



# ***axcelis***

## **Q4 2025 EARNINGS PRESENTATION**

FEBRUARY 17, 2026

*\* Update to footnote on slide 15 made on February 19, 2026*



# SAFE HARBOR STATEMENT

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This presentation contains, and the conference call will contain, forward-looking statements under the Private Securities Litigation Reform Act safe harbor provisions. These statements, which include our expectations for spending in our industry and guidance for future financial performance, are based on management's current expectations and should be viewed with caution. They are subject to various risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, many of which are outside the control of the Company, including that customer decisions to place orders or our product shipments may not occur when we expect, that orders may not be converted to revenue in any particular quarter, or at all, whether demand will continue for the semiconductor equipment we produce or, if not, whether we can successfully meet changing market requirements, and whether we will be able to maintain continuity of business relationships with and purchases by major customers and, with respect to the potential transaction with Veeco, failure to obtain applicable regulatory approvals in a timely manner or otherwise; failure to satisfy other closing conditions to the proposed transaction or to complete the proposed transaction on anticipated terms and timing; negative effects of the announcement of the proposed transaction; risks that the businesses will not be integrated successfully or that the combined company will not realize expected benefits, cost savings, accretion, synergies and/or growth, or that such benefits may take longer to realize or may be more costly to achieve than expected; the risk that disruptions from the proposed transaction will harm business plans and operations; risks relating to unanticipated costs of integration; significant transaction and/or integration costs, or difficulties in connection with the proposed transaction and/or unknown or inestimable liabilities; restrictions during the pendency of the proposed transaction that may impact the ability to pursue certain business opportunities or strategic transactions; potential litigation associated with the proposed transaction; the potential impact of the announcement or consummation of the proposed transaction on the Company's, Veeco's or the combined company's relationships with suppliers, customers, employees and regulators; and demand for the combined company's products. Actual results may differ materially from those projected in such statements due to various factors, including but not limited to: economic, political and social conditions in the countries in which the Company and Veeco, their respective customers and suppliers operate; disruption to the Company's and Veeco's respective manufacturing facilities or other operations, or the operations of Company's and Veeco's respective customers and suppliers, due to natural catastrophic events, health epidemics or terrorism; ongoing changes in the technology industry, and the semiconductor industry in particular, including future growth rates, pricing trends in end-markets, or changes in customer capital spending patterns; the Company's, Veeco's and the combined company's ability to timely develop new technologies and products that successfully anticipate or address changes in the semiconductor industry; the Company's, Veeco's and the combined company's ability to maintain their respective technology advantage and protect their respective proprietary rights; the Company's, Veeco's and the combined company's ability to compete with new products introduced by their respective competitors; the Company's, Veeco's and the combined company's ability or the ability of their respective customers to obtain U.S. export control licenses for the sale of certain products or provision of certain services to customers in China. Increased competitive pressure on sales and pricing, increases in material and other production costs that cannot be recouped in product pricing and instability caused by changing global economic, political or financial conditions, including with respect to the imposition of tariffs on our products or components of our products, could also cause actual results to differ materially from those in our forward-looking statements. These risks and other risk factors relating to Axcelis are described more fully in the most recent Form 10-K filed by Axcelis and in other documents filed from time to time with the Securities and Exchange Commission.



# USE OF NON-GAAP MEASURES

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This presentation includes financial measures that are not presented in accordance with U.S. generally accepted accounting principles (“Non-GAAP financial measures”). These Non-GAAP financial measures include non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP operating margin, non-GAAP income tax provision, Adjusted EBITDA, non-GAAP net income, and non-GAAP diluted earnings per share, and reflect adjustments for the impact of share-based compensation expense and certain items related to restructuring and severance charges and any associated adjustments.

Reconciliations of these Non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are provided in the financial tables included in this presentation.

For further information regarding these Non-GAAP financial measures, please refer to the tables presenting reconciliations of our Non-GAAP results to our GAAP results at the end of this presentation.

