Q4’23 FINANCIAL RESULTS

February 15, 2024

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 the introduction of AI inspection software and expansion of recurring business; the successful integration of EQT; being aligned to high growth semiconductor market applications; resiliency of our recurring business model and expected growth rates, including projected renewal rates on service contracts; mid-term target revenue model and related financial metrics and EPS; strength of the balance sheet to support debt reduction, M&A investments and share purchase program; target capital expenditures; Q1'24 outlook and financial guidance, including market forecasts, gross margin, strength of recurring revenue, operating expense and outstanding share projections; the amount, timing or manner of any share repurchases; and any other statements that are predictive in nature and depend upon or refer to future events or conditions; 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.

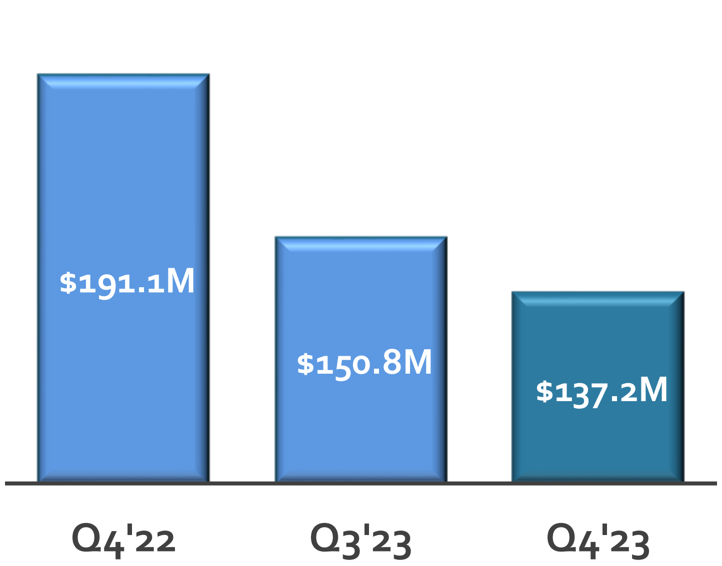
Actual results and future business conditions could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: new product investments and product enhancements which may not be commercially successful; the semiconductor industry 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.

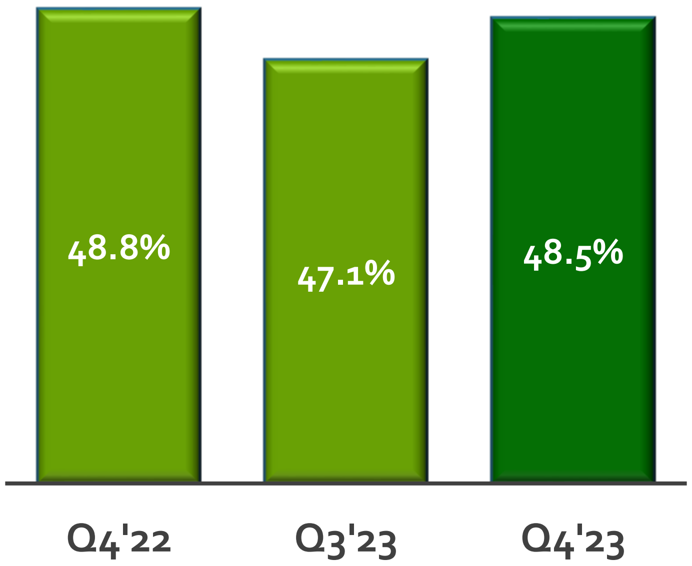
BUSINESS UPDATE

SUMMARY

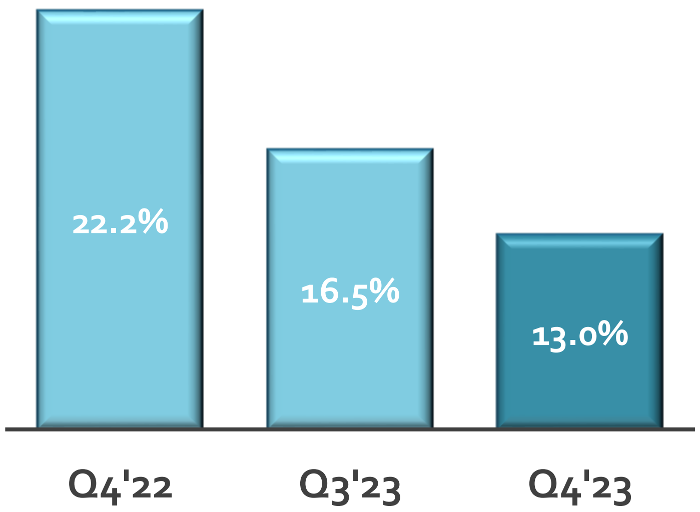
Revenue



Non-GAAP Gross Margin[1]



