

Q1'25 FINANCIAL RESULTS

May 1, 2025

Cautionary Statement Regarding Forward-Looking Statements

Forward-Looking Statements:

Certain statements contained in this presentation may be considered forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including statements regarding design wins, new product introductions or new market opportunities; impact of recurring orders and/or revenue; impacts due to restructuring activities; effects of test cell utilization on future business; growth opportunity for acquired business and technology; impact of current orders on growth in that market segment or geographic territory; consequence or completion of sustainability or social projects, initiatives or goals; forecasted information about the impact of tariffs on financial performance and other business outcomes; cash position to accomplish forecasted activities; Q2'25 outlook and financial guidance, including forecasts in revenue, gross margin, strength of recurring revenue, operating expense, outstanding share projections, and tax treatment impacts; and/or include words such as “may,” “will,” “should,” “would,” “expect,” “anticipate,” “plan,” “likely,” “believe,” “estimate,” “project,” “intend;” and/or other similar expressions among others. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Any third-party industry analyst forecasts quoted are for reference only and Cohu does not adopt or affirm any such forecasts.

Actual results and future business conditions could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: new product investments and product enhancements which may not be commercially successful; the semiconductor industry is seasonal, cyclical, volatile and unpredictable; recent erosion in mobile, automotive and industrial market sales; our ability to manage and deliver high quality products and services; failure of sole source contract manufacturer or our ability to manage third-party raw material, component and/or service providers; ongoing inflationary pressures on material and operational costs coupled with rising interest rates; economic recession; the semiconductor industry is intensely competitive, subject to rapid technological changes, and experiences consolidation of key customers for semiconductor test equipment; a limited number of customers account for a substantial percentage of net sales; significant exports to foreign countries with economic and political instability and competition from a number of Asia-based manufacturers; our relationships with customers may deteriorate; loss of key personnel; risks of using artificial intelligence within Cohu’s product developments and business; reliance on foreign locations and geopolitical instability in such locations critical to Cohu and its customers; natural disasters, war and climate-related changes, including related economic impacts; levels of debt; access to sufficient capital on reasonable or favorable terms; foreign operations and related currency fluctuations; required or desired accounting charges and the cost or effectiveness of accounting controls; instability of financial institutions where we maintain cash deposits and potential loss of uninsured cash deposits; significant goodwill and other intangibles as percentage of our total assets; increasingly restrictive trade and export regulations impacting our ability to sell products, specifically within China; risks associated with acquisitions, investments and divestitures such as integration and synergies; constraints related to corporate governance structures; share repurchases and related impacts; financial or operating results that are below forecast or credit rating changes impacting our stock price or financing ability; law/regulatory changes and including environmental or tax law changes; significant volatility in our stock price; the risk of cybersecurity breaches; enforcing or defending intellectual property claims or other litigation.

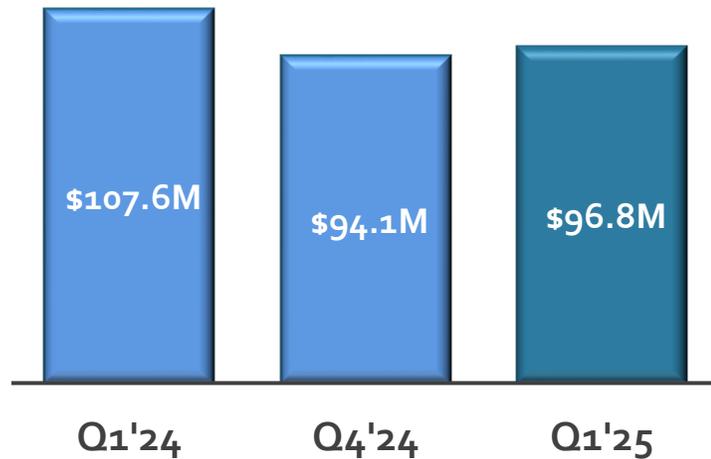
These and other risks and uncertainties are discussed more fully in Cohu’s filings with the SEC, including our most recent Form 10-K and Form 10-Q, and the other filings made by Cohu with the SEC from time to time, which are available via the SEC’s website at www.sec.gov. Except as required by applicable law, Cohu does not undertake any obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.



