axcelis + Veeco

Combining to Create an

Industry Leading Semiconductor Equipment Company

Oct 1, 2025

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These forward-looking statements are based on current information and assumptions and involve a number of risks and uncertainties, including relating to obtaining applicable regulatory and stockholder approvals, satisfying other closing conditions to the proposed transaction, the expected tax treatment of the proposed transaction, the expected timing of the proposed transaction and the integration of the businesses and the expected benefits, cost savings, accretion, synergies and growth to result therefrom. These risks include, among other things: failure to obtain applicable regulatory or stockholder approvals in a timely manner or otherwise; failure to satisfy other closing conditions to the proposed transaction or to complete the proposed transaction on anticipated terms and timing; negative effects of the announcement of the proposed transaction; risks that the businesses will not be integrated successfully or that the combined company will not realize expected benefits, cost savings, accretion, synergies and/or growth, or that such benefits may take longer to realize or may be more costly to achieve than expected; the risk that disruptions from the proposed transaction will harm business plans and operations; risks relating to unanticipated costs of integration; significant transaction and/or integration costs, or difficulties in connection with the proposed transaction and/or unknown or inestimable liabilities; restrictions during the pendency of the proposed transaction that may impact the ability to pursue certain business opportunities or strategic transactions; potential litigation associated with the proposed transaction; the potential impact of the announcement or consummation of the proposed transaction on Axcelis', Veeco's or the combined company's relationships with suppliers, customers, employees and regulators; and demand for the combined company's products. Actual results may differ materially from those projected in such statements due to various factors, including but not limited to: economic, political and social conditions in the countries in which Axcelis and Veeco, their respective customers and suppliers operate; disruption to Axcelis' and Veeco's respective manufacturing facilities or other operations, or the operations of Axcelis' and Veeco's respective customers and suppliers, due to natural catastrophic events, health epidemics or terrorism; ongoing changes in the technology industry, and the semiconductor industry in particular, including future growth rates, pricing trends in end-markets, or changes in customer capital spending patterns; Axcelis', Veeco's and the combined company's ability to timely develop new technologies and products that successfully anticipate or address changes in the semiconductor industry; Axcelis', Veeco's and the combined company's ability to maintain their respective technology advantage and protect their respective proprietary rights; Axcelis', Veeco's and the combined company's ability to compete with new products introduced by their respective competitors; Axcelis', Veeco's and the combined company's ability or the ability of their respective customers to obtain U.S. export control licenses for the sale of certain products or provision of certain services to customers in China.

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Today's Speakers

axcelis

Veeco

Russell Low, PhD

President & CEO

James Coogan

EVP & CFO

Bill Miller, PhD

President & CEO

John Kiernan

SVP & CFO

Compelling Combination with Significant Value Creation Potential

EXPANDED PRODUCT PORTFOLIO

Broader range of semiconductor capital equipment serving global supply chain

COMPLEMENTARY END MARKETS

Addressable market expansion and diversification with multiple secular tailwinds

ROBUST R&D AND INNOVATION ENGINE

Greater R&D scale in complementary competencies to enable customer roadmaps

STRONG FINANCIAL PROFILE

Combined cash position over $900M[1] and attractive FCF to accelerate returns and investment

1 Cash includes cash, cash equivalents, short-term investments, and long-term investments as of June 30, 2025, as reflected in the respective balance sheets of both companies.

Combining Capabilities to Create a Compelling Investment Opportunity

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axcelis	Veeco
Provides fundamental steps in semiconductor device production	Plays an integral role in the fabrication and packaging of advanced semiconductor devices
Develops enabling process applications through the design, manufacture and complete life cycle support of ion implantation systems	Offers laser annealing, ion beam, metal organic chemical vapor deposition (MOCVD), single wafer etch & clean and lithography technologies

Combined Company Highlights

$1.7 billion Revenue[1]	**44%** Gross Margin[1]	**~$230 million** Combined R&D Spend[1]
$387 million Adj. EBITDA[2]	**>$900 million** Combined Cash[3]	**18%** Combined Revenue CAGR (2019-2024)

Source: Company filings
1 Based on FY 2024 actual figures
2 Represents non-GAAP figures; see Appendix for reconciliations
3 Cash includes cash, cash equivalents, short-term investments, and long-term investments as of June 30, 2025, as reflected in the respective balance sheets of both companies.

