

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the quarterly period ended March 31, 2022

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the transition period from \_\_\_ to \_\_\_

Commission File Number **001-36632**

**emcore**

**EMCORE Corporation**

(Exact name of registrant as specified in its charter)

**New Jersey**

(State or other jurisdiction of incorporation or organization)

**22-2746503**

(I.R.S. Employer Identification No.)

**2015 W. Chestnut Street, Alhambra, California, 91803**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(626) 293-3400**

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on Which Registered</u>
Common stock, no par value	EMKR	The Nasdaq Stock Market LLC (Nasdaq Global Market)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  **Yes**  **No**

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).  **Yes**  **No**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.  Large accelerated filer  **Accelerated filer**  Non-accelerated filer  **Smaller reporting company**  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the E change Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  Yes  **No**

As of May 2, 2022, the number of shares outstanding of our no par value common stock totaled 37,521,023.

**EMCORE Corporation**  
**FORM 10-Q**  
**For the Quarterly Period Ended March 31, 2022**

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**CAUTIONARY NOTE  
REGARDING FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations and projections about future events and financial trends affecting the financial condition of our business. Such forward-looking statements include, in particular, projections about our future results included in our Exchange Act reports and statements about plans, strategies, business prospects, changes and trends in our business and the markets in which we operate. These forward-looking statements may be identified by the use of terms and phrases such as "anticipates," "believes," "can," "could," "estimates," "expects," "forecasts," "intends," "may," "plans," "projects," "should," "targets," "will," "would," and similar expressions or variations of these terms and similar phrases. Additionally, statements concerning future matters such as our expected liquidity, development of new products, enhancements or technologies, sales levels, expense levels, expectations regarding the outcome of legal proceedings, and other statements regarding matters that are not historical are forward-looking statements. Management cautions that these forward-looking statements relate to future events or our future financial performance and are subject to business, economic, and other risks and uncertainties, both known and unknown, that may cause actual results, levels of activity, performance, or achievements of our business or the industries in which we operate to be materially different from those expressed or implied by any forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include without limitation the following:

- uncertainties regarding the effects of the COVID-19 pandemic and the impact of measures intended to reduce its spread on our business and operations, which is evolving and beyond our control;
- the effect of component shortages and any alternatives thereto;
- the rapidly evolving markets for our products and uncertainty regarding the development of these markets;
- our historical dependence on sales to a limited number of customers and fluctuations in the mix of products and customers in any period;
- delays and other difficulties in commercializing new products;
- the failure of new products: (a) to perform as expected without material defects, (b) to be manufactured at acceptable volumes, yields, and cost, (c) to be qualified and accepted by our customers, and (d) to successfully compete with products offered by our competitors;
- uncertainties concerning the availability and cost of commodity materials and specialized product components that we do not make internally;
- actions by competitors;
- risks and uncertainties related to applicable laws and regulations, including the impact of changes to applicable tax laws and tariff regulations;
- acquisition-related risks, including that (a) revenue and net operating results obtained from the Systron Donner Inertial, Inc. ("SDI") business or the L3Harris Space and Navigation ("S&N") business may not meet our expectations, (b) the costs and cash expenditures for integration of the S&N business operations may be higher than expected, (c) there could be losses and liabilities arising from the acquisition of SDI or S&N that we will not be able to recover from any source and (d) we may not realize sufficient scale in our Navigation and Inertial Sensing product line from the SDI acquisition and the S&N acquisition and will need to take additional steps, including making additional acquisitions, to achieve our growth objectives for this product line;
- risks related to our ability to obtain capital;
- risks related to the transition of certain of our manufacturing operations from our Beijing facility to a contract manufacturer's facility;
- risks and uncertainties related to manufacturing and production capacity and expansion plans related thereto; and
- other risks and uncertainties discussed in Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021, as such risk factors may be amended, supplemented or superseded from time to time by our subsequent periodic reports we file with the Securities and Exchange Commission ("SEC").

These cautionary statements apply to all forward-looking statements wherever they appear in this Quarterly Report. Forward-looking statements are based on certain assumptions and analysis made in light of experience and perception of historical trends, current conditions, and expected future developments as well as other factors that we believe are appropriate under the circumstances. While these statements represent judgment on what the future may hold, and we believe these judgments are reasonable, these statements are not guarantees of any events or financial results. All forward-looking statements in this

Quarterly Report are made as of the date hereof, based on information available to us as of the date hereof, and subsequent facts or circumstances may contradict, obviate, undermine, or otherwise fail to support or substantiate such statements. We caution you not to rely on these statements without also considering the risks and uncertainties associated with these statements and our business that are addressed in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended September 30, 2021. Certain information included in this Quarterly Report may supersede or supplement forward-looking statements in our other reports filed with the SEC. We do not intend to update any forward-looking statement to conform such statements to actual results or to changes in our expectations, except as required by applicable law or regulation.

**PART I. Financial Information****ITEM 1. Financial Statements**

**EMCORE CORPORATION**  
**Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income**  
**For the Three and Six Months Ended March 31, 2022 and 2021**  
(in thousands, except per share data)  
(unaudited)

	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2022	2021	2022	2021
Revenue	\$ 32,650	\$ 38,406	\$ 74,886	\$ 71,832
Cost of revenue	23,633	23,772	50,072	44,626
Gross profit	9,017	14,634	24,814	27,206
Operating expense:				
Selling, general, and administrative	7,563	6,062	14,750	11,860
Research and development	4,535	3,771	9,162	8,067
Severance	20	—	1,318	—
(Gain) loss on sale of assets	(788)	218	(601)	189
Total operating expense	11,330	10,051	24,629	20,116
Operating (loss) income	(2,313)	4,583	185	7,090
Other (expense) income:				
Interest expense, net	(12)	(49)	(23)	(98)
Foreign exchange (loss) gain	(17)	(68)	25	169
Total other (expense) income	(29)	(117)	2	71
(Loss) income before income tax benefit (expense)	(2,342)	4,466	187	7,161
Income tax benefit (expense)	117	(82)	2	(208)
Net (loss) income	\$ (2,225)	\$ 4,384	\$ 189	\$ 6,953
Foreign exchange translation adjustment	2	(11)	22	(21)
Comprehensive (loss) income	\$ (2,223)	\$ 4,373	\$ 211	\$ 6,932
<b>Per share data</b>				
Net (loss) income per basic share	\$ (0.06)	\$ 0.13	\$ 0.01	\$ 0.22
Weighted-average number of basic shares outstanding	37,217	32,968	37,082	31,219
Net (loss) income per diluted share	\$ (0.06)	\$ 0.13	\$ 0.01	\$ 0.21
Weighted-average number of diluted shares outstanding	37,217	34,451	38,384	32,492

**The accompanying notes are an integral part of these condensed consolidated financial statements.**

**EMCORE CORPORATION**  
**Condensed Consolidated Balance Sheets**  
**As of March 31, 2022 and September 30, 2021**  
(in thousands)  
(unaudited)

	As of	
	March 31, 2022	September 30, 2021
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 80,928	\$ 71,621
Restricted cash	21	61
Accounts receivable, net of credit loss of \$225 and \$260, respectively	27,203	31,849
Contract assets	491	361
Inventory	28,049	32,309
Prepaid expenses and other current assets	6,543	6,877
Assets held for sale	735	1,241
Total current assets	143,970	144,319
Property, plant, and equipment, net	23,837	22,544
Goodwill	69	69
Operating lease right-of-use assets	19,930	13,489
Other intangible assets, net	149	167
Other non-current assets	213	225
Total assets	\$ 188,168	\$ 180,813
<b>LIABILITIES and SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 15,317	\$ 16,686
Accrued expenses and other current liabilities	10,470	9,936
Operating lease liabilities - current	938	1,198
Total current liabilities	26,725	27,820
Operating lease liabilities - non-current	19,479	12,684
Asset retirement obligations	2,067	2,049
Other long-term liabilities	115	794
Total liabilities	48,386	43,347
Commitments and contingencies (Note 10)		
Shareholders' equity:		
Common stock, no par value, 50,000 shares authorized; 44,301 shares issued and 37,395 shares outstanding as of March 31, 2022; 43,890 shares issued and 36,984 shares outstanding as of September 30, 2021	784,371	782,266
Treasury stock at cost; 6,906 shares as of March 31, 2022 and September 30, 2021	(47,721)	(47,721)
Accumulated other comprehensive income	709	687
Accumulated deficit	(597,577)	(597,766)
Total shareholders' equity	139,782	137,466
Total liabilities and shareholders' equity	\$ 188,168	\$ 180,813

**The accompanying notes are an integral part of these condensed consolidated financial statements.**

**EMCORE CORPORATION**  
**Condensed Consolidated Statements of Shareholders' Equity**  
**For the Three and Six Months Ended March 31, 2022 and 2021**  
(in thousands)  
(unaudited)

	<b>For the Three Months Ended March 31,</b>		<b>For the Six Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Shares of common stock</b>				
Balance, beginning of period	37,275	29,783	36,984	29,551
Stock-based compensation	120	203	405	433
Stock option exercises	—	8	6	10
Issuance of common stock - ESPP	—	126	—	126
Sale of common stock	—	6,655	—	6,655
Balance, end of period	<u>37,395</u>	<u>36,775</u>	<u>37,395</u>	<u>36,775</u>
<b>Value of common stock</b>				
Balance, beginning of period	\$ 783,329	\$ 745,188	\$ 782,266	\$ 744,361
Stock-based compensation	1,144	931	2,232	1,834
Stock option exercises	—	39	29	46
Tax withholding paid on behalf of employees for stock-based awards	(102)	—	(156)	(83)
Issuance of common stock - ESPP	—	382	—	382
Sale of common stock, net of offering costs	—	33,141	—	33,141
Balance, end of period	<u>784,371</u>	<u>779,681</u>	<u>784,371</u>	<u>779,681</u>
<b>Treasury stock, beginning and ending of period</b>	<u>(47,721)</u>	<u>(47,721)</u>	<u>(47,721)</u>	<u>(47,721)</u>
<b>Accumulated other comprehensive income</b>				
Balance, beginning of period	707	908	687	918
Translation adjustment	2	(11)	22	(21)
Balance, end of period	<u>709</u>	<u>897</u>	<u>709</u>	<u>897</u>
<b>Accumulated deficit</b>				
Balance, beginning of period	(595,352)	(620,840)	(597,766)	(623,409)
Net (loss) income	(2,225)	4,384	189	6,953
Balance, end of period	<u>(597,577)</u>	<u>(616,456)</u>	<u>(597,577)</u>	<u>(616,456)</u>
<b>Total shareholders' equity</b>	<u>\$ 139,782</u>	<u>\$ 116,401</u>	<u>\$ 139,782</u>	<u>\$ 116,401</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

**EMCORE CORPORATION**  
**Condensed Consolidated Statements of Cash Flows**  
**For the Six Months Ended March 31, and 2021**  
(in thousands)  
(unaudited)

	<b>For the Six Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 189	\$ 6,953
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	2,037	1,989
Stock-based compensation expense	2,232	1,825
Provision adjustments related to credit loss	165	(52)
Provision adjustments related to product warranty	139	222
(Gain) loss on disposal of property, plant, and equipment	(601)	189
Other	464	(292)
Total non-cash adjustments	4,436	3,881
Changes in operating assets and liabilities:		
Accounts receivable and contract assets	4,351	(3,574)
Inventory	6,663	(3,909)
Other assets	(4,857)	1,121
Accounts payable	(4,893)	(660)
Accrued expenses and other current liabilities	5,646	(2,040)
Total change in operating assets and liabilities	6,910	(9,062)
Net cash provided by operating activities	11,535	1,772
<b>Cash flows from investing activities:</b>		
Purchase of equipment	(3,297)	(1,142)
Proceeds from disposal of property, plant, and equipment	1,128	583
Net cash used in investing activities	(2,169)	(559)
<b>Cash flows from financing activities:</b>		
Proceeds from employee stock purchase plan and equity awards	29	428
Proceeds from sale of common stock	—	35,937
Issuance cost associated with sale of common stock	—	(2,796)
Taxes paid related to net share settlement of equity awards	(156)	(83)
Net cash (used in) provided by financing activities	(127)	33,486
Effect of exchange rate changes provided by foreign currency	28	44
Net increase in cash, cash equivalents, and restricted cash	9,267	34,743
Cash, cash equivalents, and restricted cash at beginning of period	71,682	30,538
Cash, cash equivalents, and restricted cash at end of period	\$ 80,949	\$ 65,281
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid during the period for interest	\$ 30	\$ 31
Cash paid during the period for income taxes	\$ 361	\$ 295
<b>NON-CASH INVESTING AND FINANCING ACTIVITIES</b>		
Changes in accounts payable related to purchases of equipment	\$ (11)	\$ (256)

**The accompanying notes are an integral part of these condensed consolidated financial statements.**



**EMCORE Corporation**  
**Notes to Condensed Consolidated Financial Statements**

**NOTE 1. Description of Business**

EMCORE Corporation (referred to herein, together with its subsidiaries, as the "Company," "we," "our," or "EMCORE") is a leading provider of sensors for navigation in the aerospace and defense market as well as a manufacturer of lasers and optical subsystems for use in the Cable TV ("CATV") industry. We pioneered the linear fiber optic transmission technology that enabled the world's first delivery of CATV directly on fiber, and today are a leading provider of advanced products that enable communications systems and service providers to meet growing demand for increased bandwidth and connectivity. The technology at the heart of our broadband communications products is shared with our fiber optic gyroscope ("FOG") and inertial sensors to provide the aerospace and defense markets with state-of-the-art navigation systems technology. With the acquisition of Systron Donner Inertial, Inc. ("SDI"), a navigation systems provider with a scalable, chip-based platform for higher volume gyro applications utilizing quartz micro-electromechanical system ("QMEMS") technology, in June 2019, we further expanded our portfolio of gyros and inertial sensors with SDI's QMEMS gyro and accelerometer technology. We have fully vertically-integrated manufacturing capability through our indium phosphide ("InP") compound semiconductor wafer fabrication facility at our headquarters in Alhambra, CA, and through our quartz processing and sensor manufacturing facility in Concord, CA. These facilities support our vertically-integrated manufacturing strategy for quartz and FOG products, for navigation systems, and for our chip, laser, transmitter, and receiver products for broadband applications. With both analog and digital circuits on multiple chips, or even a single chip, the value of Mixed-Signal device solutions is often substantially greater than traditional digital applications and requires a specialized expertise held by us which is unique in the optics industry.

