not, for himself or any other person: (a) induce or try to induce any employee to leave the Company or otherwise interfere with the relationship between the Company and any of its employees, or (b) employ or engage as an independent contractor, any current or former employee of the Company, other than former employees who have not worked for the Company within the past year. The Grantee agrees that this covenant is reasonable with respect to its scope and duration.

4.6 Severability. The invalidity or unenforceability of any Section, paragraph, or provision (or any part thereof) of the Notice or these Terms and Conditions shall not affect the validity or enforceability of any one or more of the other paragraphs or provisions (or other parts thereof), and all other provisions shall remain in full force and effect. If any provision of the Notice or these Terms and Conditions is held to be excessively broad, then such provision shall be reformed and construed by limiting and reducing it so as to be enforceable to the maximum extent permitted by law.

4.7 Notice of Immunity under the Defend Trade Secrets Act and Other Protected Rights. The Grantee understands that, in accordance with the Defend Trade Secrets Act of 2016, the Grantee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. The Grantee also understands that if the Grantee ever files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Grantee may disclose trade secrets to the Grantee's attorney and use the trade secret information in the court proceeding provided the Grantee: (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order. Grantee understands that nothing contained in the Notice, these Terms and Conditions, or the Plan limits Grantee's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("Government Agencies"). Grantee further understands that nothing in the Notice, these Terms and Conditions, or the Plan limits Grantee's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Nothing in the Notice, these Terms and Conditions, or the Plan limits Grantee's right to receive an award for

information provided to any Government Agencies.

ARTICLE 5

TAXES

5.1 **Tax Liability.** The Grantee is ultimately liable and responsible for all taxes owed by the Grantee in connection with the Award, regardless of any action the Company or any Related Entity takes with respect to any tax withholding obligations that arise in connection with the Award. Neither the Company nor any Related Entity makes any representation or undertaking regarding the treatment of any tax withholding in connection with any aspect of the Award, including the grant, vesting, assignment, release or cancellation of the Units, the delivery of Shares, the payment of any Cash Dividend Equivalents, the subsequent sale of any Shares acquired upon vesting and the receipt of any dividends or dividend equivalents. The Company does not commit and is under no obligation to structure the Award to reduce or eliminate the Grantee's tax liability.

5.2 **Payment of Withholding Taxes.** Prior to any event in connection with the Award (e.g., vesting) that the Company determines may result in any tax withholding obligation, whether United States federal, state, local or non-U.S., including any social insurance, employment tax, payment on account or other tax-related obligation (the "**Tax Withholding Obligation**"), the Grantee must arrange for the satisfaction of the amount of such Tax Withholding Obligation in a manner acceptable to the Company.

(a) *By Share Withholding.* If permissible under Applicable Law, the Grantee authorizes the Company to, upon the exercise of its sole discretion, withhold from those Shares otherwise issuable to the Grantee the whole number of Shares sufficient to satisfy the applicable Tax Withholding Obligation. The Grantee acknowledges that the withheld Shares may not be sufficient to satisfy the Grantee's Tax Withholding Obligation. Accordingly, the Grantee agrees to pay to the Company or any Related Entity as soon as practicable, including through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the withholding of Shares described above.

(b) *By Sale of Shares.* Unless the Grantee determines to satisfy the Tax Withholding Obligation by some other means in accordance with clause (c) below, the Grantee's acceptance of this Award constitutes the Grantee's instruction and authorization to the Company and any brokerage firm determined acceptable to the Company for such purpose to, upon the exercise of Company's sole discretion, sell on the Grantee's behalf a whole number of Shares from those Shares issuable to the Grantee as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the applicable Tax Withholding Obligation. Such Shares will be sold on the day such Tax Withholding Obligation arises (e.g., a vesting date) or as soon thereafter as practicable. The Grantee will be responsible for all broker's fees and other costs of sale, and the Grantee agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale. To the extent the proceeds of such sale exceed the Grantee's Tax Withholding Obligation, the Company agrees to pay such excess in cash to the Grantee. The Grantee acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the Grantee's Tax Withholding Obligation. Accordingly, the Grantee agrees to pay to the Company or any Related Entity as soon as practicable, including

through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the sale of Shares described above.

(c) *By Check, Wire Transfer or Other Means.* At any time not less than five (5) business days (or such fewer number of business days as determined by the Administrator) before any Tax Withholding Obligation arises (e.g., a vesting date), the Grantee may elect to satisfy the Grantee's Tax Withholding Obligation by delivering to the Company an amount that the Company determines is sufficient to satisfy the Tax Withholding Obligation by (x) wire transfer to such account as the Company may direct, (y) delivery of a certified check payable to the Company, or (z) such other means as specified from time to time by the Administrator.

Notwithstanding the foregoing, the Company or a Related Entity also may satisfy any Tax Withholding Obligation by offsetting any amounts (including, but not limited to, salary, bonus and severance payments) payable to the Grantee by the Company and/or a Related Entity. Furthermore, in the event of any determination that the Company has failed to withhold a sum sufficient to pay all withholding taxes due in connection with the Award, the Grantee agrees to pay the Company the amount of such deficiency in cash within five (5) calendar days after receiving a written demand from the Company to do so, whether or not the Grantee is an employee of the Company at that time.

ARTICLE 6 OTHER PROVISIONS

6.1 Transfer Restrictions. The Units may not be transferred in any manner other than by will or by the laws of descent and distribution (if permitted under the Plan).

6.2 No Right to Continued Employment. Nothing in the Notice, these Terms and Conditions or the Plan shall confer upon Grantee any right to continue in the service of the Company or any Related Entity or shall interfere with or restrict in any way the rights of the Company or any Related Entity, which are hereby expressly reserved, to discharge Grantee at any time for any reason whatsoever, with or without cause, except as may otherwise be provided by any written agreement entered into by and between the Company and Grantee.

