



# Camtek Investor Presentation

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- Moshe Eisenberg, CFO
- Ramy Langer, COO

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May 2024

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This presentation contains various non GAAP financial measures, including Net Income per Diluted Share, Operating Income, Operating Margin and Gross Margin. These non GAAP financial measures should be considered supplemental to, but not as a substitute for or superior to, financial measures prepared in accordance with United States GAAP. Our non GAAP measures include adjustments that reflect how management views our businesses, and may differ from similarly titled non-GAAP measures presented by other companies. Reconciliations of each non-GAAP measure to the closest comparable GAAP measure are available in the Appendix of this presentation.

## Statistical Data

This presentation contains statistical and other industry and market data that we obtained from industry publications and reports generated by third parties. All of the market data used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that the publications and reports are reliable, we have not independently verified this statistical data. Some data are also based on Camtek’s good faith estimates, which are derived from its review of internal sources as well as the third party sources described above.

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# CAMTEK AT A GLANCE (Nasdaq & TASE: CAMT)

Inspection and metrology systems for semiconductor market



**\$467M**

Cash  
As of 3/31/24 (1)



**~3,000**

Installed Base  
(ASP: \$0.8-1M)



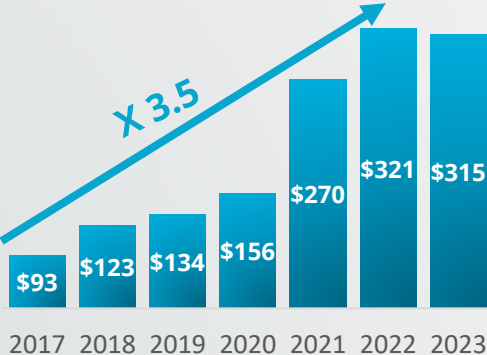
**600**

Employees

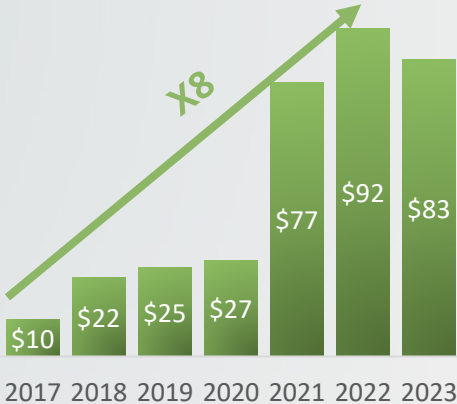
(1) Includes cash and cash equivalents, short-term and long-term deposits and marketable securities.  
(2) Financial statistics are presented on a non-GAAP basis. Please see the Appendix for a reconciliation of non-GAAP metrics to the nearest comparable GAAP metrics..



## REVENUE



## OPERATING INCOME

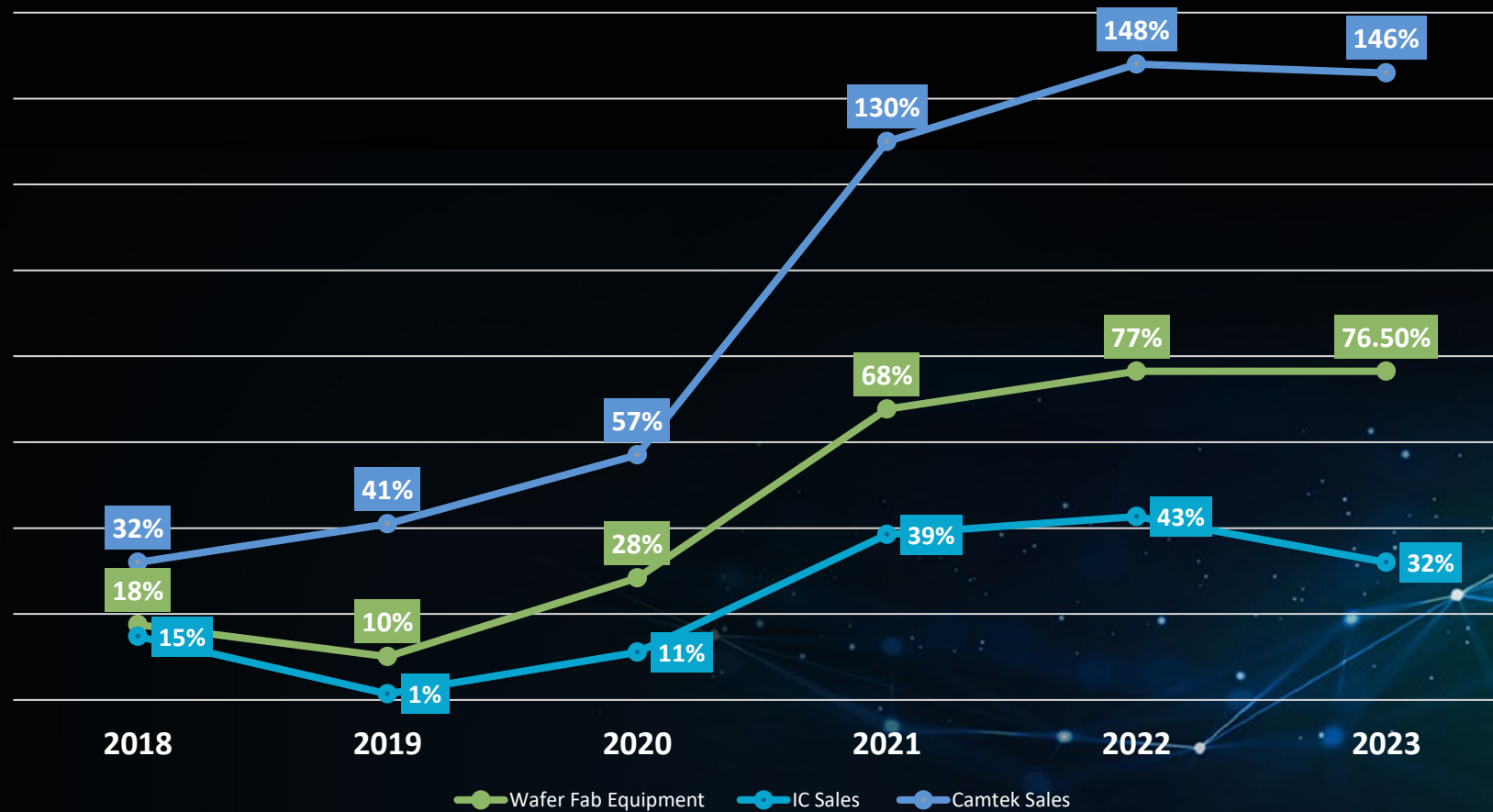


Secular trends support continued growth



# Outperforming the Industry

Focused on secular trends and increased our TAM and market share



Source: TechInsights' January 2024 & internal

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# Double-Digit Target Markets Growth



