



Camtek Investor Presentation

- Rafi Amit, CEO
- Moshe Eisenberg, CFO
- Ramy Langer, COO

November 2023

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Report on Form 20-F and other documents filed by Camtek with the SEC as well as other documents that may be subsequently filed by Camtek from time to time with the SEC.

While we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that these statements are based on a combination of facts and factors currently known by us and our projections of the future, about which we cannot be certain. In addition, any forward-looking statements represent Camtek’s views only as of the date of this presentation and should not be relied upon as representing its views as of any subsequent date. Camtek does not assume any obligation to update any forward-looking statements unless required by law.

Use of Non-GAAP Financial Measures

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.

Additional Information

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CAMTEK AT A GLANCE (Nasdaq & TASE: CAMT)

Inspection and metrology systems for the semiconductor market



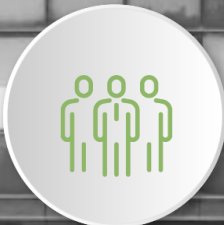
\$517M

Cash & deposits
As of 9/30/23 (1)



~2,000

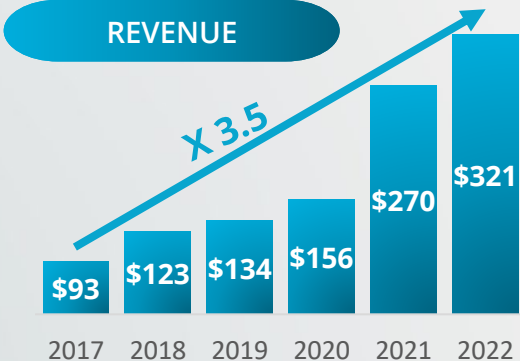
Installed Base
(ASP: \$0.8-1M)



