



axcelis

Q4 2024 EARNINGS PRESENTATION

FEBRUARY 11, 2025

SAFE HARBOR STATEMENT

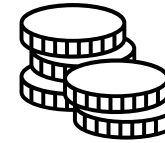
This presentation and discussion contain forward-looking statements, including our expectations for the future market for our products, revenues, profits, and other results that are forward-looking statements under the SEC's safe harbor provision. These forward-looking statements are based on management's 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.

Q4 HIGHLIGHTS



REVENUE

\$252M



DILUTED EPS

\$1.54

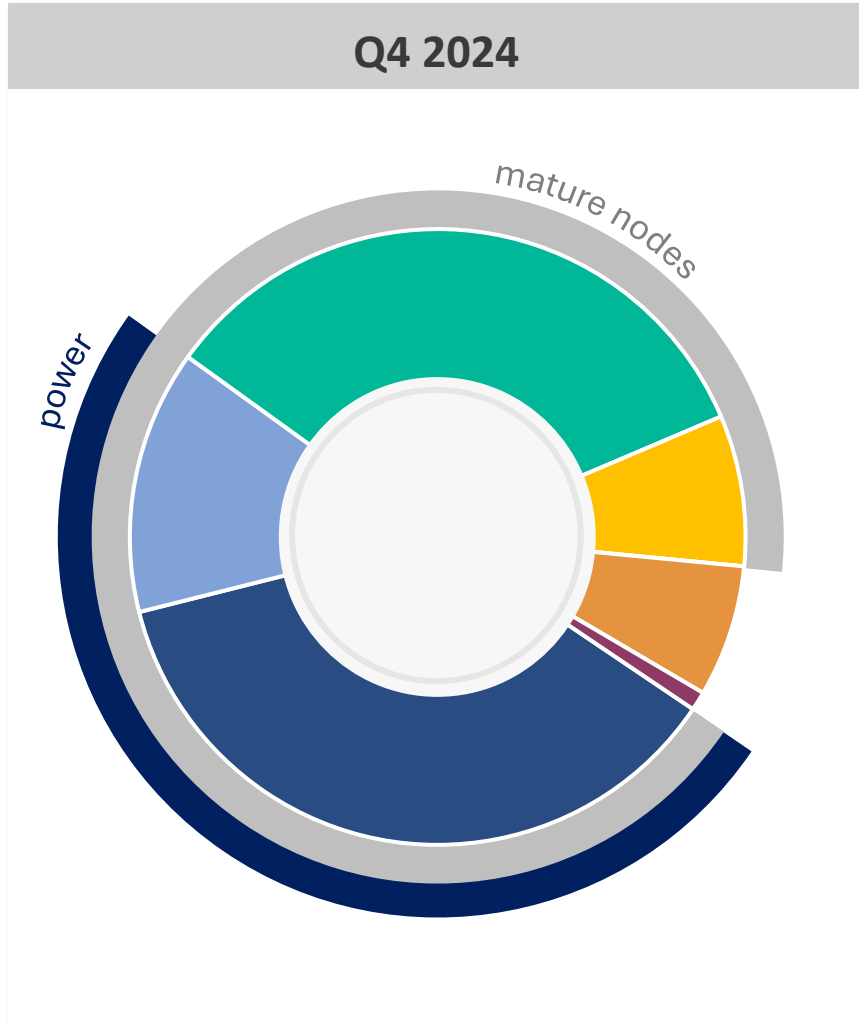
Strong demand for aftermarket CS&I sales

Sequential decline in Power and Image Sensor, offset by an improvement in General Mature and Memory