# Q4 2025 HIGHLIGHTS



REVENUE

**\$238M**



GAAP DILUTED EPS

**\$1.10**



NON-GAAP DILUTED EPS\*

**\$1.49**

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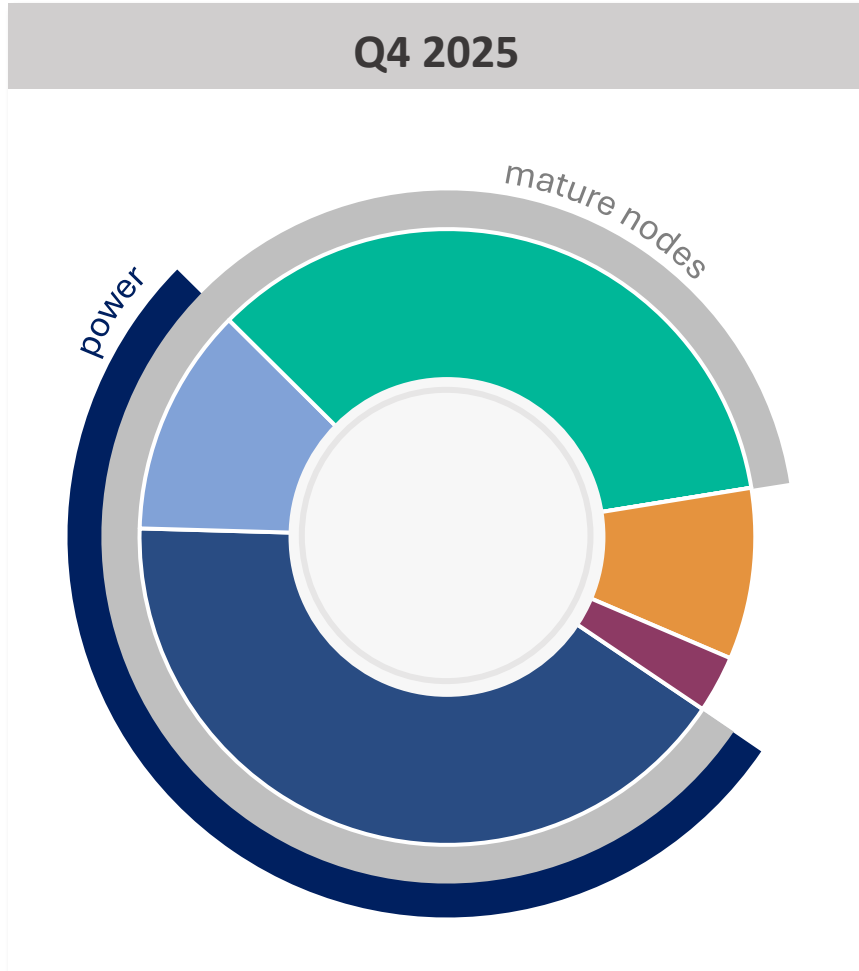
Stronger than expected CS&I revenue – another record quarter

Robust Gross Margins due to favorable mix

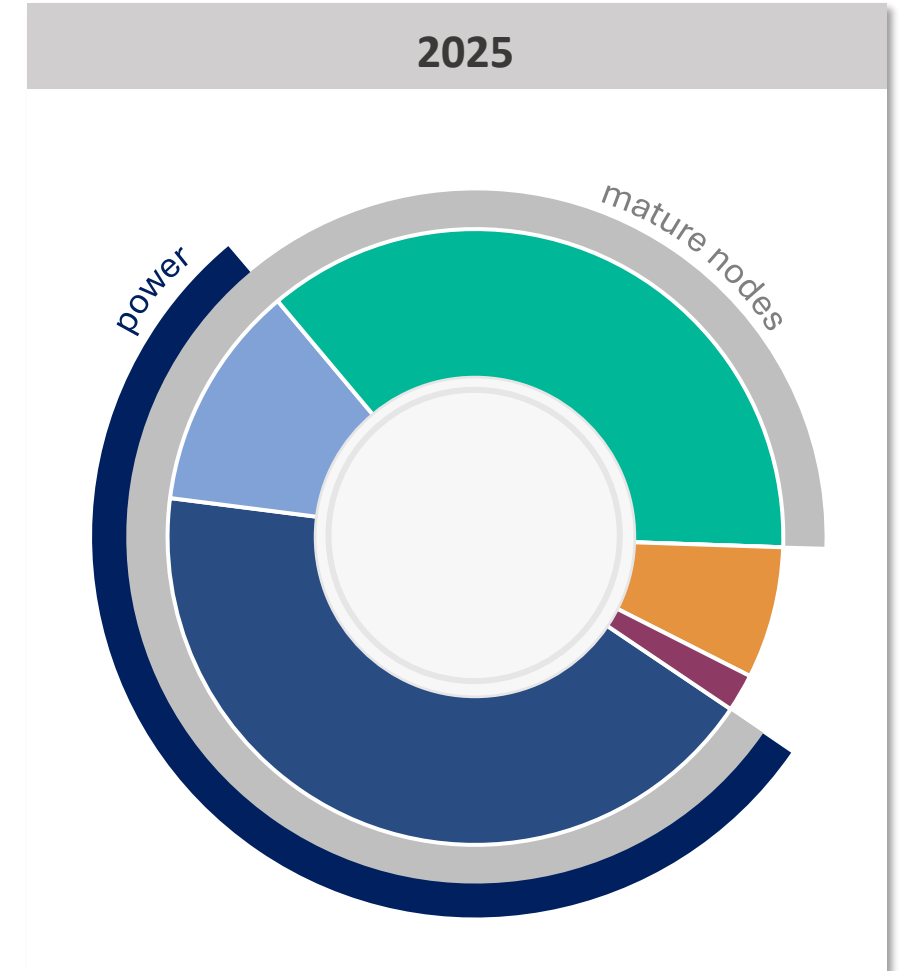
Bookings improved significantly on a sequential basis