560

Employees

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



Secular trends support continued growth

Camtek Acquires FRT Metrology

CAMTEK

Inspection



- Sub-micron defects
- Inner cracks
- Backside inspection

3D Metrology



- Bump height
- CD/Overlay
- RDL



FRT Metrology



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

Expanding our metrology capabilities

Advanced Packaging

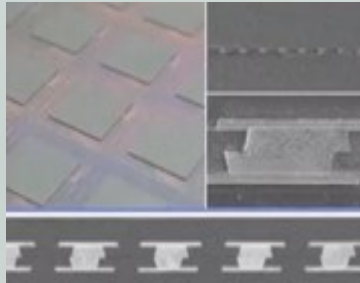
Hybrid bonding

Silicon Carbide

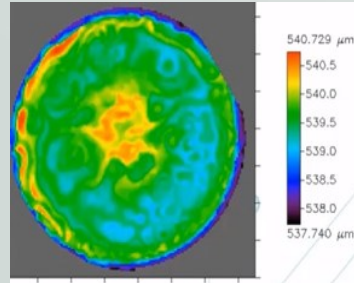
Front-end

FRT Acquisition Fits Camtek's Strategy

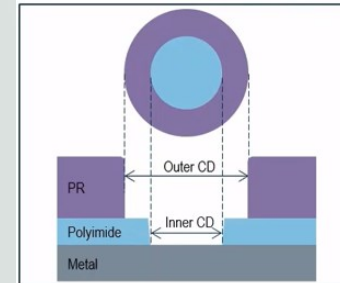
Hybrid Bonding



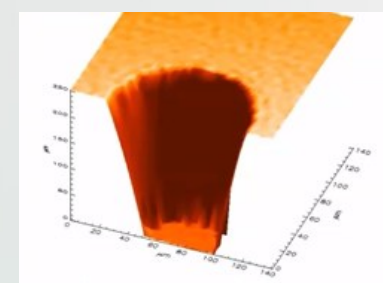
Bonded wafer thickness



Critical dimensions & overlay



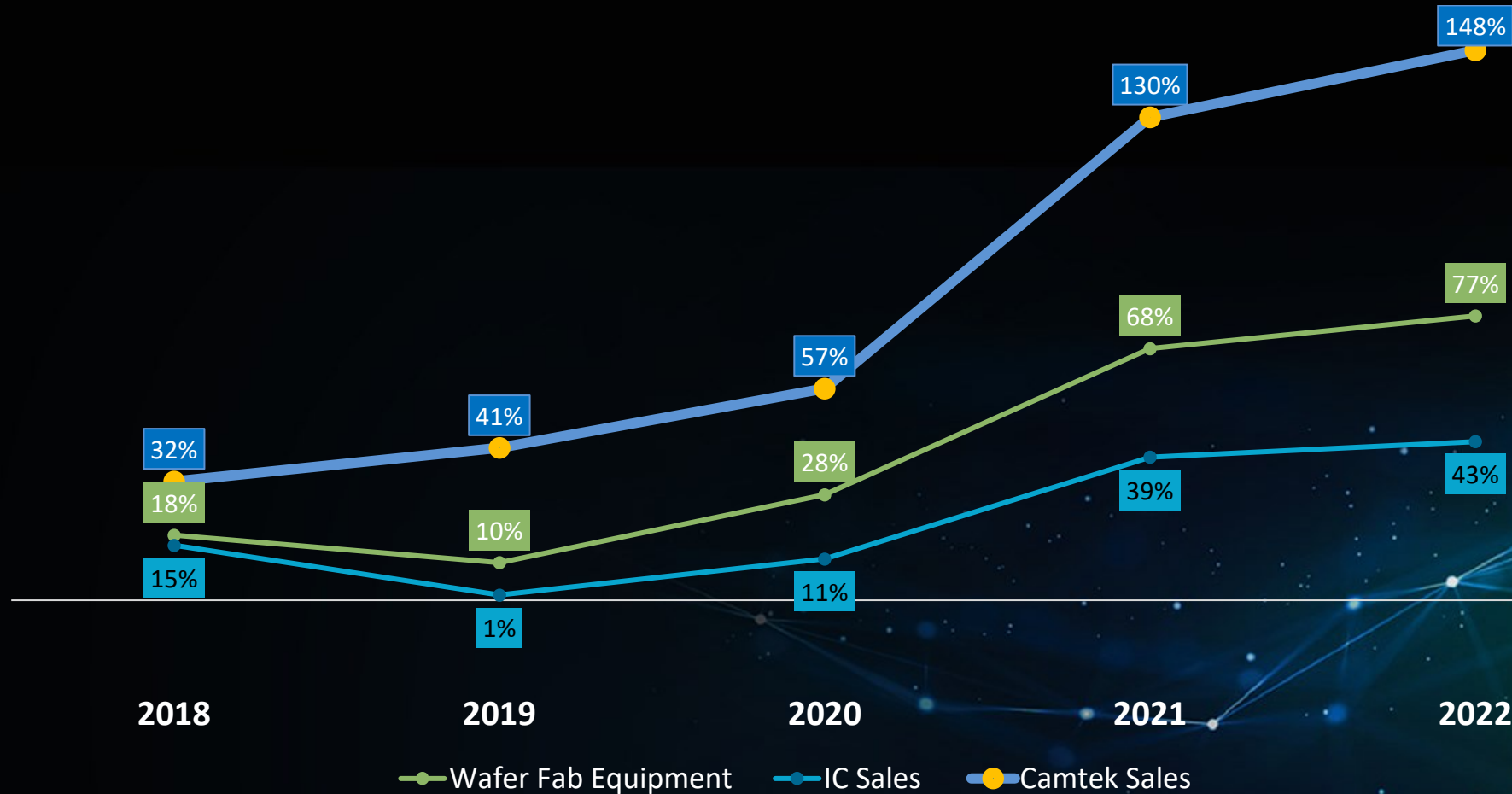
Via and Trench



From sampling to process control

Outperforming the Industry