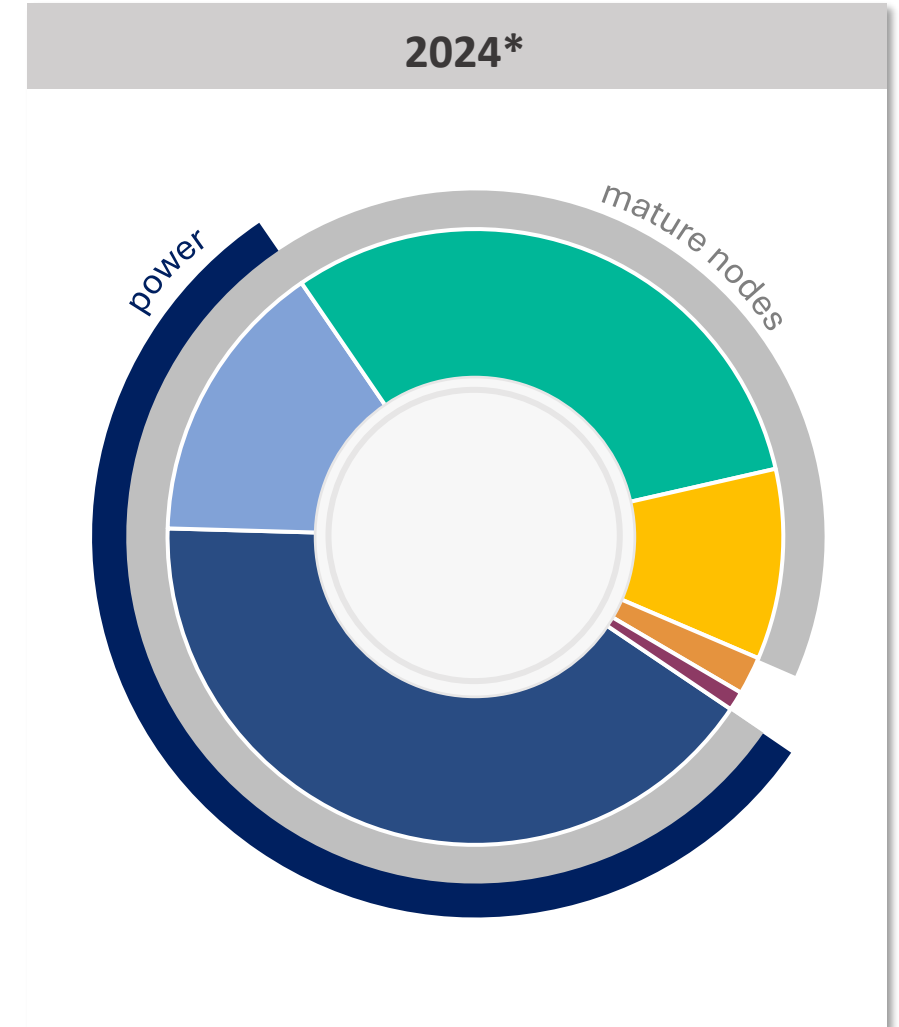
CS&I sales the primary driver behind better-than-expected margins and EPS

Bookings stabilized, and flat on a sequential basis

SHIPPED SYSTEMS REVENUE BY SEGMENT: Q4 & FULL YEAR 2024



| Q4'24 | SEGMENT | 2024* |
|-------|-----------------------|-------|
| 36% | SILICON CARBIDE (SiC) | 41% |
| 14% | SILICON IGBT | 15% |
| 34% | GENERAL MATURE | 31% |
| 8% | IMAGE SENSOR | 10% |
| 7% | MEMORY | 2% |
| 1% | ADVANCED LOGIC | 1% |



* Includes a reclassification of 1 System in Q1 2024 from General Mature to Image Sensor

MATURE PROCESS TECHNOLOGY NODES

SHIPPED SYSTEM REVENUE IN Q4 2024

POWER

51% OF TOTAL SHIPPED SYSTEM REVENUE

- Revenue from Silicon Carbide (SiC) moderated slightly on Q/Q basis, and expected to decline further on Q/Q basis in first quarter
- Deeply embedded with Silicon Carbide customers in:
 - Transition from 150 mm to 200 mm wafers
 - Transition from planar to trench MOSFETs
 - Transition from trench to superjunction
- Revenue from Silicon IGBT was muted in fourth quarter, and expected to continue to soften in 2025