**NOTE 2. Summary of Significant Accounting Policies**

**Basis of Presentation**

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim information, and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X promulgated by the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all information and notes required by U.S. GAAP for annual financial statements. In our opinion, the interim financial statements reflect all adjustments, which are all normal recurring adjustments, that are necessary to provide a fair presentation of the financial results for the interim periods presented. Operating results for interim periods are not necessarily indicative of results that may be expected for an entire fiscal year. The condensed consolidated balance sheet as of September 30, 2021 has been derived from the audited consolidated financial statements as of such date. For a more complete understanding of our business, financial position, operating results, cash flows, risk factors and other matters, please refer to our Annual Report on Form 10-K for the fiscal year ended September 30, 2021.

**Significant Accounting Policies and Estimates**

There have been no material changes in our significant accounting policies and estimates from those disclosed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021.

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, as of the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. If these estimates differ significantly from actual results, the impact to the condensed consolidated financial statements may be material.

**Recent Accounting Pronouncements**

We recently adopted the following accounting standards, which had the following impacts on our consolidated financial statements:

In December 2019, the FASB issued Accounting Standards Update ("ASU") 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes, which simplifies the accounting for income taxes by removing various exceptions, such as the exception to the incremental approach for intra-period tax allocation when there is a loss from continuing operations and income or a gain from other items. The amendments in this update also simplify the accounting for income taxes related to income-based franchise taxes and require that an entity reflect enacted tax laws or rates in the annual effective tax rate computation in the interim period that includes the enactment date. The new standard was effective for our fiscal year beginning

October 1, 2021. The adoption of this new standard did not have a material impact on the condensed consolidated financial statements.

Other accounting standards that have been issued or proposed by FASB and do not require adoption until a future date are not expected to have a material impact on the consolidated financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its financial condition, results of operations, cash flows or disclosures.

### NOTE 3. Cash, Cash Equivalents, and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the unaudited condensed consolidated balance sheets that sum to the total of the same amounts shown in the unaudited condensed consolidated statements of cash flows:

<i>(in thousands)</i>	As of	
	March 31, 2022	September 30, 2021
Cash	\$ 25,847	\$ 16,547
Cash equivalents	55,081	55,074
Restricted cash	21	61
Total cash, cash equivalents, and restricted cash	<u>\$ 80,949</u>	<u>\$ 71,682</u>

### NOTE 4. Accounts Receivable, net

The components of accounts receivable consisted of the following:

<i>(in thousands)</i>	As of	
	March 31, 2022	September 30, 2021
Accounts receivable, gross	\$ 27,428	\$ 32,109
Allowance for credit loss	(225)	(260)
Accounts receivable, net	<u>\$ 27,203</u>	<u>\$ 31,849</u>

### NOTE 5. Inventory

The components of inventory consisted of the following:

<i>(in thousands)</i>	As of	
	March 31, 2022	September 30, 2021
Raw materials	\$ 14,861	\$ 16,146
Work in-process	9,864	11,410
Finished goods	3,324	4,753
Inventory	<u>\$ 28,049</u>	<u>\$ 32,309</u>

### NOTE 6. Property, Plant, and Equipment, net

The components of property, plant, and equipment, net consisted of the following:

<i>(in thousands)</i>	As of	
	March 31, 2022	September 30, 2021
Equipment	\$ 38,944	\$ 37,985
Furniture and fixtures	1,125	1,125
Computer hardware and software	3,576	3,575
Leasehold improvements	6,701	6,663
Construction in progress	11,377	9,247
Property, plant, and equipment, gross	\$ 61,723	\$ 58,595
Accumulated depreciation	(37,886)	(36,051)
Property, plant, and equipment, net	<u>\$ 23,837</u>	<u>\$ 22,544</u>

During the fiscal year ended September 30, 2020, the Company entered into agreements to sell equipment and these assets were reclassified to assets held for sale. The balance as of March 31, 2022 and September 30, 2021 was \$0.7 million and \$1.2 million, respectively. During the three months ended March 31, 2022 and 2021, the Company sold certain equipment and recognized a (gain) loss on sale of assets of \$(0.8) million and \$0.2 million, respectively. During the six months ended March 31, 2022 and 2021, the Company sold certain equipment and recognized a (gain) loss on sale of assets of \$(0.6) million and \$0.2 million, respectively.

#### Geographical Concentrations

Long-lived assets consist of land, building, property, plant, and equipment. As of March 31, 2022 and September 30, 2021, 97% and 96%, respectively, of our long-lived assets were located in the United States. The remaining long-lived assets are primarily located in China.

#### NOTE 7. Accrued Expenses and Other Current Liabilities

The components of accrued expenses and other current liabilities consisted of the following:

<i>(in thousands)</i>	As of	
	March 31, 2022	September 30, 2021
Compensation	\$ 5,028	\$ 7,192
Warranty	1,112	1,125
Legal expenses and other professional fees	370	152
Contract liabilities	582	364
Income and other taxes	—	104
Severance and restructuring accruals	845	—
Deferred revenue	674	4
Litigation settlement	575	70
Other	1,284	925
Accrued expenses and other current liabilities	<u>\$ 10,470</u>	<u>\$ 9,936</u>

#### NOTE 8. Credit Facility and Debt

##### Credit Facility

On November 11, 2010, we entered into a Credit and Security Agreement (as amended to date, the "Credit Facility") with Wells Fargo Bank, N.A. ("Wells Fargo"). The Credit Facility is secured by the Company's assets and is subject to a borrowing base formula based on the Company's eligible accounts receivable, inventory, and machinery and equipment accounts. In February 2022, we entered into an extension wherein the Credit Facility is to mature in May 2022. The Credit Facility currently provides us with a revolving credit line of up to \$15.0 million at an interest rate equal to LIBOR plus 1.75%, subject to a borrowing base formula, that can be used for working capital requirements, letters of credit, acquisitions, and other general corporate purposes subject to a requirement, for certain specific uses, that the Company has liquidity of at least \$25.0 million after such use. The Credit Facility requires us to maintain (a) liquidity of at least \$10.0 million and (b) excess availability of at least \$1.0 million.

As of March 31, 2022, there was no amount outstanding under this Credit Facility and the Company was in compliance with all financial covenants. Also, as of March 31, 2022, the Credit Facility had \$0.5 million reserved for one outstanding stand-by letter of credit and \$6.1 million available for borrowing.

#### **NOTE 9. Income and Other Taxes**

During the three months ended March 31, 2022 and 2021, the Company recorded an income tax benefit of \$117 thousand and income tax expense of \$82 thousand, respectively. Income tax benefit during the three months ended March 31, 2022 is composed primarily of state minimum taxes. Income tax expense during the three months ended March 31, 2021 is composed primarily of state tax expense which is driven by the State of California's temporary suspension of net operating loss ("NOL") utilization.

During the six months ended March 31, 2022 and 2021, the Company recorded an income tax benefit of \$2 thousand and income tax expense of \$208 thousand. Income tax benefit for the six months ended March 31, 2022 is composed primarily of state minimum taxes. Income tax expense for the six months ended March 31, 2021 is composed primarily of state tax expense which is driven by the State of California's temporary suspension of NOL utilization.

For the three months ended March 31, 2022 and 2021 the effective tax rate on continuing operations was (5.0)% and 1.8%, respectively. For the six months ended March 31, 2022 and 2021 the effective tax rate on continuing operations was 1.1% and 2.9%, respectively. The tax rate for the three and six months ended March 31, 2022 is primarily driven by the state minimum taxes.

The Company uses estimates to forecast the results from continuing operations for the current fiscal year as well as permanent differences between book and tax accounting.

We have not provided for income taxes on non-U.S. subsidiaries' undistributed earnings as of March 31, 2022 because we plan to indefinitely reinvest the unremitted earnings of our non-U.S. subsidiaries and all of our non-U.S. subsidiaries historically have negative earnings and profits.

All deferred tax assets have a full valuation allowance as of March 31, 2022. On a quarterly basis, the Company evaluates the positive and negative evidence to assess whether the more likely than not criteria has been satisfied in determining whether there will be further adjustments to the valuation allowance.

As of March 31, 2022 and September 30, 2021, we had no uncertain tax benefit reserved and no interest and penalties accrued as tax liabilities on our balance sheet. During the three and six months ended March 31, 2022 and 2021, there were no material increases or decreases in unrecognized tax benefits.

#### **NOTE 10. Commitments and Contingencies**

##### **Indemnifications**

We have agreed to indemnify certain customers against claims of infringement of intellectual property rights of others in our sales contracts with these customers. Historically, we have not paid any claims under these customer indemnification obligations. We enter into indemnification agreements with each of our directors and executive officers pursuant to which we agree to indemnify them for certain potential expenses and liabilities arising from their status as a director or executive officer of the Company. We maintain directors and officers insurance, which covers certain liabilities relating to our obligation to indemnify our directors and executive officers in certain circumstances. It is not possible to determine the aggregate maximum potential loss under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular claim.

##### **Legal Proceedings**

We are subject to various legal proceedings, claims, and litigation, either asserted or unasserted, that arise in the ordinary course of business. The outcome of these matters is currently not determinable and we are unable to estimate a range of loss, should a loss occur, from these proceedings. The ultimate outcome of legal proceedings involves judgments, estimates, and inherent uncertainties and the results of these matters cannot be predicted with certainty. Professional legal fees are expensed when incurred. We accrue for contingent losses when such losses are probable and reasonably estimable. In the event that estimates or assumptions prove to differ from actual results, adjustments are made in subsequent periods to reflect more current information.

Should we fail to prevail in any legal matter, or should several legal matters be resolved against the Company in the same reporting period, then the financial results of that particular reporting period could be materially affected.

#### *Intellectual Property Lawsuits*

We protect our proprietary technology by applying for patents where appropriate and, in other cases, by preserving the technology, related know-how, and information as trade secrets. The success and competitive position of our product lines are impacted by our ability to obtain intellectual property protection for our research and development efforts. We have, from time to time, exchanged correspondence with third parties regarding the assertion of patent or other intellectual property rights in connection with certain of our products and processes.

#### *Resilience Litigation*

In February 2021, Resilience Capital (“Resilience”) filed a complaint against us with the Delaware Chancery Court containing claims arising from the February 2020 sale of SDI’s real property (the “Concord Property Sale”) located in Concord, California (the “Concord Real Property”) to Eagle Rock Holdings, LP (“Buyer”) and that certain Single-Tenant Triple Net Lease, dated as of February 10, 2020, entered into by and between SDI and the Buyer, pursuant to which SDI leased from the Buyer the Concord Real Property for a 15 year term. The Resilience complaint seeks, among other items, (a) a declaration that the Concord Property Sale included a non-cash component; (b) a decree requiring us and Resilience to follow the appraisal requirements set forth in that certain Purchase and Sale Agreement (the “SDI Purchase Agreement”), dated as of June 7, 2019, by and among the Company, The Resilience Fund IV, L.P., The Resilience Fund IV-A, L.P., Aerospace Newco Holdings, Inc. and Ember Acquisition Sub, Inc.; (c) recovery of Resilience’s costs and expenses; and (d) pre- and post-judgment interest.

