Onto Innovation’s Dragonfly® Inspection Platform Projecting Record Annual Growth in 2021

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Dragonfly system growth accelerated by tier 1 customer adoption

WILMINGTON, Mass.--(BUSINESS WIRE)-- Onto Innovation Inc. (NYSE: ONTO) (“Onto Innovation”, “Onto”, or the “Company”) today announced unit volumes of the Company’s Dragonfly inspection system grew 50% in the first half of 2021 compared to the same period in 2020. The remainder of 2021 is expected to continue expanding the rapidly growing installed base resulting in a projected 70% compound annual growth rate (CAGR) from 2018 to 2021.

In addition to the projected growth of the Dragonfly system, the Company’s portfolio of inspection platforms being delivered in 2021, which includes the Firefly® panel inspection system, the NSX® 330 inspection system and the F30™ inspection system, is also expected to experience substantial growth.

“When we released the Dragonfly system, we hoped it would reset the industry’s expectations for sensitivity, throughput, accuracy, footprint and reliability,” said Dr. Ju Jin, senior vice president and general manager of Onto Innovation’s inspection business. “Given the speed at which the Dragonfly system has been adopted, and this year’s considerable delivery numbers, the system has proven to be the game-changing inspection and metrology solution the industry needed.”

Tier 1 customers, including major integrated device manufacturers (IDMs) and the top foundries, have adopted the Dragonfly G3 system, the newest model of the Dragonfly family. The Dragonfly G3 platform offers sub-micron sensitivity, 30% higher throughput than the previous generation and Onto Innovation’s unique Clearfind® technology. Its ability to produce data streams that detect, classify and group defects, particularly those for fan-out
fine-pitch redistribution layer (RDL) applications and heterogeneous integration packages, makes this new system a vital tool in the booming areas of 5G, artificial intelligence (AI) and high-performance computing (HPC).

“Fine-pitch RDLs require high sensitivity with a very low noise level to identify killer defects on the surface. The Dragonfly G3 system not only addresses those challenges, but also excels at providing high-value data streams while our TrueADC® software powered by AI technology eliminates the need for manual review by human inspectors to determine the severity and yield impact of minor defects,” said Onto Innovation's Damon Tsai, director of inspection product management.

In addition, the inspection system is being adopted by manufacturers of CMOS image sensor (CIS) devices, a rising segment of the semiconductor industry. The reason: the Dragonfly G3 system can detect low contrast defects thanks to Onto Innovation's advanced image processing technology based on machine learning and artificial intelligence.

“The Dragonfly G3 system is a unique solution for CIS devices, one that provides better sensitivity than any other solution on the market,” said Tsai. “Previously, customers used two inspection tools to detect all defects, but with the Dragonfly G3 system, they can comprehensively inspect for defects on a single platform on a single pass. No other system can do that at the same speed.”

About Onto Innovation Inc.

Onto Innovation is a leader in process control, combining global scale with an expanded portfolio of leading-edge technologies that include: Un-patterned wafer quality; 3D metrology spanning chip features from nanometer scale transistors to large die interconnects; macro defect inspection of wafers and packages; metal interconnect composition; factory analytics; and lithography for advanced semiconductor packaging.

Our breadth of offerings across the entire semiconductor value chain helps our customers solve their most difficult yield, device performance, quality, and reliability issues. Onto Innovation strives to optimize customers’ critical path of progress by making them smarter, faster and more efficient.

Headquartered in Wilmington, Massachusetts, Onto Innovation supports customers with a worldwide sales and service organization.

Additional information can be found at www.ontoinnovation.com.

Forward Looking Statements
This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Act”) which include Onto Innovation’s business momentum and future growth; the benefit to customers of Onto Innovation’s products and customer service; Onto Innovation’s ability to both deliver products and services consistent with our customers’ demands and expectations and strengthen its market position as well as other matters that are not purely historical data. Onto Innovation wishes to take advantage of the “safe harbor” provided for by the Act and cautions that actual results may differ materially from those projected as a result of various factors, including risks and uncertainties, many of which are beyond Onto Innovation’s control. Such factors include, but are not limited to, the length, severity and potential business impact of the COVID-19 pandemic, the Company’s ability to leverage its resources to improve its position in its core markets; its ability to weather difficult economic environments and supply chain disruptions; its ability to open new market opportunities and target high-margin markets; the strength/weakness of the back-end and/or front-end semiconductor market segments; and fluctuations in customer capital spending. Additional information and considerations regarding the risks faced by Onto Innovation are available in Onto Innovation’s Form 10-K report for the year ended December 26, 2020 and other filings with the Securities and Exchange Commission. As the forward-looking statements are based on Onto Innovation’s current expectations, the Company cannot guarantee any related future results, levels of activity, performance or achievements. Onto Innovation does not assume any obligation to update the forward-looking information contained in this press release.

Source: Onto Innovation Inc.

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