



Onto Innovation

Investor Presentation

AUGUST 2022

Safe Harbor

- The information presented herein contains forward-looking statements that relate to anticipated future operating results and performance. These statements are only predictions based on management's current expectations and assumptions, including market size and forecasted growth, Total Available Market (or "TAM"), Served Available Market (or "SAM") and revenue estimates, and necessarily involve risks and uncertainties. We do not assume any obligation to update the information provided. Actual events or results may differ materially from those projected, including as a result of changing industry and market trends, reduced demand for our products, the timely development of our new products and their adoption by the market, increased competition in the industry, price reductions and other subsequent developments and business conditions. Additional information and considerations regarding the risks faced by Onto Innovation are available in our Form 10-K reports for the year ended January 1, 2022, and other filings with the Securities and Exchange Commission.
- This presentation includes non-GAAP financial measures which are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management uses both GAAP and non-GAAP measures when evaluating the business internally and therefore believes it is important to make these non-GAAP measures available to the financial community. Reconciliations of non-GAAP measures to the most relevant GAAP amounts are included in the Company press releases.
- 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 presentation.

Onto Innovation Snapshot

High tech capital equipment company specializing in optical process solutions for semiconductor and related markets



NOVEMBER 2019: RTEC-NANO MERGER



\$256M Q2 2022 REVENUE



9,000 ACTIVE METROLOGY & INSPECTION TOOLS INSTALLED



75 Fabs FAB-WIDE YIELD/DEFECT SOFTWARE INSTALLED

Note 1: 90% of WFE awarded to companies in this tier
Note 2: Q1-2020 (ONTO's first full quarter) and Q2-2022 non-GAAP results
Note 3: Analyst consensus estimate for FY 2022