Adj. EBITDA[1]



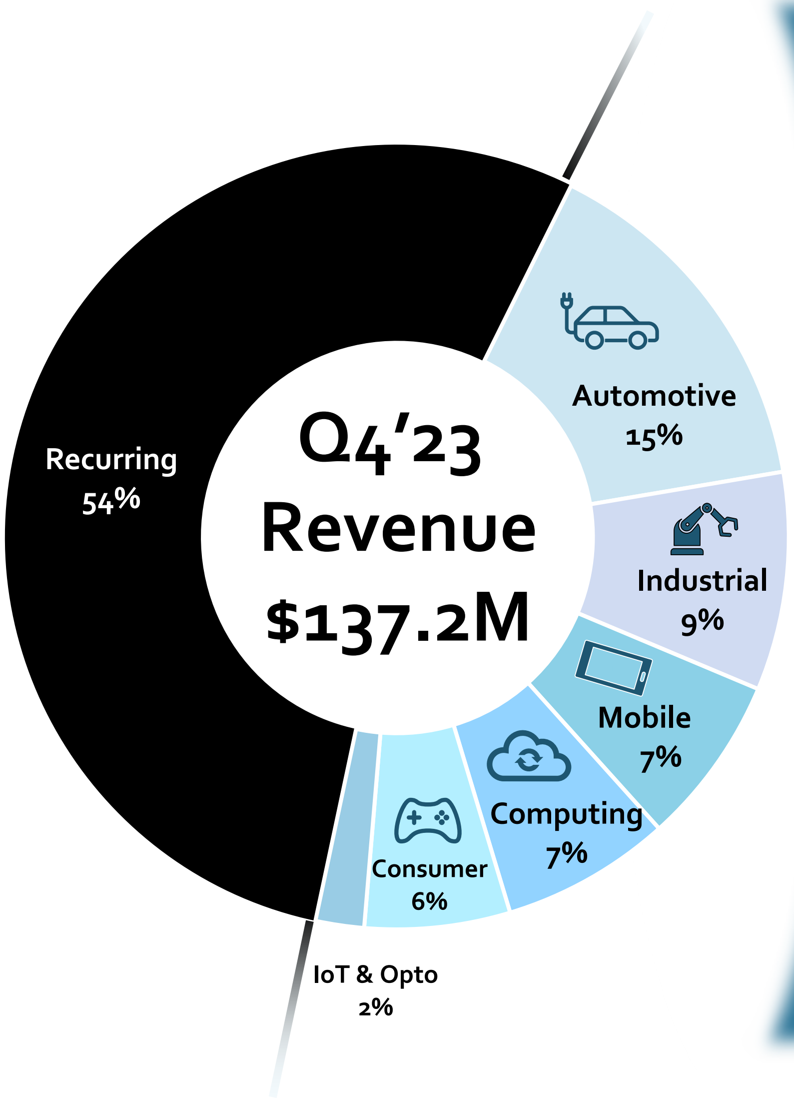
- High ARR[2] Service business
- Introduced AI inspection software to increase yield; expanding recurring business
- Paid off remaining balance of $29.3 million of Term Loan B

- GM better than guidance;
  - ✓ Differentiated products
  - ✓ Resilient recurring business
  - ✓ Test interface mfg. in Asia
  - ✓ Software analytics model

- Test cell utilization down 200 bps QoQ to 71%: *mobile flat, auto & ind. -2 pts, computing -2 pts., consumer -1 pt.*
- Opened new factory in the Philippines, ramping contactor manufacturing

