



Investors Presentation

May 2022

Cautionary Statement Regarding

Forward Looking Statements

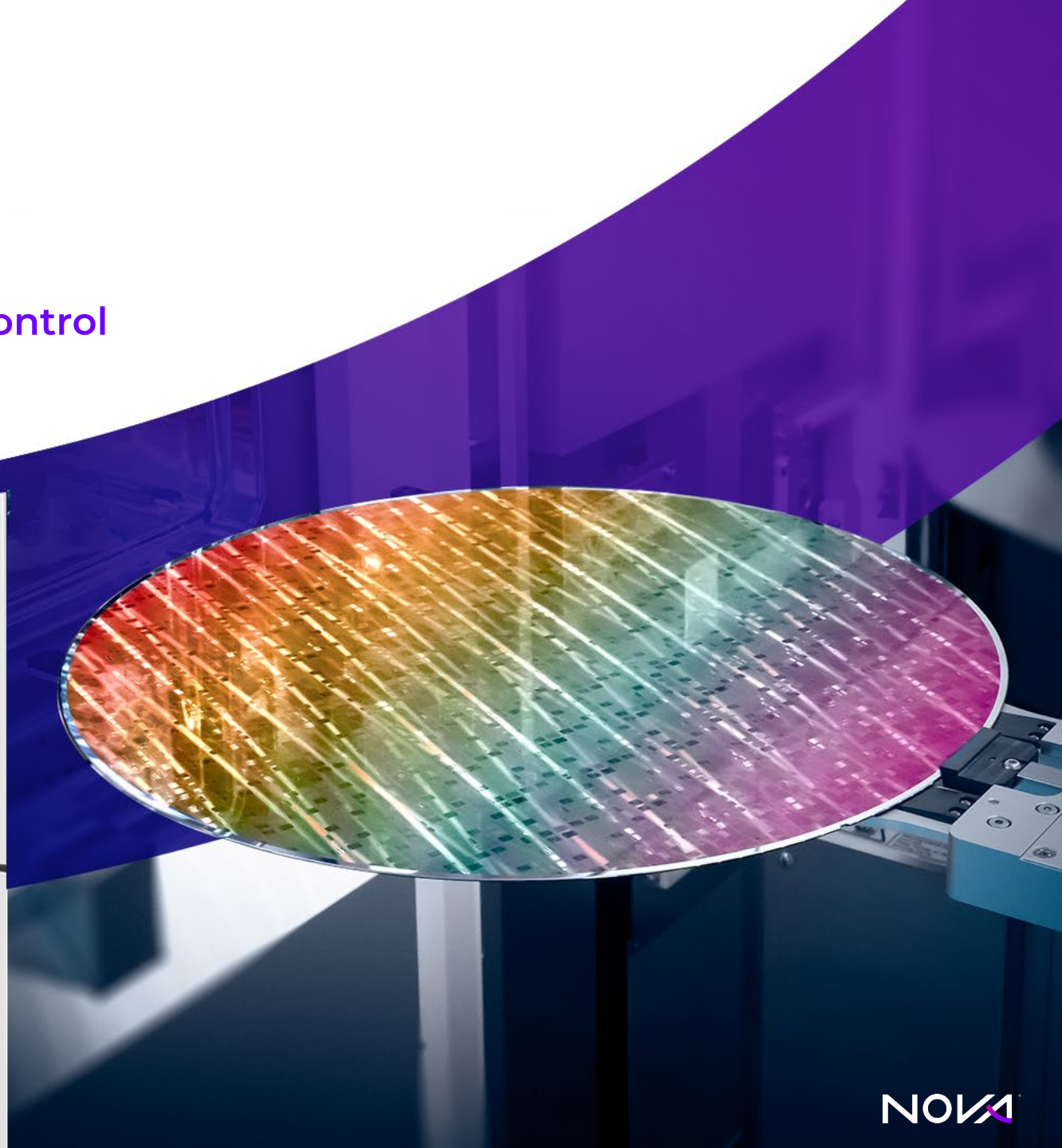
This presentation provides financial measures that exclude amortization of acquired intangible assets, stock-based compensation expenses, acquisition related expenses, expense related to a transaction made by a financial institution without Company authorization, revaluation of operating lease liabilities, amortization of debt discount and issuance costs, tax effect of non-GAAP adjustment and taxes attributed to one-time elective tax settlement, as applicable, and are therefore not calculated in accordance with generally accepted accounting principles (GAAP). Management believes that these non-GAAP financial measures provide meaningful supplemental information regarding Nova's performance because they reflect our operational results and enhance management's and investors' ability to evaluate Nova's performance before charges or benefits considered by management to be outside Nova's ongoing operating results. The presentation of this non-GAAP financial information is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management believes that it is in the best interest of its investors to provide financial information that will facilitate comparison of both historical and future results and allow greater transparency to supplemental information used by management in its financial and operational decision making. A reconciliation of each GAAP to non-GAAP financial measure discussed in this presentation is contained in the accompanying financial tables.

