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 September 30, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

Commission File Number: 001-35435

Proto Labs, Inc.

(Exact name of registrant as specified in its charter)

Minnesota	**41-1939628**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
5540 Pioneer Creek Drive **Maple Plain, Minnesota**	**55359**
(Address of principal executive offices)	(Zip Code)

(763) 479-3680
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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 $0.001 Per Share	PRLB	New York Stock Exchange

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 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, a 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	☑	Accelerated filer	☐
Non-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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 23,678,745 shares of Common Stock, par value $0.001 per share, were outstanding at October 28, 2025.

Proto Labs, Inc.
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Proto Labs, Inc.
Consolidated Balance Sheets
(In thousands, except share and per share amounts)

	September 30, 2025	December 31, 2024
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	$ 104,422	$ 89,071
Short-term marketable securities	14,817	14,019
Accounts receivable, net of allowance for doubtful accounts of $2,378 and $1,975 as of September 30, 2025, and December 31, 2024, respectively	77,790	66,504
Inventory	14,073	12,305
Income taxes receivable	4,681	2,906
Prepaid expenses and other current assets	10,009	10,049
Total current assets	225,792	194,854
Property and equipment, net	211,325	227,263
Goodwill	273,991	273,991
Other intangible assets, net	19,539	21,422
Long-term marketable securities	19,149	17,773
Operating lease assets	2,015	2,993
Finance lease assets	491	692
Other long-term assets	4,553	4,524
Total assets	$ 756,855	$ 743,512
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable	$ 17,388	$ 15,504
Accrued compensation	23,268	16,550
Accrued liabilities and other	27,831	19,621
Current operating lease liabilities	890	1,287
Current finance lease liabilities	365	309
Total current liabilities	69,742	53,271
Long-term operating lease liabilities	1,188	1,633
Long-term finance lease liabilities	—	287
Long-term deferred tax liabilities	16,038	13,565
Other long-term liabilities	5,168	4,605
Total liabilities	92,136	73,361
Shareholders' equity		
Preferred stock, $0.001 par value, authorized 10,000,000 shares; issued and outstanding 0 shares as of each of September 30, 2025, and December 31, 2024	—	—
Common stock, $0.001 par value, authorized 150,000,000 shares; issued and outstanding 23,677,746 and 24,226,088 shares as of September 30, 2025, and December 31, 2024, respectively	23	24
Additional paid-in capital	450,852	453,705
Retained earnings	238,568	244,406
Accumulated other comprehensive loss	(24,724)	(27,984)
Total shareholders' equity	664,719	670,151
Total liabilities and shareholders' equity	$ 756,855	$ 743,512

The accompanying notes are an integral part of these consolidated financial statements.

Proto Labs, Inc.
Consolidated Statements of Comprehensive Income
(In thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Statements of Operations:				
Revenue	$ 135,366	$ 125,619	$ 396,634	$ 379,140
Cost of revenue	74,073	68,389	219,869	207,897
Gross profit	61,293	57,230	176,765	171,243
Operating expenses				
Marketing and sales	24,574	22,619	73,054	69,070
Research and development	10,705	9,772	32,487	31,600
General and administrative	17,163	16,259	52,763	49,167
Costs related to exit and disposal activities	41	—	151	—
Total operating expenses	52,483	48,650	158,455	149,837
Income from operations	8,810	8,580	18,310	21,406
Other income, net	1,441	1,288	4,600	3,548
Income before income taxes	10,251	9,868	22,910	24,954
Provision for income taxes	3,035	2,679	7,668	7,957
Net income	$ 7,216	$ 7,189	$ 15,242	$ 16,997
Net income per share:				
Basic	$ 0.30	$ 0.29	$ 0.64	$ 0.67
Diluted	$ 0.30	$ 0.29	$ 0.63	$ 0.67
Shares used to compute net income per share:				
Basic	23,889,157	24,980,536	23,974,054	25,304,985
Diluted	24,191,039	25,022,485	24,249,669	25,382,280
Comprehensive Income (net of tax)				
Comprehensive income	$ 7,055	$ 9,769	$ 18,502	$ 18,158

The accompanying notes are an integral part of these consolidated financial statements.

Proto Labs, Inc.
Consolidated Statements of Shareholders' Equity
(In thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Balance at December 31, 2024	24,226,088	$ 24	$ 453,705	$ 244,406	$ (27,984)	$ 670,151
Common shares issued on exercise of options and other, net of shares withheld for tax obligations	58,291	—	(961)	—	—	(961)
Stock-based compensation expense	—	—	3,992	—	—	3,992
Repurchases of common stock and other	(513,739)	(1)	(9,621)	(11,451)	—	(21,073)
Net income	—	—	—	3,599	—	3,599
Other comprehensive income						
Foreign currency translation adjustment	—	—	—	—	1,003	1,003
Net unrealized gains on investments in securities	—	—	—	—	90	90
Comprehensive income						4,692
Balance at March 31, 2025	23,770,640	$ 23	$ 447,115	$ 236,554	$ (26,891)	$ 656,801
Common shares issued on exercise of options and other, net of shares withheld for tax obligations	179,393	—	(58)	—	—	(58)
Stock-based compensation expense	—	—	4,259	—	—	4,259
Repurchases of common stock and other	(75,432)	—	(1,413)	(1,637)	—	(3,050)
Net income	—	—	—	4,427	—	4,427
Other comprehensive income						
Foreign currency translation adjustment	—	—	—	—	2,300	2,300
Net unrealized gains on investments in securities	—	—	—	—	28	28
Comprehensive income						6,755
Balance at June 30, 2025	23,874,601	$ 23	$ 449,903	$ 239,344	$ (24,563)	$ 664,707
Common shares issued on exercise of options and other, net of shares withheld for tax obligations	61,599	—	2,112	—	—	2,112
Stock-based compensation expense	—	—	3,677	—	—	3,677
Repurchases of common stock and other	(258,454)	—	(4,840)	(7,992)	—	(12,832)
Net income	—	—	—	7,216	—	7,216
Other comprehensive income						
Foreign currency translation adjustment	—	—	—	—	(227)	(227)
Net unrealized gains on investments in securities	—	—	—	—	66	66
Comprehensive income						7,055
Balance at September 30, 2025	23,677,746	$ 23	$ 450,852	$ 238,568	$ (24,724)	$ 664,719

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Balance at December 31, 2023	25,721,957	$ 26	$ 466,884	$ 256,398	$ (28,013)	$ 695,295
Common shares issued on exercise of options and other, net of shares withheld for tax obligations	29,974	—	(533)	—	—	(533)
Stock-based compensation expense	—	—	4,276	—	—	4,276
Repurchases of common stock	(435,861)	—	(7,912)	(8,252)	—	(16,164)
Net income	—	—	—	5,268	—	5,268
Other comprehensive income						
Foreign currency translation adjustment	—	—	—	—	(925)	(925)
Net unrealized gains on investments in securities	—	—	—	—	93	93
Comprehensive income						4,436
Balance at March 31, 2024	25,316,070	$ 26	$ 462,715	$ 253,414	$ (28,845)	$ 687,310
Common shares issued on exercise of options and other, net of shares withheld for tax obligations	176,780	—	707	—	—	707
Stock-based compensation expense	—	—	4,244	—	—	4,244
Repurchases of common stock	(345,234)	—	(6,266)	(4,712)	—	(10,978)
Net income	—	—	—	4,540	—	4,540
Other comprehensive income						
Foreign currency translation adjustment	—	—	—	—	(678)	(678)
Net unrealized gains on investments in securities	—	—	—	—	91	91
Comprehensive income						3,953
Balance at June 30, 2024	25,147,616	$ 26	$ 461,400	$ 253,242	$ (29,432)	$ 685,236
Common shares issued on exercise of options and other, net of shares withheld for tax obligations	—	—	—	—	—	—
Stock-based compensation expense	—	—	4,196	—	—	4,196
Repurchases of common stock	(637,540)	(1)	(11,571)	(7,636)	—	(19,208)
Net income	—	—	—	7,189	—	7,189
Other comprehensive income						
Foreign currency translation adjustment	—	—	—	—	2,430	2,430
Net unrealized gains on investments in securities	—	—	—	—	150	150
Comprehensive income						9,769
Balance at September 30, 2024	24,510,076	$ 25	$ 454,025	$ 252,795	$ (26,852)	$ 679,993

The accompanying notes are an integral part of these consolidated financial statements.