Focused on secular trends and increased our TAM and market share

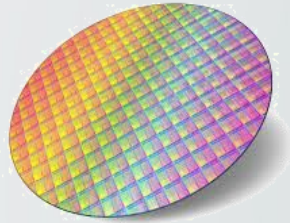


Source: TechnoSearch's October 2022 & internal. 2022 data is based on analyst's consensus estimates.

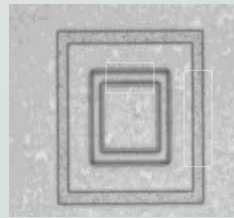
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What We Do

Patterned Wafers
Inspection & Metrology



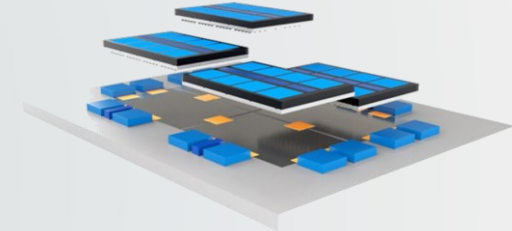
Wafer Process Control



Interconnect
Inspection & Metrology



Chiplet Modules
Inspection & Metrology



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

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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The AI Era is here

The artificial intelligence (AI) is based on:

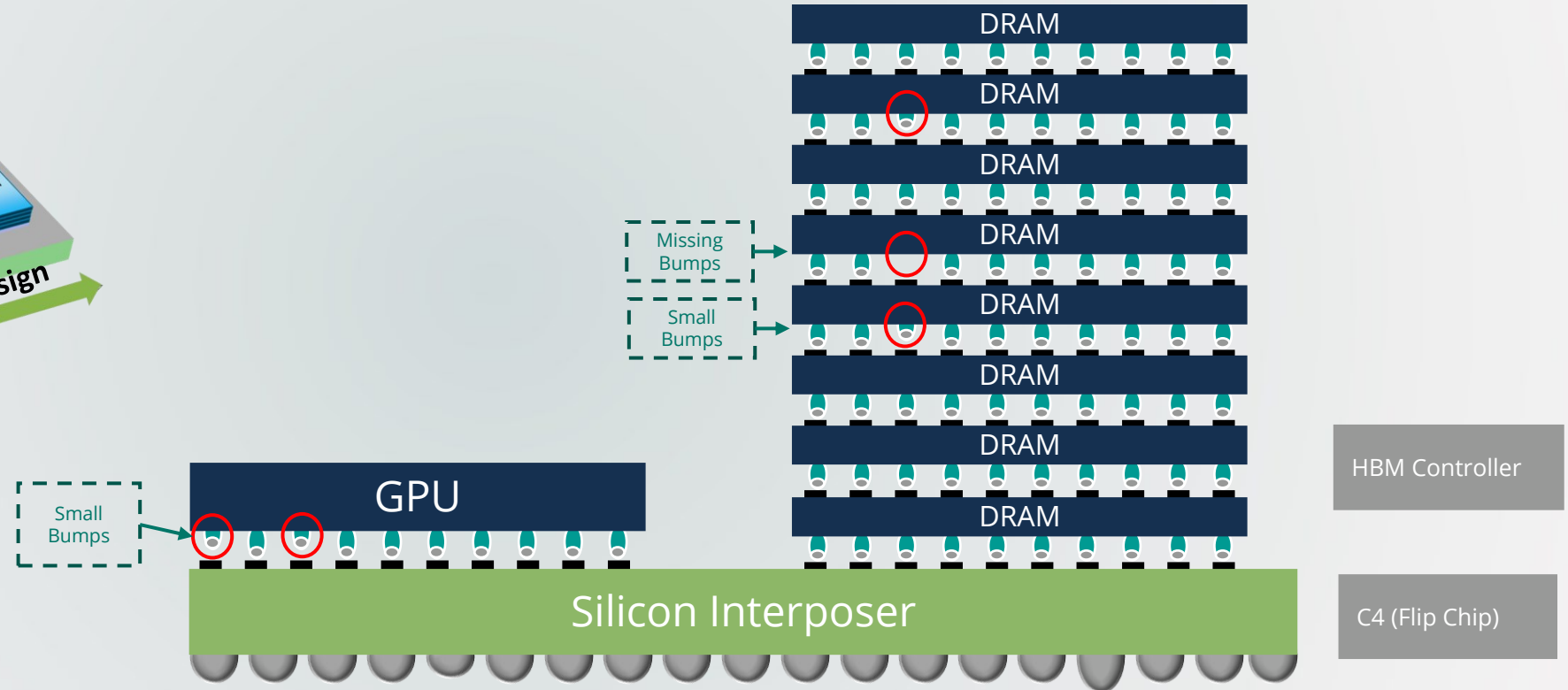
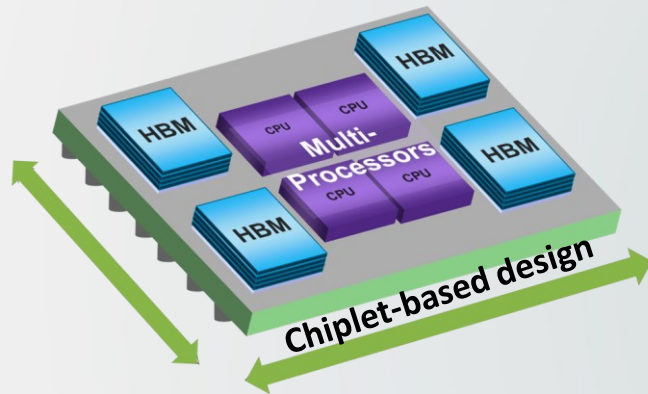
- High Performance Computing
 - Chiplets
 - High Bandwidth Memory (HBM)
- Heterogenous Integration



