Veeco Instruments

Oppenheimer 28th Annual Technology, Internet & Communications Conference



August 12, 2025

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This presentation contains "forward-looking statements", within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, as amended, that are based on management's expectations, estimates, projections and assumptions. Words such as "expects," "anticipates," "plans," "believes," "scheduled," "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements. Forward-looking statements include, but are not limited to, those regarding anticipated growth and trends in our businesses and markets, industry outlooks and demand drivers, our investment and growth strategies, our development of new products and technologies, our business outlook for current and future periods, our ongoing transformation initiative and the effects thereof on our operations and financial results; and other statements that are not historical facts. These statements and their underlying assumptions are subject to risks and uncertainties and are not guarantees of future performance. Factors that could cause actual results to differ materially from those expressed or implied by such statements include, without limitation: global trade issues, including the effects of foreign and domestic tariffs and the ongoing trade disputes between the U.S. and China, and changes in trade and export license policies; the level of demand for our products; global economic and industry conditions; global conflicts; our dependency on third-party suppliers and outsourcing partners; the timing of customer orders; our ability to develop, deliver and support new products and technologies; our ability to expand our current markets, increase market share and develop new markets; the concentrated nature of our customer base; cybersecurity attacks and our ability to safeguard sensitive information and protect our intellectual property rights in key technologies; the effects of regional or global health epidemics; our ability to achieve the objectives of operational and strategic initiatives and attract, motivate and retain key employees; the variability of results among products and end-markets, and our ability to accurately forecast future results, market conditions, and customer requirements; the impact of our indebtedness, including our convertible senior notes and our capped call transactions; and other risks and uncertainties described in our SEC filings on Forms 10-K, 10-Q and 8-K, and from time-to-time in our other SEC reports. All forward-looking statements speak only to management's expectations, estimates, projections and assumptions as of the date of this presentation. The Company does not undertake any obligation to update or publicly revise any forward-looking statements to reflect events, circumstances or changes in expectations after the date of this presentation.

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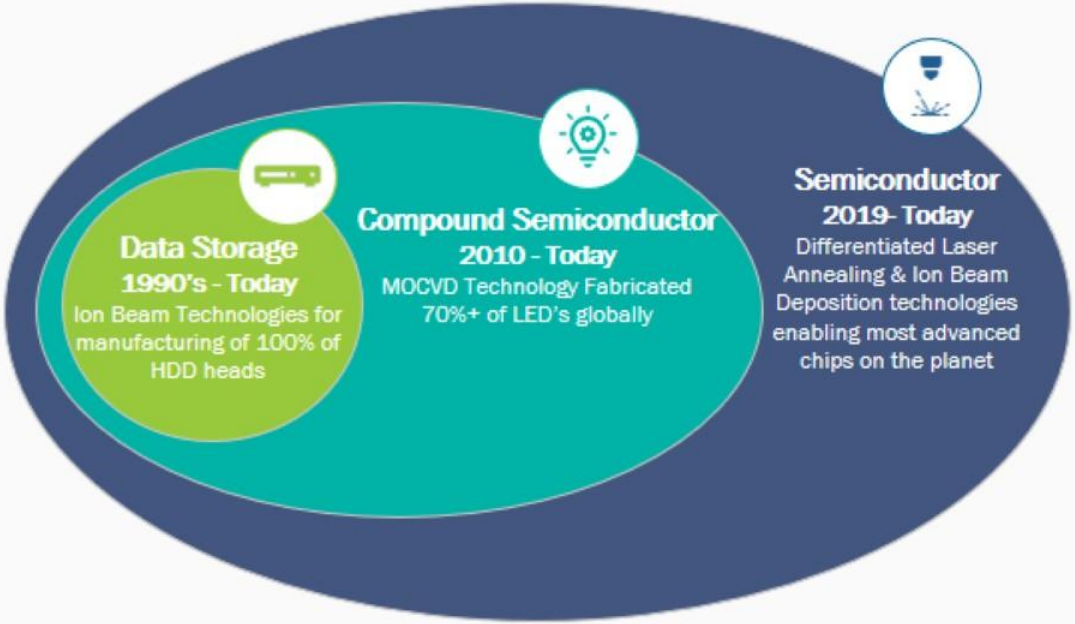
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Who is Veeco ?

