

INVESTOR PRESENTATION

August 2024

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements relating to future events and expectations, including our expectations regarding (i) our future financial and operational results; (ii) the growth and megatrends in the markets we serve including industrial, communications, electronics, and instrumentation; (iii) artificial intelligence, the growth in the datacom transceiver market, and the domination of 800G/1.6T; and (iv) improvement opportunities and shareholder value creation, each of which is based on certain assumptions and contingencies. The forward-looking statements are made pursuant to the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 and relate to the Company's performance on a going-forward basis. The forward-looking statements in this investor presentation involve risks and uncertainties, which could cause actual results, performance, or trends to differ materially from those expressed in the forward-looking statements herein or in previous disclosures.

The Company believes that all forward-looking statements made by it in this presentation have a reasonable basis, but there can be no assurance that management's expectations, beliefs, or projections as expressed in the forward-looking statements will actually occur or prove to be correct. In addition to general industry and global economic conditions, factors that could cause actual results to differ materially from those discussed in the forward-looking statements in this presentation include but are not limited to: (i) the failure of any one or more of the assumptions stated herein to prove to be correct; (ii) the risks relating to forward-looking statements and other risk factors that may be identified from time to time in filings of the Company; (iii) the substantial indebtedness the Company incurred in connection with its acquisition of Coherent, Inc. (the "Transaction"), the need to generate sufficient cash flows to service and repay such debt and the Company's ability to generate sufficient funds to meet its anticipated debt reduction goals; (iv) the possibility that the Company may not be able to continue its integration progress on and/or take other restructuring actions, or otherwise be able to achieve expected synergies, operating efficiencies, including greater scale, focus, resiliency, and lower operating costs, and other benefits within the expected time frames or at all and ultimately to successfully fully integrate the operations of Coherent, Inc. ("Coherent"), with those of the Company; (v) the possibility that such integration and/or the restructuring actions may be more difficult, time-consuming, or costly than expected or that operating costs and business disruption (including, without limitation, disruptions in relationships with employees, customers, or suppliers) may be greater than expected in connection with the Transaction and/or the restructuring actions; (vi) any unexpected costs, charges, or expenses resulting from the Transaction and/or the restructuring actions; (vii) the risk that disruption from the Transaction and/or the restructuring actions materially and adversely affects the respective businesses and operations of the Company and Coherent; (viii) potential adverse reactions or changes to business relationships resulting from the completion of the Transaction and/or the restructuring actions; (ix) the ability of the Company to retain and hire key employees; (x) the purchasing patterns of customers and end users; (xi) the timely release of new products and acceptance of such new products by the market; (xii) the introduction of new products by competitors and other competitive responses; (xiii) the Company's ability to assimilate other recently acquired businesses and realize synergies, cost savings, and opportunities for growth in connection therewith, together with the risks, costs, and uncertainties associated with such acquisitions; (xiv) the Company's ability to devise and execute strategies to respond to market conditions; (xv) the risks to realizing the benefits of investments in R&D and commercialization of innovations; (xvi) the risks that the Company's stock price will not trade in line with industrial technology leaders; and/or (xvii) the risks of business and economic disruption related to worldwide health epidemics or outbreaks that may arise. The Company disclaims any obligation to update information contained in these forward-looking statements, whether as a result of new information, future events or developments, or otherwise.

Unless otherwise indicated in this presentation, all information in this presentation is as of August 15, 2024. This presentation contains non-GAAP financial measures and key metrics relating to the Company's past performance. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. As required by Regulation G, we have provided reconciliations of those measures to the most directly comparable GAAP measures in the section captioned "GAAP to NON-GAAP RECONCILIATION."

COHERENT AT A GLANCE



**FROM A FOUNDATION OF MATERIALS AND IMAGINATION,
WE ENABLE EXCITING MEGATRENDS**

1971

Year Founded

COHR

NYSE

≈26,000

Employees⁽¹⁾

\$4.7B

FY24
Revenue

2,250+

Research & Development⁽¹⁾

\$64B

Available
Market
(CY2023)