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# SHIPPED SYSTEMS REVENUE BY SEGMENT: Q4 & FULL YEAR 2025



Q4'25	SEGMENT	2025
41%	SILICON CARBIDE (SiC)	43%
12%	OTHER POWER <sup>2</sup>	12%
35%	GENERAL MATURE <sup>1</sup>	37%
9%	MEMORY	7%
3%	ADVANCED LOGIC	2%



<sup>1</sup> Starting with Q1 2025 results, shipped system revenue from Image Sensor applications is included in the General Mature category.

<sup>2</sup> Starting with Q2 2025 results, the category previously labeled as "IGBT" is now labeled "Other Power" to reflect IGBT and the broader set of applications in Power.

Note: Figures may not sum due to rounding.

# MATURE PROCESS TECHNOLOGY

88% OF TOTAL SHIPPED SYSTEM REVENUE IN Q4 2025

## POWER

**53% OF TOTAL SHIPPED SYSTEM REVENUE IN Q4 2025**

- Customers taking disciplined approach to capacity investments, given significant build out over the past several years.
- One customer made sizeable upgrade of SiC tools from 150mm to 200mm, while using our recently introduced Purion Power Series+ platform.
- Select customers in China continue to build out SiC device capacity and capabilities, while customers in other regions are focused on next gen technology investments.
- Growing interest in proprietary High Energy channeling capabilities for deep implants such as SiC superjunction development.

## GENERAL MATURE<sup>1</sup>

**35% OF TOTAL SHIPPED SYSTEM REVENUE IN Q4 2025**

- Sequential improvement in revenue, led by demand for High Current tools.
- Customers managing capacity investments amidst stabilizing Auto and Industrial demand.
- Continued improvement in implant tool utilization rates across multiple customers.

# ADVANCED LOGIC & MEMORY TECHNOLOGY

## ADVANCED LOGIC

### 3% OF TOTAL SHIPPED SYSTEM REVENUE IN Q4 2025

- Generated revenue from a follow-on order from an existing customer.
- Continue to work closely with customers on next generation technology needs, including implant for backside power contacts, as well as other material modification implant applications.

## MEMORY

### 9% OF TOTAL SHIPPED SYSTEM REVENUE IN Q4 2025

- Growing implant demand for DRAM and HBM applications in Q4 - momentum expected to continue 2026.
- Received order for High Current system from leading North American memory manufacturer – an important customer win which expands footprint outside of Korea.
- NAND customers continue prioritizing layer count scaling rather than incremental wafer capacity additions - limiting near-term implant demand.
- NAND demand and pricing trends encouraging and Axcelis well positioned once customers resume wafer capacity additions.