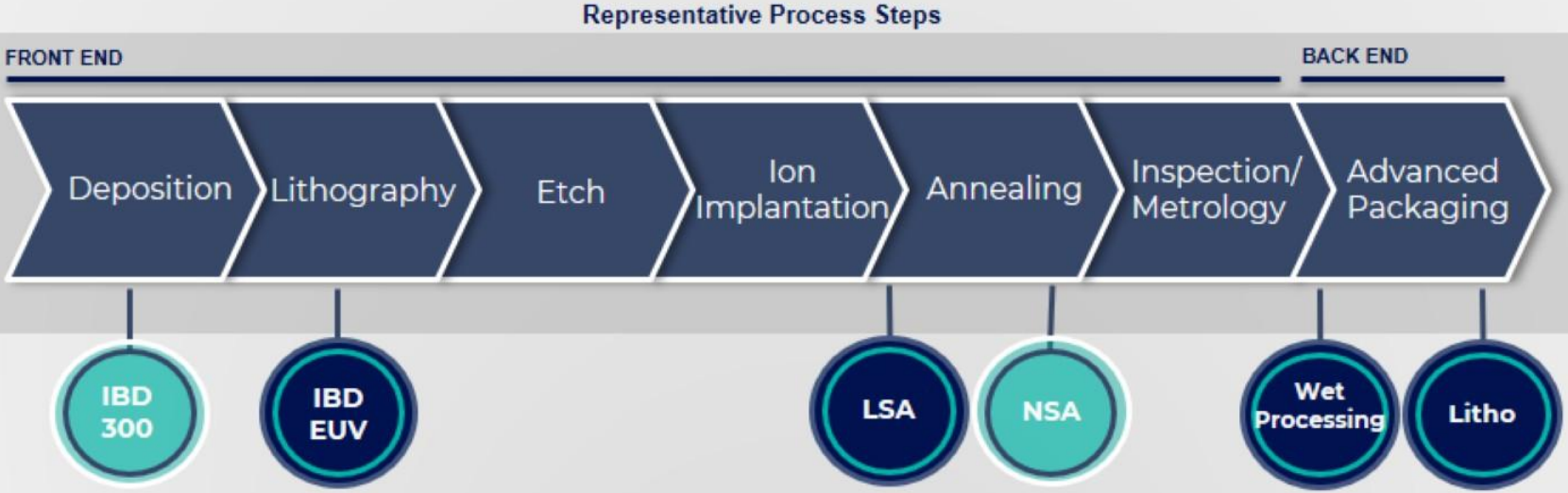


Strong History
Solving materials challenges

Growth Focus
Semiconductor & Compound Semiconductor

Well Positioned
Leading edge customers drive growth

Veeco Role in Semi Manufacturing



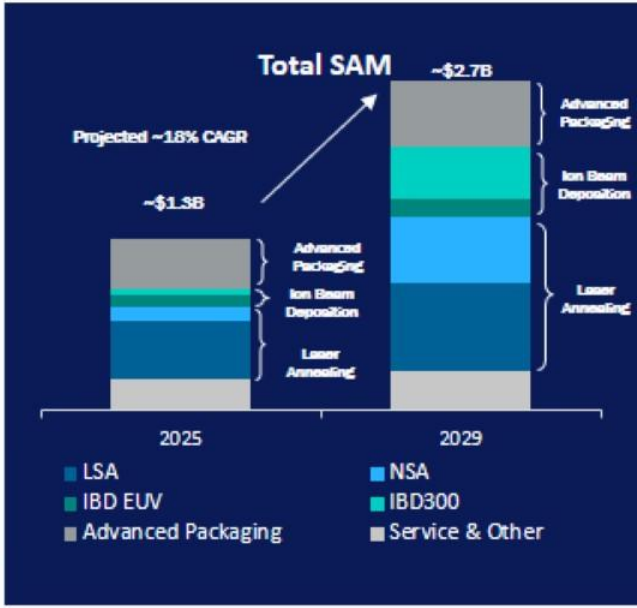
Veeco Technologies are Critical for Several Semi Manufacturing Process Steps

IBD: Ion Beam Deposition LSA: Laser Spike Annealing
EUV: Extreme ultraviolet NSA: Nanosecond Annealing