(1) *See appendix for GAAP to non-GAAP reconciliation*
(2) *Annual Renewal Rate*

DIVERSE REVENUE PROFILE

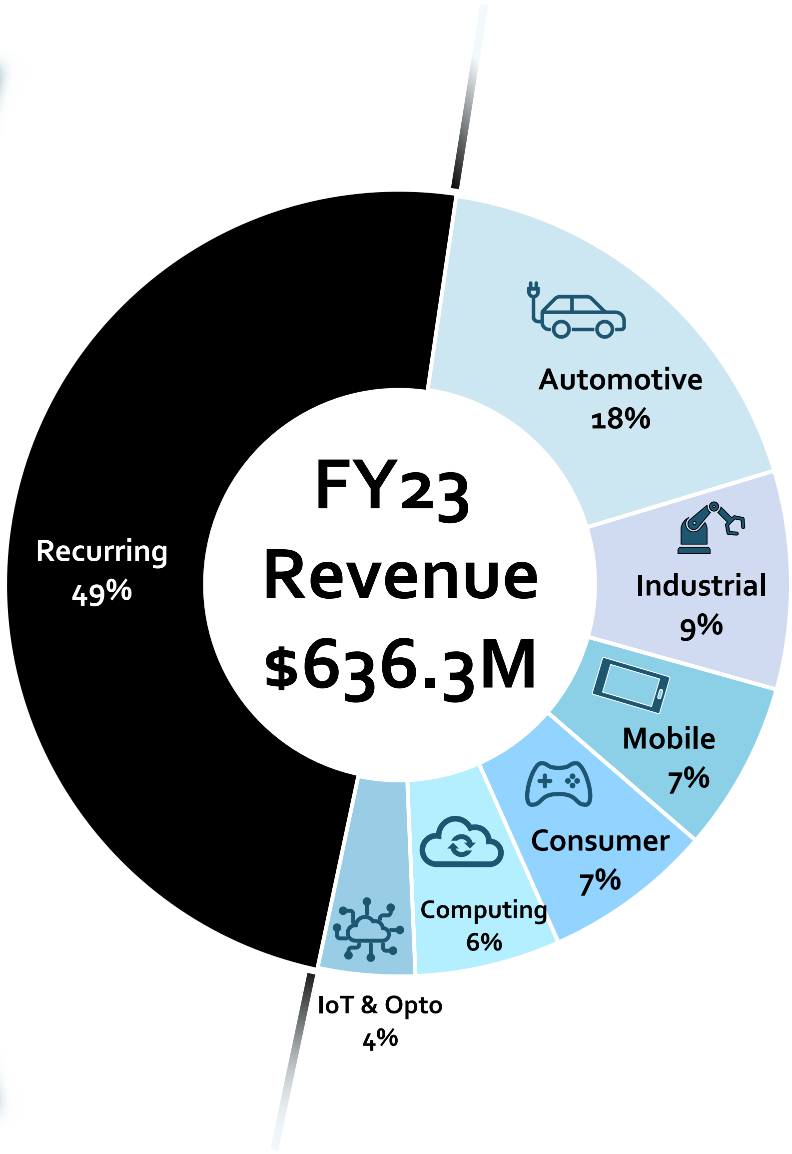


Cohu FY23 revenue *(systems & recurring)* by market segment

- ~ 53% Auto & Industrial
- ~ 14% Mobile
- ~ 14% Consumer
- ~ 12% Computing

Acquired EQT adds to test interface business

Pursuing stronger strategic alignment with Computing, ADAS and intelligent edge applications



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RESILIENT RECURRING BUSINESS MODEL

$310M	$141M	> 24,700	310+
LTM(1) Recurring Revenue	LTM(1) Service Revenue	Systems Installed Base	Highly Skilled Field Service Engineers
5.0%	**> 92%**	**108**	**~ 12 year**
3-year CAGR (2)	*Annual Renewal Rate on service contracts*	*Customers*	*Average Tenure*
Consumable products generate stable revenue	*Cloud-based, automated order management for ~ 14,000 different spares*	*Over 280 high-volume manufacturing facilities in 31 countries*	*Virtual-assist and on-site support*

(1) *Last Twelve Months (LTM) revenue, as of end of Q4'23*

(2) *Compound Annual Growth Rate (CAGR) from Q4'20 to Q4'23*

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Q4'23 FINANCIALS AND Q1'24 GUIDANCE

Q4'23 NON-GAAP RESULTS

	Q3'23 Actual	Q4'23 Guidance[2]	Q4'23 Actual
Revenue	$150.8M	$136M +/- $6M	$137.2
Gross Margin [1]	47.1%	~ 46%	48.5%
Operating Expenses [1]	$49.0M	~ $50M	$49.8M
Non-GAAP EPS [1]	$0.35		$0.23
Adjusted EBITDA [1]	16.5%	~ 12%	13.0%

Q4 revenue in-line with guidance; profitability better than forecast

Resilient gross margin with sale of differentiated products and strong recurring revenue

Operating Expenses in-line with guidance

Q4 diluted shares outstanding of 47.8 million

(1) Non-GAAP, see Appendix for Q3'23, Q4'23 GAAP to non-GAAP reconciliations and for notes regarding use of forward-looking non-GAAP figures
(2) Guidance as provided on November 2, 2023 press release and earnings conference call

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MID-TERM TARGET MODEL [3]

$1 billion
Revenue

$4.00
EPS [1]