Creating an Industry Leading Semiconductor Equipment Company

SIZEABLE AND GROWING ADDRESSABLE OPPORTUNITY

Expands addressable market opportunity to $5 billion+ in growing end markets benefitting from secular tailwinds

HIGHLY COMPLEMENTARY BUSINESSES

Complementary and diversified product portfolio, market segments, geographic presence, customer footprint and opportunities for revenue synergies

RESILIENT OPERATING PROFILE WITH ROBUST BALANCE SHEET

44% Non-GAAP gross margin[1] and 22% Adjusted EBITDA margin[1] with strong estimated pro forma cash of over $900 million[2]

TRANSACTION STRUCTURE ENHANCES VALUE CREATION POTENTIAL

Provides financial flexibility to invest through cycles, return capital to shareholders and prudently evaluate inorganic growth opportunities

DRIVING VALUE FOR ALL STAKEHOLDERS

Provides significant benefits to customers, employees and partners of both organizations

1 2024A; Represents Non-GAAP figures; see Appendix for reconciliations
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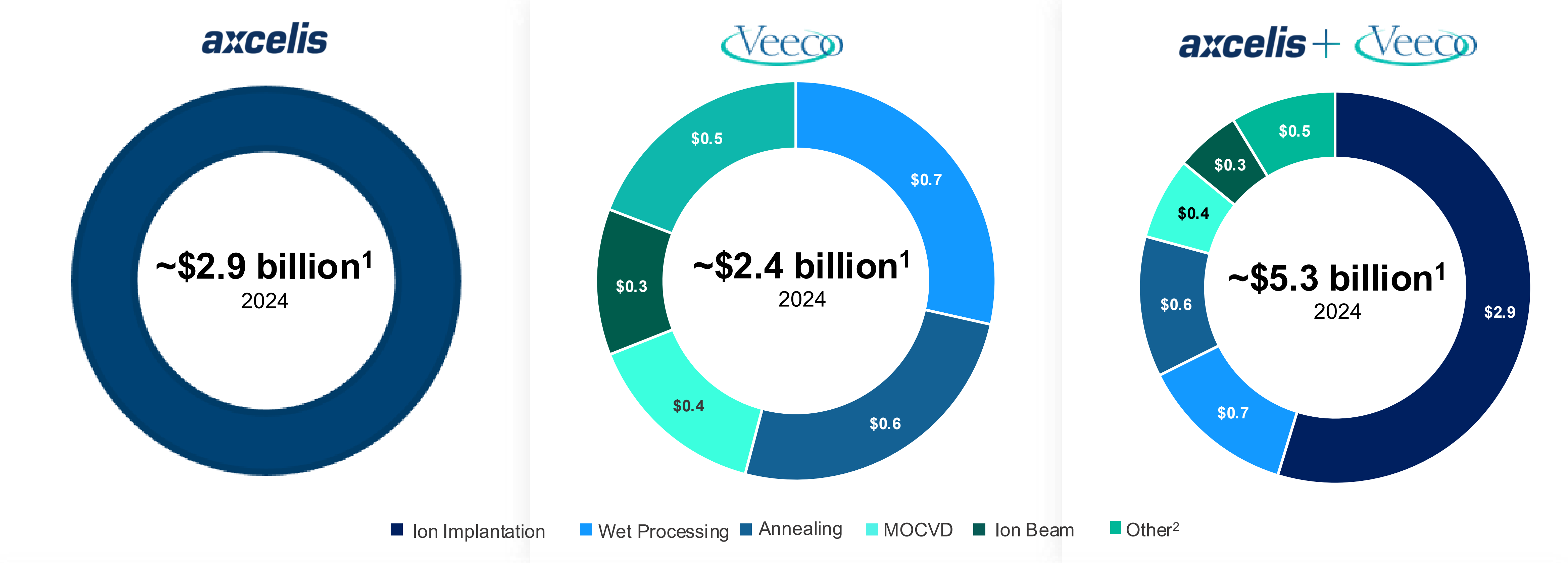
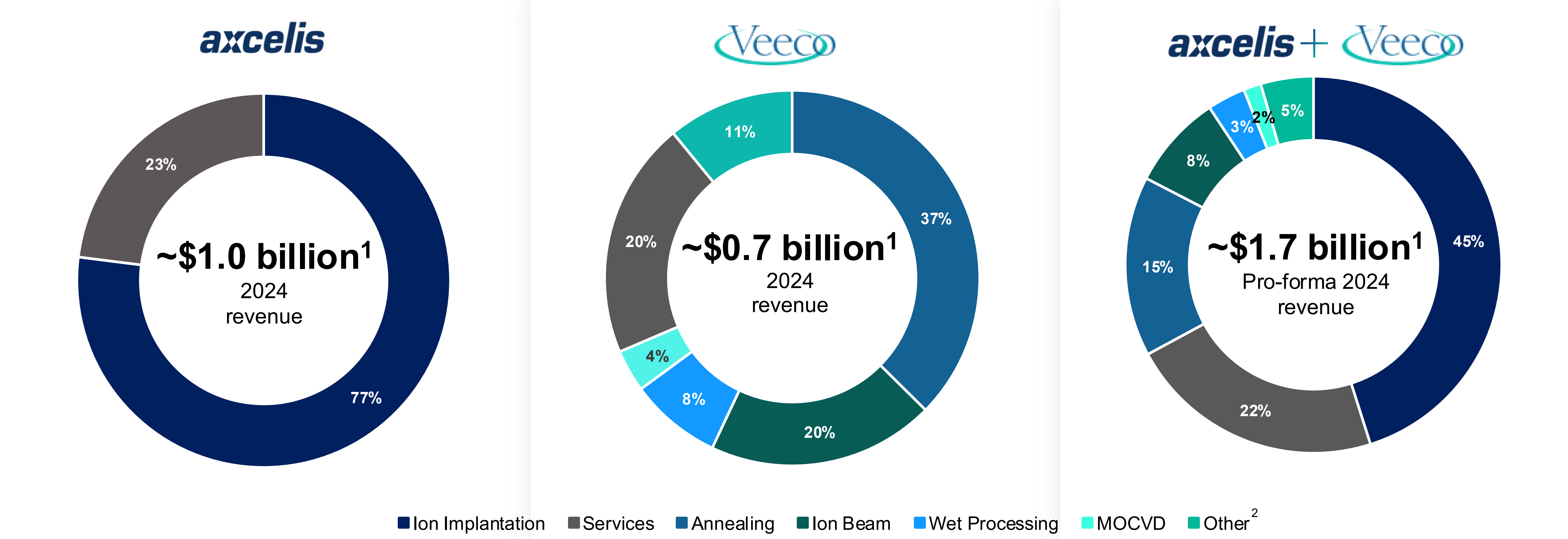
Expansion of Served Addressable Markets Across Technologies