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

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

System-in-Package

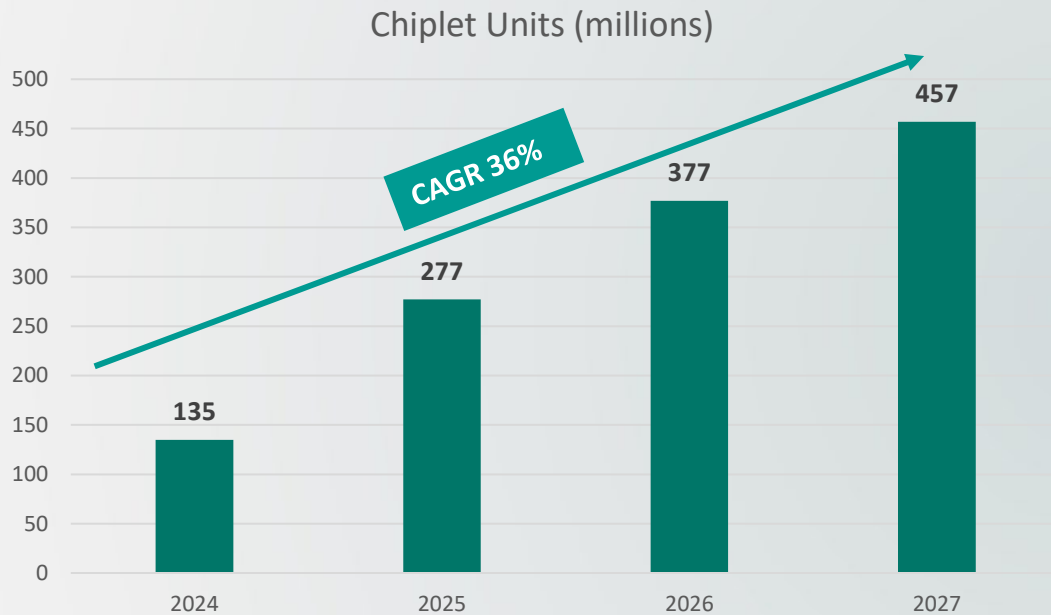


Source: TechSearch

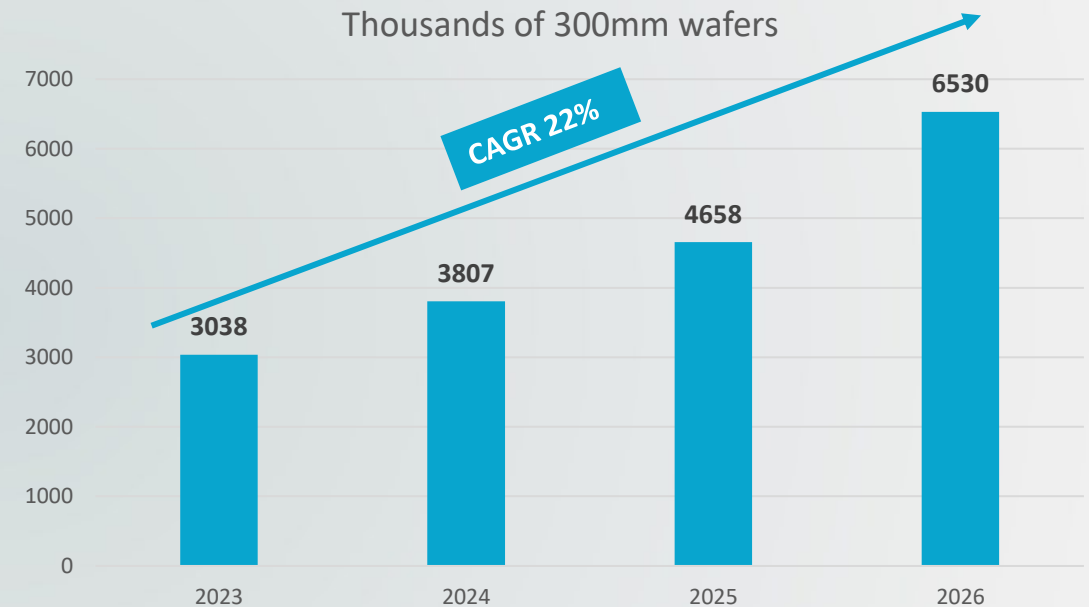
Known-good-die is key

Chiplet and HBM Growth Fueled by High Performance Computing and AI

Chiplet Package Market Forecast



HBM Shipments



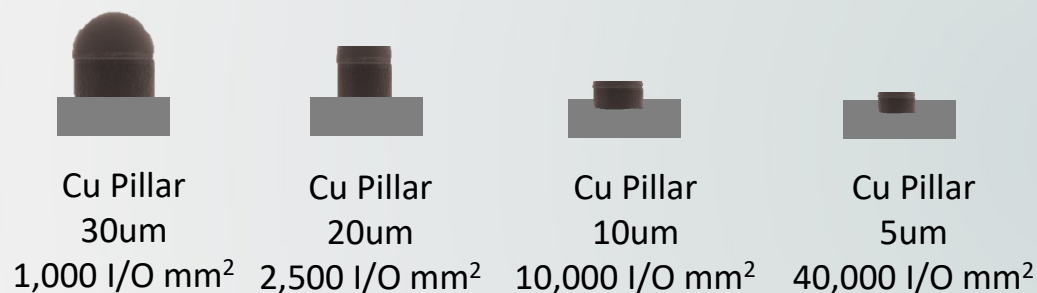
Chiplet modules and HBM to account for **30% revenues** in 2024

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

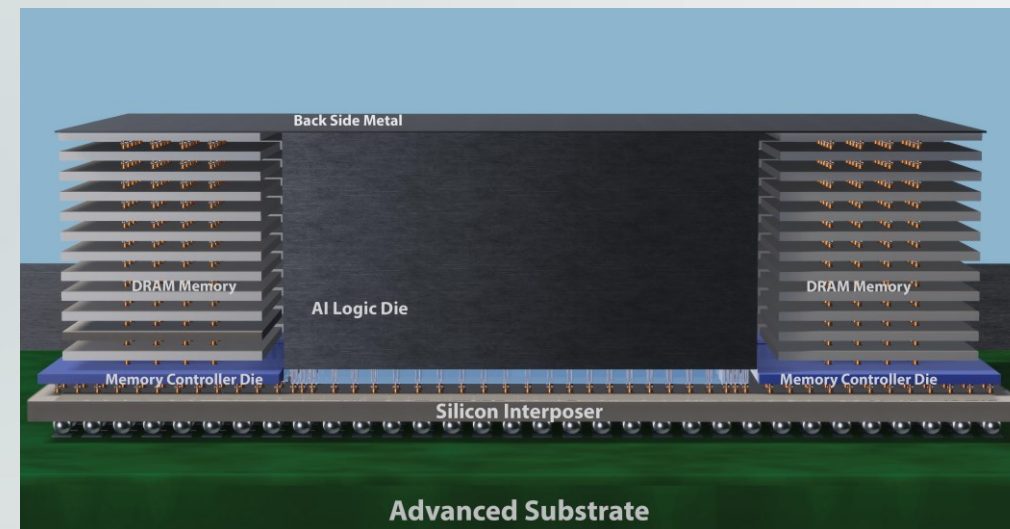


High volume manufacturing

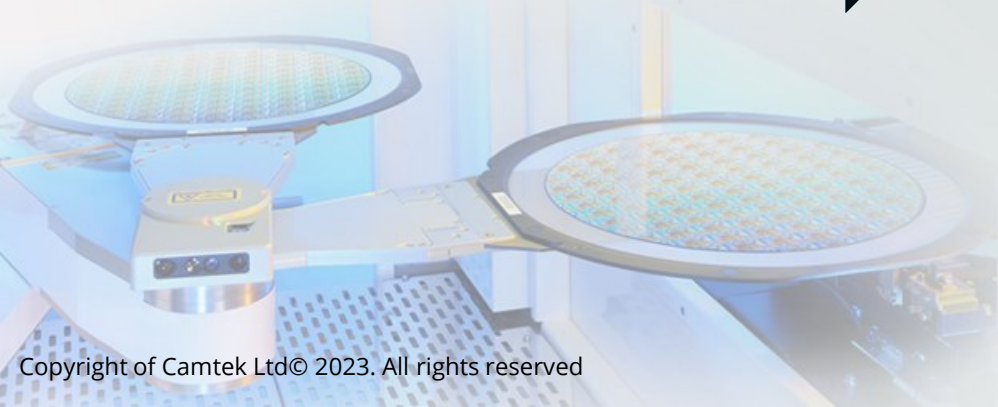
Next generation

Hybrid bonding technology moves down to 1um pad size

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



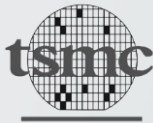
Source: Applied Materials, Inc.



Well Positioned to Benefit from AI Technology Trends



Chiplet and HBM Manufacturers



OSATS (slowly moving in)