Top WFE
Strategic Supplier Tier¹



Annual Revenue Growth ('20-'22)
\$556M to \$1.006B³



Q1 2020 Gross Margin²
52%

Q2 2022 Gross Margin²
52%

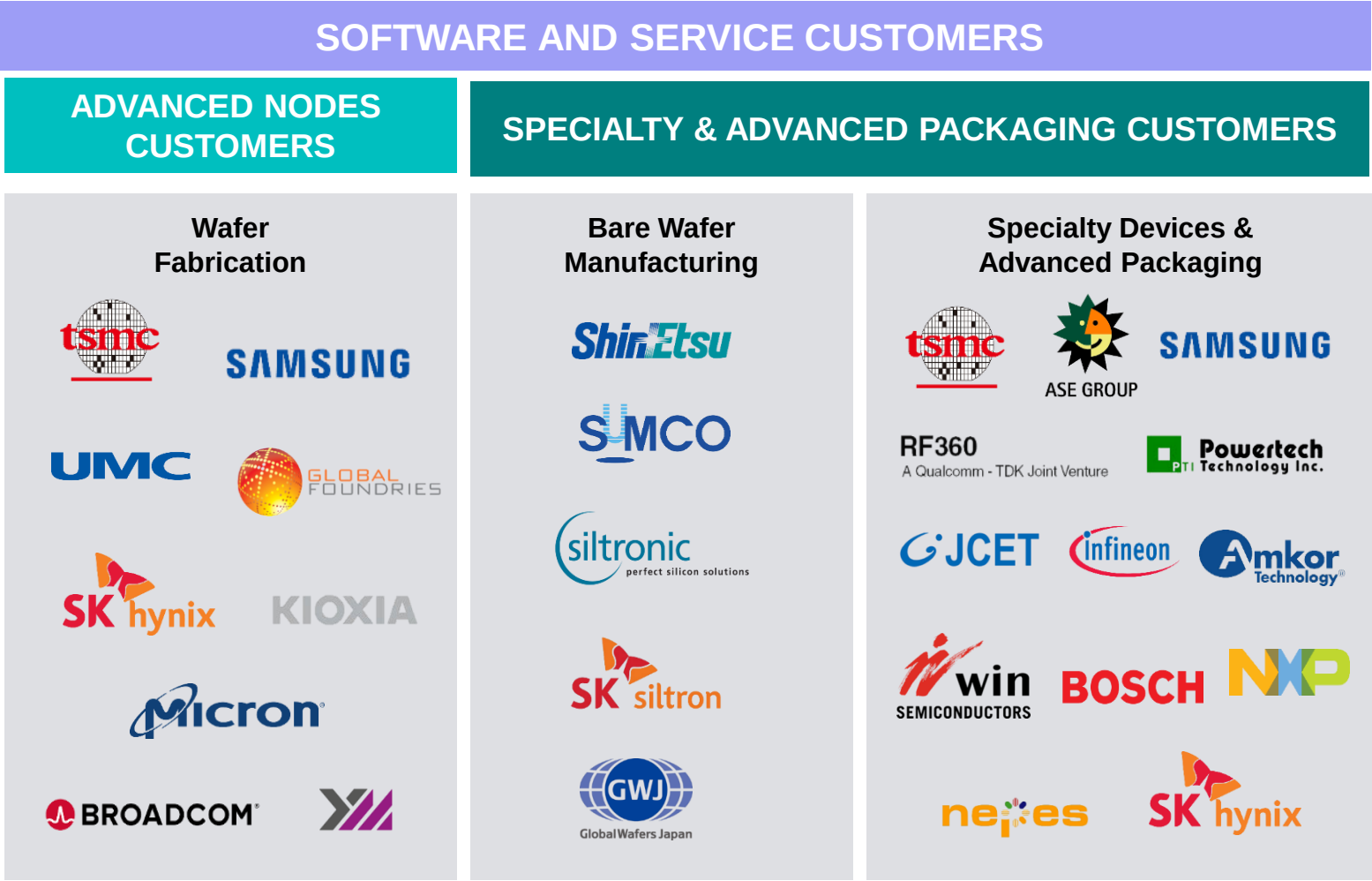
Q1 2020 Operating
Margin²
16%

Q2 2022 Operating
Margin²
29%

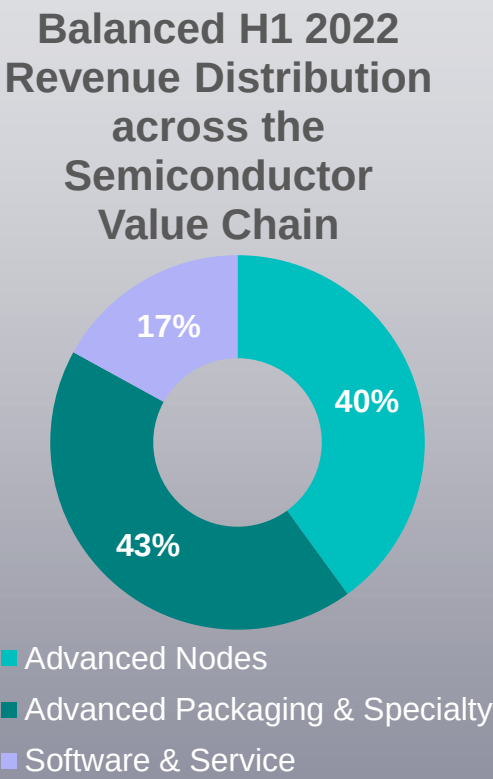
Q1 2020 Earnings per
Share²
\$0.39

Q2 2022 Earnings per
Share²
\$1.28

Revenue Distribution Across the Value Chain

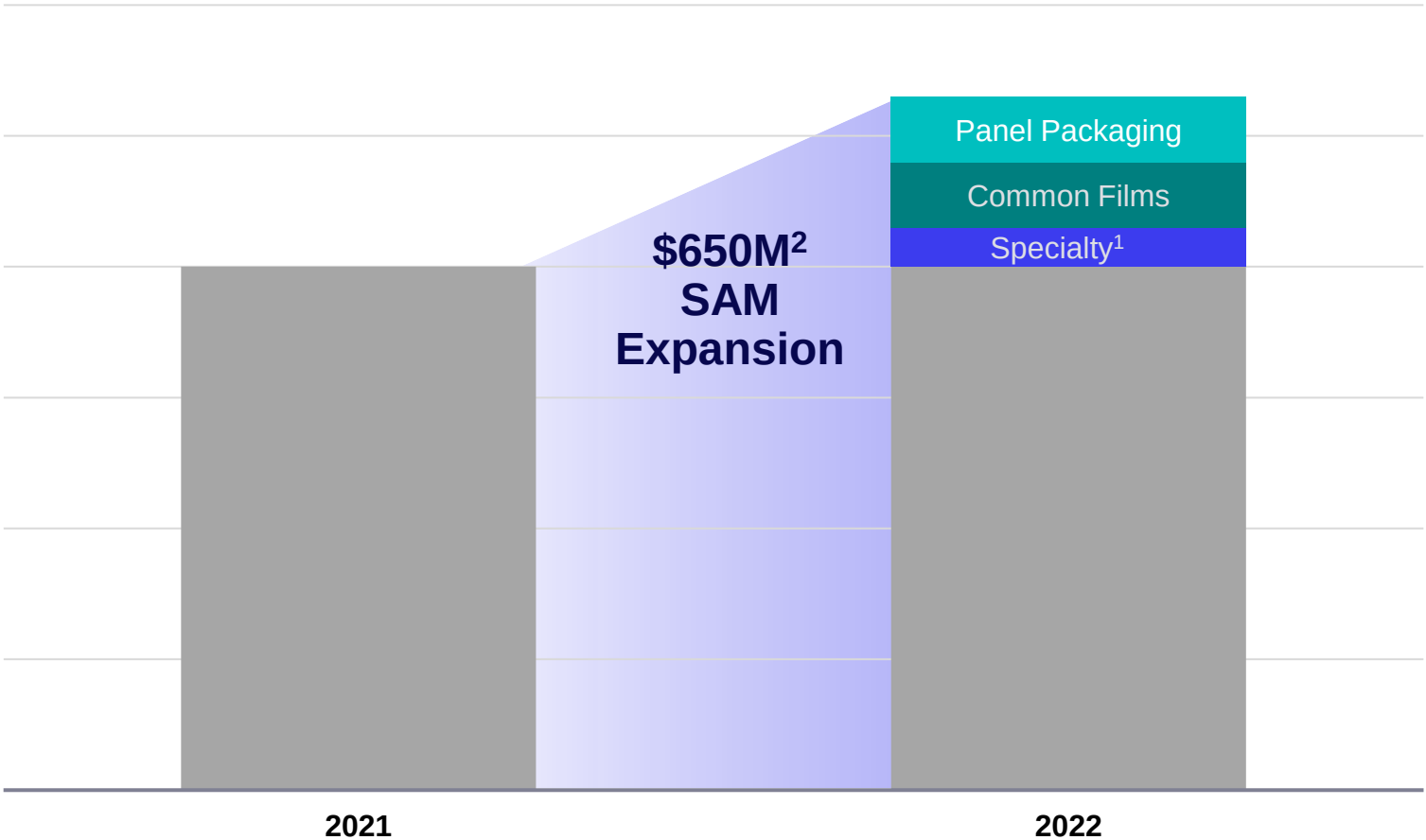


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New SAM Contributes to Market Outperformance