6.3 No Right to Future Awards. Nothing in the Notice, these Terms and Conditions or the Plan shall confer upon Grantee any right with respect to future Awards under the Plan, or any right with respect to any other award under any plan of the Company or any Related Entity.

6.4 Entire Agreement. The Notice, the Plan, and these Terms and Conditions constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. For the avoidance of doubt, the restrictions set forth in Sections 4.1 through 4.5 above do not supersede any other agreement between the Company and Grantee, including, without limitation, the ECIA. Nothing in the Notice, the Plan and these Terms and Conditions (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. Should any provision of the Notice, the Plan or these Terms and Conditions be determined to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

6.5 Governing Law. The Notice, the Plan and these Terms and Conditions are to be construed in accordance with and governed by the internal laws of the State of New York, without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of New York to the rights, duties, and obligations of the parties.

6.6 Venue and Jurisdiction. The Company and the Grantee (the “parties”) expressly agree that any suit, action, or proceeding arising out of or relating to the Notice, the Plan or these Terms and Conditions shall be brought in the United States District Court for the Eastern District of New York (or should such court lack jurisdiction to hear such action, suit or proceeding, in a New York state court in the County of Nassau) and that the parties shall submit to the exclusive jurisdiction of such courts. The parties irrevocably waive, to the fullest extent permitted by law, any objection the party may have to the laying of venue for any such suit, action or proceeding brought in such court. The parties agree and submit to personal jurisdiction in either court. The Parties further agree that this Venue and Jurisdiction is binding on all matters related to the Notice, the Plan, or these Terms and Conditions and may not be altered or amended by any other arrangement or agreement (including an employment agreement) without the express written consent of Grantee and the Company. If any one or more provisions of this Section 6.6 shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable.

6.7 Construction. The captions used in the Notice and these Terms and Conditions are inserted for convenience and shall not be deemed a part of the Award for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

6.8 Administration and Interpretation. Any question or dispute regarding the administration or interpretation of the Notice, the Plan or these Terms and Conditions shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

6.9 Waiver of Jury Trial. THE PARTIES EXPRESSLY WAIVE ANY RIGHT THEY HAVE OR MAY HAVE TO A JURY TRIAL OF ANY SUCH SUIT, ACTION OR PROCEEDING.

6.10 Severability. The invalidity or unenforceability of any paragraph or provision of these Terms and Conditions shall not affect the validity or enforceability of any other paragraph or provision, and all other provisions shall remain in full force and effect. If any provision of these Terms and Conditions is held to be excessively broad, then such provision shall be reformed and construed by limiting and reducing it so as to be enforceable to the maximum extent permitted by law.

6.11 Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid,

addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other party.

6.12 Nature of Award. In accepting the Award, the Grantee acknowledges and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and these Terms and Conditions;

(b) the Award is voluntary and occasional and does not create any contractual or other right to receive future awards of Units, or benefits in lieu of Units, even if Units have been awarded repeatedly in the past;

(c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company;

(d) the Grantee's participation in the Plan is voluntary;

(e) the Grantee's participation in the Plan shall not create a right to any employment with the Grantee's employer and shall not interfere with the ability of the Company or the employer to terminate the Grantee's employment relationship, if any, at any time;

(f) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or any Related Entity;

(g) in the event that the Grantee is not an Employee of the Company or any Related Entity, the Award and the Grantee's participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Company or any Related Entity;

(h) the future value of the underlying Shares is unknown and cannot be predicted with certainty;

(i) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from termination of the Award or diminution in value of the Award or Shares acquired upon vesting of the Award, resulting from termination of the Grantee's Continuous Service by the Company or any Related Entity (for any reason whatsoever and whether or not in breach of local labor laws) and in consideration of the grant of the Award, the Grantee irrevocably releases the Company and any Related Entity from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing the Notice, the Grantee shall be deemed irrevocably to have waived his or her right to pursue or seek remedy for any such claim or entitlement;

(j) in the event of termination of the Grantee's Continuous Service (whether or not in breach of local labor laws), the Grantee's right to receive Awards under the Plan and to vest in such Awards, if any, will terminate effective as of the date that the Grantee is no longer

providing services and will not be extended by any notice period mandated under local law (*e.g.*, providing services would not include a period of “garden leave” or similar period pursuant to local law); furthermore, in the event of termination of the Grantee’s Continuous Service (whether or not in breach of local labor laws), the Administrator shall have the exclusive discretion to determine when the Grantee is no longer providing services for purposes of this Award;

(k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Grantee’s participation in the Plan or the Grantee’s acquisition or sale of the underlying Shares; and

(l) the Grantee is hereby advised to consult with the Grantee’s own personal tax, legal and financial advisers regarding the Grantee’s participation in the Plan before taking any action related to the Plan.

6.13 Data Protection and Privacy. The Grantee understands that the Company may (a) collect, process, store, use and disclose Grantee’s personal data, (b) make such data available to the Company’s affiliates and subsidiaries, as well as to certain appropriate third parties who provide products or services to the Company (for example, human resource service providers), and (c) transmit, transfer and store such data to/on the Company’s information systems which may be located outside Grantee’s home country, in countries which may have different data protection and privacy laws than Participant’s home country. Any such collection, processing, storage, use, disclosure, transmission or transfer shall be made only for lawful purposes, for example, managing Grantee’s employment relationship with the Company and administering the Company’s compensation programs. For more information, please consult the Company’s applicable policies covering personal data protection and privacy, as may be in effect from time to time.

6.14 Language. If the Grantee has received these Terms and Conditions or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control, unless otherwise prescribed by Applicable Law.

