April 28, 2022

Q1'22 Financial Results

Cohu

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 tester design wins, record backlog expected to ship over multiple quarters, estimated test cell utilization, increasing demand for our products, market position in each business vertical, improved supply chain management, broadening the tester addressable market, mid-term financial targets (mid-term means a 3-5 year time horizon) and on pace to achieve such targets, estimated revenue distribution, Cohu's FY2022 outlook, % of incremental revenue expected to fall to operating income, estimated systems versus recurring sales, expanding gross margins, Cohu's second quarter 2022 sales forecast, guidance, sales mix, non-GAAP operating expenses, gross margin, operating income, adjusted EBITDA, effective tax rate, free cash flow, cap ex, cash and shares outstanding, estimated minimum cash needed, estimated EBITDA breakeven point, any future Term Loan B principal reduction, 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.

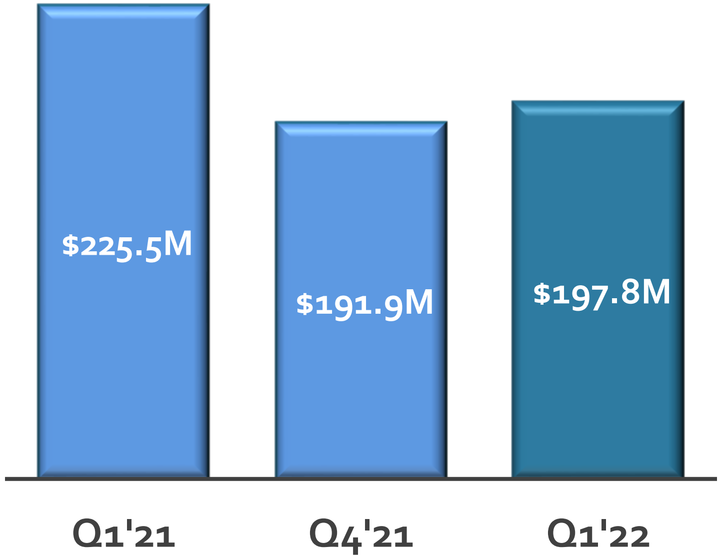
Actual results, including our 2022 and mid-term results, and future business conditions could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: Political and economic instability and adverse impacts resulting from the military incursion into Ukraine by Russia; the ongoing global COVID-19 pandemic and its impact on our operations and the operations of our key suppliers, customers and other business partners; we are making investments in new products and product enhancements, which may adversely affect our operating results and these investments may not be commercially successful; we have manufacturing operations in Asia and any failure to effectively manage multiple manufacturing sites and to secure raw materials meeting our quality, cost and other requirements, or failures by our suppliers to perform, could harm our sales, service levels and reputation; any failure to perform or unexpected downtime experienced by our sole contract manufacturer for certain semiconductor automated test equipment; any failure of critical suppliers to deliver sufficient quantities of parts in a timely and cost-effective manner; we may not be able to increase prices to fully offset inflationary pressures on costs, such as raw and packaging materials, components and subassemblies, labor and distribution costs; the semiconductor industry we serve is seasonal, cyclical, volatile and unpredictable; the semiconductor equipment industry is intensely competitive; semiconductor equipment is subject to rapid technological change, product introductions and transitions which may result in inventory write-offs, and our new product development involves numerous risks and uncertainties; the seasonal nature of the semiconductor equipment industry places enormous demands on our employees, operations and infrastructure; a limited number of customers account for a substantial percentage of our net sales; inherent uncertainty of backlog wherein customers may delay shipments or cancel orders; majority of our revenues are generated from exports to foreign countries, primarily in Asia, that are subject to economic and political instability and we compete against a number of Asia-based test contactor, test handler and automated test equipment suppliers; we are exposed to the risks of operating in certain foreign locations from where Cohu manufactures certain products, and supports our sales and services to the global semiconductor industry; increasingly restrictive trade and export regulations may materially harm or limit Cohu's business and ability to sell its products; the remaining indebtedness in connection with our financing of the Xcerra acquisition may have an adverse impact on Cohu's liquidity, access to capital and business flexibility; we are exposed to other risks associated with additional potential acquisitions, investments and divestitures such as integration difficulties, disruption to our core business, dilution of stockholder value, and diversion of management attention; our financial and operating results may vary and fall below analysts' estimates, or credit rating agencies may change their ratings on Cohu, any of which may cause the price of our common stock to decline or make it difficult to obtain other financing; we have experienced significant volatility in our stock price; there may be changes in, and uncertainty with respect to, legislation, regulation and governmental policy in the United States; and impacts in the event of a cybersecurity breach.