Proto Labs, Inc.
Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2025	**2024**
Operating activities		
Net income	$ 15,242	$ 16,997
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	25,693	26,984
Stock-based compensation expense	11,928	12,716
Deferred taxes	2,355	(6,140)
Interest on finance lease obligations	16	26
Loss on impairment of equipment	—	256
Impairments related to exit and closure of facilities	448	—
Loss (gain) on disposal of property and equipment	16	(24)
Other	(179)	103
Changes in operating assets and liabilities:		
Accounts receivable	(11,265)	4,581
Inventories	(2,017)	1,321
Prepaid expenses and other	366	(312)
Income taxes	(1,709)	2,583
Accounts payable	1,252	(2,709)
Accrued liabilities and other	15,907	4,153
Net cash provided by operating activities	58,053	60,535
Investing activities		
Purchases of property, equipment and other capital assets	(6,792)	(8,339)
Proceeds from sales of property, equipment and other capital assets	811	34
Purchases of marketable securities	(13,553)	(18,087)
Proceeds from call redemptions and maturities of marketable securities	11,730	15,709
Net cash used in investing activities	(7,804)	(10,683)
Financing activities		
Proceeds from issuance of common stock from equity plans	4,195	2,094
Purchases of shares withheld for tax obligations	(3,119)	(1,920)
Repurchases of common stock	(36,732)	(45,958)
Principal repayments of finance lease obligations	(231)	(220)
Net cash used in financing activities	(35,887)	(46,004)
Effect of exchange rate changes on cash and cash equivalents	989	235
Net increase in cash and cash equivalents	15,351	4,083
Cash and cash equivalents, beginning of period	89,071	83,790
Cash and cash equivalents, end of period	$ 104,422	$ 87,873

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements

Note 1 – Basis of Presentation

The unaudited interim Consolidated Financial Statements of Proto Labs, Inc. (Protolabs, the Company, we, us or our) have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. In the opinion of management, the accompanying financial statements reflect all adjustments necessary for a fair presentation of the Company's statements of financial position, results of operations and cash flows for the periods presented. Except as otherwise disclosed herein, these adjustments consist of normal, recurring items. Operating results for interim periods are not necessarily indicative of results that may be expected for the fiscal year as a whole.

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and the related disclosures at the date of the financial statements and during the reporting period. Actual results could materially differ from these estimates. For further information, refer to the audited Consolidated Financial Statements and Notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the Securities and Exchange Commission (SEC) on February 21, 2025.

The accompanying Consolidated Balance Sheet as of December 31, 2024 was derived from the audited Consolidated Financial Statements but does not include all disclosures required by U.S. GAAP for a full set of financial statements. This Quarterly Report on Form 10-Q should be read in conjunction with the Company's Consolidated Financial Statements and Notes included in the Company's Annual Report on Form 10-K filed on February 21, 2025 as referenced above.

Note 2 – Recent Accounting Pronouncements

The Company did not recently adopt any accounting pronouncements that had a material impact on the Company's Consolidated Financial Statements.

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, that enhances the transparency of income tax disclosures by expanding annual disclosure requirements related to the rate reconciliation and income taxes paid. The Company is required to adopt this guidance for its annual year ending December 31, 2025. Early adoption is permitted. The Company is currently evaluating the impact of this guidance on its disclosures and believes the adoption will not have a material impact on its consolidated financial statements.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which is intended to improve disclosures about a public business entity's expenses, primarily through additional disaggregation of income statement expenses. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating ASU 2024-03 to determine the impact on the Company's disclosures.

In July 2025, the FASB issued ASU No. 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivables and Contract Assets*, which introduces a practical expedient for the application of the current expected credit loss model to current accounts receivables and contract assets. ASU 2025-05 is effective for annual and interim periods beginning after December 15, 2025, with early adoption permitted. The Company is currently evaluating ASU 2025-05 to determine the impact on the Company's financial statements and disclosures.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which updates the cost capitalization threshold for internal-use software development costs by removing all references to software project development stages and provides new guidance on how to evaluate whether the probable-to-complete recognition threshold has been met. ASU 2025-06 is effective for annual and interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating ASU 2025-06 to determine the impact on the Company's financial statements and disclosures.

Note 3 – Net Income per Common Share

Basic net income per share is computed based on the weighted-average number of common shares outstanding. Diluted net income per share is computed based on the weighted-average number of common shares outstanding, increased by the number of additional shares that would have been outstanding had potentially dilutive common shares been issued and reduced by the number of shares the Company could have repurchased from the proceeds from issuance of the potentially dilutive shares. Potentially dilutive shares of common stock include stock options and other stock-based awards granted under stock-based compensation plans and shares committed to be purchased under the employee stock purchase plan. Performance stock units are excluded from the calculation of dilutive potential common shares until the performance conditions have been satisfied. Anti-dilutive options were excluded from the calculation of diluted weighted average shares outstanding and were 214,801 and 466,127 for the three months ended September 30, 2025 and 2024, respectively, and 380,740 and 450,275 for the nine months ended September 30, 2025 and 2024, respectively.

The table below sets forth the computation of basic and diluted net income per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except share and per share amounts)	2025	2024	2025	2024
Net income	$ 7,216	$ 7,189	$ 15,242	$ 16,997
Basic - weighted-average shares outstanding:	23,889,157	24,980,536	23,974,054	25,304,985
Effect of dilutive securities:				
Employee stock options and other	301,882	41,949	275,615	77,295
Diluted - weighted-average shares outstanding:	24,191,039	25,022,485	24,249,669	25,382,280
Net income per share:				
Basic	$ 0.30	$ 0.29	$ 0.64	$ 0.67
Diluted	$ 0.30	$ 0.29	$ 0.63	$ 0.67

Note 4 – Goodwill and Other Intangible Assets

There were no changes in the carrying amount of goodwill during the three and nine months ended September 30, 2025.

Intangible assets other than goodwill at September 30, 2025 and December 31, 2024 were as follows:

	September 30, 2025			December 31, 2024				
(in thousands)	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net	Useful Life (in years)	Weighted Average Useful Life Remaining (in years)
Intangible assets with finite lives:								
Non-compete agreement	$ 850	$ (814)	$ 36	$ 819	$ (703)	$ 116	2.0 - 5.0	0.2
Software technology	13,229	(10,150)	3,079	13,229	(9,123)	4,106	10.0	2.3
Software platform	27,094	(10,670)	16,424	25,657	(8,457)	17,200	12.0	7.3
Total intangible assets	$ 41,173	$ (21,634)	$ 19,539	$ 39,705	$ (18,283)	$ 21,422		

Intangible assets allocated to the Protolabs Network entities consisted of intangible assets of €11.6 million in Europe and $16.6 million in the United States as of the date of the acquisition. The Euro denominated intangible assets are translated at the end of each period using the current exchange rates resulting in a foreign currency translation adjustment that is recorded as a component of Other Comprehensive Income. Foreign currency unrealized losses related to intangible assets

were $0.5 million and $2.2 million as of September 30, 2025 and December 31, 2024, respectively. Amortization expense for intangible assets was $0.9 million for each of the three months ended September 30, 2025 and 2024, and $2.8 million for each of the nine months ended September 30, 2025 and 2024.

Estimated aggregated amortization expense based on the current carrying value of the amortizable intangible assets and current exchange rates is as follows:

(in thousands)	Estimated Amortization Expense
Remaining 2025	$ 929
2026	3,618
2027	3,609
2028	2,240
2029	2,240
Thereafter	6,903
Total estimated amortization expense	$ 19,539

Note 5 – Fair Value Measurements

Accounting Standards Codification, *Fair Value Measurement* (ASC 820), defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that requires classification based on observable and unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are *not* active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The Company's assets and liabilities that are required to be measured or disclosed at fair value on a recurring basis include cash and cash equivalents and marketable securities. The Company’s cash consists of bank deposits and cash equivalents consist primarily of money market mutual funds. The Company determines the fair value of these investments using Level 1 inputs. The Company's marketable securities consist of short-term and long-term agency, municipal, corporate and other debt securities. Fair value for the corporate debt securities is primarily determined based on quoted market prices (Level 1). Fair values for the U.S. municipal securities, U.S. government agency securities, certificates of deposit and U.S. treasury securities are primarily determined using dealer quotes or quoted market prices for similar securities (Level 2).

The following table summarizes financial assets as of September 30, 2025 and December 31, 2024 measured at fair value on a recurring basis:

	September 30, 2025			December 31, 2024		
(in thousands)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets:						
Cash	$ 100,710	$ —	$ —	$ 86,366	$ —	$ —
Money market mutual fund	3,712	—	—	2,705	—	—
Marketable securities	17,318	16,648	—	17,261	14,531	—
Total	$ 121,740	$ 16,648	$ —	$ 106,332	$ 14,531	$ —

Note 6 – Marketable Securities

The Company invests in short-term and long-term agency, municipal, corporate and other debt securities. The securities are categorized as available-for-sale and are recorded at fair value. The following table summarizes information regarding the Company's short-term and long-term marketable securities as of September 30, 2025 and December 31, 2024:

	September 30, 2025			
(in thousands)	Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. government agency securities	$ 8,000	$ 9	$ (4)	$ 8,005
Corporate debt securities	15,947	10	(14)	15,943
U.S. municipal securities	8,980	34	—	9,014
U.S. treasury bonds	1,000	4	—	1,004
Total marketable securities	$ 33,927	$ 57	$ (18)	$ 33,966

	December 31, 2024			
(in thousands)	Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. government agency securities	$ 8,323	$ —	$ (22)	$ 8,301
Corporate debt securities	15,852	—	(82)	15,770
U.S. municipal securities	6,762	—	(38)	6,724
U.S. treasury bonds	1,000	—	(3)	997
Total marketable securities	$ 31,937	$ —	$ (145)	$ 31,792

Fair values for the corporate debt securities are primarily determined based on quoted market prices (Level 1). Fair values for the U.S. municipal securities, U.S. government agency securities, certificates of deposit and U.S. treasury securities are primarily determined using dealer quotes or quoted market prices for similar securities (Level 2).