## Mobile

Semiconductors growth expected to be **>12%**

12%



## Artificial Intelligence

Chiplet Modules ~ 50% thru 2027  
HBM ~**25%** thru 2030

25%



## Automotive

SiC **22%** Thru 2030

22%



## Computing and IoT

Gradual adaption of Chiplets  
IoT Thru 2030 ~**20%**

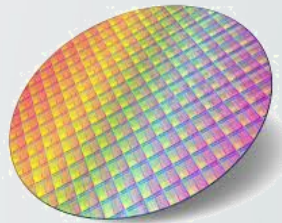
20%

Sources: Yole, TechInsights, Tech Search, Technavio and others

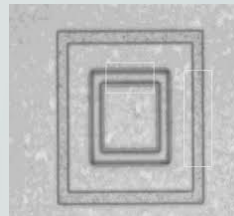
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# What We Do

Patterned Wafers  
Inspection & Metrology



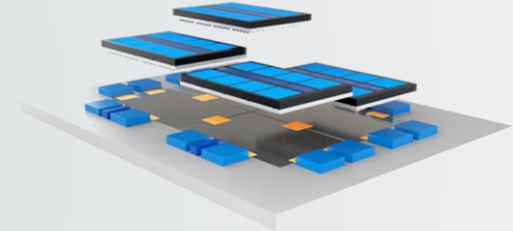
Wafer Process Control



Interconnect  
Inspection & Metrology



Chiplet Modules  
Inspection & Metrology



**Leading provider of high-end inspection  
& metrology systems to the semiconductor market**

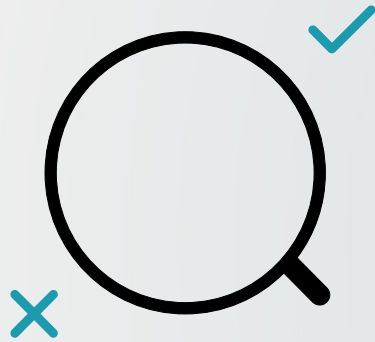
# Camtek Acquires FRT Metrology

CAMTEK

Inspection

3D Metrology

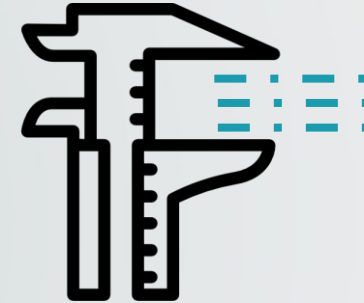
FRT Metrology



- Sub-micron defects
- Inner cracks
- Backside inspection



- Bump height
- CD/Overlay
- RDL



- Topography
- TTV + Warp/Bow
- TSV
- Layer thickness

**Expanding our metrology capabilities**

Advanced Packaging

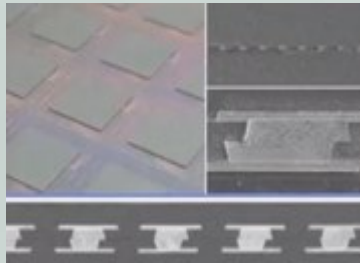
Hybrid bonding

Silicon Carbide

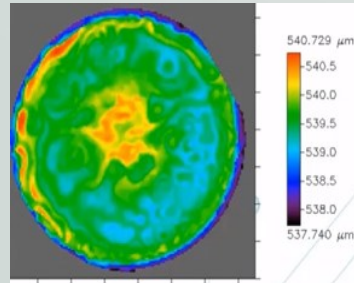
Front-end

# FRT Acquisition Fits Camtek's Strategy

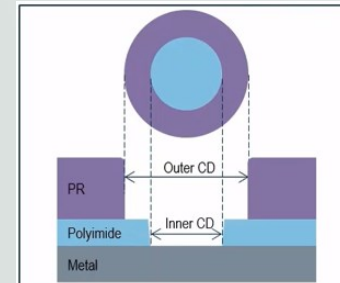
## Hybrid Bonding



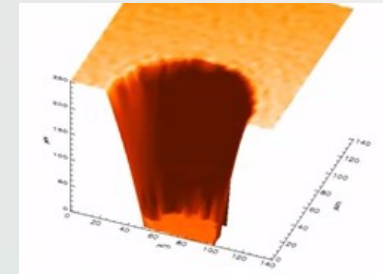
## Bonded wafer thickness



## Critical dimensions & overlay



## Via and Trench



**From sampling to process control**



# The AI Era is here

The artificial intelligence (AI) is based on:

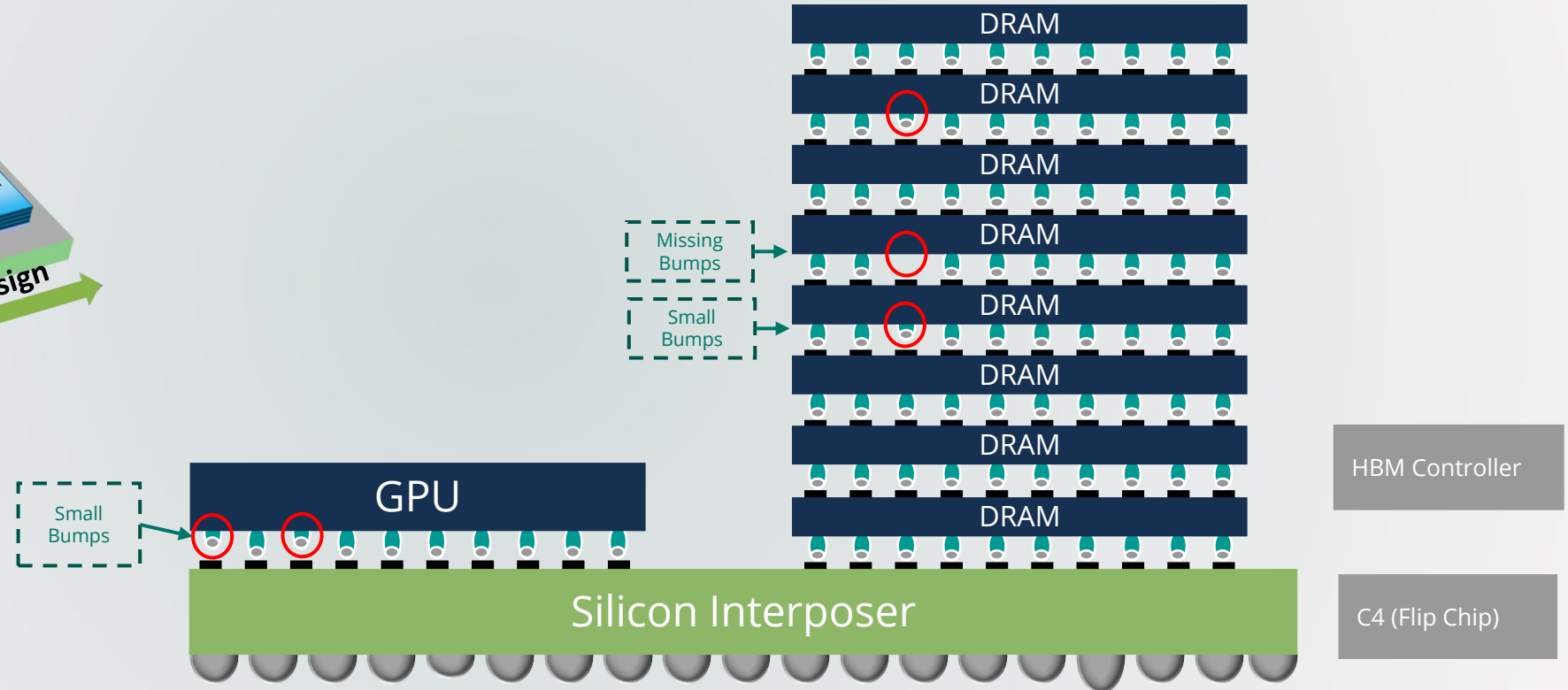
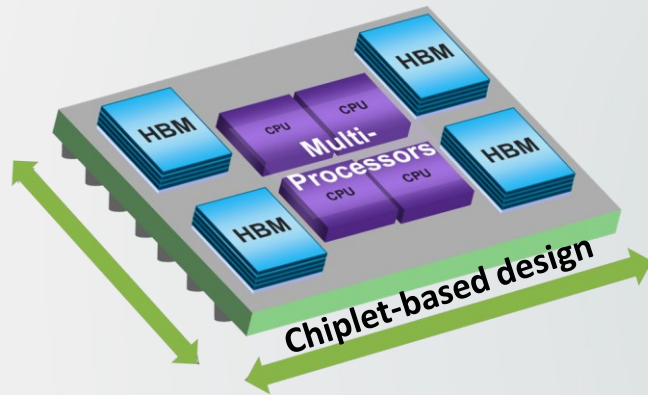
- High Performance Computing
  - Chiplets
  - High Bandwidth Memory (HBM)
- Heterogenous Integration



