



February 1, 2024

# Partners from RF to Light

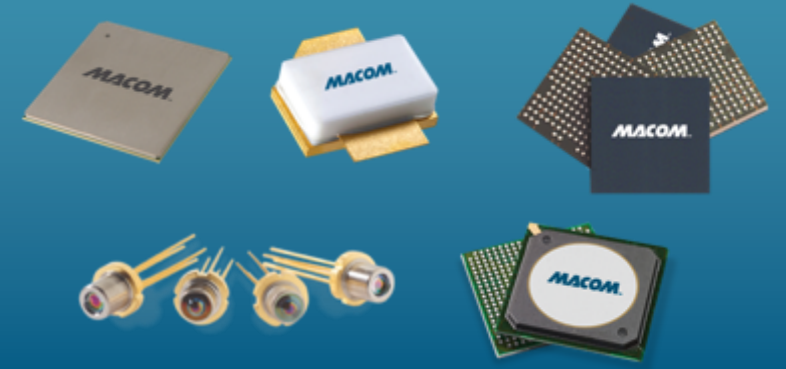
**MACOM**<sup>®</sup>  
*Partners from RF to Light*

# Forward-Looking Statement Safe Harbor and Use of Non-GAAP Financial Measures

This presentation contains forward-looking statements based on MACOM management's beliefs and assumptions and on information currently available to our management. These forward-looking statements include, among others, statements about MACOM's strategy and the anticipated size of MACOM's serviceable addressable markets. These forward-looking statements reflect MACOM's current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause those events or our actual activities or results to differ materially from those indicated by the forward-looking statements, including our ability to develop new products and achieve market acceptance of those products; component shortages or other disruptions in our supply chain, including as a result of geopolitical unrest or otherwise; inflationary pressures; any failure to accurately anticipate demand for our products and effectively manage our inventory; our dependence on a limited number of customers; risks related to any weakening of economic conditions; our ability to compete effectively; and those other factors described in "Risk Factors" in MACOM's filings with the Securities and Exchange Commission ("SEC"), including its Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q and other filings with the SEC. These forward-looking statements speak only as of the date of this presentation, and MACOM undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

We make references in this presentation to certain financial information calculated on a basis other than in accordance with United States generally accepted accounting principles ("GAAP"), including non-GAAP gross profit and gross margin, non-GAAP income from operations and operating margin, non-GAAP net income (loss), non-GAAP diluted shares and non-GAAP earnings (loss) per diluted share. Such non-GAAP measures are provided as additional insight into MACOM's on-going financial performance. These non-GAAP measures are provided in addition to, and not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. See our reconciliation of non-GAAP measures to the most comparable GAAP measures in the appendix provided at the end of this presentation.

# Company Snapshot



## Leading Supplier of Semiconductor Solutions

- Headquartered in Lowell, Massachusetts
- 70 years of RF & Microwave history
- 6,000+ customers worldwide
- 8,000+ products across 40+ product lines
- Domestic fab and foundry services
- Global, multi-channel sales strategy
- Strong patent and IP position
- Certified ISO 9001 & ISO 14001 quality and environment standards; AS9100D Aerospace standard; ANSI/ESD S20.20 & IATF16949 ESD and automotive standards
- Focused on complex applications across the RF and lightwave frequency spectrum
- Broad and expanding portfolio of products
- Addressing growing markets

# Corporate Structure Focused on Engineering Leadership

President & CEO  
Stephen Daly

SVP & Chief Financial  
Officer  
Jack Kober

Technology  
Wayne Struble  
SVP, Semiconductor  
Technology

Operations  
Robert Dennehy  
SVP, Operations

Sales  
Thomas Hwang  
SVP, Global Sales

Legal  
Ambra Roth  
SVP, General Counsel

## Technology-Focused Engineering

Diodes

RF Power

MMIC

High-  
Performance  
Connectivity

Lightwave

Linear Modules  
& Subsystems



# Large & Diverse End Markets



## Industrial & Defense SAM \$2 Billion\*

- Diodes
- MMIC
- HPC
- RF Power
- Lightwave
- Linear Modules & Subsystems

RF and Microwave components and sub-assemblies for industrial, civil and defense infrastructure buildouts



## Data Center SAM \$1 Billion\*

- Lightwave
- HPC
- MLH

Optical connectivity in Data Centers enabling new cloud-based applications

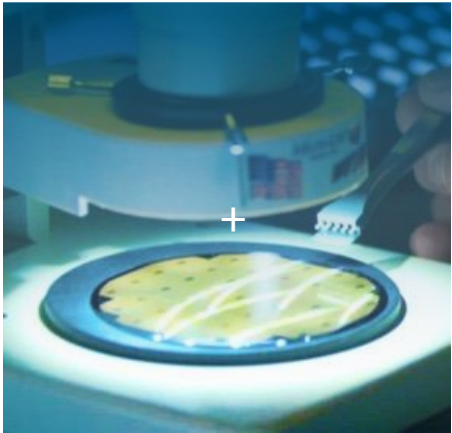


## Telecom SAM \$2 Billion\*

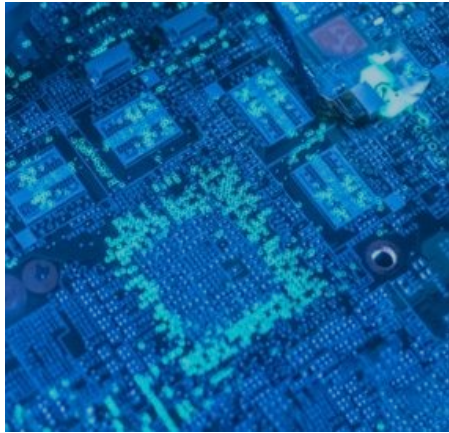
- Diodes
- MMIC
- HPC
- RF Power
- Lightwave

