

INVESTOR PRESENTATION

February 2024

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements relating to future events and expectations, including our expectations (i) for our future financial and operational results (including expectations for future growth); (ii) regarding capital expenditures and the results of investments in research and design; (iii) regarding growth in the markets we serve including industrial, communications, electronics, and instrumentation; (iv) regarding artificial intelligence and the growth in the datacom transceiver global market and opportunity by laser type; (v) regarding silicon carbide including, without limitation, market growth, the silicon carbide investment transaction and the benefits thereof; (vi) regarding our capitalization for future growth; and (vii) regarding cost reductions (and savings) from restructuring actions, 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" discussed in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023 and additional 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 February 5, 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⁾

\$5.2 B

FY23
Revenue

2,400+

Research & Development ⁽¹⁾

\$64 B

Available
Market ⁽¹⁾

3,000+

Patents ⁽¹⁾

126

Locations

**VERTICAL
INTEGRATION**

Materials, Components,
Subsystems, Systems
and Service

24

Countries

(1) As of June 20, 2023

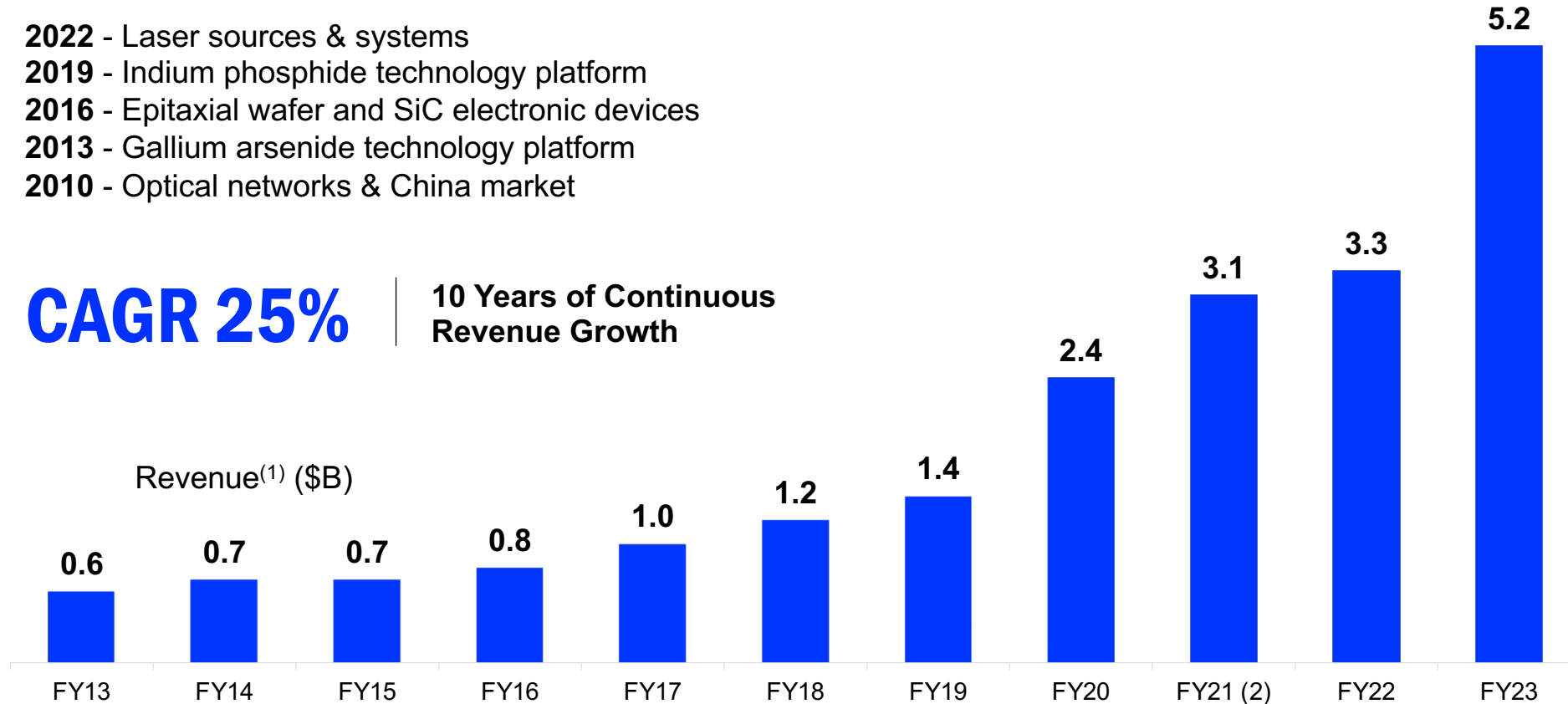
INSIGHTFUL TARGETING AND INTEGRATION OF STRATEGIC ACQUISITIONS

5 Transformative Acquisitions

- 2022 - Laser sources & systems
- 2019 - Indium phosphide technology platform
- 2016 - Epitaxial wafer and SiC electronic devices
- 2013 - Gallium arsenide technology platform
- 2010 - Optical networks & China market

CAGR 25%

10 Years of Continuous Revenue Growth

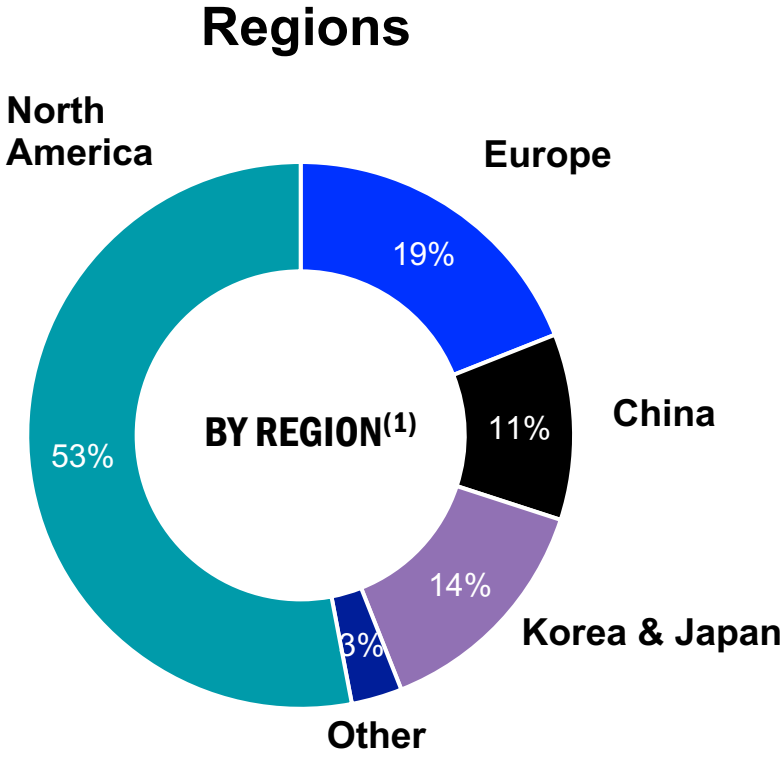
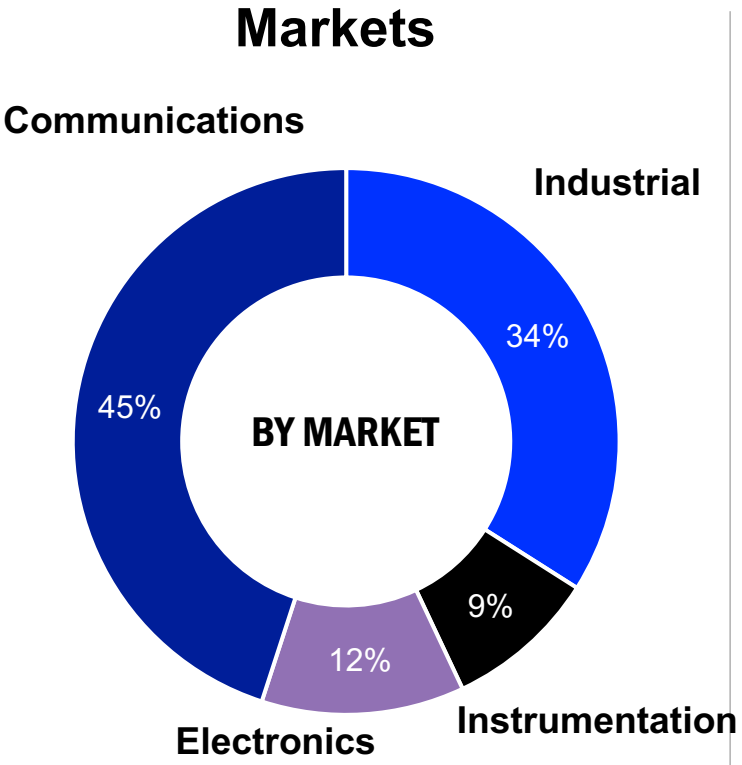
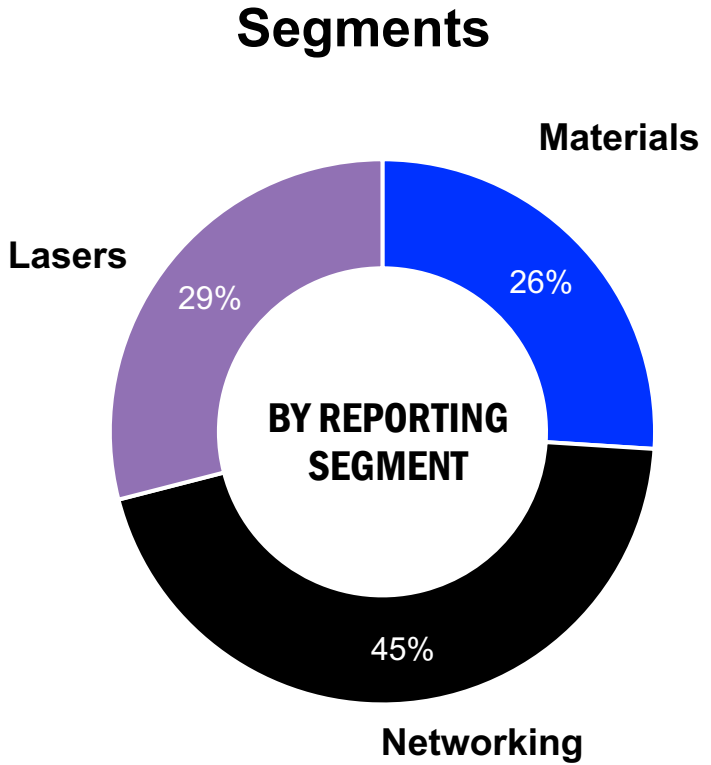