These and other risks and uncertainties are discussed more fully in Cohu's filings with the SEC, including the most recently filed 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.

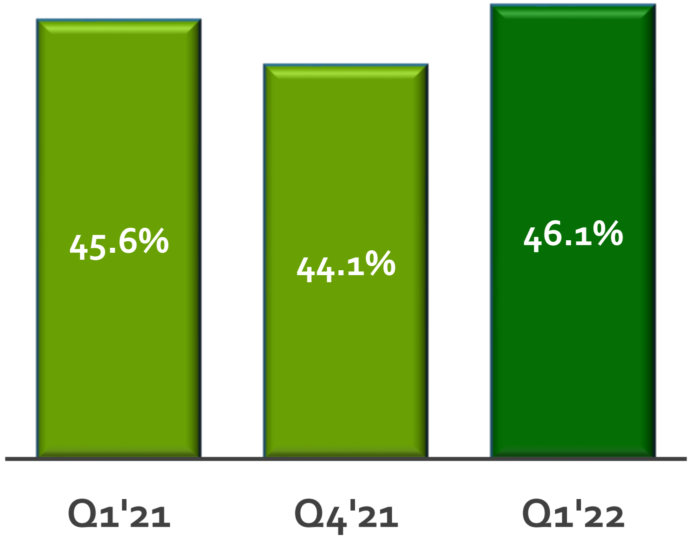
Business Update

Summary

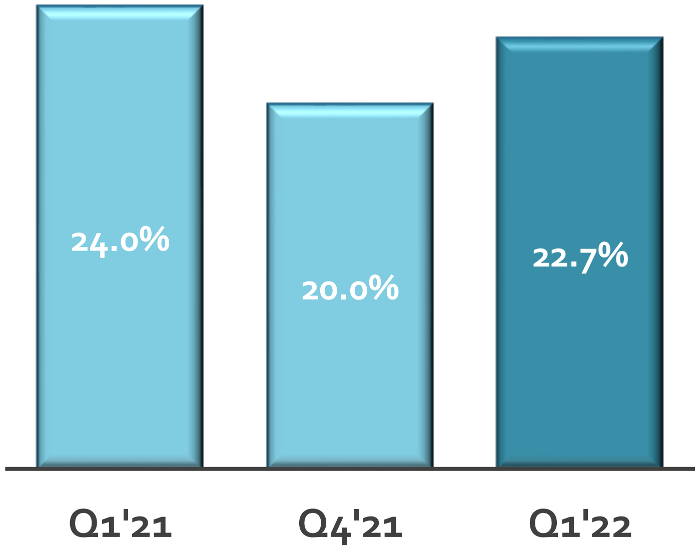
Revenue



Non-GAAP Gross Margin[1]



Adj. EBITDA[1]



- Q1’22 revenue up 3.1% quarter-over-quarter
  - ✓ $45 million incremental design-win orders from tester market diversification
  - ✓ On pace to mid-term targets

- Q1’22 gross margin up 200 bps quarter-over-quarter
  - ✓ Greater contactor manufacturing insourcing
  - ✓ Effective supply chain management

- Est. test cell utilization 87%
- Record order backlog expected to ship over multiple quarters
- Repurchased ~ 420K shares since announcement of $70M share repurchase program