2022 – 2030 **10x** increase in number of transistors per package

# Heterogenous Integration (HI) is key for High Performance Computing and AI

System-in-Package

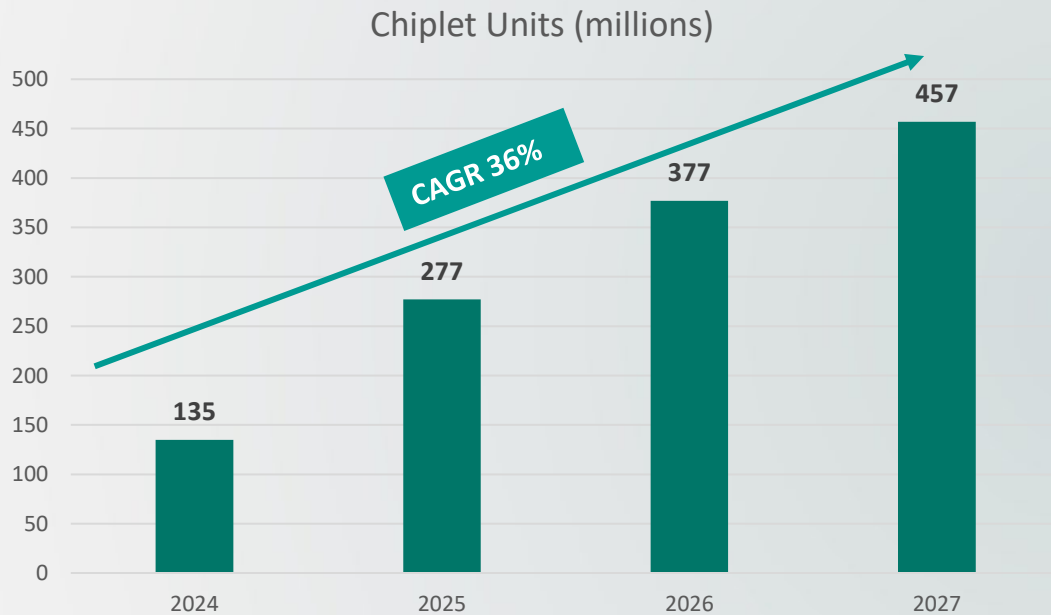


Source: TechSearch

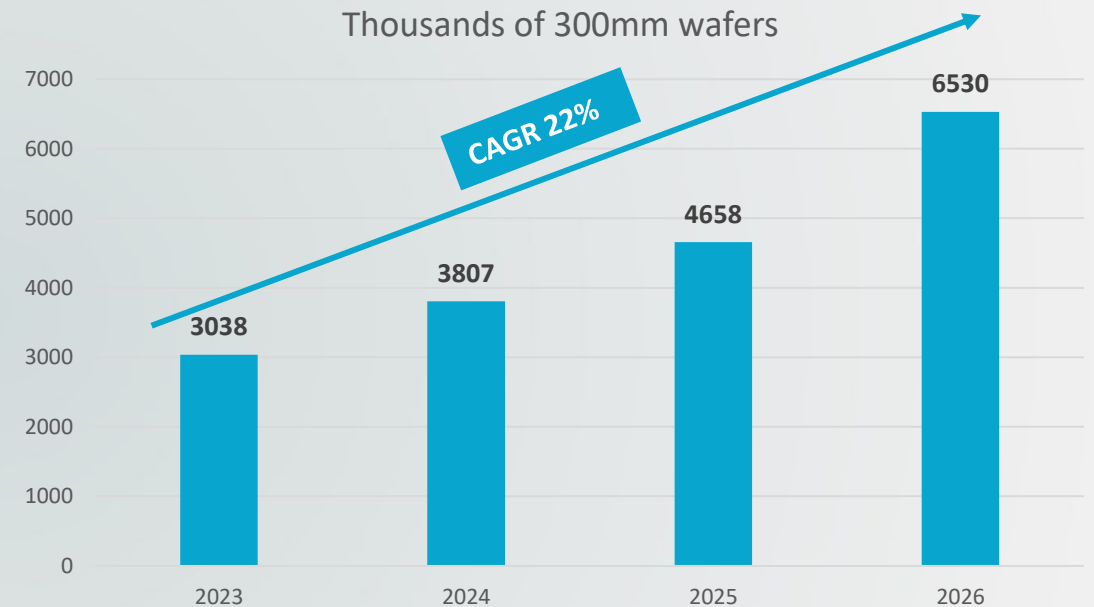
Known-good-die is key

# Chiplet and HBM Growth Fueled by High Performance Computing and AI

## Chiplet Package Market Forecast



## HBM Shipments



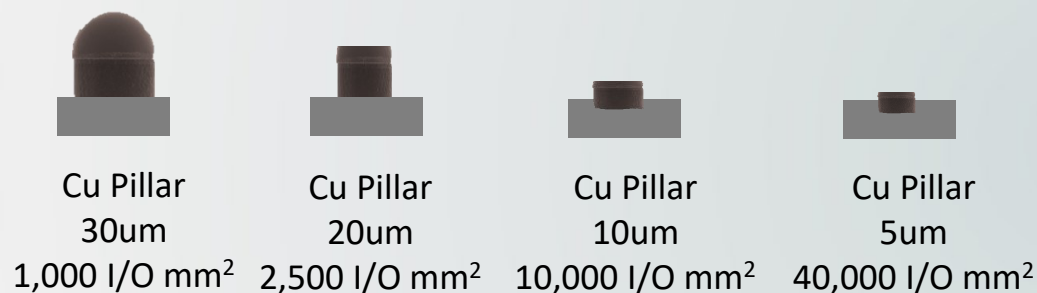
Chiplet modules and HBM to account for **30% revenues** in 2024

Sources: Yole, TechSearch, Techwire

# We Support the Industry Roadmap

## Copper interconnects transition to 5um pitch

- Bump sizes and pitches are decreasing
- Number of bumps per die is increasing
- RDL line and space are shrinking

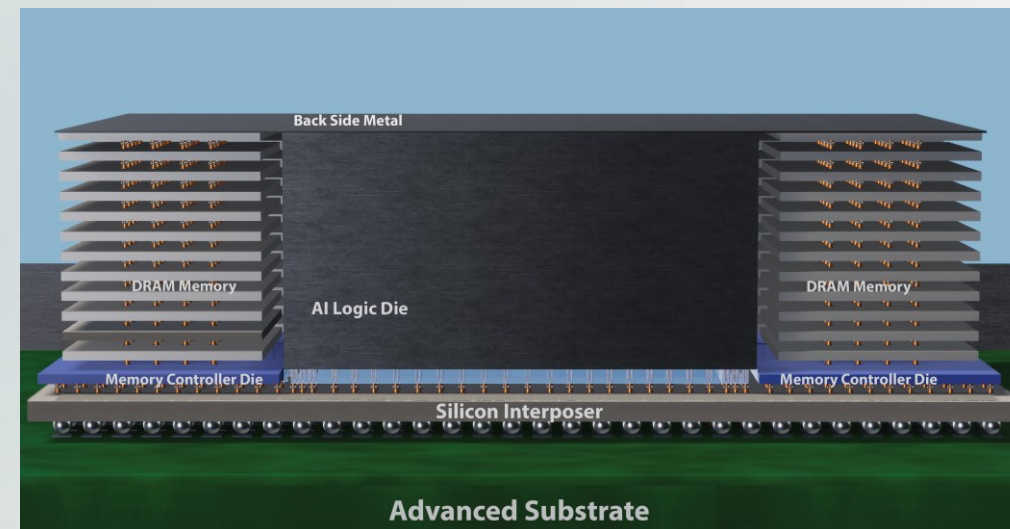


High volume manufacturing

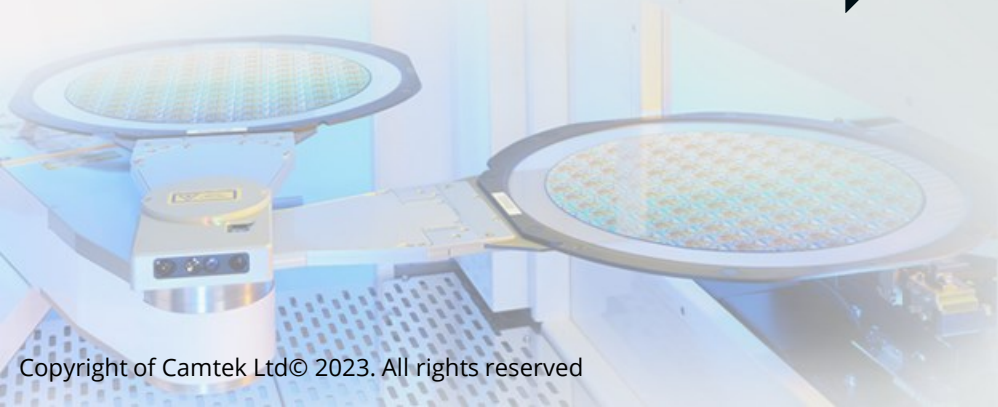
Next generation

## Hybrid bonding technology moves down to 1um pad size

Roadmaps in heterogenous integration are moving to more chip-chip stacking by hybrid bonding



Source: Applied Materials, Inc.