- Driving business today
- New products

Semiconductor SAM Projected Growth

Key Growth Drivers		2025	2029
Laser Spike Annealing (LSA)	• PTOR at 3 Tier 1 logic and 1 HBM DRAM customer • Reached agreement with 2nd HBM customer for an LSA system, with planned shipment in 2H 2025	~$600M	~$850M
NEW Nanosecond Annealing (NSA)	• 2 evaluation systems at Tier 1 logic customers • Strong pull from 3rd Tier 1 logic customer for evaluation tool	~$100M	~$450M
IBD EUV Mask Blanks	• PTOR for EUV mask blank deposition	~$70M	~$120M
NEW IBD300 Front End Semi	• 2 evaluation systems at HBM customers • Strong pull from Tier 1 logic customers for evaluations	~$50M	~$350M
Advanced Packaging	• Wet processing system PTOR for 3D Packaging for AI • AP Litho system PTOR at Foundry and OSATs	~$350M	~$650M

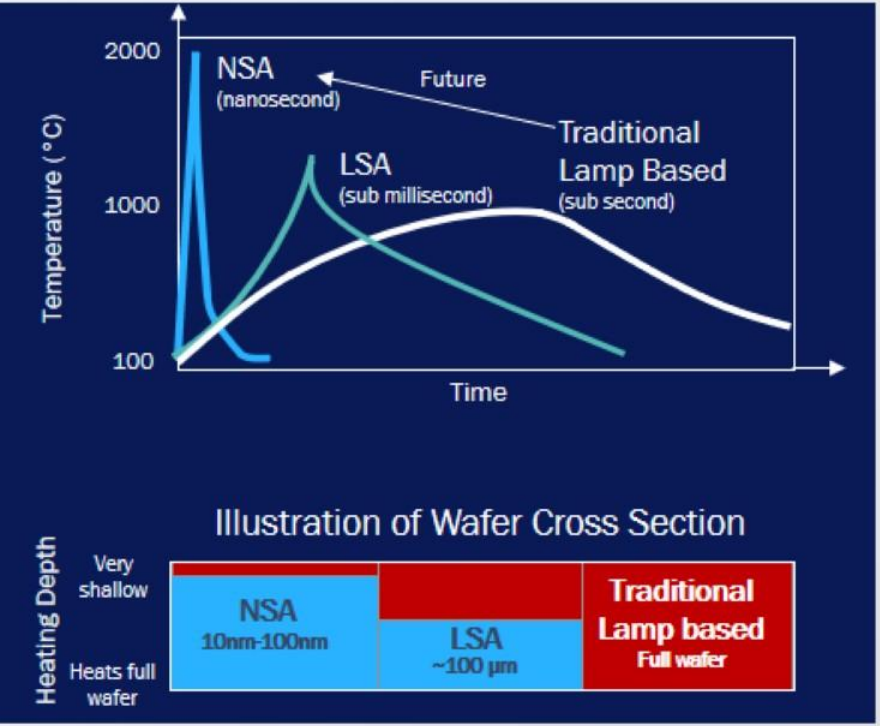


Several substantial growth opportunities in Semiconductor market

EUV – Extreme Ultraviolet
IBD – Ion Beam Deposition
PTOR – Production Tool of Record

Source: Veeco Served Available Market based on TrendFocus, Gartner, Yole Group and internal analysis

Nanosecond Annealing Opportunity



- Scaling challenges driving the need for new annealing capabilities
- NSA broadening Laser Annealing adoption to new leading-edge Logic and Memory applications
  - **Shallow anneals** enabling 3D devices
  - **Material Modification** steps to improve performance by changing device structure and properties
- Potential for additional logic HVM orders in 2026

Nanosecond Annealing a substantial opportunity to expand to new leading-edge applications

HVM – High Volume Manufacturing

NSA – Nanosecond Annealing
LSA – Laser Spike Annealing

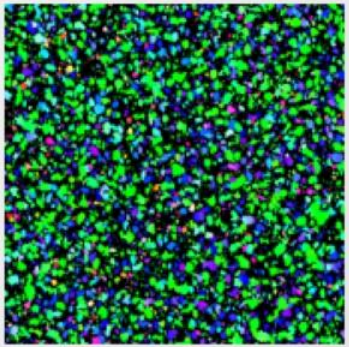
Veeco

IBD300– 300mm Front End Semi Opportunity

ILLUSTRATION OF GRAIN SIZE AND DISTRIBUTION

TODAY

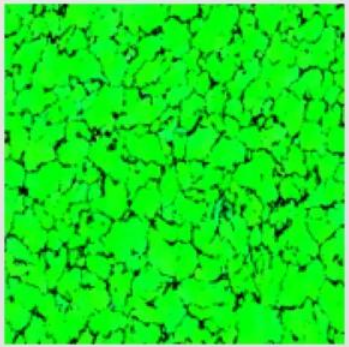
Incumbent Technology



Non-uniform, randomly oriented grains of small size = higher resistivity

FUTURE

IBD



Uniformly oriented large grains = lowest resistivity

- Industry leader in Ion Beam Technology
- Lower resistance metals essential for customer scaling and have direct impact on device performance, speed, and battery life
- IBD achieving superior thin film properties vs incumbent technologies, including lower resistivity
- Ideal for advanced applications where low resistance is most critical