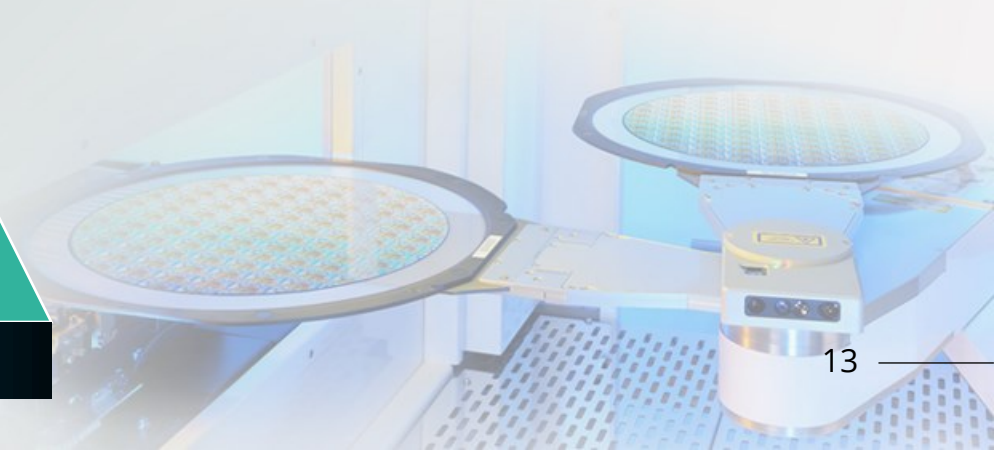
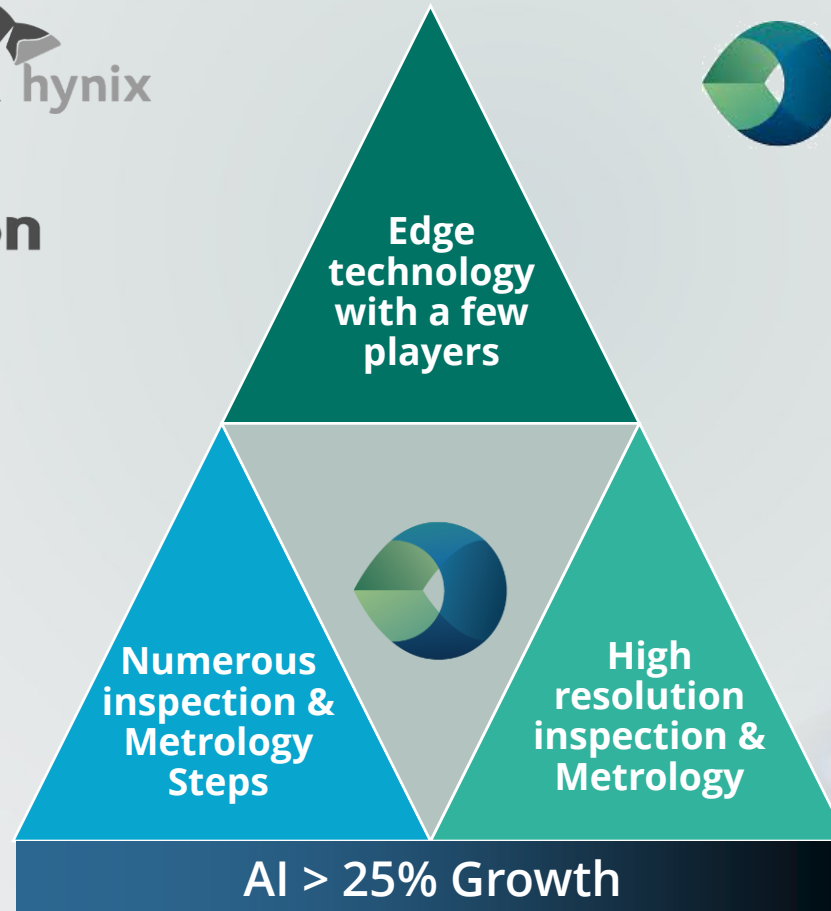
Inspection & Metrology Players