BUSINESS UPDATE

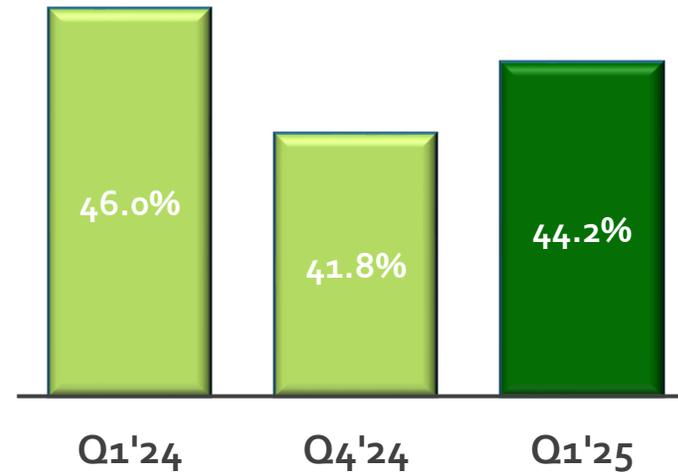
SUMMARY

Revenue



- Received multi-unit order for HBM inspection systems
- Recurring orders increased 28% quarter-over-quarter
- Opening the business aperture: design-wins and new markets

Non-GAAP Gross Margin⁽¹⁾



- Q1'25 gross margin 44.2%
- Cohu Asia factories remain underutilized - implementing restructuring program

Adj. EBITDA⁽¹⁾



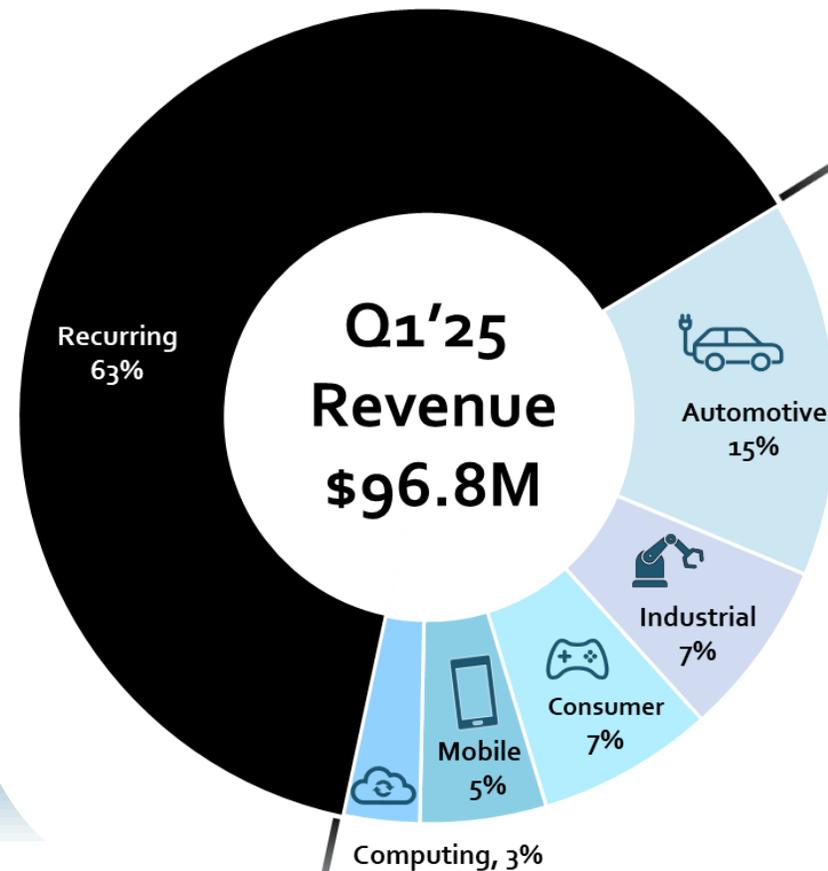
- Est. test cell utilization down 1 pt. QoQ to 72%
- Implementing cost reductions to lower Opex in coming quarters and return to profitability