3,100+

Patents⁽¹⁾

126

Locations

**VERTICAL
INTEGRATION**

Materials, Components,
Subsystems, Systems
and Service

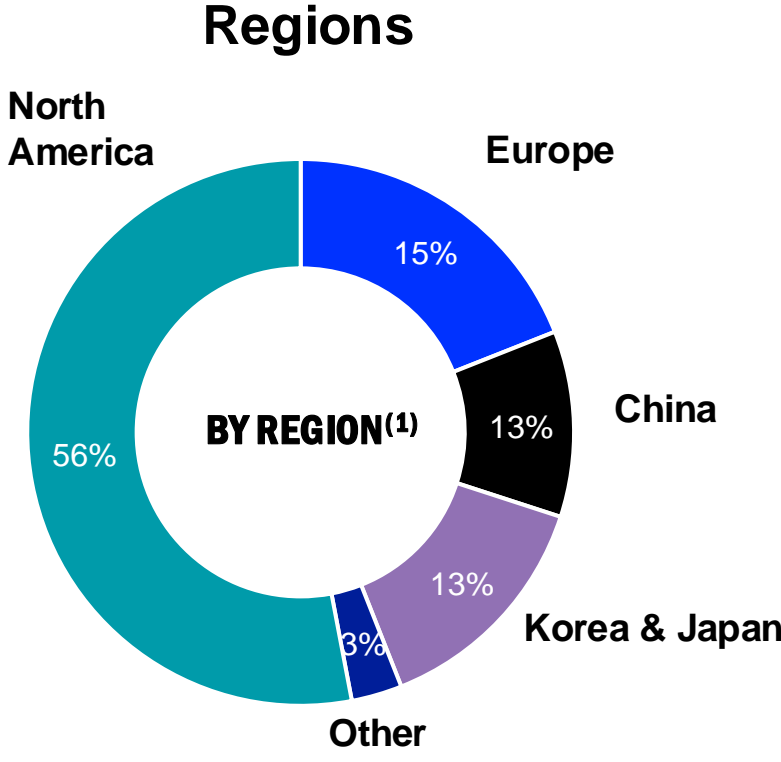
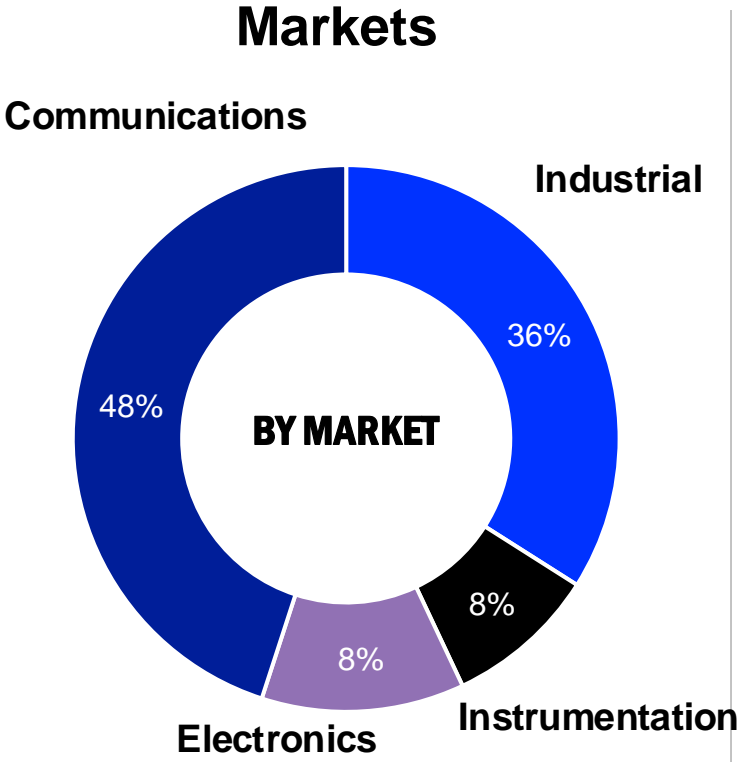
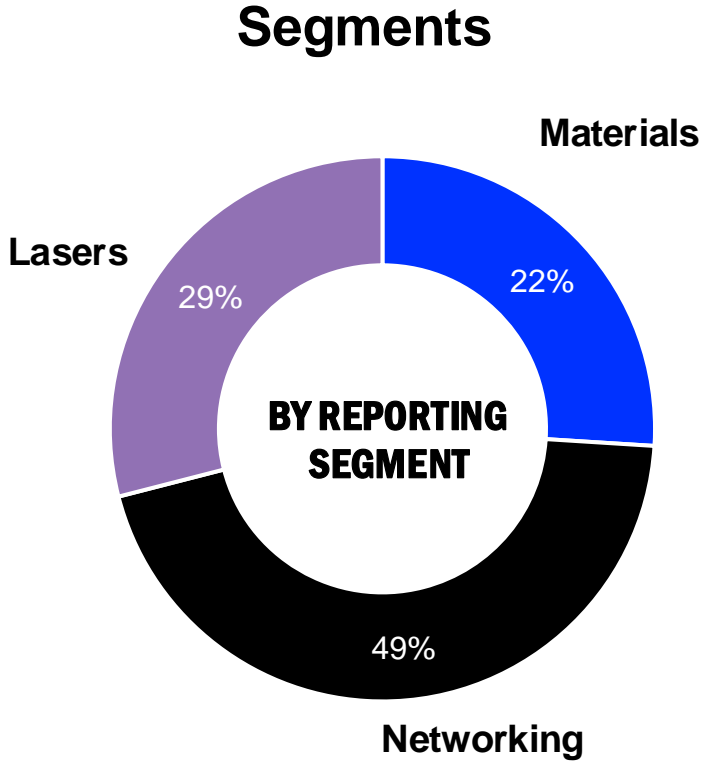
24

Countries

⁽¹⁾As of June 30, 2024

\$4.7 BILLION OF REVENUE IN FY24

WELL DIVERSIFIED ACROSS TECHNOLOGY, PRODUCTS, AND GEOGRAPHIC MARKETS



(1) Revenue by region is based on customer headquarter addresses.
 (2) Amounts may not recalculate due to rounding.

FOUR ATTRACTIVE GROWTH MARKETS

AGGREGATE \$64B TAM

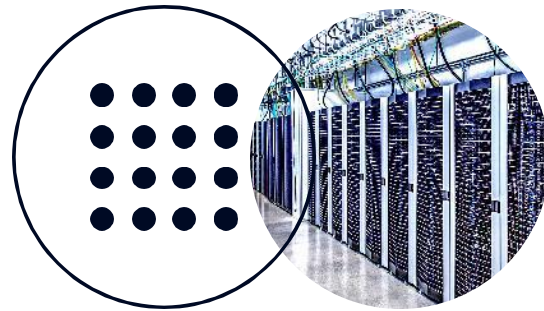
14% FIVE-YEAR CAGR (2023-28)



INDUSTRIAL

TAM: \$22B
CAGR: 9%

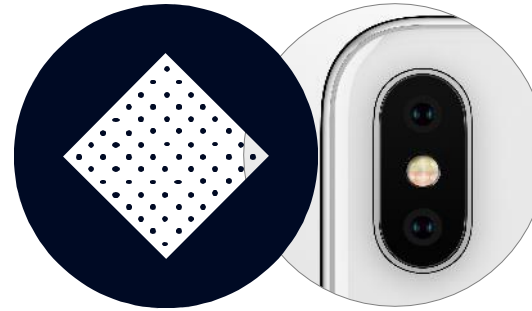
Sources: Optech Consulting, TechInsight, Strategies Unlimited, SEMI, Internal Estimates, DSCC