This presentation contains forward-looking statements within the meaning of safe harbor provisions of the Private Securities Litigation Reform Act of 1995 relating to future events or our future performance, such as statements regarding, but not limited to, anticipated growth opportunities and projections about our business and its future revenues, expenses and profitability. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied in those forward-looking statements.

Factors that may affect our results, performance, circumstances or achievements include, but are not limited to, the following: catastrophic events such as the outbreak of COVID-19; increased information technology security threats and sophisticated computer crime; foreign political and economic risks; changes in global trade policies; inability to protect intellectual property; open source technology exposure; failure to compete effectively or to respond to the rapid technological changes; consolidation in our industry; difficulty to predict the length and strength of any downturn or expansion period of the market we target; risks associated with violations of environmental, safety and health regulations; factors that adversely affect the pricing and demand for our product lines; dependency on a small number of large customers; dependency on a single manufacturing facility per product line; dependency on a limited number of suppliers; difficulty to integrate current or future acquisitions; lengthy sales cycle and customer delays in orders; failures to attract, recruit and retain qualified employees due to intense competition for highly skilled personnel; political, economic, and military instability in Israel; risks related to our convertible notes; currency fluctuations; and quarterly fluctuations in our operating results. We cannot guarantee future results, levels of activity, performance or achievements. The matters discussed in this press release also involve risks and uncertainties summarized under the heading "Risk Factors" in Nova's Annual Report on Form 20-F for the year ended December 31, 2021 filed with the Securities and Exchange Commission on March 1, 2022. These factors are updated from time to time through the filing of reports and registration statements with the Securities and Exchange Commission. Nova Ltd. does not assume any obligation to update the forward-looking information contained in this presentation.



Nova is a leading innovator and a key provider of **metrology** solutions for advanced **process control** used in semiconductor manufacturing



A Trusted Partner

We measure ourselves by our ability to transcend expectations and boundaries

We partner with our customers to craft innovative process control solutions enhanced with unique value