New products open new growth markets for Onto Innovation

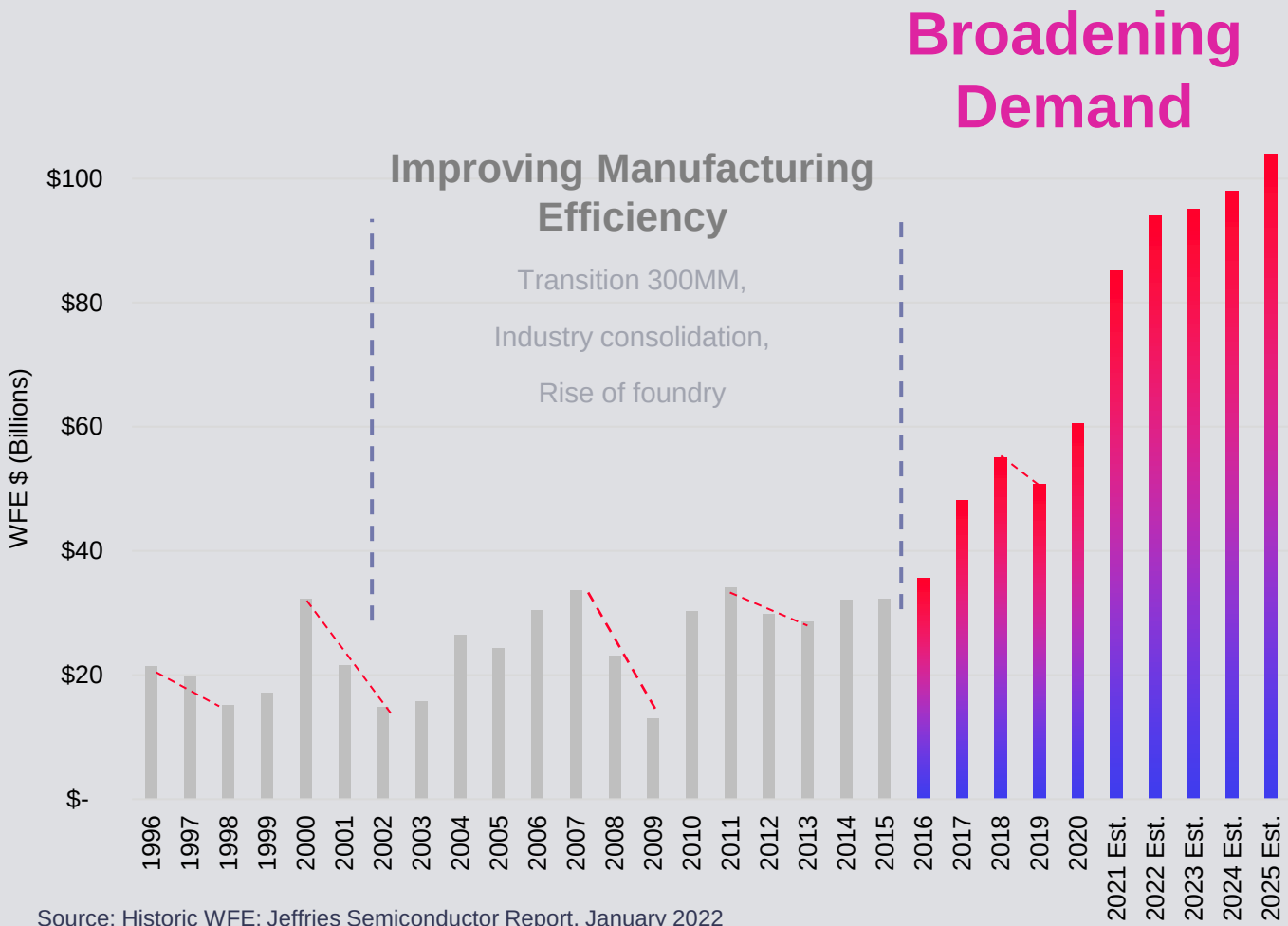


>\$100M

REVENUE PROJECTED FROM NEW SAM IN 2022

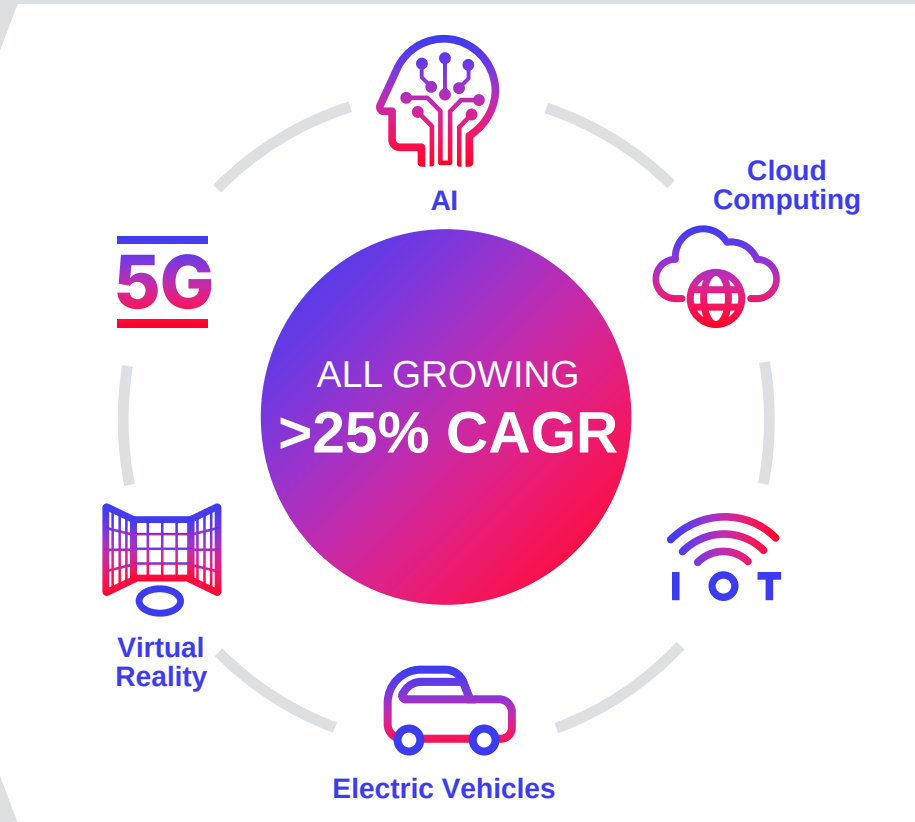
Note 1: Specialty includes CMOS Image Sensors + overlay for compound semiconductor
Note 2: Company estimate for total additional SAM in 2022

Semiconductor Market Transitioning From Cyclical to Growth



Source: Historic WFE: Jeffries Semiconductor Report, January 2022
and 2021-2025 Estimated WFE: Needham, January 2022

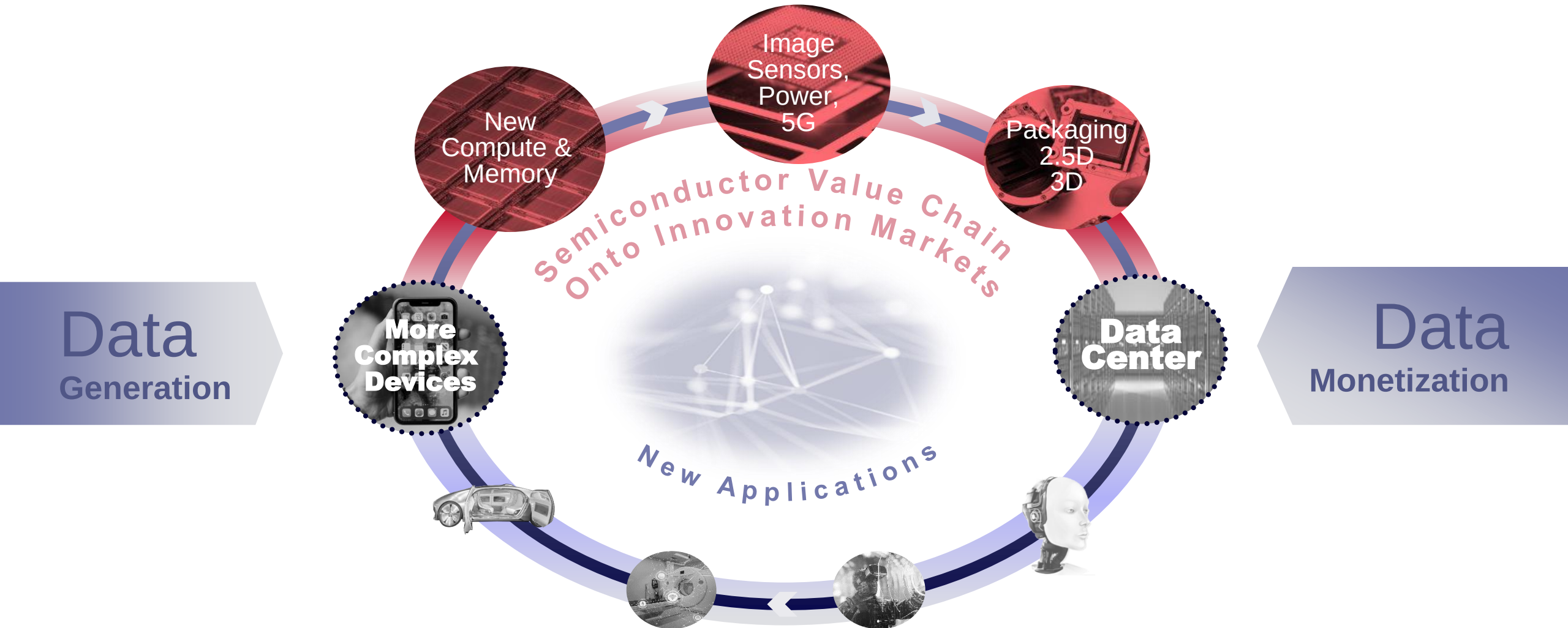
**DRIVEN BY MULTIPLE
SECULAR GROWTH DRIVERS**



Source: IDC, Yole Development

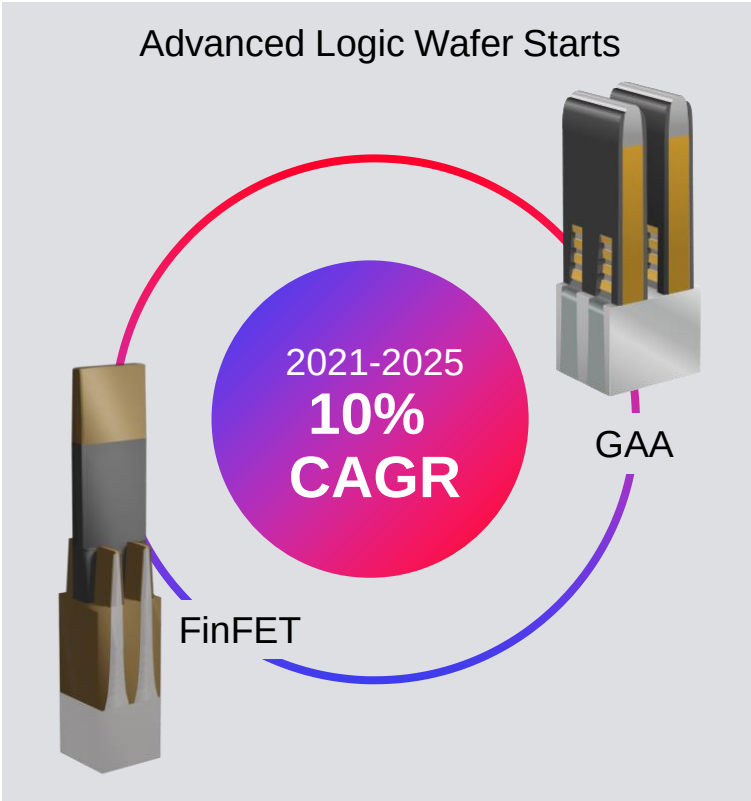
Onto Innovation Across the Value Chain for Semiconductors

More complex devices generate more data, monetized in the cloud, creating demand for more devices....



