



axcelis

Q3 2024 EARNINGS PRESENTATION

NOVEMBER 7, 2024

SAFE HARBOR STATEMENT

This presentation and discussion contain forward-looking statements, including our expectations for the future market for our products, revenues, profits, and other results that are forward-looking statements under the SEC's safe harbor provision. These forward-looking statements are based on management's current expectations and are subject to the risks inherent in our business. These risks are described in detail in our Form 10-K annual report and other SEC filings. Our actual events and results may differ materially from our current expectations. We do not assume any obligation to update these forward-looking statements.

Q3 SUMMARY



REVENUE

\$257M



DILUTED EPS

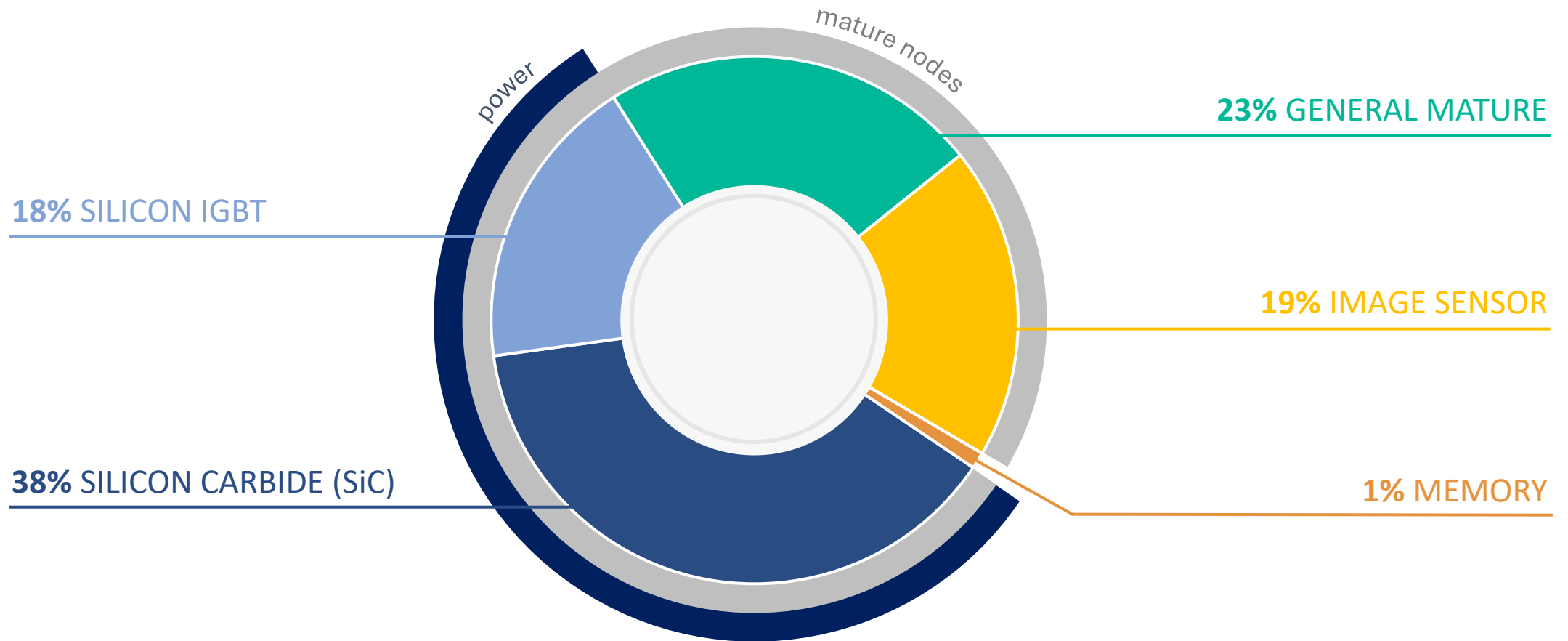
\$1.49

Strong sequential growth in Image Sensors, offset by decline in Power and General Mature

Softer bookings as some customers digest investments in mature node capacity

Favorable EPS impact from FX gains and better than expected tax rate

Q3 SHIPPED SYSTEMS REVENUE BY SEGMENT



MATURE PROCESS TECHNOLOGY NODES

SHIPPED SYSTEM REVENUE IN Q3 2024

POWER

57% OF TOTAL SHIPPED SYSTEM REVENUE

- Revenue from Silicon Carbide (SiC) moderated on Q/Q basis, but to remain relatively consistent in Q4 2024
- Actively engaged with SiC customers in their transitions from 150mm to 200mm wafers
- Axcelis' High Energy tools well positioned for transitions from planar to trench MOSFETS
- Received first PO for Purion VXE used in critical Si IGBT backside proton implant