COMMUNICATIONS

TAM: \$23B
CAGR: 14%

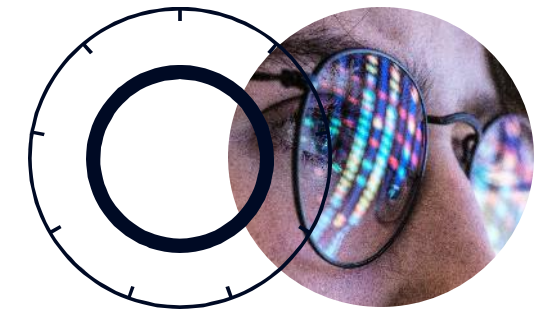
Sources: LightCounting, Omdia, Cignal AI, Yole, Dell'Oro Internal Estimates



ELECTRONICS

TAM: \$14B
CAGR: 20%

Sources: IDC, Morgan Stanley, Research & Markets, Forbes, Yole, Strategy Analytics, IdTechEx, Internal Estimates



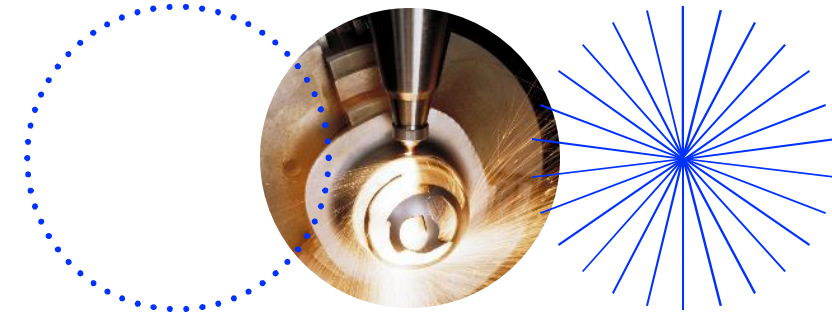
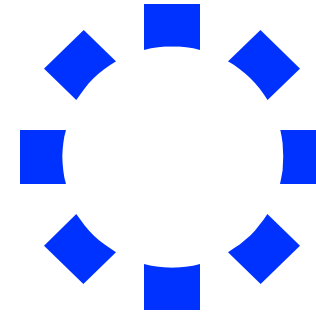
INSTRUMENTATION

TAM: \$5B
CAGR: 8%

Sources: Strategies Unlimited, Markets & Markets, SDI (Strategic Directions), Internal Estimates

Note: TAM based on CY2023

INDUSTRIAL



MARKET VERTICALS AND MEGATRENDS

Precision manufacturing

- Giga factories for EV battery processing
- Advanced medical devices
- Additive manufacturing

Semiconductor & display capital equipment

- Increasing laser content from ingot to packaged ICs
- OLED for mobile and micro-LED for high-end TV and large displays

Aerospace & Defense

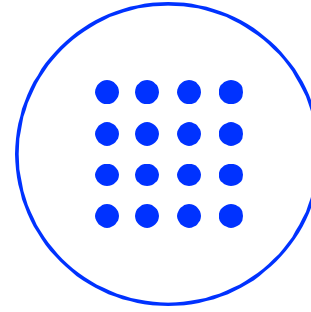
PRODUCTS

- Fiber lasers for laser welding of batteries
- UV lasers for OLED manufacturing
- Laser systems, subsystems, and processing heads
- Laser components, optics, crystals
- Ceramics, metal matrix composites, and diamond

VALUE PROPOSITION

- 50 years of experience in laser technology
- Long term technology partner across all laser architectures
- Broadest spectrum of laser and systems technologies
- One stop shop for processing equipment
- Productivity enhancement through innovation and knowhow

COMMUNICATIONS



MARKET VERTICALS AND MEGATRENDS

Datacom

- Increasing spend on cloud infrastructure
- Artificial Intelligence/Machine Learning

Telecom

- Open disaggregated systems
- Pluggable coherent transceivers

PRODUCTS

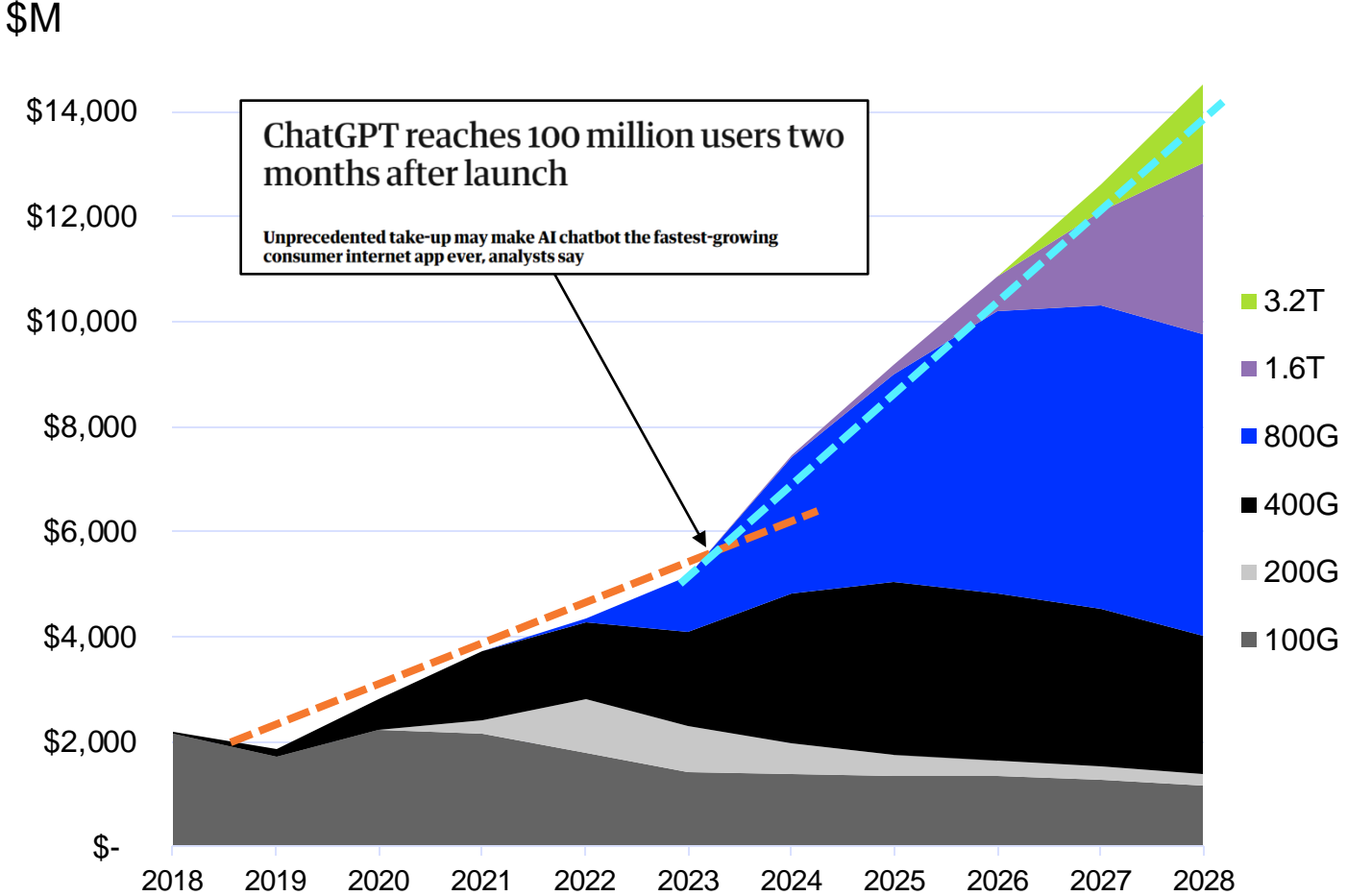
- 100 to 800 Gbps datacom transceivers
- Pluggable coherent transceivers
- Wavelength selective switches (WSS)
- Pluggable optical line subsystems (POLS)
- Terrestrial and submarine pump lasers
- InP edge-emitting lasers and GaAs VCSELs