# 2025 HIGHLIGHTS

REVENUE

**\$839M**

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GAAP DILUTED EPS

**\$3.80**

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NON-GAAP DILUTED EPS\*

**\$4.88**

- Cyclical Digestion in Power and General Mature, Recovery In Memory
- Focused Aggressively on Product Development and Customer Engagement
- Record CS&I Revenue (+14% Y/Y), Led By Growing Installed Base and Focus On Upgrades and Services
- Y/Y Non-GAAP Gross Margin Expansion of ~30 basis points, Due to Favorable Mix and Continued Cost Control

# INITIAL PERSPECTIVES ON 2026



## MEMORY

Anticipated Y/Y Growth in Memory driven by DRAM/HBM investments expected to meet accelerating AI-driven demand

Long term DRAM and NAND bit demand growth expected to drive implant investments



## POWER & GENERAL MATURE

Slight Y/Y decline in Power and General Mature revenue anticipated as customers manage capacity

Electrification, efficient power delivery and Physical AI expected to be key long term market drivers



## ADVANCED LOGIC

Revenue expected to be relatively similar to 2025 levels. Engaging with customers on next gen logic architectures

Making progress in long term strategy to penetrate this market

**ANTICIPATE OVERALL 2026 REVENUE TO BE RELATIVELY FLAT WITH 2025 LEVELS**

# Q4 2025 & FULL YEAR REVENUE DETAIL

(in millions)	Q4 2025	Q3 2025	Q4 2024	2025	2024
Systems Revenue	\$156.5	\$143.7	\$187.4	\$571.0	\$782.6
CS&I Revenue	\$81.9	\$69.9	\$65.0	\$268.0	\$235.3
Total Revenue	\$238.3	\$213.6	\$252.4	\$839.0	\$1,017.9
Systems Bookings	\$127.6	\$52.2	\$84.5	\$385.9	\$381.1
Systems Backlog	\$457.0	\$484.5	\$645.8	\$457.0	\$645.8
	Q4 2025	Q3 2025	Q4 2024	2025	2024
	Geographic Breakdown (% of Total Revenue)				
China	32%	46%	46%	42%	52%
US	14%	14%	12%	16%	14%
South Korea	13%	10%	12%	13%	9%
Europe	15%	11%	11%	11%	9%
Taiwan	3%	7%	10%	5%	6%
Japan	9%	7%	0%	5%	2%
Rest of World	13%	5%	8%	7%	8%

Note: Figures may not sum due to rounding.

# Q4 2025 & FULL YEAR SELECT GAAP & NON-GAAP FINANCIAL MEASURES

In million, expect per share amounts	Q4 2025	Q4 2024	2025	2024
Revenue	\$238.3	\$252.4	\$839.0	\$1,017.9
Select GAAP Financial Measures				
<i>Gross Margin</i>	47.0%	46.0%	44.9%	44.7%
Operating Expenses	\$75.8	\$61.7	\$257.5	\$243.9
Operating Income	\$36.2	\$54.5	\$119.3	\$210.8
<i>Operating Margin</i>	15.2%	21.6%	14.2%	20.7%
Net Income	\$34.3	\$50.0	\$120.2	\$201.0
Diluted Shares Outstanding	31.1	32.5	31.7	32.7
Diluted Earnings Per Share	\$1.10	\$1.54	\$3.80	\$6.15
Select Non-GAAP Financial Measures*				
<i>Non-GAAP Gross Margin</i>	47.3%	46.3%	45.2%	44.9%
Non-GAAP Operating Expenses	\$62.5	\$55.8	\$220.1	\$220.0
Non-GAAP Operating Income	\$50.2	\$61.0	\$159.1	\$237.3
<i>Non-GAAP Operating Margin</i>	21.1%	24.2%	19.0%	23.3%
Non-GAAP Net Income	\$46.4	\$55.5	\$154.5	\$223.8
Non-GAAP Diluted Earnings Per Share	\$1.49	\$1.71	\$4.88	\$6.84
Adjusted EBITDA	\$54.7	\$65.3	\$176.7	\$253.1
<i>Adjusted EBITDA Margin</i>	22.9%	25.9%	21.1%	24.9%

# Q4 2025 & FULL YEAR SELECT CASH FLOW AND BALANCE SHEET RESULTS

In millions	Q4 2025	Q3 2025	Q4 2024	2025	2024
Cash, Cash Equivalents & Marketable Securities <sup>1</sup>	\$556.6	\$592.8	\$571.3	\$556.6	\$571.3
Cash From Operations	(\$6.6)	\$45.3	\$12.8	\$118.3	\$140.8
Capital Expenditures	\$2.3	\$2.0	\$4.7	\$11.3	\$12.2
Free Cash Flow	(\$8.9) <sup>2</sup>	\$43.3	\$8.1	\$107.0	\$128.6
Share Repurchase	\$25.2	\$32.3	\$15.1	\$121.1	\$60.5

<sup>1</sup> Marketable securities includes both Short-Term Investments and Long-Term Investments.