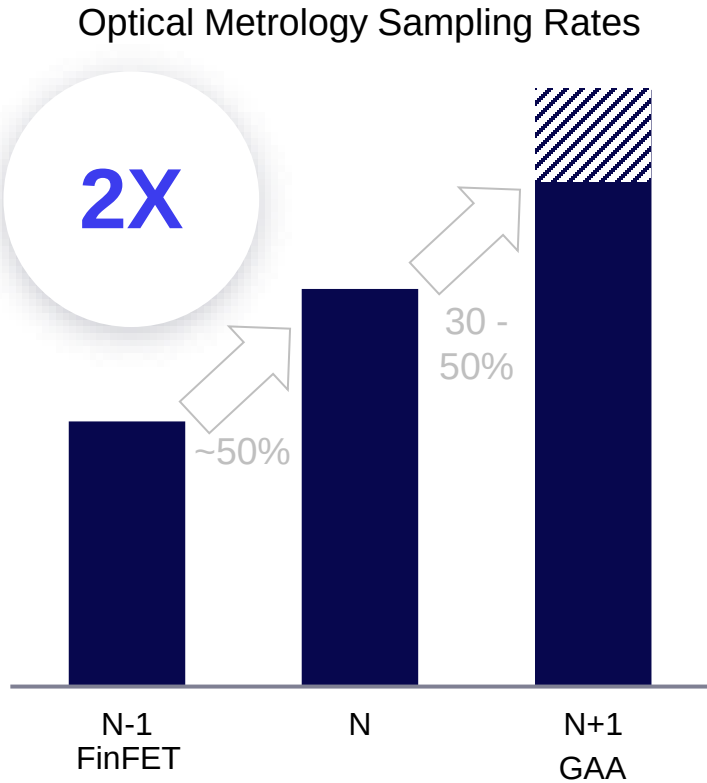
Onto Growth Driver: High Performance Logic Devices

GROWING DEMAND



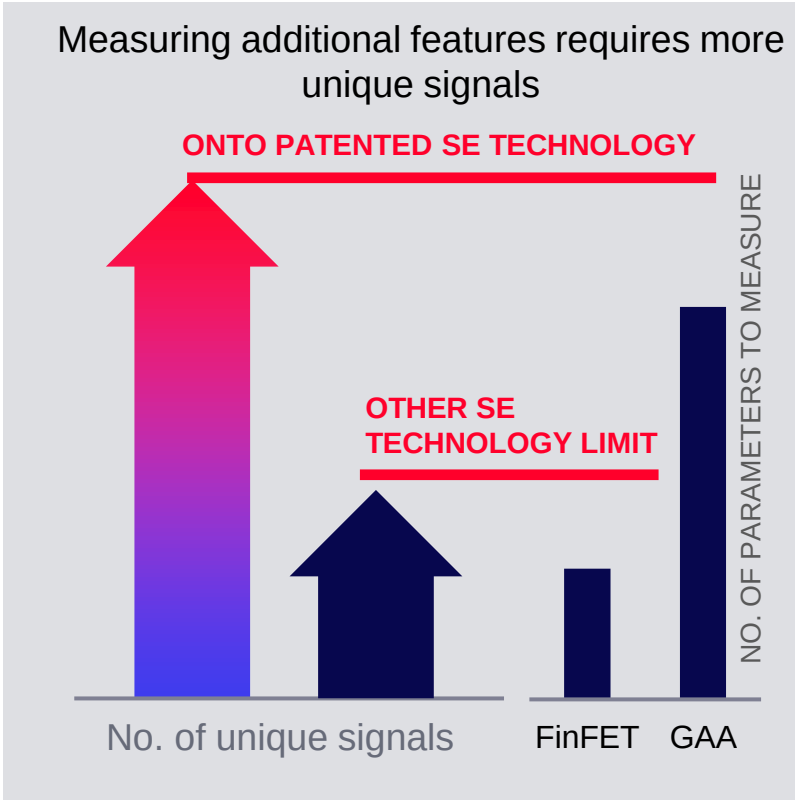
Source: ASML Investor Day, Estimated Advanced Logic Wafer Starts, September 2021

INCREASE IN PROCESS CONTROL



Source: ONTO Company Estimates

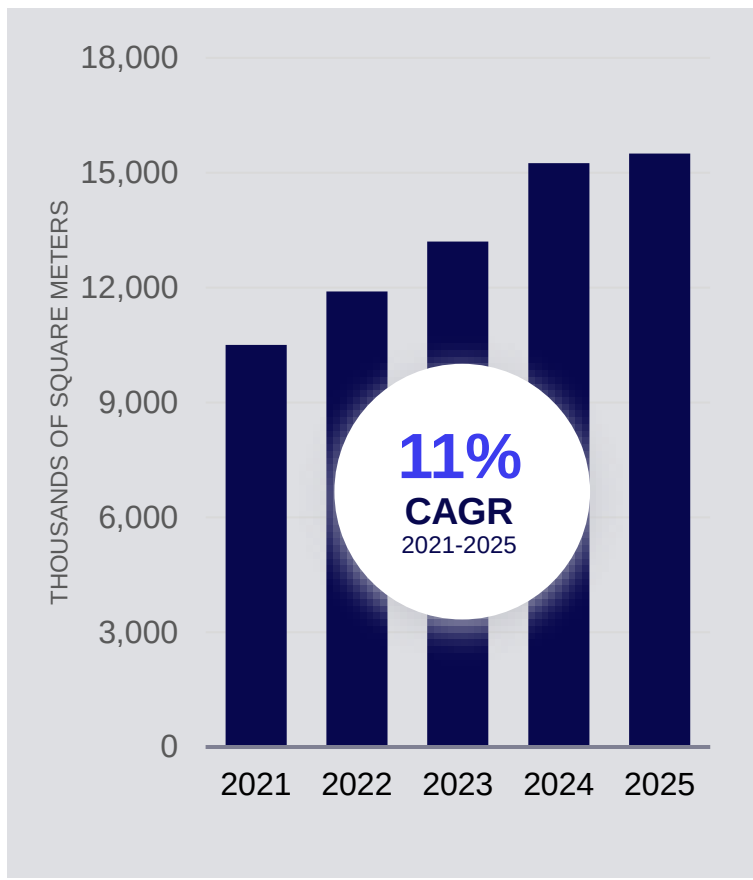
ONTO QUALIFIED OR COLLABORATING AT ALL GAA CUSTOMERS



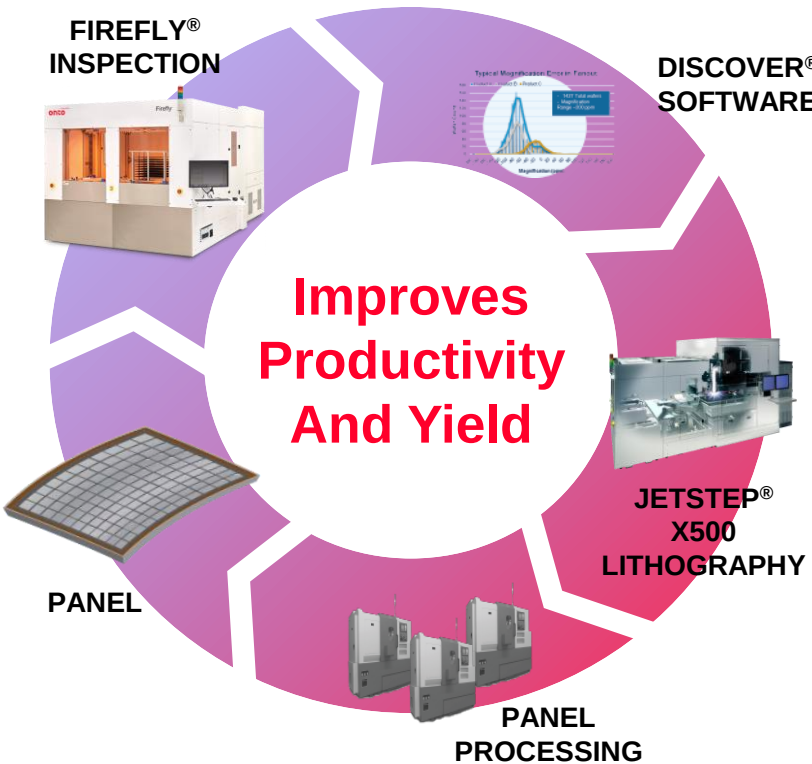
Onto Growth Driver: Panel / Substrate Packaging