IBD achieving superior thin film properties versus incumbent technologies for advanced node applications

IBD – Ion Beam Deposition

Semi Evaluations Capture Industry Inflections

System	Tier 1 Customer	Tools at Customer	Forecasted Revenue Per Application Win 100K wspm*
LSA	Logic	1	$40-50M
	Memory	0	$40-50M
NSA	Logic	2	$50-60M
	Memory	0	$40-50M
IBD300	Logic	0	$50-60M
	Memory	2	$30-40M

*Evaluations typically compete to win several applications. The number of applications under evaluation will vary by system, customer, and market.

Increase in Evaluations to Enable Penetration of Key SAM Growth Opportunities

LSA- Laser Spike Annealing
NSA – Nanosecond Annealing
IBD – Ion Beam Deposition

Veeco Technologies for Artificial Intelligence

GPU

Current PTOR
- Laser-Spike Annealing (LSA)
- IBD for EUV mask blanks

Additional Future Opportunities
- Nanosecond Annealing (NSA)
- IBD for low resistivity metals

High-Bandwidth Memory (HBM) DRAM

Current PTOR
- Laser-Spike Annealing (LSA)
- IBD for EUV mask blanks

Additional Future Opportunities
- Nanosecond Annealing (NSA)
- IBD for low resistivity metals

Advanced Packaging

Current PTOR
- Wet Processing for micro-bump flux clean
- Lithography for Cu bumps