DIVERSE REVENUE PROFILE

Recurring

Key Business Drivers

- Power probe card design-win
- New customers for Tignis AI process monitoring demonstrations



Systems

Key Business Drivers

- Multi-unit order for HBM inspection
- Diamond_x win at European fabless comm. IC supplier
- Handler customer expansion in China

2024 SUSTAINABILITY HIGHLIGHTS

Energy Usage

9%
Reduction



- 100% renewable energy utilized in Kolbermoor, Germany and Osaka, Japan
- Converted Melaka, Malaysia to use renewable energy
- Replacement of air compressor in Poway, California

Transparency

- Listed in Newsweek's **"America's Greenest Companies 2025"**
- Broadened site-specific & geographic water, energy, and emissions disclosures
- Joined SBER & committed to engage with SBTi
- Improved our Climate Change score with CDP
- Maintained corporate RBA Risk Rating of "Low"
- No product recalls. No safety claims
- Excellent employee safety record⁽¹⁾

Energy-Efficient Products

- Diamond_xTM air-cooled architecture consumes ~75% less power
- Sense+TM μ -sense architecture delivers energy savings and reduced footprint
- KryptonTM optimized floor space and provides higher yield avoiding scrap material
- T-CoreTM active thermal control dynamically removes heat from devices
- DI-Core[®], Smart factory & AI deep learning solutions