VALUE PROPOSITION

- Largest supplier of optical communications components
- Vertically integrated from material through subsystems, including coherent DSPs
- Industry pioneer in broad range of technology platforms
- Industry leading investments in R&D
- Global and flexible manufacturing footprint

DATAKOM MARKET IS INFLECTING, THANKS TO THE AI BOOM

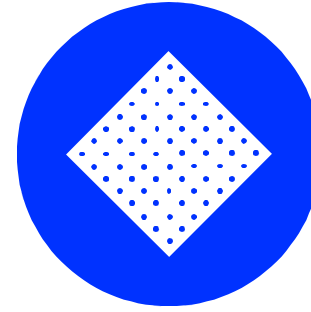
Datacom transceivers



Source: LightCounting & Internal Estimates

Expect 800G/1.6T to dominate for next 5 years	Long overlapping cycles
Fast rise, slow decay	“Annuity” model of ROI

ELECTRONICS



MARKET VERTICALS AND MEGATRENDS

Consumer electronics

- Advanced sensing
- AR/VR
- Wearables as health monitors

Automotive

- Increasing SiC electronics content in EVs
- Automotive sensing: in-cabin and LiDAR

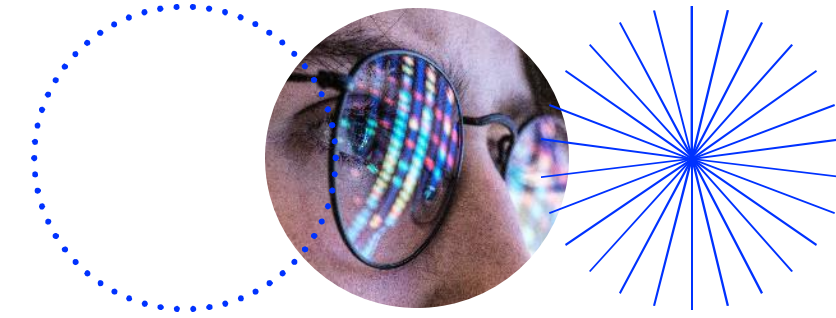
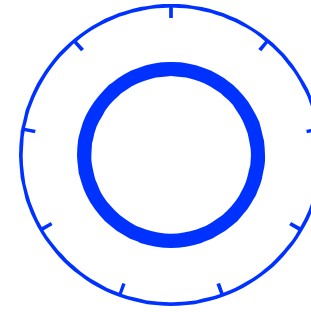
PRODUCTS

- GaAs and InP optoelectronics
- VCSELs and edge-emitting lasers
- Laser illumination modules
- Wafer level optics and subassemblies
- Waveguide materials, diffractive optics
- Silicon carbide substrates and epiwafers
- SiC MOSFET devices and modules

VALUE PROPOSITION

- Broadest portfolio of optoelectronics, optics, and electronics
- High-volume consumer electronics experience
- Differentiated, proprietary compound semiconductor platforms
 - 150 mm gallium arsenide platform
 - 200 mm silicon carbide platform
 - Leading indium phosphide platform
 - Decades of investment in high quality silicon carbide substrates
- Cross-functional engineering and integration expertise

INSTRUMENTATION



MARKET VERTICALS AND MEGATRENDS

Life Sciences

- Smart healthcare evolution, largely based on technology
- Point-of-care diagnostics
- Personalized medicine

Scientific Instrumentation

- Environmental sustainability
- Advanced instrumentation

PRODUCTS

- Materials, optics, lasers, and thermoelectrics
- Components to subassemblies and subsystems
- Optical, mechanical, electrical and software integration
- ISO 9001 & 13485

VALUE PROPOSITION

- Life sciences (biotechnology, medical, and environmental) and scientific segment solutions
- Custom solutions from proof-of-concept to manufacturing at scale
- Rapid time to market of complete turnkey subassemblies and systems
- One of the broadest product portfolios to support a wide range of applications
- Extensive technology innovation for next-generation capabilities
- Global manufacturing footprint and flexible supply chain partners