(1) Figures prior to FY2019 do not reflect the adoption of ASC 606.

(2) Prepared in accordance to ASC 805. Includes the revenue of Finisar in Q1FY20 prior to the acquisition date of 9/24/20. Not calculated in accordance with Article 11 of SEC regulation S-X.

\$5.2 BILLION OF REVENUE IN FY23

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%

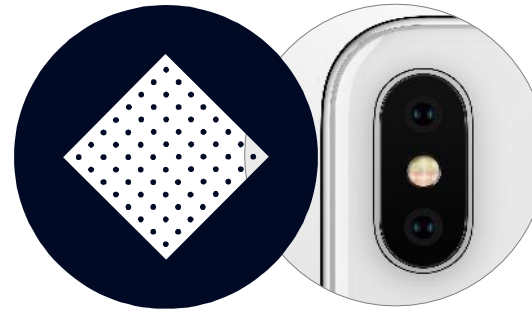
Sources: Optech Consulting, TechInsight, Strategies Unlimited, SEMI, Internal Estimates, DSCC



COMMUNICATIONS

TAM: \$23B
CAGR: 14%

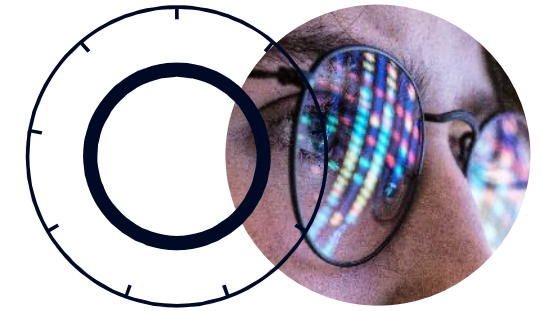
Sources: LightCounting, Omdia, Cignal AI, Yole, Dell'Oro Internal Estimates



ELECTRONICS

TAM: \$14B
CAGR: 20%

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



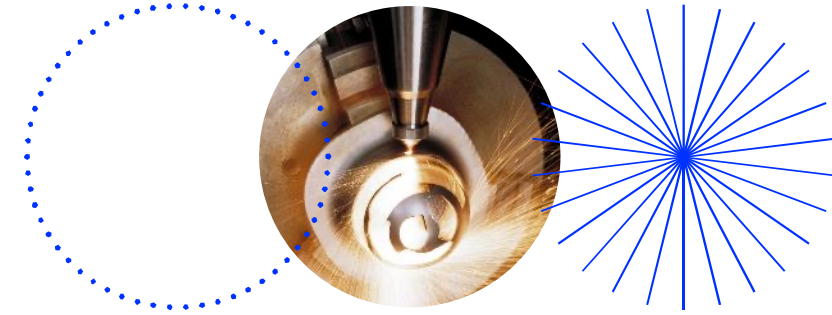
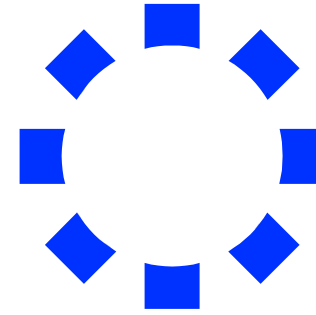
INSTRUMENTATION

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

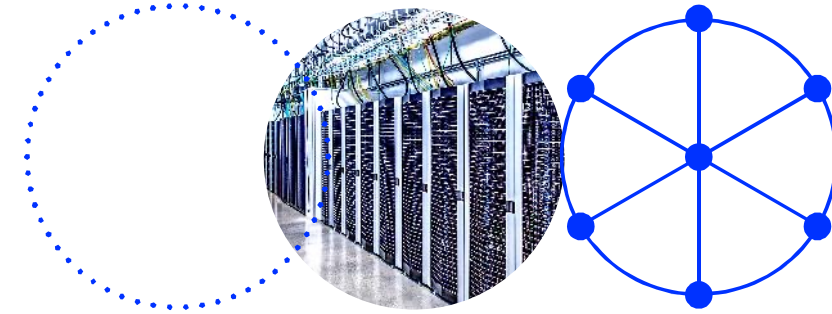
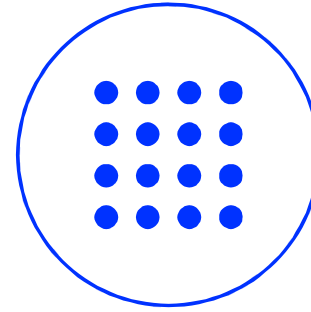
PRODUCTS

- 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

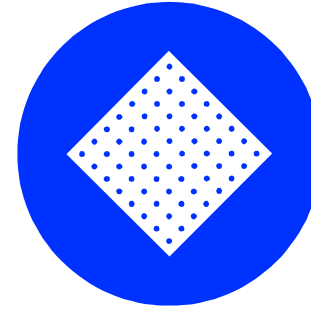
PRODUCTS

- 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

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

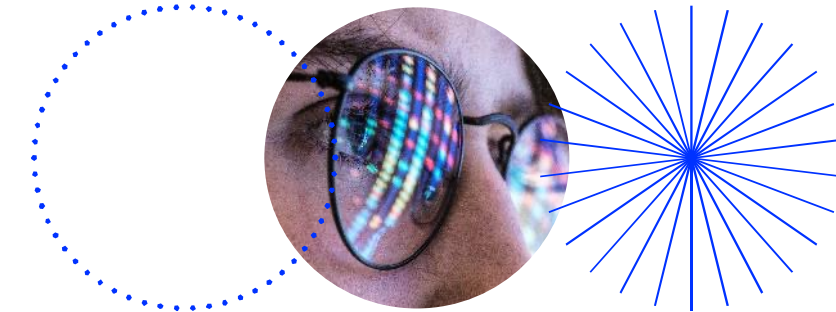
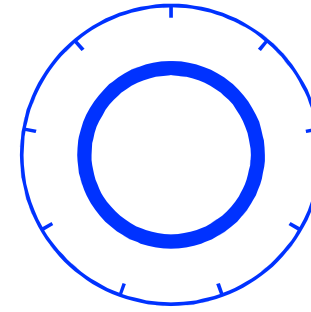
- GaAs and InP optoelectronics
- VCSELs and edge emitting lasers
- Laser illumination modules
- Wafer level optics and subassemblies
- Waveguide materials, diffractive optics
- Silicon carbide substrates and epiwafers
- SiC MOSFET devices and modules