Classification of marketable securities as current or non-current is based upon the security's maturity date as of the date of these financial statements.

The September 30, 2025 balance of available-for-sale debt securities by contractual maturity is shown in the following table at fair value. Actual maturities may differ from contractual maturities because the issuers of the securities may have the right to prepay obligations without prepayment penalties.

(in thousands)	September 30, 2025
Due in one year or less	$ 14,817
Due after one year through five years	19,149
Total marketable securities	$ 33,966

Note 7 – Inventory

Inventory consists primarily of raw materials, which are recorded at the lower of cost and net realizable value using the standard cost method, which approximates first-in, first-out (FIFO) cost. The Company periodically reviews its inventory for slow-moving, damaged and discontinued items and provides allowances to reduce such items identified to their recoverable amounts.

The Company's inventory consisted of the following as of the dates indicated:

(in thousands)	September 30, 2025	December 31, 2024
Total inventory	$ 14,755	$ 12,989
Allowance for obsolescence	(682)	(684)
Inventory, net of allowance	$ 14,073	$ 12,305

Note 8 – Stock-Based Compensation

On July 8, 2022, the board of directors approved the Proto Labs, Inc. 2022 Long-Term Incentive Plan, which was approved by the Company's shareholders at a Special Meeting of Shareholders on August 29, 2022, and subsequently amended and restated by the Company's shareholders at the Annual Meeting of Shareholders on May 23, 2024 (as amended and restated, and subsequently further amended, the 2022 Plan) to increase the number of shares available for issuance pursuant to awards under the 2022 Plan by an additional 430,000 shares, add a minimum vesting requirement, and extend the expiration date so that the term of the 2022 Plan runs for ten years from the date of the shareholder approval. On May 20, 2025, the Company's shareholders approved an amendment to the 2022 Plan to increase the number of shares available for issuance pursuant to awards under the 2022 Plan by an additional 296,000 shares. Under the 2022 Plan, the Company has the ability to grant stock options, stock appreciation rights (SARs), restricted stock, restricted stock units, other stock-based awards and cash incentive awards. Awards under the 2022 Plan have a maximum term of ten years from the date of grant. The compensation and talent committee may provide that the vesting or payment of any award will be subject to the attainment of specified performance measures in addition to the satisfaction of any continued service requirements and the compensation and talent committee will determine whether such measures have been achieved. The per-share exercise price of stock options and SARs granted under the 2022 Plan generally may not be less than the fair market value of a share of our common stock on the date of the grant.

The Company also has outstanding awards under the 2012 Long-Term Incentive Plan, as amended (the 2012 Plan), although the plan expired in February 2022 and no additional awards have since been or will be made under the 2012 Plan. The 2012 Plan provided the Company the ability to grant stock options, SARs, restricted stock, restricted stock units, other stock-based awards and cash incentive awards. Awards under the 2012 Plan that subsequently expired, were forfeited or cancelled, or settled in cash after August 29, 2022 became available for awards under the 2022 Plan.

On May 23, 2025, the Company granted one-time inducement awards (the Inducement Awards) within the meaning of the New York Stock Exchange Listed Company Manual Section 303A.08 to the Company's incoming Chief Executive Officer.

The Inducement Awards were not granted under the 2022 Plan, but have the same terms and conditions as equity awards granted under the 2022 Plan, except as otherwise provided in the award agreements.

Employee Stock Purchase Plan

The Company's 2012 Employee Stock Purchase Plan (ESPP) allows eligible employees to purchase a variable number of shares of the Company's common stock each offering period at a discount through payroll deductions of up to 15 percent of their eligible compensation, subject to plan limitations. The ESPP provides for six-month offering periods with a single purchase period ending May 15 and November 15, respectively. At the end of each offering period, employees are able to purchase shares at 85 percent of the lower of the fair market value of the Company's common stock on the first trading day of the offering period or on the last trading day of the offering period.

Stock-Based Compensation Expense

Stock-based compensation expense was $3.7 million and $4.2 million for the three months ended September 30, 2025 and 2024, respectively, and $11.9 million and $12.7 million for the nine months ended September 30, 2025 and 2024, respectively.

Stock Options

The following table summarizes stock option activity during the nine months ended September 30, 2025:

	Stock Options	Weighted-Average Exercise Price
Options outstanding at December 31, 2024	445,136	$ 51.34
Granted	139,872	39.32
Exercised	(70,307)	34.27
Forfeited	(103,013)	37.68
Expired	(16,354)	87.74
Options outstanding at September 30, 2025	395,334	$ 52.18
Exercisable at September 30, 2025	191,882	$ 68.62

The outstanding options generally have a term of ten years. For employees, options granted become exercisable ratably over the vesting period, which is generally a period of four years, beginning on the first anniversary of the grant date, subject to the employee's continuing service to the Company.

The weighted-average grant date fair value of options that were granted during the nine months ended September 30, 2025 was $21.81.

The following table provides the assumptions used in the Black-Scholes pricing model valuation of options during the nine months ended September 30, 2025 and 2024:

	Nine Months Ended September 30,	
	2025	2024
Risk-free interest rate	4.13% - 4.17%	4.28% - 4.30%
Expected life (years)	6.25	6.25
Expected volatility	52.12% - 52.99%	50.62% - 50.72%
Expected dividend yield	0%	0%

As of September 30, 2025, there was $3.3 million of unrecognized compensation expense related to unvested stock options, which is expected to be recognized over a weighted-average period of 2.9 years.

Restricted Stock Units

Restricted stock unit (RSU) awards are share-settled awards and restrictions lapse ratably over the vesting period, which is generally a period from three to four years, beginning on the first anniversary of the grant date, subject to the employee's continuing service to the Company. For the board of directors, restrictions generally lapse in full on the first anniversary of the grant date.

The following table summarizes restricted stock units activity during the nine months ended September 30, 2025:

	Restricted Stock Units		Weighted-Average Grant Date Fair Value Per Share
Restricted stock units at December 31, 2024	763,261	$	38.25
Granted	278,500		39.95
Restrictions lapsed	(212,526)		40.55
Forfeited	(103,268)		36.40
Restricted stock units at September 30, 2025	725,967	$	38.49

As of September 30, 2025, there was $18.8 million of unrecognized compensation expense related to non-vested restricted stock units, which is expected to be recognized over a weighted-average period of 2.7 years.

Performance Stock Units

Performance stock units (PSUs) are expressed in terms of a target number of PSUs, with anywhere between 0 percent and 200 percent of that target number capable of being earned and vesting at the end of a three-year performance period depending on the Company’s three-year cumulative total shareholder return performance relative to an index and the award recipient’s continued employment. The Company’s PSUs are based on market conditions and the related compensation cost is based on the fair value at grant date calculated using a Monte Carlo pricing model.

The following table summarizes performance stock units activity during the nine months ended September 30, 2025:

	Performance Stock Units	Weighted-Average Grant Date Fair Value Per Share
Performance stock units at December 31, 2024	180,173	$ 60.75
Granted[1]	153,503	59.71
Restrictions lapsed	(32,977)	96.41
Performance change	—	—
Forfeited	(68,887)	57
Performance stock units at September 30, 2025	231,812	$ 56.17

1 Includes a target number of 54,320 PSUs granted as part of the May 23, 2025, Inducement Awards, 27,160 of which have the same market condition as the PSUs granted under the 2022 Plan as described above, and 27,160 of which also include a performance condition with anywhere between 0 percent and 100 percent of the target number capable of being achieved during two six-month performance periods depending on revenue and then anywhere between 0 percent and 200 percent of such achieved PSUs capable of being earned and vesting during a three-year performance period depending on the Company's three-year cumulative total shareholder return performance relative to an index and the award recipient's continued employment.

The following table provides the assumptions used in the Monte Carlo pricing model valuation of PSUs during the nine months ended September 30, 2025 and 2024:

	Nine Months Ended September 30,	
	2025	2024
Risk-free interest rate	3.98% - 4.08%	4.37%
Expected life (years)	2.61 - 2.85	2.88
Expected volatility	52.40% - 53.20%	51.40%
Expected dividend yield	0%	0%

As of September 30, 2025, there was $7.5 million of unrecognized compensation expense related to non-vested performance stock units, which is expected to be recognized over a weighted-average period of 2.1 years.