Optical and wireless networks for FTTx, Metro, 4G LTE and 5G applications and services

# Core Competencies



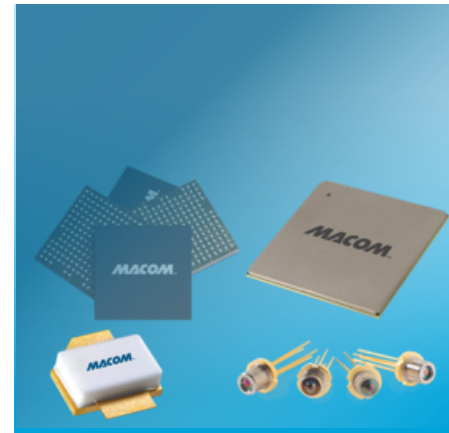
**Material  
Science**



**Circuit Design**



**Wafer  
Processing**



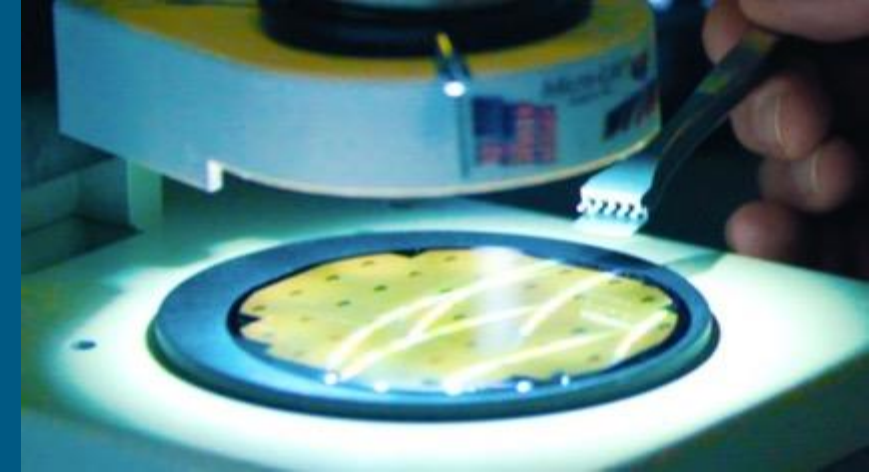
**Packaging**



**RF & Optical  
Subsystems**

A Leader in the Engineering and Manufacturing of High-Performance Analog and Mixed-Signal ICs

# Material Science



## MACOM Used Semiconductor Process Technologies

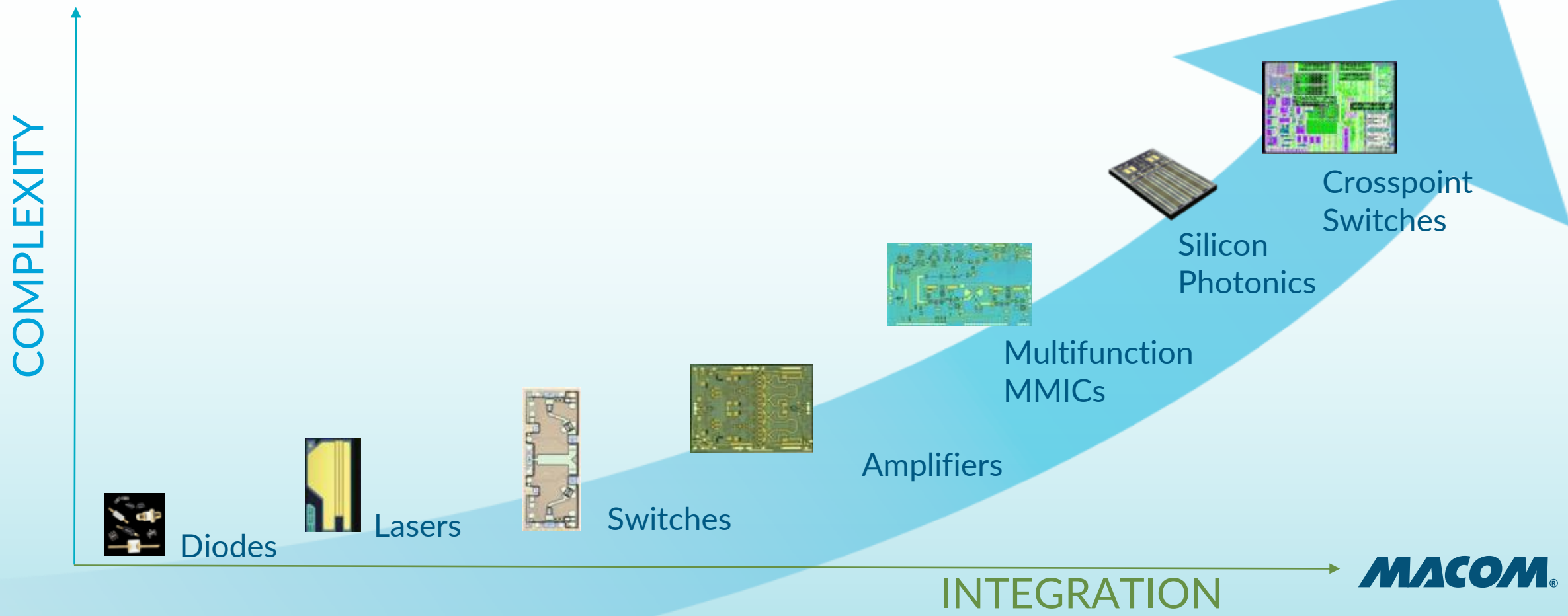
- Aluminum Gallium Arsenide (AlGaAs)
- Gallium Arsenide (GaAs)
- GaN on Silicon
- GaN on Silicon Carbide (SiC)
- Glass/Silicon composite wafer (HMIC)
- Indium Gallium Arsenide (InGaAs)
- Indium Gallium Phosphide (InGaP)
- Indium Phosphide (InP)
- Silicon Bipolar (BJT)
- Silicon CMOS
- Silicon Germanium (SiGe)
- Silicon on Insulator (SOI)
- Silicon MOSFET
- Silicon Photonics