Execute

Dare

Listen

Dream

Innovate

Win

KEY Facts



1993 | Date Founded | Dually Traded



>1000 | Employees



Presence | Israel HQ, Global Offices



>4500 | Active Systems



>200 | Customer Sites



R&D | Israel, USA, Germany

Sustainable Profitable Growth

2021 Performance

20%

Revenue CAGR

33%

Operating Income CAGR

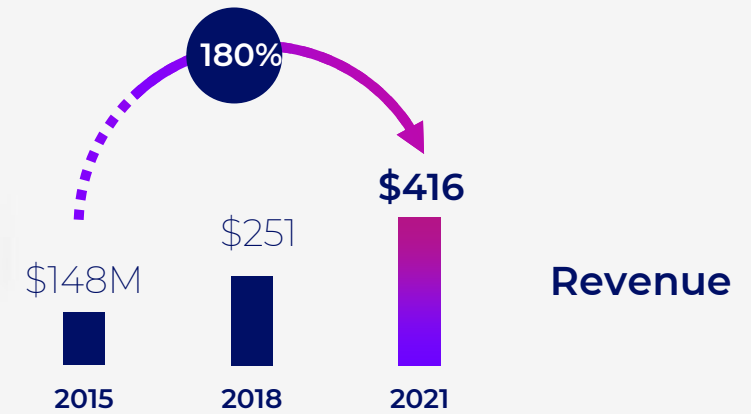
\$416M

Revenue

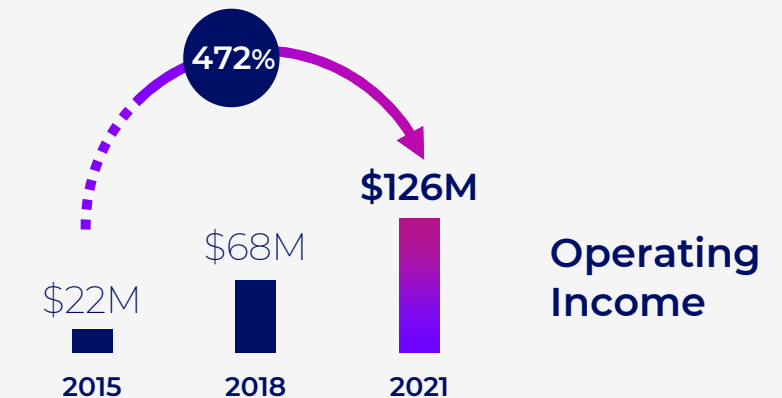
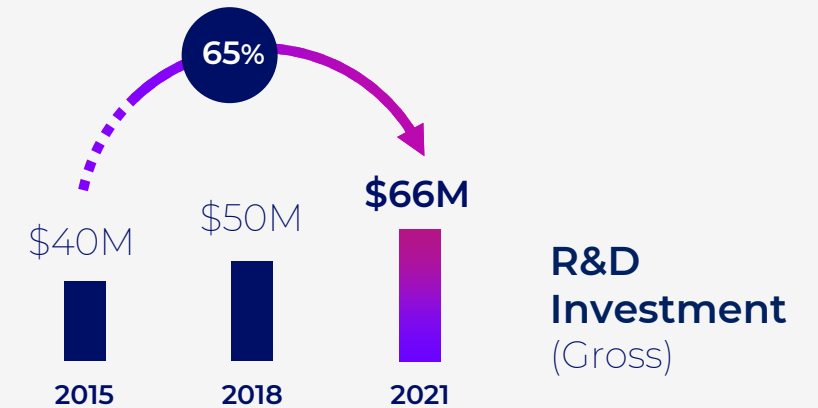
30%