Employee Stock Purchase Plan

The following table presents the assumptions used to estimate the fair value of the ESPP during the nine months ended September 30, 2025 and 2024:

	Nine Months Ended September 30,	
	2025	2024
Risk-free interest rate	4.09% - 4.29%	5.07% - 5.16%
Expected life (months)	6.00	6.00
Expected volatility	41.89% - 65.60%	30.97% - 47.92%
Expected dividend yield	0%	0%

Note 9 – Accumulated Other Comprehensive Income (Loss)

Other comprehensive income (loss) is comprised of foreign currency translation adjustments and net unrealized gains (losses) on investments in securities.

The following table presents the changes in accumulated other comprehensive income (loss) balances during the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2025	2024	2025	2024
Balance at beginning of period	$ (24,563)	$ (29,432)	$ (27,984)	$ (28,013)
Foreign currency translation adjustments				
Other comprehensive income (loss) before reclassifications	(227)	2,430	3,076	827
Amounts reclassified from accumulated other comprehensive loss	—	—	—	—
Net current-period other comprehensive income (loss)	(227)	2,430	3,076	827
Net unrealized gains on investments in securities				
Other comprehensive income before reclassifications	66	150	184	334
Amounts reclassified from accumulated other comprehensive loss	—	—	—	—
Net current-period other comprehensive income	66	150	184	334
Balance at end of period	$ (24,724)	$ (26,852)	$ (24,724)	$ (26,852)

Note 10 – Income Taxes

The Company is subject to income tax in multiple jurisdictions and the use of estimates is required to determine the provision for income taxes. For the three months ended September 30, 2025 and 2024, the Company recorded an income tax provision of $3.0 million and $2.7 million, respectively. For the nine months ended September 30, 2025 and 2024, the

Company recorded an income tax provision of $7.7 million and $8.0 million, respectively. The income tax provision is based on the estimated annual effective tax rate for the year applied to pre-tax income. The effective income tax rate for the three months ended September 30, 2025 was 29.6 percent compared to 27.1 percent in the same period of the prior year. The effective tax rate increased by 2.5 percent for the three months ended September 30, 2025 when compared to the same period in 2024, primarily due to an increase in losses in jurisdictions that are not eligible for tax benefits due to valuation allowances. The effective income tax rate for the nine months ended September 30, 2025 was 33.5 percent compared to 31.9 percent in the same period of the prior year. The effective tax rate increased by 1.6 percent for the nine months ended September 30, 2025 when compared to the same period in 2024, primarily due to an increase in losses in jurisdictions that are not eligible for tax benefits due to valuation allowances.

The effective income tax rate for the three and nine months ended September 30, 2025 differs from the U.S. federal statutory rate of 21.0 percent due to various factors, including operating in multiple state and foreign jurisdictions partially offset by tax credits for which the Company qualifies.

The Company had unrecognized tax benefits totaling $3.7 million as of September 30, 2025 and $3.4 million as of December 31, 2024, respectively, that if recognized would result in a reduction of the Company's effective tax rate. The liabilities are classified as other long-term liabilities in the accompanying consolidated balance sheets. The Company recognizes interest and penalties related to income tax matters in income tax expense and reports the liability in current or long-term income taxes payable as appropriate.

On July 4, 2025, the U.S. enacted H.R. 1 "A bill to provide for reconciliation pursuant to Title II of H. Con. Res. 14", commonly referred to as the One Big Beautiful Bill Act (OBBBA). As a result of the enactment of H.R. 1, the impact to the deferred tax liability and the income tax payable related to the provisions for 100% bonus depreciation for assets placed in service after January 19, 2025 and full expensing of domestic research and experimental expenditures was recorded in the period ended September 30, 2025. We do not expect any material change to our ongoing tax rate as a result of this legislation. We continue to evaluate the impacts the new legislation may have on the Company's financial statements.

Note 11 – Segment Reporting

The Company's reportable segments are based on the internal reporting used by the Company's Chief Executive Officer, who is the chief operating decision maker (CODM), to assess operating performance and make decisions about the allocation of resources. The Company's reportable segments are based upon geographic region, consisting of the United States and Europe. The Corporate Unallocated category includes non-reportable segments, as well as research and development and general and administrative costs that the Company does not allocate directly to its operating segments.

Intercompany transactions primarily relate to intercontinental activity and have been eliminated and are excluded from the reported amounts. The difference between income from operations and pre-tax income relates to foreign currency-related gains and losses and interest income on cash balances and investments, which are not allocated to business segments.

The following table summarizes selected financial information by reportable segments:

Three Months Ended September 30, 2025

(in thousands)

	United States	Europe	Corporate Unallocated	Total
Revenue	$ 109,361	$ 26,005	$ —	$ 135,366
Segment expenses[1]	81,028	28,696	16,683	126,407
Exit, Disposal and Goodwill impairment costs	—	149	—	149
Income (Loss) from Operations	$ 28,333	$ (2,840)	$ (16,683)	$ 8,810

Three Months Ended September 30, 2024

(in thousands)

	United States	Europe	Corporate Unallocated	Total
Revenue	$ 99,571	$ 26,048	$ —	$ 125,619
Segment expenses[1]	73,884	28,446	14,709	117,039
Exit, Disposal and Goodwill impairment costs	—	—	—	—
Income (Loss) from Operations	$ 25,687	$ (2,398)	$ (14,709)	$ 8,580

Nine Months Ended September 30, 2025

(in thousands)

	United States	Europe	Corporate Unallocated	Total
Revenue	$ 320,340	$ 76,294	$ —	$ 396,634
Segment expenses[1]	238,823	87,815	51,576	378,214
Exit, Disposal and Goodwill impairment costs	—	110	—	110
Income (Loss) from Operations	$ 81,517	$ (11,631)	$ (51,576)	$ 18,310

Nine Months Ended September 30, 2024

(in thousands)

	United States	Europe	Corporate Unallocated	Total
Revenue	$ 299,593	$ 79,547	$ —	$ 379,140
Segment expenses[1]	223,333	86,121	48,280	357,734
Exit, Disposal and Goodwill impairment costs	—	—	—	—
Income (Loss) from Operations	$ 76,260	$ (6,574)	$ (48,280)	$ 21,406

[1] Segment expenses consist primarily of raw materials, equipment depreciation, employee compensation including benefits, commissions and stock-based compensation, facilities costs and overhead allocations associated with the manufacturing process for molds and custom parts, marketing programs such as electronic, print and pay-per-click advertising and trade shows and other related costs for our United States and Europe reportable segments. Segment expenses for our Corporate Unallocated reportable segment consist primarily of personnel and outside service costs related to the development of new processes and product lines, enhancements of existing product

lines, software developed for internal use, maintenance of internally developed software, quality assurance and testing, employee compensation including benefits and stock-based compensation, severance, professional service fees related to accounting, tax and legal, and other related overhead costs.

Total long-lived assets, expenditures for additions to long-lived assets, and depreciation and amortization expense were as follows:

(in thousands)	September 30, 2025	December 31, 2024
Total long-lived assets:		
United States	$ 168,988	$ 181,291
Europe	42,337	45,972
Total Long-lived Assets	$ 211,325	$ 227,263

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2025	2024	2025	2024
Expenditures for additions to long-lived assets:				
United States	$ 3,636	$ 1,368	$ 5,929	$ 5,734
Europe	426	187	863	2,605
Total expenditures for additions to long-lived assets	$ 4,062	$ 1,555	$ 6,792	$ 8,339

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2025	2024	2025	2024
Depreciation and Amortization:				
United States	$ 6,904	$ 7,156	$ 20,916	$ 21,667
Europe	1,470	1,718	4,560	5,194
Corporate Unallocated	55	35	$ 217	$ 123
Total depreciation and amortization	$ 8,429	$ 8,909	$ 25,693	$ 26,984

Revenue by product line the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in thousands)	2025	2024	2025	2024
Revenue:				
Injection Molding	$ 47,770	$ 46,831	$ 143,908	$ 148,574
CNC Machining	63,043	53,327	177,831	154,498
3D Printing	20,082	21,437	61,491	64,300
Sheet Metal	4,262	3,743	12,776	11,218
Other Revenue	209	281	628	550
Total Revenue	$ 135,366	$ 125,619	$ 396,634	$ 379,140

Note 12 – Subsequent Event

On October 3, 2025 (the Notice Date), the Company announced that Oleg Ryaboy, Chief Technology Officer, will depart the Company and cease to be an employee, effective November 2, 2025. As of the Notice Date, Mr. Ryaboy is no longer the Company's Chief Technology Officer or an executive officer of the Company. Marc Kermisch has been appointed to serve as the Company's new Chief Technology & AI Officer, effective October 13, 2025.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2024.