Well positioned within end markets that are expected to experience significant growth through 2030 driven by AI and power demand

Source: Investor Presentations, Yole Group, TrendFocus, Gartner and internal analysis
1 Numbers may not tie due to rounding
2 Other includes Lithography, Molecular Beam Epitaxy and Atomic Layer Deposition

Diversifies Technology Portfolio to Advance Customer Roadmaps



Ability to leverage technical competencies across organizations to accelerate innovation

1 Numbers may not tie due to rounding
2 Other includes Lithography, Molecular Beam Epitaxy and Atomic Layer Deposition

Diversifies Regional Exposure Leveraging Respective Strengths

1 Numbers may not tie due to rounding

Broad and Complementary Portfolio of Capital Equipment Solutions for Semiconductor Customers

■ Axcelis products ■ Veeco products

Front end

- Deposition
- Ion Implantation
- Annealing

Back end

- Lithography
- Wet Processing

Product portfolio

IBD300®
Low Resistivity Metals

IBD EUV
Mask Blank Deposition and Pellicle

Purion, GSD
Ion Implantation

LSA

NSA

Low Thermal Budget Anneals

AP300®
Lithography

WaferStorm®
Flux Clean for HBM & CoWoS

Combination creates a leader in Semiconductor Equipment across Implant, Annealing and Deposition products

Note: IBD: Ion Beam Deposition | EUV: Extreme Ultraviolet | LSA: Laser Spike Annealing | NSA: Nanosecond Annealing

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Broad and Complementary Portfolio of Capital Equipment Solutions for Compound Semiconductor Customers

■ Axcelis products ■ Veeco products

Silicon Carbide (SiC)

Deposition

Ion Implantation

Gallium Nitride (GaN)

Deposition

Ion Implantation

Product portfolio

EpiStride®
SiC Deposition

Purion
SiC Implant

Propel® 300
GaN Deposition

Purion
GaN Implant

Combination creates a leader in Compound Semiconductor Equipment for Power Solutions across Epitaxial and Implant products