## Packaging Material Science

- Alumina ( $\text{Al}_2\text{O}_3$ )
- Aluminum Nitride (AlN)
- Beryllium Oxide (BeO)
- Sintered Silver (Ag) epoxy

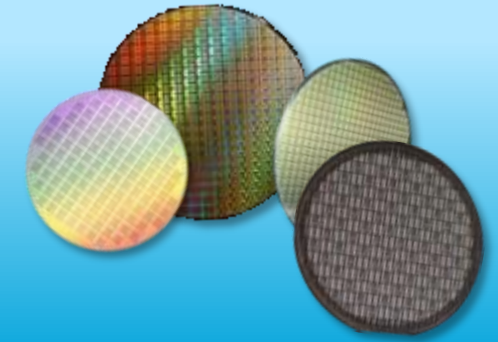
Differentiated Proprietary Technologies —  
Advanced Compound Semiconductor Materials, Unique Wafer Processes and Specialized Packaging

# Integrated Circuit & Process Design





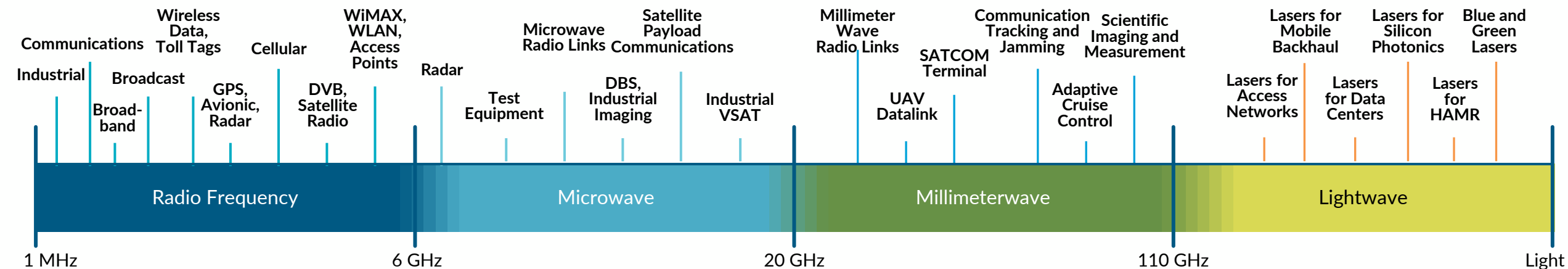
# Wafer Processing, Package and Test



- Epitaxial Growth
- Wafer Processing
- Specialized Screening
- Hi-Rel Capabilities
- Automated Assembly
- Wafer Inspection & Handling
- Automated Test
- Packaging