6.15 Amendment and Delay to Meet the Requirements of Section 409A. The Grantee acknowledges that the Company, in the exercise of its sole discretion and without the consent of the Grantee, may amend or modify these Terms and Conditions in any manner and delay the issuance of any Shares issuable pursuant to these Terms and Conditions to the minimum extent necessary to meet the requirements of Section 409A of the Code as amplified by any Treasury regulations or guidance from the Internal Revenue Service as the Company deems appropriate or advisable. In addition, the Company makes no representation that the Award will comply with Section 409A of the Code and makes no undertaking to prevent Section 409A of the Code from applying to the Award or to mitigate its effects on any deferrals or payments made in respect of the Units. The Grantee is encouraged to consult a tax adviser regarding the potential impact of Section 409A of the Code.

* * * * *

EXHIBIT A

Three Year Relative Total Shareholder Return

The number of Units earned shall be determined pursuant to the Company's Three Year Total Shareholder Return ("TSR") versus the Three Year TSR of the Russell 2000 Index, as comprised on the first day of the Performance Period (the "Index"), measured at the end of the Performance Period.

Performance Range	Percentile Rank of Russell 2000 Index	Percentage of Units Earned
Maximum	75 th Percentile or greater	200%
Target	55 th Percentile	100%
Threshold	25 th Percentile	50%
Below Threshold	Less than 25 th Percentile	0%

- The number of Units earned shall be equal to the Target number of Units multiplied by the percentage of Units earned in the above table.
 - If the Company's percentile rank for the Performance Period is equal to or greater than the Threshold, the percentage of Units earned will be determined through linear interpolation between the relevant data points (Threshold, Target, Maximum).
 - If the Company's percentile rank is equal to or greater than the Maximum, 200% of the Target number of Units will be earned.
 - If the Company's percentile rank is less than the Threshold, the Units will be forfeited.
 - Notwithstanding the above, if the Company's TSR is less than zero, the Maximum number of Units that may be earned shall be the Target number of Units, even if the Company's percentile rank for the Performance Period exceeds the 55th percentile.
 - Any Units that are not earned will be forfeited.
 - TSR for the Company and for each of the companies in the Index is calculated by (x) raising the quotient of the ending stock price divided by the beginning stock price to the 1/3 power and (y) subtracting one, as follows:

 - For purposes of computing TSR: (i) any dividends paid by the Company or the companies in the Index shall be treated as having been reinvested at the closing stock price on the ex-dividend date; (ii) the beginning stock price will be the average closing stock price over the 20 trading days preceding the beginning of the Performance Period; and (iii) the ending stock price will be the average closing stock price over the 20 trading days ending on the last day of the Performance Period, or in the case of a Corporate Transaction, ending on the date of such Change in Control or some earlier date, as determined by the Administrator.
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- The Company's percentile rank versus the Index will be expressed as a percentage, with rounding to the nearest tenth of a percent, with all hundredths of a percent equal to or greater than 5 rounded up to the nearest tenth of a percent.
 - Companies in the Index that are acquired, are taken private, or are no longer publicly traded in the U.S. during the Performance Period will be removed from the Index and not included in the determination of the number of Units earned.
 - Companies in the Index that go bankrupt, are liquidated or dissolved, or otherwise cease conducting operations during the Performance Period will be deemed to have a TSR equal to -100% for the Performance Period.
 - Upon the occurrence of a Corporate Transaction during the Performance Period, (i) if the Award (or a portion thereof) is neither Assumed or Replaced, the Award (or the portion thereof that is not Assumed or Replaced) shall automatically become fully vested immediately prior to the specified effective date of such Corporate Transaction, provided the Grantee's Continuous Service has not terminated prior to such date, and (ii) if the Award (or a portion thereof) is Assumed or Replaced, the service-based vesting conditions applicable to the Award (or the portion thereof that is Assumed or Replaced) shall remain in effect through the last day of the Performance Period, but the performance-based vesting condition shall be deemed achieved based on the greater of (A) assumed achievement of Target performance and (B) actual performance as determined by the Administrator through the date of the Corporate Transaction. For purposes of clause (i) above, the portion of such Award that shall become fully vested shall be based on the greater of (A) assumed achievement of Target performance and (B) actual performance as determined by the Administrator through the date of the Corporate Transaction.
 - The date that the Company determines the number of Units earned is the date such Units will be deemed to have become fully vested.
 - The Compensation Committee shall make all determinations and interpretations regarding the number of Units earned.
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VEECO INSTRUMENTS INC. 2019 STOCK INCENTIVE PLAN

NOTICE OF RESTRICTED STOCK UNIT AWARD (2025)

Veeco Instruments Inc. (the “Company”) is pleased to confirm the award to the individual named below (the “Grantee”) of Restricted Stock Units (the “Award”), subject to the terms and conditions of this Notice of Restricted Stock Unit Award (2025) (the “Notice”), the Veeco Instruments Inc. 2019 Stock Incentive Plan, as amended from time to time (the “Plan”) and the Veeco Instruments Inc. Terms and Conditions of Restricted Stock Unit Award (2025) (the “Terms and Conditions”) attached hereto, as follows. Unless otherwise defined herein, the terms in this Notice shall have the same meaning as those defined in the Plan.

Grantee:

Award Date: March 14, 2025

Total Number of Restricted Stock
Units Awarded (the “Units”):

Subject to the Grantee’s Continuous Service and other limitations set forth in this Notice, the Terms and Conditions and the Plan, the Units will “vest” in accordance with the following schedule (the “Vesting Schedule”): 1/3 of the Units comprising the Award will vest, and the restrictions with respect to such shares shall lapse, on each of the first (1st), second (2nd) and third (3rd) anniversaries of the Award Date (or, if later, the date on which the issuance of shares will not cause a violation of United States federal securities laws) (the later of each such dates, a “Vesting Date”). If the Grantee would become vested in a fraction of a share on a Vesting Date, such share shall not vest until the Grantee becomes vested in the entire share on the following Vesting Date.