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

INNOVATIONS THAT RESONATE

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

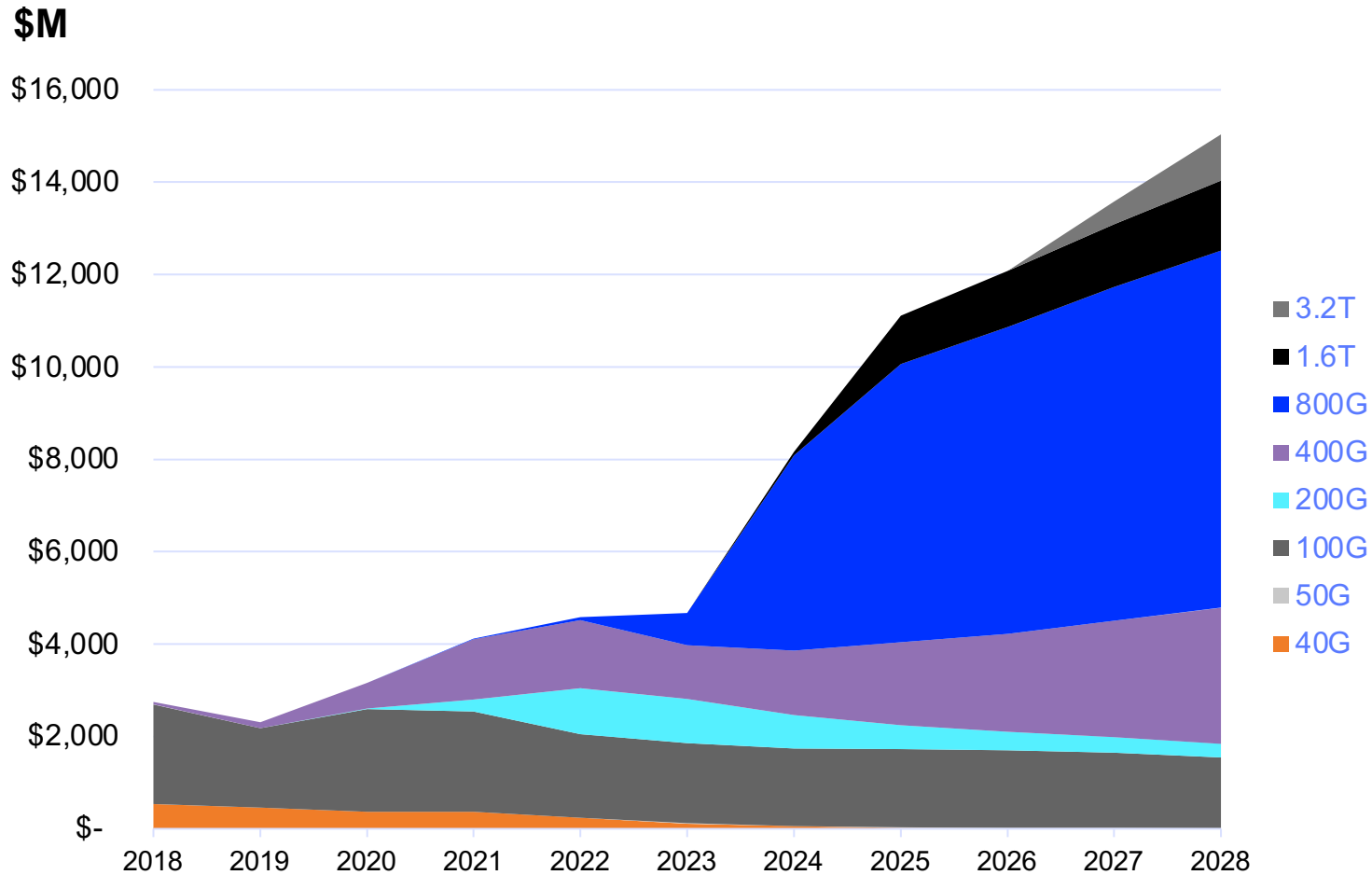
- Life sciences (biotechnology, medical, and environmental) and scientific segment solutions
- Custom solutions from proof-of-concept to manufacturing at scale
- Rapid time to market of complete turnkey subassemblies and systems
- Broadest product portfolio to support a wide range of applications
- Extensive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

INNOVATIONS THAT RESONATE

ARTIFICIAL INTELLIGENCE: A REVOLUTION

Driving growth in the cloud and beyond

DATACOM TRANSCEIVER GLOBAL MARKET



Source: LightCounting, Internal Estimates

\$1.3 billion

in sales in datacom in FY23

200G

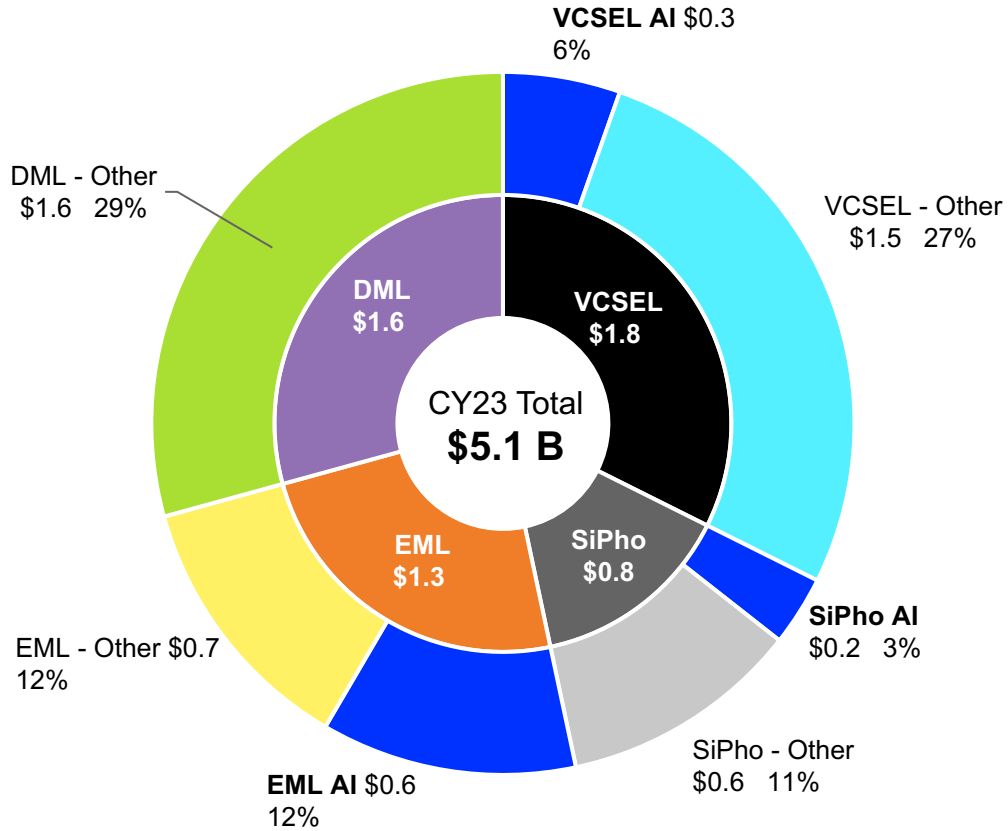
and higher data-rate transceivers
>65% of our revenue

800G

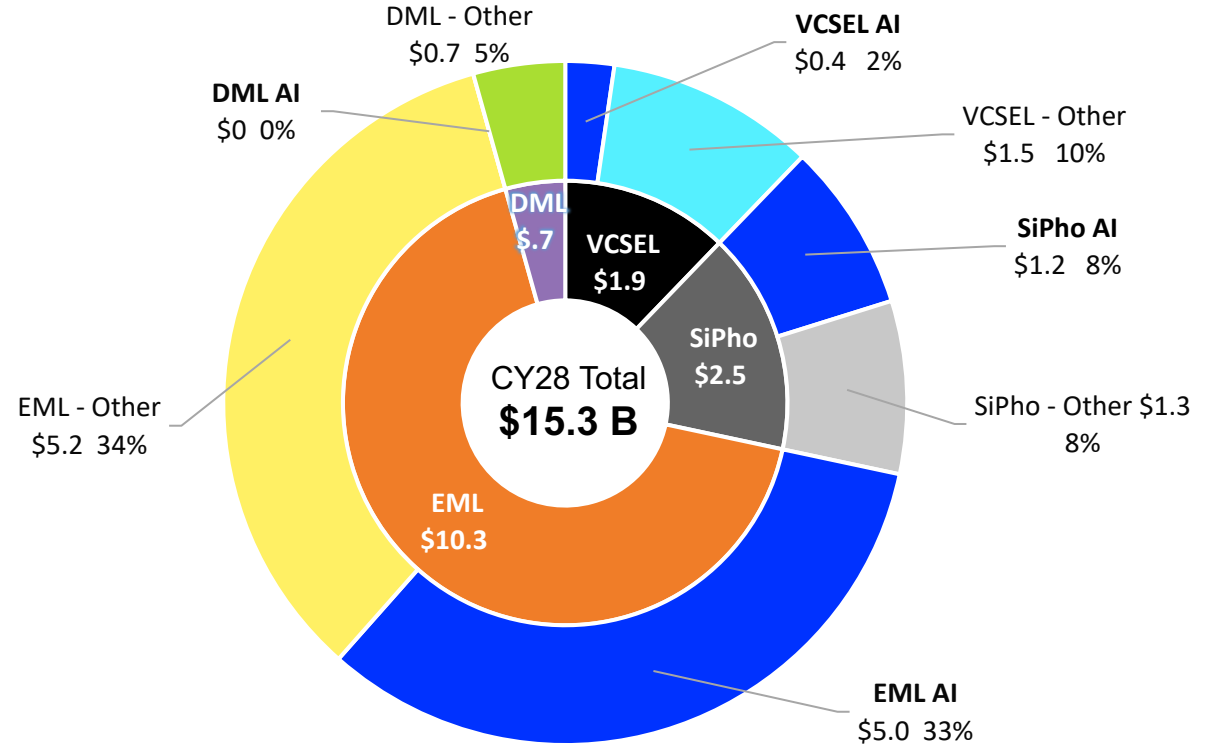
and higher data-rate
transceivers > 65% of the total
available market by 2028

DATAKOM TRANSCIEVER OPPORTUNITY BY LASER TYPE

CY23 Transceiver Opportunity (\$B)



CY28 Transceiver Opportunity (\$B)



Source: LightCounting, Internal Estimates

SILICON CARBIDE POWER SEMICONDUCTORS: ANOTHER REVOLUTION

Electrification of transportation
Sustainability of the planet

SILICON CARBIDE BUSINESS OVERVIEW

Business Overview

Leading global supplier of silicon carbide (SiC) substrates for power device and radio frequency end market applications