Camtek
See Beyond

innovation
onto

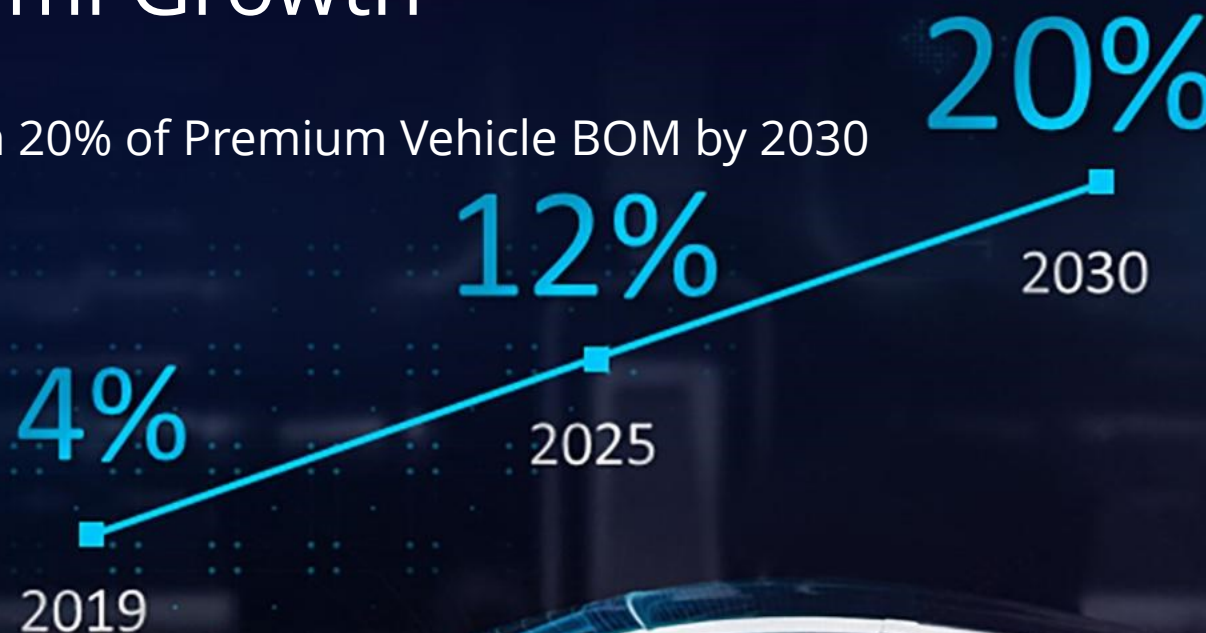
KLA+



Electrification Driving Semi Growth

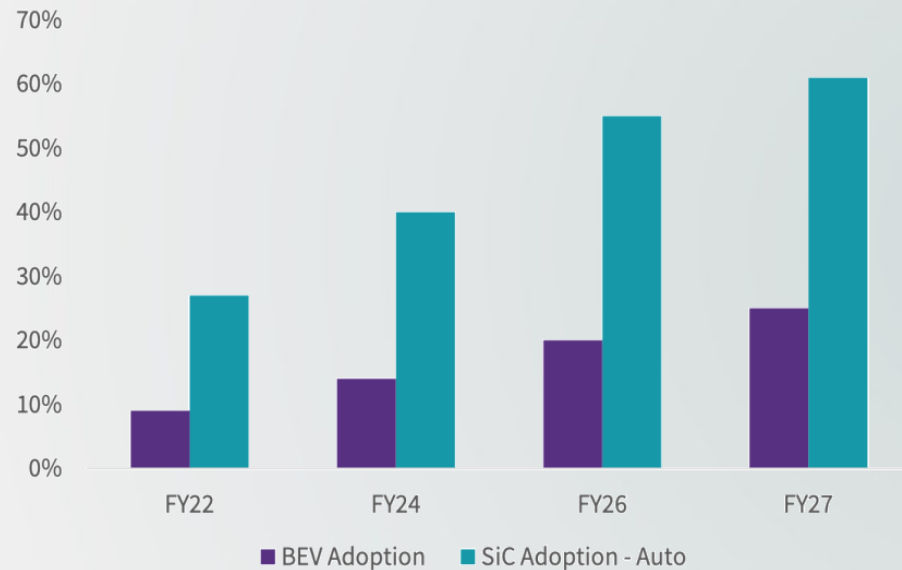
Intel CEO Predicts Chips Will Be More than 20% of Premium Vehicle BOM by 2030

Semiconductors
as a % of premium vehicle BOM

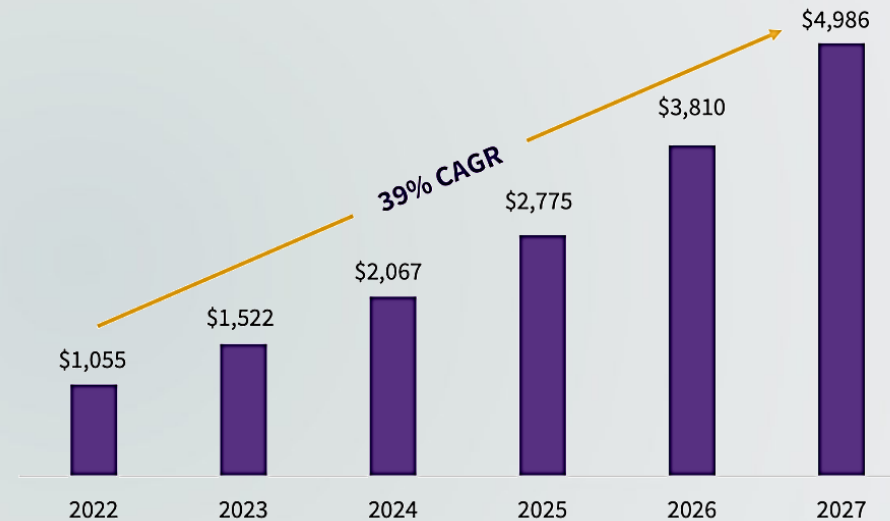


Compound Semi Widely Adopted

BEV & SiC Adoption Rates (%)



Value of SiC Content in EVs (\$M)



Source: Wolfspeed.

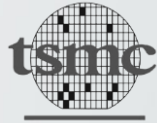
Why Silicon Carbide?

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

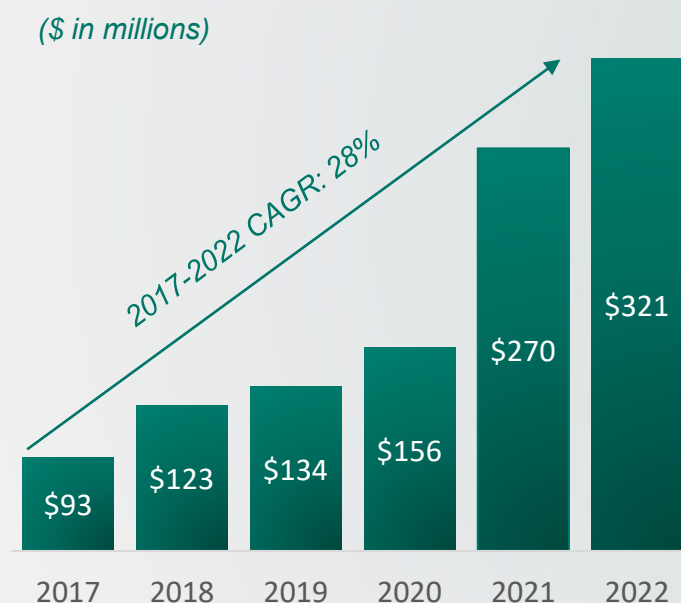


Camtek
See Beyond

Financial Overview

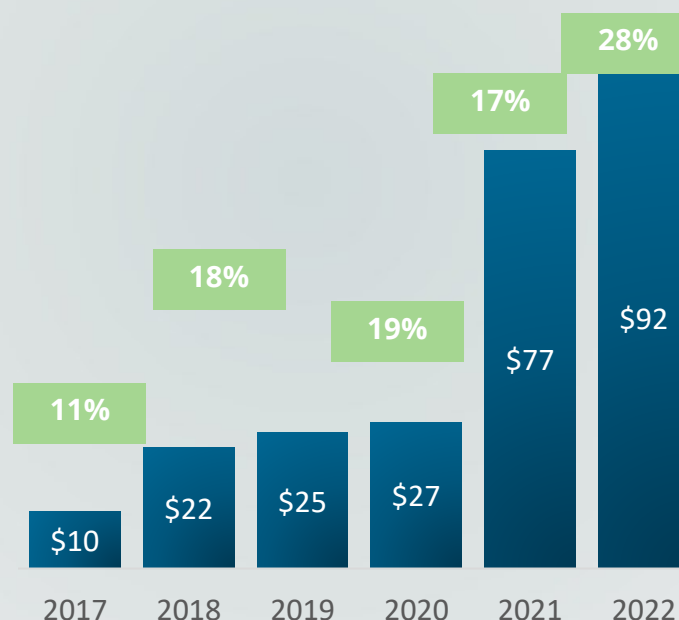
Track Record of Growth and Profitability