Forward-Looking Statements

Statements contained in this report regarding matters that are not historical or current facts are "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by the following words: "may," "will," "could," "would," "should," "expect," "intend," "plan," "anticipate," "believe," "estimate," "predict," "project," "potential," "continue," "ongoing" or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. These statements involve known and unknown risks, uncertainties and other factors that may cause our results to be materially different than those expressed or implied in such statements. Certain of these risk factors and others are described in Item 1A. "Risk Factors" of this Quarterly Report on Form 10-Q, as well as our most recent Annual Report on Form 10-K as filed with the Securities and Exchange Commission (SEC). Other unknown or unpredictable factors also could have material adverse effects on our future results. We cannot guarantee future results, levels of activity, performance or achievements. Accordingly, you should not place undue reliance on these forward-looking statements. Finally, we expressly disclaim any intent or obligation to update any forward-looking statements to reflect subsequent events or circumstances.

Overview

We are one of the world's largest, fastest and most comprehensive digital manufacturers of custom parts. Our vision is accelerating innovation by revolutionizing manufacturing. Our mission is to shape the future by bringing customer ideas to life across every stage of their product cycle. We accomplish this by offering a variety of manufacturing capabilities fulfilled through a combination of owned manufacturing factories and a worldwide network of premium manufacturing partners. Our automated quoting and manufacturing systems are highly integrated with our manufacturing and fulfillment systems, which allow us to offer a vast array of manufacturing technologies in a variety of materials across a continuum of lead times and prices. Our technology-enabled digital engineering and manufacturing applications enable us to produce commercial-grade plastic, metal, and liquid silicone rubber parts in as fast as one day.

Our customers conduct the majority of their business with us via our Internet-based eCommerce platform. We target our products to the millions of product developers and engineers who use three-dimensional computer-aided design (3D CAD) software to design products across a diverse range of end-markets, to the procurement and supply chain professionals seeking to easily and efficiently source custom parts on-demand, and to a wide variety of customers seeking to purchase custom parts. We believe our use of advanced technologies enable us to offer significant advantages at competitive prices to many customers and is the primary reason we have become a leading supplier of custom parts.

We have established our operations in the United States and Europe. On October 21, 2024, the Company's board of directors approved a plan related to the Company's manufacturing facilities in Germany. The plan includes the closure of the Company's prototype injection molding manufacturing facility in Eschenlohe, Germany, and the discontinuation of Direct Metal Laser Sintering 3D printing services through its 3D printing facility in Putzbrunn, Germany. The Company expects to substantially complete the plan during fiscal year 2025. The Company intends to continue offering all of its manufacturing services to customers across Europe, including injection molding and metal 3D printing. These services will be fulfilled through internal manufacturing facilities and a network of manufacturing partners.

Our primary manufacturing product lines currently include Injection Molding, CNC Machining, 3D Printing and Sheet Metal. We continually seek to expand the range of sizes and geometric complexity of the parts we can make with these processes, to extend the variety of materials we are able to support, and to identify additional manufacturing processes to which we can apply our technology or incorporate into our manufacturing network in order to better serve the evolving preferences and needs of our customers. With the addition of the Protolabs Network in 2021, our global network of premium manufacturing partners significantly expands the breadth and depth of our manufacturing capabilities, enabling us to offer customers a wider variety of lead times and pricing options, and an expanded envelope of parts (complexity, size, etc.).

Key Financial Measures and Trends

Revenue

Our operations are comprised of two geographic operating segments in the United States and Europe. On October 21, 2024, the Company's board of directors approved a plan related to the Company's manufacturing facilities in Germany. The plan includes the closure of the Company's prototype injection molding manufacturing facility in Eschenlohe, Germany, and the discontinuation of Direct Metal Laser Sintering 3D printing services through its 3D printing facility in Putzbrunn, Germany. The Company expects to substantially complete the plan during fiscal year 2025. The Company intends to continue offering all of its manufacturing services to customers across Europe, including injection molding and metal 3D printing. These services will be fulfilled through internal manufacturing facilities and a network of manufacturing partners.

Revenue is derived from the sale or parts fulfilled through our owned manufacturing factories and worldwide network of premium manufacturing partners. Our product lines consist of Injection Molding, CNC Machining, 3D Printing and Sheet Metal. Injection Molding revenue consists of sales of custom injection molds and injection-molded parts. CNC Machining revenue consists of sales of CNC-machined custom parts. 3D Printing revenue consists of sales of 3D-printed parts. Sheet Metal revenue consists of sales of fabricated sheet metal custom parts. Our revenue is generated from a diverse customer base and our historical and current efforts to increase revenue have been directed at gaining new customers and selling to our existing customer base by increasing marketing and selling activities, including:

- expanding the breadth and scope of our products by adding more sizes and materials to our offerings;
- the introduction of our 3D Printing product line through our acquisition of FineLine in 2014;
- expanding 3D Printing to Europe through our acquisition of Alphaform in 2015;
- the introduction of our Sheet Metal product line through our acquisition of Rapid Manufacturing Group, LLC in 2017;
- continuously improving the usability of our product lines such as our web-centric applications; and
- providing customers with on-demand access to a global network of premium manufacturing partners through our acquisition of Hubs in 2021.

The following table summarizes our unique customer contacts and revenue per customer contact:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenue (in thousands)	$ 135,366	$ 125,619	$ 396,634	$ 379,140
Customer contacts	21,252	22,511	41,873	43,671
Revenue per customer contact[1]	$6,370	$5,580	$9,472	$8,682

[1] Revenue per customer contact is calculated using the revenue recognized during the respective period divided by the actual number of customer contacts served during the same period. Customer contacts are product developers, engineers, procurement and supply chain professionals and other individuals who place an order, and that order is shipped and invoiced during the period. The Company believes revenue per customer contact is useful to investors in evaluating the underlying business trends and ongoing operating performance of the Company.

Cost of Revenue, Gross Profit and Gross Margin

Cost of revenue consists primarily of raw materials, equipment depreciation, employee compensation including benefits and stock-based compensation, facilities costs, overhead allocations associated with the manufacturing process for molds and custom parts, and costs to procure parts through our network of premium manufacturing partners. We expect our personnel-related costs to increase in order to retain and attract top talent and remain competitive in the market. Overall, we expect cost of revenue to increase in absolute dollars.

We define gross profit as our revenue less our cost of revenue, and we define gross margin as gross profit expressed as a percentage of revenue. Our gross profit and gross margin are affected by many factors, including our mix of revenue produced in our internal manufacturing operations and outsourced to our external manufacturing partners, pricing, sales volume, manufacturing costs, the costs associated with increasing production capacity, the mix between domestic and foreign revenue sources, the mix of revenue by product line, and foreign currency exchange rates.

Operating Expenses

Operating expenses consist of marketing and sales, research and development and general and administrative expenses. Personnel-related costs are the most significant component in each of these categories.

Our business strategy is to continue to be a leading online and technology-enabled manufacturer of quick-turn, on-demand injection-molded, CNC-machined, 3D-printed and fabricated sheet metal custom parts for prototyping and low-volume production. In order to achieve our goals, we anticipate continued substantial investments in technology and personnel, resulting in increased operating expenses in the future.

Marketing and sales. Marketing and sales expense consists primarily of employee compensation, benefits, commissions, stock-based compensation, marketing demand generation costs such as electronic, print and pay-per-click advertising, trade shows and other related overhead. We expect sales and marketing expense to increase in the future as we increase the number of marketing and sales professionals and marketing demand generation costs targeted to increase our customer base and grow revenue.

Research and development. Research and development expense consists primarily of personnel and outside service costs related to the development of new processes and product lines, enhancement of existing product lines, development of software for internal use, maintenance of internally developed software, quality assurance and testing. Costs for internal use software are evaluated by project and capitalized where appropriate under ASC 350-40, *Intangibles — Goodwill and Other, Internal-Use Software*. We expect research and development expense to increase in the future as we seek to enhance our e-commerce interface technology, internal software and supporting business systems, and continue to expand our product lines.

General and administrative. General and administrative expense consists primarily of employee compensation, benefits, stock-based compensation, professional service fees related to accounting, tax and legal, and other related overhead. We expect general and administrative expense to increase in the future as we continue to grow and expand as a global organization.

Costs related to disposal and exit activities. Costs related to disposal and exit activities is driven by our decision to close certain manufacturing facilities in Germany. The expenses consist primarily of operating expenses, including employee severance, write-down of fixed assets and facility-related charges. Benefits may result from adjustments to initial estimates regarding the nature and timing of disposal and exit activities.

Other Income, net

Other income, net primarily consists of foreign currency-related gains and losses and interest income on cash balances and investments. Our foreign currency-related gains and losses will vary depending upon movements in underlying foreign currency exchange rates. Our interest income will vary each reporting period depending on our average cash balances during the period, composition of our marketable security portfolio and the current level of interest rates.