- Large addressable market estimated to grow from \$3 billion in 2022 to \$21 billion in 2030 (28% CAGR)

Two decades of innovation in SiC materials

- Proprietary, in-house designed and built growth furnaces, control hardware and software
- Industry's first 200 mm substrate, with volume manufacturing scheduled for 2024

Vertical integration strategy from substrates to modules

- Key technologies and development of SiC MOSFETs

Global footprint with capacity to expand

- 8 sites across 3 continents to support global customers
- State-of-the-art 300,000 sq ft growth facility in Easton, PA with capacity to reach 1 million+ (150 mm equiv.) annual wafers

SILICON CARBIDE INVESTMENT TRANSACTION TO SEPARATE SILICON CARBIDE BUSINESS WITH MARKET-LEADING PARTNERS



Leader in materials, networking and laser technologies



Pioneer in silicon carbide power devices; leading capabilities in high-voltage industrial and transportation



Global Tier-1 automotive supplier; leading capabilities in electrification and power semiconductors

Ownership

75%

12.5%

12.5%

Silicon Carbide Business

SILICON CARBIDE INVESTMENT TRANSACTION DETAILS

Transaction Structure	<ul style="list-style-type: none">▪ On December 4, 2023, Coherent separated and contributed its silicon carbide (SiC) business to newly formed subsidiary at a \$4 billion valuation▪ Mitsubishi Electric and DENSO invested \$1 billion into the new subsidiary in exchange for combined 25% non-controlling interest in the Business (no proceeds to Coherent)▪ Coherent retains 75% controlling interest in the Silicon Carbide business
Total Investment	<ul style="list-style-type: none">▪ \$1.0 billion at a \$3 billion pre-money valuation▪ Investment to fund future capital expansion and operations of the SiC business
Governance and Business Leadership	<ul style="list-style-type: none">▪ Coherent appointed 100% of Board of the Business▪ The Business will continue to operate under the Coherent brand with current leadership team
Long-term Supply Agreements	<ul style="list-style-type: none">▪ Concurrently with closing, the Business entered into long-term supply agreements with Mitsubishi Electric and DENSO that support the expansion of substrate and epitaxial wafer shipments

STRATEGIC BENEFITS OF THE SILICON CARBIDE INVESTMENT TRANSACTION

Silicon Carbide Business	<ul style="list-style-type: none">▪ \$1.0 billion capital to fund and accelerate growth plans▪ Long-term supply agreements with market-leading partners to support expansion of wafer shipments▪ Deepen strategic partnership with Mitsubishi Electric and DENSO with leadership in end markets
Coherent	<ul style="list-style-type: none">▪ Values Coherent interest in silicon carbide business at \$3.0 billion<ul style="list-style-type: none">▪ Recognizes value of unique material technologies and investments to date▪ Represents ~10x FY2024E revenue▪ New investment to fund capital and operations of silicon carbide business<ul style="list-style-type: none">▪ Provides greater financial and operating flexibility for Coherent by freeing up capital Coherent had planned for silicon carbide business▪ Retains 75% ownership in the Business with continued operating and governance controls▪ Expanded growth prospects of silicon carbide business

FINANCIAL HIGHLIGHTS

FY24 Q2 HIGHLIGHTS

REVENUE	\$1.131 billion, above the midpoint of our \$1.075 – \$1.175 billion guidance.
Non-GAAP EPS	\$0.36, above the high end of our \$0.14 – \$0.32 guidance and up from \$0.16 in the preceding quarter driven primarily by the strong gross margin upside, favorable operating leverage, and interest and dividend income.
OPERATING CASH FLOW	\$67 million, compared to \$220 million in the year-ago quarter and \$199 million in the preceding quarter.
DEBT REDUCTION	We paid down \$89 million of our outstanding debt.
VISIBILITY	Macroeconomic uncertainty continues to impact our near-term growth and visibility; however, we saw signs of improving demand trends during the quarter and expect ongoing sequential improvement in revenue growth throughout the remainder of fiscal 2024.

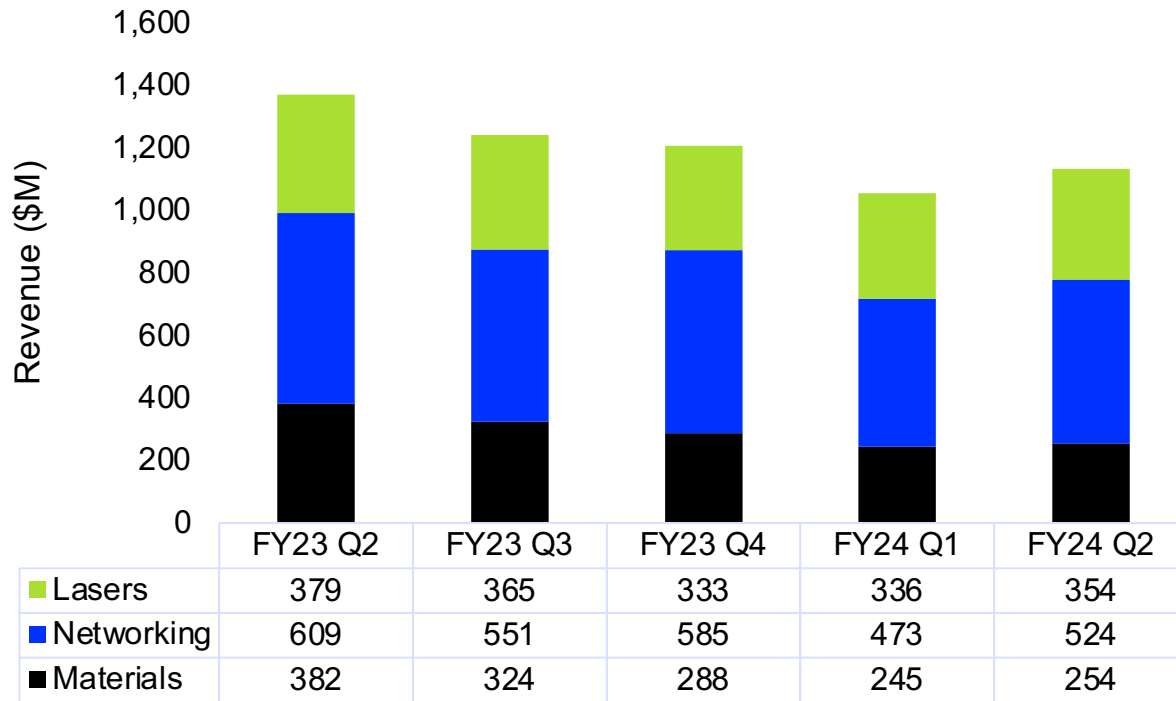
As required by Regulation G, we have provided reconciliations of those measures to the most directly comparable GAAP measures in the section captioned “GAAP to NON-GAAP RECONCILIATION.”

FY24 Q2 HIGHLIGHTS - CONTINUED

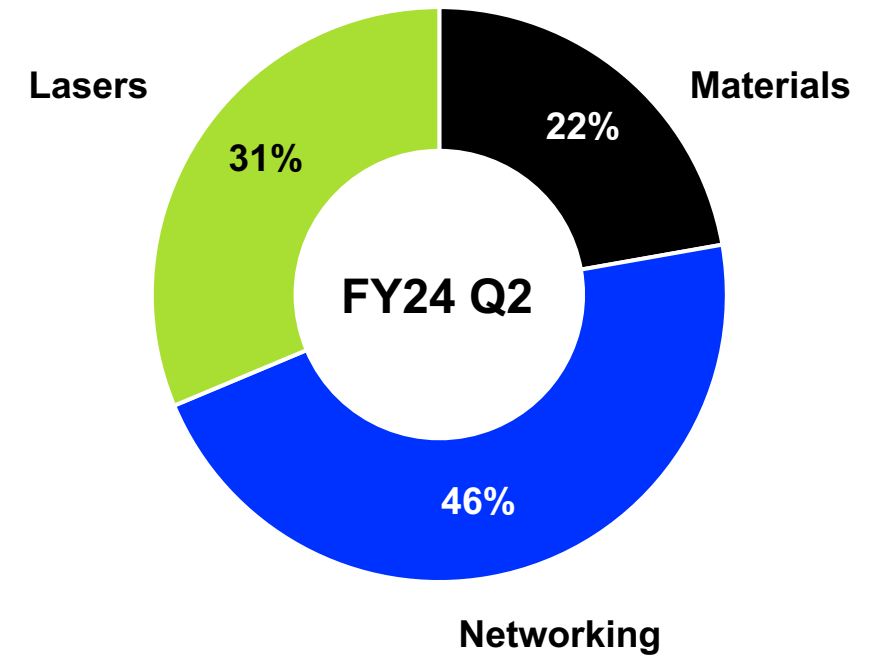
AI/ML	<p>We enjoyed a third straight quarter of strong orders for our AI/ML-related Datacom transceivers. Our 800G revenue increased sequentially by over 100% to cross the \$100 million quarterly threshold just over one year since initial shipments, which marks one of the fastest product revenue ramps in the history of the company. We are excited by the active engagement we have with from large customers for 1.6T transceivers and components. In response to customer demand, we continue to make progress toward expected commercial launch in fiscal 2025 of our 1.6T transceivers and components.</p>
SILICON CARBIDE	<p>Enhancing our confidence in the long-term outlook for our silicon carbide business, during the second quarter, we consummated the previously announced transactions with Mitsubishi Electric and DENSO Corporation pursuant to which those entities invested an aggregate of \$1 billion in exchange for non-controlling ownership interests of 12.5% each in Silicon Carbide LLC, a newly formed LLC into which we contributed our silicon carbide business, and entered into long-term supply agreements that will support their demand for SiC substrates and epitaxial wafers.</p>
STRATEGIC OPPORTUNITIES	<p>As we transform the company to improve operating performance, restructure our production footprint to enhance operating resiliency, and complete the integration of legacy Coherent, Inc., we are exploring other strategic opportunities—not including material acquisitions—to unlock shareholder value.</p>