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Global Expansion and Enhanced Customer Proximity

U.S. COMBINED LOCATIONS

Sales and Service
15 sites

Manufacturing and R&D
8 sites

Material Warehouse
3 sites[1]

EUROPE COMBINED LOCATIONS

Sales and Service
6 sites

ASIA COMBINED LOCATIONS

Sales and Service
39 sites

Manufacturing
3 sites

Material Warehouse
7 sites

Bolsters global scale of world-class R&D, manufacturing and services infrastructure

1 Excludes spare parts depot and customer support centers located in specific regions

Combination to Drive Synergies Across Technologies and Markets

	CORE COMPETENCIES: axcelis	Value Creation Opportunities	CORE COMPETENCIES: Veeco
TECHNOLOGIES	Ion Implant	Potential for Technology Optimization Cross Sell Opportunity	Laser Annealing
TECHNOLOGIES	Ion Implant	Combined Ion Source and Component Expertise to Enhance IBD capabilities	Ion Beam Deposition
MARKETS	Strength in SiC Market	Complementary Strength in Compound Semi Cross Sell Opportunity	MOCVD
MARKETS	Strength in Memory, Mature Foundry / Logic	Leveraging Strengths in Semi Applications and Customer Relationships	Strength in Advanced Foundry / Logic
SERVICES	Services / Aftermarket	Enhanced Value to Combined Customers through Access to Expanded Tool Installed Base	Services / Aftermarket

Creating New Opportunities for All Stakeholders

Stronger combined company positioned to grow through the cycles

Customers

- Scope and scale for end-to-end support
- Accelerate R&D investments to drive customer roadmaps

Employees

- Exciting opportunities for employees across a set of broader technologies, markets and a larger organization
- Ability to attract top talent across the globe

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Transaction Summary

Transaction and purchase price	• All stock transaction, Veeco shareholders will receive 0.3575 Axcelis shares for each share of Veeco they own at close • Represents enterprise value of ~$4.4 billion based on closing share prices on Sept. 30, 2025, and outstanding debt on Jun. 30, 2025 • Estimated pro forma ownership at closing: ~58% Axcelis shareholders; ~42% Veeco shareholders
Management, governance & headquarters	• Russell Low and James Coogan to serve as CEO and CFO of the combined company, respectively • Combined company board will include 11 directors: – Thomas St. Dennis, who currently sits on both boards, to serve as Chairperson – 6 board members from Axcelis, including current Chair, Jorge Titinger, and CEO Russell Low – 4 board members from Veeco, including CEO Bill Miller, who will serve as Chair of the Technology Committee • Combined company to be headquartered in Beverly, Massachusetts • Combined company will assume a new name, ticker symbol and brand following close
Financial benefits	• Transaction expected to be accretive to non-GAAP EPS within 12 months post-closing • Expect to realize annual run rate cost synergies of approximately $35 million within 24 months following closing, with the majority achieved within the first 12 months • Veeco's $230 million in outstanding 2029 convertible bonds assumed by the combined company • Estimated pro forma cash, cash equivalents and marketable securities of over $900 million[1]
Transaction financing	• No financing contingencies
Expected close	• Expected to close in the second half of 2026 • Subject to approval by shareholders of both Axcelis and Veeco • Subject to receipt of required regulatory approvals, and the satisfaction of other customary closing conditions

1 Cash includes cash, cash equivalents, short-term investments, and long-term investments as of June 30, 2025, as reflected in the respective balance sheets of both companies.

Creating One of the Best In-class Operating Profiles

Expected to realize $35 million in annual run-rate cost synergies within 24 months following close

($mm, FY24A)	axcelis	Veeco	axcelis + Veeco
Revenue	**$1,018**	**$717**	**$1,735**
Non-GAAP Gross profit[1]	**$457**	**$310**	**$768**[2]
% margin	***45%***	***43%***	***44%***
Adjusted EBITDA	**$253**	**$134**	**$387**[2]
% margin	***25%***	***19%***	***22%***

1 See Appendix for reconciliations
2 Does not include expected run rate synergies
Source: Axcelis and Veeco filings, Management

Transaction Structure Enables Value-creative Capital Allocation

CAPITAL ALLOCATION PRIORITIES:

1 Organic Growth

2 Capital Return

Axcelis and Veeco anticipate that, following the closing of the transaction, the combined company would execute a share repurchase program