Additional Future Opportunities
- Wet Processing for temporary bond clean

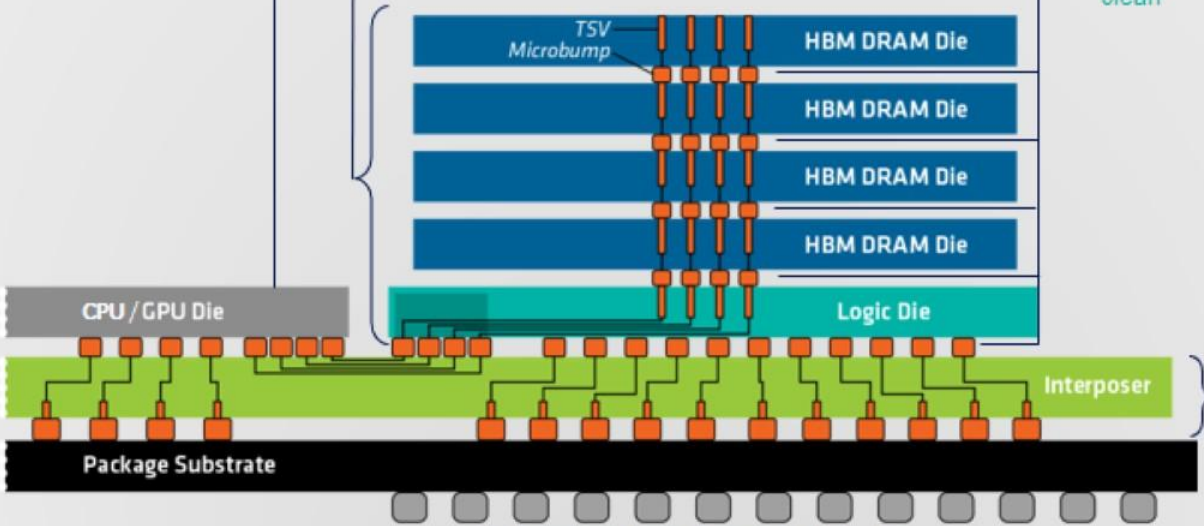


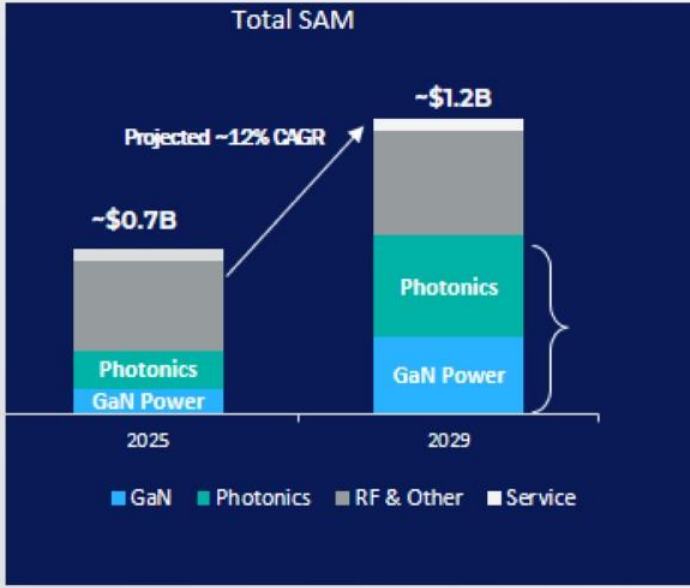


ILLUSTRATION OF A TYPICAL AI CHIP

PTOR – Production Tool of Record
TSV – Through Silicon Via
GPU – Graphics Processing Unit
HBM – High-Bandwidth Memory

Compound Semiconductor Projected SAM Growth

Key Growth Drivers		2025	2029
GaN Power	• Single wafer MOCVD platform for 200 and 300mm GaN wafer sizes • Shipped 300mm evaluation for GaN on Si Power to leading Power Device customer	~$100M	~$300M
Photonics	• Batch platform for traditional red MicroLED • Single wafer platform for disruptive Red, Green and Blue MicroLEDs on same wafer using GaN on Si • Batch platform for solar and other applications	~$150M	~$400M

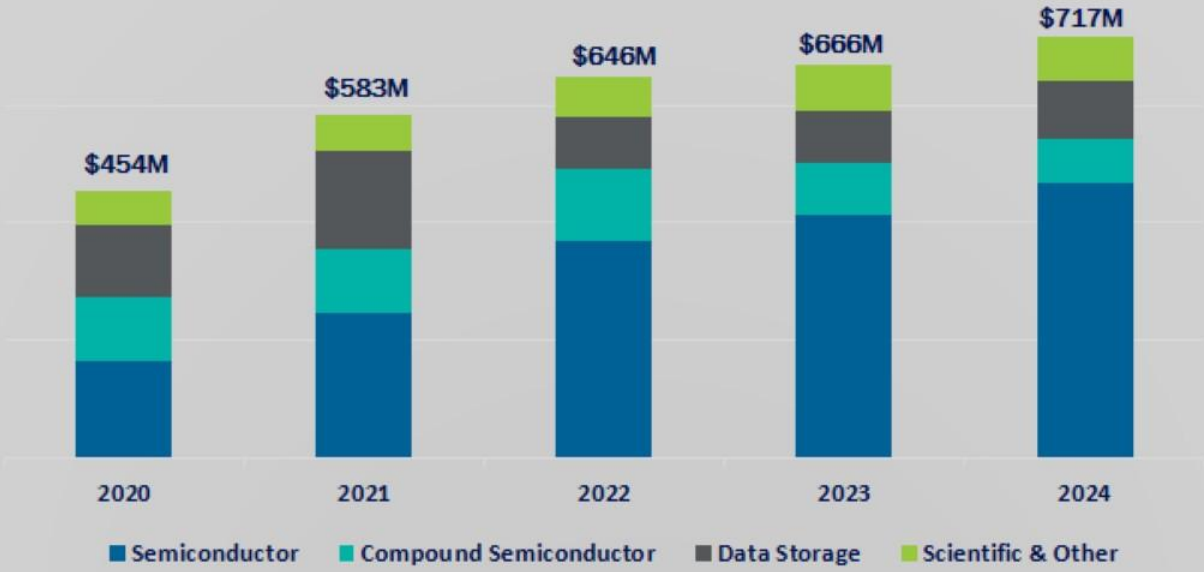


Growth opportunities in GaN Power & Photonics

Source: Veeco Served Available Market based on TrendFocus, Gartner, Yole Group and internal analysis