Operating Margin

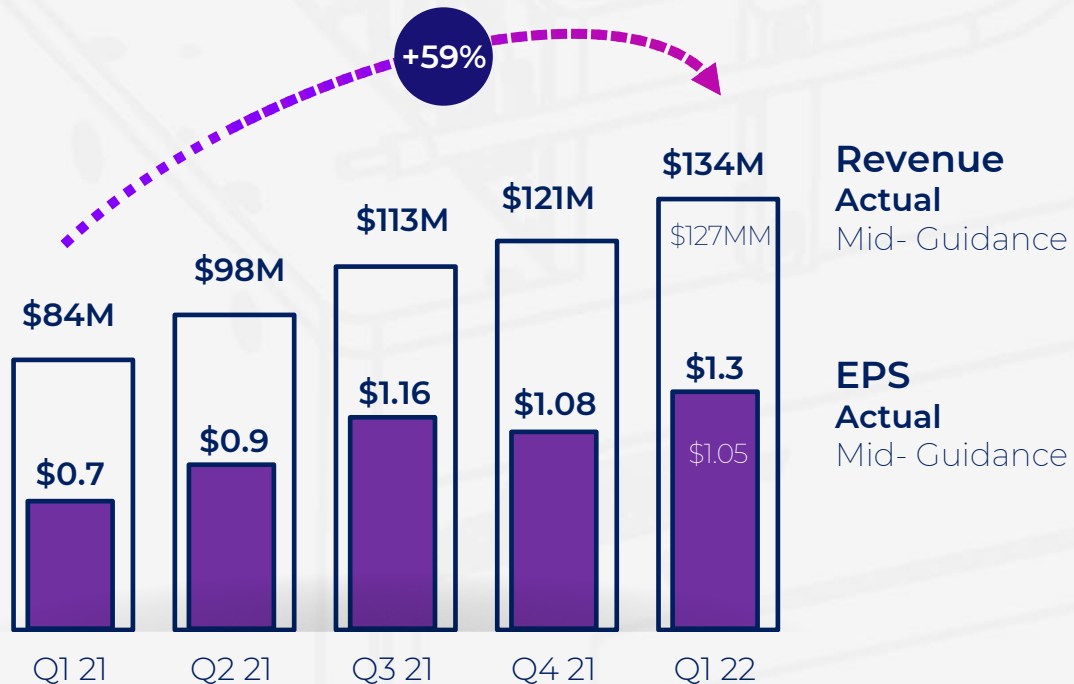
CAGR – 2016-2021
Non-GAAP Financials



2021 - 54% Revenue Growth



Quarterly Performance



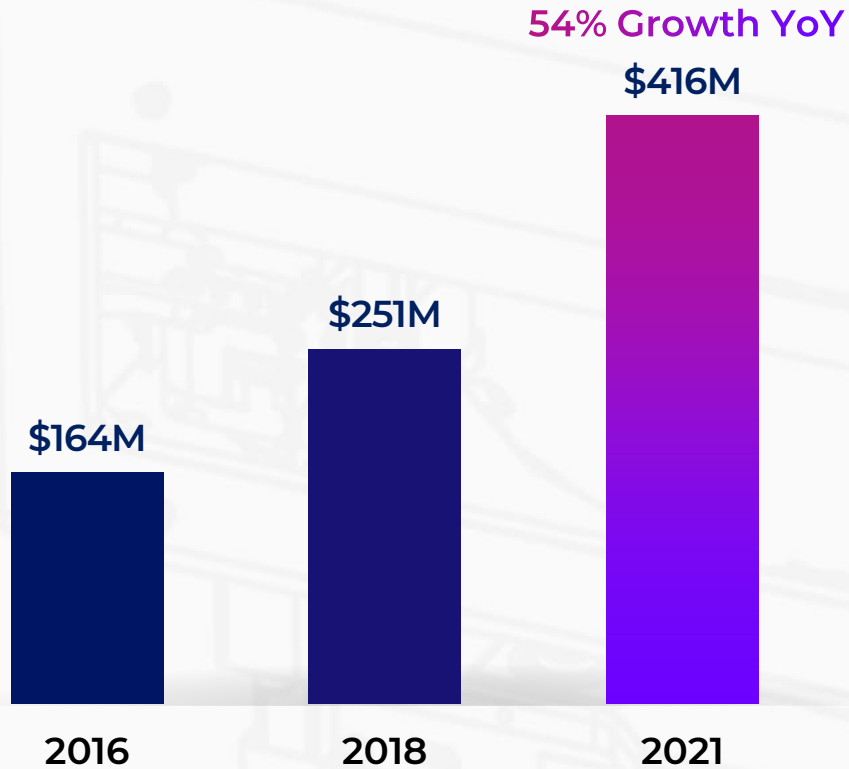
- Diversified geographic contributions led by China
- Five major customers contributing >10% each
- First quarter embedding chemical metrology
- Expect to continue solid growth in 2022

