



## Q2 2025 EARNINGS PRESENTATION

AUGUST 5, 2025





# 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. 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.

# Q2 2025 HIGHLIGHTS



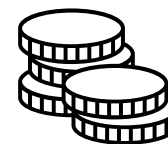
REVENUE

**\$195M**



GAAP DILUTED EPS

**\$0.98**



NON-GAAP DILUTED EPS\*

**\$1.13**

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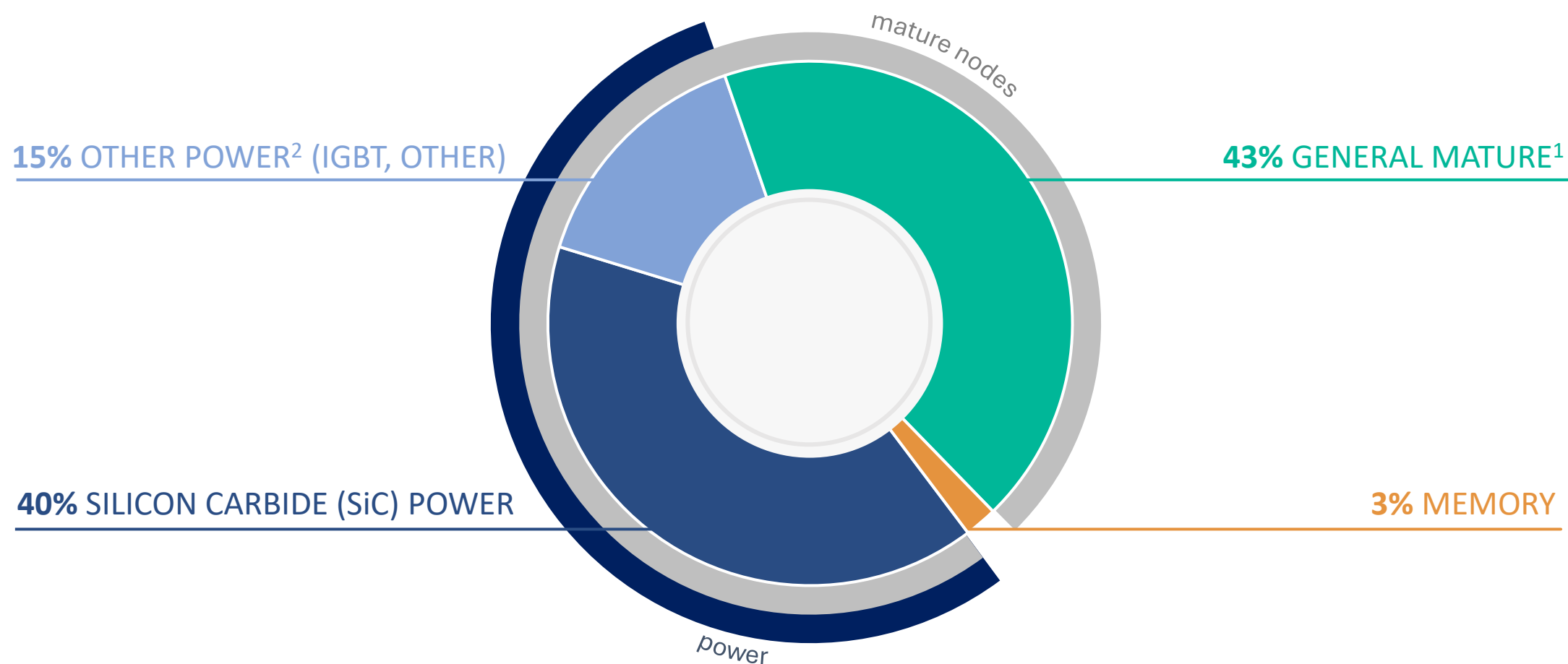
Revenue and profitability exceeded expectations

Strong gross margins, cost control & favorable mix

Bookings moderated slightly on Q/Q basis, but 1H 2025 is up compared to 2H 2024

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# Q2 2025 SHIPPED SYSTEM REVENUE BY SEGMENT



<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

# MATURE PROCESS TECHNOLOGY

97% OF TOTAL SHIPPED SYSTEM REVENUE IN Q2 2025

## POWER

55% OF TOTAL SHIPPED SYSTEM REVENUE IN Q2 2025

- Continued firm demand in China for 150mm and 200mm SiC applications
- ROW customers using slower period to increase R&D engagement and prepare for next-gen transitions
- Shipped Purion XE High Energy tool for 200mm Superjunction application
- Declining SiC wafer prices expected to drive broader adoption across EV and other markets

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

43% OF TOTAL SHIPPED SYSTEM REVENUE IN Q2 2025

- Slight decline sequentially as customers manage capacity investments given demand environment
- Pockets of improved tool utilization, however sustained trend needed to support future investment
- Secured meaningful order for High Energy and High Current tools in 28nm node from China-based customer