Water Consumption

16%
Reduction



GHG Emissions

32%
Reduction

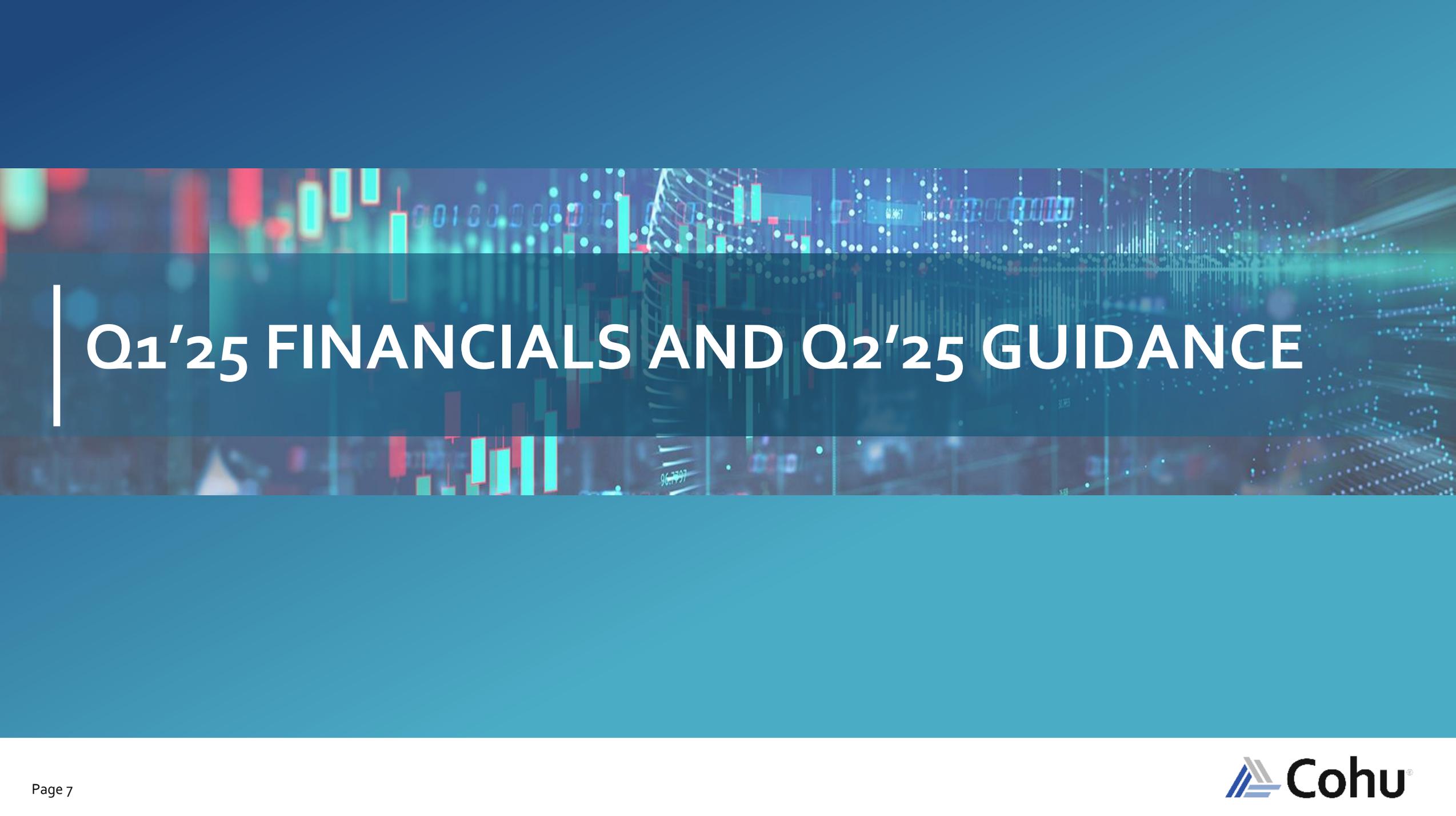


Talent Optimization

- Introduced Learning Communities for individual professional development
- Launched Emerging Leaders program to prepare employees for career progression

We are making progress toward our goal of developing near-term science-based emissions reduction targets with the Science Based Targets initiative ("SBTi")

⁽¹⁾ Incident rate 38% below industry benchmark



Q1'25 FINANCIALS AND Q2'25 GUIDANCE

Q1'25 NON-GAAP RESULTS

	Q4'24 Actual	Q1'25 Guidance ⁽²⁾	Q1'25 Actual
Revenue	\$94.1M	\$97M +/- \$7M	\$96.8M
Gross Margin ⁽¹⁾	41.8%	~ 44%	44.2%
Operating Expenses ⁽¹⁾	\$45.3M	~ \$49M	\$48.6M
Non-GAAP EPS ⁽¹⁾	(\$0.15)		(\$0.02)
Adjusted EBITDA ⁽¹⁾	(2.1%)	~ (3%)	(2.0%)

- Q1 results in-line or slightly better than guidance

(1) Non-GAAP, see Appendix for Q4'24, Q1'25 GAAP to non-GAAP reconciliations and for notes regarding use of forward-looking non-GAAP figures

(2) Guidance as provided on February 13, 2025 press release and earnings conference call

BALANCE SHEET

	Q4'24	Q1'25
Cash and Investments ⁽¹⁾	\$262M	\$201M
Accounts Receivable	\$92M	\$94M
Total Debt	\$9M	\$18M
Capital Additions	\$3.0M	\$11.0M
Cash Flow From Operations	(\$2.3M)	(\$10.2M)

- Cash lower in Q1 due primarily to ~ \$35M Tignis acquisition and ~ \$9M to repurchase 432K shares of Common Stock
- Debt increased QoQ for revolving credit facility used to finance purchase of Melaka, Malaysia facility
- Q1 capital expenditures driven by Malaysia facility purchase

⁽¹⁾ Net cash per share Q4'24 = \$5.42; Q1'25 = \$3.93; See Appendix for GAAP to non-GAAP reconciliations.