	Q4'23 Actuals	FY2023 Actuals	Target Model [3]
Revenue	$137.2	$636.3M	$1 billion
Gross Margin [1]	48.5%	47.9%	49%
Operating Expenses [1]	36.3%	31.7%	24%
Non-GAAP EPS [1]	$0.23	$1.62	$4.00
Adjusted EBITDA [1]	13.0%	17.9%	26%
Free Cash Flow [2]	-$1.2M	$85.4M	$180M

Resilient recurring revenue supports profits and cash flow through the trough of the cycle

(1) *Non-GAAP, see Appendix for GAAP to non-GAAP reconciliations, and for notes regarding use of forward-looking non-GAAP figures*
(2) *Reflects cash from operating activities minus capital expenditures*
(3) *Mid-term (3-5 years) target model*

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BALANCE SHEET

($ Million)	Q3'23	Q4'23
Cash and Investments[(1)]	$388	$336
Accounts Receivable	$130	$125
Total Debt	$42	$41
Capital Additions	$4.0	$3.9
Cash Flow From Operations	$29.1	$2.7

Strong balance sheet to support debt reduction, M&A investments and share purchase program

Utilized $12.8M of cash in Q4 to repurchase 390K shares of Common Stock: program inception to date, repurchased 2.7M shares totaling $81.6M

Q3/Q4 capex mainly Philippines facility construction costs; maintaining target of ~ $20M / year

EQT acquisition on 10/2/2023 (Q4) utilized cash of ~ $43.4M

Paid off remaining Term Loan B balance of $29.3M in early first quarter 2024

(1) Net cash per share Q3'23 = $7.20; Q4'23 = $6.17; See Appendix for GAAP to non-GAAP reconciliations

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Q1'24 OUTLOOK

	Q4'23 Actual	Q1'24 Guidance
Revenue	$137.2	$107M +/- $6M
Gross Margin (1)	48.5%	~ 45%
Operating Expenses (1)	$49.8M	~ $51M
Adjusted EBITDA (1)	13.0%	~ 2%

Q1 revenue lower on weakening automotive and industrial test demand, and continued soft mobile market

Resilient gross margin from differentiated products and strong recurring revenue

OPEX higher QoQ due to reset of payroll taxes and other labor benefits

Fully diluted shares outstanding estimated at 47.9 million

(1) *See Appendix for Q4'23 GAAP to non-GAAP reconciliations. The Q1'24 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 predict without unreasonable efforts due to their inherent uncertainty, therefore, reconciliation of these figures to GAAP is not provided.*

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, free cash flow, 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 including favorable/unfavorable lease adjustments, 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

Earnings Reconciliation	3 Months Ending Sep 30, 2023	Diluted EPS	3 Months Ending Dec 30, 2023	Diluted EPS	12 Months Ending Dec 30, 2023	Diluted EPS
Net Income - GAAP	$ 3,915	$ 0.08	$ (2,028)	$ (0.04)	$ 28,156	$ 0.59
Share based compensation	4,334	0.09	4,557	0.10	17,237	0.36
Amortization of purchased intangible assets	8,857	0.18	9,738	0.20	36,355	0.76
Restructuring costs related to inventory in COS	(18)	0.00	(3)	0.00	(62)	(0.00)
Restructuring costs	742	0.02	375	0.01	2,421	0.05
Manufacturing transition and severance costs	61	0.00	534	0.01	1,054	0.02
Other acquisition costs	758	0.02	288	0.01	1,571	0.03
PP&E step-up included in COS and SG&A	14	0.00	30	0.00	67	0.00
Inventory Step-Up	0	0.00	868	0.02	1,141	0.02
Tax effect of Non-GAAP adjustments	(1,754)	(0.04)	(3,239)	(0.08)	(10,054)	(0.21)
Net Income - Non-GAAP	$16,909	$ 0.35	$11,120	$ 0.23	$77,886	$ 1.62
Weighted Average Shares - GAAP	Basic	47,615	Basic	47,369	Basic	47,486
Weighted Average Shares - Non-GAAP	Diluted	48,107	Diluted	47,795	Diluted	48,025
Income tax provision - GAAP	$ 4,721		$ 1,531		$ 17,660	
Tax effect of Non-GAAP adjustments (1)	1,754		3,239		10,054	
Income tax provision - Non-GAAP	$ 6,475		$ 4,770		$ 34,931	
Effective tax rate - GAAP	54.7%		-308.0%		38.5%	
Effective tax rate - Non-GAAP	27.7%		30.0%		26.2%	