GENERAL MATURE

34% OF TOTAL SHIPPED SYSTEM REVENUE

- Revenue improved in the fourth quarter, led by investments in China
- Outside of China, demand remained muted
- Anticipate sequential decline in first quarter, due to slower than expected recovery in Auto and Industrial markets, combined with digestion of mature node capacity in China

IMAGE SENSOR

8% OF TOTAL SHIPPED SYSTEM REVENUE

- Revenue moderated, following large customer order in China in third quarter
- Image Sensor to continue to rely on smartphone volumes, and also to a lesser extent on auto – given increased camera content
- Anticipate Image Sensor to be flattish on a sequential basis

ADVANCED LOGIC & MEMORY TECHNOLOGY

ADVANCED LOGIC

1% OF SHIPPED SYSTEM REVENUE IN Q4 2024

- Shipped system to a new customer, following previously announced order received in the second quarter
- In discussions for a follow-on order with this customer
- Actively engaged with customers as well as leading European Advanced Logic research center in understanding next generation Advanced Logic applications for Ion Implantation

MEMORY

7% OF SHIPPED SYSTEM REVENUE IN Q4 2024

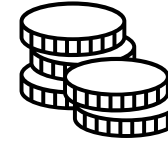
- Sequential improvement in sales – specifically for DRAM
- Expect sales to DRAM to be relatively consistent with fourth quarter
- Customers appear to have ample capacity in NAND and expect this to remain the case through 2025

2024 HIGHLIGHTS



REVENUE

\$1,018M



DILUTED EPS

\$6.15

Growth in Silicon Carbide offset by cyclical decline in Si IGBT

Prolonged Industry Softness in Memory market

Y/Y Gross Margin Expansion of more than 100 basis points, despite revenue decline

INITIAL PERSPECTIVES ON 2025

- > Anticipate overall revenue in 2025 to decline
- > Digestion of Power and General Mature capacity – primarily in China
- > Year-over-year growth in memory – led by DRAM
- > Modest revenue from initiatives in Advanced Logic – multi-year effort



LONG TERM GROWTH OPPORTUNITIES REMAIN INTACT



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



**MARKET RECOVERY IN
MEMORY & GENERAL
MATURE**



**SHARE GAIN IN
ADVANCED LOGIC**



**GEOGRAPHIC
EXPANSION TO JAPAN**

PROUD OF OUR CUSTOMER RECOGNITION IN 2024



Excellent Supplier Award



Best Supplier Award



Best Service Award



Golden Service Award



Best Service Team



Supplier Excellence Award



Excellent Service Team



Service Support Award



Appreciation Achievement Award



Outstanding Supplier Award



SUPEX Award



LEAN Product Support Award



2024 Best Service Award



2024 Best Service Award



CSO Safety and Health Award



Best Service Award



Best Service Award
HH Fab9



Outstanding Contribution Award



Excellent Vendor Award



Excellent Vendor Award



Excellent Service Award



Best Service Award

Q4 REVENUE DETAIL

| (in millions) | Q4 2023 | Q3 2024 | Q4 2024 | 2023 | 2024 |
|-----------------|---------|---------|---------|---------|-----------|
| Systems Revenue | \$241.8 | \$201.1 | \$187.4 | \$883.6 | \$782.6 |
| CS&I Revenue | \$68.5 | \$55.5 | \$65.0 | \$247.0 | \$235.3 |
| Total Revenue | \$310.3 | \$256.6 | \$252.4 | 1,130.6 | \$1,017.9 |

| | | | | | |
|------------------|-----------|---------|---------|-----------|---------|
| Systems Bookings | \$235.5 | \$84.5 | \$84.5 | \$924.6 | \$381.1 |
| Systems Backlog | \$1,061.2 | \$758.2 | \$645.8 | \$1,061.2 | \$645.8 |