High performance compute, intelligent edge, AI, mobility

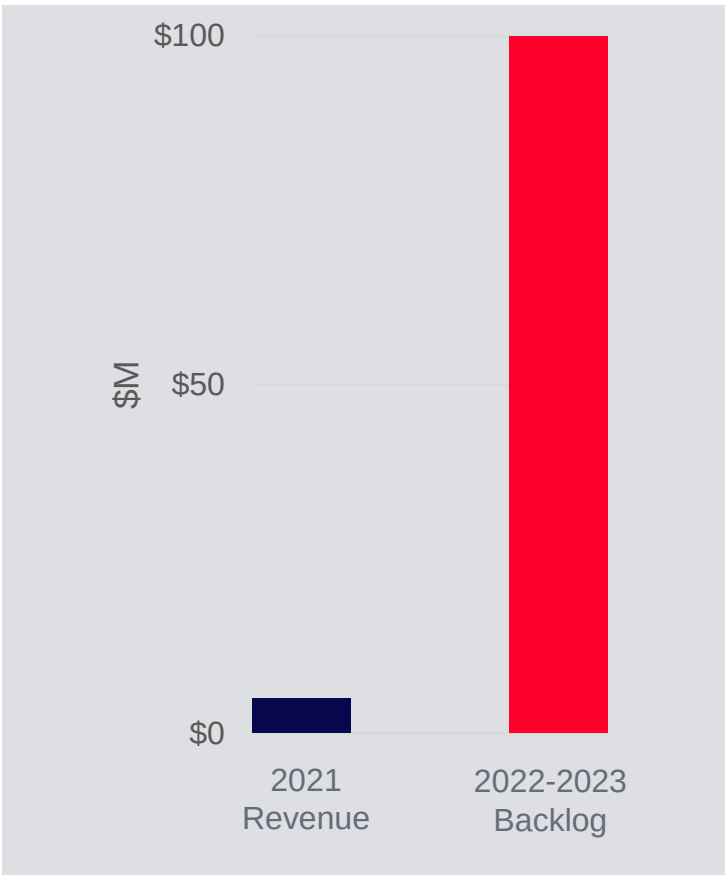
PANEL MARKET GROWTH



STEPFAST PROPRIETARY SOLUTION FOR PANELS



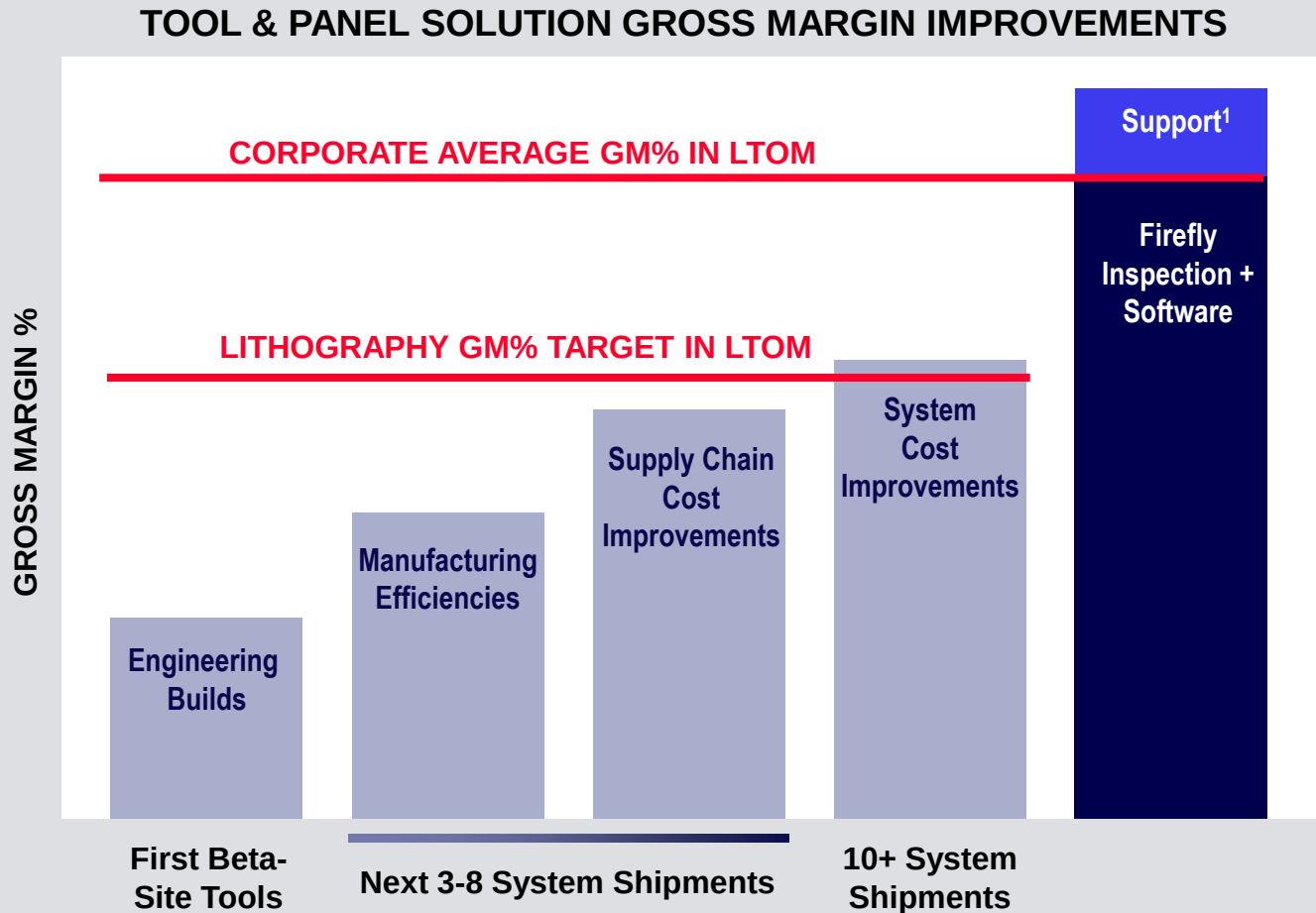
SURGING DEMAND FOR ONTO SOLUTIONS



Source: TechSearch International, December 2021

New JetStep X500 Adds Process Tool to Onto Portfolio

Tool Margin with Connected Solution and Support Contracts Result: Above Corporate Average GM%