(1) See appendix for GAAP to non-GAAP reconciliation

Diverse Revenue Profile

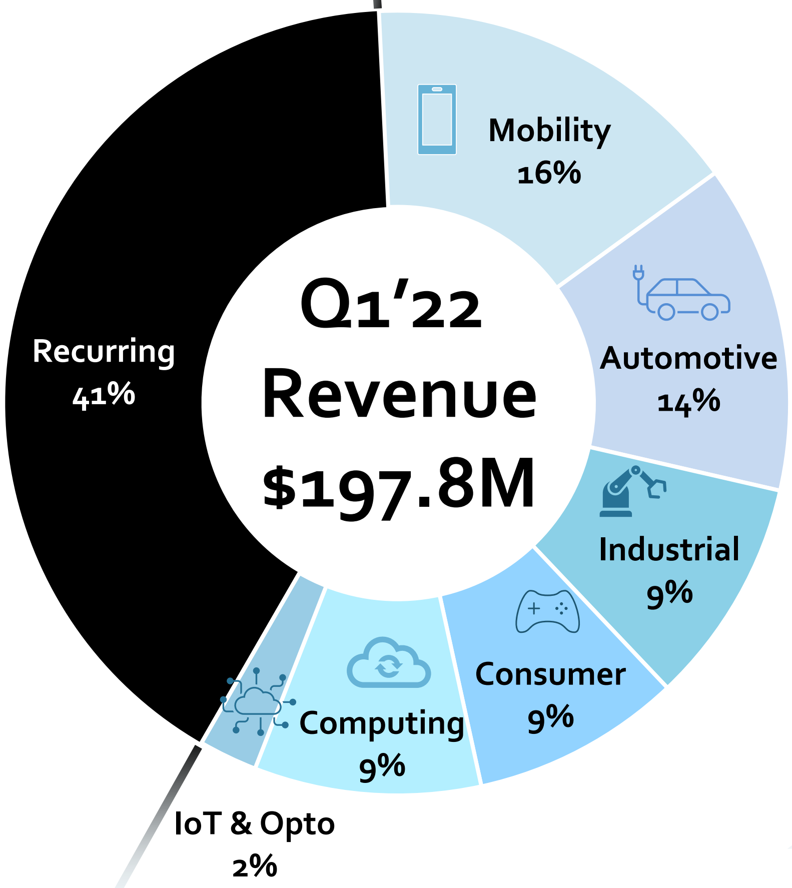
Recurring

Key Business Drivers

- Semiconductor product designs
- Growing systems installed base

Non-GAAP Gross Margin(1)

~ 52%



Systems

Key Business Drivers

- Mobility and key design-wins
- Automotive and Industrial

Non-GAAP Gross Margin(1)

~ 42%

(1) See appendix for GAAP to non-GAAP reconciliation

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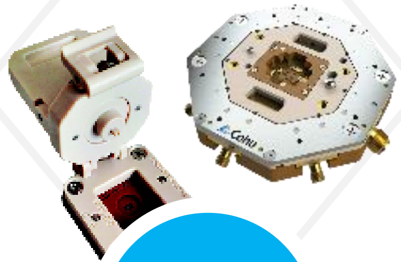
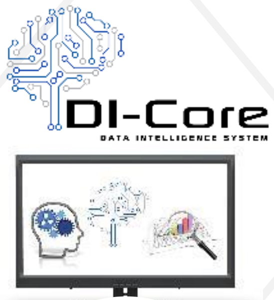
Market and Technology Leadership

Strong position in each business vertical





#3	#1	#1	#2	#1
Semi Tester(1)	Test Interface	Services(2)	Inspection & Metrology	Test Automation

High fidelity measurement instruments
Compact, low-power systems → Scalability

Global footprint
Data analytics

Thermal and Vision Inspection
Technologies enabling higher yield

(1) *Leading supplier of RF Front-End test equipment; company estimates*
(2) *Service business of Cohu systems*

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2021 Sustainability Highlights

Energy Consumption & Waste Management

- 18% reduction in energy to revenue ratio, while growing revenue by 39% year-over-year
- Scope 1/2 GHG emissions published for first time
- 2 operating sites have on-site solar power
- +4% YoY waste recycled
- No hazardous waste spills

Product Safety & Materials Sourcing

- No product recalls
- No safety claims, legal proceedings or monetary losses
- Responsible mineral sourcing program
- Subsequent to invasion of Ukraine, ceased all business in Russia

Renewable Energy & Life-Saving Products

Enabling solar and wind power solutions
- Power mgt. ICs, controllers, inverters, motor drivers, gate drivers

Enabled COVID-19 medical
- Point-of-care, rapid sepsis testing, contact-less temperature biometers

Business Ethics

- Employee training and compliance
- No bribery/corruption or anti-competitive behavior claims, legal proceedings or monetary losses
- No direct monetary contributions to political campaigns, lobbying

Employee Diversity[1], Inclusion and Safety

Gender
- 28% female, 72% male
- 28.6% female board members

Race/Ethnicity
- 39% underrepresented minority
- 61% majority population

Outstanding employee safety record – accident rate 78% below industry benchmark

Enabling a smarter, safer and more connected future

(1) *Cohu tracks race/ethnicity data only in the US; data as of year-end 2021, except board of directors data is as of 5/4/22*

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Q1’22 Financials and Q2’22 Guidance