Differentiated Capabilities for Specialized High-Performance Applications

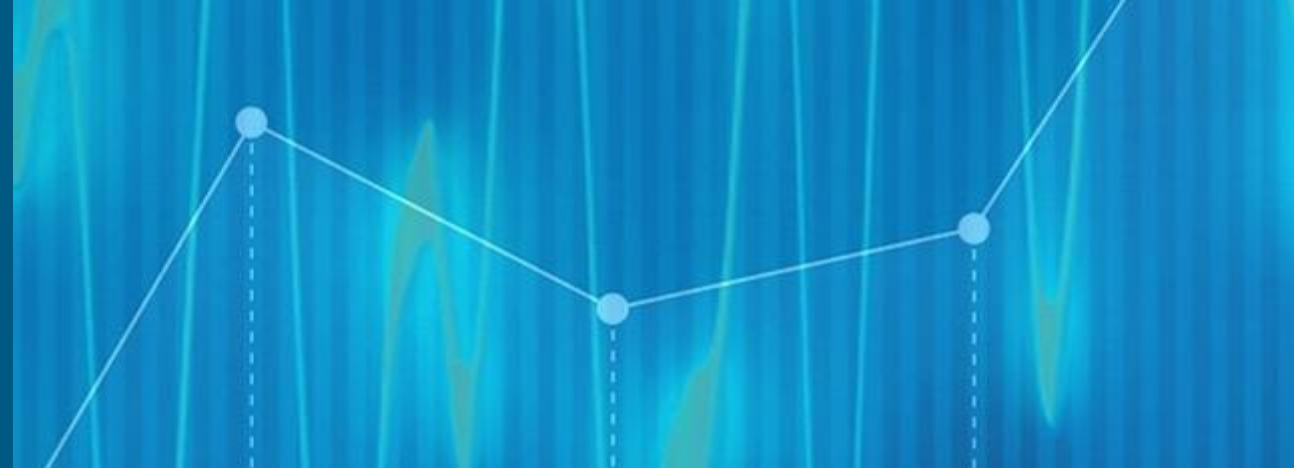
# Broad IP and Product Portfolio



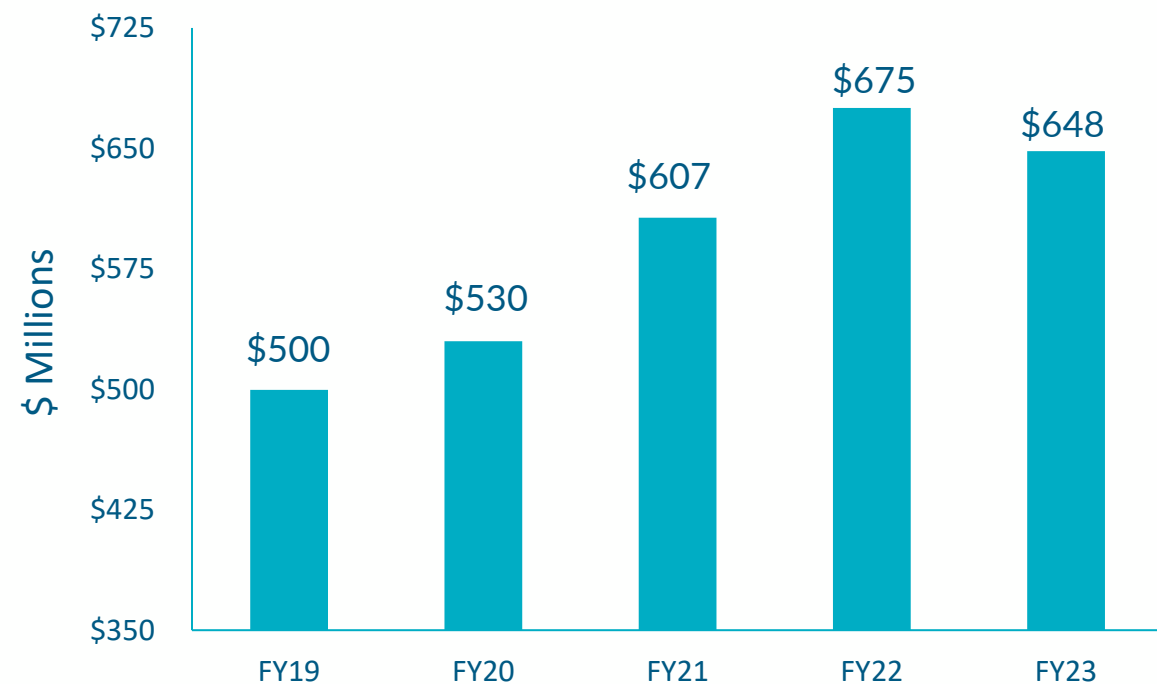
Serving a Broad Frequency Spectrum... From RF to Light