| Geographic Breakdown (% of Systems Revenue) | | | | | |
|---|-----|-----|-----|-----|-----|
| China | 49% | 71% | 49% | 46% | 59% |
| US | 11% | 10% | 11% | 15% | 12% |
| Korea | 18% | 1% | 11% | 14% | 6% |
| Europe | 12% | 7% | 9% | 11% | 7% |
| Taiwan | 0% | 5% | 11% | 2% | 6% |
| Japan | 5% | 0% | 0% | 3% | 2% |
| Rest of World | 5% | 6% | 9% | 9% | 9% |

Q4 & FULL YEAR ADDITIONAL FINANCIAL DETAIL

| Select Income Statement information (in millions) | Q4 2023 | Q3 2024 | Q4 2024 | 2023 | 2024 |
|---|---------|---------|---------|-----------|-----------|
| Revenue | \$310.3 | \$256.6 | \$252.4 | \$1,130.6 | \$1,017.9 |
| <i>Gross Margin</i> | 44.4% | 42.9% | 46.0% | 43.5% | 44.7% |
| Operating Expenses | \$58.8 | \$63.1 | \$61.7 | \$225.5 | \$243.9 |
| Operating Income | \$79.1 | \$46.9 | \$54.5 | \$265.8 | \$210.8 |
| <i>Operating Margin %</i> | 25.5% | 18.3% | 21.6% | 23.5% | 20.7% |
| Other Income / (Expense) | \$8.4 | \$8.5 | \$4.1 | \$12.8 | \$19.5 |
| Pretax Income | \$87.4 | \$55.4 | \$58.6 | \$278.6 | \$230.3 |
| Taxes | \$16.3 | \$6.8 | \$8.7 | \$32.3 | \$29.3 |
| Net Income | \$71.1 | \$48.6 | \$50.0 | \$246.3 | \$201.0 |
| Diluted Shares Outstanding | 33.0 | 32.7 | 32.5 | 33.2 | 32.7 |
| Diluted Earnings Per Share | \$2.15 | \$1.49 | \$1.54 | \$7.43 | \$6.15 |

CASH FLOW AND BALANCE SHEET

| Select Balance Sheet & Cash Flow Information (in millions) | Q4 2023 | Q3 2024 | Q4 2024 | 2023 | 2024 |
|--|---------|---------|---------|---------|---------|
| Cash, Cash Equivalents & Short-Term Investments | \$506.1 | \$579.4 | \$571.3 | \$506.1 | \$571.3 |
| Cash From Operations | \$65.6 | \$45.7 | \$12.8 | \$156.9 | \$140.8 |
| Capital Expenditures | \$10.1 | \$3.9 | \$4.7 | \$20.7 | \$12.2 |
| Free Cash Flow | \$55.4 | \$41.8 | \$8.1 | \$136.2 | \$128.6 |
| Share Repurchase | \$15.1 | \$15.0 | \$15.1 | \$52.5 | \$60.5 |



REPORTING CHANGES BEGINNING Q1 2025



Introducing Non-GAAP Measures – to better align with peers



Image Sensor Shipped System Revenue to be Included in General Mature

OUTLOOK

| | Q1 2025 |
|----------------------------|---------|
| Revenue | ~\$185M |
| Gross Margin | ~40% |
| Operating Expenses | ~\$63M |
| Tax Rate | ~15% |
| Diluted Earnings Per Share | ~\$0.38 |

FULL YEAR COMMENTARY

- Q2 2025 revenue to be relatively consistent with Q1 2025
 - 2H 2025 revenue to be slightly higher than 1H 2025
 - Q1 2025 gross margin to be low point of year
 - 2025 full year operating expenses to be relatively flat Y/Y
 - 2025 full year tax rate of ~15%
 - 2025 revenue impact from Dec 2, 2024, China Export restrictions now estimated to be at the low end of previously announced \$20 million - \$50 million range
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Q&A