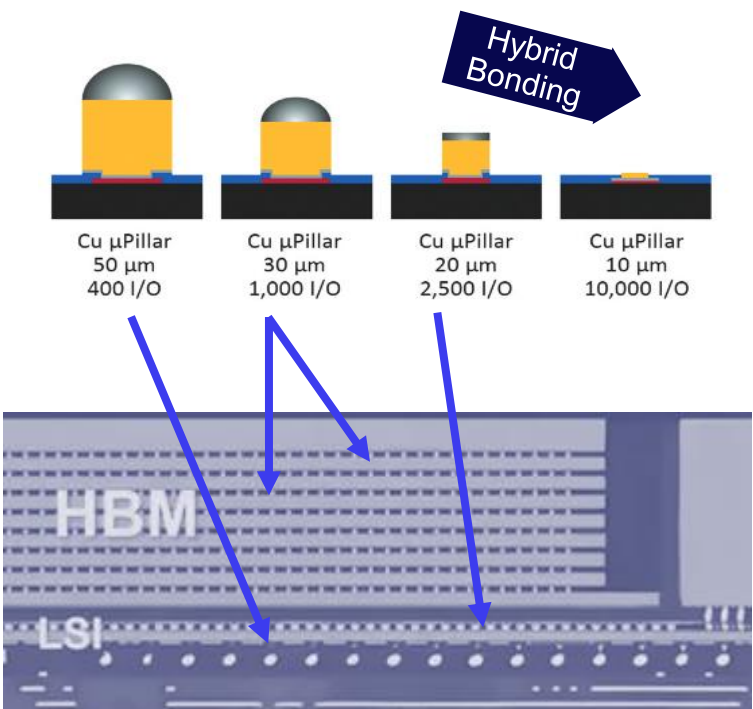


Note 1: Support Contract begins after JetStep warranty period ends

Onto Growth Driver: Advanced Packaging (Wafer Drivers)

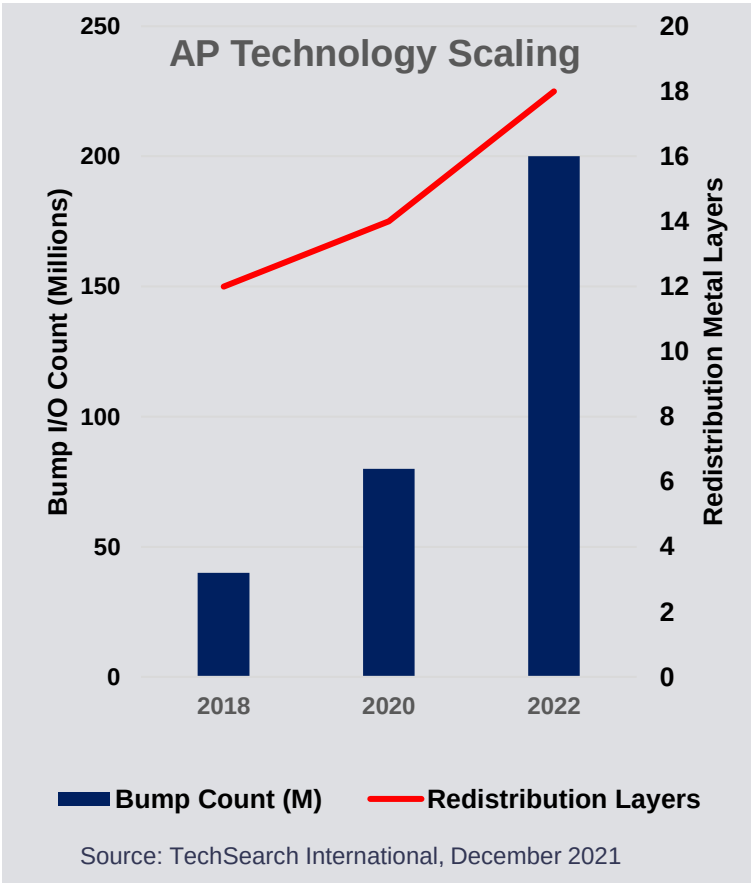
High Performance Compute, Intelligent Edge, AI, Mobility

**INTERCONNECTS SHRINK IN SIZE
AND INCREASE IN DENSITY >200M
BUMPS PER WAFER**

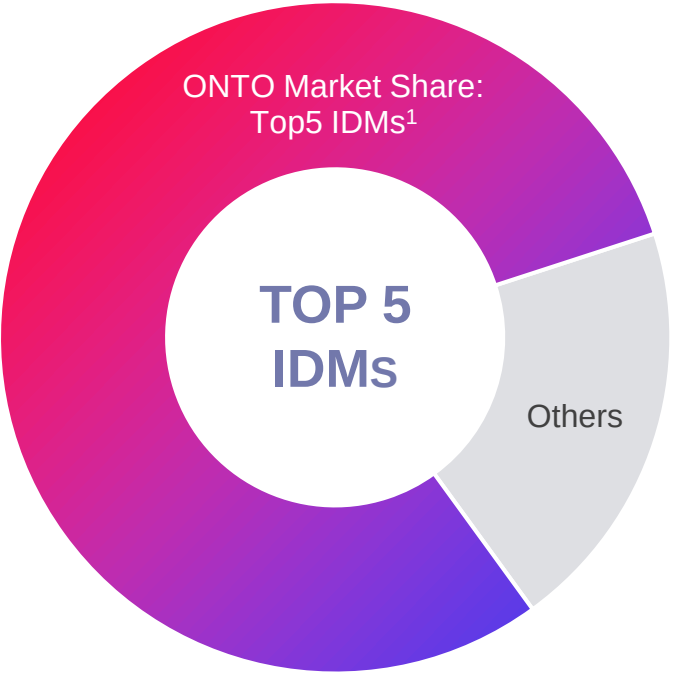


Source: TSMC CoWoS-L Heterogeneous Integration Cross-Section Package Example, June 2021

**SCALING DRIVEN BY
TOP 5 IDMS**



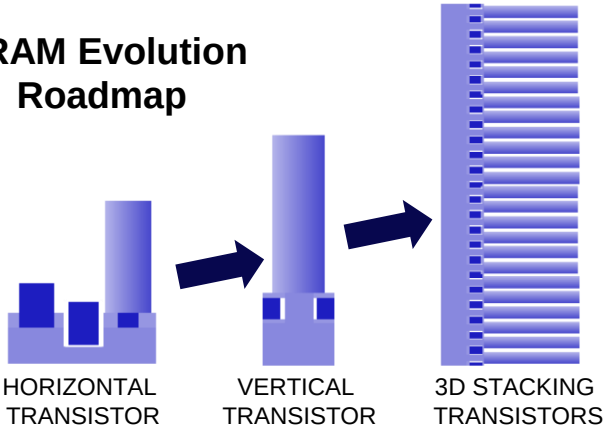
**IDM ADVANCED PACKAGING
INSPECTION MARKET SHARE**