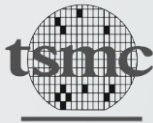




# Well Positioned to Benefit from AI Technology Trends



## Chiplet and HBM Manufacturers



OSATS (slowly moving in)

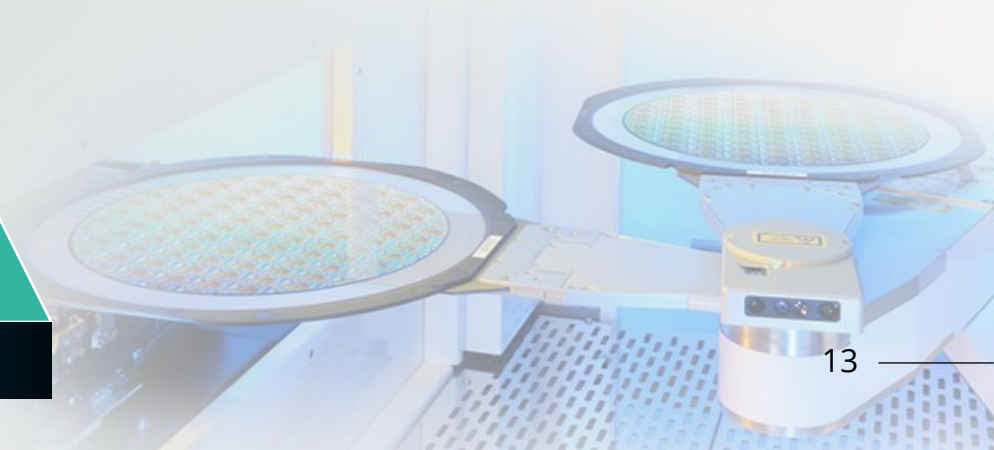
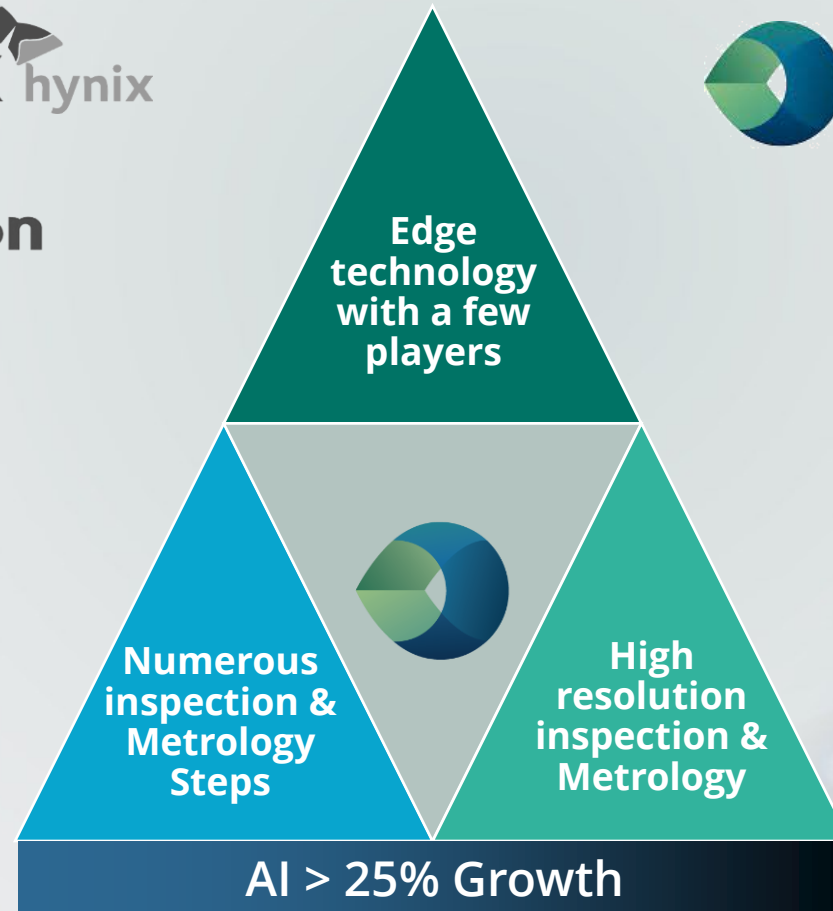
## Inspection & Metrology Players