# Financials

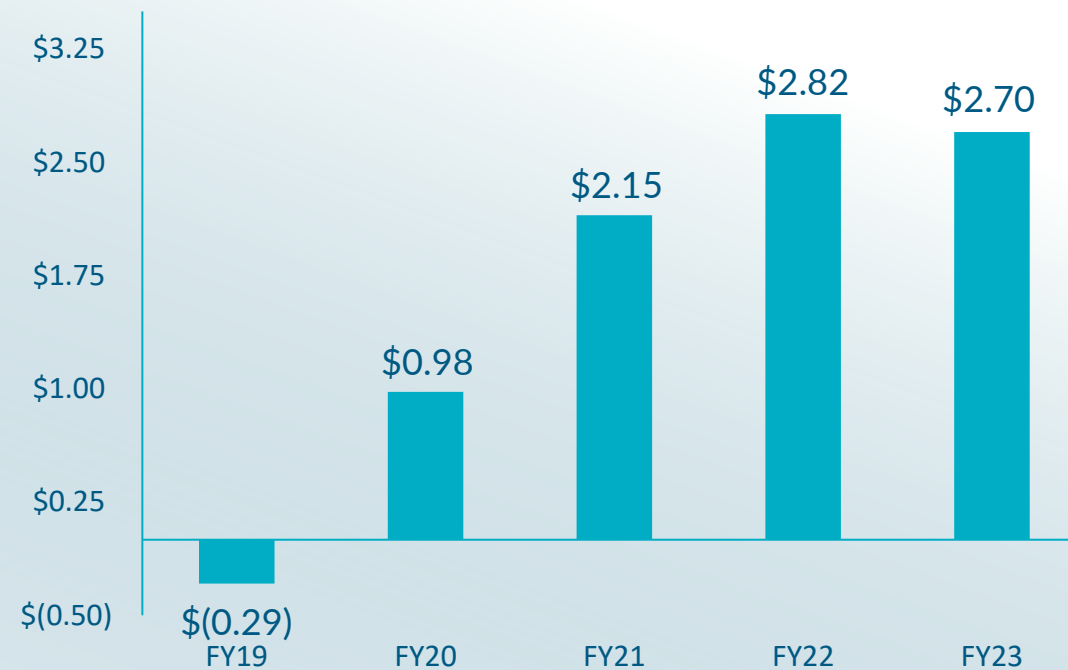
# Revenue and Non-GAAP EPS Performance



## Revenue

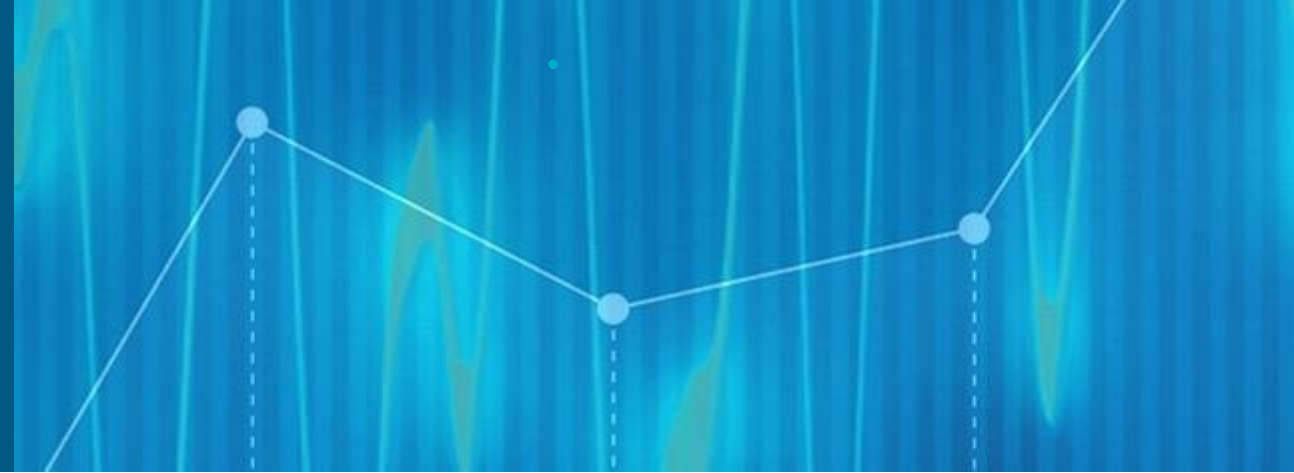


## Non-GAAP Earnings Per Share\*

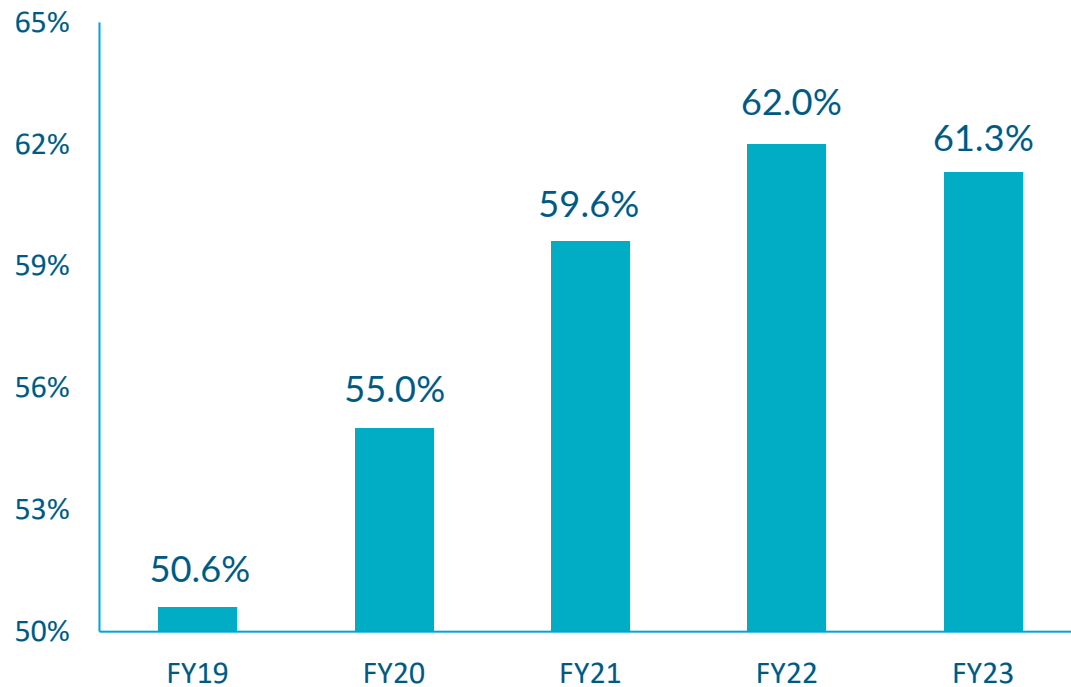




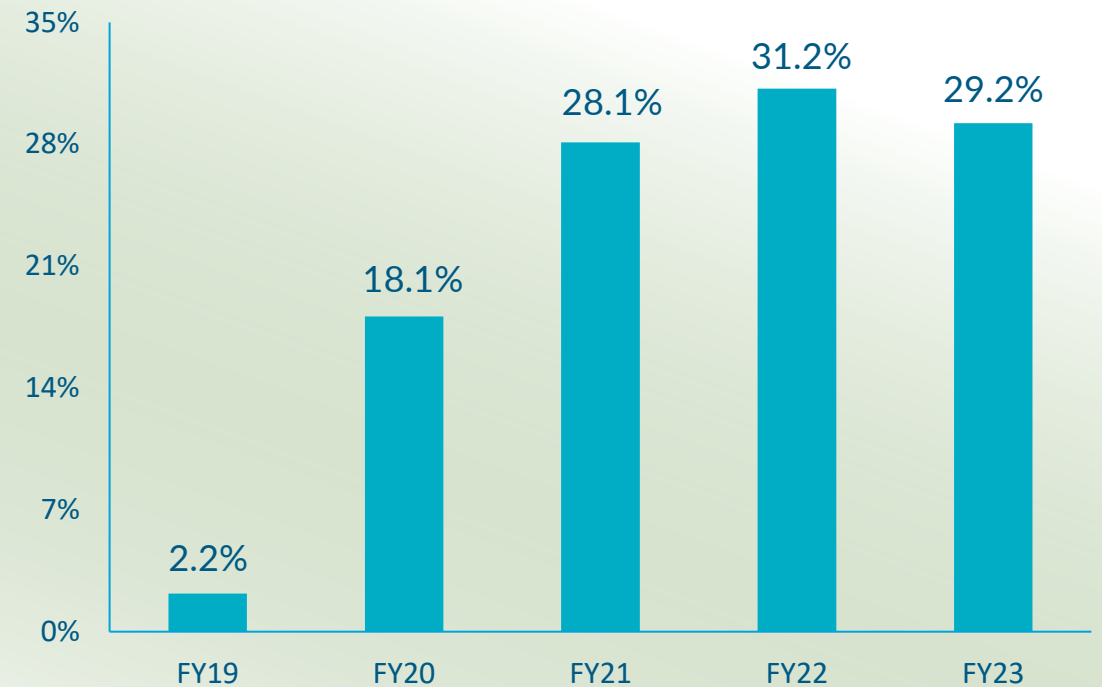
# Profitability (Non-GAAP)



Non-GAAP Gross Margin\*



Non-GAAP Operating Margin\*

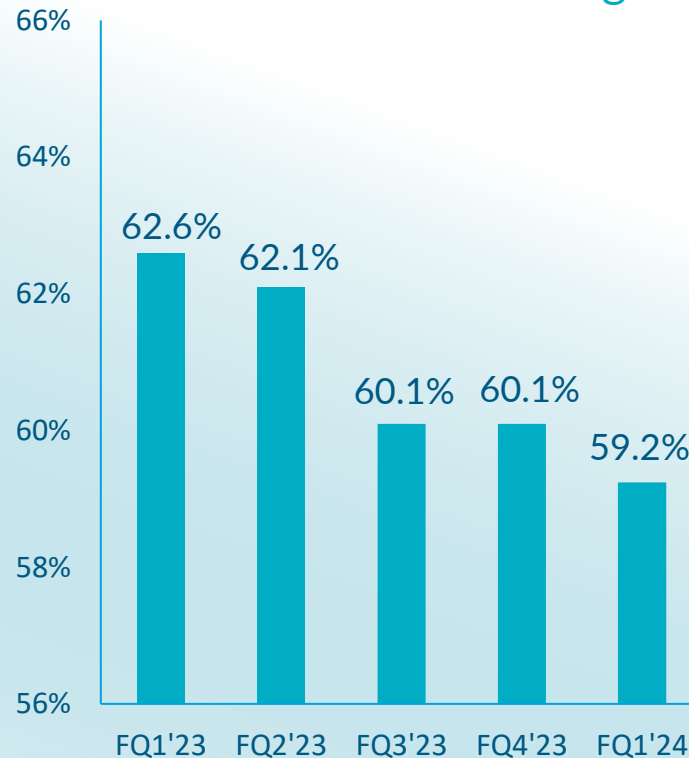


# Recent Financial Performance

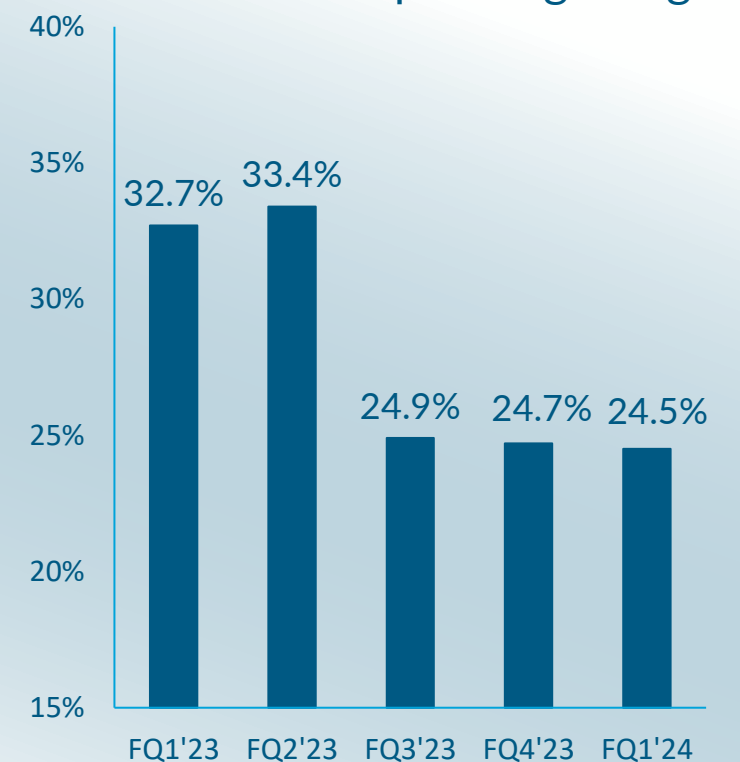
Revenue



Non-GAAP Gross Margin\*



Non-GAAP Operating Margin\*



# Key Balance Sheet Metrics \$ in Millions, Unaudited

	December 29, 2023	September 29, 2023
Cash and Short-Term Investments	\$ 463.3	\$ 514.5
Total Current Assets	\$ 745.0	\$ 761.2
Property and Equipment	\$ 184.3	\$ 149.5
Goodwill and Intangibles	\$ 442.0	\$ 390.4
Total Assets	\$1,650.8	\$1,553.2
Total Current Liabilities	\$ 102.9	\$ 83.5
Long Term Debt*	\$ 447.4	\$ 447.1
Total Liabilities	\$ 626.7	\$ 605.6
Stockholders' Equity	\$ 1,024.1	\$ 947.6
Total Liabilities and Stockholders' Equity	\$1,650.8	\$1,553.2