Q2'25 OUTLOOK

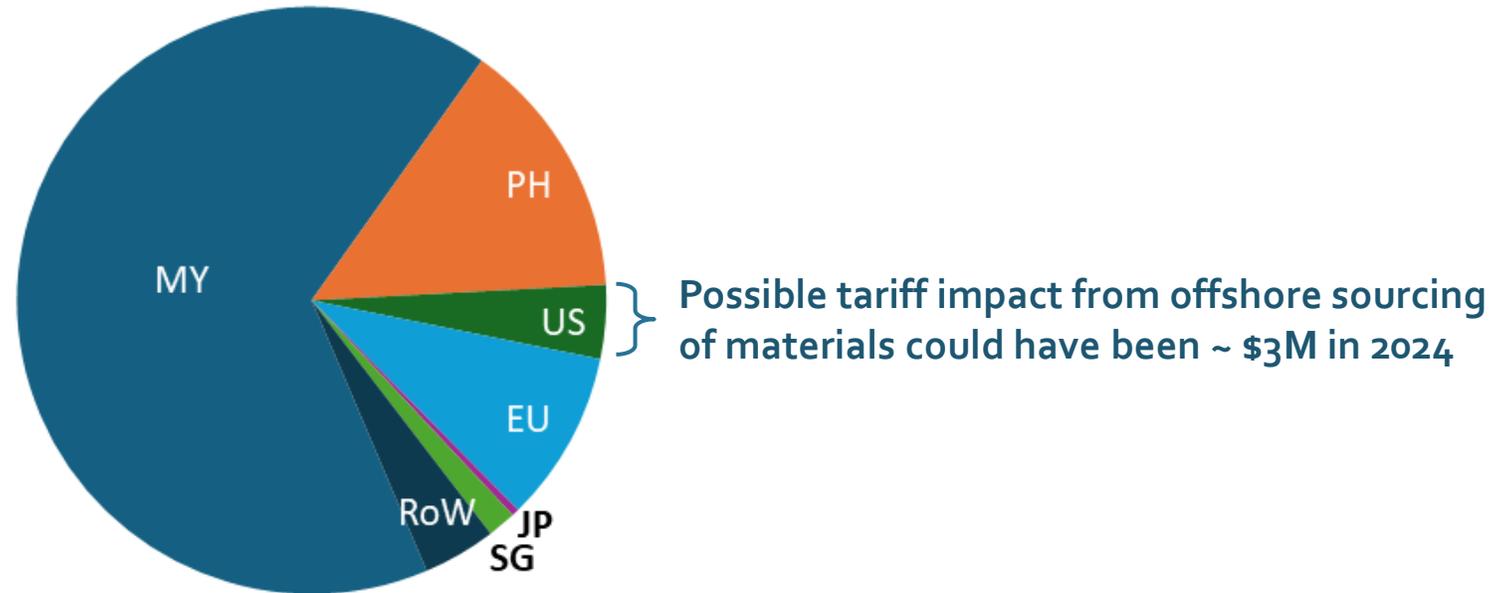
	Q1'25 Actual	Q2'25 Guidance
Revenue ⁽¹⁾	\$96.8M	\$106M +/- \$7M
Gross Margin ⁽¹⁾	44.2%	~ 45%
Operating Expenses ⁽¹⁾	\$48.6M	~ \$48M
Adjusted EBITDA ⁽¹⁾	(2.0%)	~ 4%

- Q2 revenue forecasted to increase ~ 10% vs. Q1 driven by increasing recurring revenue and HBM inspection systems
- Resilient gross margin from differentiated products and strong recurring revenue; no measurable cost impact from tariffs to date
- OPEX down QoQ on lower labor costs due to restructuring actions taken in late Q1
- Projecting ~ \$1.6M Q2 tax provision

(1) See Appendix for Q1'25 GAAP to non-GAAP reconciliations. The Q2'25 non-GAAP guidance excludes estimated pre-tax charges related to stock-based compensation of \$0.2M (CoS) and \$3.1M (Opex), and amortization of purchased intangibles of \$9.6M (Opex). These forward-looking figures do not reflect restructuring costs, acquisition-related costs, other manufacturing transition/severance costs, inventory step-up costs, amortization of cloud-based software implementation costs (Adjusted EBITDA only), or other non-operational or unusual items, which we are unable to predict without unreasonable efforts due to their inherent uncertainty, therefore, reconciliation of these figures to GAAP is not provided.