In April 2021, we filed with the Delaware Chancery Court our answer to the Resilience complaint and counterclaims against Resilience, in which we are seeking, among other items, (a) dismissal of the Resilience complaint and/or granting of judgment in favor of EMCORE with respect to the Resilience complaint, (b) entering final judgment against Resilience awarding damages to us for Resilience’s fraud and breaches of the SDI Purchase Agreement in an amount to be proven at trial and not less than \$1,565,000, (c) a judicial determination of the respective rights and duties of us and Resilience under the SDI Purchase Agreement, (d) an award to us of costs and expenses and (e) pre- and post-judgment interest. We believe that the claims made by Resilience in its complaint are without merit and we intend to vigorously defend ourselves against them.

#### **NOTE 11. Equity**

##### **Equity Plans**

We provide long-term incentives to eligible officers, directors, and employees in the form of equity-based awards. We maintain three equity incentive compensation plans, collectively described as our “Equity Plans”:

- the 2010 Equity Incentive Plan,
- the 2012 Equity Incentive Plan, and
- the 2019 Equity Incentive Plan.

We issue new shares of common stock to satisfy awards granted under our Equity Plans. In March 2022, our shareholders approved the Amended and Restated EMCORE Corporation 2019 Equity Incentive Plan, which was adopted by the Company’s Board of Directors in December 2021, and increased the maximum number of shares of the Company’s common stock that may be issued or transferred pursuant to awards under the 2019 Equity Incentive Plan by an additional 1.9 million shares.

##### **Stock-Based Compensation**

The following table sets forth stock-based compensation expense by award type:

<i>(in thousands)</i>	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2022	2021	2022	2021
Employee stock options	\$ —	\$ 1	\$ —	\$ 2
RSUs and RSAs	549	501	1,103	932
PSUs and PRSAs	487	269	894	586
ESPP	—	84	—	173
Outside director equity awards and fees in common stock	108	76	235	141
Total stock-based compensation expense	\$ 1,144	\$ 931	\$ 2,232	\$ 1,834

The following table sets forth stock-based compensation expense by expense type:

<i>(in thousands)</i>	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2022	2021	2022	2021
Cost of revenue	\$ 178	\$ 203	\$ 329	\$ 344
Selling, general, and administrative	781	519	1,536	1,078
Research and development	185	209	367	412
Total stock-based compensation expense	\$ 1,144	\$ 931	\$ 2,232	\$ 1,834

#### 401(k) Plan

We have a savings plan that qualifies as a deferred salary arrangement under Section 401(k) of the Internal Revenue Code. Under this savings plan, participating employees may defer a portion of their pretax earnings, up to the Internal Revenue Service annual contribution limit. Since June 2015, all employer contributions are made in cash. During each of the three months ended March 31, 2022 and 2021, our matching contribution in cash was \$0.3 million. During each of the six months ended March 31, 2022 and 2021, our matching contribution in cash was \$0.6 million.

#### Income Per Share

The following table sets forth the computation of basic and diluted net income per share:

<i>(in thousands, except per share data)</i>	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2022	2021	2022	2021
<b>Numerator</b>				
Net (loss) income	\$ (2,225)	\$ 4,384	\$ 189	\$ 6,953
<b>Denominator</b>				
Weighted average number of shares outstanding - basic	37,217	32,968	37,082	31,219
<b>Effect of dilutive securities</b>				
Stock options	—	6	4	2
PSUs, RSUs, and restricted stock	—	1,477	1,298	1,271
Weighted average number of shares outstanding - diluted	37,217	34,451	38,384	32,492
Earnings per share - basic	\$ (0.06)	\$ 0.13	\$ 0.01	\$ 0.22
Earnings per share - diluted	\$ (0.06)	\$ 0.13	\$ 0.01	\$ 0.21
Weighted average antidilutive options, unvested restricted RSUs and RSAs, unvested PSUs and ESPP shares excluded from the computation	75	1,536	72	1,331

Basic earnings per share ("EPS") is computed by dividing net (loss) income for the period by the weighted-average number of common stock outstanding during the period. Diluted EPS is computed by dividing net (loss) income for the period by the weighted average number of common stock outstanding during the period, plus the dilutive effect of outstanding restricted stock units ("RSUs") and restricted stock awards ("RSAs"), performance stock units ("PSUs"), stock options, and shares issuable under the employee stock purchase plan ("ESPP") as applicable pursuant to the treasury stock method. Certain of the

Company's outstanding share-based awards, noted in the table above, were excluded because they were anti-dilutive, but they could become dilutive in the future.

## Future Issuances

As of March 31, 2022, we had common stock reserved for the following future issuances:

	<b>Number of Common Stock Shares Available for Future Issuances</b>
Exercise of outstanding stock options	13,884
Unvested RSUs and RSAs	2,445,307
Unvested PSUs and PRSAs (at 200% maximum payout)	4,098,106
Issuance of stock-based awards under the Equity Plans	312,137
Purchases under the officer and director share purchase plan	88,741
Total reserved	<u>6,958,175</u>

## NOTE 12. Segment and Revenue Information

### Reportable Segments

Reported below are the Company's segments for which separate financial information is available and upon which operating results are evaluated by the chief operating decision maker, the Chief Executive Officer, to assess performance and to allocate resources. We do not allocate sales and marketing, general and administrative expenses, or interest expense and interest income to our segments, because management does not include the information in its measurement of the performance of the operating segments. Also, a measure of segment assets and liabilities has not been provided to the Company's chief operating decision maker and therefore is not shown below.

Information on reportable segments utilized by the chief operating decision maker is as follows:

(in thousands)

	<b>For the Three Months Ended March 31,</b>		<b>For the Six Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Revenue</b>				
Aerospace and Defense	\$ 9,006	\$ 13,134	\$ 18,906	\$ 26,770
Broadband	23,644	25,272	55,980	45,062
Total revenue	<u>\$ 32,650</u>	<u>\$ 38,406</u>	<u>\$ 74,886</u>	<u>\$ 71,832</u>
<b>Segment income</b>				
Aerospace and Defense gross profit	\$ 1,233	\$ 3,775	\$ 2,917	\$ 7,875
Aerospace and Defense research and development expense	4,041	3,157	8,203	6,843
Aerospace and Defense segment profit	\$ (2,808)	\$ 618	\$ (5,286)	\$ 1,032
Broadband gross profit	\$ 7,784	\$ 10,859	\$ 21,897	\$ 19,331
Broadband research and development expense	494	614	959	1,224
Broadband segment profit	\$ 7,290	\$ 10,245	\$ 20,938	\$ 18,107
Consolidated segment profit	<u>\$ 4,482</u>	<u>\$ 10,863</u>	<u>\$ 15,652</u>	<u>\$ 19,139</u>
<b>Unallocated expense</b>				
Selling, general, and administrative	\$ 7,563	\$ 6,062	\$ 14,750	\$ 11,860
Severance	20	—	1,318	—
(Gain) loss on sale of assets	(788)	218	(601)	189
Interest expense, net	12	49	23	98
Foreign exchange loss (gain)	17	68	(25)	(169)
Total unallocated expense	<u>\$ 6,824</u>	<u>\$ 6,397</u>	<u>\$ 15,465</u>	<u>\$ 11,978</u>
(Loss) income before income tax benefit (expense)	<u>\$ (2,342)</u>	<u>\$ 4,466</u>	<u>\$ 187</u>	<u>\$ 7,161</u>

### Product Categories

Revenue is classified by major product category and is presented below:

<i>(in thousands)</i>	<b>For the Three Months Ended March 31,</b>			
	<b>2022</b>	<b>% of Revenue</b>	<b>2021</b>	<b>% of Revenue</b>
<b>Aerospace and Defense</b>				
Navigation and Inertial Sensing	\$ 7,615	23 %	\$ 8,993	23 %
Defense Optoelectronics	1,391	4	4,141	11
<b>Broadband</b>				
CATV Lasers and Transmitters	20,984	64	21,120	55
Chip Devices	1,113	3	841	2
Other Optical Products	1,547	5	3,311	9
Total revenue	<u>\$ 32,650</u>	<u>100 %</u>	<u>\$ 38,406</u>	<u>100 %</u>

<i>(in thousands)</i>	<b>For the Six Months Ended March 31,</b>			
	<b>2022</b>	<b>% of Revenue</b>	<b>2021</b>	<b>% of Revenue</b>
<b>Aerospace and Defense</b>				
Navigation and Inertial Sensing	\$ 15,760	21 %	\$ 18,195	25 %
Defense Optoelectronics	3,146	4	8,575	12
<b>Broadband</b>				
CATV Lasers and Transmitters	49,443	66	38,435	54
Chip Devices	2,181	3	1,584	2
Other Optical Products	4,356	6	5,043	7
Total revenue	<u>\$ 74,886</u>	<u>100 %</u>	<u>\$ 71,832</u>	<u>100 %</u>

#### Geographical Concentration

The following table sets forth revenue by geographic area based on our customers' billing address:

<i>(in thousands)</i>	<b>For the Three Months Ended March 31,</b>		<b>For the Six Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
United States and Canada	\$ 29,652	\$ 33,106	\$ 67,708	\$ 62,452
Asia	1,728	4,145	4,814	7,170
Europe	936	558	1,756	1,214
Other	334	597	608	996
Total revenue	<u>\$ 32,650</u>	<u>\$ 38,406</u>	<u>\$ 74,886</u>	<u>\$ 71,832</u>

#### Significant Customers

Significant customers are defined as customers representing greater than 10% of consolidated revenue. Significant portions of the Company's sales are concentrated among a limited number of customers. Revenue from two and three of our significant customers represented an aggregate of 62% and 68% of our consolidated revenue for the three months ended March 31, 2022 and 2021, respectively. Revenue from two and three of our significant customers represented an aggregate of 64% and 69% of our consolidated revenue for the six months ended March 31, 2022 and 2021, respectively. The percentage from significant customers decreased due to lower Aerospace and Defense revenue.

The duration, severity, and future impact of the COVID-19 pandemic is highly uncertain and could result in significant disruptions to the business operations of the Company's customers. If one or more of these significant customers significantly decreases their orders for the Company's products, or if we are unable to deliver finished products to the customer in connection with such orders, the Company's business could be materially and adversely affected.

#### NOTE 13. Subsequent Event



On April 29, 2022, we completed the previously announced acquisition of the L3Harris Technologies, Inc. (“L3H”) Space and Navigation business (“S&N”) pursuant to that certain Sale Agreement, dated as of February 14, 2022 (as amended, the “Sale Agreement”), entered into by and among the Company, Ringo Acquisition Sub, Inc. and L3H, pursuant to which we acquired certain intellectual property, assets, and liabilities of S&N for aggregate consideration of approximately \$5.0 million, exclusive of transaction costs and expenses and subject to certain post-closing working capital adjustments. In consideration of the recency of the completion of the purchase, we have not completed the initial accounting for the business combination and have not evaluated stand-alone acquiree revenue and earnings in the pre-acquisition period for supplemental pro-forma presentation and, accordingly have not included disclosure related to such items.

## ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion of our financial condition and results of operations in conjunction with the financial statements and the notes thereto included in Financial Statements under Item 1 within this Quarterly Report. The following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. See [Cautionary Statement Regarding Forward-Looking Statements](#) preceding Item 1 of this Quarterly Report.

### Business Overview

EMCORE Corporation (referred to herein, together with its subsidiaries, as the "Company," "we," "our," or "EMCORE") is a leading provider of sensors for navigation in the aerospace and defense market as well as a manufacturer of lasers and optical subsystems for use in the Cable TV ("CATV") industry.

We pioneered the linear fiber optic transmission technology that enabled the world's first delivery of CATV directly on fiber, and today are a leading provider of advanced mixed-signal products serving the aerospace and defense and broadband communications markets. The mixed-signal technology, at the heart of our broadband communications products, is shared with our fiber optic gyroscopes ("FOG") and inertial sensors to provide the aerospace and defense markets with state-of-the-art navigation systems technology. We have fully vertically-integrated manufacturing capability through our indium phosphide ("InP") compound semiconductor wafer fabrication facility at our headquarters in Alhambra, CA, and through our quartz processing and sensor manufacturing facility in Concord, CA. These facilities support our vertically-integrated manufacturing strategy for quartz and FOG products for navigation systems, and for our chip, laser, transmitter, and receiver products for broadband applications.

We have two reporting segments: (a) Aerospace and Defense and (b) Broadband. Aerospace and Defense is comprised of two product lines: (i) Navigation and Inertial Sensing, and (ii) Defense Optoelectronics. Broadband is comprised of three product lines: (i) CATV Lasers and Transmitters, (ii) Chip Devices, and (iii) Other Optical Products.

### Recent Developments

#### *Acquisition of L3Harris Space & Navigation Business*

On April 29, 2022, we completed the previously announced acquisition of the L3Harris Technologies, Inc. ("L3H") Space and Navigation business ("S&N") pursuant to that certain Sale Agreement, dated as of February 14, 2022 (as amended, the "Sale Agreement"), entered into by and among the Company, Ringo Acquisition Sub, Inc. and L3H, pursuant to which we acquired certain intellectual property, assets, and liabilities of S&N for aggregate consideration of approximately \$5.0 million, and exclusive of transaction costs and expenses and subject to certain post-closing working capital adjustments.