# ADVANCED LOGIC & MEMORY TECHNOLOGY

## ADVANCED LOGIC

### NO SHIPPED SYSTEM REVENUE IN Q2 2025

- Received follow-on order from existing evaluation customer
- Active collaboration with customers targeting next generation implant applications, including for backside power distribution network integration

## MEMORY

### 3% OF TOTAL SHIPPED SYSTEM REVENUE IN Q2 2025

- Sequential decline in shipments, full-year outlook remains for modest YoY growth

#### DRAM

- Secured new High Current order for DRAM application; potential for follow-ons

#### NAND

- NAND customers continue prioritizing layer count scaling via dep/etch, limiting near-term implant demand



# DELIVERING RESULTS DESPITE END-MARKET SOFTNESS



Relentless focus on innovation and strong customer engagement across current and next-generation technology roadmaps.



CS&I (Customer Solutions and Innovation) remains a foundational pillar of the overall customer experience, extending value beyond system shipments.



Prudent cost management combined with continued investment in strategic growth initiatives drives favorable financial performance.



# Q2 REVENUE DETAIL

(in millions)	Q2 2025	Q1 2025	Q2 2024
Systems Revenue	\$133.3	\$137.6	\$198.6
CS&I Revenue	\$61.3	\$55.0	\$57.9
Total Revenue	\$194.5	\$192.6	\$256.5

Systems Bookings	\$96.2	\$109.9	\$105.1
Systems Backlog	\$582.1	\$618.2	\$878.7

	Q2 2025	Q1 2025	Q2 2024	Q2 2025	Q1 2025	Q2 2024
	Geographic Breakdown (% of Total Revenue)			Prior Method (% of Shipped System Revenue)		
China	55%	38%	48%	65%	37%	55%
US	18%	21%	13%	19%	23%	11%
South Korea	13%	16%	11%	8%	20%	9%
Europe	8%	9%	10%	4%	5%	8%
Taiwan	4%	7%	7%	4%	7%	6%
Japan	0%	1%	1%	0%	0%	0%
Rest of World	2%	8%	10%	0%	8%	11%

Note: Figures may not sum due to rounding

# Q2 2025 SELECT GAAP & NON-GAAP FINANCIAL MEASURES

Select Income Statement Information (in millions)	Q2 2025	Q2 2024
Revenue	\$194.5	\$256.5
Select GAAP Financial Measures		
<i>Gross Margin</i>	44.9%	43.8%
Operating Expenses	\$58.4	\$59.6
Operating Income	\$29.0	\$52.8
<i>Operating Margin</i>	14.9%	20.6%
Net Income	\$31.4	\$50.9
Diluted Shares Outstanding	31.9	32.8
Diluted Earnings Per Share	\$0.98	\$1.55
Select Non-GAAP Financial Measures*		
<i>Non-GAAP Gross Margin</i>	45.2%	44.3%
Non-GAAP Operating Expenses	\$53.6	\$54.0
Non-GAAP Operating Income	\$34.4	\$59.7
<i>Non-GAAP Operating Margin</i>	17.7%	23.3%
Non-GAAP Net Income	\$36.0	\$56.8
Non-GAAP Diluted Earnings Per Share	\$1.13	\$1.73
Adjusted EBITDA	\$38.9	\$63.6
<i>Adjusted EBITDA Margin</i>	20.0%	24.8%

# Q2 2025 CASH FLOW AND BALANCE SHEET

Select Balance Sheet & Cash Flow Information (in millions)	Q2 2025	Q1 2025	Q2 2024
Cash, Cash Equivalents & Marketable Securities <sup>1</sup>	\$581.0	\$587.1	\$548.3
Cash From Operations	\$39.7	\$39.8	\$40.1
Capital Expenditures	\$2.0	\$5.0	\$2.0
Free Cash Flow	\$37.7	\$34.8	\$38.1
Share Repurchase	\$45.3	\$18.2	\$15.0

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



# Q3 2025 OUTLOOK

	Q3 2025
Revenue	~\$200M
Non-GAAP Gross Margin*	~43.0%
Non-GAAP Operating Expenses*	~\$53M
Adjusted EBITDA*	~\$39M
Non-GAAP Diluted Earnings Per Share*	~\$1.00

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## ADDITIONAL COMMENTARY

- Q4 2025 Revenue and Non-GAAP Gross Margins expected to be relatively similar to Q3 2025 levels
  - Q4 2025 Operating Expenses expected to be slightly up on a sequential basis
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**APPENDIX**



# APPENDIX: HISTORIAL GEOGRAPHIC SPLIT OF TOTAL REVENUE

## UPDATED

% of Total Revenue	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024	Q1 2025	Q2 2025
China	52%	48%	60%	46%	52%	38%	55%
US	18%	13%	13%	12%	14%	21%	18%
South Korea	7%	11%	6%	12%	9%	16%	13%
Europe	7%	10%	8%	11%	9%	9%	8%
Taiwan	1%	7%	6%	10%	6%	7%	4%
Japan	6%	1%	0%	0%	2%	1%	0%
Rest of World	8%	10%	7%	8%	8%	8%	2%