FINANCIAL HIGHLIGHTS

FY 2024 NON-GAAP Q4 EARNINGS RESULTS HIGHLIGHTS

Revenue

⬆️ **9.1%**

Q4 FY24/Q4 FY23
Q4 FY24 Revenue \$1.314B

Gross Margin*

⬆️ **132 BP**

Q4 FY24/Q4 FY23
37.2% in Q4 FY24 vs. 35.9% in Q4 FY23

Earnings Per Share*

⬆️ **48.7%**

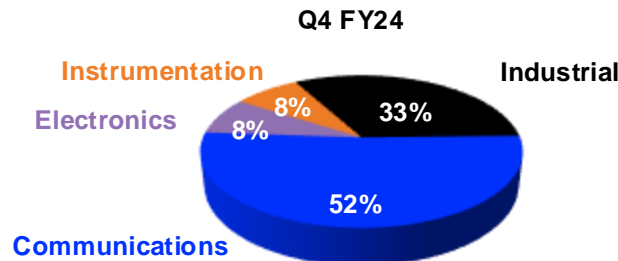
Q4 FY24/Q4 FY23
\$0.61 in Q4 FY24 vs. \$0.41 in Q4 FY23

* Non-GAAP based on earnings reported August 15, 2024

“After meeting with many of our employees and customers, I am more excited today about Coherent’s potential than when I joined two months ago. Coherent is a deeply innovative company with many secular growth opportunities. While we have many strengths, we also have opportunity for improvement, and I look forward to working with all my Coherent teammates to unlock the full potential of the company and drive outstanding shareholder value creation.”

Jim Anderson, CEO

Revenue by Market



Communications

⬆️ **19%**

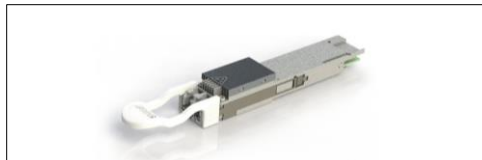
Q4 FY24/Q4 FY23

Industrial

⬆️ **5%**

Q4 FY24/Q4 FY23

Highlights



10% Sequential Revenue Growth in Communications driven by strong growth in 800G datacom transceivers for AI

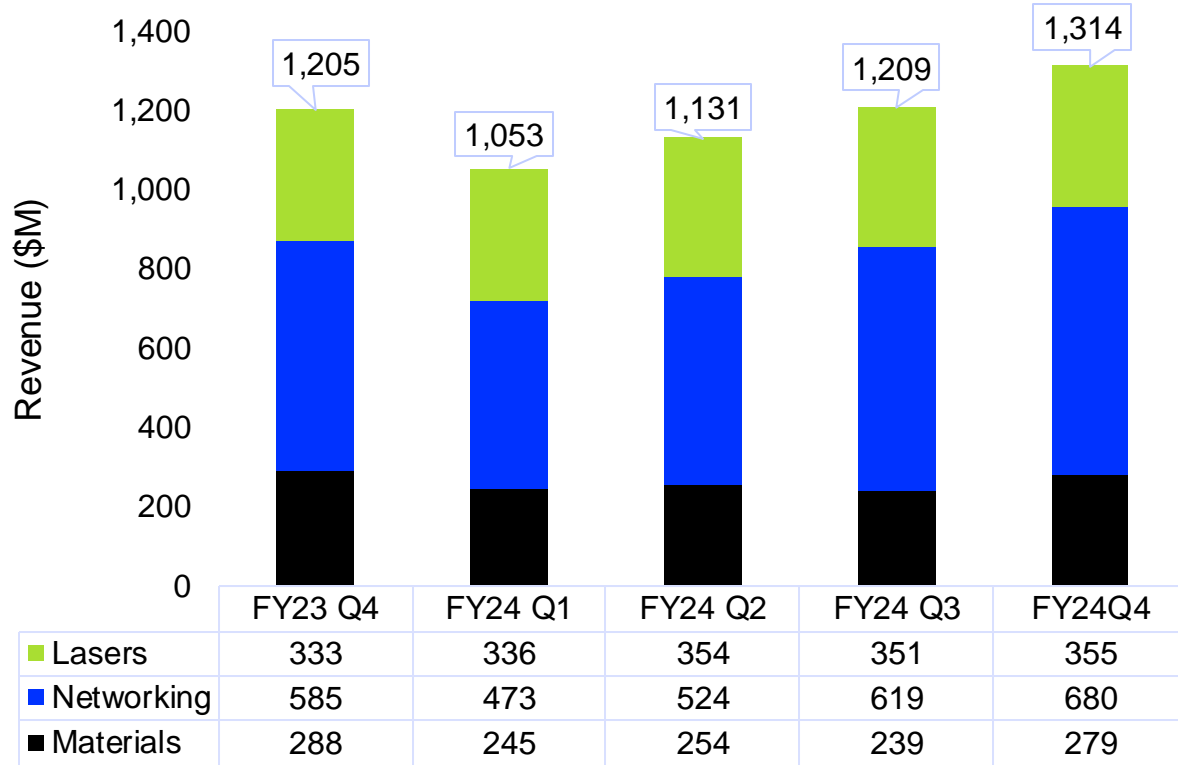


300M datacom transceivers shipped from Ipoh, Malaysia, provides supply chain resiliency for our customers