#### *COVID-19*

We are subject to ongoing risks and uncertainties as a result of the COVID-19 pandemic. The full extent of the COVID-19 impact on operational and financial performance is highly uncertain, out of our control, and cannot be predicted.

Each region we and our supply chain partners operate in has been affected by COVID-19 at varying times and magnitudes, often creating unforeseen challenges associated with logistics, raw material supply, and labor shortages. For example, during the three months ended March 31, 2022, unexpected delays and cancellations of key component deliveries required us to source critical components from alternative sources on short schedules and at increased prices. These and other actions resulting from the effects of COVID-19 may continue in the future and cause additional challenges to and disruptions of our business, inventory levels, operating results, and cash flows.

We continue to analyze on an ongoing basis how COVID-19 related actions could affect our product development efforts, future customer demand, timing of orders, recognized revenue, and cash flows.

#### *Equity Offering*

On February 16, 2021, we closed an offering of 6,655,093 shares of our common stock, which included the full exercise of the underwriters' option to purchase 868,056 additional shares of common stock, at a price to the public of \$5.40 per share, resulting in net proceeds to us from the offering, after deducting the underwriting discounts and commissions and other offering

expenses, of approximately \$33.1 million. The shares were sold by us pursuant to an underwriting agreement with Cowen and Company, LLC, dated February 10, 2021.

#### *Hytera and Fastrain Transactions*

As part of the effort to streamline operations and move to a variable cost model in our CATV Lasers and Transmitters product line, on October 25, 2019, we entered into an Asset Purchase Agreement (the “Hytera Asset Purchase Agreement”) with Hytera Communications (Hong Kong) Company Limited, a limited liability company incorporated in Hong Kong (“Hytera HK”), and Shenzhen Hytera Communications Co., Ltd., a corporation formed under the laws of the P.R.C. (“Shenzhen Hytera”, and together with Hytera HK, “Hytera”), pursuant to which Hytera agreed to purchase from us certain CATV module and transmitter manufacturing equipment (the “Equipment”) that we owned and that was located at the manufacturing facility of our wholly-owned subsidiary, EMCORE Optoelectronics (Beijing) Co, Ltd., a corporation formed under the laws of the P.R.C..

On August 9, 2021, we entered into an Asset Purchase Agreement (the “Fastrain Asset Purchase Agreement”) with each of Shenzhen Fastrain Technology Co., Ltd., a corporation formed under the laws of the P.R.C. (“Shenzhen Fastrain”), and Hong Kong Fastrain Company Limited, a limited liability company incorporated in Hong Kong (“HK Fastrain”, and together with Shenzhen Fastrain, collectively, “Fastrain”), pursuant to which, among other items, Fastrain agreed to purchase all of the Equipment subject to the Hytera Asset Purchase Agreement, along with certain other equipment owned by us, for an aggregate price of \$6.2 million, of which (a) \$4.9 million had been paid to us as of March 31, 2022 and (b) \$1.1 million remains to be paid to us in connection with the Equipment that is expected to be transferred pursuant to one or more closings occurring in the quarter ending June 30, 2022.

Concurrently with the execution of the Fastrain Asset Purchase Agreement, we and Fastrain entered into a Manufacturing Supply Agreement, dated August 9, 2021 (as amended, the “Fastrain Manufacturing Agreement”), pursuant to which Fastrain agreed to manufacture for us, from a manufacturing facility or facilities located in Thailand or Malaysia and for an initial term ending on December 31, 2025, the CATV Laser and Transmitter products set forth in the Fastrain Manufacturing Agreement. In the Fastrain Manufacturing Agreement, (a) we agreed to pay certain shortfall penalties in the event that orders for manufactured products are below certain thresholds beginning in calendar year 2021 and continuing through calendar year 2025, and (b) Fastrain agreed to pay certain surplus bonuses to us in the event that deliveries for manufactured products in either of the 24 month periods beginning on January 1, 2021 and ending on December 31, 2022 or beginning on January 1, 2023 and ending on December 31, 2024 exceed certain thresholds. No such shortfall penalties had accrued or become payable as of the quarter ended March 31, 2022.

The transfer of the Equipment currently owned by us is expected to occur during the quarter ending June 30, 2022, with corresponding payments totaling \$1.3 million expected to be received during the quarter ending June 30, 2022.

#### **Results of Operations**

The following table sets forth our results of operations as a percentage of revenue:

	<b>For the Three Months Ended March 31,</b>		<b>For the Six Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Revenue	100.0 %	100.0 %	100.0 %	100.0 %
Cost of revenue	72.4	61.9	66.9	62.1
Gross profit	27.6	38.1	33.1	37.9
Operating expense:				
Selling, general, and administrative	23.2	15.8	19.7	16.5
Research and development	13.9	9.8	12.2	11.2
Severance	0.1	—	1.8	
(Gain) loss on sale of assets	(2.4)	0.6	(0.8)	0.3
Total operating expense	34.7	26.2	32.9	28.0
Operating (loss) income	(7.1)%	11.9 %	0.2 %	9.9 %

#### **Comparison of Results of Operations**

<i>(in thousands, except percentages)</i>	<b>For the Three Months Ended March 31,</b>			
	<b>2022</b>	<b>2021</b>	<b>Change</b>	
Revenue	\$ 32,650	\$ 38,406	\$ (5,756)	(15.0)%
Cost of revenue	23,633	23,772	(139)	(0.6)
Gross profit	9,017	14,634	(5,617)	(38.4)
Operating expense:				
Selling, general, and administrative	7,563	6,062	1,501	24.8
Research and development	4,535	3,771	764	20.3
Severance	20	—	20	100.0
(Gain) loss on sale of assets	(788)	218	(1,006)	(461.5)
Total operating expense	11,330	10,051	1,279	12.7
Operating (loss) income	\$ (2,313)	\$ 4,583	\$ (6,896)	(150.5)%

<i>(in thousands, except percentages)</i>	<b>For the Six Months Ended March 31,</b>			
	<b>2022</b>	<b>2021</b>	<b>Change</b>	
Revenue	\$ 74,886	\$ 71,832	\$ 3,054	4.3 %
Cost of revenue	50,072	44,626	5,446	12.2
Gross profit	24,814	27,206	(2,392)	(8.8)
Operating expense:				
Selling, general, and administrative	14,750	11,860	2,890	24.4
Research and development	9,162	8,067	1,095	13.6
Severance	1,318	—	1,318	100.0
(Gain) loss on sale of assets	(601)	189	(790)	(418.0)
Total operating expense	24,629	20,116	4,513	22.4
Operating income	\$ 185	\$ 7,090	\$ (6,905)	(97.4)%

#### Revenue

<i>(in thousands, except percentages)</i>	<b>For the Three Months Ended March 31,</b>			
	<b>2022</b>	<b>2021</b>	<b>Change</b>	
Aerospace and Defense	\$ 9,006	\$ 13,134	\$ (4,128)	(31.4)%
Broadband	23,644	25,272	(1,628)	(6.4)
Total revenue	\$ 32,650	\$ 38,406	\$ (5,756)	(15.0)%

<i>(in thousands, except percentages)</i>	<b>For the Six Months Ended March 31,</b>			
	<b>2022</b>	<b>2021</b>	<b>Change</b>	
Aerospace and Defense	\$ 18,906	\$ 26,770	\$ (7,864)	(29.4)%
Broadband	55,980	45,062	10,918	24.2
Total revenue	\$ 74,886	\$ 71,832	\$ 3,054	4.3 %

#### Aerospace and Defense

For the three months ended March 31, 2022, our Aerospace and Defense revenue decreased \$4.1 million, or 31.4%, compared to the same period in the prior year, primarily due to a \$2.8 million decrease in Defense Optoelectronics product line revenue primarily due to program delays and supply chain disruptions.

For the six months ended March 31, 2022, our Aerospace and Defense revenue decreased \$7.9 million, or 29.4%, compared to the same period in the prior year, primarily due to a \$5.4 million decrease in Defense Optoelectronics product line revenue primarily due to program delays and supply chain disruptions.

Broadband

For the three months ended March 31, 2022, our Broadband revenue decreased \$1.6 million, or 6.4%, compared to the same period in the prior year, primarily due to a \$1.8 million decrease in Other Optical Products revenue due to decreased customer demand. We anticipate Broadband revenue to continue to be challenged in the near future due in part to inventory levels in the channel.

For the six months ended March 31, 2022, our Broadband revenue increased \$10.9 million, or 24.2%, compared to the same period in the prior year, primarily driven by a \$11.0 million increase in CATV Lasers and Transmitters revenue due to increased customer demand.

*Gross Profit*

<i>(in thousands, except percentages)</i>	<b>For the Three Months Ended March 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>Change</b>
Aerospace and Defense	\$ 1,233	\$ 3,775	\$ (2,542) (67.3)%
Broadband	7,784	10,859	(3,075) (28.3)
Total gross profit	\$ 9,017	\$ 14,634	\$ (5,617) (38.4)%

<i>(in thousands, except percentages)</i>	<b>For the Six Months Ended March 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>Change</b>
Aerospace and Defense	\$ 2,917	\$ 7,875	\$ (4,958) (63.0)%
Broadband	21,897	19,331	2,566 13.3
Total gross profit	\$ 24,814	\$ 27,206	\$ (2,392) (8.8)%

Our cost of revenue consists of raw materials, compensation expense including non-cash stock-based compensation expense, depreciation expense and other manufacturing overhead costs, expenses associated with excess and obsolete inventories, and product warranty costs. Historically, our cost of revenue as a percentage of revenue, which we refer to as our gross margin, has fluctuated significantly due to product mix, manufacturing yields, sales volumes, inventory, and specific product warranty charges, as well as the amount of our revenue relative to fixed manufacturing costs.

For the three months ended March 31, 2022 and 2021, consolidated gross margins were 27.6% and 38.1%, respectively. For each of the three months ended March 31, 2022 and 2021, stock-based compensation expense within cost of revenue totaled \$0.2 million.

For the six months ended March 31, 2022 and 2021, consolidated gross margins were 33.1% and 37.9%, respectively. For each of the six months ended March 31, 2022 and 2021, stock-based compensation expense within cost of revenue totaled \$0.3 million.

Aerospace and Defense

For the three months ended March 31, 2022, Aerospace and Defense gross profit decreased \$2.5 million, or 67.3%, compared to the same period in the prior year. For the three months ended March 31, 2022 and 2021, Aerospace and Defense gross margin was 13.7% and 28.7%, respectively. Gross profit and margin decreased in the three months ended March 31, 2022 primarily due to lower FOG and Defense Optoelectronics revenue and higher manufacturing costs. Higher manufacturing costs were a result of our change in contract manufacturer, as well as under-absorption of fixed overhead at our Alhambra manufacturing facility.

For the six months ended March 31, 2022, Aerospace and Defense gross profit decreased \$5.0 million, or 63.0%, compared to the same period in the prior year. For the six months ended March 31, 2022 and 2021, Aerospace and Defense gross margin was 15.4% and 29.4%, respectively. Gross profit and margin decreased in the six months ended March 31, 2022 primarily due to lower Quartz MEMS and Defense Optoelectronics revenue, and a change in contract manufacturer and under-absorption of fixed overhead for Defense Optoelectronics.

Broadband

For the three months ended March 31, 2022, Broadband gross profit decreased \$3.1 million, or 28.3%, compared to the same period in the prior year. For the three months ended March 31, 2022 and 2021, Broadband gross margin was 32.9% and 43.0%, respectively. Gross profit and margin decreased in the three months ended March 31, 2022 due to lower revenue of \$1.6 million, higher material costs, and under-absorption of fixed overhead at our Chinese manufacturing facility and at our Alhambra wafer fab.

For the six months ended March 31, 2022, Broadband gross profit increased \$2.6 million, or 13.3%, compared to the same period in the prior year. For the six months ended March 31, 2022 and 2021, Broadband gross margin was 39.1% and 42.9%, respectively. Gross profit increased while gross margin decreased in the six months ended March 31, 2022 due to higher revenue mixed with higher material costs and under-absorption of fixed overhead costs.

#### *Selling, General and Administrative*

Selling, general, and administrative ("SG&A") consists primarily of compensation expense including non-cash stock-based compensation expense related to executive, finance, and human resources personnel, as well as sales and marketing expenses, professional fees, legal and patent-related costs, and other corporate-related expenses.

For the three months ended March 31, 2022, SG&A expense increased by \$1.5 million compared to the same period in the prior year, primarily driven by higher compensation, professional fees including acquisition related expenses, and travel expenses. For the three months ended March 31, 2022 and 2021, SG&A expenses were 23.2% and 15.8% as a percentage of revenue, respectively. For the three months ended March 31, 2022 and 2021, stock-based compensation expense within SG&A totaled \$0.8 million and \$0.5 million, respectively.