REVENUE BY SEGMENT

Quarterly Revenue Trend



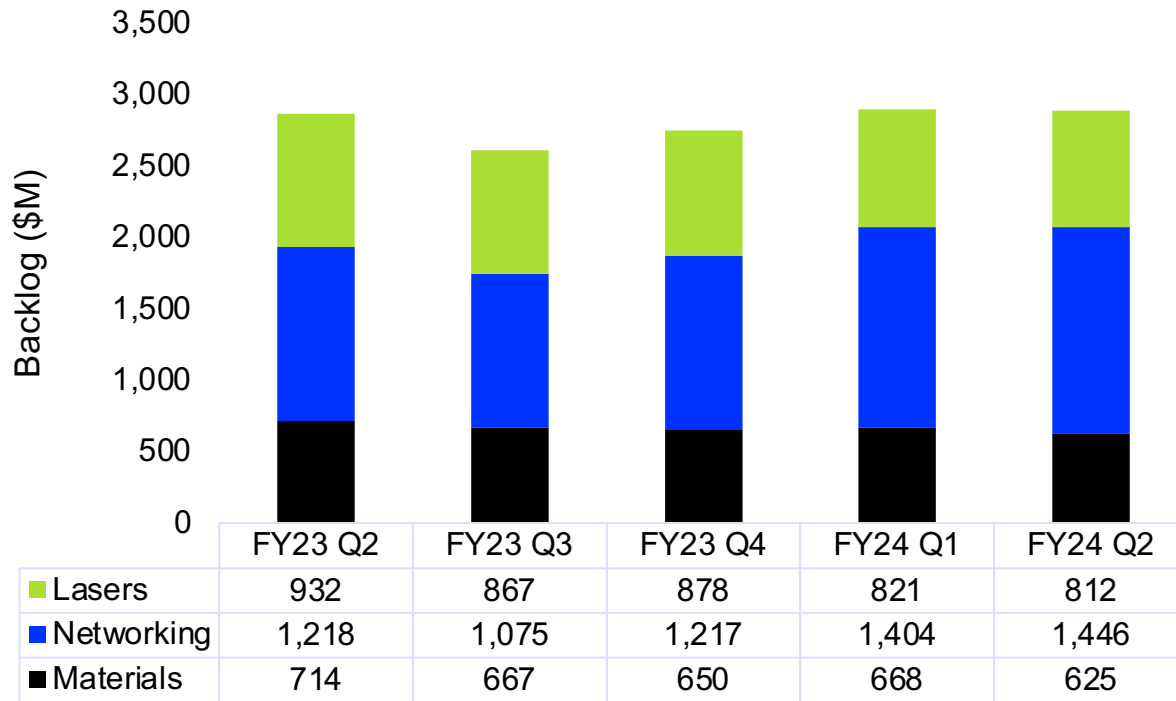
Revenue Distribution (1)



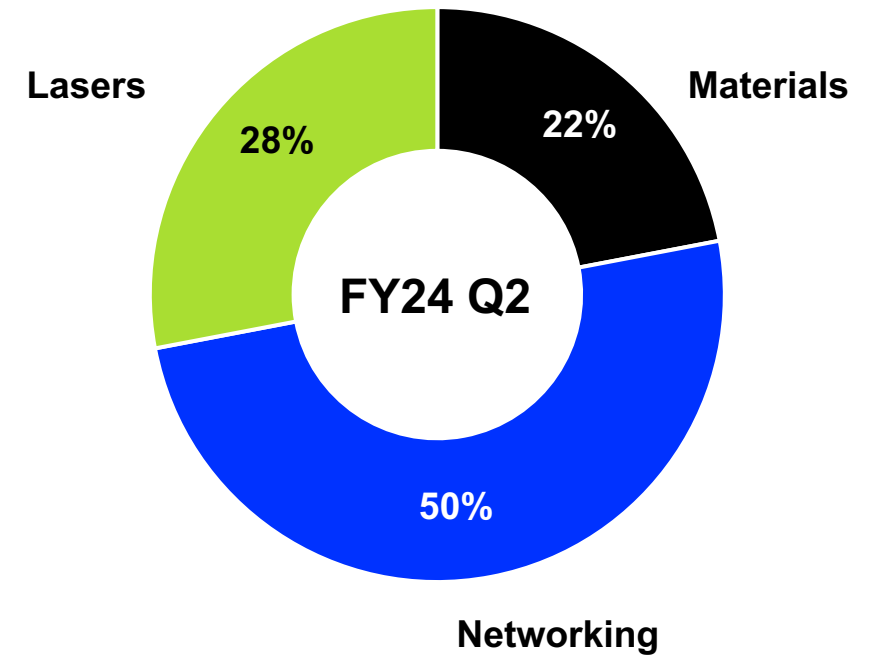
(1) Amounts may not recalculate due to rounding.

BACKLOG BY SEGMENT

Quarterly Backlog Trend



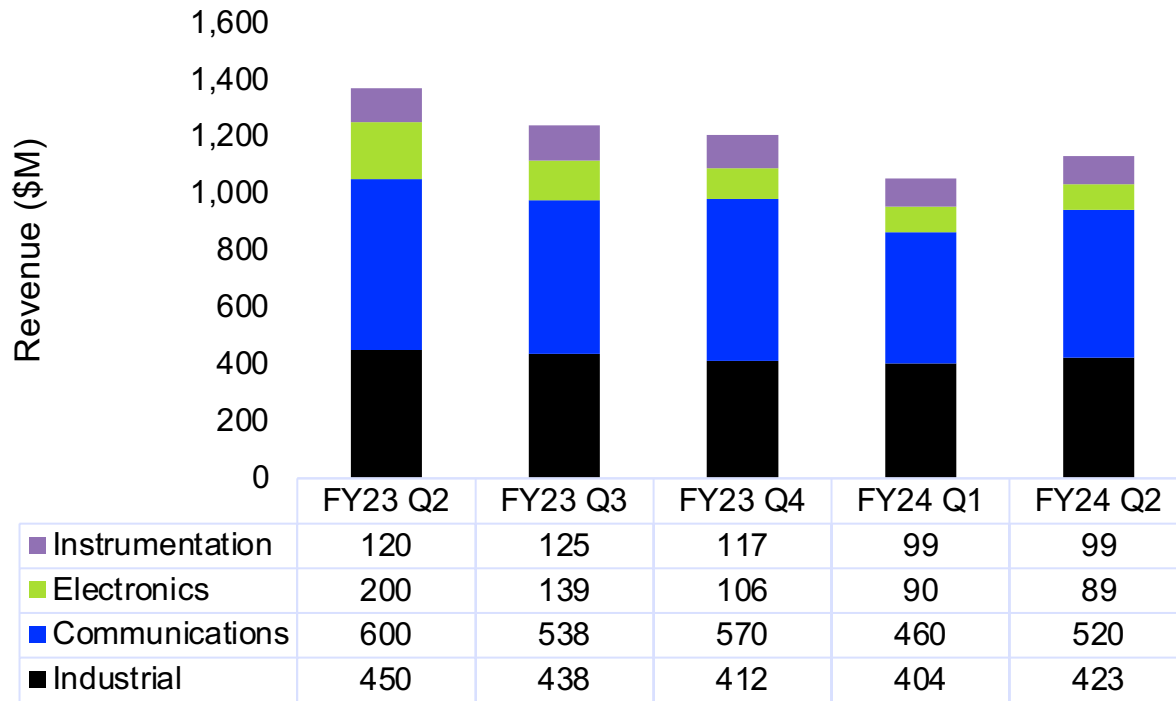
Backlog Distribution (1)



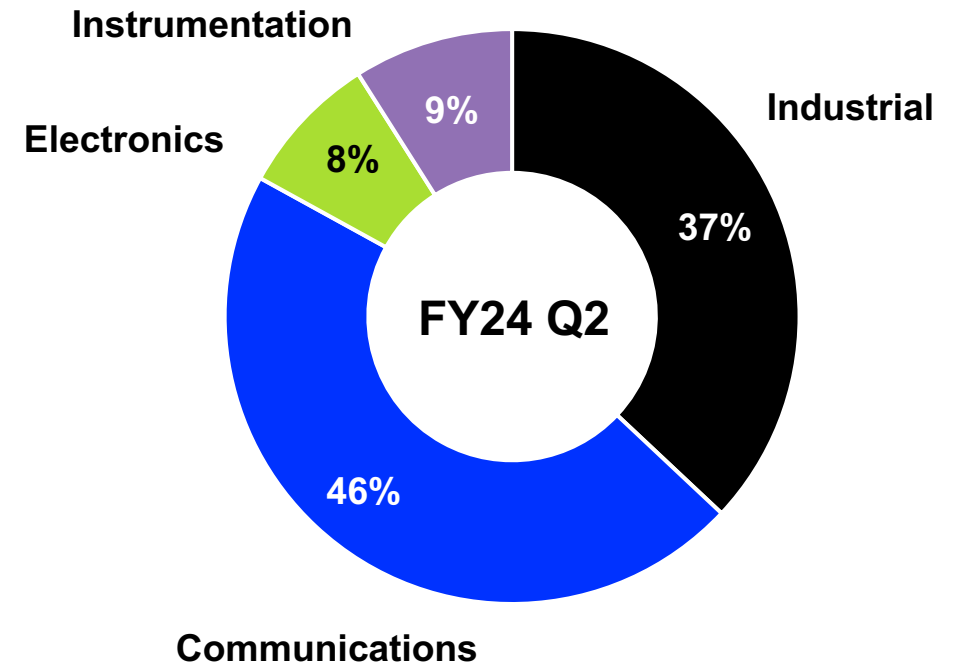
(1) Amounts may not recalculate due to rounding.