POTENTIAL COGS IMPACT FROM TARIFFS

2024 Revenue by Shipping Location



- Analysis based on 2024 results with tariffs at 145% on China and 10% ROW
- Cohu shipping terms require customers to be importer of record and responsible for tariff costs, if any
- Cohu supply chain and mfg. operations are primarily Asia based and shipping to Asia based customer facilities
- Ongoing effort to transition supply chain to minimize impacts of revised U.S. tariff scheme

APPENDIX

Use of Non-GAAP Financial Information:

This presentation includes non-GAAP financial measures, including non-GAAP Gross Margin/Profit, Income and Income (adjusted earnings) per share, Operating Income, Operating Expense, effective tax rate, net cash per share and Adjusted EBITDA that supplement the Company's Condensed Consolidated Statements of Operations prepared under generally accepted accounting principles (GAAP). These non-GAAP financial measures adjust the Company's actual results prepared under GAAP to exclude charges and the related income tax effect for: share-based compensation, the amortization of purchased intangible assets, restructuring costs, manufacturing transition and severance costs, asset impairment charges, acquisition-related costs and associated professional fees, reduction of indemnification receivable, depreciation of purchase accounting adjustments to property, plant and equipment, purchase accounting inventory step-up included in cost of sales, and amortization of cloud-based software implementation costs (Adjusted EBITDA only). Reconciliations of GAAP to non-GAAP amounts for the periods presented herein are provided in schedules accompanying this release and should be considered together with the Condensed Consolidated Statements of Operations. With respect to any forward-looking non-GAAP figures, we are unable to provide without unreasonable efforts, at this time, a GAAP to non-GAAP reconciliation of any forward-looking figures due to their inherent uncertainty.

These non-GAAP measures are not meant as a substitute for GAAP, but are included solely for informational and comparative purposes. The Company's management believes that this information can assist investors in evaluating the Company's operational trends, financial performance, and cash generating capacity. Management uses non-GAAP measures for a variety of reasons, including to make operational decisions, to determine executive compensation in part, to forecast future operational results, and for comparison to our annual operating plan. However, the non-GAAP financial measures should not be regarded as a replacement for (or superior to) corresponding, similarly captioned, GAAP measures.

GAAP TO NON-GAAP RECONCILIATION

<u>Earnings Reconciliation</u>	<u>3 Months Ending</u>		<u>3 Months Ending</u>	
	<u>Dec 28,</u>	<u>Diluted</u>	<u>Mar 29,</u>	<u>Diluted</u>
	<u>2024</u>	<u>EPS</u>	<u>2025</u>	<u>EPS</u>
Net loss - GAAP	\$ (21,358)	\$ (0.46)	\$ (30,804)	\$ (0.66)
Share based compensation	5,281	0.11	6,230	0.13
Amortization of purchased intangible assets	9,753	0.21	9,852	0.21
Restructuring costs related to inventory in COS	(429)	(0.01)	157	0.00
Restructuring costs	5	0.00	6,628	0.14
Manufacturing transition and severance costs	136	0.00	47	0.00
Other acquisition costs	407	0.01	328	0.01
Reduction of Indemnification Receivable	506	0.01	0	0.00
Adjustment to Contingent Consideration	0	0.00	(1,700)	(0.04)
Tax effect of Non-GAAP adjustments	(1,377)	(0.02)	8,476	0.19
Net loss - Non-GAAP	<u>(\$7,076)</u>	<u>\$ (0.15)</u>	<u>(\$786)</u>	<u>\$ (0.02)</u>
Weighted Average Shares - GAAP	Diluted	46,719	Diluted	46,645
Weighted Average Shares - Non-GAAP	Diluted	46,719	Diluted	46,645
Income tax provision - GAAP	\$ 2,055		\$ 4,838	
Tax effect of Non-GAAP adjustments ⁽¹⁾	1,377		(8,476)	
Income tax provision - Non-GAAP	<u>\$ 3,432</u>		<u>\$ (3,638)</u>	
Effective tax rate - GAAP	-13.9%		-32.6%	
Effective tax rate - Non-GAAP	411.5%		-43.2%	

(1) Calculated by applying statutory tax rates in effect to the respective non-GAAP adjustments.