3 Inorganic Growth / M&A

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Appendix

Axcelis Technologies Inc.
Schedule Reconciling Selected Non-GAAP Financial Measures – **Fiscal Year 2024**
(in thousands, except per share amounts)

	Q1'24	Q2'24	Q3'24	Q4'24	FY 2024
Revenue	$ 252,372	$ 256,512	$ 256,564	$ 252,417	$ 1,017,865
Gross Profit	$ 116,051	$ 112,409	$ 109,970	$ 116,223	$ 454,654
Restructuring[1]	-	876	-	256	1,132
Stock-based compensation	290	462	354	399	1,505
Non-GAAP Gross Profit	$ 116,341	$ 113,747	$ 110,324	$ 116,878	$ 457,291
Non-GAAP Gross Margin	46.1%	44.3%	43.0%	46.3%	44.9%
Operating Expense	$ 59,512	$ 59,599	$ 63,057	$ 61,692	$ 243,860
Bad debt expense	459	-	(3,443)	(3)	(2,987)
Restructuring[1]	-	(552)	-	(862)	(1,414)
Stock-based compensation	(4,400)	(5,007)	(5,058)	(4,981)	(19,446)
Non-GAAP Operating Expense	$ 55,571	$ 54,040	$ 54,556	$ 55,846	$ 220,013
Operating Income	$ 56,539	$ 52,810	$ 46,913	$ 54,531	$ 210,794
Bad debt expense	(459)	-	3,443	3	2,987
Restructuring[1]	-	1,428	-	1,118	2,546
Stock-based compensation	4,690	5,469	5,412	5,380	20,951
Non-GAAP Operating Income	$ 60,770	$ 59,707	$ 55,768	$ 61,032	$ 237,278
Non-GAAP Operating Margin	24.1%	23.3%	21.7%	24.2%	23.3%
Income tax provision	$ 7,404	$ 6,399	$ 6,789	$ 8,689	$ 29,282
Tax impact of non-GAAP adjustments[2]	592	966	1,240	910	3,708
Non-GAAP Income tax provision	$ 7,996	$ 7,365	$ 8,029	$ 9,599	$ 32,990
Net Income	$ 51,595	$ 50,866	$ 48,576	$ 49,956	$ 200,992
Bad debt expense	(459)	-	3,443	3	2,987
Restructuring[1]	-	1,428	-	1,118	2,547
Stock-based compensation	4,690	5,469	5,412	5,380	20,951
Tax impact of non-GAAP adjustments[2]	(592)	(966)	(1,240)	(910)	(3,708)
Non-GAAP Net Income	$ 55,234	$ 56,797	$ 56,191	$ 55,547	$ 223,769
Diluted earnings per share	$ 1.57	$ 1.55	$ 1.49	$ 1.54	$ 6.15
Bad debt expense	(0.01)	-	0.11	0.00	$ 0.10
Restructuring[1]	-	0.04	-	0.03	$ 0.07
Stock-based compensation	0.14	0.17	0.16	0.17	$ 0.64
Tax impact of non-GAAP adjustments[2]	(0.02)	(0.03)	(0.04)	(0.03)	$ (0.12)
Non-GAAP diluted earnings per share	$ 1.68	$ 1.73	$ 1.72	$ 1.71	$ 6.84
Basic Share O/S	32,638	32,598	32,550	32,424	32,552
Diluted Shares O/S	32,926	32,771	32,675	32,514	32,704

Adjusted EBITDA Reconciliation	Q1'24	Q2'24	Q3'24	Q4'24	FY 2024
Net income	$ 51,595	$ 50,866	$ 48,576	$ 49,956	$ 200,992
Other (income)/expense	(2,460)	(4,455)	(8,452)	(4,114)	(19,480)
Income tax provision	7,404	6,399	6,789	8,689	29,282
Depreciation & amortization	3,775	3,861	3,906	4,267	15,809
Subtotal	$ 60,314	$ 56,671	$ 50,819	$ 58,798	$ 226,603
Bad debt expense	(459)	-	3,443	3	2,987
Restructuring[1]	-	1,428	-	1,118	2,547
Stock-based compensation	4,690	5,469	5,412	5,380	20,951
Adjusted EBITDA	$ 64,545	$ 63,568	$ 59,674	$ 65,299	$ 253,088
Adjusted EBITDA Margin	25.6%	24.8%	23.3%	25.9%	24.9%