Company Guidance	Revenue	EPS
Q2 2022	\$133M-\$141M	\$0.82-\$0.96 (GAAP)
		\$1.09-\$1.23 (Non-GAAP)

Non-GAAP Financials

Solid Track Record

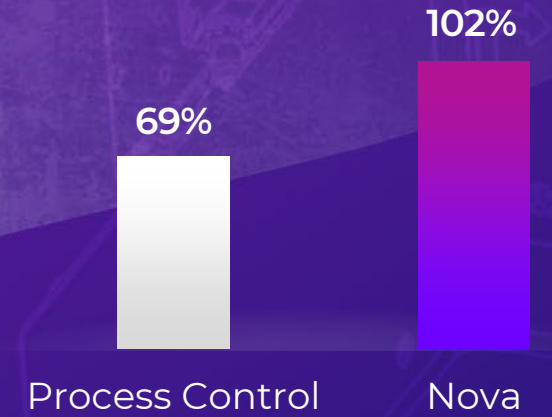
Outperforming Industry Indexes



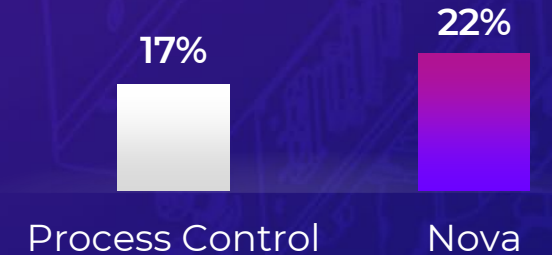
Nova Revenue Growth

- Share Gains
- Differentiated Portfolio
- Disruptive Innovation
- Diversified Revenues
- TAM Expansion

Product Revenue Growth
(2019-2021)



5Y Products CAGR
(2016-2021)



Nova Acquires ancossys (Q1/22)

- ✓ **Expanded portfolio**

Dimensional,
Materials, Chemical

- ✓ **Increases TAM**

By \$300M

- ✓ **Cross markets synergy**

**Front-end, Back-end
& Advanced Packaging**

- ✓ **Cultural Strength
high-end technology and
cultural synergy**

- ✓ **Adapting to Global
Dynamics**

Operations center in Europe

- ✓ **Potential tech synergy**

Better process insight

**A strong metrology leader with a differentiated
portfolio for advanced process control in FE & BE Semi**

Deal Financial Rational



Deal Fundamentals

Nova acquires 100% of ancossys GmbH, a privately held company for **~\$80 million USD** in cash, including **\$10 million USD** performance based earnout



Financials

Deal expected to be **accretive within 12 months** of closing on a non-GAAP basis