For the six months ended March 31, 2022, SG&A expense increased by \$2.9 million compared to the same period in the prior year, primarily driven by higher compensation, professional fees including acquisition related expenses, and travel expenses. For the six months ended March 31, 2022 and 2021, SG&A expenses were 19.7% and 16.5% as a percentage of revenue, respectively. For the six months ended March 31, 2022 and 2021, stock-based compensation expense within SG&A totaled \$1.5 million and \$1.1 million, respectively.

#### *Research and Development*

Research and development ("R&D") consists primarily of compensation expense including non-cash stock-based compensation expense, as well as engineering and prototype costs, depreciation expense, and other overhead expenses, as they relate to the design, development, and testing of our products. R&D costs are expensed as incurred. We believe that in order to remain competitive, we must invest significant financial resources in developing new product features and enhancements and in maintaining customer satisfaction worldwide.

For the three months ended March 31, 2022, R&D expense increased by \$0.8 million compared to the same period in the prior year, primarily driven by increased compensation and project costs. For the three months ended March 31, 2022 and 2021, R&D expenses were 13.9% and 9.8% as a percentage of revenue, respectively. For each of the three months ended March 31, 2022 and 2021, stock-based compensation expense within R&D totaled \$0.2 million.

For the six months ended March 31, 2022, R&D expense increased by \$1.1 million compared to the same period in the prior year, primarily driven by increased compensation and allocated facility costs. For the six months ended March 31, 2022 and 2021, R&D expenses were 12.2% and 11.2% as a percentage of revenue, respectively. For each of the six months ended March 31, 2022 and 2021, stock-based compensation expense within R&D totaled \$0.4 million.

For the three months ended March 31, 2022 and 2021, Aerospace and Defense R&D expense was \$4.0 million and \$3.2 million, respectively. For the three months ended March 31, 2022 and 2021, Broadband R&D expense was \$0.5 million and \$0.6 million, respectively.

For the six months ended March 31, 2022 and 2021, Aerospace and Defense R&D expense was \$8.2 million and \$6.8 million, respectively. For the six months ended March 31, 2022 and 2021, Broadband R&D expense was \$1.0 million and \$1.2 million, respectively.

#### *Severance*

For the three and six months ended March 31, 2022, we incurred a severance charge of \$20 thousand and \$1.3 million, respectively. The majority of the \$1.3 million is associated with the planned shutdown of manufacturing operations in Beijing, China.

*(Gain) Loss on Sale of Assets*

During the three months ended March 31, 2022 and 2021, we sold certain equipment and incurred a (gain) loss on sale of assets of \$(0.8) million and \$0.2 million, respectively. During the six months ended March 31, 2022 and 2021, we sold certain equipment and incurred a (gain) loss on sale of assets of \$(0.6) million and \$0.2 million, respectively. We have agreements to sell additional equipment and these assets are classified as assets held for sale. The remaining balance as of March 31, 2022 totaled \$0.7 million.

*Operating (Loss) Income*

Operating (loss) income represents revenue less the cost of revenue and direct operating expenses incurred. Operating (loss) income is a measure that executive management uses to assess performance and make decisions. For the three months ended March 31, 2022 and 2021, operating (loss) income was (7.1)% and 11.9% as a percentage of revenue, respectively. For the six months ended March 31, 2022 and 2021, operating income was 0.2% and 9.9% as a percentage of revenue, respectively.

**Order Backlog**

Our product sales are made pursuant to purchase orders, often with short lead times. These orders are subject to revision or cancellation and often are made without deposits. Historically, for our CATV Lasers and Transmitters product line, products have typically shipped within the same quarter in which a purchase order is received, and therefore order backlog at any particular date is not necessarily indicative of actual revenue or the level of orders for any succeeding period and may not be comparable to prior periods. In addition, demand for our CATV Lasers and Transmitters products has historically been cyclical, and therefore future revenue trends for this product line are difficult to determine. With respect to our Aerospace and Defense product lines, revenue growth is dependent to a significant extent on customer program schedules.

**Liquidity and Capital Resources**

We continue to experience an accumulated deficit, but have managed our liquidity position through the sale of assets and cost reduction initiatives, as well as borrowings from our Credit Facility and capital markets transactions. As of March 31, 2022, cash and cash equivalents totaled \$80.9 million and net working capital totaled \$117.2 million. Net working capital, calculated as current assets (including inventory) minus current liabilities, is a financial metric we use which represents available operating liquidity.

We have taken a number of actions to continue to support our operations and meet our obligations, including:

- We maintain a credit facility with Wells Fargo that provides us with a revolving credit line of up to \$15.0 million that can be used as required for operations, subject to certain liquidity and availability requirements. The Credit Facility had \$6.1 million available for borrowing as of March 31, 2022. See [Note 8 - Credit Facility and Debt](#) in the notes to the condensed consolidated financial statements for additional information regarding the Credit Facility.
- On February 16, 2021, we closed our offering of 6,655,093 shares of our common stock at a price of \$5.40 per share, resulting in net proceeds to us from the offering of \$33.1 million. See Management's Discussion and Analysis of Financial Condition and Results of Operations Recent Developments under the heading "Equity Offering" for additional information regarding the equity offering.
- In October 2019, we entered into the Hytera Asset Purchase Agreement pursuant to which we agreed to sell certain of our CATV Lasers and Transmitters manufacturing equipment for purposes of outsourcing manufacturing of our CATV Lasers and Transmitters product lines to Hytera. In August 2021, we entered into the Fastrain Asset Purchase Agreement, pursuant to which, among other items, Fastrain agreed to purchase the same equipment subject to the Hytera Asset Purchase Agreement, along with additional equipment, for aggregate consideration of \$6.2 million. See [Management's Discussion and Analysis of Financial Condition and Results of Operations - Recent Developments](#) under the heading "Hytera and Fastrain Transactions" for additional information regarding the transactions with Hytera and Fastrain.

We believe that our existing balances of cash and cash equivalents, cash flows from operations and amounts expected to be available under our Credit Facility (or a replacement facility, if any, to the extent the expiration of the Credit Facility occurs in

May 2022) will provide us with sufficient financial resources to meet our cash requirements for operations, working capital, and capital expenditures for at least the next twelve months from the issuance date of these financial statements.

Should we require more capital than what is generated by our operations, we could engage in additional sales or other monetization of certain fixed assets and real estate, additional cost reductions, or elect to raise capital in the U.S. through debt or additional equity issuances. These alternatives may not be available to us on reasonable terms or at all, and could result in higher effective tax rates, increased interest expense, and/or dilution of earnings.

## Cash Flow

### Operating Activities

(in thousands, except percentages)	For the Six Months Ended March 31,			
	2022	2021	Change	
Net cash provided by operating activities	\$ 11,535	\$ 1,772	\$ 9,763	551.0 %

For the six months ended March 31, 2022, our operating activities provided cash of \$11.5 million due to our net income of \$0.2 million, positive adjustments for non-cash charges of \$4.4 million, and improvements in our working capital components of \$6.9 million. Non-cash charges primarily consisted of depreciation and amortization expense of \$2.0 million and stock based compensation expense of \$2.2 million.

For the six months ended March 31, 2021, our operating activities provided cash of \$1.8 million, primarily due to our net income of \$7.0 million, and positive adjustments for non-cash charges of \$3.9 million offset by changes in our working capital components of \$9.1 million. Non-cash charges primarily consisted of depreciation and amortization expense of \$2.0 million and stock based compensation expense of \$1.8 million.

### Working Capital Components

**Accounts Receivable** We generally expect the level of accounts receivable at any given quarter end to reflect the level of sales in that quarter. Accounts receivable balances have fluctuated historically due to the timing of account collections, timing of product shipments, and/or change in customer credit terms.

**Inventory** We generally expect the level of inventory at any given quarter end to reflect the change in our expectations of forecasted sales during the quarter. Inventory balances have fluctuated historically due to the timing of customer orders and product shipments, changes in internal forecasts related to customer demand, as well as adjustments related to excess and obsolete inventory.

**Accounts Payable** The fluctuation of our accounts payable balances is primarily driven by changes in inventory purchases as well as changes related to the timing of actual payments to vendors.

**Accrued Expenses** Our largest accrued expense typically relates to compensation. Historically, fluctuations of accrued expense accounts have primarily related to changes in the timing of actual compensation payments, receipt or application of advanced payments, adjustments to warranty accrual, and accruals related to professional fees.

### Investing Activities

(in thousands, except percentages)	For the Six Months Ended March 31,			
	2022	2021	Change	
Net cash used in investing activities	\$ (2,169)	\$ (559)	\$ (1,610)	(288.0)%

For the six months ended March 31, 2022, our investing activities used cash of \$2.2 million due to capital-related expenditures.

For the six months ended March 31, 2021, our investing activities used cash of \$0.6 million due to capital-related expenditures.

### Financing Activities



(in thousands, except percentages)	For the Six Months Ended March 31,		
	2022	2021	Change
Net cash (used in) provided by financing activities	\$ (127)	\$ 33,486	\$ (33,613) (100.4)%

For the six months ended March 31, 2022, our financing activities used cash for tax withholding paid on behalf of employees for stock-based awards offset by proceeds from the exercise of equity awards.

For the six months ended March 31, 2021, our financing activities provided cash of \$33.5 million due to proceeds from issuance of common stock, net of issuance costs of \$33.1 million and proceeds from employee stock purchase plan and equity awards of \$0.4 million.

#### Contractual Obligations and Commitments

As of the date of this report, there were no material changes to our contractual obligations and commitments outside the ordinary course of business since September 30, 2021 as reported in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021.

#### Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our condensed consolidated financial condition, results of operations, liquidity, capital expenditures or capital resources.

#### Critical Accounting Policies and Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, as of the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. If these estimates differ significantly from actual results, the impact to the condensed consolidated financial statements may be material. There have been no material changes in our critical accounting policies and estimates from those disclosed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021. Please refer to Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended September 30, 2021 for a discussion of our critical accounting policies and estimates.

#### ITEM 3. Quantitative and Qualitative Disclosures About Market Risks

There were no material changes to our quantitative and qualitative disclosures about market risks during the second quarter of fiscal 2022. Please refer to Part II, Item 7A Quantitative and Qualitative Disclosures About Market Risks included in our Annual Report on the Form 10-K for our fiscal year ended September 30, 2021 for a more complete discussion of the market risks we encounter.

#### **ITEM 4. Controls and Procedures**

##### **a. Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of its Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer and Accounting Officer), evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of March 31, 2022. Based upon this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

##### **b. Changes in Internal Control over Financial Reporting**

There have been no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) promulgated under the Exchange Act) during the quarter ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

#### **PART II. Other Information**

##### **ITEM 1. Legal Proceedings**

See the disclosures under the caption "Legal Proceedings" in [Note 10 - Commitments and Contingencies](#) in the notes to condensed consolidated financial statements for disclosures related to our legal proceedings, which disclosures are incorporated herein by reference.

##### **ITEM 1A. Risk Factors**

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021, which could materially affect our business, financial condition or future results. We do not believe that there have been any material changes to the risk factors disclosed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2021. The risks described in our Annual Report on Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem immaterial also may materially adversely affect our business, financial condition, operating results and/or cash flows.