GaN – Gallium Nitride

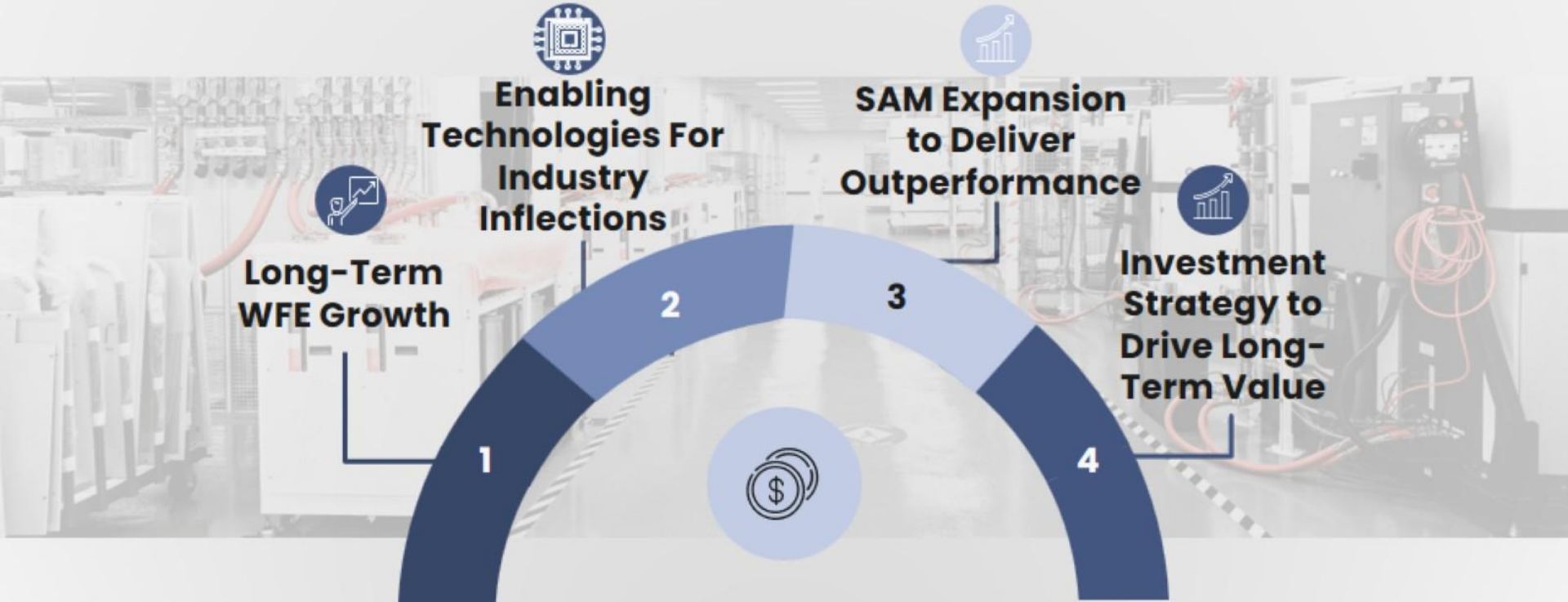
Revenue by End-Market



Semiconductor CAGR of ~30% drives increase from 37% of total 2020 revenue to >60% in 2024

Amounts may not calculate precisely due to rounding.

Why own Veeco ?



Thank You

Financial Table

Note on Reconciliation Tables

These tables include financial measures adjusted for the impact of certain items; these financial measures are therefore not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). These Non-GAAP financial measures exclude items such as: share-based compensation expense; charges relating to restructuring initiatives; non-cash asset impairments; certain other non-operating gains and losses; and acquisition-related items such as transaction costs, non-cash amortization of acquired intangible assets, incremental transaction-related compensation, and certain integration costs.

These Non-GAAP financial measures may be different from Non-GAAP financial measures used by other companies. Non-GAAP financial measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. By excluding these items, Non-GAAP financial measures are intended to facilitate meaningful comparisons to historical operating results, competitors' operating results, and estimates made by securities analysts. Management is evaluated on key performance metrics including Non-GAAP Operating Income, which is used to determine management incentive compensation as well as to forecast future periods.

These Non-GAAP financial measures may be useful to investors in allowing for greater transparency of supplemental information used by management in its financial and operational decision-making. In addition, similar Non-GAAP financial measures have historically been reported to investors; the inclusion of comparable numbers provides consistency in financial reporting. Investors are encouraged to review the reconciliation of the Non-GAAP financial measures used in this news release to their most directly comparable GAAP financial measures.