For purposes of this Notice and the Terms and Conditions, the term “vest” shall mean, with respect to any Units, that such Units are no longer subject to forfeiture to the Company. If the Grantee would become vested in a fraction of a Unit, such Unit shall not vest until the Grantee becomes vested in the entire Unit.

Except as otherwise provided in an agreement with the Grantee or a plan or policy covering the Grantee, including, if applicable to the Grantee, the Company’s Amended and Restated Senior Executive Change in Control Policy (as may be amended or superseded, the “CIC Policy”), vesting shall cease upon the date the Grantee’s Continuous Service terminates for any reason other than a termination (i) due to the Grantee’s death or (ii) by the Company or a Related Entity due to the Grantee’s Disability (any such termination described in (i) or (ii) or, if the Grantee is a participant in the CIC Policy, any termination that results in vesting of equity awards under the CIC Policy, a “Qualifying Termination”), and any unvested Units held by the Grantee immediately upon such termination of the Grantee’s Continuous Service (other than a Qualifying Termination) shall be forfeited and deemed reconveyed to the Company and the Company shall thereafter be the legal and beneficial owner of such reconveyed Units and shall have all rights and interest in or related thereto without further action by the Grantee. In the event of a Qualifying Termination, the Units shall vest immediately as of the date of the Qualifying Termination.

IMPORTANT NOTICE

Grantee must sign this Notice and return it to the Company's Sr. VP, Chief Administrative Officer on or before April 30, 2025. Return your executed Notice to: Robert Bradshaw by mail at 1 Terminal Drive, Plainview, New York 11803, or email at RBradshaw@Veeco.com. If Grantee has received this Notice by way of email from the Company, and if Grantee is unable to sign and return the Notice on or before the aforementioned date, Grantee may accept the Award by reply email to the Company, stating "I accept" (or words to this effect) on or before the aforementioned date.

PLEASE NOTE THAT YOUR ACCEPTANCE OF THE AWARD WILL ALSO CONSTITUTE ACCEPTANCE OF, AND AGREEMENT TO BE BOUND BY, THE TERMS AND CONDITIONS GOVERNING THE AWARD, INCLUDING WITHOUT LIMITATION, THE FORFEITURE FOR RESTRICTED ACTIVITY, CLAWBACK, GOVERNING LAW AND VENUE AND WAIVER OF JURY TRIAL PROVISIONS OF SECTIONS 5.5, 5.10, 6.1 AND 6.5 OF THE TERMS AND CONDITIONS.

VEECO INSTRUMENTS INC.



Name: Robert Bradshaw

Title: Sr. VP, Chief Administrative Officer

GRANTEE

PRINT NAME

SIGNATURE

DATE

VEECO INSTRUMENTS INC. 2019 STOCK INCENTIVE PLAN
TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD
(2025)

These TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD (2025) (these “Terms and Conditions”) apply to any award by Veeco Instruments Inc., a Delaware corporation (the “Company”), of Restricted Stock Units, subject to certain restrictions pursuant to the Veeco Instruments Inc. 2019 Stock Incentive Plan (as it may be amended from time to time, the “Plan”), which specifically references these Terms and Conditions.

ARTICLE 1
ISSUANCE OF UNITS

The Company hereby issues to the Grantee (the “Grantee”) named in the Notice of Restricted Stock Unit Award (2025) (the “Notice”) an award (the “Award”) of the Total Number of Restricted Stock Units Awarded set forth in the Notice (the “Units”), subject to the Notice, these Terms and Conditions, and the terms and provisions of the Plan, which is incorporated herein by reference. Unless otherwise provided herein, capitalized terms in these Terms and Conditions shall have the same meaning as those defined in the Plan.

ARTICLE 2
CONVERSION OF UNITS AND ISSUANCE OF SHARES

2.1 General. One share of Common Stock shall be issuable for each Unit subject to the Award that vests (the “Shares”) and, subject to Section 2.2, as soon as administratively feasible (and, in all events, not more than sixty (60) days after the date the Units vest), the Company will transfer the appropriate number of Shares and the related Cash Dividend Equivalents (as defined in Article 3) with respect to such Shares to the Grantee after satisfaction of any required tax or other withholding obligations. Any fractional Unit remaining after the Award is fully vested shall be discarded and shall not be converted into a fractional Share. If a Cash Dividend Equivalent becomes payable with respect to vested Units and the Shares were issued after the dividend record date but before the dividend payment date, the related Cash Dividend Equivalents with respect to such Units shall be provided when the related dividend is paid. The Company may however, in its sole discretion, make a cash payment in lieu of the issuance of the Shares in an amount equal to the value of one share of Common Stock multiplied by the number of Units subject to the Award. The number of Shares covered by the Award shall be proportionately adjusted for any stock dividend affecting the Shares in accordance with Section 10 of the Plan.

2.2 Delay of Issuance of Shares. The Company shall delay the issuance of any Shares and the payment of Cash Dividend Equivalents under this Article 2 to the extent necessary to comply with Section 409A(a)(2)(B)(i) of the Code (“Section 409A”) (relating to payments made to certain “specified employees” of certain publicly-traded companies); in such event, any Shares and Cash Dividend Equivalents to which the Grantee would otherwise be entitled during the six (6) month period following the date of the Grantee’s termination of Continuous Service will be issuable on the first business day following the expiration of such six (6) month period.