**ITEM 6. Exhibits**

2.1	<a href="#">Asset Purchase Agreement, dated as of October 25, 2019 by and among EMCORE Corporation, Hytera Communications (Hong Kong) Company Limited and Shenzhen Hytera Communications Co., Ltd. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on October 30, 2019).</a>
2.2	<a href="#">Purchase and Sale Agreement, dated as of June 7, 2019 by and among EMCORE Corporation, The Resilience Fund IV, L.P., The Resilience Fund IV-A, L.P., Aerospace Newco Holdings, Inc. and Ember Acquisition Sub, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on June 10, 2019).</a>
2.3	<a href="#">Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate (Non-Residential) dated as of December 31, 2019 by and between Parkview Management Group, Inc. and Systron Donner Inertial, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 6, 2020).</a>
2.4	<a href="#">First Amendment to Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate (Non-Residential) dated as of January 13, 2020 by and between Parkview Management Group, Inc. and Systron Donner Inertial, Inc. (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q filed on February 10, 2020).</a>
2.5	<a href="#">Asset Purchase Agreement, dated as of August 9, 2021 by and among EMCORE Corporation, Shenzhen Fastrain Technology Co., Ltd. and Hong Kong Fastrain Company Limited (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on August 11, 2021).</a>
2.6	<a href="#">Sale Agreement, dated as of February 14, 2022 by and among EMCORE Corporation, Ringo Acquisition Sub, Inc., and L3Harris Technologies, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on February 15, 2022).</a>
2.7	<a href="#">First Amendment to Sale Agreement, dated as of March 1, 2022 by and among EMCORE Corporation, Ringo Acquisition Sub, Inc., and L3Harris Technologies, Inc. (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed on May 2, 2022).</a>
2.8	<a href="#">Second Amendment to Sale Agreement, dated as of March 31, 2022 by and among EMCORE Corporation, Ringo Acquisition Sub, Inc., and L3Harris Technologies, Inc. (incorporated by reference to Exhibit 2.3 to the Company's Current Report on Form 8-K filed on May 2, 2022).</a>
2.9	<a href="#">Third Amendment to Sale Agreement, dated as of April 29, 2022 by and among EMCORE Corporation, Ringo Acquisition Sub, Inc., and L3Harris Technologies, Inc. (incorporated by reference to Exhibit 2.4 to the Company's Current Report on Form 8-K filed on May 2, 2022).</a>
10.1**	<a href="#">Amendment to Manufacturing Supply Agreement, dated as of February 25, 2022 by and among by and among EMCORE Corporation, Shenzhen Fastrain Technology Co., Ltd. and Hong Kong Fastrain Company Limited.</a>
10.2†	<a href="#">Amended and Restated EMCORE Corporation 2019 Equity Incentive Plan, as amended and restated on November 29, 2021 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 10-K filed on March 17, 2022).</a>
10.3†**	<a href="#">Form of Performance-Based Restricted Stock Unit Award (for executive officers and non-executive employees) under the Amended and Restated EMCORE Corporation 2019 Equity Incentive Plan.</a>
31.1**	<a href="#">Certificate of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2**	<a href="#">Certificate of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1***	<a href="#">Certificate of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2***	<a href="#">Certificate of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS**	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH**	XBRL Taxonomy Extension Schema Document.
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document.
104**	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

† *Management contract or compensatory plan*

\*\* *Filed herewith*

\*\*\* *Furnished herewith*

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**EMCORE CORPORATION**

Date: **May 5, 2022**

By: **/s/ Jeffrey Rittichier**  
Jeffrey Rittichier  
Chief Executive Officer  
(Principal Executive Officer)

Date: **May 5, 2022**

By: **/s/ Tom Minichiello**  
Tom Minichiello  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

## Amendment to Manufacturing Supply Agreement

This Amendment to Manufacturing Supply Agreement (the “**Amendment**”) is entered into as of February 25, 2022 (the “**Effective Date**”) by and among EMCORE Corporation, a New Jersey corporation (“**EMCORE**”, or “**Seller**”), Shenzhen Fastrain Technology Co., Ltd., a corporation formed under the laws of the P.R.C. (“**Shenzhen Fastrain**”), together with Hong Kong Fastrain Company Limited (香港富創優越有限公司), which is an affiliate of Shenzhen Fastrain and a limited liability company incorporated in Hong Kong under registration number 72834489-000-03-21-6 (“**HK Fastrain**”, and together with Shenzhen Fastrain, “**Fastrain**”).

### Recitals

**Whereas**, EMCORE and the Fastrain have previously entered into that certain Manufacturing Supply Agreement, dated as of August 9, 2021 (the “**Original Agreement**”);

**Whereas**, EMCORE wishes to, subject to the terms and conditions set forth in Original Agreement, engage Fastrain to manufacture certain laser module (“**LM**”) and DMTX products at Fastrain’s (or Fastrain’s subcontractor’s) facility located in Thailand or Malaysia, as well as box build components of such products, and certain receiver products, at Fastrain’s (or Fastrain’s subcontractor’s) facility located in Shenzhen, P.R.C. or Malaysia; and

**Whereas**, in furtherance of the parties’ business relationship, Emcore, Shenzhen Fastrain and HK Fastrain desire to amend the Original Agreement as set forth below.

### Agreement

**Now, therefore**, for good and valuable consideration and the mutual promises set forth herein, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Section 7.1.3(a) of the Original Agreement**. Section 7.1.3(a) of the Original Agreement is hereby amended and restated as follows:

“(a) Fastrain shall ensure that (i) Country of Origin for all DMTX and LM Products is (x) Thailand or, (y) solely with respect to any DMTX or LM Products for which EMCORE has obtained approval from its customer to manufacture such product in Malaysia, Malaysia, and (ii) Country of Origin for all Box Build Products and Receiver Products is either the People’s Republic of China or Malaysia.”
2. **Sections 5.8(c), (d) and (e) of the Original Agreement**. Sections 5.8(c), (d) and (e) of the Original Agreement are each hereby amended and restated by replacing each reference to “US\$6,453,965” in such Sections with a reference to “US\$7,187,449”.
3. **Approval of Subcontractor**. EMCORE hereby acknowledges and agrees, pursuant to Section 7.1.7(b) of the Original Agreement, that, solely with respect to performance of its obligations under the Original Agreement from a location Malaysia, Fastrain may subcontract such performance and corresponding obligations to Fastrain Technology Malaysia SDN. BHD., as an affiliate entity of Shenzhen Fastrain and limited liability company incorporated in Malaysia under registration number 202001014769 (1371089-X) (“**Fastrain Malaysia**”), and all such obligations



of Fastrain shall be applicable to Fastrain Malaysia to the same extent as applicable to Fastrain under the Original Agreement.

4. **Counterparts.** This Amendment may be executed in several counterparts and by facsimile signatures, all of which taken together shall constitute one single agreement between the Parties hereto.
5. **Governing Law.** All matters arising out of or relating to this Amendment shall be governed by and construed in accordance with the laws of Singapore, without regard to the conflict of law provisions thereof. Any dispute, controversy, difference or claim arising out of, in connection with or relating to this Amendment or the transactions contemplated hereby or thereby, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it, shall be referred to and finally resolved by arbitration in Singapore administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this clause. The arbitration shall be conducted in English, and the seat of arbitration shall be Singapore. Each party irrevocably submits to the exclusive jurisdiction of such arbitration in any such action, proceeding or dispute.
6. **Capitalized Terms.** All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Original Agreement.
7. **Continuing Effectiveness.** Except to the extent hereinabove amended, supplemented or varied, the Original Agreement remains in full force and effect and is a valid and binding obligation of the parties thereto. For the avoidance of doubt, nothing in this Amendment shall affect any accrued rights or interests of each Party under the Original Agreement existing immediately prior to the date of this Amendment.

*(signature page follows)*







IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first written above by their respective officers thereunto duly authorized.

**Seller:**

EMCORE Corporation



By [Signature]  
Name: Ryan Hachgesang  
Title: VP, General Counsel

**Buyers:**

SHENZHEN FASTRAIN TECHNOLOGY  
CO., LTD



By [Signature]  
Name: Yao Peixin  
Title: Chairman

HONG KONG FASTRAIN COMPANY  
LIMITED



By [Signature]  
Name: Yao Peixin  
Title: Director







**EMCORE Corporation 2019 Equity Incentive Plan**  
**Performance-Based Restricted Stock Unit Award Agreement**

To: [ ]

EMCORE Corporation, a New Jersey corporation (the “*Company*”), has granted you an award (the “*Award*”) of a target number of [ ] performance-based restricted stock units (the “*Restricted Stock Units*”) under the EMCORE Corporation 2019 Equity Incentive Plan, as adopted effective December 14, 2018, and as further amended from time to time (the “*Plan*”), conditioned upon your agreement to the terms and conditions described below. Each Restricted Stock Unit represents, on the books of the Company, a unit which is equivalent to one share of the Company’s common stock, no par value per share (the “*Common Stock*”). The effective “*Grant Date*” will be [ ], subject to your promptly signing and returning a copy of this Agreement (as defined below) to the Company.

This Performance-Based Restricted Stock Unit Award Agreement (the “*Agreement*”) evidences the Award of the Restricted Stock Units. This Agreement and the Award of the Restricted Stock Units are made in consideration of your employment or service relationship with the Company or an affiliate of the Company (as applicable, your “*Employer*”). The Award is subject in all respects to and incorporates by reference the terms and conditions of the Plan and any terms and conditions relating to Restricted Stock Units and specifies other applicable terms and conditions of your Restricted Stock Units.

A copy of the Plan and the Prospectus for the Plan, as amended from time to time (the “*Prospectus*”), is being provided or made available to you in connection with the Award. By executing this Agreement, you acknowledge that you have received a copy of the Plan and the Prospectus. You may request additional copies of the Plan or Prospectus by contacting EMCORE Corporation, Attn: Chief Financial Officer, 2015 West Chestnut Street, Alhambra, CA 91803. You also may request from the Secretary of the Company copies of the other documents that make up a part of the Prospectus (described more fully at the end of the Prospectus), as well as all reports, proxy statements and other communications distributed to the Company’s security holders generally.

1. **Terminology; Conflicts.** The Glossary at the end of this Agreement includes definitions of certain capitalized words used in this Agreement. All terms not defined in this Agreement (including the Glossary) have the meanings given in the Plan. Unless otherwise specifically provided in this Agreement, in the event of any conflict, ambiguity or inconsistency between or among any defined term in this Agreement or the Plan, the provisions of, first, the Plan and second, this Agreement, will control in that order of priority, except in the case of Section 14 of this Agreement, which will control in all cases.

2. **Terms and Conditions of Award.** The following terms and conditions will apply:

(a) *Performance Vesting Condition.* Your target number of Restricted Stock Units shall be subject to the performance-based forfeiture and vesting provisions below:

(i) All of the Restricted Stock Units are nonvested and forfeitable as of the Grant Date.

(ii) Subject to earlier termination as provided in this Agreement, your Restricted Stock Units are subject to a vesting requirement based on the

Company's Total Shareholder Return achieved relative to the Total Shareholder Return for the Index. The Company's Total Shareholder Return will be measured over a three-year performance period that will begin on [ ] and end on [ ] (the "**Performance Period**"). Total Shareholder Return performance for the Performance Period will be determined with reference to the goals set forth in the table below:

<b>Total Shareholder Return for the Performance Period Relative to the Total Shareholder Return for the Index</b>	<b>% of Target Number of Units Becoming Vested and Nonforfeitable</b>
<50% of Index	0%
50% of Index	0%
60% of Index	20%
80% of Index	60%
100% of Index	100%
120% of Index	140%
140% of Index	180%
150% of Index	200%
>150 of Index%	200%

Except as described below, all of your Restricted Stock Units will terminate for no consideration at the end of the Performance Period if the Company achieves a Total Shareholder Return that is equal to or less than fifty percent (50%) of the Total Shareholder Return for the Index. If the Company achieves a Total Shareholder Return relative to the Index for the Performance Period between the percentages listed in the table above, the percentage of your Restricted Stock Units that will be eligible to become vested and nonforfeitable will be pro-rated on a straight-line basis between the closest two percentages listed in the table above. The maximum percentage of your Restricted Stock Units that may be eligible to become vested and nonforfeitable is the maximum percentage listed in the table above. Any of your Restricted Stock Units that do not become eligible to become vested and nonforfeitable at the end of the Performance Period based on the Company's Total Shareholder Return for the Performance Period will automatically terminate for no consideration at the end of the Performance Period.

(b) *Continued Service Vesting Condition.* In addition to achievement of the Total Shareholder Return performance-vesting requirements set forth above, in order for any of your Restricted Stock Units to become vested and nonforfeitable, you must continue to be an Eligible Person through the applicable vesting date. Unless this Agreement provides to the contrary, none of the Restricted Stock Units will become vested and nonforfeitable after you cease to be an Eligible Person, and any Restricted Stock Units that are nonvested and forfeitable as of the date you cease to be an Eligible Person shall terminate for no consideration.

(c) *Change in Control*. If a Change in Control occurs while any of your Restricted Stock Units are outstanding, the following provisions shall apply:

(i) If the Change in Control occurs after the end of the Performance Period but before any Restricted Stock Units that have become vested and nonforfeitable based on the Company's Total Shareholder Return performance for the completed Performance Period have been paid, such vested and nonforfeitable Restricted Stock Units will be paid as provided for in Section 2(e) below.

(ii) If the Change in Control occurs during the Performance Period while any of your Restricted Stock Units are outstanding, the Performance Period (an "**Adjusted Performance Period**") will be deemed to end on the day immediately preceding the Change in Control and performance will be measured based on the Company's Total Shareholder Return relative to the Index through the date of the Change in Control, provided that (1) instead of using an average stock price to measure the Company's Total Shareholder Return at the end of the Adjusted Performance Period, the Company's Total Shareholder Return at the end of the Adjusted Performance Period will be measured using the price per share of Common Stock to be paid in the Change in Control in accordance with the definitive agreement governing the transaction constituting the Change in Control (or, in the absence of such agreement, the closing price per share of Common Stock on the last trading day prior to the Change in Control, as reported at the close of regular trading on the principal exchange on which the Common Stock is listed), and (2) the Total Shareholder Return for the Index shall be determined in accordance with the definition of Total Shareholder Return, but using the day immediately preceding the Change in Control as the last day of the Adjusted Performance Period. Any Restricted Stock Units that become eligible to become vested and nonforfeitable based on the Company's Total Shareholder Return performance for the Adjusted Performance Period (or if you are a party to an employment agreement with the Company (an "**Employment Agreement**") that entitles you to vest in a minimum of the target number of Restricted Stock Units for the Adjusted Performance Period as a result of a Change in Control or qualifying termination of employment following a Change in Control, the target number of Restricted Stock Units if greater) shall be referred to as "**Adjusted Performance Period Units**"). For the avoidance of doubt, if you are party to an Employment Agreement that entitles you to vest in a specified percentage of your outstanding equity awards as a result of a Change in Control or qualifying termination of employment following a Change in Control, the Employment Agreement shall entitle you to vest in the Adjusted Performance Period Units as determined above.