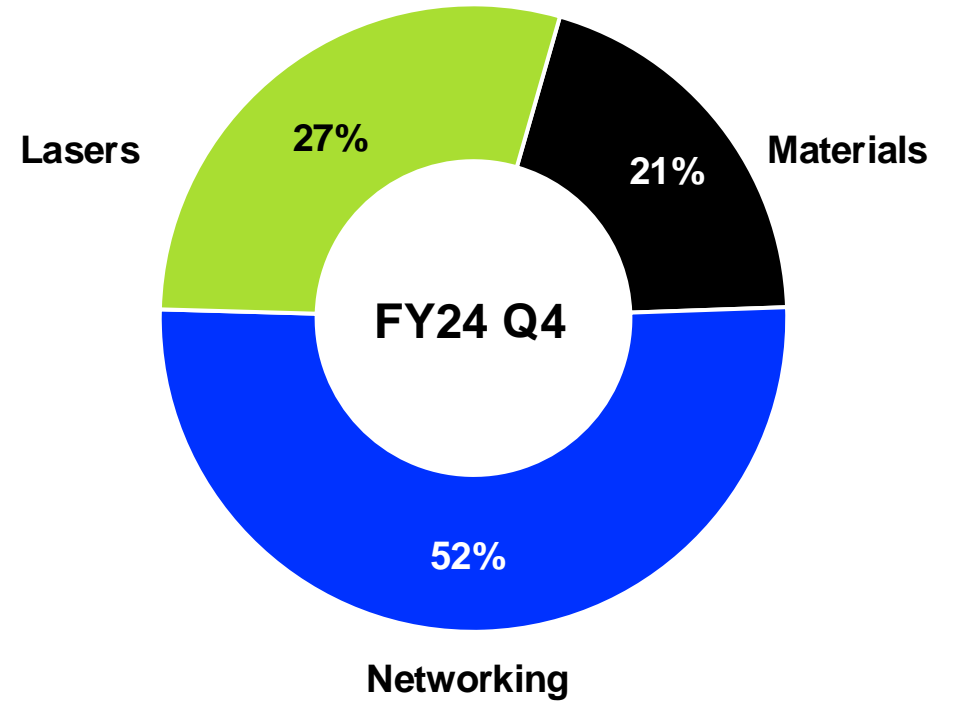


Received **first volume order for annealing systems for Gen 8 OLED** display fabs for tablets and laptops

QUARTERLY REVENUE BY SEGMENT



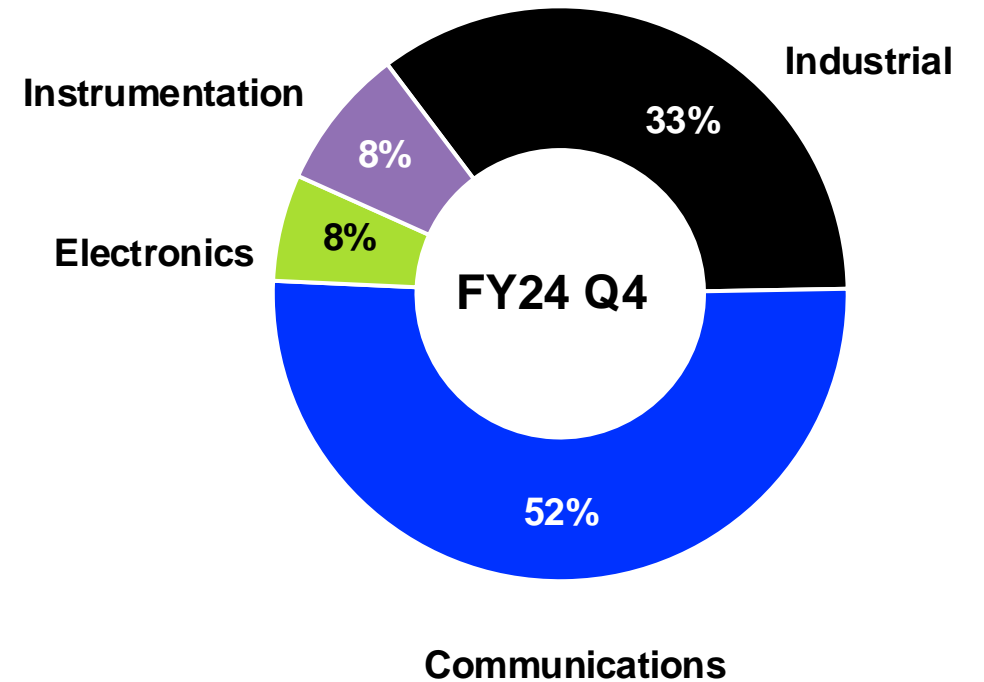
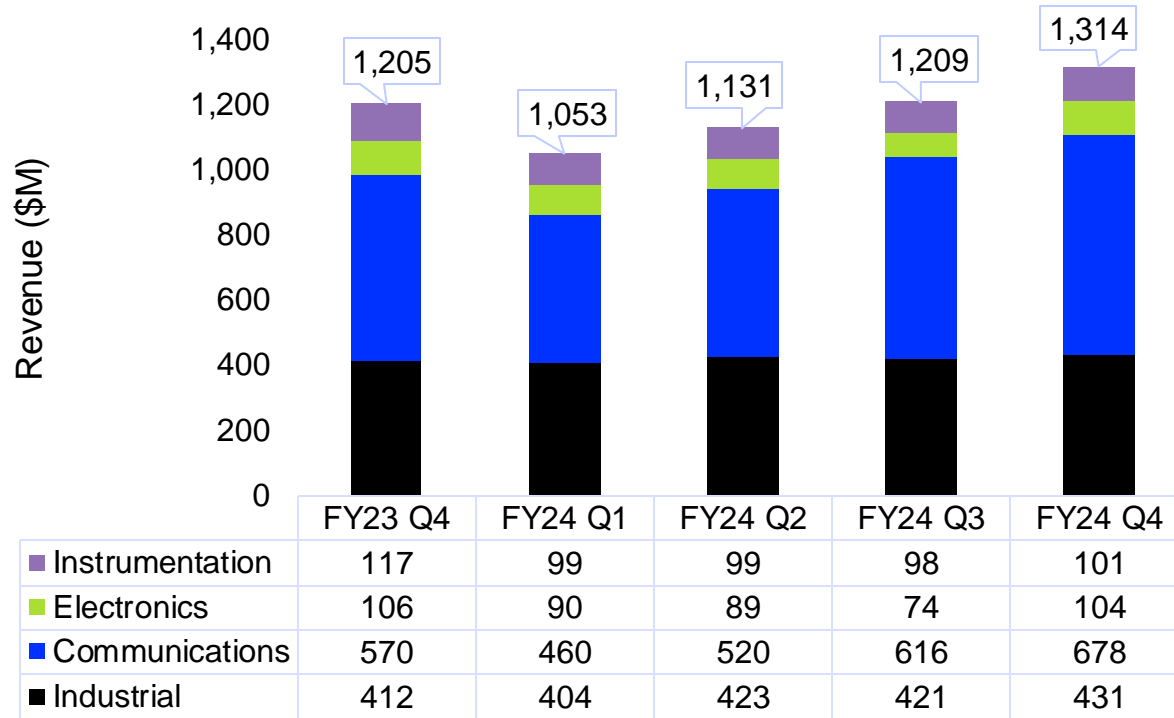
REVENUE DISTRIBUTION BY SEGMENT