ARTICLE 3
RIGHT TO SHARES

Except as set forth herein, the Grantee shall not have any right in, to or with respect to any of the Shares (including any voting rights) issuable under the Award until the Award is settled by the issuance of

such Shares to the Grantee. Notwithstanding the foregoing, while one or more Shares remain subject to this Award, the Grantee shall have the right to accrue Cash Dividend Equivalents (as defined in this Article 3). For purposes of this Agreement, a “Cash Dividend Equivalent” means, for each Share subject to the Award, a cash payment equal to the cash dividend, if any, that would have become payable to the Grantee with respect to such Share had the Grantee been the holder of such Share. Cash Dividend Equivalents that have accrued will vest and become payable upon the same terms and at the same time as the Units to which they relate, except as otherwise provided herein.

ARTICLE 4

TAXES

4.1 Tax Liability. The Grantee is ultimately liable and responsible for all taxes owed by the Grantee in connection with the Award, regardless of any action the Company or any Related Entity takes with respect to any tax withholding obligations that arise in connection with the Award. Neither the Company nor any Related Entity makes any representation or undertaking regarding the treatment of any tax withholding in connection with any aspect of the Award, including the grant, vesting, assignment, release or cancellation of the Units, the delivery of Shares, the payment of any Cash Dividend Equivalents, the subsequent sale of any Shares acquired upon vesting and the receipt of any dividends or dividend equivalents. The Company does not commit and is under no obligation to structure the Award to reduce or eliminate the Grantee’s tax liability.

4.2 Payment of Withholding Taxes. Prior to any event in connection with the Award (e.g., vesting) that the Company determines may result in any tax withholding obligation, whether United States federal, state, local or non-U.S., including any social insurance, employment tax, payment on account or other tax-related obligation (the “Tax Withholding Obligation”), the Grantee must arrange for the satisfaction of the minimum amount of such Tax Withholding Obligation in a manner acceptable to the Company.

(a) *By Share Withholding*. If permissible under Applicable Law, the Grantee authorizes the Company to, upon the exercise of its sole discretion, withhold from those Shares otherwise issuable to the Grantee the whole number of Shares sufficient to satisfy the minimum applicable Tax Withholding Obligation with respect to the Shares. The Grantee acknowledges that the withheld Shares may not be sufficient to satisfy the Grantee’s minimum Tax Withholding Obligation. Accordingly, the Grantee agrees to pay to the Company or any Related Entity as soon as practicable, including through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the withholding of Shares described above. Share withholding may not be used to satisfy the Tax Withholding Obligation with respect to Cash Dividend Equivalents.

(b) *By Sale of Shares*. Unless the Grantee determines to satisfy the Tax Withholding Obligation by some other means in accordance with clause (iii) below, the Grantee’s acceptance of this Award constitutes the Grantee’s instruction and authorization to the Company and any brokerage firm determined acceptable to the Company for such purpose to, upon the exercise of Company’s sole discretion, sell on the Grantee’s behalf a whole number of Shares from those Shares issuable to the Grantee as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the minimum applicable Tax Withholding Obligation. Such Shares will be sold on the day such Tax Withholding Obligation arises (e.g., a vesting date) or as soon thereafter as practicable. The Grantee will be responsible for all broker’s fees and other costs of sale, and the Grantee agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale. To the extent the proceeds of such sale exceed the Grantee’s minimum Tax Withholding Obligation, the Company agrees to pay such excess in cash to the Grantee. The Grantee acknowledges that the Company or its designee is under no

obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the Grantee's minimum Tax Withholding Obligation. Accordingly, the Grantee agrees to pay to the Company or any Related Entity as soon as practicable, including through additional payroll withholding, any amount of the Tax Withholding Obligation that is not satisfied by the sale of Shares described above.

(c) *By Check, Wire Transfer or Other Means.* At any time not less than five (5) business days (or such fewer number of business days as determined by the Administrator) before any Tax Withholding Obligation arises (e.g., a vesting date), the Grantee may elect to satisfy the Grantee's Tax Withholding Obligation by delivering to the Company an amount that the Company determines is sufficient to satisfy the Tax Withholding Obligation by (x) wire transfer to such account as the Company may direct, (y) delivery of a certified check payable to the Company, or (z) such other means as specified from time to time by the Administrator.

Notwithstanding the foregoing, the Company or a Related Entity also may satisfy any Tax Withholding Obligation by offsetting any amounts (including, but not limited to, vested Cash Dividend Equivalents, salary, bonus and severance payments) payable to the Grantee by the Company and/or a Related Entity. Furthermore, in the event of any determination that the Company has failed to withhold a sum sufficient to pay all withholding taxes due in connection with the Award, the Grantee agrees to pay the Company the amount of such deficiency in cash within five (5) days after receiving a written demand from the Company to do so, whether or not the Grantee is an employee of the Company at that time.

ARTICLE 5 RESTRICTIONS

5.1 Transfer Restrictions. The Units may not be transferred in any manner other than by will or by the laws of descent and distribution.

5.2 Forfeiture. Unless otherwise provided by written agreement between the Company and the Grantee, which may be entered into at any time, including in connection with the termination of Grantee's Continuous Service, any portion of the Award that is not vested at the time Grantee's Continuous Service terminates shall thereupon be forfeited immediately and without any further action by the Company or the Grantee. The Grantee also may be required to forfeit shares of Restricted Stock subject to the Award, including Shares received pursuant to the Award, in accordance with Section 5.5 below.

5.3 Vesting and Lapse of Restrictions. Subject to the Notice, the Plan and these Terms and Conditions (including, for clarity, Sections 5.5 through 5.9), the exposure to the risk of forfeiture set forth in Section 5.2 shall lapse on the Vesting Dates set forth in the Notice. If Grantee would become vested in a fraction of a share on a Vesting Date, such share shall not vest until Grantee becomes vested in the entire share on the following Vesting Date.