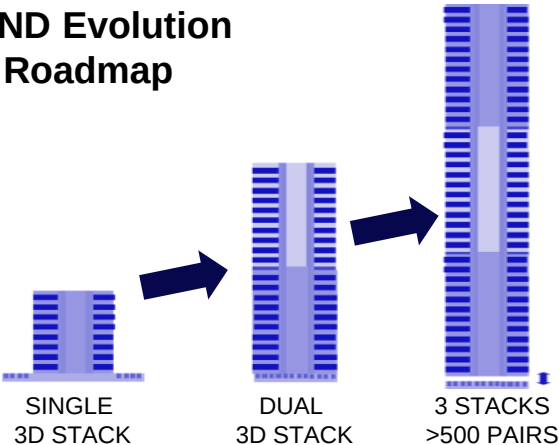
Note 1: Onto Management Estimates

Onto Growth Driver: Memory

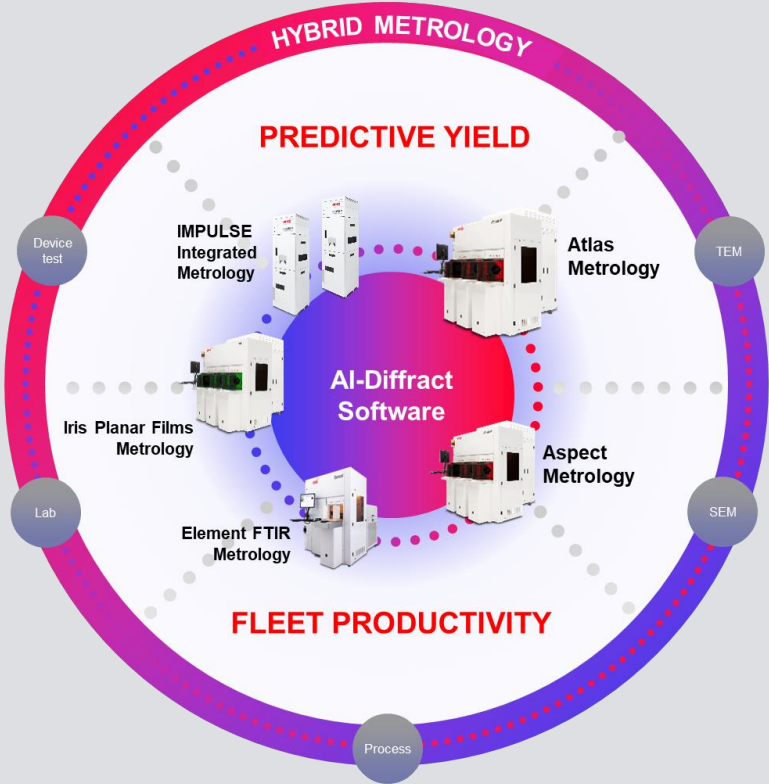
DRAM Evolution Roadmap



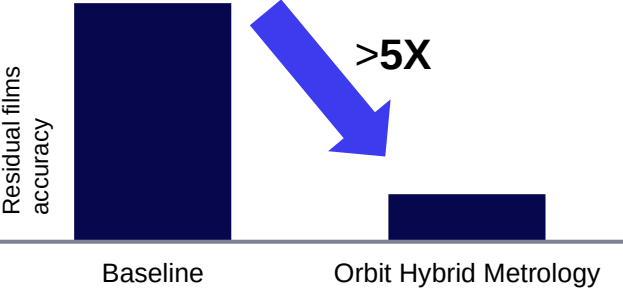
NAND Evolution Roadmap



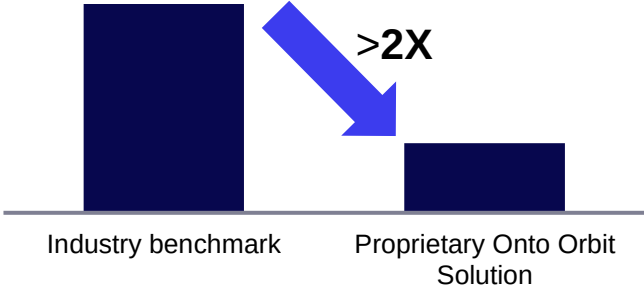
UNIQUE HYBRID METROLOGY SUITE



COMPLEX GEOMETRIES MEASURED WITH HIGHER ACCURACY

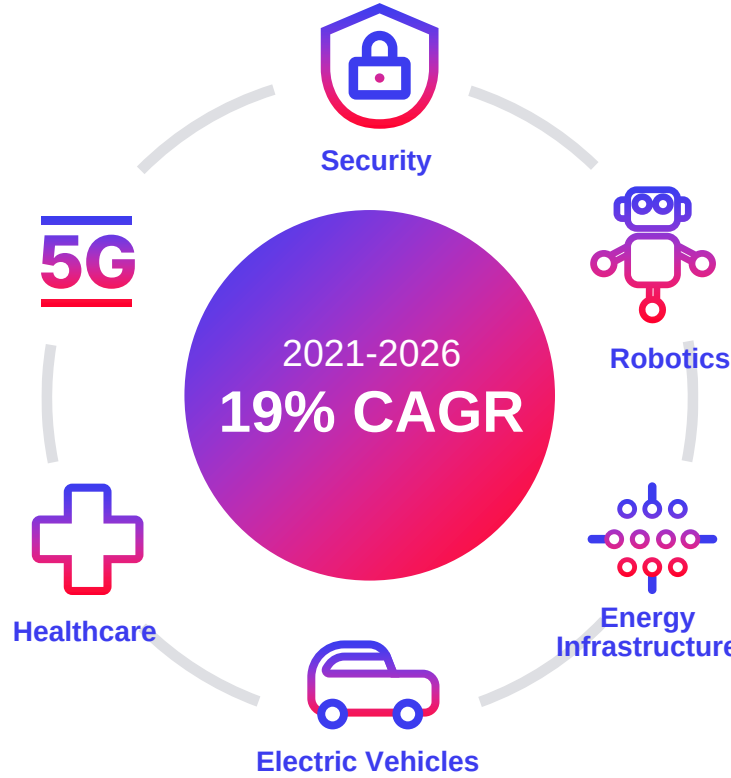


ENABLING ACTIONABLE DATA WITH FASTER TIME-TO-RESULTS



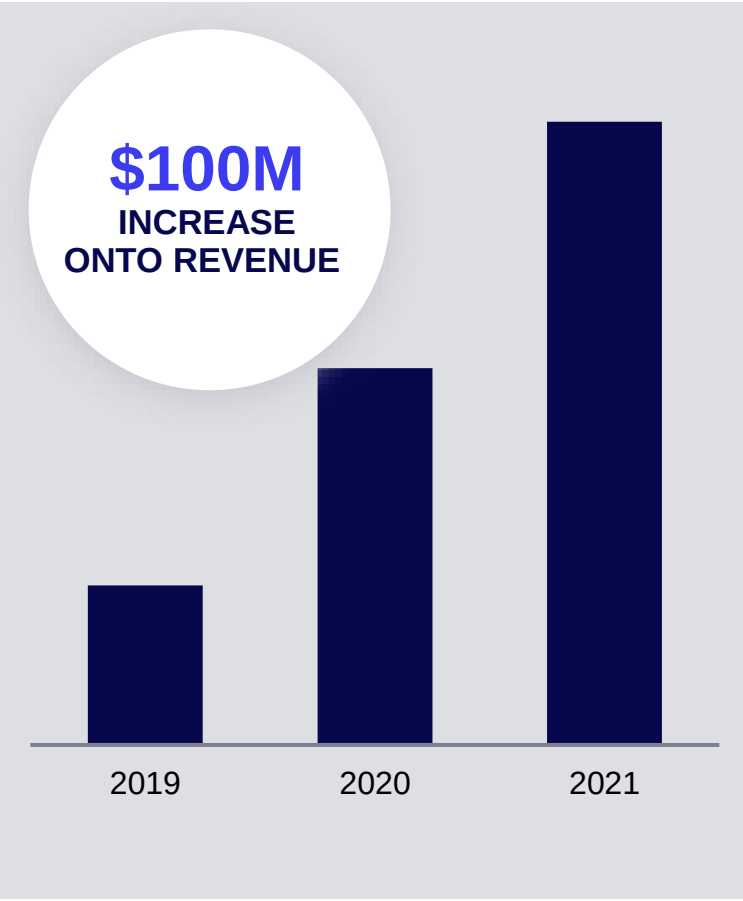
Onto Growth Driver: Compound Semiconductor

GROWING DEMAND

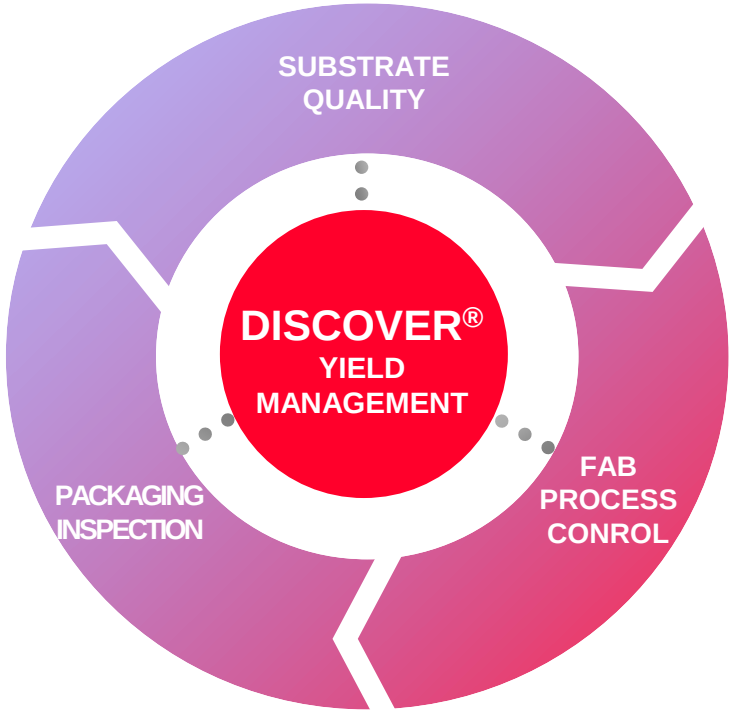


Source: Yole Developpement, Quarterly Market Monitors- Compound Semiconductors, December 2021