## PRIOR

% of Total Shipped Systems Revenue (for reference)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024	Q1 2025	Q2 2025
China	59%	55%	71%	49%	59%	37%	65%
US	17%	11%	10%	11%	12%	23%	19%
South Korea	4%	9%	1%	11%	6%	20%	8%
Europe	4%	8%	7%	9%	7%	5%	4%
Taiwan	0%	6%	5%	11%	6%	7%	4%
Japan	8%	0%	0%	0%	2%	0%	0%
Rest of World	9%	11%	6%	9%	9%	8%	0%



# APPENDIX: GAAP TO NON-GAAP RECONCILIATION

	Q2'25	Q2'24
<b>Revenue</b>	\$ 194,544	\$ 256,512
<b>Gross Profit</b>	\$ 87,343	\$ 112,409
Restructuring <sup>1</sup>	-	876
Stock-based compensation	569	462
<b>Non-GAAP Gross Profit</b>	\$ 87,912	\$ 113,747
<b>Non-GAAP Gross Margin</b>	45.2%	44.3%
<b>Operating Expense</b>	\$ 58,378	\$ 59,599
Bad debt expense	-	-
Restructuring <sup>1</sup>	29	(552)
Stock-based compensation	(4,852)	(5,007)
<b>Non-GAAP Operating Expense</b>	\$ 53,555	\$ 54,040
<b>Operating Income</b>	\$ 28,965	\$ 52,810
Bad debt expense	-	-
Restructuring <sup>1</sup>	(29)	1,428
Stock-based compensation	5,421	5,469
<b>Non-GAAP Operating Income</b>	\$ 34,357	\$ 59,707
<b>Non-GAAP Operating Margin</b>	17.7%	23.3%
<b>Income tax provision</b>	\$ 3,621	\$ 6,399
Tax impact of non-GAAP adjustments <sup>2</sup>	755	966
<b>Non-GAAP Income tax provision</b>	\$ 4,376	\$ 7,365
<b>Net Income</b>	\$ 31,376	\$ 50,866
Bad debt expense	-	-
Restructuring <sup>1</sup>	(29)	1,428
Stock-based compensation	5,421	5,469
Tax impact of non-GAAP adjustments <sup>2</sup>	(755)	(966)
<b>Non-GAAP Net Income</b>	\$ 36,013	\$ 56,797
<b>Diluted earnings per share</b>	\$ 0.98	\$ 1.55
Bad debt expense	-	-
Restructuring <sup>1</sup>	-	0.04
Stock-based compensation	0.17	0.17
Tax impact of non-GAAP adjustments <sup>2</sup>	(0.02)	(0.03)
<b>Non-GAAP diluted earnings per share</b>	\$ 1.13	\$ 1.73
<b>Basic Share O/S</b>	31,847	32,598
<b>Diluted Shares O/S</b>	31,882	32,771

<b>Adjusted EBITDA Reconciliation</b>	Q2'25	Q2'24
Net income	\$ 31,376	\$ 50,866
Other (income)/expense	(6,032)	(4,455)
Income tax provision	3,621	6,399
Depreciation & amortization	4,515	3,861
<b>Subtotal</b>	\$ 33,480	\$ 56,671
Bad debt expense	-	-
Restructuring <sup>1</sup>	(29)	1,428
Stock-based compensation	5,421	5,469
<b>Adjusted EBITDA</b>	\$ 38,872	\$ 63,568
<b>Adjusted EBITDA Margin</b>	20.0%	24.8%

## 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>Impact of taxes from Non-GAAP adjustments, uses adjusted tax rate of 14%

Figures may not sum due to rounding

# APPENDIX: Q3 2025 OUTLOOK

## GAAP TO NON-GAAP RECONCILIATION

	Q3 2025 Outlook
Revenue	\$200
<b>GAAP Gross Margin</b>	<b>42.8%</b>
Stock-based compensation	0.2%
<b>Non-GAAP Gross Margin</b>	<b>43.0%</b>
<b>GAAP Operating Expense</b>	<b>\$58</b>
Stock-based compensation	(\$5)
<b>Non-GAAP Operating Expense</b>	<b>\$53</b>
<b>GAAP Diluted earnings per share</b>	<b>\$0.87</b>
Stock-based compensation	\$0.17
Tax impact of non-GAAP adjustments	(\$0.03)
<b>Non-GAAP Diluted earnings per share</b>	<b>\$1.00</b>

Adjusted EBITDA Reconciliation	Q3 2025 Outlook
Net Income	\$28
Other (Income)/Expense	(\$4)
Income tax provision	\$5
Depreciation & Amortization	\$5
<b>Subtotal</b>	<b>\$34</b>
Stock-based compensation	\$5
<b>Adjusted EBITDA</b>	<b>\$39</b>

### Footnotes:

<sup>1</sup>Impact of taxes from Non-GAAP adjustments, uses adjusted tax rate of 14%

Dollar amounts in millions, except per share figures

Figures may not sum due to rounding