5.4 Legend. Until such time as the Award has vested and the exposure to forfeiture of the Shares received pursuant to the Award set forth in Section 5.5 and Sections 5.6 through 5.9 (the "Restrictions") have lapsed, the Company may instruct the transfer agent for the Shares and/or other record-keepers to include a restrictive code or similar notation in its records (or legend on stock certificates, if any) to denote the Restrictions and any applicable federal and/or state securities laws restrictions relating to Restricted Stock. The notation or legend may include the following:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO
RESTRICTIONS SET FORTH IN THE PLAN AND IN THE TERMS AND
CONDITIONS APPLICABLE TO THE RESTRICTED STOCK AWARD, COPIES

OF WHICH ARE ON FILE AT THE PRINCIPAL OFFICE OF THE CORPORATION.”

5.5 Forfeiture for Restricted Activity. The Grantee acknowledges that the Company is making this Award of additional compensation, among other reasons, to provide an incentive to the Grantee to remain with and to promote the best interests of, the Company, and to protect the Company’s assets, including its goodwill, Confidential Information (as defined below) and trade secrets, which are legitimate business interests of the Company, and that engaging in restricted activities described in Sections 5.6 through 5.9 (the “Restricted Activities”) would be detrimental to the legitimate business interests of the Company. Therefore, in exchange for this Award, notwithstanding anything to the contrary in these Terms and Conditions or otherwise, if the Grantee engages in Restricted Activities, (a) all unvested portions of the Award will immediately be forfeited, and (b) the Grantee shall be required to (i) return to the Company, within 10 business days after the Company’s request to the Grantee therefor, all Shares received pursuant to the Award that are owned, directly or indirectly, by the Grantee and (ii) pay to the Company, within 10 business days of the Company’s request to the Grantee therefor, an amount equal to the excess, if any, of the aggregate after-tax proceeds (taking into account all amounts of tax that would be recoverable upon a claim of loss for payment of such proceeds in the year of repayment) Grantee received upon the sale or other disposition of all Shares received pursuant to the Award (the “After-Tax Proceeds”). The forfeiture for Restricted Activity provisions of this Section 5.5 and Sections 5.6 through 5.9 shall survive and continue to apply beyond settlement of all Awards under the Plan, any termination or expiration of this Award for any reason, and after the provisions of any employment or other agreement between the Company and Grantee have lapsed.

5.6 Company Information. During the term of employment with the Company and for five years thereafter, the Grantee will not use or disclose to any individual or entity any Confidential Information (as defined below) of the Company except (i) in the performance of the Grantee’s duties for the Company, (ii) as authorized in writing by the Company, or (iii) as required by law or legal process, provided, that, prior to any such required disclosure, the Grantee will notify the Company of the requirement to disclose and, if requested, the Grantee will cooperate with the Company’s efforts to prevent or limit such disclosure. The Grantee understands that “Confidential Information” means any information that: (a) is disclosed to, learned by, or created by Grantee in connection with the Grantee’s employment with the Company (or a predecessor company now owned by or part of the Company), and (b) the Company treats as proprietary, private or confidential. Confidential Information may include, without limitation, information relating to the Company’s products, services and methods of operation, the identities and competencies of the Company’s employees, customers and suppliers, trade secrets, know-how, processes, Inventions and the Company Related Inventions (each as defined in the Veeco Instruments Inc. Employee Confidentiality and Inventions Agreement (“ECIA”)), techniques, data, sketches, plans, drawings, chemical formulae, computer software, financial information, operating and cost data, research databases, selling and pricing information, business and marketing plans, and information concerning potential acquisitions, dispositions or joint ventures. The Grantee further understands that Confidential Information does not include any of the foregoing items which has become publicly known or made generally available (provided that information will not cease to be Confidential Information as a result of Grantee’s breach of confidentiality). The Grantee will promptly notify the Company if the Grantee becomes aware of any unauthorized use or disclosure of Confidential Information.

5.7 Third Party Information. The Grantee recognizes that the Company has received and in the future will receive from its customers, suppliers and trading partners their confidential or proprietary information subject to a duty on the Company’s part to maintain the confidentiality of such information and to use it only for certain limited purposes. The Grantee agrees to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person or entity or to use it except as

necessary in carrying out the Grantee's work for the Company consistent with the Company's agreement with such third party.

5.8 Non-Competition. During employment with the Company and for one year thereafter:

(a) the Grantee will not own, manage, work for or otherwise participate in any business whose products, services or activities compete with the current or currently contemplated products, services or activities of the Company in any state or country in which the Company sells products or conducts business and (x) in which the Grantee was involved or (y) with respect to which the Grantee had access to Confidential Information, in each case, during the 5 years prior to termination, provided, however, that Grantee may own up to 1% of the securities of any such public company (but without otherwise participating in the activities of such enterprise); and

(b) the Grantee will not, for himself or any other person: (i) induce or try to induce any customer, supplier, licensor or business relation to stop doing business with the Company or otherwise interfere with the relationship between the Company and any of its customers, suppliers, licensors or business relations; or (ii) solicit the business of any person known by the Grantee to be a customer of the Company, whether or not the Grantee had personal contact with such person, with respect to products or activities that compete with the products or activities of the Company in existence or contemplated at the time of termination of the Grantee's Continuous Service. The Grantee agrees that this covenant is reasonable with respect to its scope, geographical area, and duration.

5.9 Non-Solicitation. During employment with the Company and for one year thereafter, the Grantee will not, for himself or any other person:

(a) induce or try to induce any employee to leave the Company or otherwise interfere with the relationship between the Company and any of its employees; or

(b) employ or engage as an independent contractor, any current or former employee of the Company, other than former employees who have not worked for the Company within the past year. The Grantee agrees that this covenant is reasonable with respect to its scope and duration.

5.10 Clawback. This Award and all shares of Common Stock received pursuant to the Award that are owned, directly or indirectly, by the Grantee and any After-Tax Proceeds shall be subject to the Compensation Recoupment Policy, established by the Company, as amended from time to time, or any similar or successor policy.