(iii) Any Restricted Stock Units for the Adjusted Performance Period that do not become Adjusted Performance Period Units shall terminate at the end of the Adjusted Performance Period for no consideration.

(iv) If you are a party to an Employment Agreement that entitles you to vest in the Adjusted Performance Period Units for the Adjusted Performance Period solely as a result of a Change in Control, you will be entitled to vest in the number of Adjusted Performance Period Units becoming vested and nonforfeitable pursuant to the terms of your Employment Agreement (the "**Accelerated Adjusted Units**"). The Accelerated Adjusted Units will be paid as provided for in Section 2(e) below.

(v) Any Adjusted Performance Period Units for the Adjusted Performance Period that are not Accelerated Adjusted Units (the “**Time-Based Adjusted Units**”), will become vested and nonforfeitable on the last day of the original Performance Period (before any adjustment), subject to you continuing to be an Eligible Person through such date. In addition, (1) if you suffer an involuntary termination without Cause within two years following the Change in Control and prior to the last day of the original Performance Period, all of your unvested Time-Based Adjusted Units will become vested and nonforfeitable as of the date of your termination without Cause, and (2) if you are party to an Employment Agreement that entitles you to vest in any Time-Based Adjusted Units as a result of a qualifying termination of employment following a Change in Control and you experience a qualifying termination of employment prior to the last day of the original Performance Period, the applicable number of Time-Based Adjusted Units becoming vested pursuant to the terms of your Employment Agreement will become vested and nonforfeitable as of the date of your qualifying termination of employment. Any Time-Based Adjusted Units becoming vested and nonforfeitable will be paid as provided for in Section 2(e) below.

(vi) Notwithstanding anything to the contrary in this Agreement or the Plan, in the event of a Change in Control or other event specified in Section 7.2 of the Plan in which the Restricted Stock Units are not assumed, all of the Adjusted Performance Period Units shall become vested and nonforfeitable as of the last day of the Adjusted Performance Period and will be paid as provided for in Section 2(e) below. For the avoidance of doubt and notwithstanding anything to the contrary in the Plan, any Restricted Stock Units for an Adjusted Performance Period that do not become Adjusted Performance Period Units shall terminate at the end of the Adjusted Performance Period.

(d) *Termination of Service.* If you cease to be an Eligible Person for any reason, all Restricted Stock Units that are not then vested and nonforfeitable will, after giving effect to any accelerated vesting as a result of your ceasing to be an Eligible Person, be immediately forfeited for no consideration.

(e) *Settlement.* Any Restricted Stock Units subject to this Award that become vested and nonforfeitable shall be paid in an equivalent number of whole shares of Common Stock (with any fractional Restricted Stock Units rounded down to the nearest whole number of shares of Common Stock) as soon as practicable following the applicable vesting date, but in any event no later than the 15<sup>th</sup> day of the third calendar month following the end of the calendar year in which the vesting date occurs; provided that any Restricted Stock Units that become vested and nonforfeitable in connection with or following a Change in Control or other corporate transaction specified in Section 7.2 of the Plan will be paid no later than the 30<sup>th</sup> day following the applicable vesting date. Upon issuance, such shares of Common Stock may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated in compliance with applicable law, this Agreement and any other agreement to which such shares are subject. Your settlement rights pursuant to this Agreement shall be no greater than the right of any unsecured general creditor of the Company. The Company will not be required to issue fractional shares of Common Stock upon settlement of the Restricted Stock Units.

3. Restrictions on Transfer. You may not sell, assign, transfer, pledge, hedge, hypothecate, encumber or dispose of in any way (whether by operation of law or otherwise) any Restricted Stock Units, and Restricted Stock Units may not be subject to execution, attachment or similar process. Any sale or transfer, or purported sale or transfer, shall be null and void. The

Company will not be required to recognize on its books any action taken in contravention of these restrictions.

4. Issuance of Shares.

(a) Notwithstanding any other provision of this Agreement, you may not sell the shares of Common Stock acquired upon vesting of the Restricted Stock Units unless such shares are registered under the Securities Act, or, if such shares are not then so registered, such sale would be exempt from the registration requirements of the Securities Act. The sale of such shares must also comply with other applicable law and any applicable insider trading policy of the Company governing the Common Stock and you may not sell the shares of Common Stock if the Company determines that such sale would not be in material compliance with such applicable law or insider trading policy.

(b) The shares of Common Stock issued in settlement of the Restricted Stock Units shall be registered in your name. The Company will deliver a share certificate to you, or deliver shares electronically or in certificate form to your designated broker on your behalf. If you are deceased (or in case of your Disability and if necessary) at the time that a delivery of share certificates is to be made, the certificates will be delivered to your executor, administrator, legally authorized guardian or personal representative. The Company may at any time place legends referencing any applicable law restrictions on all certificates representing shares of Common Stock issued pursuant to this Agreement, and the certificate shall bear such restrictive legends or restrictions as the Company, in its sole discretion, shall require. You will, at the request of the Company, promptly present to the Company any and all certificates representing shares acquired pursuant to this Agreement in your possession in order to carry out the provisions of this Section 4(b).

(c) The grant of the Restricted Stock Units and the shares of Common Stock issued in settlement of the Restricted Stock Units will be subject to and in compliance with all applicable requirements of applicable law with respect to such securities. No shares of Common Stock may be issued hereunder if the issuance of such shares would constitute a violation of any applicable law. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares subject to the Restricted Stock Units shall relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. As a condition to the settlement of the Restricted Stock Units, the Company may require you to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law and to make any representation or warranty with respect thereto as may be requested by the Company.

5. Tax Withholding<sup>1</sup>. The Company or the Employer shall be entitled to require a cash payment by or on your behalf (including, without limitation, subject to such procedures as

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<sup>1</sup> For Section 16 officers, Section 5 to read as follows "Unless (1) otherwise determined by the Administrator at any time after the Grant Date or (2) you have previously notified the Chief Financial Officer of the Company (or his designee) that you will pay the amount of any applicable federal, state or local tax law withholding taxes directly to the Company in cash, upon any payment of shares of Common Stock in respect of the Restricted Stock Units, the Company shall automatically reduce the number of shares to be delivered by (or otherwise reacquire) the appropriate number of whole shares, valued at their then fair market value, to satisfy any withholding obligations of the Company and the Employer with respect to such distribution of shares at the applicable withholding rates. In the event that the Administrator determines not to satisfy, or the Company cannot legally satisfy, such withholding obligations by such reduction of shares, or in the event of a cash payment or any other withholding event in respect of the Restricted Stock Units, the Company or the Employer shall be entitled to require a cash payment by or on your behalf and/or to deduct from other compensation payable to you any sums required by federal, state or local tax law to be withheld with respect to such distribution or payment"

the Administrator may adopt, pursuant to a broker-assisted “cashless” arrangement with a third party who facilitates the sale of shares of Common Stock deliverable upon any payment of Restricted Stock Units) and/or to deduct from other compensation payable to you any sums required by federal, state or local tax law to be withheld with respect to the grant, vesting or payment of the Restricted Stock Units in whole or in part. The Company may, in its discretion, agree that it will, upon any payment of shares of Common Stock in respect of the Restricted Stock Units, automatically reduce the number of shares to be delivered by (or otherwise reacquire) the appropriate number of whole shares, valued at their then fair market value, to satisfy any withholding obligations of the Company and the Employer with respect to such distribution of shares at the applicable withholding rates.

6. Adjustments for Corporate Transactions and Other Events.

(a) *Adjustment Events.* Upon an event specified in Section 7.1 of the Plan, the number, amount and type of shares of Common Stock (or other securities or property) subject to your Restricted Stock Units will, without further action of the Administrator, be adjusted to reflect such event pursuant to the provisions of Section 7.1 of the Plan. The Administrator may make adjustments, in its discretion, to address the treatment of fractional shares with respect to the Restricted Stock Units as a result of the adjustment event. Adjustments under this Section 6 will be made by the Administrator, whose determination as to what adjustments, if any, will be made and the extent thereof will be final, binding and conclusive. No fractional Restricted Stock Units will result from any such adjustments.

(b) *Binding Nature of Agreement.* The terms and conditions of this Agreement will apply with equal force to any additional and/or substitute securities received by you in exchange for, or by virtue of your granting of, the Restricted Stock Units, whether as a result of any adjustment event or other similar event, except as otherwise determined by the Administrator. If the Restricted Stock Units are converted into or exchanged for, or stockholders of the Company receive by reason of any distribution in total or partial liquidation or pursuant to any merger of the Company or acquisition of its assets, securities of another entity, or other property (including cash), then the rights of the Company under this Agreement will inure to the benefit of the Company’s successor, and this Agreement will apply to the securities or other property received upon such conversion, exchange or distribution in the same manner and to the same extent as the Restricted Stock Units.

7. Dividend Equivalent Rights. As of each date that the Company pays an ordinary cash dividend on its outstanding Common Stock for which the related record date occurs after the Grant Date and prior to the date all Restricted Stock Units subject to the Award have either been paid or have terminated, the Company shall credit you with an additional number of Restricted Stock Units equal to (a) the amount of the ordinary cash dividend paid by the Company on a single share of Common Stock on that date, multiplied by (b) the number of Restricted Stock Units subject to the Award outstanding and unpaid as of such record date (including any Restricted Stock Units previously credited under this Section 7 and with such total number subject to adjustment pursuant to Section 7.1 of the Plan and this Agreement), divided by (c) the closing price of a share of Common Stock on that date. Any Restricted Stock Units credited pursuant to the foregoing provisions of this Section 7 will be subject to the same vesting, payment, termination and other terms, conditions and restrictions as the original Restricted Stock Units to which they relate. No crediting of Restricted Stock Units will be made pursuant to this Section 7 with respect to any Restricted Stock Units which, as of the related record date, have either been paid or have terminated.



8. No Right to Continued Employment or Service. The Award shall not confer upon you any right to be retained as an employee or service provider, nor restrict in any way the right of your Employer, which right is hereby expressly reserved, to terminate your employment or service relationship at any time with or without Cause (regardless of whether such termination results in (a) the failure of any Award to vest; (b) the forfeiture of any unvested or vested portion of any Award; and/or (c) any other adverse effect on your interests under the Plan). Nothing in the Plan or this Agreement shall confer on you the right to receive any future Awards under the Plan.

9. No Rights as Stockholder. You shall not have any rights as a stockholder of the Company with respect to any shares of Common Stock corresponding to the Restricted Stock Units granted hereby unless and until shares of Common Stock are issued to you in respect thereof. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date such certificate or certificates are issued, except as provided in Section 6 and Section 7 of this Agreement.

10. The Company's Rights. The existence of the Restricted Stock Units does not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, including that of its affiliates, or any merger or consolidation of the Company or any affiliate, or any issue of bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company or any affiliate, or any sale or transfer of all or any part of the Company's or any affiliate's assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

11. Entire Agreement. This Agreement, inclusive of the Plan incorporated into this Agreement, contains the entire agreement between you, your Employer and the Company with respect to the Restricted Stock Units. Any and all existing oral or written agreements, representations, warranties, written inducements, or other communications made prior to the execution of this Agreement by any person with respect to the Award or the Restricted Stock Units are superseded by this Agreement and are void and ineffective for all purposes.

12. Conformity with Plan. This Agreement is intended to conform in all respects with, and is subject to all applicable provisions of, the Plan. In the event of any ambiguity in this Agreement or any matters as to which this Agreement is silent, the Plan will govern.

13. Amendment. This Agreement may be amended from time to time by the Administrator in its discretion; provided, however, that this Agreement may not be modified in a manner that would have a materially adverse effect on the Restricted Stock Units as determined in the discretion of the Administrator, except as provided in the Plan or in any other written document signed by you and the Company. This Agreement may not be amended, modified or supplemented orally.

14. Governing Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New Jersey applicable to contracts executed and to be performed entirely within such state, without regard to the conflict of law provisions thereof.

15. Severability. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy, then only the portions of this Agreement which violate such statute or public policy shall be stricken, and all portions of this Agreement which do not violate any statute or public policy shall continue in full force and effect. Further, it is the parties' intent that any court order striking any portion of this Agreement

should modify the terms as narrowly as possible to give as much effect as possible to the intentions of the parties' under this Agreement.

16. Further Assurances. You agree to use your reasonable and diligent best efforts to proceed promptly with the transactions contemplated herein, to fulfill the conditions precedent for your benefit or to cause the same to be fulfilled and to execute such further documents and other papers and perform such further acts as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated herein. The Company may require you to furnish or execute such other documents as the Company shall reasonably deem necessary to comply with or satisfy the requirements of applicable law.