REVENUE BY MARKET

Quarterly Revenue Trend



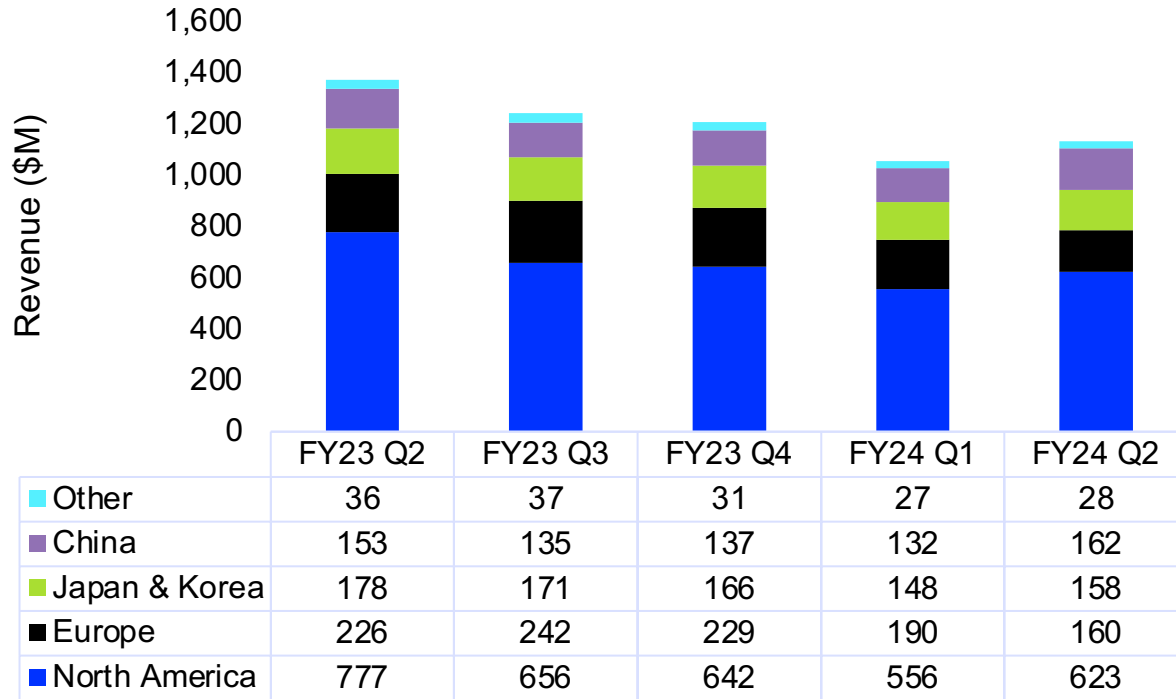
Revenue Distribution ⁽¹⁾



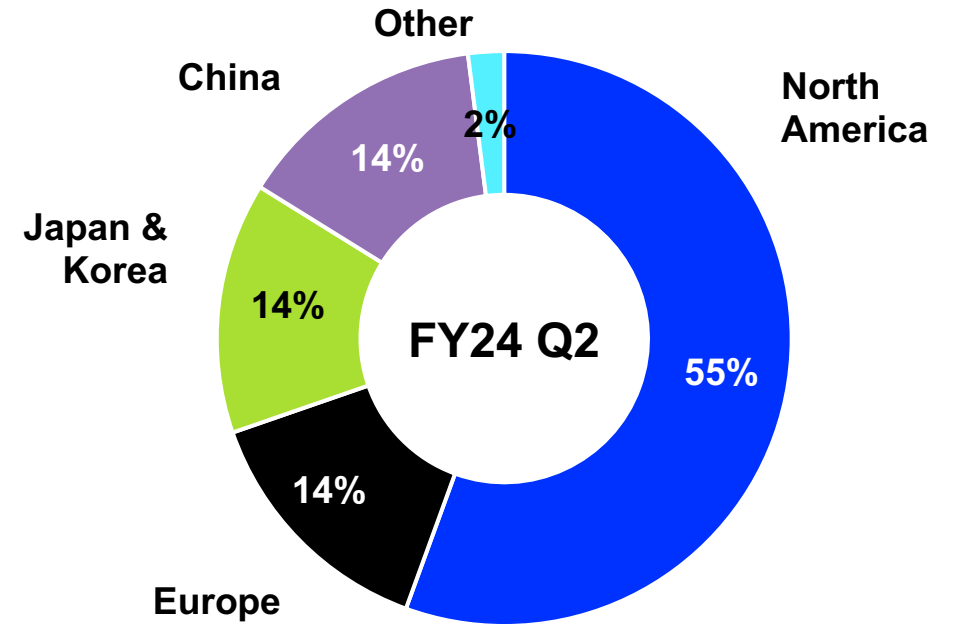
(1) Amounts may not recalculate due to rounding.

REVENUE BY REGION

Quarterly Revenue Trend (2)



Revenue Distribution (1)



(1) Amounts may not recalculate due to rounding.

(2) Prior periods restated to conform to current period presentation.

FY24 Q3 OUTLOOK

Revenue		\$1.12 – 1.20 billion
Non-GAAP Gross Margin		36 – 38%
Non-GAAP Operating Expenses		\$246 – 262 million
Non-GAAP Operating Margin		14 – 16%
Non-GAAP Adjusted EBITDA		21 – 23%
Interest Expense		\$70 – 74 million
Non-GAAP Tax Rate		16 – 19%
Series B Preferred P.I.K. Dividend		Approximately \$31 million
Non-GAAP Earnings Per Share		\$0.32 – 0.52 ⁽¹⁾ ₍₂₎
Share Count		153 million for the entire guidance range
Capital Expenditures		\$115 – 145 million (includes \$50M Funded by SiC LLC)
Pretax amounts of Non-GAAP adjustments	Stock compensation	\$23 – 29 million
	Amortization	Approximately \$72 million
	Restructuring, synergies, and consolidation expenses	\$40 – 50 million

(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.

(2) Includes \$0.04 related to earnings on SiC LLC Restricted Cash Investments.

FY24 FULL YEAR OUTLOOK

Revenue		\$4.55 – 4.7 billion
Non-GAAP Gross Margin		36 – 38%
Non-GAAP Operating Expenses		\$990 million – 1.015 billion
Non-GAAP Operating Margin		14 – 16%
Non-GAAP Adjusted EBITDA		20 – 22%
Interest Expense		\$284 – 294 million
Non-GAAP Tax Rate		20 – 22%
Series B Preferred P.I.K. Dividend		Approximately \$123 million
Non-GAAP Earnings Per Share		\$1.30 - 1.70 ⁽¹⁾⁽²⁾
Share Count		153 million for the entire guidance range
Capital Expenditures		\$350 – 400 million (includes \$150M Funded by SiC LLC)
Pretax amounts of Non-GAAP adjustments	Stock compensation	\$120 – 130 million
	Amortization	Approximately \$290 million
	Restructuring, synergies, and consolidation expenses	\$157 – 177 million

(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.

(2) Includes \$0.10 related to earnings on SiC LLC Restricted Cash Investments.