5.11 Notice of Immunity under the Defend Trade Secrets Act and Other Protected Rights. The Grantee understands that, in accordance with the Defend Trade Secrets Act of 2016, the Grantee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. The Grantee also understands that if Grantee ever files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Grantee may disclose trade secrets to the Grantee's attorney and use the trade secret information in the court proceeding provided Grantee: (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order. The Grantee understands that nothing contained in the Notice, these Terms and Conditions, or the Plan limits the Grantee's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental

agency or commission (“Government Agencies”). The Grantee further understands that nothing in the Notice, these Terms and Conditions, or the Plan limits Grantee’s ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Nothing in the Notice, these Terms and Conditions, or the Plan limits the Grantee’s right to receive an award for information provided to any Government Agencies.

5.12 Restricted Activity. For the avoidance of doubt, the Company and Grantee agree that the Grantee is free to engage in the activities described in Sections 5.6 through 5.9 and that the Company will not seek to enjoin or otherwise stop the Grantee from engaging in any such Restricted Activities (provided, however, that the Company reserves such right as it may exist at law or in equity and/or pursuant to any other agreement entered into between the Company and the Grantee, including, without limitation, in the ECIA), but that if the Grantee engages in such activities the Company shall have all of the rights set forth in Section 5.5 with respect to the Award, all Shares received pursuant to the Award, and any After-Tax Proceeds.

ARTICLE 6 OTHER PROVISIONS

Entire Agreement; Governing Law. The Notice, the Plan and these Terms and Conditions constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee’s interest except by means of a writing signed by the Company and the Grantee. For the avoidance of doubt, the restrictions set forth in Sections 5.6 through 5.9 above do not supersede any other agreement between the Company and Grantee, including, without limitation, the ECIA.

Nothing in the Notice, the Plan and these Terms and Conditions (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. Should any provision of the Notice, the Plan or these Terms and Conditions be determined to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable. The Notice, the Plan and these Terms and Conditions are to be construed in accordance with and governed by the internal laws of the State of New York without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of New York to the rights and duties of the parties. Should any provision of the Notice or these Terms and Conditions be determined to be illegal or unenforceable, the other provisions shall nevertheless remain effective and shall remain enforceable.

6.2 Construction. The captions used in the Notice and these Terms and Conditions are inserted for convenience and shall not be deemed a part of the Award for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

6.3 Administration and Interpretation. Any question or dispute regarding the administration or interpretation of the Notice, the Plan or these Terms and Conditions shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

6.4 Severability. The invalidity or unenforceability of any paragraph or provision (or any part thereof) of the Notice or these Terms and Conditions shall not affect the validity or enforceability of any one or more of the other paragraphs or provisions (or other parts thereof), and all other provisions shall

remain in full force and effect. If any provision of the Notice or these Terms and Conditions is held to be excessively broad, then such provision shall be reformed and construed by limiting and reducing it so as to be enforceable to the maximum extent permitted by law.

6.5 Venue and Waiver of Jury Trial. The parties agree that any suit, action, or proceeding arising out of or relating to the Notice, the Plan or these Terms and Conditions shall be brought exclusively in the United States District Court for the Eastern District of New York (or should such court lack jurisdiction to hear such action, suit or proceeding, in a New York state court in the County of Nassau) and that the parties shall submit to the jurisdiction of such court. The parties irrevocably waive, to the fullest extent permitted by law, any objection the party may have to the laying of venue for any such suit, action or proceeding brought in such court. THE PARTIES ALSO EXPRESSLY WAIVE ANY RIGHT THEY HAVE OR MAY HAVE TO A JURY TRIAL OF ANY SUCH SUIT, ACTION OR PROCEEDING. If any one or more provisions of this Section 6.5 shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable.

6.6 Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other party.

6.7 Conformity to Securities Laws. Grantee acknowledges that the Plan and these Terms and Conditions are intended to conform to the extent necessary with all provisions of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, including without limitation Rule 16b-3 under the Exchange Act. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Award is granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan and these Terms and Conditions shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

6.8 Nature of Award. In accepting the Award, the Grantee acknowledges and agrees that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature, and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and these Terms and Conditions;
 - (b) the Award is voluntary and occasional and does not create any contractual or other right to receive future awards of Units, or benefits in lieu of Units, even if Units have been awarded repeatedly in the past;
 - (c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company;
 - (d) the Grantee’s participation in the Plan is voluntary;
 - (e) the Grantee’s participation in the Plan shall not create a right to any employment with the Grantee’s employer and shall not interfere with the ability of the Company or the employer to terminate the Grantee’s employment relationship, if any, at any time;
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(f) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or any Related Entity;

(g) in the event that the Grantee is not an Employee of the Company or any Related Entity, the Award and the Grantee's participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Company or any Related Entity;

(h) the future value of the underlying Shares is unknown and cannot be predicted with certainty;

(i) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from termination of the Award or diminution in value of the Award or Shares acquired upon vesting of the Award, resulting from termination of the Grantee's Continuous Service by the Company or any Related Entity (for any reason whatsoever and whether or not in breach of local labor laws) and in consideration of the grant of the Award, the Grantee irrevocably releases the Company and any Related Entity from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing the Notice, the Grantee shall be deemed irrevocably to have waived his or her right to pursue or seek remedy for any such claim or entitlement;

(j) in the event of termination of the Grantee's Continuous Service (whether or not in breach of local labor laws), the Grantee's right to receive Awards under the Plan and to vest in such Awards, if any, will terminate effective as of the date that the Grantee is no longer providing services and will not be extended by any notice period mandated under local law (*e.g.*, providing services would not include a period of "garden leave" or similar period pursuant to local law); furthermore, in the event of termination of the Grantee's Continuous Service (whether or not in breach of local labor laws), the Administrator shall have the exclusive discretion to determine when the Grantee is no longer providing services for purposes of this Award;

(k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Grantee's participation in the Plan or the Grantee's acquisition or sale of the underlying Shares; and

(l) the Grantee is hereby advised to consult with the Grantee's own personal tax, legal and financial advisers regarding the Grantee's participation in the Plan before taking any action related to the Plan.