**Camtek**  
See Beyond

innovation  
**onto**

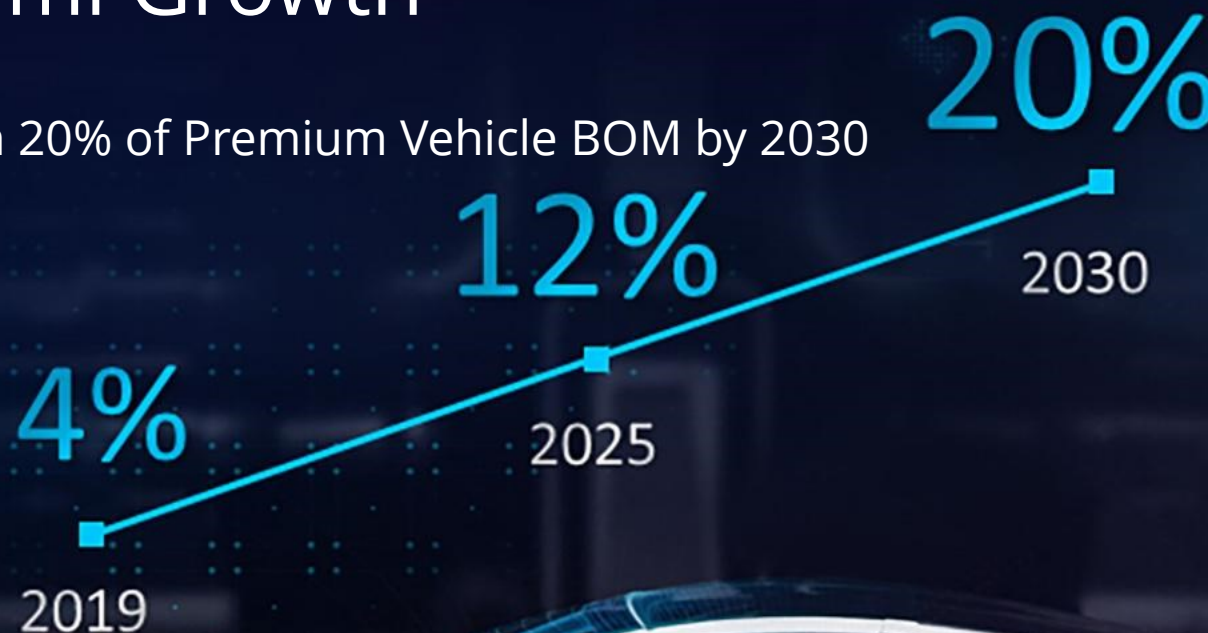
**KLA+**



# Electrification Driving Semi Growth

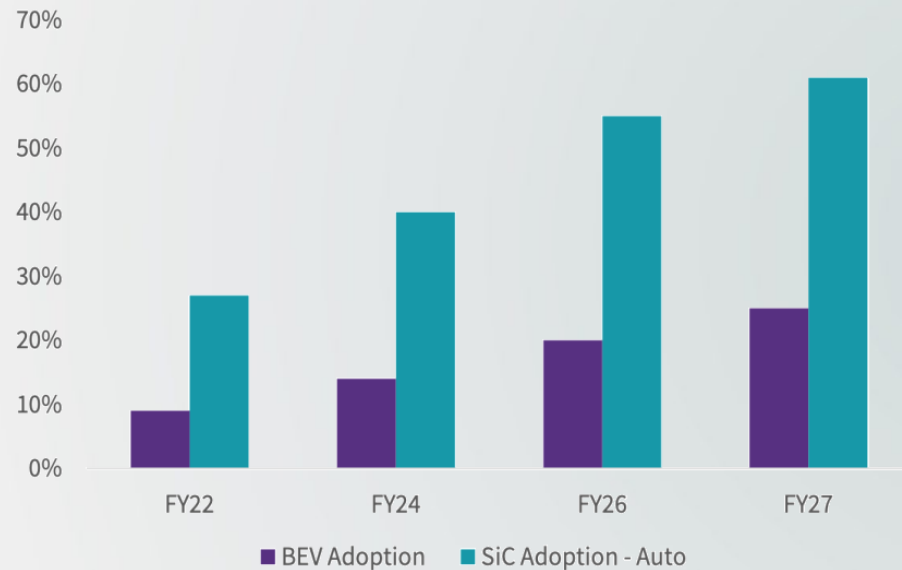
Intel CEO Predicts Chips Will Be More than 20% of Premium Vehicle BOM by 2030

Semiconductors  
as a % of premium vehicle BOM

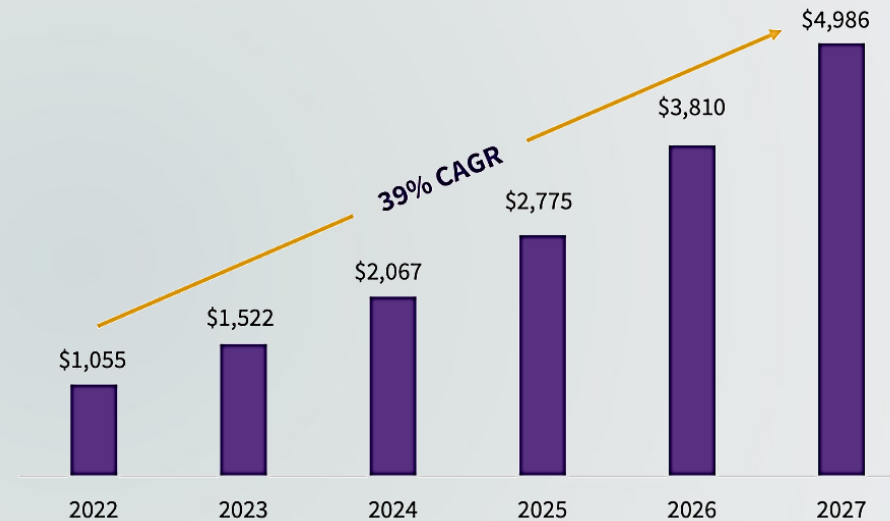


# Compound Semi Widely Adopted

BEV & SiC Adoption Rates (%)



Value of SiC Content in EVs (\$M)



Source: Wolfspeed.

## Why Silicon Carbide?

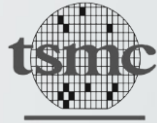
**Higher Efficiency:** The combination of lower switching losses, higher thermal conductivity, and higher voltage ratings leads to increased power conversion efficiency in the EV's electrical systems.

**As a result, the vehicle can achieve greater range and better overall performance.**



# Diversified Customer Base

~70% of our business goes to tier-1



Our customers' base includes **ALL** the industry's leading foundries, IDM's and OSATs

**+130** new customers since 2019

**+50** new customers in 2022

Over 250 Customers



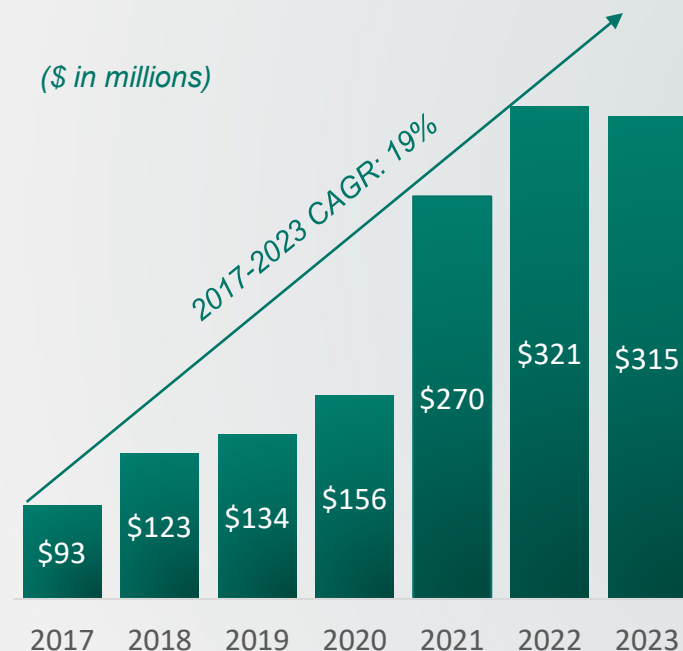


**Camtek**  
See Beyond

# Financial Overview

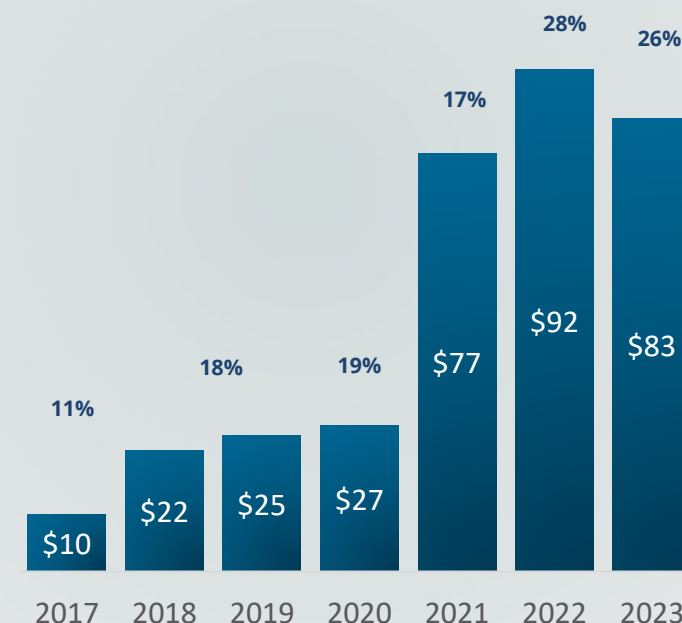
# Track Record of Growth and Profitability