Revenue



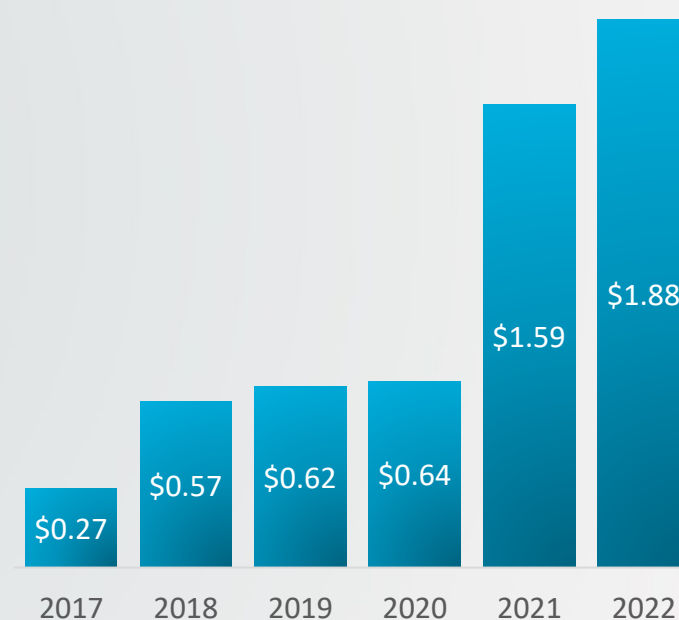
Operating Income and Margin*

(\$ in millions)



Net Income per Diluted Share*

(\$ per share)

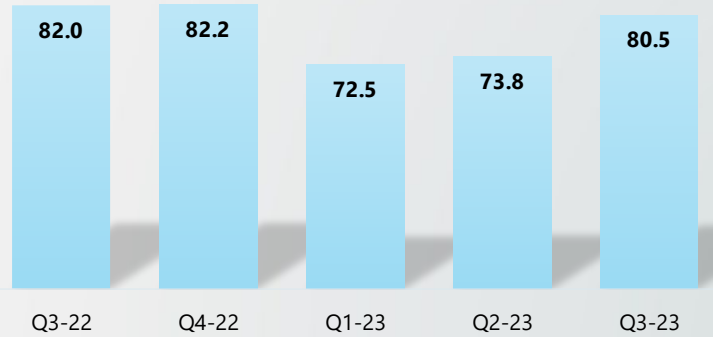


*Financial statistics are presented on a non-GAAP basis. Please see the Appendix for a reconciliation of non-GAAP metrics to the nearest comparable GAAP metrics.

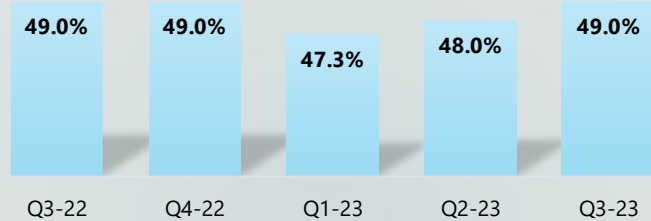
**Rapidly growing with significant
operating leverage in the model**

Strong Q3 2023 Results

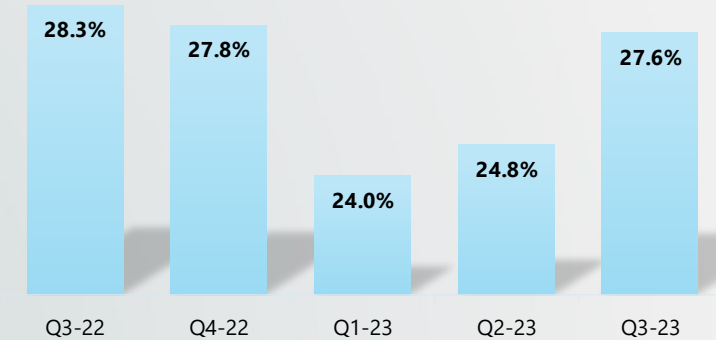
Revenue (\$M)



Gross Margin



Operating Margin



60% revenues from Advanced Interconnect Packaging applications

Received Multiple orders for systems for **chiplet modules and HBM** – more in pipeline

\$87-89m guidance for Q4 with **continued growth in Q1/24**

Selected Balance Sheet Data

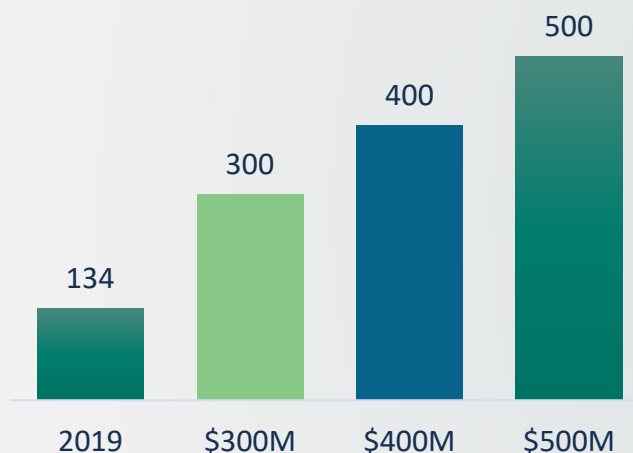
(\$ in millions)