Footnotes:
[1]Restructuring and other costs primarily related to early retirement programs and severance costs, due to global cost-saving initiatives
[2]Impact of taxes from Non-GAAP adjustments, uses adjusted tax rate of 14%
Figures may not sum due to rounding

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Veeco Instruments Inc.
Supplemental Information—GAAP to Non-GAAP Reconciliation – **Fiscal Year 2024**

$ millions	Q1 24	Q2 24	Q3 24	Q4 24	FY 24
Net sales	$174.5	$175.9	$184.8	$182.1	$717.3
GAAP gross profit	75.4	75.4	79.2	74.0	304.0
GAAP gross margin	43.2%	42.9%	42.9%	40.6%	42.4%
Add: Share-based comp	1.7	1.4	1.6	1.5	6.3
Add: Other	-	-	0.2	-	0.2
Non-GAAP gross profit	$77.1	$76.8	$80.9	$75.5	$310.4
Non-GAAP gross margin	44.2%	43.7%	43.8%	41.5%	43.3%

$ millions	Q1 24	Q2 24	Q3 24	Q4 24	FY 24
GAAP Net income	$21.9	$14.9	$22.0	$15.0	$73.7
Add: Share-based comp	8.1	9.2	9.5	9.1	35.9
Add: Amortization	1.9	1.8	1.7	1.6	7.0
Add: Asset impairment	-	-	-	28.1	28.1
Add: Sale of productive assets	(2.0)	-	-	-	(2.0)
Add: Changes in contingent consideration	(0.6)	0.5	(4.6)	(16.5)	(21.2)
Add: Other	-	-	0.2	1.2	1.4
Add: Interest expense (income)	(0.7)	(0.3)	(0.3)	(0.5)	(1.9)
Add: Tax expense (benefit)	0.9	2.1	2.7	(10.6)	(4.9)
Non-GAAP operating income	29.4	28.3	31.0	27.4	116.1
Add: Depreciation	4.5	4.8	4.5	4.4	18.1
Adjusted EBITDA	$33.9	$33.1	$35.5	$31.8	$134.2

$ millions, except per share amounts	Q1 24	Q2 24	Q3 24	Q4 24	FY 24
GAAP Basic weighted average shares	56.0	56.3	56.4	56.5	56.4
GAAP Diluted weighted average shares	60.8	62.5	62.7	60.5	61.6
GAAP Basic EPS	$0.39	$0.27	$0.39	$0.26	$1.31
GAAP Diluted EPS	$0.37	$0.25	$0.36	$0.26	$1.23
GAAP Net income	$21.9	$14.9	$22.0	$15.0	$73.7
Add: Share-based comp	8.1	9.2	9.5	9.1	35.9
Add: Amortization	1.9	1.8	1.7	1.6	7.0
Add: Asset impairment	-	-	-	28.1	28.1
Add: Changes in contingent consideration	(0.6)	0.5	(4.6)	(16.5)	(21.2)
Add: Sale of productive assets	(2.0)	-	-	-	(2.0)
Add: Other	-	-	0.2	1.2	1.4
Add: Non-cash interest expense	0.3	0.3	0.3	0.3	1.3
Add: Tax benefit associated with asset impairments	-	-	-	(12.2)	(12.2)
Add: Tax adjustment from GAAP to Non-GAAP	(3.0)	(1.4)	(0.7)	(2.4)	(7.5)
Non-GAAP net income	$21.9	$25.4	$28.3	$24.2	104.3
Non-GAAP basic EPS	$0.47	$0.45	$0.50	$0.43	$1.85
Non-GAAP diluted EPS	$0.45	$0.42	$0.46	$0.41	$1.74
Non-GAAP basic weighted average shares	56.0	56.3	56.4	56.5	56.4
Non-GAAP diluted weighted average shares	60.0	62.1	62.2	60.1	61.2

In millions	Q1 24	Q2 24	Q3 24	Q4 24	FY 24
GAAP operating expenses	$53.4	$58.7	$54.9	$70.1	$237.0
Share-based compensation	(6.4)	(7.8)	(7.9)	(7.6)	(29.6)
Amortization	(1.9)	(1.8)	(1.7)	(1.6)	(7.0)
Other	2.7	(0.5)	4.6	(12.9)	(6.1)
Non-GAAP operating expenses	$47.8	$48.6	$49.9	$48.1	$194.4

Amounts may not calculate precisely due to rounding.