GAAP TO NON-GAAP RECONCILIATION

GROSS PROFIT RECONCILIATION

\$ Millions (Unaudited)	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Gross profit on GAAP basis	351	307	343	420	411
Share-based compensation	5	7	5	7	6
Amortization of acquired intangibles	30	31	39	31	15
Fair value adjustment on acquired inventory	—	—	—	—	112
Integration, site consolidation and other	22	21	46	6	1
Gross profit on non-GAAP basis	408	366	433	463	546

OPERATING EXPENSE RECONCILIATION

\$ Millions (Unaudited)	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Internal R&D on GAAP basis	111	114	123	126	129
Share-based compensation	(5)	(8)	(5)	(6)	(6)
Amortization of acquired intangibles	(1)	(1)	(1)	(0)	—
Start-up costs	(1)	(0)	—	—	—
Integration, site consolidation and other	(3)	(1)	(3)	(0)	—
Internal R&D on non-GAAP basis	102	103	115	120	123
SG&A on GAAP basis	209	212	256	226	274
Share-based compensation	(17)	(29)	(17)	(23)	(23)
Amortization of acquired intangibles	(41)	(41)	(94)	(62)	(90)
Integration, site consolidation and other	(18)	(10)	(13)	(16)	(16)
SG&A on non-GAAP basis	134	131	133	126	145
Restructuring on GAAP basis	(2)	3	119	—	—
Restructuring charges	2	(3)	(119)	—	—
Restructuring on non-GAAP basis	—	—	—	—	—

INCOME FROM OPERATIONS RECONCILIATION

\$ Millions (Unaudited)	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Op. income (loss) on GAAP basis	32	(21)	(155)	67	8
Share-based compensation	27	45	26	35	35
Fair value adjustment on acquired inventory	—	—	—	—	112
Amortization of acquired intangibles	72	73	134	93	105
Start-up costs	1	0	—	—	—
Restructuring charges	(2)	3	119	—	—
Transaction fees and financing	—	—	—	—	—
Integration, site consolidation and other	42	33	61	22	17
Op. income on non-GAAP basis	172	132	185	217	278
Non-GAAP Op. Margin Percentage	15.2 %	12.6 %	15.4 %	17.5 %	20.3 %

NET EARNINGS RECONCILIATION

\$ Millions (Unaudited)	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Net earnings (loss) attributable to Coherent Corp. on GAAP basis	(27)	(68)	(178)	3	(45)
Share-based compensation	27	45	26	35	35
Amortization of acquired intangibles	72	73	134	93	105
Fair value adjustment on acquired inventory	—	—	—	—	112
Start-up costs	1	0	—	—	—
Foreign currency exch. (gains) losses	6	(1)	6	1	7
Restructuring charges	(2)	3	119	—	—
Integration, site consolidation and other	42	33	61	22	17
Transaction fees and financing	—	—	—	0	—
Tax impact of non-GAAP measures	(33)	(31)	(73)	(36)	(60)
Net earnings attributable to Coherent Corp. on non-GAAP basis	86	55	95	118	171

NET EARNINGS PER COMMON SHARE

\$ (Unaudited)	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Net earnings (loss) attributable to Coherent Corp., GAAP					
Basic Earnings (Loss) Per Share	(0.38)	(0.65)	(1.54)	(0.24)	(0.58)
Diluted Earnings (Loss) Per Share	(0.38)	(0.65)	(1.54)	(0.24)	(0.58)
Net earnings (loss) attributable to Coherent Corp., non-GAAP					
Basic Earnings Per Share	0.37	0.16	0.42	0.59	0.98
Diluted Earnings Per Share	0.36	0.16	0.41	0.58	0.95

NET EARNINGS, GAAP, AND ADJUSTED EBITDA RECONCILIATION

\$ Millions (Unaudited)	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Net earnings (loss) on GAAP basis	(29)	(68)	(178)	3	(45)
Income taxes (benefit)	(9)	(21)	(55)	(7)	(21)
Depreciation and amortization	138	138	204	161	170
Interest expense	75	73	79	75	71
Interest income	(7)	(4)	(4)	(2)	(2)
EBITDA	168	120	45	229	172
EBITDA margin	14.9 %	11.4 %	3.7 %	18.5 %	12.6 %
Prelim. fair value adj. on acquired inv.	—	—	—	—	112
Stock based compensation	27	45	26	35	35
Foreign currency exch. (gains) losses	6	(1)	6	1	7
Start-up costs	1	0	—	—	—
Restructuring charges	(2)	3	119	—	—
Integration, site consolidation and other	42	33	61	22	17
Adjusted EBITDA	243	200	257	287	344
Less: adjusted EBITDA attributable to noncontrolling interests	—	—	—	—	—
Adjusted EBITDA attributable to Coherent Corp.	243	—	—	—	—
Adjusted EBITDA margin attributable to Coherent Corp.	21.5 %	19.0 %	21.4 %	23.1 %	25.1 %

RECONCILIATION OF GAAP MEASURES TO NON-GAAP MEASURES

Reconciliation of GAAP Measures to non-GAAP Measures*

\$ Millions

(Unaudited)

	Three Months Ended			Year Ended	
	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	Jun 30, 2023	Jun 30, 2022
Gross profit on GAAP basis	\$ 343.4	\$ 420.2	\$ 326.0	\$1,618.3	\$1,265.5
Share-based compensation	4.9	6.5	0.9	22.9	5.1
Amortization of acquired intangibles ⁽¹⁾	38.7	30.7	9.6	132.1	38.3
Preliminary fair value adjustment on acquired inventory	—	—	—	157.5	—
Integration, site consolidation and other ⁽³⁾	45.8	5.8	6.9	53.2	9.8
Start-up costs ⁽⁵⁾	—	—	—	—	2.8
Gross profit on non-GAAP basis	<u>\$ 432.8</u>	<u>\$ 463.2</u>	<u>\$ 343.4</u>	<u>\$1,984.0</u>	<u>\$1,321.5</u>
Operating income (loss) on GAAP basis	\$ (155.2)	\$ 67.4	\$ 114.2	\$ (37.1)	\$ 414.3
Share-based compensation	26.4	35.1	13.5	149.6	73.1
Amortization of acquired intangibles ⁽¹⁾	133.5	92.7	19.9	414.1	79.7
Preliminary fair value adjustment on acquired inventory	—	—	—	157.5	—
Restructuring charges ⁽¹⁾	119.1	—	—	119.1	—
Integration, site consolidation and other ⁽²⁾	61.3	21.9	7.5	124.5	14.3
Transaction fees and financing ⁽³⁾	—	—	7.1	38.7	36.6
Start-up costs ⁽⁴⁾	—	—	6.4	—	32.3
Operating income on non-GAAP basis	<u>\$ 185.1</u>	<u>\$ 217.1</u>	<u>\$ 168.6</u>	<u>\$ 966.5</u>	<u>\$ 650.2</u>

Reconciliation of GAAP Segment Operating Income (Loss) to

Segment Non-GAAP Operating Income (Loss)*

\$ Millions

(Unaudited)

	Three Months Ended			Year Ended	
	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	Jun 30, 2023	Jun 30, 2022
Networking GAAP Operating Income (Loss)	\$ (8.1)	\$ 49.5	\$ 67.1	\$ 222.4	\$ 231.6
Share-based compensation	7.6	6.9	3.1	33.6	30.9
Amortization of acquired intangibles ⁽¹⁾	22.9	16.5	16.5	72.3	66.3
Restructuring charges ⁽²⁾	55.6	—	—	55.6	—
Integration, site consolidation and other ⁽³⁾	0.9	1.8	2.3	5.2	6.2
Transaction fees and financing ⁽⁴⁾	—	—	0.5	—	0.5
Non-GAAP Networking Operating Income	<u>\$ 78.9</u>	<u>\$ 74.7</u>	<u>\$ 89.5</u>	<u>\$ 389.1</u>	<u>\$ 335.5</u>
Materials GAAP Operating Income (Loss)	\$ (65.0)	\$ 67.8	\$ 53.5	\$ 159.6	\$ 218.6
Share-based compensation	10.4	10.7	10.5	51.1	42.2
Amortization of acquired intangibles ⁽¹⁾	35.1	3.2	3.3	44.8	13.3
Restructuring charges ⁽²⁾	60.4	—	—	60.4	—
Integration, site consolidation and other ⁽³⁾	29.4	7.3	5.2	40.5	8.1
Transaction fees and financing ⁽⁴⁾	—	—	0.2	—	0.2
Start-up costs ⁽⁴⁾	—	—	6.4	—	32.3
Non-GAAP Materials Operating Income	<u>\$ 70.2</u>	<u>\$ 89.0</u>	<u>\$ 79.1</u>	<u>\$ 356.4</u>	<u>\$ 314.7</u>
Lasers GAAP Operating Income (Loss)	\$ (82.1)	\$ (49.9)	\$ —	\$ (419.1)	\$ —
Share-based compensation	8.4	17.5	—	64.9	—
Amortization of acquired intangibles ⁽¹⁾	75.6	73.0	—	297.1	—
Restructuring charges ⁽²⁾	3.1	—	—	3.1	—
Integration, site consolidation and other ⁽³⁾	31.0	12.8	—	78.8	—
Transaction fees and financing ⁽⁴⁾	—	—	—	38.7	—
Preliminary fair value adjustment on acquired inventory	—	—	—	157.5	—
Non-GAAP Lasers Operating Income	<u>\$ 36.0</u>	<u>\$ 53.4</u>	<u>\$ —</u>	<u>\$ 221.0</u>	<u>\$ —</u>
Unallocated and Other GAAP Operating Income (Loss)	\$ —	\$ —	\$ (6.4)	\$ —	\$ (35.9)
Transaction fees and financing ⁽⁴⁾	—	—	6.4	—	35.9
Non-GAAP Unallocated and Other GAAP Operating Income (Loss)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Total GAAP Operating Income (Loss)	<u>\$ (155.2)</u>	<u>\$ 67.4</u>	<u>\$ 114.2</u>	<u>\$ (37.1)</u>	<u>\$ 414.3</u>
Non-GAAP Operating Income	<u>\$ 185.1</u>	<u>\$ 217.1</u>	<u>\$ 168.6</u>	<u>\$ 966.5</u>	<u>\$ 650.2</u>