Note: Amounts may not recalculate due to rounding.

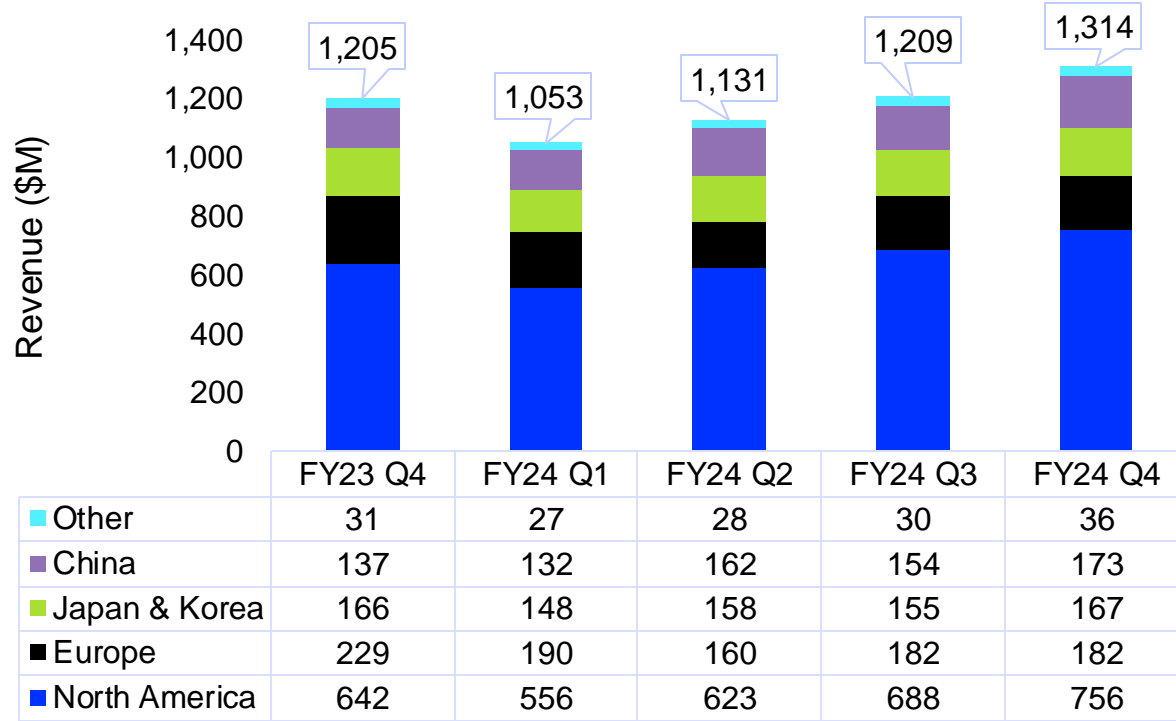
QUARTERLY REVENUE BY MARKET

REVENUE DISTRIBUTION BY MARKET



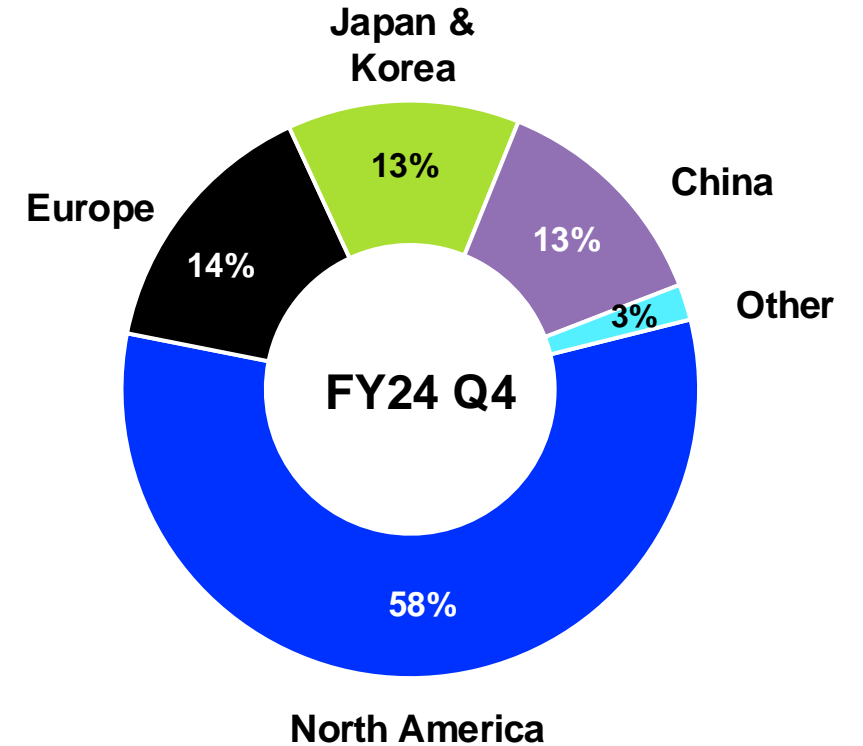
Note: Amounts may not recalculate due to rounding.