ONTO REVENUE GROWTH IN COMPOUND SEMICONDUCTORS



COMPREHENSIVE SOLUTION TO HIGHER YIELD, FASTER RAMP

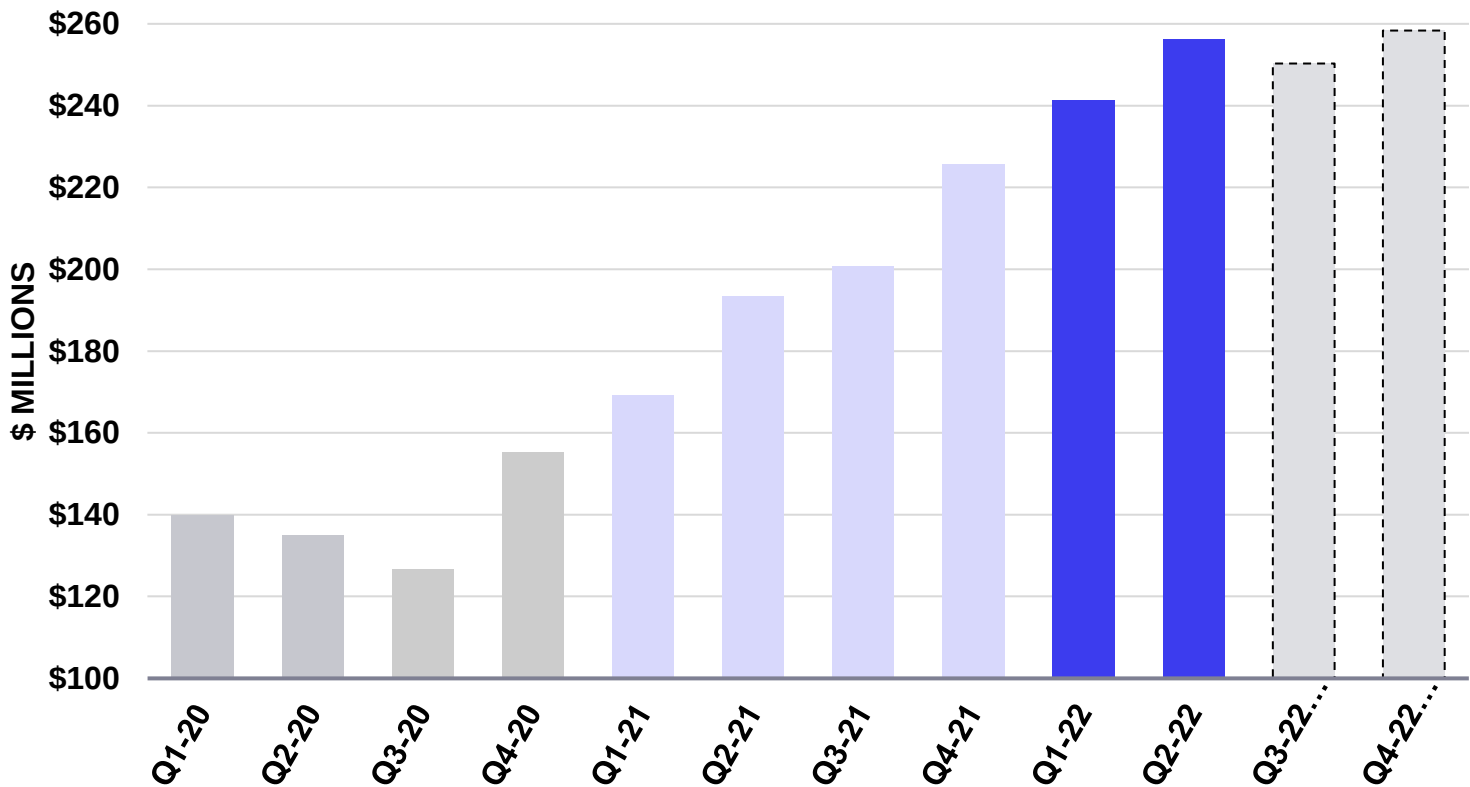


DRAGONFLY® INSPECTION, IVISION™ CD OVERLAY
METAPULSE® METAL FILM METROLOGY,
NSX® 330 2D/3D INSPECTION

Revenue Growth History and Expectation

10 Quarters of History as Onto Innovation with Strong 2022 Outlook

QUARTERLY REVENUE + 2H 2022 CONSENSUS



Source: Company Financials and August 2022 FactSet Revenue Consensus for Q3-22, Q4-22

83%

QUARTERLY GROWTH

First 10 Quarters of ONTO
P&L
(From \$139.9M to \$256.3M)

28%

**FY22 OVER FY21
EXPECTED**

FY22 Analyst Revenue
Outlook
(From \$788.9M (A) to \$1.006B (E))

Long-term Operating Model*

Organic Growth Resulting from Share Gains & Potential to Enter New Addressable Markets

Annual Revenue	\$1B Model	\$1.2B Model	\$1.4B Model
Gross Margin	56% - 57%	57% - 58%	58% - 59%
Operating Profit	31% - 32%	33% - 34%	35% - 36%
Earnings per Share	\$5.20 - \$5.35	\$6.08 - \$7.00	\$8.10 - \$8.35

Reduce Comprehensive Carbon Footprint 30% by 2025

Reduce Freshwater Usage	30% by 2025
Increase Renewable Energy Usage	30% by 2025
Reduce Landfill Hazardous Waste	30% by 2025

*Non-GAAP Long Term Financial Model: excludes amortization and merger costs; includes stock-based compensation

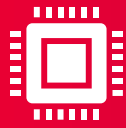
Why Invest in Onto Innovation?

TEAM



Culture of innovation and collaboration

TECHNOLOGY



Outperforming in multiple high growth segments

FINANCIAL PERFORMANCE



Long term financial model with >\$8 per share earnings power

BALANCE SHEET



>\$540M cash, no debt, provides fuel for strategic M&A



Thank You

Onto Higher Yields

Onto Higher Margins

Onto Higher Productivity

Onto Innovation

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www.ontoinnovation.com



Appendix

Onto Innovation's Major Products

	Atlas® V Standalone thin film and OCD metrology		Element™ FTIR metrology		JetStep® Litho for Advanced Packaging and FPD
	Aspect® OCD metrology for 3D NAND and high aspect ratio structures		AWX™ FSI Unpatterned frontside inspection		Discover® Software Inline yield and defect management
	IMPULSE® V Integrated thin film and OCD metrology		NovusEdge® Automated all-surface defect inspection for unpatterned wafers		Control Software Fabwide control software
	Echo™ Acoustic film metrology		Dragonfly® G3 2D/3D inspection and metrology		AI-Diffract™ Software AI-guided OCD modeling and analysis software
	Iris™ Thin film and common OCD metrology		Firefly® Sub-micron panel inspection		
	IVS Overlay and CD metrology		NSX® and F30® 2D inspection, CD, RDL/TSV, 2D bump, 2D/3D metrology, all-surface ready		

	METROLOGY		INSPECTION
	LITHOGRAPHY		SOFTWARE