<sup>2</sup> Q4 2025 Free Cash Flow includes an estimated \$5 million impact from cash transaction expenses associated with the pending Veeco merger.

# OUTLOOK

	Q1 2026
Revenue	~\$195M
Non-GAAP Gross Margin*	~41.0%
Non-GAAP Operating Expenses*	~\$59M
Adjusted EBITDA*	~\$26.0
Non-GAAP Diluted Earnings Per Share*	~\$0.71

## FULL YEAR COMMENTARY

- 2026 Revenue expected to be **relatively flat** compared to 2025 levels, weighted to 2H 2026.
- 2026 Non-GAAP Gross Margin expected to be in the **low to mid 40s%** range.
  - Y/Y decline is primarily due to higher mix of Memory, and to a lesser extent, modest Y/Y impact from tariffs of less than 100 basis points
- Non-GAAP Operating Expenses for the balance of the year expected to be **consistent with anticipated Q1 2026 levels**.
- Expected 2026 Tax Rate of **~15%**.

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**APPENDIX**



# APPENDIX: GAAP TO NON-GAAP RECONCILIATION

	Q4'25	Q4'24	FY25	FY24
<b>Revenue</b>	\$ 238,330	\$ 252,417	\$ 839,048	\$ 1,017,865
<b>Gross Profit</b>	\$ 111,932	116,223	\$ 376,848	454,654
Restructuring <sup>1</sup>	293	256	519	1,132
Stock-based compensation	443	399	1,864	1,505
<b>Non-GAAP Gross Profit</b>	\$ 112,668	\$ 116,878	\$ 379,231	\$ 457,291
<b>Non-GAAP Gross Margin</b>	47.3%	46.3%	45.2%	44.9%
<b>Operating Expense</b>	\$ 75,760	\$ 61,692	\$ 257,533	\$ 243,860
Transaction and Integration	(7,541)	-	(16,296)	-
Bad debt expense	-	(3)	-	(2,987)
Restructuring <sup>1</sup>	(1,078)	(862)	(2,208)	(1,414)
Stock-based compensation	(4,662)	(4,981)	(18,909)	(19,446)
<b>Non-GAAP Operating Expense</b>	\$ 62,479	\$ 55,846	\$ 220,120	\$ 220,013
<b>Operating Income</b>	\$ 36,172	\$ 54,351	\$ 119,315	\$ 210,794
Transaction and Integration <sup>2</sup>	7,541	-	16,296	-
Bad debt expense	-	3	-	2,987
Restructuring <sup>1</sup>	1,371	1,118	2,727	2,546
Stock-based compensation	5,105	5,380	20,773	20,951
<b>Non-GAAP Operating Income</b>	\$ 50,189	\$ 61,032	\$ 159,111	\$ 237,278
<b>Non-GAAP Operating Margin</b>	21.1%	24.2%	19.0%	23.3%
<b>Income tax provision</b>	\$ 5,721	\$ 8,689	\$ 18,011	\$ 29,282
Tax impact of non-GAAP adjustments <sup>3</sup>	1,962	910	5,571	3,708
<b>Non-GAAP Income tax provision</b>	\$ 7,683	\$ 9,599	\$ 23,582	\$ 32,990
<b>Net Income</b>	\$ 34,297	\$ 49,956	\$ 120,238	\$ 200,992
Transaction and Integration <sup>2</sup>	7,541	-	16,296	-
Bad debt expense	-	3	-	2,987
Restructuring <sup>1</sup>	1,371	1,118	2,727	2,547
Stock-based compensation	5,105	5,380	20,773	20,951
Tax impact of non-GAAP adjustments <sup>3</sup>	(1,962)	(910)	(5,571)	(3,708)
<b>Non-GAAP Net Income</b>	\$ 46,352	\$ 55,547	\$ 154,463	\$ 223,769
<b>Diluted earnings per share</b>	\$ 1.10	\$ 1.54	\$ 3.80	\$ 6.15
Transaction and Integration <sup>2</sup>	0.24	-	0.51	-
Bad debt expense	-	-	-	0.09
Restructuring <sup>1</sup>	0.05	0.03	0.09	0.07
Stock-based compensation	0.16	0.17	0.66	0.64
Tax impact of non-GAAP adjustments <sup>3</sup>	(0.06)	(0.03)	(0.18)	(0.11)
<b>Non-GAAP diluted earnings per share</b>	\$ 1.49	\$ 1.71	\$ 4.88	\$ 6.84
<b>Basic Share O/S</b>	30,925	32,424	31,574	32,552
<b>Diluted Shares O/S</b>	31,123	32,514	31,668	32,704