QUARTERLY REVENUE BY REGION



Note: Prior periods restated to conform to current period presentation.

REVENUE DISTRIBUTION BY REGION



Note: Amounts may not recalculate due to rounding.

FIRST QUARTER FISCAL 2025 OUTLOOK

REVENUE	\$1.27 – 1.35 billion
NON-GAAP GROSS MARGIN	36 – 38%
NON-GAAP OPERATING EXPENSES	\$260 – 280 million
NON-GAAP TAX RATE	20 – 23%
NON-GAAP EARNINGS PER SHARE	\$0.53 – 0.69 ⁽¹⁾

(1) The Company does not provide reconciliations of forward-looking Non-GAAP EPS. The Company is unable, without unreasonable efforts, to forecast certain items required to develop a meaningful GAAP financial measure that is comparable to this forward-looking figure.

GAAP TO NON-GAAP RECONCILIATION

GROSS PROFIT RECONCILIATION

\$ Millions (Unaudited)	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
Gross profit on GAAP basis	432	367	351	307	343
Share-based compensation	5	5	5	7	5
Amortization of acquired intangibles	30	31	30	31	39
Fair value adjustment on acquired inventory	—	—	—	—	—
Integration, site consolidation and other	22	30	22	21	46
Gross profit on non-GAAP basis	489	433	408	366	433

OPERATING EXPENSE RECONCILIATION

\$ Millions (Unaudited)	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
Internal R&D on GAAP basis	127	128	111	114	123
Share-based compensation	(5)	(5)	(5)	(8)	(5)
Amortization of acquired intangibles	(1)	(1)	(1)	(1)	(1)
Start-up costs	—	(1)	(1)	(0)	—
Integration, site consolidation and other	(3)	(3)	(3)	(1)	(3)
Internal R&D on non-GAAP basis	118	118	102	103	115
SG&A on GAAP basis	228	205	209	212	256
Share-based compensation	(19)	(16)	(17)	(29)	(17)
Amortization of acquired intangibles	(41)	(41)	(41)	(41)	(94)
Integration, site consolidation and other	(20)	(16)	(18)	(10)	(13)
SG&A on non-GAAP basis	149	132	134	131	133
Restructuring on GAAP basis	14	(12)	(2)	3	119
Restructuring charges	(14)	12	2	(3)	(119)
Restructuring on non-GAAP basis	—	—	—	—	—

INCOME FROM OPERATIONS RECONCILIATION

\$ Millions (Unaudited)	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
Op. income (loss) on GAAP basis	63	22	32	(21)	(155)
Share-based compensation	29	26	27	45	26
Fair value adjustment on acquired inventory	—	—	—	—	—
Amortization of acquired intangibles	72	72	72	73	134
Start-up costs	—	1	1	0	—
Restructuring charges	14	12	(2)	3	119
Transaction fees and financing	—	—	—	—	—
Integration, site consolidation and other	46	49	42	33	61
Op. income on non-GAAP basis	223	182	172	132	185
Non-GAAP Op. Margin Percentage	17.0 %	15.1 %	15.2 %	12.6 %	15.4 %

NET EARNINGS RECONCILIATION

\$ Millions (Unaudited)	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
Net earnings (loss) attributable to Coherent Corp. on GAAP basis	(48)	(13)	(27)	(68)	(178)
Share-based compensation	29	26	27	45	26
Amortization of acquired intangibles	72	72	72	73	134
Start-up costs	—	1	1	0	—
Foreign currency exch. (gains) losses	1	3	6	(1)	6
Restructuring charges	14	12	(2)	3	119
Integration, site consolidation and other	46	49	42	33	61
Transaction fees and financing	2	—	—	—	—
Tax impact of valuation allowance on deferred tax assets	46	—	—	—	—
Tax impact of non-GAAP measures	(34)	(37)	(33)	(31)	(73)
Net earnings attributable to Coherent Corp. on non-GAAP basis	127	113	86	55	95

NET EARNINGS PER COMMON SHARE

\$ (Unaudited)	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
Net earnings (loss) attributable to Coherent Corp., GAAP					
Basic Earnings (Loss) Per Share	(0.52)	(0.29)	(0.38)	(0.65)	(1.54)
Diluted Earnings (Loss) Per Share	(0.52)	(0.29)	(0.38)	(0.65)	(1.54)
Net earnings (loss) attributable to Coherent Corp., non-GAAP					
Basic Earnings Per Share	0.62	0.54	0.37	0.16	0.42
Diluted Earnings Per Share	0.61	0.53	0.37	0.16	0.41

NET EARNINGS, GAAP, AND ADJUSTED EBITDA RECONCILIATION

\$ Millions (Unaudited)	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
Net earnings (loss) on GAAP basis	(47)	(16)	(29)	(68)	(178)
Income taxes (benefit)	57	(16)	(9)	(21)	(55)
Depreciation and amortization	144	140	138	138	204
Interest expense	68	73	75	73	79
Interest income	(13)	(13)	(7)	(4)	(4)
EBITDA	208	168	168	120	45
EBITDA margin	15.8 %	13.9 %	14.9 %	11.4 %	3.7 %
Share-based compensation	29	26	27	45	26
Foreign currency exch. (gains) losses	1	3	6	(1)	6
Start-up costs	—	1	1	—	—
Restructuring charges	14	12	(2)	3	119
Transaction fees and financing	2	—	—	—	—
Integration, site consolidation and other	46	49	42	33	61
Adjusted EBITDA	300	259	243	200	257
Less: adjusted EBITDA attributable to noncontrolling interests	(2)	2	0	—	—
Adjusted EBITDA attributable to Coherent Corp.	298	261	243	200	257
Adjusted EBITDA margin attributable to Coherent Corp.	22.6 %	21.6 %	21.5 %	19.0 %	21.4 %

COHERENT