17. Investment Representation. If at the time of settlement of all or part of the Restricted Stock Units, the Common Stock is not registered under the Securities Act and/or there is no current prospectus in effect under the Securities Act with respect to the Common Stock, you shall execute, prior to the issuance of any shares of Common Stock in settlement of the Restricted Stock Units to you by the Company, an agreement (in such form as the Administrator may specify) in which you, among other things, represent, warrant and agree that you are acquiring the shares acquired under this Agreement for your own account, for investment only and not with a view to the resale or distribution thereof, that you have knowledge and experience in financial and business matters, that you are capable of evaluating the merits and risks of owning any shares of Common Stock acquired under this Agreement, that you are a person who is able to bear the economic risk of such ownership and that any subsequent offer for sale or distribution of any of such shares shall be made only pursuant to (a) a registration statement on an appropriate form under the Securities Act, which registration statement has become effective and is current with regard to the shares being offered or sold, or (b) a specific exemption from the registration requirements of the Securities Act, it being understood that to the extent any such exemption is claimed, you shall, prior to any offer for sale or sale of such shares, obtain a prior favorable written opinion, in form and substance satisfactory to the Administrator, from counsel for or approved by the Administrator, as to the applicability of such exemption thereto.

18. Headings. Section headings are used in this Agreement for convenience of reference only and shall not affect the meaning of any provision of this Agreement.

19. Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

20. Section 409A. It is intended that the terms of the Award will not result in the imposition of any tax liability pursuant to Section 409A of the Code. This Agreement shall be construed and interpreted consistent with that intent.

21. Interpretation. The Administrator shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Administrator under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

22. Authorization to Share Personal Data. You authorize any affiliate of the Company that employs or retains you or that otherwise has or lawfully obtains personal data relating to you to divulge or transfer such personal data to the Company or to a third party, in each case in any jurisdiction, if and to the extent appropriate in connection with this Agreement or the administration of the Plan.

23. Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or express mail, return receipt requested, postage prepaid, or by any recognized international equivalent of such delivery, to the Company or you, as the case may be, at the following addresses or to such other address as the Company or you, as the case may be, shall specify by notice to the other:

(i) if to the Company, to it at:

EMCORE Corporation  
2015 West Chestnut Street  
Alhambra, CA 91803  
Attention: Chief Financial Officer  
Fax: (626) 293-3424

(ii) if to you, to your most recent address as shown on the books and records of the Company or affiliate employing or retaining you.

All such notices and communications shall be deemed to have been received on the date of delivery if delivered personally or on the third business day after the mailing thereof.

24. Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Awards evidenced hereby, you acknowledge: (a) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (b) that the Award does not create any contractual or other right to receive future grants of Awards; (c) that participation in the Plan is voluntary; (d) that the value of the Awards is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (e) that the future value of the Common Stock is unknown and cannot be predicted with certainty.

25. Consent to Electronic Delivery. By entering into this Agreement and accepting the Award evidenced hereby, you hereby consent to the delivery of information (including, without limitation, information required to be delivered to you pursuant to applicable law) regarding the Company and its affiliates, the Plan, this Agreement and the Award via Company web site or other electronic delivery.

26. Clawback Policy. The Restricted Stock Units are subject to the terms of the Company's recoupment, clawback or similar policy as it may be in effect from time to time, as well as any similar provisions of applicable law, any of which could in certain circumstances require repayment or forfeiture of the Restricted Stock Units or any shares of Common Stock or other cash or property received with respect to the Restricted Stock Units (including any value received from a disposition of the shares acquired upon payment of the Restricted Stock Units).

27. Counterparts. This Agreement may be executed in counterparts (including electronic signatures or facsimile copies), each of which will be deemed an original, but all of which together will constitute the same instrument.

*{The Glossary follows on the next page.}*

## GLOSSARY

(a) “**Beneficial Ownership**” (including correlative terms) shall have the same meaning given such term in Rule 13d-3 promulgated under the Exchange Act.

(b) “**Cause**” means (as determined by the Administrator) (i) your willful and continued failure to perform substantially your material duties with your Employer (other than any such failure resulting from your incapacity as a result of physical or mental illness) after a written demand for substantial performance specifying the manner in which you have not performed such duties is delivered to you by the person or entity that supervises or manages you, (ii) engaging in willful and serious misconduct that is injurious to the Company or any of its Subsidiaries, (iii) one or more acts of fraud or personal dishonesty resulting in or intended to result in personal enrichment at the expense of the Company or any of its Subsidiaries, (iv) substantial abusive use of alcohol, drugs or similar substances that, in the sole judgment of the Company, impairs your job performance, (v) material violation of any Company policy that results in harm to the Company or any of its Subsidiaries or (vi) indictment for or conviction of (or plea of guilty or nolo contendere) to a felony or of any crime (whether or not a felony) involving moral turpitude. A “termination for Cause” shall include a determination by the Administrator following your termination of employment for any other reason that, prior to such termination of employment, circumstances constituting Cause existed. Notwithstanding the foregoing, if you are a party to an Employment Agreement, “Cause” shall have the meaning, if any, specified in your Employment Agreement.

(c) “**Change in Control**” means the occurrence of any of the following:

(i) an acquisition in one transaction or a series of related transactions (other than directly from the Company or pursuant to Awards granted under the Plan or other similar awards granted by the Company under predecessor equity incentive plans) of any Voting Securities by any Person, immediately after which such Person has Beneficial Ownership of fifty percent (50%) or more of the combined voting power of the Company’s then outstanding Voting Securities; provided, however, in determining whether a Change in Control has occurred hereunder, Voting Securities which are acquired in a Non-Control Acquisition shall not constitute an acquisition that would cause a Change in Control;

(ii) the individuals who, immediately prior to the effective date of the Plan, are members of the Board (the “**Incumbent Board**”), cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the election, or nomination for election, by the Company’s common stockholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, such new director shall, for purposes of the Plan, be considered as a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened “**Election Contest**” (as described in Rule 14a-11 promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a “**Proxy Contest**”) including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest; or

(iii) the consummation of:

(A) a merger, consolidation or reorganization involving the Company unless:

(1) the stockholders of the Company, immediately before such merger, consolidation or reorganization, own, directly or indirectly, immediately following such merger, consolidation or reorganization, more than fifty percent (50%) of the combined voting power of the outstanding voting securities of the corporation resulting from such merger or consolidation or reorganization (the “**Surviving Corporation**”) in substantially the same proportion as their ownership of the Voting Securities immediately before such merger, consolidation or reorganization,

(2) the individuals who were members of the Incumbent Board immediately prior to the execution of the agreement providing for such merger, consolidation or reorganization constitute at least a majority of the members of the board of directors of the Surviving Corporation, or a corporation Beneficially Owning, directly or indirectly, a majority of the voting securities of the Surviving Corporation, and

(3) no Person, other than (i) the Company, (ii) any Related Entity, (iii) any employee benefit plan (or any trust forming a part thereof) that, immediately prior to such merger, consolidation or reorganization, was maintained by the Company, the Surviving Corporation, or any Related Entity or (iv) any Person who, together with its Affiliates, immediately prior to such merger, consolidation or reorganization had Beneficial Ownership of fifty percent (50%) or more of the then outstanding Voting Securities, owns, together with its Affiliates, Beneficial Ownership of fifty percent (50%) or more of the combined voting power of the Surviving Corporation’s then outstanding voting securities (a transaction described in clauses (1) through (3) above is referred to herein as a “**Non-Control Transaction**”);

(B) a complete liquidation or dissolution of the Company; or

(C) the sale or other disposition of all or substantially all of the assets or business of the Company to any Person (other than a transfer to a Related Entity or the distribution to the Company’s stockholders of the stock of a Related Entity or any other assets).

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur solely because any Person (the “**Subject Person**”) acquired Beneficial Ownership of fifty percent (50%) or more of the combined voting power of the then outstanding Voting Securities as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Voting Securities by the Company, and (1) before such share acquisition by the Company the Subject Person becomes the Beneficial Owner of any new or additional Voting Securities in a related transaction or (2) after such share acquisition by the Company the Subject Person becomes the Beneficial Owner of any new or additional Voting Securities which in either case increases the percentage of the then outstanding Voting Securities Beneficially Owned by the Subject Person, then a Change in Control shall be deemed to occur. Solely for purposes of this Change in Control definition, (x)

“**Affiliate**” shall mean, with respect to any Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with, such Person; (y) any “**Relative**” (for this purpose, “Relative” means a spouse, child, parent, parent of spouse, sibling or grandchild) of an individual shall be deemed to be an Affiliate of such individual for this purpose; and (z) neither the Company nor any Person controlled by the Company shall be deemed to be an Affiliate of any holder of Common Stock.

(d) “**Exchange Act**” means the Securities Exchange Act of 1934 and the rules promulgated thereunder, as amended.

(e) “**Index**” means the Russell 2000 Index.

(f) “**Non-Control Acquisition**” means an acquisition by (i) an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person of which a majority of its voting power or its voting equity securities or equity interest is owned, directly or indirectly, by the Company (a “**Related Entity**”), (ii) the Company or any Related Entity, or (iii) any Person in connection with a Non-Control Transaction.

(g) “**Person**” means “person” as such term is used for purposes of Section 13(d) or 14(d) of the Exchange Act, including, without limitation, any individual, corporation, limited liability company, partnership, trust, unincorporated organization, government or any agency or political subdivision thereof, or any other entity or any group of Persons.

(h) “**Securities Act**” means the Securities Act of 1933 and the rules promulgated thereunder, as amended.

(i) “**Total Shareholder Return**” means the total shareholder return over the Performance Period for either the Company or the Index assuming that any dividends are reinvested in a company’s stock on the payment date. Except as provided in Section 2(c)(ii), (1) total shareholder return for the Company shall be calculated using (i) the average Company stock price at the close of regular trading on the principal exchange on which the stock is listed or traded for the 30-trading-day period ending with the last day on which the applicable exchange is open for trading preceding the first day of the Performance Period, and (ii) the average Company stock price at the close of regular trading on the principal exchange on which the stock is listed or traded for the 30-trading-day period ending with the last trading day of the Performance Period, and (2) total shareholder return for the Index will be measured over the same 30-trading day periods as for the Company.

(j) “**You**”; “**Your**”. You means the recipient of the Restricted Stock Units as reflected in the first paragraph of this Agreement. Whenever the word “you” or “your” is used in any provision of this Agreement under circumstances where the provision should logically be construed, as determined by the Administrator, to apply to the estate, personal representative, or beneficiary to whom the Restricted Stock Units may be transferred by will or by the laws of descent and distribution, the words “you” and “your” will be deemed to include such person.

(k) “**Voting Securities**” means all the outstanding voting securities of the Company entitled to vote generally in the election of the Board.

{The signature page follows.}



IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer as of December 21, 2019.

**EMCORE CORPORATION**

By: \_\_

Name: Ryan Hochgesang

Title: VP, General Counsel

The undersigned hereby represents that he/she has read the Prospectus and is familiar with the Plan's terms. The undersigned hereby acknowledges that he/she has carefully read this Agreement and agrees, on behalf of himself/herself and on behalf of his/her beneficiaries, estate and permitted assigns, to be bound by all of the provisions set forth herein, and that the Award and Restricted Stock Units are subject to all of the terms and provisions of this Agreement, and of the Plan under which it is granted, as the Plan and this Agreement may be amended in accordance with their respective terms. The undersigned agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator concerning any questions arising under this Agreement or the Plan with respect to the Award or Restricted Stock Units.

WITNESS

AWARD RECIPIENT

\_\_\_\_\_

Date: \_\_\_\_\_



EMCORE CORPORATION  
CERTIFICATION PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002

I, Jeffrey Rittichier, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of EMCORE Corporation ("Report");
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - d. Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:

May 5, 2022

By:

/s/ Jeffrey Rittichier

Jeffrey Rittichier  
Chief Executive Officer  
(Principal Executive Officer)

**EMCORE CORPORATION**  
**CERTIFICATION PURSUANT TO SECTION 302**  
**OF THE SARBANES-OXLEY ACT OF 2002**

I, Tom Minichiello, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of EMCORE Corporation ("Report");
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - d. Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2022

By: /s/ Tom Minichiello  
Tom Minichiello  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

**STATEMENT REQUIRED BY 18 U.S.C. §1350, AS ADOPTED  
PURSUANT TO §906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of EMCORE Corporation (the "Company") for the quarterly period ended December 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey Rittichier, Chief Executive Officer (Principal Executive Officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2022

By: /s/ Jeffrey Rittichier  
Jeffrey Rittichier  
Chief Executive Officer  
(Principal Executive Officer)

*The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filings.*

**STATEMENT REQUIRED BY 18 U.S.C. §1350, AS ADOPTED  
PURSUANT TO §906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of EMCORE Corporation (the "Company") for the quarterly period ended December 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Tom Minichiello, Chief Financial (Principal Financial and Accounting Officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2022

By: /s/ Tom Minichiello  
Tom Minichiello  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

*The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filings.*