# Our Strategy is to Provide Solutions to Customers that Operate at the ...

**Highest RF Power**



**Highest Frequency**



**Highest Data Rate**



We Provide Semiconductors and Subsystems Solutions For  
Telecommunications, Data Center, and Industrial & Defense Markets

**We Will Use Our Strengths to Explore and Enter Attractive New End Markets  
and Maintain Best in Class Financial Performance**



# Non-GAAP Financial Measures

We make references in this presentation to certain financial information calculated on a basis other than in accordance with U.S. Generally Accepted Accounting Principles (GAAP), including non-GAAP gross profit, non-GAAP gross margin, non-GAAP income from operations, non-GAAP operating income margin, non-GAAP net income (loss), non-GAAP diluted shares and non-GAAP diluted earnings (loss) per share. We may alternatively refer to such non-GAAP measures as adjusted measures. These non-GAAP measures are provided as additional insight into our ongoing financial performance. This non-GAAP information excludes the effect, where applicable, of intangible amortization expense, share-based and non-cash compensation expense, impairment and restructuring charges, changes in common stock warrant liability, non-cash interest, litigation costs, acquisition, integration and restructuring related costs, equity investment gains and losses, debt extinguishment and sale of business losses, other costs and the tax effect of each non-GAAP adjustment.

Management believes that these excluded items are not reflective of our underlying performance. Management uses these non-GAAP financial measures to: evaluate our ongoing operating performance and compare it against prior periods, make operating decisions, forecast future periods, evaluate potential acquisitions, compare our operating performance against peer companies and assess certain compensation programs. The exclusion of these and other similar items from our non-GAAP financial results should not be interpreted as implying that these items are non-recurring, infrequent or unusual. We believe this non-GAAP financial information provides additional insight into our ongoing performance and have therefore chosen to provide this information to investors for a more consistent basis of comparison and to help them evaluate the results of our ongoing operations and enable more meaningful period-to-period comparisons. These non-GAAP measures are provided in addition to, and not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

A reconciliation between GAAP and non-GAAP financial data is attached to this document.

Investors are cautioned against placing undue reliance on these non-GAAP financial measures and are urged to review and consider carefully the adjustments made by management to the most directly comparable GAAP financial measures to arrive at these non-GAAP financial measures. Non-GAAP financial measures may have limited value as analytical tools because they may exclude certain expenses that some investors consider important in evaluating our operating performance or ongoing business performance. Further, non-GAAP financial measures may have limited value for purposes of drawing comparisons between companies because different companies may calculate similarly titled non-GAAP financial measures in different ways because non-GAAP measures are not based on any comprehensive set of accounting rules or principles.

# Reconciliation of GAAP to Non-GAAP Results \$ in Millions, Unaudited

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
<b>Revenue</b>	<b>\$ 648.4</b>	<b>\$ 675.2</b>	<b>\$ 606.9</b>	<b>\$ 530.0</b>	<b>\$ 499.7</b>
<b>Gross Profit - GAAP</b>	<b>\$ 385.8</b>	<b>\$ 406.2</b>	<b>\$ 341.9</b>	<b>\$ 270.2</b>	<b>\$ 220.7</b>
Amortization expense	4.3	7.8	15.3	17.5	29.9
Share-based and non-cash compensation	5.3	4.6	4.3	4.1	3.0
Impairment related benefit	-	-	-	-	(1.0)
Acquisition, integration and restructuring related costs	2.0	-	-	-	0.5
<b>Gross Profit - non-GAAP</b>	<b>\$ 397.4</b>	<b>\$ 418.6</b>	<b>\$ 361.5</b>	<b>\$ 291.8</b>	<b>\$ 253.1</b>
<b>Gross Margin - GAAP</b>	<b>59.5%</b>	<b>60.2%</b>	<b>56.3%</b>	<b>51.0%</b>	<b>44.2%</b>
<b>Gross Margin - non-GAAP</b>	<b>61.3%</b>	<b>62.0%</b>	<b>59.6%</b>	<b>55.0%</b>	<b>50.6%</b>
<b>Income (Loss) From Operations - GAAP</b>	<b>\$ 107.4</b>	<b>\$ 132.7</b>	<b>\$ 81.0</b>	<b>\$ 3.4</b>	<b>\$ (380.4)</b>
Amortization expense	28.1	33.4	46.2	50.3	74.7
Share-based and non-cash compensation	43.6	44.9	43.1	41.2	25.7
Impairment and restructuring charges	-	-	-	1.1	283.3
Acquisition, integration and restructuring related costs	10.3	-	-	-	7.4
Other*	0.1	-	-	-	0.2
<b>Income From Operations - non-GAAP</b>	<b>\$ 189.6</b>	<b>\$ 211.0</b>	<b>\$ 170.3</b>	<b>\$ 96.0</b>	<b>\$ 10.9</b>
<b>Operating Income Margin - GAAP</b>	<b>16.6%</b>	<b>19.7%</b>	<b>13.3%</b>	<b>0.6%</b>	<b>(76.1%)</b>
<b>Operating Income Margin - non-GAAP</b>	<b>29.2%</b>	<b>31.2%</b>	<b>28.1%</b>	<b>18.1%</b>	<b>2.2%</b>