Q1’22 Non-GAAP Results

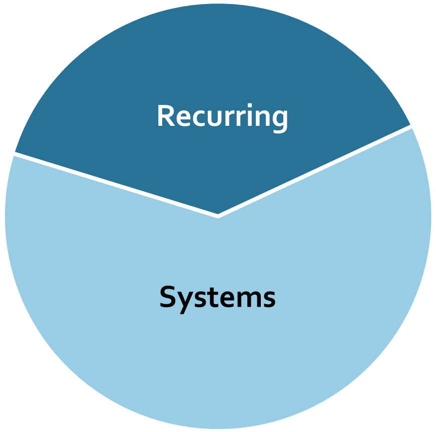
	Q4’21 Actual	Q1’22 Guidance(2)	Q1’22 Actual
Revenue	$191.9M	$188 - $202M	$197.8M
Gross Margin(1)	44.1%	~ 44.5%	46.1%
Operating Expenses(1)	$50.7M	~ $53M	$50.9M
Non-GAAP EPS(1)	$0.72		$0.66
Adjusted EBITDA(1)	20.0%	~19%	22.7%

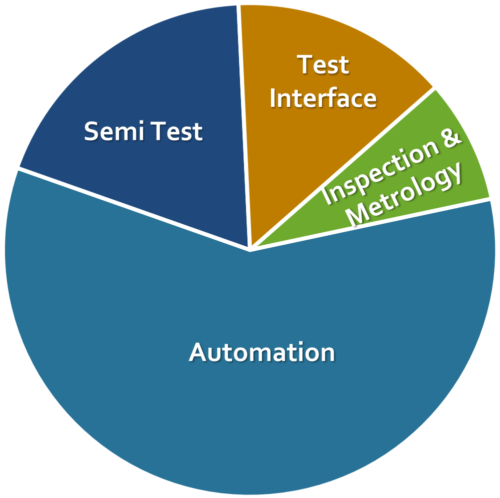
- Q1 revenue higher than mid-point of guidance; profitability better than forecast
- Gross margin expanding with growing Semi Test business and increased contactor manufacturing insourcing
- Lower Opex from product development, travel and other costs shifting from Q1 to Q2
- Q1 tax rate of ~ 19%; tax credit benefited Q4’21 EPS by $0.15
- Q1 diluted shares outstanding 49.6 million

(1) Non-GAAP: See Appendix for Q4’21, Q1’22 GAAP to non-GAAP reconciliations
(2) Guidance as provided on February 10, 2022 press release and earnings conference call
(3) Mid-Term means 3 – 5 year goals

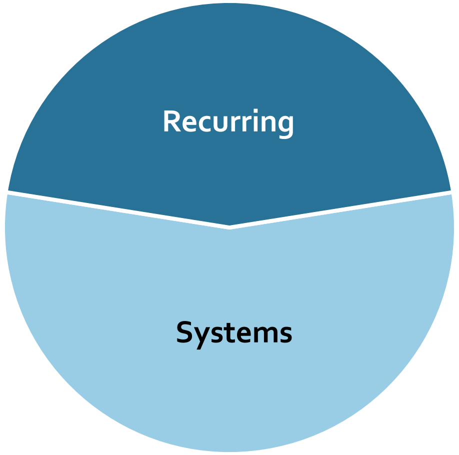
Revenue Distribution

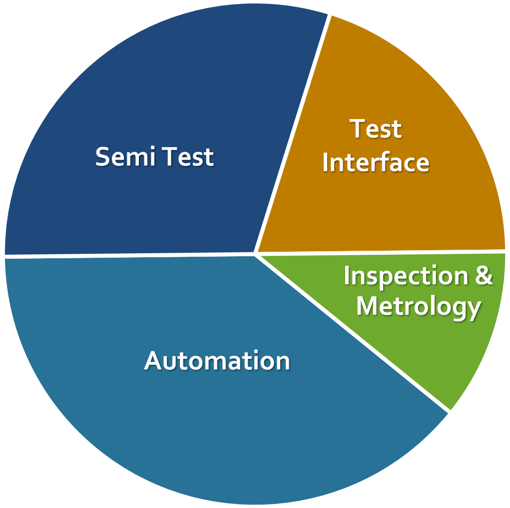
Q1’22 TTM Actual Results





Mid-Term Target Model[1]





Mid-Term Target Model revenue distribution

- Greater stability - increasing sales of consumable Test Interface products
- Expanding gross margin – growth in higher margin Semi Test, Inspection & Metrology, and Test Interface products coupled with high margin data analytics (DI-Core) software platform

(1) *Mid-Term means 3 – 5 year goals*

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Mid-Term Target Revenue of $1B and $4.00 Non-GAAP EPS