Provision for Income Taxes

Provision for income taxes is comprised of federal, state, local and foreign taxes based on pre-tax income. Overall, our effective tax rate for 2025 and beyond may differ from historical effective tax rates due to increases in losses in foreign operations that are not eligible for tax benefits on account of valuation allowances, as well as any future tax law changes that may impact our effective tax rate.

Results of Operations

The following table summarizes our results of operations and the related changes for the periods indicated. The results below are not necessarily indicative of the results for future periods.

	Three Months Ended September 30,				Change		Nine Months Ended September 30,				Change	
(dollars in thousands)	2025		2024		$	%	2025		2024		$	%
Revenue	$ 135,366	100.0	$ 125,619	100.0	$ 9,747	7.8	$ 396,634	100.0	$ 379,140	100.0	$ 17,494	4.6
Cost of revenue	74,073	54.7	68,389	54.4	5,684	8.3	219,869	55.4	207,897	54.8	11,972	5.8
Gross profit	61,293	45.3	57,230	45.6	4,063	7.1	176,765	44.6	171,243	45.2	5,522	3.2
Operating expenses												
Marketing and sales	24,574	18.2	22,619	18.0	1,955	8.6	73,054	18.4	69,070	18.2	3,984	5.8
Research and development	10,705	7.9	9,772	7.8	933	9.5	32,487	8.2	31,600	8.3	887	2.8
General and administrative	17,163	12.7	16,259	12.9	904	5.6	52,763	13.3	49,167	13.0	3,596	7.3
Costs related to exit and disposal activities	41	—	—	—	41	(100.0)	151	—	—	—	151	(100.0)
Total operating expenses	52,483	38.8	48,650	38.7	3,833	7.9	158,455	39.9	149,837	39.5	8,618	5.8
Income from operations	8,810	6.5	8,580	6.8	230	2.7	18,310	4.6	21,406	5.6	(3,096)	(14.5)
Other income, net	1,441	1.1	1,288	1.0	153	11.9	4,600	1.2	3,548	0.9	1,052	(29.7)
Income before income taxes	10,251	7.6	9,868	7.9	383	3.9	22,910	5.8	24,954	6.6	(2,044)	(8.2)
Provision for income taxes	3,035	2.2	2,679	2.1	356	13.3	7,668	1.9	7,957	2.1	(289)	(3.6)
Net income	$ 7,216	5.3%	$ 7,189	5.7%	$ 27	0.4 %	$ 15,242	3.8%	$ 16,997	4.5%	$ (1,755)	(10.3)%

Stock-based compensation expense included in the statements of operations data above for the three and nine months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(dollars in thousands)	2025	2024	2025	2024
Stock options, RSUs and PSUs	$ 3,355	$ 3,906	$ 10,955	$ 11,799
Employee stock purchase plan	322	290	973	917
Total stock-based compensation expense	$ 3,677	$ 4,196	$ 11,928	$ 12,716
Cost of revenue	$ 439	$ 474	$ 1,323	$ 1,401
Operating expenses:				
Marketing and sales	837	727	2,423	2,378
Research and development	764	671	2,124	2,031
General and administrative	1,637	2,324	6,058	6,906
Total stock-based compensation expense	$ 3,677	$ 4,196	$ 11,928	$ 12,716

Comparison of Three Months Ended September 30, 2025 and 2024

Revenue

Revenue by reportable segment and the related changes for the three months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,					
	2025		2024		Change	
(dollars in thousands)	$	% of Total Revenue	$	% of Total Revenue	$	%
Revenue:						
United States	$ 109,361	80.8 %	$ 99,571	79.3 %	$ 9,790	9.8 %
Europe	26,005	19.2 %	26,048	20.7 %	(43)	(0.2)
Total revenue	$ 135,366	100.0%	$ 125,619	100.0%	$ 9,747	7.8%

Our revenue increased $9.7 million, or 7.8%, for the three months ended September 30, 2025 compared to the same period in 2024. The growth in revenue was primarily driven by an increase in average order value for our larger United States customers in the three months ended September 30, 2025 compared to the same period in 2024. By reportable segment, revenue in the United States increased $9.8 million, or 9.8%, for the three months ended September 30, 2025 compared to the same period in 2024. Revenue in Europe decreased less than $0.1 million, or 0.2%, for the three months ended September 30, 2025 compared to the same period in 2024. International revenue was favorably impacted by $1.2 million during the three months ended September 30, 2025 compared to the same period in 2024 as a result of foreign currency movements, primarily due to the strengthening of the British Pound and Euro relative to the United States Dollar.

During the three months ended September 30, 2025, we served 21,252 unique customer contacts, which is a decrease of 5.6% from the same period in 2024. During the three months ended September 30, 2025, our customer contacts served decreased while our revenue grew. This was primarily due to our mix of customers served in the quarter as compared to the same period in 2024 and our strategic focus to earn larger orders from our customers as we strive to be their supplier of choice by serving their custom parts needs through the comprehensive offer of our factory and the Protolabs Network. Our revenue per customer contact grew 14.1% for the three months ended September 30, 2025 compared to the same period in 2024.

Revenue by product line and the related changes for the three months ended September 30, 2025 and 2024 were as follows:

	Three Months Ended September 30,					
	2025		2024		Change	
(dollars in thousands)	$	% of Total Revenue	$	% of Total Revenue	$	%
Revenue:						
Injection Molding	$ 47,770	35.3 %	$ 46,831	37.3 %	$ 939	2.0 %
CNC Machining	63,043	46.6	53,327	42.4	9,716	18.2
3D Printing	20,082	14.8	21,437	17.1	(1,355)	(6.3)
Sheet Metal	4,262	3.1	3,743	3.0	519	13.9
Other Revenue	209	0.2	281	0.2	(72)	(25.6)
Total Revenue	$ 135,366	100.0 %	$ 125,619	100.0 %	$ 9,747	7.8 %

By product line, our revenue increase was driven by a 18.2% increase in CNC Machining revenue, a 2.0% increase in Injection Molding revenue and a 13.9% increase in Sheet Metal revenue, partially offset by a 6.3% decrease in 3D Printing

revenue and a 25.6% decrease in Other Revenue, in each case for the three months ended September 30, 2025 compared to the same period in 2024.

Cost of Revenue, Gross Profit and Gross Margin

Cost of Revenue. Cost of revenue increased $5.7 million, or 8.3%, for the three months ended September 30, 2025 compared to the same period in 2024, while revenue increased 7.8% for the three months ended September 30, 2025 compared to the same period in 2024. The increase in the cost of revenue of $5.7 million was primarily driven by higher revenue volumes resulting in increases of $4.4 million in raw material and production and fulfillment related costs, and $2.0 million in personnel and related costs, primarily due to incentive compensation related to our annual short-term incentive compensation plan, contract labor and overtime, during the three months ended September 30, 2025 compared to the same period in 2024, partially offset by decreases in equipment and facility-related costs of $0.7 million.

Gross Profit and Gross Margin. Gross profit increased $4.1 million, or 7.1%, for the three months ended September 30, 2025 compared to the same period in 2024. Gross margin decreased from 45.6% in the three months ended September 30, 2024 to 45.3% in the three months ended September 30, 2025.

Operating Expenses, Other Income, net and Provision for Income Taxes

Marketing and Sales. Our marketing and sales expenses increased $2.0 million during the three months ended September 30, 2025 compared to the same period in 2024 primarily due to increases in personnel and related costs of $1.6 million, primarily due to incentive compensation related to our annual short-term incentive compensation plan and commissions and merit increases, and $0.4 million in marketing program costs.

Research and Development. Our research and development expenses increased $0.9 million, or 9.5%, during the three months ended September 30, 2025 compared to the same period in 2024 primarily due to increases in personnel and related costs of $1.2 million, primarily due to incentive compensation related to our annual short-term incentive compensation plan, partially offset by decreases of $0.2 million in operating costs and $0.1 million in professional services.

General and Administrative. Our general and administrative expenses increased $0.9 million, or 5.6%, during the three months ended September 30, 2025 compared to the same period in 2024 primarily due to increases of $0.8 million in personnel and related costs, primarily related to incentive compensation related to our annual short-term incentive compensation plan, $0.4 million in administrative costs and $0.4 million in professional services, partially offset by decreases of $0.7 million in stock-based compensation.

Costs related to exit and disposal. Our decision to exit and close certain operations in Germany resulted in less than a $0.1 million expense primarily related to professional services during the three months ended September 30, 2025. We had no costs related to exit and disposal activities during the three months ended September 30, 2024.

Other income, net. We recognized other income, net of $1.4 million for the three months ended September 30, 2025, an increase of $0.2 million compared to other income, net of $1.3 million for the three months ended September 30, 2024. Other income, net for the three months ended September 30, 2025 primarily consisted of $1.2 million in interest income on investments and $0.2 million of other income. Other income, net for the three months ended September 30, 2024 primarily consisted of $1.3 million in interest income on investments and other income.