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

Gross Profit Reconciliation	3 Months Ending Dec 31, 2022	% of Net Sales	3 Months Ending Sep 30, 2023	% of Net Sales	3 Months Ending Dec 30, 2023	% of Net Sales	12 Months Ending Dec 30, 2023	% of Net Sales
Net Sales	$191,105		$150,804		$137,226		$636,322	
Gross Profit - GAAP	93,151	48.7%	70,895	47.0%	65,410	47.7%	302,868	47.6%
Share Based Compensation	168	0.1%	223	0.1%	226	0.2%	845	0.1%
Restructuring costs related to inventory in COS	(35)	0.0%	(18)	0.0%	(3)	0.0%	(62)	0.0%
Manufacturing transition and severance costs	(13)	0.0%	0	0.0%	7	0.0%	25	0.0%
Inventory Step-Up	0	0.0%	0	0.0%	868	0.6%	1,141	0.2%
Gross Profit - Non-GAAP	$93,271	48.8%	$71,100	47.1%	$66,508	48.5%	$304,817	47.9%

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GAAP to Non-GAAP Reconciliation

Operating Expense Reconciliation	3 Months Ending Sep 30, 2023	% of Net Sales	3 Months Ending Dec 30, 2023	% of Net Sales	12 Months Ending Dec 30, 2023	% of Net Sales
Operating Expense - GAAP	$ 63,493	42.1%	$ 65,076	47.4%	$ 259,596	40.8%
Share based compensation	(4,111)	-2.7%	(4,331)	-3.2%	(16,392)	-2.6%
Amortization of purchased intangible assets	(8,857)	-5.9%	(9,738)	-7.1%	(36,355)	-5.7%
Restructuring costs	(742)	-0.5%	(375)	-0.3%	(2,421)	-0.4%
Manufacturing transition and severance costs	(61)	0.0%	(527)	-0.4%	(1,029)	-0.2%
PP&E step-up included in SG&A	(14)	0.0%	(30)	0.0%	(67)	0.0%
Other acquisition costs	(758)	-0.5%	(288)	-0.2%	(1,571)	-0.2%
Operating Expense - Non-GAAP	$ 48,950	32.5%	$ 49,787	36.3%	$ 201,761	31.7%

Adjusted EBITDA Reconciliation	3 Months Ending Dec 31, 2022	% of Net Sales	3 Months Ending Sep 30, 2023	% of Net Sales	3 Months Ending Dec 30, 2023	% of Net Sales	12 Months Ending Dec 30, 2023	% of Net Sales
Net income - GAAP Basis	$ 21,628	11.3%	$ 3,915	2.6%	$ (2,028)	-1.5%	$ 28,156	4.4%
Income tax provision	4,483	2.3%	4,721	3.1%	1,531	1.1%	17,660	2.8%
Interest expense	1,249	0.7%	773	0.5%	754	0.5%	3,382	0.5%
Interest income	(2,461)	-1.3%	(3,207)	-2.1%	(2,847)	-2.1%	(11,504)	-1.8%
Amortization of purchased intangible assets	8,103	4.2%	8,857	5.9%	9,738	7.1%	36,355	5.7%
Depreciation	3,268	1.7%	3,319	2.2%	3,372	2.5%	13,389	2.1%
Amortization of cloud-based software implementation costs	626	0.3%	700	0.5%	700	0.5%	2,800	0.4%
Loss on extinguishment of debt	0	0.0%	0	0.0%	0	0.0%	369	0.1%
Other Non-GAAP Adjustments	5,568	2.9%	5,877	3.9%	6,619	4.8%	23,362	3.7%
Adjusted EBITDA	$42,464	22.2%	$24,955	16.5%	$17,839	13.0%	$113,969	17.9%

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GAAP to Non-GAAP Reconciliation

Free Cash Flow	3 Months Ending Dec 30, 2023	12 Months Ending Dec 30, 2023
Cash flow from operations - GAAP	$ 2,702	$ 101,470
Capital expenditures	(3,905)	(16,053)
Free cash flow - Non-GAAP	$ (1,203)	$ 85,417
Cash flow from operations as a percentage of net sales - GAAP	1.8%	15.9%
Free cash flow as a percentage of net sales - Non-GAAP	-0.8%	13.4%

Net Cash per Share	3 Months Ending Sep 30, 2023	3 Months Ending Dec 30, 2023
Cash and Investments	$ 387,566	$ 335,698
Less: Total Debt	(41,363)	(40,627)
Net Cash	$ 346,203	$ 295,071
Weighted Average Shares - Diluted	48,107	47,795
Net Cash per Share	$ 7.20	$ 6.17