	FY2021 Actuals	Q1'22 Actuals	Mid-Term(2) Target
Revenue	$887M	$198M	$1B
Gross Margin(1)	44%	46%	49%
Operating Expenses(1)	23%	26%	24%
Non-GAAP EPS(1)	$3.20	$0.66	$4.00
Adjusted EBITDA(1)	22%	23%	26%
Free Cash Flow(3)	$86M	($1M)	$180M

- Margin expansion tracking to mid-term target
- Q1 revenue reflects annual seasonality
- FY2021 Revenue includes $27M from PCB test business divested in June 2021

(1) Non-GAAP: See Appendix for GAAP to non-GAAP reconciliations
(2) Mid-Term means 3 – 5 year goals
(3) Reflects net cash provided by operating activities less purchases of property, plant and equipment

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Balance Sheet

[$Million]	Q4'21	Q1'22
Cash and Investments	$380	$359
Accounts Receivable	$193	$211
Total Debt	$119	$110
Capital Additions	$3.1	$2.7
Cash Flow From Operations	$27.8	$2.0

- Strong balance sheet to support debt reduction, M&A investments and share repurchase program
- Utilized $6.4M of cash in Q1 to repurchase 213,706 shares of Common Stock
- Modest capex requirements – maintaining target of ~ $20M annually

Q2'22 Outlook

	Q1'22 Actual	Q2'22 Guidance
Revenue	$197.8M	$205 - $221M
Gross Margin(1)	46.1%	~ 46%
Operating Expenses(1)	$50.9M	$54-$55M
Adjusted EBITDA(1)	22.7%	~ 22% (mid-point of guidance)

- Q2 revenue up 8% QoQ at mid-point of guidance, led by strong automotive and display driver test demand
- Product mix maintains strong Gross Margin
- OPEX expanding QoQ with higher investment in product development
- Solid profitability approaching mid-term target model
- Fully diluted shares outstanding estimated at 49.6 million

(1) See Appendix for Q1'22 GAAP to non-GAAP reconciliations. The Q2'22 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 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 Mar 27, 2021	Diluted EPS	3 Months Ending Dec 25, 2021	Diluted EPS	12 Months Ending Dec 25, 2021	Diluted EPS	3 Months Ending Mar 26, 2022	Diluted EPS
Income (Loss) From Continuing Operations - GAAP	$ 27,607	$ 0.61	$ 20,889	$ 0.42	$ 167,325	$ 3.45	$ 21,569	$ 0.44
Share based compensation	3,523	0.08	3,049	0.06	13,792	0.28	3,422	0.07
Amortization of purchased intangible assets	9,244	0.20	8,246	0.17	35,414	0.73	8,535	0.17
Restructuring costs related to inventory in COS	400	0.01	141	0.00	(558)	(0.01)	(175)	0.00
Restructuring costs	1,340	0.03	(155)	0.00	1,833	0.04	576	0.01
Manufacturing transition and severance costs	0	0.00	(9)	0.00	(9)	0.00	0	0.00
Impairment charge	0	0.00	100	0.00	100	0.00	0	0.00
PP&E step-up included in COS and SG&A	145	0.00	0	0.00	435	0.01	0	0.00
Loss on sale of PCB Test business	115	0.00	4,939	0.10	(70,815)	(1.46)	0	0.00
Reduction of Indemnification Receivable	0	0.00	75	0.00	75	0.00	0	0.00
Payroll taxes due to accelerated vesting of share-based awards	300	0.00	0	0.00	300	0.01	132	0.00
Tax effect of Non-GAAP adjustments	(2,045)	(0.04)	(1,650)	(0.03)	7,194	0.15	(1,483)	(0.03)
Income (Loss) From Continuing Operations - Non-GAAP	$40,629	$ 0.89	$35,625	$ 0.72	$155,086	$ 3.20	$32,576	$ 0.66
Weighted Average Shares - GAAP	Basic	43,756	Basic	48,657	Basic	47,409	Basic	48,778
Weighted Average Shares - Non-GAAP	Diluted	45,482	Diluted	49,427	Diluted	48,460	Diluted	49,569