## Revenue



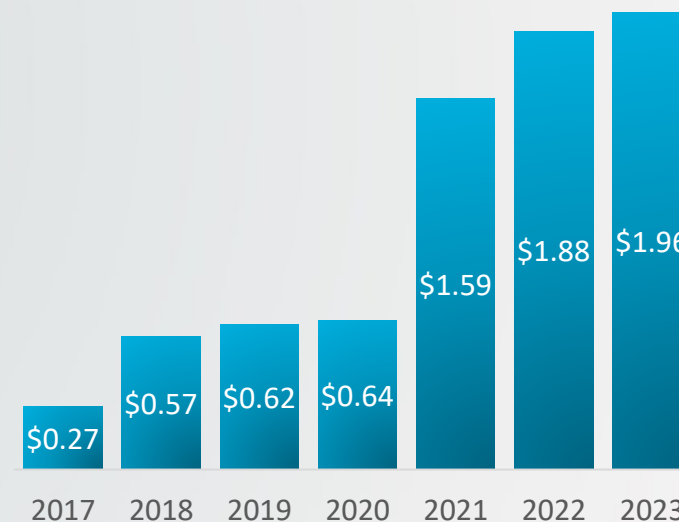
## Operating Income and Margin\*

(\$ in millions)



## Net Income per Diluted Share\*

(\$ per share)

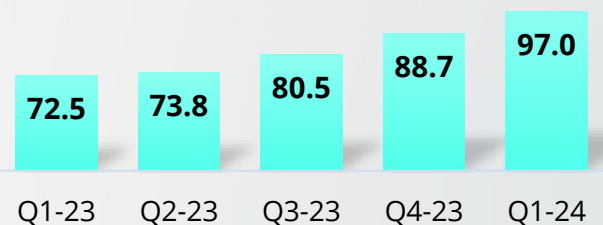


\*Financial statistics are presented on a non-GAAP basis. Please see the Appendix for a reconciliation of non-GAAP metrics to the nearest comparable GAAP metrics.

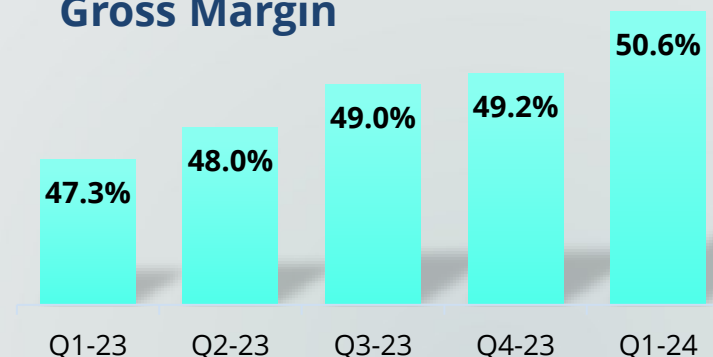
**Rapidly growing with significant  
operating leverage in the model**

# Strong Q1 2024 Results

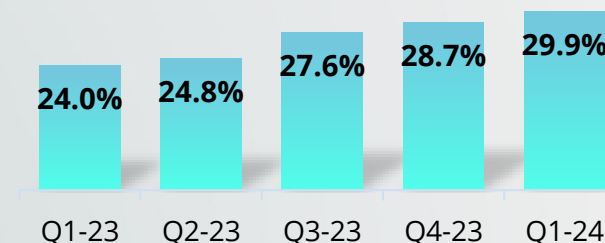
Revenue (\$M)



Gross Margin



Operating Margin



**80% of the revenues** are from Advanced Interconnect Packaging applications, mainly **AI related**

60% of the orders are for inspection & metrology of **Chiplet modules** and **HBM**

**\$100-102m** guidance for Q2 with **continued growth in 2024**

# Selected Balance Sheet Data



(\$ in millions)

	3/31/24 (Unaudited)	12/31/23 (Audited)
<b>Cash &amp; Deposits <sup>(1)</sup></b>	\$467	\$449
<b>Trade Account Receivables, net</b>	86	87
<b>Inventory</b>	102	95
<b>Fixed Assets</b>	43	42
<b>Intangible Assets + Goodwill</b>	90	91
<b>Current Liabilities <sup>(2)</sup></b>	158	97
<b>Convertible Notes, Net</b>	197	197
<b>Total Balance Sheet</b>	816	788

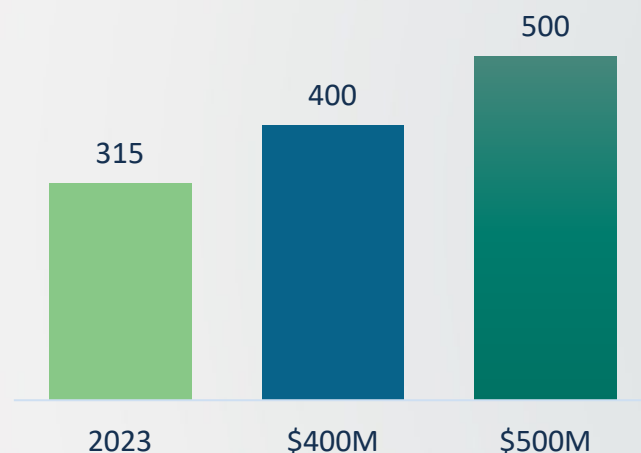
(1) Includes cash and cash equivalents, short-term and long-term deposits and marketable securities