GENERAL MATURE

23% OF TOTAL SHIPPED SYSTEM REVENUE

- Revenue moderated on a Q/Q basis, consistent with expectations
- Monitoring key end markets which include Auto, Industrial, and Consumer

IMAGE SENSOR

19% OF TOTAL SHIPPED SYSTEM REVENUE

- Strong demand from China, particularly for smartphone applications
- Expect Image Sensor revenue to normalize back down to prior levels in Q4

ADVANCED LOGIC & MEMORY TECHNOLOGY

ADVANCED LOGIC

NO SHIPPED SYSTEM REVENUE IN Q3 2024

- Making progress with evaluation systems, including our Purion Dragon™ tool at an advanced research institution in Europe
- Encouraged with market acceptance and customer interest thus far

MEMORY

1% OF SHIPPED SYSTEM REVENUE IN Q3 2024

- Shipped a system in Q3 for DRAM, with additional revenue expected in Q4
- Growing HBM demand taking up DRAM capacity
- DRAM investments to outpace NAND in the near term

SUMMARY THOUGHTS

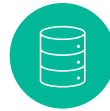
NEAR TERM DIGESTION OF CAPACITY: 1H 2025 REVENUE EXPECTED TO BE LOWER THAN 2H 2024



LONG TERM GROWTH OPPORTUNITIES REMAIN ENTIRELY INTACT



**SECULAR GROWTH
IN POWER –
PARTICULARLY
SILICON CARBIDE (SiC)**



**MARKET RECOVERY
IN MEMORY &
GENERAL MATURE**



**SHARE GAIN IN
ADVANCED LOGIC**



**GEOGRAPHIC
EXPANSION TO
JAPAN**

Q3 REVENUE DETAIL

(in millions)	Q3 2023	Q2 2024	Q3 2024
Systems Revenue	\$231.4	\$198.6	\$201.1
CS&I Revenue	\$60.9	\$57.9	\$55.5
Total Revenue	\$292.3	\$256.5	\$256.6

Geographic Breakdown (% of Systems Revenue)

China	35%	55%	71%
US	19%	11%	10%
Korea	12%	9%	1%
Europe	19%	8%	7%
Taiwan	4%	6%	5%
Japan	3%	0%	0%
Rest of World	8%	11%	6%

Revenue from China expected to decline sequentially in Q4 2024, and in 1H 2025 compared to 2H 2024, as customers digest the buildout of mature node capacity over the past few years

BOOKINGS AND BACKLOG

- Identified error in calculation of backlog dating back since 2019
- Corrected historical backlog can be found on slide 13
- Do not anticipate any correction to any other previously reported financial information

(in millions)	Q3 2023	Q2 2024	Q3 2024
Systems Bookings	\$198	\$105	\$84
Systems Backlog	\$1,065	\$879	\$758

Q3 ADDITIONAL FINANCIAL DETAIL

Select Income Statement information (in millions)	Q3 2023	Q2 2024	Q3 2024
Revenue	\$292.3	\$256.5	\$256.6
<i>Gross Margin</i>	44.4%	43.8%	42.9%
Operating Expenses	\$58.0	\$59.6	\$63.1
Operating Income	\$71.7	\$52.8	\$46.9
<i>Operating Margin %</i>	24.5%	20.6%	18.3%
Other Income / (Expense)	\$2.0	\$4.5	\$8.5
Pretax Income	\$73.7	\$57.3	\$55.4
Taxes	\$7.7	\$6.4	\$6.8
Net Income	\$65.9	\$50.9	\$48.6
Diluted Shares Outstanding	33.2	32.8	32.7
Diluted Earnings Per Share	\$1.99	\$1.55	\$1.49

Select Balance Sheet & Cash Flow Information (in millions)	Q3 2023	Q2 2024	Q3 2024
Cash, Cash Equivalents & Short-Term Investments	\$461.0	\$548.3	\$579.4
Cash From Operations	\$24.0	\$40.1	\$45.7
Capital Expenditures	\$5.3	\$2.0	\$3.9
Free Cash Flow	\$18.7	\$38.1	\$41.8
Share Repurchase	\$12.5	\$15.0	\$15.0

OUTLOOK

	Q4 2024
Revenue	~\$245M
Gross Margin	~42.5%
Operating Expenses	~\$60M
Tax Rate	~15%
Diluted Earnings Per Share	~\$1.25

APPENDIX



CORRECTED HISTORICAL BACKLOG (2019 - Q2 2024)

	As of December 31,					March 31,	June 30,
(in millions)	2019	2020	2021	2022	2023	2024	2024
Corrected Backlog	\$84	\$111	\$415	\$1,020	\$1,061	\$973	\$879
Previously Reported Backlog	\$99	\$116	\$461	\$1,125	\$1,212	\$1,121	\$994
<i>Variance</i>	\$(15)	\$(5)	\$(46)	\$(105)	\$(151)	\$(148)	\$(115)