Adjusted EBITDA Reconciliation	Q4'25	Q4'24	FY25	FY24
Net income	\$ 34,297	\$ 49,956	\$ 120,238	\$ 200,992
Other (income)/expense	(3,846)	(4,114)	(18,934)	(19,480)
Income tax provision	5,721	8,689	18,011	29,282
Depreciation & amortization	4,461	4,267	17,613	15,809
<b>Subtotal</b>	\$ 40,633	\$ 58,798	\$ 136,928	\$ 226,603
Transaction and Integration <sup>2</sup>	7,541	-	16,296	-
Bad debt expense	-	3	-	2,987
Restructuring <sup>1</sup>	1,371	1,118	2,727	2,547
Stock-based compensation	5,105	5,380	20,773	20,951
<b>Adjusted EBITDA</b>	\$ 54,650	\$ 65,299	\$ 176,724	\$ 253,088
<b>Adjusted EBITDA Margin</b>	22.9%	25.9%	21.1%	24.9%

## Footnotes:

<sup>1</sup>Restructuring and other costs primarily related to early retirement programs and severance costs, due to global cost-saving initiatives.

<sup>2</sup>Transaction and Integration costs include expenses associated with the merger agreement with Veeco Instruments, announced on October 1, 2025.

Note: Full year 2025 transaction and integration costs include an estimated \$481k in expenses in the first quarter of 2025, which was not reflected as a GAAP to Non-GAAP reconciliation line item when the Company reported first quarter 2025 results, given that this occurred prior to transaction announcement on October 1, 2025.

<sup>3</sup>Impact of taxes from Non-GAAP adjustments, uses adjusted tax rate of 14%.

Note: Figures may not sum due to rounding.

# APPENDIX: Q1 2026 OUTLOOK

## GAAP TO NON-GAAP RECONCILIATION

	Q1 2026 Outlook
Revenue	\$195
<b>GAAP Gross Margin</b>	<b>41.1%</b>
Restructuring	-
Stock-based compensation	0.2%
<b>Non-GAAP Gross Margin</b>	<b>41.0%</b>
<b>GAAP Operating Expense</b>	<b>\$71</b>
Transaction and Integration <sup>1</sup>	(\$7)
Restructuring	-
Stock Comp	(\$5)
<b>Non-GAAP Operating Expense</b>	<b>\$59</b>
<b>GAAP Diluted earnings per share</b>	<b>\$0.38</b>
Transaction and Integration <sup>1</sup>	\$0.22
Restructuring	-
Stock-based compensation	\$0.16
Tax impact of non-GAAP adjustments <sup>2</sup>	(\$0.05)
<b>Non-GAAP Diluted earnings per share</b>	<b>\$0.71</b>

Adjusted EBITDA Reconciliation	Q1 2026 Outlook
Net Income	\$12
Other (Income)/Expense	(\$4)
Income tax provision	\$2
Depreciation & Amortization	\$5
<b>Subtotal</b>	<b>\$15</b>
Transaction and Integration <sup>1</sup>	\$7
Restructuring	-
Stock-based compensation	\$5
<b>Adjusted EBITDA</b>	<b>\$26</b>

Footnotes:

<sup>1</sup>Transaction and Integration costs include expenses associated with the merger agreement with Veeco Instruments, announced on October 1, 2025.

<sup>2</sup>Impact of taxes from Non-GAAP adjustments, uses adjusted tax rate of 14%.

Note: Figures may not sum due to rounding; Dollar amounts in millions, except per share figures.