Provision for Income Taxes. Our effective tax rate of 29.6% for the three months ended September 30, 2025 increased 2.5% compared to 27.1% for the same period in 2024. The increase in the effective tax rate was primarily due to an increase in losses in jurisdictions that are not eligible for tax benefits due to valuation allowances. Our income tax provision of $3.0 million for the three months ended September 30, 2025 increased $0.3 million as compared to our income tax provision of $2.7 million for the same period in 2024.

Comparison of Nine Months Ended September 30, 2025 and 2024

Revenue

Revenue by reportable segment and the related changes for the nine months ended September 30, 2025 and 2024 were as follows:

	Nine Months Ended September 30,					
	2025		2024		Change	
(dollars in thousands)	$	% of Total Revenue	$	% of Total Revenue	$	%
Revenue:						
United States	$ 320,340	80.8 %	$ 299,593	79.0 %	$ 20,747	6.9 %
Europe	76,294	19.2 %	79,547	21.0 %	(3,253)	(4.1)
Total revenue	$ 396,634	100.0%	$ 379,140	100.0%	$ 17,494	4.6%

Our revenue increased $17.5 million, or 4.6%, for the nine months ended September 30, 2025 compared to the same period in 2024. By reportable segment, revenue in the United States increased $20.7 million, or 6.9%, for the nine months ended September 30, 2025 compared to the same period in 2024. Revenue in Europe decreased $3.3 million, or 4.1% for the nine months ended September 30, 2025 compared to the same period in 2024. International revenue was favorably impacted by $2.1 million during nine months ended September 30, 2025 compared to the same period in 2024 as a result of foreign currency movements, primarily the strengthening of the British Pound and Euro relative to the United States Dollar.

During the nine months ended September 30, 2025, we served 41,873 unique product developers and engineers, a decrease of 4.1% from the same period in 2024. During the nine months ended September 30, 2025, our customer contacts served decreased while our revenue grew. This was primarily due to our mix of customers served during the nine months ended September 30, 2025 as compared to the same period in 2024 and our strategic focus to earn larger orders from our customers as we strive to be their supplier of choice by serving their custom parts needs through the comprehensive offer of our factory and the Protolabs Network. Our revenue per customer contact grew 9.1% for the nine months ended September 30, 2025 compared to the same period in 2024.

Revenue by product line and the related changes for the nine months ended September 30, 2025 and 2024 were as follows:

	Nine Months Ended September 30,					
	2025		2024		Change	
(dollars in thousands)	$	% of Total Revenue	$	% of Total Revenue	$	%
Revenue:						
Injection Molding	$ 143,908	36.3 %	$ 148,574	39.2 %	$ (4,666)	(3.1)%
CNC Machining	177,831	44.8	154,498	40.7	23,333	15.1
3D Printing	61,491	15.5	64,300	17.0	(2,809)	(4.4)
Sheet Metal	12,776	3.2	11,218	3.0	1,558	13.9
Other Revenue	628	0.2	550	0.1	78	14.2
Total Revenue	$ 396,634	100.0 %	$ 379,140	100.0 %	$ 17,494	4.6 %

By product line, our revenue increase was driven by a 15.1% increase in CNC Machining revenue, a 13.9% increase in Sheet Metal revenue and a 14.2% increase in Other Revenue, partially offset by a 3.1% decrease in Injection Molding revenue and a 4.4% decrease in 3D Printing revenue in each case for the nine months ended September 30, 2025 compared to the same period in 2024.

Cost of Revenue, Gross Profit and Gross Margin

Cost of Revenue. Cost of revenue increased $12.0 million, or 5.8%, for the nine months ended September 30, 2025 compared to the same period in 2024, which was higher than the rate of revenue increase of 4.6% for the nine months ended September 30, 2025 compared to the same period in 2024. The increase in cost of revenue of $12.0 million was primarily driven by higher revenue volumes resulting in increases of $8.4 million in raw material and production and fulfillment related costs and $4.7 million in personnel and related costs, primarily due to incentive compensation related to our annual short-term incentive compensation plan, overtime, and medical related costs during the nine months ended September 30, 2025 compared to the same period in 2024, partially offset by decreases in equipment and facility-related costs of $1.1 million.

Gross Profit and Gross Margin. Gross profit increased $5.5 million, or 3.2%, for the nine months ended September 30, 2025 compared to the same period in 2024. Gross margin decreased from 45.2% in the nine months ended September 30, 2024 to 44.6% in the nine months ended September 30, 2025.

Operating Expenses, Other Income, net and Provision for Income Taxes

Marketing and Sales. Our Marketing and sales expenses increased $4.0 million, or 5.8%, during the nine months ended September 30, 2025 compared to the same period in 2024. The increase was driven by increases in personnel and related costs of $3.4 million, primarily due to incentive compensation related to commissions and our annual short-term incentive compensation plan and merit increases, and marketing program cost increases of $0.6 million during the nine months ended September 30, 2025 when compared to the same period in 2024.

Research and Development. Our research and development expenses increased $0.9 million, or 2.8%, during the nine months ended September 30, 2025 compared to the same period in 2024, primarily due to personnel and related cost increases of $1.6 million, primarily related to incentive compensation related to our annual short-term incentive compensation plan, partially offset by decreases of $0.4 million in operating costs and $0.3 million in professional services.

General and Administrative. Our general and administrative expenses increased $3.6 million, or 7.3%, during the nine months ended September 30, 2025 compared to the same period in 2024 primarily due to increases of $2.3 million in personnel and related costs, primarily related to the previously disclosed CEO transition that occurred during the nine months ended September 30, 2025 and incentive compensation related to our annual short-term incentive compensation plan, $1.6 million in administrative costs and $0.5 million in professional services, partially offset by decreases of $0.8 million in stock-based compensation.

Costs related to exit and disposal. Our decision to exit and close certain operations in Germany resulted in a $0.2 million expense related to the write-down of fixed assets and $0.1 million in professional services, partially offset by $0.1 million in personnel and related cost benefits during the nine months ended September 30, 2025. These items are the result of changes from the estimated amounts accrued in 2024 and the timing of employee separation payments. We had no costs related to exit and disposal activities during the nine months ended September 30, 2024.

Other loss, net. We recognized other income, net of $4.6 million for the nine months ended September 30, 2025, an increase of $1.1 million compared to other income, net of $3.5 million for the nine months ended September 30, 2024. Other income, net for the nine months ended September 30, 2025 primarily consisted of $3.5 million in interest income on investments, $0.6 million of other income and $0.5 million of foreign currency gains. Other income, net for the nine months ended September 30, 2024 primarily consisted of $3.9 million in interest income on investments and other income, partially offset by a $0.4 million of foreign currency losses.

Provision for Income Taxes. Our effective tax rate of 33.5% for the nine months ended September 30, 2025 increased 1.6% compared to 31.9% for the same period in 2024. The increase in the effective tax rate is primarily due to an increase in losses in jurisdictions that are not eligible for tax benefits due to valuation allowances. Our income tax provision of $7.7 million for the nine months ended September 30, 2025 decreased $0.3 million compared to our income tax provision of $8.0 million for the nine months ended September 30, 2024.

Liquidity and Capital Resources

Cash Flows

The following table summarizes our cash flows during the nine months ended September 30, 2025 and 2024:

	Nine Months Ended September 30,	
(dollars in thousands)	**2025**	**2024**
Net cash provided by operating activities	$ 58,053	$ 60,535
Net cash used in investing activities	(7,804)	(10,683)
Net cash used in financing activities	(35,887)	(46,004)
Effect of exchange rate changes on cash and cash equivalents	989	235
Net increase in cash and cash equivalents	$ 15,351	$ 4,083

Sources of Liquidity

Historically, we have primarily financed our operations and capital expenditures through cash flow from operations. We had cash and cash equivalents of $104.4 million as of September 30, 2025, an increase of $15.4 million from December 31, 2024. The increase in our cash was primarily due to cash provided by operating activities of $58.1 million, proceeds from call redemptions and maturities of marketable securities of $11.7 million, issuances of common stock from equity plans of $4.2 million and from the sale of equipment of $0.8 million, partially offset by $36.7 million in repurchases of common stock, $13.6 million for purchases of marketable securities, $6.8 million for purchases of property, equipment and other capital assets and $3.1 million of shares repurchased for tax obligations.

We believe that our existing cash and cash equivalents together with cash generated from operations will be sufficient to meet our working capital and capital expenditure requirements for at least the next 12 months.