FINANCIAL APPENDIX

WELL CAPITALIZED FOR FUTURE GROWTH (1)

External Financing Sources

Debt	<ul style="list-style-type: none"> ▪ \$3.3B secured term loans ▪ \$990M high yield bonds ▪ \$345M revolver availability
Convertible Preferred Equity	<ul style="list-style-type: none"> ▪ \$2.4B series B investment from Bain Capital ▪ Coupon: 5%, 4-year payable-in-kind, cash pay option thereafter ▪ Conversion price of \$85.00 per share

- (1) Reflects, as of 12/31/2023, using pro forma TTM combined adj EBITDA at 12/31/23, including \$376 million of future expected cost savings within 36 months. Not calculated in accordance with Article 11 of SEC regulation S-X.
- (2) Balances assuming all securities are dilutive as of 12/31/23. Not calculated in accordance with Article 11 of SEC regulation S-X.
- (3) Unrestricted cash on the balance sheet as of 12/31/2023

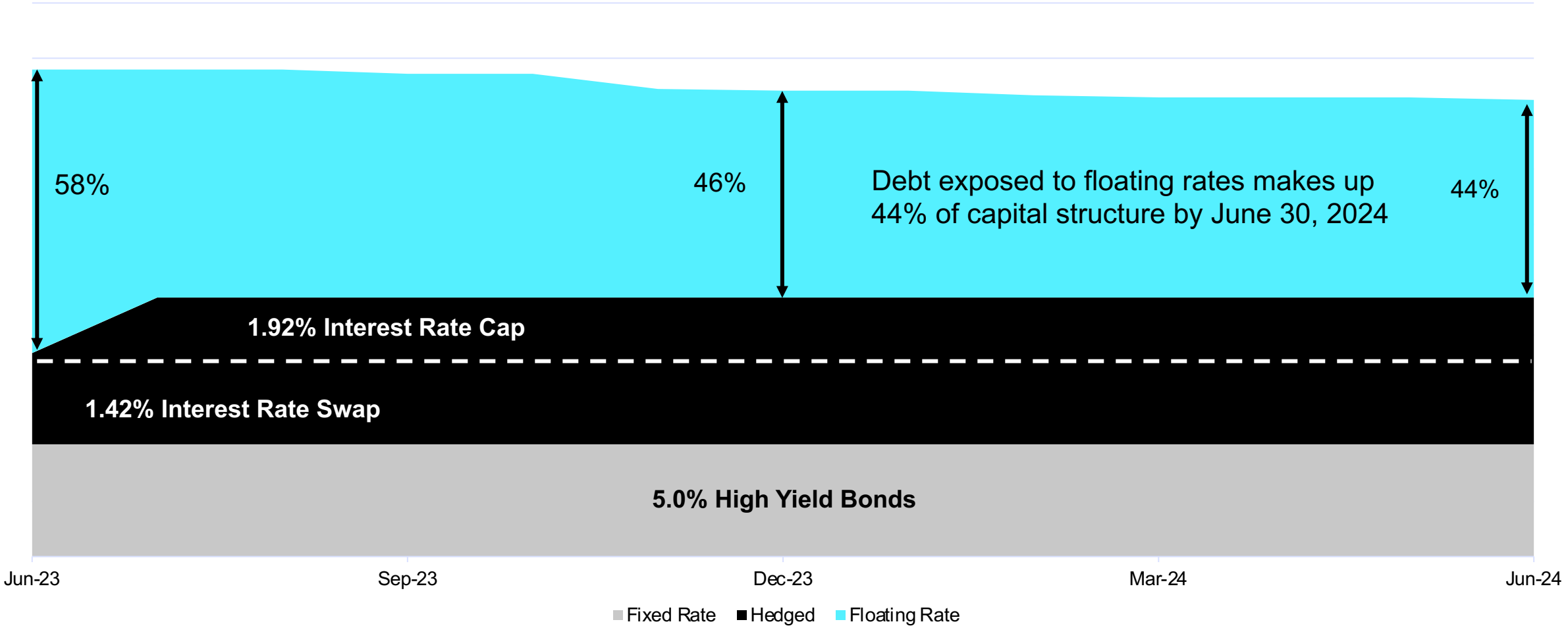
Leverage

Total Debt	\$4.29 billion	3.2x ⁽¹⁾
Cash ⁽³⁾	\$0.86 billion	
Net Debt	\$3.44 billion	2.5x ⁽¹⁾
PF Combined TTM Adj EBITDA⁽¹⁾	\$1,360 million (incl. \$108M synergies +\$268M additional cost savings)	

Fully-Diluted Shares Outstanding⁽²⁾

COHR basic shares	152M
Stock comp shares	1M
Series B preferred	28M
Pro forma FDSO	181M

DEBT EXPOSED TO FLOATING RATES DECREASES DURING FY24



SIGNIFICANT COST REDUCTIONS FROM RESTRUCTURING ANNOUNCED ON MAY 10, 2023

	Current Outlook	Previous Outlook (as of Q1 FY24)
Cumulative savings for the period of FY23 to FY25	\$200 – 250M	\$200 – 300M
Annual savings by FY25	\$110 – 140M	\$110 – 140M
Cost to achieve savings	\$175 – 200M	\$175 – 200M

ESG - GLOBAL DIVERSITY, EQUITY, AND INCLUSION STRATEGY

Cultivate diverse teams that drive innovation, uphold our core values and achieve better business results by:

Strategic Objectives

Fostering Inclusion and Belonging

An environment that embraces and respects differences

Increasing Representation

Ensure the diversity of our communities is reflected in our workforce.

Embracing Diverse Perspectives

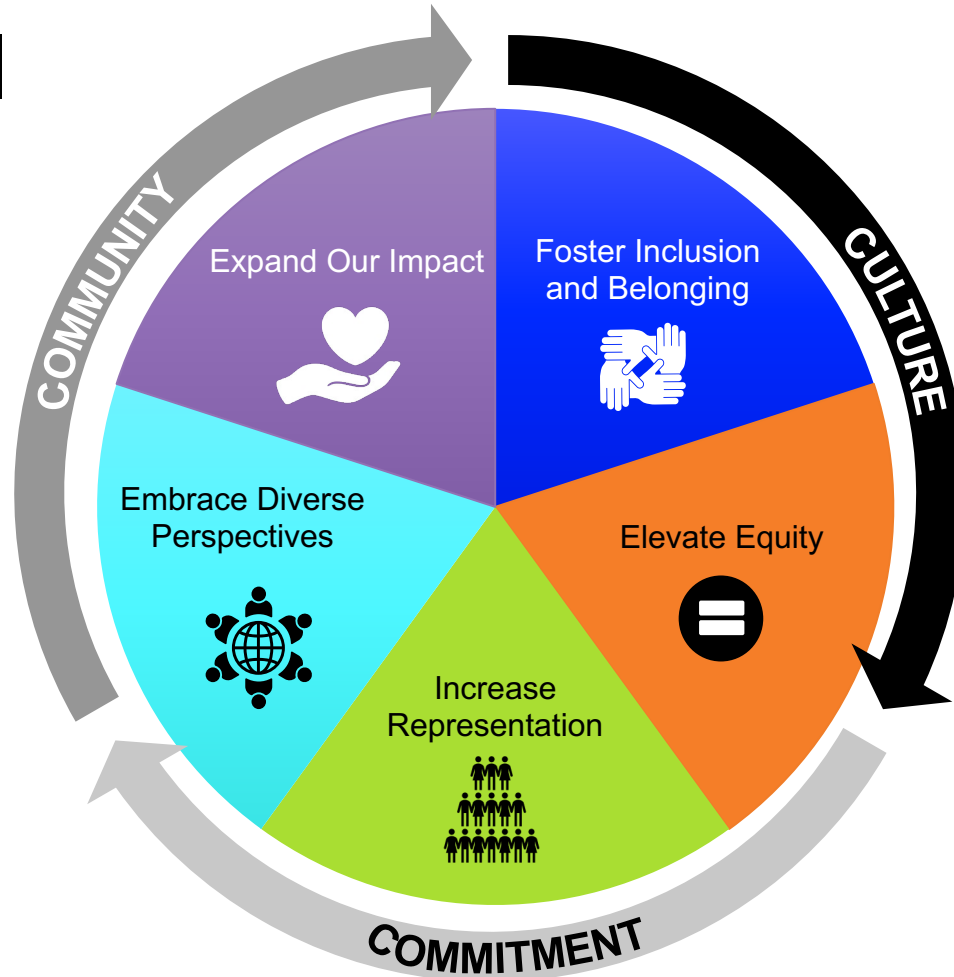
DEI activities are global in scope and leverage the perspectives of our employees to enhance cross-cultural awareness.

Elevating Equity

Workplace policies, practices and processes support an equitable work environment.

Expanding Our Impact

A culture of service and partnership within our communities and industries.



Areas of Focus

Community

Connecting in meaningful ways both within and outside of Coherent to foster a sense of belonging, collaboration, and engagement.

Culture

Nurturing our company vision and ICARE values to promote an inclusive and equitable environment with mutual respect and recognition of our diverse experiences and perspectives.

Commitment

Showing our dedication to advancing diversity, equity and inclusion through our actions.



C**HERENT**