	9/30/23 (Unaudited)	12/31/22 (Audited)
Cash & Deposits ⁽¹⁾	\$517	\$479
Trade Account Receivables, net	91	81
Inventory	73	71
Fixed Assets	37	33
Current Liabilities	80	89
Convertible Notes, Net	197	196
Total Balance Sheet	738	677

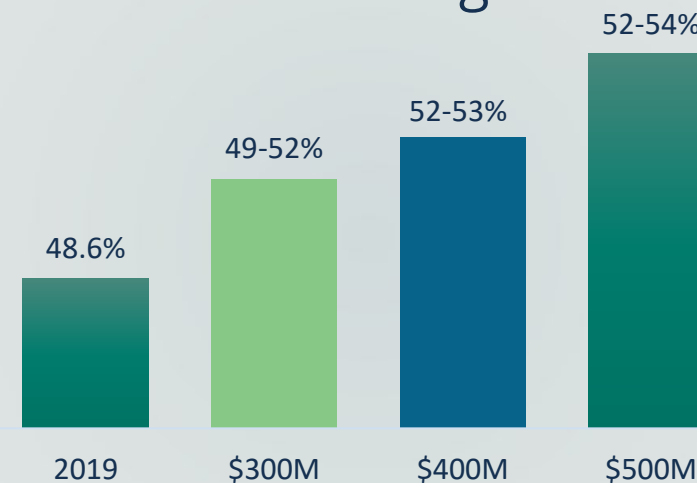
(1) Includes cash and cash equivalents, short-term and long-term deposits.

Progress to Target Model

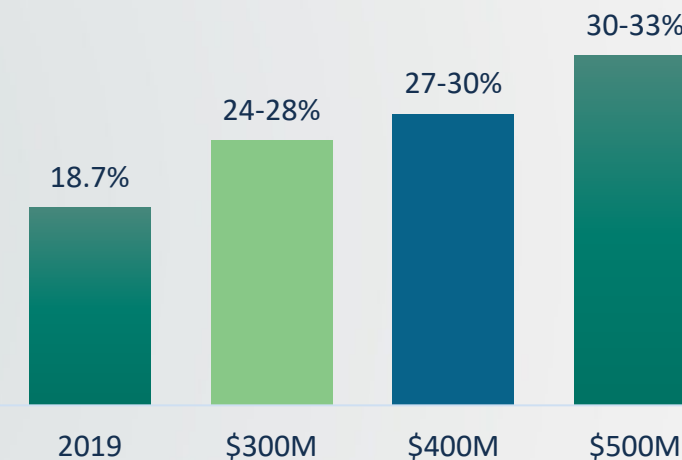
Revenue (\$ millions)



Gross Margin



Operating Margin



FRT acquisition accelerates the path to \$500

(*) Disclaimer: All of the information presented in the graphs above under the labels "\$300M" and "\$400M" 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 to be a record year & key milestone in reaching our \$500m target



Thank You

info@camtek.com

www.camtek.com

Appendix

Reconciliation from GAAP to Non-GAAP

\$ in millions (except per share data)	FY2018	FY2019	FY2020	FY2021	FY2022
Revenue	\$123.2	\$134.0	\$155.90	\$269.70	\$320.9
Net income (GAAP)	\$18.7	\$22.0	\$21.8	\$60.30	\$79.9
% of revenue	15.20%	16.40%	14.00%	22.4%	24.9%
Share based compensation	1.7	2.9	4.2	5.8	10.5
Tax settlement ⁽¹⁾	-	-	-	5.3	-
Chroma transaction expenses ⁽²⁾	-	0.1	-	-	-
Attributable to discontinued operations	-	-1.2	-	-	-
Effect of FIT reorganization ⁽³⁾	0.5	-	-	-	-
Net income (non-GAAP)	\$20.9	\$23.9	\$26.0	\$71.4	\$90.5
% of revenue	17.00%	17.80%	16.70%	26.5%	28.2%
Net income per diluted share (non-GAAP)	\$0.57	\$0.62	\$0.64	\$1.59	\$1.88

- (1) 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.
- (2) 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.
- (3) At the end of the first quarter of 2018, the Company ceased its efforts to utilize the remaining inventory and equipment related to FIT development and recorded a one-time write-off in the amount of \$0.5 million, consisting of: (1) inventory write-offs of \$0.2 million, recorded under the cost of revenue line item; and (2) fixed asset write-offs of \$0.3 million recorded under operating expenses.

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

\$ in millions (except per share data)	FY2018	FY2019	FY2020	FY2021	FY2022
Gross profit (GAAP)	\$60.8	\$64.8	\$73.3	\$137.3	\$159.9
% of revenue	49.40%	48.30%	47.00%	50.9%	49.8%
Share based compensation	0.2	0.3	0.4	0.6	1.2
Effect of FIT reorganization ⁽³⁾	0.2	-	-	-	-
Gross profit (non-GAAP)	\$61.2	\$65.1	\$73.8	\$138.0	\$161.1
Gross margin (% of revenue)	49.70%	48.60%	47.30%	51.2%	50.2%
Operating income (GAAP)	\$20.0	\$22.0	\$22.60	\$70.90	\$81.5
% of revenue	16.30%	16.40%	15.50%	26.3%	25.4%
Share based compensation	1.7	2.9	4.2	5.8	10.5
Chroma transaction expenses ⁽²⁾	-	0.1	-	-	-
Effect of FIT reorganization ⁽³⁾	0.5	-	-	-	-
Operating income (non-GAAP)	\$22.2	\$25.0	\$26.8	\$76.7	\$92.0
Operating margin (% of revenue)	18.00%	18.70%	17.20%	28.44%	28.7%