6.9 Certain Provisions Applicable to Grantees Employed at International Locations. The Company will assess its requirements regarding Tax Withholding Obligations and reporting in connection with the Award and any Shares issued pursuant to the Award. These requirements may change from time to time as laws or interpretations change. Regardless of the actions of the Company in this regard, the Grantee hereby acknowledges and agrees that the ultimate liability for any and all Tax Withholding Obligation is and remains his or her responsibility and liability and that the Company makes no representations nor undertakings regarding treatment of any Tax Withholding Obligation in connection with any aspect of the Award and does not commit to structure the terms of the grant or any aspect of the Award to reduce or eliminate the Grantee's liability regarding Tax Withholding Obligations. In the event that the Company has any Tax Withholding Obligation in connection with the Award, the Grantee agrees to make arrangements satisfactory to the Company to satisfy all withholding requirements. The Grantee authorizes the Company to withhold all applicable Tax Withholding Obligations legally due from Grantee

from his or her wages or other cash compensation paid him or her by the Company and/or to cause the sale of Shares on Grantee's behalf or reduce the number of Shares delivered to Grantee as contemplated by Section 2.1 above, to satisfy such Tax Withholding Obligations.

6.10 Data Privacy. The Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Grantee's personal data as described in the Notice and these Terms and Conditions by and among, as applicable, the Grantee's employer, the Company and any Related Entity for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that the Company and the Grantee's employer may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, date of birth, social insurance or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Units or any other entitlement to Shares awarded, canceled, vested, unvested or outstanding in the Grantee's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Data"). The Grantee understands that Data will be transferred to any third party assisting the Company with the implementation, administration and management of the Plan. The Grantee understands that the recipients of the Data may be located in the Grantee's country, or elsewhere, and that the recipients' country may have different data privacy laws and protections than the Grantee's country. The Grantee understands that the Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the Company and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that the Grantee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Grantee's local human resources representative. The Grantee understands, however, that refusal or withdrawal of consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of the Grantee's refusal to consent or withdrawal of consent, the Grantee understands that the Grantee may contact the Grantee's local human resources representative.

6.11 No Right to Continued Employment. Nothing in the Notice, these Terms and Conditions or the Plan shall confer upon Grantee any right to continue in the service of the Company or any Related Entity or shall interfere with or restrict in any way the rights of the Company or any Related Entity, which are hereby expressly reserved, to discharge Grantee at any time for any reason whatsoever, with or without cause, except as may otherwise be provided by any written agreement entered into by and between the Company and Grantee.

6.12 No Right to Future Awards. Nothing in the Notice, these Terms and Conditions or the Plan shall confer upon Grantee any right with respect to future Awards under the Plan, or any right with respect to any other award under any plan of the Company or any Related Entity.

6.13 Language. If the Grantee has received these Terms and Conditions or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control, unless otherwise prescribed by Applicable Law.

6.14 Section 409A. The Award is intended to comply with Section 409A of the Code or, if applicable, an exemption from Section 409A, and the terms governing the Award will be interpreted

accordingly. If the terms of any other agreement, plan or policy applicable to the Award would cause the Award not to comply with Section 409A, such terms shall (a) be modified (to the minimum extent necessary) to avoid such non-compliance or (b) if such non-compliance may not be remedied by modification of terms, not apply to the Award. The Grantee acknowledges that the Company, in the exercise of its sole discretion and without the consent of the Grantee, may amend or modify these Terms and Conditions in any manner and delay or otherwise modify the timing of the issuance of any Shares (or cash) issuable pursuant to these Terms and Conditions to the minimum extent necessary to meet the requirements of Section 409A of the Code as amplified by any Treasury regulations or guidance from the Internal Revenue Service as the Company deems appropriate or advisable. In addition, the Company makes no representation that the Award will comply with Section 409A of the Code and makes no undertaking to prevent Section 409A of the Code from applying to the Award or to mitigate its effects on any deferrals or payments made in respect of the Units. The Grantee is encouraged to consult a tax adviser regarding the potential impact of Section 409A of the Code.

* * * * *

CERTIFICATION PURSUANT TO
RULE 13a — 14(a) or RULE 15d — 14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934

I, William J. Miller, Ph.D., certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2025 of Veeco Instruments Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ WILLIAM J. MILLER, Ph.D.
William J. Miller, Ph.D.
Chief Executive Officer
Veeco Instruments Inc.
May 7, 2025

CERTIFICATION PURSUANT TO
RULE 13a — 14(a) or RULE 15d — 14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934

I, John P. Kiernan, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2025 of Veeco Instruments Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ JOHN P. KIERNAN
John P. Kiernan
Senior Vice President and Chief Financial Officer
Veeco Instruments Inc.
May 7, 2025

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Veeco Instruments Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William J. Miller, Ph.D., Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ WILLIAM J. MILLER Ph.D.
William J. Miller, Ph.D.
Chief Executive Officer
Veeco Instruments Inc.
May 7, 2025

A signed original of this written statement required by Section 906 has been provided to Veeco Instruments Inc. and will be retained by Veeco Instruments Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Veeco Instruments Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John P. Kiernan, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ JOHN P. KIERNAN
John P. Kiernan
Senior Vice President and Chief Financial Officer
Veeco Instruments Inc.
May 7, 2025

A signed original of this written statement required by Section 906 has been provided to Veeco Instruments Inc. and will be retained by Veeco Instruments Inc. and furnished to the Securities and Exchange Commission or its staff upon request.