(2) Includes \$60 million dividend payable

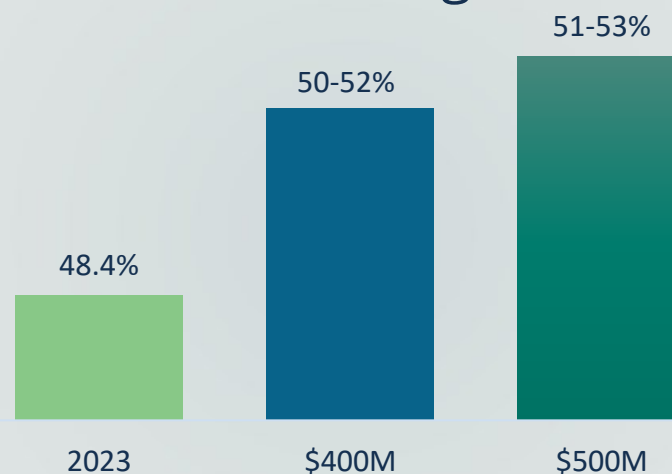


# Progress to Target Model

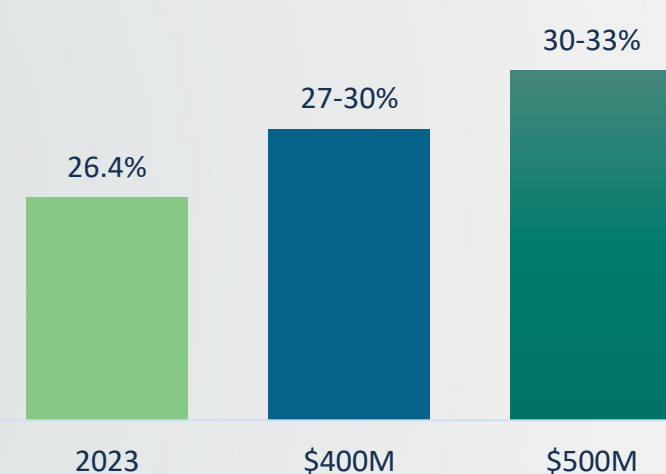
## Revenue (\$ millions)



## Gross Margin



## Operating Margin



**HPC accelerates the path to \$500M**

(\*) Disclaimer: All of the information presented in the graphs above under the labels "\$400M" and "\$500M" are goals and targets of the Company. These goals and targets are forward-looking, are subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. Please consult the "Safe Harbor" disclaimer section of this presentation for further discussion as to forward-looking statements. For discussion of some of the important factors that could cause these variations, please consult the "Risk Factors" section of the preliminary offering memorandum. Nothing in this presentation should be regarded as a representation by any person that these targets will be achieved and the Company undertakes no duty to update its goals or targets.

# Key Takeaways



## Positioning

250 customers, 70% of our business is Tier1



## Technology

Supporting the most challenging applications in our market



## Market

Leading provider to the HI and compound semiconductors markets - rapidly expanding our TAM



## Financials

Leverage in our model with strong balance-sheet

**2024 expected be a record year & key milestone in reaching our \$500m target**



# Thank You

[info@camtek.com](mailto:info@camtek.com)

[www.camtek.com](http://www.camtek.com)



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See Beyond

# Appendix



# Reconciliation from GAAP to Non-GAAP

\$ in millions (except per share data)	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Revenue</b>	<b>\$134.0</b>	<b>\$155.90</b>	<b>\$269.70</b>	<b>\$320.9</b>	<b>\$315.4</b>
<b>Net income (GAAP)</b>	<b>\$22.0</b>	<b>\$21.8</b>	<b>\$60.30</b>	<b>\$79.9</b>	<b>\$78.6</b>
% of revenue	16.40%	14.00%	22.40%	24.90%	24.90%
Share based compensation	2.9	4.2	5.8	10.5	12.5
Acquisition of FRT related expenses <sup>(1)</sup>	-	-	-	-	4.6
Tax settlement <sup>(2)</sup>	-	-	5.3	-	-
Chroma transaction expenses <sup>(3)</sup>	0.1	-	-	-	-
Attributable to discontinued operations	-1.2	-	-	-	-
<b>Net income (non-GAAP)</b>	<b>\$23.9</b>	<b>\$26.0</b>	<b>\$71.4</b>	<b>\$90.5</b>	<b>\$95.7</b>
% of revenue	17.80%	16.70%	26.50%	28.20%	30.30%
Net income per diluted share (non-GAAP)	\$0.62	\$0.64	\$1.59	\$1.88	1.96

- (1) In October 2023, the Company completed the acquisition of FRT. In the fourth quarter the Company recorded acquisition related expenses including write-up of inventory to fair value, amortization of intangible assets, inventory write-off and acquisition expenses.
- (2) In February 2022, the Company reached a settlement with the Israeli Tax Authorities and recorded a one-time tax expense in respect of its historical exempt earnings.
- (3) In the second and third quarters of 2019, certain transaction expenses were incurred in relation to the technological cooperation agreement with Chroma. These were recorded under operating expenses.

# Reconciliation from GAAP to Non-GAAP (cont'd)

\$ in millions (except per share data)	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Gross profit (GAAP)</b>	<b>\$64.8</b>	<b>\$73.3</b>	<b>\$137.3</b>	<b>\$159.9</b>	<b>\$147.6</b>
% of revenue	48.30%	47.00%	50.90%	49.80%	46.80%
Share based compensation	0.3	0.4	0.6	1.2	1.6
Acquisition of FRT related expenses	-	-	-	-	3.5
Gross profit (non-GAAP)	\$65.1	\$73.8	\$138.0	\$161.1	\$152.7
Gross margin (% of revenue)	48.60%	47.30%	51.20%	50.20%	48.40%
<b>Operating income (GAAP)</b>	<b>\$22.0</b>	<b>\$22.60</b>	<b>\$70.90</b>	<b>\$81.5</b>	<b>\$65.4</b>
% of revenue	16.40%	15.50%	26.30%	25.40%	20.70%
Share based compensation	2.9	4.2	5.8	10.5	125
Acquisition of FRT related expenses	-	-	-	-	5.4
Chroma transaction expenses <sup>(2)</sup>	0.1	-	-	-	-
<b>Operating income (non-GAAP)</b>	<b>\$25.0</b>	<b>\$26.8</b>	<b>\$76.7</b>	<b>\$92.0</b>	<b>\$83.3</b>
Operating margin (% of revenue)	18.70%	17.20%	28.44%	28.70%	26.40%