Adjusted EBITDA Reconciliation	3 Months Ending Mar 27, 2021	% of Net Sales	3 Months Ending Dec 25, 2021	% of Net Sales	12 Months Ending Dec 25, 2021	% of Net Sales	3 Months Ending Mar 26, 2022	% of Net Sales
Net income (loss) - GAAP Basis	$ 27,607	12.2%	$ 20,889	10.9%	$ 167,325	18.9%	$ 21,569	10.9%
Income tax provision (benefit)	3,575	1.6%	(3,607)	-1.9%	25,019	2.8%	6,294	3.2%
Interest expense	2,575	1.1%	1,041	0.5%	6,413	0.7%	981	0.5%
Interest income	(50)	0.0%	(42)	0.0%	(239)	0.0%	(111)	-0.1%
Amortization of purchased intangible assets	9,244	4.1%	8,246	4.3%	35,414	4.0%	8,535	4.3%
Depreciation	3,323	1.5%	3,219	1.7%	13,154	1.5%	3,132	1.6%
Amortization of cloud-based software implementation costs	370	0.2%	487	0.3%	1,644	0.2%	478	0.2%
(Gain) loss on extinguishment of debt	1,761	0.8%	0	0.0%	3,411	0.4%	104	0.1%
Other Non-GAAP Adjustments	5,678	2.5%	8,140	4.2%	(55,282)	-6.2%	3,955	2.0%
Adjusted EBITDA	$54,083	24.0%	$38,373	20.0%	$196,859	22.2%	$44,937	22.7%

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GAAP to Non-GAAP Reconciliation

Gross Profit Reconciliation	3 Months Ending Mar 27, 2021	% of Net Sales	3 Months Ending Dec 25, 2021	% of Net Sales	12 Months Ending Dec 25, 2021	% of Net Sales	3 Months Ending Mar 26, 2022	% of Net Sales
Net Sales	$ 225,488		$ 191,860		$ 887,214		$ 197,757	
Gross Profit - GAAP	102,205	45.3%	84,394	44.0%	386,961	43.6%	91,156	46.1%
Share Based Compensation	262	0.1%	136	0.1%	828	0.1%	145	0.1%
Restructuring costs related to inventory in COS	400	0.2%	141	0.1%	(558)	-0.1%	(175)	-0.1%
Manufacturing transition and severance costs	0	0.0%	(7)	0.0%	(7)	0.0%	0	0.0%
Gross Profit - Non-GAAP	$102,867	45.6%	$84,664	44.1%	$387,224	43.6%	$91,126	46.1%

Gross Profit Reconciliation	Systems 3 Months Ending Mar 26, 2022	% of Net Sales	Recurring 3 Months Ending Mar 26, 2022	% of Net Sales	Total 3 Months Ending Mar 26, 2022	% of Net Sales
Net Sales	$ 117,349		$ 80,408		$ 197,757	
Gross Profit - GAAP	49,252	42.0%	41,904	52.1%	91,156	46.1%
Share Based Compensation	86	0.1%	59	0.1%	145	0.1%
Restructuring costs related to inventory in COS	(175)	-0.1%	0	0.0%	(175)	-0.1%
Gross Profit - Non-GAAP	$49,163	41.9%	$41,963	52.2%	$91,126	46.1%

Operating Expense Reconciliation	3 Months Ending Mar 27, 2021	% of Net Sales	3 Months Ending Dec 25, 2021	% of Net Sales	12 Months Ending Dec 25, 2021	% of Net Sales	3 Months Ending Mar 26, 2022	% of Net Sales
Operating Expense - GAAP	$ 66,360	29.4%	$ 61,900	32.3%	$ 256,258	28.9%	$ 63,463	32.1%
Share based compensation	(3,261)	-1.4%	(2,913)	-1.5%	(12,964)	-1.5%	(3,277)	-1.7%
Amortization of purchased intangible assets	(9,244)	-4.1%	(8,246)	-4.3%	(35,414)	-4.0%	(8,535)	-4.3%
Restructuring costs	(1,340)	-0.6%	155	0.1%	(1,833)	-0.2%	(576)	-0.3%
Manufacturing transition and severance costs	0	0.0%	2	0.0%	2	0.0%	0	0.0%
Impairment charge	0	0.0%	(100)	-0.1%	(100)	0.0%	0	0.0%
PP&E step-up included in SG&A	(145)	-0.1%	0	0.0%	(435)	-0.1%	0	0.0%
Loss on sale of PCB Test business	115	0.1%	0	0.0%	0	0.0%	0	0.0%
Reduction of Indemnification Receivable	0	0.0%	(75)	0.0%	(75)	0.0%	0	0.0%
Payroll taxes due to accelerated vesting of share-based awards	(300)	-0.1%	0	0.0%	(300)	0.0%	(132)	-0.1%
Operating Expense - Non-GAAP	$ 52,185	23.1%	$ 50,723	26.4%	$ 205,139	23.1%	$ 50,943	25.8%

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