Cash Flows from Operating Activities

Cash flows from operating activities were $58.1 million during the nine months ended September 30, 2025 and primarily consisted of net income of $15.2 million, adjusted for certain non-cash items, including depreciation and amortization of $25.7 million, stock-based compensation expense of $11.9 million, deferred taxes of $2.4 million, changes in operating assets and liabilities and other items totaling $2.4 million, and an impairments on a leased facility and fixed assets of $0.4 million. Cash flows from operating activities were $60.5 million during the nine months ended September 30, 2024 and primarily consisted of net income of $17.0 million, adjusted for certain non-cash items, including depreciation and amortization of $27.0 million, stock-based compensation expense of $12.7 million and changes in operating assets and liabilities and other items totaling $9.6 million and a non-cash impairment of equipment of equipment of $0.3 million, which were partially offset by deferred taxes of $6.1 million.

Cash flows from operating activities decreased $2.5 million during the nine months ended September 30, 2025 compared to the same period in 2024, primarily due to changes in operating assets and liabilities and other items totaling $7.3 million, decreases in net income of $1.8 million, decreases in depreciation and amortization of $1.3 million, and decreases in stock-based compensation of $0.8 million, which were partially offset by increases in deferred taxes of $8.5 million and other property and equipment adjustments of $0.2 million.

Cash Flows from Investing Activities

Cash used in investing activities was $7.8 million during the nine months ended September 30, 2025, consisting of $6.0 million for net purchases of property, equipment and other capital assets and $1.8 million of purchases of marketable securities, net of proceeds from call redemptions and maturities.

Cash used in investing activities was $10.7 million during the nine months ended September 30, 2024, consisting of $8.3 million for net purchases of property, equipment and other capital assets and $2.4 million of purchases of marketable securities, net of proceeds from call redemptions and maturities.

Cash Flows from Financing Activities

Cash used in financing activities was $35.9 million during the nine months ended September 30, 2025, consisting of $36.7 million in repurchases of common stock, $3.1 million in purchases of shares withheld for tax obligations associated with equity transactions and $0.2 million for repayments of finance lease obligations, which were partially offset by $4.2 million in proceeds related to equity plans.

Cash used in financing activities was $46.0 million during the nine months ended September 30, 2024, consisting of $46.0 million in repurchases of common stock, $1.9 million in purchases of shares withheld for tax obligations associated with equity transactions and $0.2 million for repayments of finance lease obligations, which were partially offset by $2.1 million in proceeds from issuance of common stock from equity plans.

Critical Accounting Estimates

We have adopted various accounting policies to prepare the Consolidated Financial Statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The preparation of these financial statements requires us to make estimates, judgements and assumptions. Our significant accounting policies and estimates are disclosed in Note 2 to the Consolidated Financial Statements included Part II, Item 8 in our Annual Report on Form 10-K for the year ended December 31, 2024. There were no material changes to our critical accounting policies and estimates during the nine months ended September 30, 2025.

Recent Accounting Pronouncements

For information on recent accounting pronouncements, see Note 2 to the Consolidated Financial Statements appearing in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Foreign Currency Risk

As a result of our foreign operations, we have revenue, expenses, assets and liabilities that are denominated in foreign currencies. We generate revenue and incur production and sourcing costs and operating expenses in British Pounds and Euros.

Our operating results and cash flows are adversely impacted when the United States Dollar appreciates relative to foreign currencies. Additionally, our operating results and cash flows are adversely impacted when the British Pound appreciates relative to the Euro. As we expand internationally, our results of operations and cash flows will become increasingly subject to changes in foreign currency exchange rates.

We have not used forward contracts or currency borrowings to hedge our exposure to foreign currency risk. Foreign currency risk can be assessed by estimating the change in results of operations or financial position resulting from a hypothetical 10% adverse change in foreign exchange rates. We believe such a change would generally not have a material impact on our financial position, but could have a material impact on our results of operations. We recognized foreign currency gains of less than $0.1 million and foreign currency losses of $0.1 million for the three months ended September 30, 2025 and 2024, respectively. We recognized foreign currency gains of $0.5 million and foreign currency losses of $0.4 million for the nine months ended September 30, 2025 and 2024, respectively. The changes in foreign exchange rates had a favorable impact on consolidated revenue of $1.2 million for the three months ended September 30, 2025 and a favorable impact on consolidated revenue of $2.1 million for the nine months ended September 30, 2025 compared to the same period in 2024.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)) as of the end of the period covered by this report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures are effective and provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported accurately and within the time frames specified in the

SEC's rules and forms and accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are subject to various legal proceedings and claims that arise in the ordinary course of our business activities. Although the results of litigation and claims cannot be predicted with certainty, as of the date of these financial statements, we do not believe we are party to any litigation the outcome of which, if determined adversely to us, would individually or in the aggregate be reasonably expected to have a material adverse effect on our business.

Item 1A. Risk Factors

Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024 includes a discussion of our risk factors. There have been no material changes from the risk factors described in our Annual Report on Form 10-K.

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

On February 4, 2025, our board of directors authorized a share repurchase program (the February 2025 Program). The February 2025 Program is open-ended and authorizes repurchases of shares of our common stock from time to time on the open market or in privately negotiated purchases, with a total stock repurchase authorized of up to $100 million. We have $63.3 million remaining under this authorization. The February 2025 Program does not obligate us to acquire any particular amount of shares of our common stock and remains in effect until the total authorized amount is expended or until further action by our board of directors. The actual timing, manner, number and value of shares repurchased under the February 2025 Program will be determined by our management in its discretion and will depend on several factors, including the market price of the Company's common stock, general market and economic conditions, applicable requirements, and other considerations.

During the three months ended September 30, 2025, we repurchased 258,454 shares of our common stock at a total purchase price of $12.8 million under this program. Common stock repurchase activity through September 30, 2025 was as follows:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands)
July 1, 2025 through July 31, 2025	—	$ —	—	$ 76,035
August 1, 2025 through August 31, 2025	174,571	$ 49.12	174,571	$ 67,460
September 1, 2025 through September 30, 2025	83,883	$ 49.51	83,883	$ 63,307
	258,454	$ 49.25	258,454	$ 63,307

Item 3. Defaults Upon Senior Securities

No matters to disclose.

Item 4. Mine Safety Disclosures

No matters to disclose.

Item 5. Other Information

On August 15, 2025, Michael R. Kenison, Chief Operations Officer of the Company, entered into a 10b5-1 sales plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. This 10b5-1 sales plan provides for (1) the sale of up to 10,681 shares of common stock related to the exercise of option awards granted to Mr. Kenison and (2) the sale of up to 7,500 shares of common stock related to vested restricted stock units granted to Mr. Kenison. This 10b5-1 sales plan will become effective on November 14, 2025 and will expire on June 12, 2026, or earlier completion of all authorized transactions under the plan.

On September 8, 2025, Oleg Ryaboy, Chief Technology Officer of the Company until October 3, 2025, entered into a 10b5-1 sales plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. This 10b5-1 sales plan provides for (1) the sale of up to 3,048 shares of common stock related to the exercise of option awards granted to Mr. Ryaboy, (2) the sale of up to 4,200 shares of common stock related to vested restricted stock units granted to Mr. Ryaboy and (3) the sale of shares of common stock related to the future vesting of up to 5,658 restricted stock units held by Mr. Ryaboy. The exact number of shares of common stock that will be sold under this 10b5-1 sales plan related to vesting of restricted stock units is not yet determinable because an unknown number of shares will be sold to satisfy tax withholding obligations in connection with the vesting of the restricted stock units covered by the plan. This 10b5-1 sales plan will become effective on December 8, 2025 and will expire on August 15, 2026, or earlier completion of all authorized transactions under the plan.

During the three months ended September 30, 2025, no other directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

Item 6. Exhibits

The following documents are filed or furnished, as applicable, as part of this Quarterly Report on Form 10-Q:

Exhibit Number	Description of Exhibit
3.1	Third Amended and Restated Articles of Incorporation of Proto Labs, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-1/A, filed on February 13, 2012).
3.2	Articles of Amendment to Third Amended and Restated Articles of Incorporation of Proto Labs, Inc. dated May 20, 2015 (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K, filed with the Commission on May 21, 2015).
3.3	Third Amended and Restated By-Laws of Proto Labs, Inc., as amended through November 15, 2022 (incorporated by reference to Exhibit 3.2 to the Company's Form 8-K, filed on November 15, 2022).
10.1	Form of Executive Severance Agreement*
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act*
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act*
32.1	Certification of the Chief Executive Officer and the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act**
101.INS	Inline 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.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)*

*Filed herewith.
**Furnished herewith.

SIGNATURE

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.

Proto Labs, Inc.

Date: October 31, 2025

/s/ Suresh Krishna

Suresh Krishna

President and Chief Executive Officer
(Principal Executive Officer)

Date: October 31, 2025

/s/ Daniel Schumacher

Daniel Schumacher

Chief Financial Officer
(Duly Authorized Officer, Principal Financial Officer and Principal Accounting Officer)