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Supplemental Information—GAAP to Non-GAAP Reconciliation

$ millions	2024	2023	2022	2021	2020
Net sales	$717.3	$666.4	$648.1	$563.3	$454.2
GAAP gross profit	304.0	285.1	263.1	242.3	184.3
GAAP gross margin	42.4%	42.8%	40.7%	41.5%	42.8%
Add: Share-based comp	6.3	4.9	4.8	2.4	1.8
Add: Other	0.2	0.2	3.3	0.4	0.3
Non-GAAP gross profit	310.4	$290.2	$271.0	$245.1	$186.5
Non-GAAP gross margin	43.4%	43.5%	41.8%	42.0%	43.3%

In millions	2024	2023	2022	2021	2020
GAAP Net income (loss)	$73.7	($30.4)	$166.9	$26.0	($8.4)
Add: Share-based comp	35.9	28.6	23.0	15.2	12.7
Add: Amortization	7.0	8.5	10.0	12.3	15.3
Add: Asset impairment	28.1	-	-	-	0.3
Add: Transition expenses related to San Jose expansion project	-	0.8	6.2	2.0	-
Add: Depreciation of PP&E fair value step-up for purchase accounting	-	-	0.3	0.3	0.2
Add: Changes in contingent consideration	(21.2)	0.7	-	-	-
Add: Acquisition related	-	1.1	-	-	-
Add: Sale of productive assets	(2.0)	-	-	-	-
Add: Other	1.4	-	-	-	1.4
Add: Interest expense (income), net	(1.9)	1.2	9.3	26.0	23.2
Add: Other (income) expense, net	-	97.1	-	5.0	7.8
Add: Tax expense (benefit)	(4.9)	2.0	(116.0)	(0.4)	(0.1)
Non-GAAP operating income (loss)	$118.1	$109.6	$99.8	$86.9	$52.5

In millions, except per share amounts	2024	2023	2022	2021	2020
GAAP Basic weighted average shares	58.4	53.8	49.9	49.1	48.4
GAAP Diluted weighted average shares	61.6	53.8	65.6	53.6	48.4
GAAP Basic EPS	$1.31	($0.56)	$3.35	$0.53	($0.17)
GAAP Diluted EPS	$1.23	($0.56)	$2.71	$0.49	($0.17)
GAAP Net income (loss)	$73.7	($30.4)	$166.9	$26.0	($8.4)
Add: Share-based comp	35.9	28.6	23.0	15.2	12.7
Add: Amortization	7.0	8.5	10.0	12.3	15.3
Add: Asset impairment	28.1	-	-	-	0.3
Add: Changes in contingent consideration	(21.2)	0.7	-	-	-
Add: Transition expenses related to San Jose expansion project	-	0.8	6.2	2.0	-
Add: Depreciation of PP&E fair value step-up for purchase accounting	-	-	0.3	0.3	0.2
Add: Sale of productive assets	(2.0)	-	-	-	-
Add: Acquisition related	-	1.1	-	-	-
Add: Other	1.4	-	-	-	1.4
Add: Non-cash interest expense	1.9	1.1	0.9	13.8	13.8
Add: Other (income) expense, net	-	97.1	-	5.0	7.8
Add: Release of valuation allowance on DTA	-	-	(105.0)	-	-
Add: Tax benefit associated with asset impairments	(12.2)	-	-	-	-
Add: Tax adjustments from GAAP to Non-GAAP	(7.5)	(9.1)	(12.9)	(1.1)	(0.8)
Non-GAAP net income	104.3	$96.3	$89.6	$73.6	$42.3
Non-GAAP basic EPS	$1.85	$1.83	$1.79	$1.50	$0.88
Non-GAAP diluted EPS	$1.74	$1.69	$1.57	$1.43	$0.88
Non-GAAP basic weighted average shares	56.4	53.8	49.9	49.1	48.4
Non-GAAP diluted weighted average shares	61.2	60.8	63.4	51.5	49.3

In millions	2024	2023	2022	2021	2020
GAAP operating expenses	$237.0	$215.1	$202.9	$185.6	$171.7
Share-based compensation	(29.6)	(23.8)	(18.4)	(12.9)	(10.8)
Amortization	(7.0)	(8.5)	(10.0)	(12.3)	(15.3)
Other	(6.1)	(2.4)	(3.2)	(1.9)	(1.5)
Non-GAAP operating expenses	$194.4	$180.8	$171.2	$158.5	$144.0

Amounts may not calculate precisely due to rounding.