# Reconciliation of GAAP to Non-GAAP Results \$ in Millions, except per share data, Unaudited

	FY2023	FY2022	FY2021	FY2020	FY2019
<b>Net Income (Loss) – GAAP</b>	<b>\$ 91.6</b>	<b>\$ 440.0</b>	<b>\$ 38.0</b>	<b>\$ (46.1)</b>	<b>\$ (383.8)</b>
Amortization expense	28.1	33.4	46.2	50.3	74.7
Share-based and non-cash compensation	43.6	44.9	43.1	41.2	25.7
Impairment and restructuring charges	-	-	-	1.1	283.3
Warrant liability expense (gain)	-	-	11.1	12.9	(0.8)
Non-cash interest, net	1.6	1.7	9.6	4.1	4.1
Acquisition, integration and restructuring related costs	10.3	-	-	-	7.4
Other*	0.6	(114.9)	6.9	4.9	7.9
Tax effect of non-GAAP adjustments**	17.6	(204.1)	(3.0)	(1.3)	(37.7)
<b>Net Income (Loss) – non-GAAP</b>	<b>\$ 193.3</b>	<b>\$ 201.0</b>	<b>\$ 151.9</b>	<b>\$ 67.1</b>	<b>\$ (19.2)</b>
<b>Diluted Shares – GAAP</b>	<b>71.5</b>	<b>71.2</b>	<b>70.5</b>	<b>66.6</b>	<b>65.7</b>
Incremental Shares	0.0	0.0	0.1	1.8	0.4
<b>Diluted Shares – non-GAAP</b>	<b>71.5</b>	<b>71.2</b>	<b>70.6</b>	<b>68.4</b>	<b>66.1</b>
<b>Earnings (Loss) per diluted share – GAAP</b>	<b>\$ 1.28</b>	<b>\$ 6.18</b>	<b>\$ 0.54</b>	<b>\$ (0.69)</b>	<b>\$ (5.84)</b>
<b>Earnings (Loss) per diluted share – non-GAAP</b>	<b>\$ 2.70</b>	<b>\$ 2.82</b>	<b>\$ 2.15</b>	<b>\$ 0.98</b>	<b>\$ (0.29)</b>

\*Primarily includes the gain on sale of an equity interest, debt extinguishment, equity investment gains and losses, sale of business losses and litigation costs.


\*\*FY2022 includes a non-cash income tax benefit associated with the release of the valuation allowance on the majority of our deferred tax assets

# Reconciliation of GAAP to Non-GAAP Results

\$ in Millions, Unaudited

	Q1FY24	Q4FY23	Q3FY23	Q2FY23	Q1FY23
<b>Revenue</b>	<b>\$ 157.1</b>	<b>\$ 150.4</b>	<b>\$ 148.5</b>	<b>\$ 169.4</b>	<b>\$ 180.1</b>
<b>Gross Profit – GAAP</b>	<b>\$ 87.3</b>	<b>\$ 86.6</b>	<b>\$ 86.1</b>	<b>\$ 102.7</b>	<b>\$ 110.3</b>
Amortization expense	1.9	1.3	1.1	1.0	0.9
Share-based and non-cash compensation	1.6	1.4	1.2	1.3	1.5
Acquisition and integration related costs	2.3	1.0	0.8	0.2	-
<b>Gross Profit – non-GAAP</b>	<b>\$93.1</b>	<b>\$90.3</b>	<b>\$89.2</b>	<b>\$105.2</b>	<b>\$112.7</b>
<b>Gross Margin - GAAP</b>	<b>55.6%</b>	<b>57.6%</b>	<b>58.0%</b>	<b>60.6%</b>	<b>61.3%</b>
<b>Gross Margin – non-GAAP</b>	<b>59.2%</b>	<b>60.1%</b>	<b>60.1%</b>	<b>62.1%</b>	<b>62.6%</b>
<b>Income From Operations – GAAP</b>	<b>\$ 11.0</b>	<b>\$ 15.6</b>	<b>\$ 17.3</b>	<b>\$ 35.9</b>	<b>\$ 38.6</b>
Amortization expense	6.7	7.4	7.1	6.8	6.8
Share-based and non-cash compensation	9.9	10.6	8.7	10.9	13.4
Acquisition and integration related costs	10.9	3.4	3.9	3.0	-
Other*	-	0.1	-	-	-
<b>Income From Operations – non-GAAP</b>	<b>\$ 38.6</b>	<b>\$ 37.2</b>	<b>\$ 37.0</b>	<b>\$ 56.6</b>	<b>\$ 58.8</b>
<b>Operating Income Margin - GAAP</b>	<b>7.0%</b>	<b>10.4%</b>	<b>11.7%</b>	<b>21.2%</b>	<b>21.4%</b>
<b>Operating Income Margin – non-GAAP</b>	<b>24.5%</b>	<b>24.7%</b>	<b>24.9%</b>	<b>33.4%</b>	<b>32.7%</b>





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# Partners from RF to Light

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