<u>Gross Profit Reconciliation</u>	<u>3 Months Ending</u>		<u>3 Months Ending</u>		<u>3 Months Ending</u>	
	<u>Mar 30,</u>	<u>% of Net</u>	<u>Dec 28,</u>	<u>% of Net</u>	<u>Mar 29,</u>	<u>% of Net</u>
	<u>2024</u>	<u>Sales</u>	<u>2024</u>	<u>Sales</u>	<u>2025</u>	<u>Sales</u>
Net Sales	\$ 107,614		\$ 94,122		\$ 96,797	
Gross Profit - GAAP	49,249	45.8%	39,466	41.9%	42,317	43.7%
Share based compensation	227	0.2%	290	0.3%	325	0.3%
Restructuring costs related to inventory in COS	(4)	0.0%	(429)	-0.5%	157	0.2%
Gross Profit - Non-GAAP	<u>\$49,472</u>	<u>46.0%</u>	<u>\$39,336</u>	<u>41.8%</u>	<u>\$42,799</u>	<u>44.2%</u>

GAAP TO NON-GAAP RECONCILIATION

<u>Operating Expense Reconciliation</u>	<u>3 Months Ending</u>		<u>3 Months Ending</u>	
	<u>Dec 28,</u>	<u>% of Net</u>	<u>Mar 29,</u>	<u>% of Net</u>
	<u>2024</u>	<u>Sales</u>	<u>2025</u>	<u>Sales</u>
Operating Expense - GAAP	\$ 61,093	64.9%	\$ 69,643	71.9%
Share based compensation	(4,991)	-5.3%	(5,905)	-6.1%
Amortization of purchased intangible assets	(9,753)	-10.4%	(9,852)	-10.2%
Restructuring costs	(5)	0.0%	(6,628)	-6.8%
Manufacturing transition and severance costs	(127)	-0.1%	(47)	0.0%
Other acquisition costs	(407)	-0.4%	(328)	-0.3%
Adjustment to contingent consideration	0	0.0%	1,700	0.0%
Reduction of Indemnification Receivable	(506)	-0.5%	0	0.0%
Operating Expense - Non-GAAP	<u>\$ 45,304</u>	<u>48.1%</u>	<u>\$ 48,583</u>	<u>50.2%</u>

<u>Adjusted EBITDA Reconciliation</u>	<u>3 Months Ending</u>		<u>3 Months Ending</u>		<u>3 Months Ending</u>	
	<u>Mar 30,</u>	<u>% of Net</u>	<u>Dec 28,</u>	<u>% of Net</u>	<u>Mar 29,</u>	<u>% of Net</u>
	<u>2024</u>	<u>Sales</u>	<u>2024</u>	<u>Sales</u>	<u>2025</u>	<u>Sales</u>
Net loss - GAAP	\$ (14,635)	-13.6%	\$ (21,358)	-22.7%	\$ (30,804)	-31.8%
Income tax provision	(1,700)	-1.6%	2,055	2.2%	4,838	5.0%
Interest expense	289	0.3%	99	0.1%	198	0.2%
Interest income	(2,709)	-2.5%	(2,325)	-2.5%	(1,613)	-1.7%
Amortization of purchased intangible assets	9,795	9.1%	9,753	10.4%	9,852	10.2%
Depreciation	3,429	3.2%	3,196	3.4%	3,232	3.3%
Amortization of cloud-based software implementation costs	709	0.7%	709	0.8%	709	0.7%
Loss on extinguishment of debt	241	0.2%	0	0.0%	0	0.0%
Other Non-GAAP Adjustments	7,427	6.9%	5,906	6.3%	11,690	12.1%
Adjusted EBITDA	<u>\$ 2,846</u>	<u>2.6%</u>	<u>(\$1,965)</u>	<u>-2.1%</u>	<u>(\$1,898)</u>	<u>-2.0%</u>

GAAP TO NON-GAAP RECONCILIATION

<u>Net Cash per Share</u>	<u>3 Months Ending Dec 28, 2024</u>	<u>3 Months Ending Mar 29, 2025</u>
Cash and investments	\$ 262,092	\$ 200,808
Less: total debt	(8,800)	(17,712)
Net cash	<u>\$ 253,292</u>	<u>\$ 183,096</u>
Weighted Average Shares - Diluted	46,719	46,645
Net Cash per Share	\$ 5.42	\$ 3.93