

**CREE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(unaudited)**

<i>(in millions of U.S. Dollars, except per share data)</i>	Three months ended		Fiscal years ended	
	June 27, 2021	June 28, 2020	June 27, 2021	June 28, 2020
Revenue, net	\$145.8	\$108.4	\$525.6	\$470.7
Cost of revenue, net	102.0	79.3	361.0	312.2
Gross profit	43.8	29.1	164.6	158.5
Gross margin percentage	30 %	27 %	31 %	34 %
<b>Operating expenses:</b>				
Research and development	45.1	39.5	177.8	152.0
Sales, general and administrative	46.6	46.0	181.6	181.7
Amortization or impairment of acquisition-related intangibles	3.6	3.6	14.5	14.5
Abandonment of long-lived assets	73.9	—	73.9	—
Loss (gain) on disposal or impairment of other assets	0.8	(0.2)	1.6	1.5
Other operating expense	6.5	10.7	29.1	32.9
Operating loss	(132.7)	(70.5)	(313.9)	(224.1)
Operating loss percentage	(91)%	(65)%	(60)%	(48)%
Non-operating expense (income), net	7.4	(26.6)	26.3	(18.5)
<b>Loss before income taxes</b>	(140.1)	(43.9)	(340.2)	(205.6)
Income tax expense (benefit)	5.1	0.3	1.1	(8.0)
<b>Net loss from continuing operations</b>	(145.2)	(44.2)	(341.3)	(197.6)
Net (loss) income from discontinued operations	(2.4)	5.3	(181.2)	7.0
<b>Net loss</b>	(147.6)	(38.9)	(522.5)	(190.6)
Net income from discontinued operations attributable to noncontrolling interest	—	0.6	1.4	1.1
<b>Net loss attributable to controlling interest</b>	(\$147.6)	(\$39.5)	(\$523.9)	(\$191.7)
<b>Basic and diluted loss per share</b>				
Continuing operations	(\$1.26)	(\$0.41)	(\$3.04)	(\$1.83)
Net loss attributable to controlling interest	(\$1.28)	(\$0.36)	(\$4.66)	(\$1.78)
Weighted average shares - basic and diluted (in thousands)	115,616	108,585	112,346	107,935