Expanding Nova's addressable market, expected to **grow by \$300M**



The combined company is expected to generate **over \$500M** in annual revenues

Unique Portfolio
Dimensional, Materials & Chemical



Disruptive Technology
X-Ray, Optical, Chemical Analytics, HW & SW



Diversified Exposure
Products, Segments, Customers, Territories



Solid Operational Model
Agility, Resiliency, Profitability



Cultural Advantage
Unique DNA, Social Responsibility



Strong
Fundamentals



We Are in Your Pocket

Advanced devices measured by Nova tools

IC Industry Eco System

Fabless



FE IC Fabrication



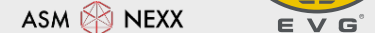
Packaging



Process Control



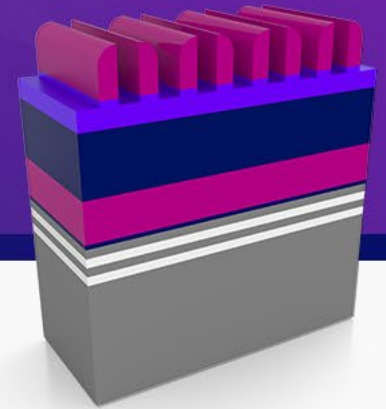
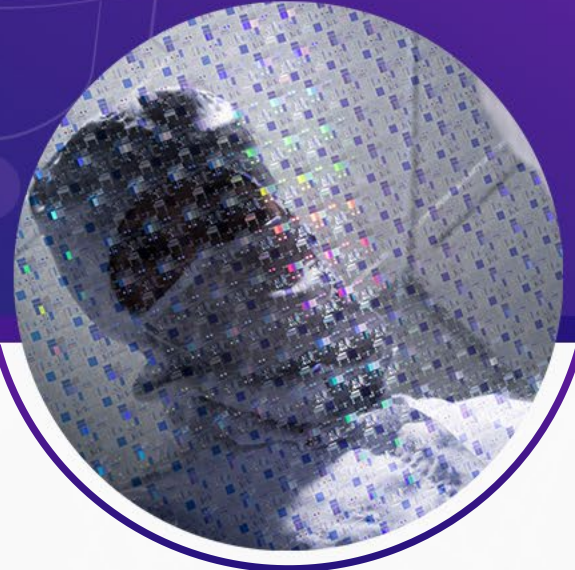
Process equipment



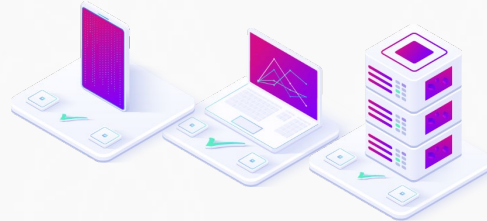
Materials



Innovative Technology



LOGIC • FLASH • DRAM



Semiconductor
Segments

300mm
Wafer

20um
Pad

3nm
Node

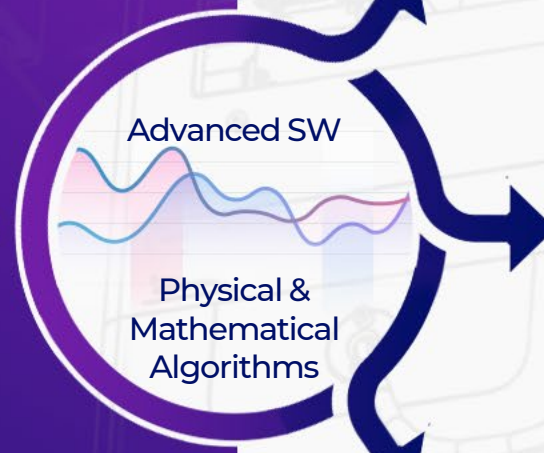
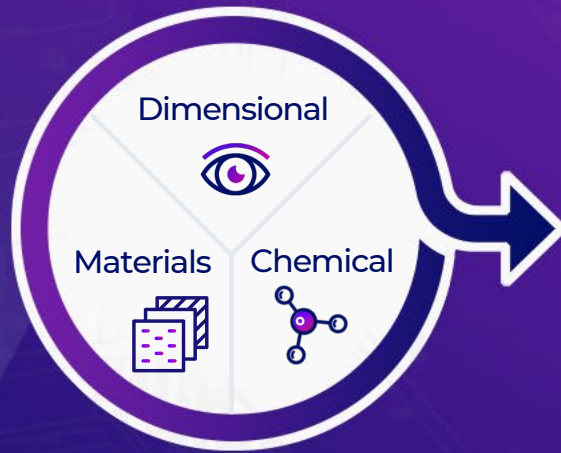
0.5Å
Precision

[One ten-billionth of a meter]

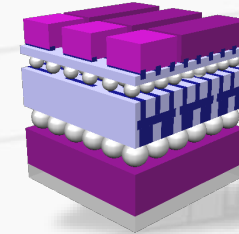
Dimensions / Materials
Parameters

Optical / X-Ray / Chemical

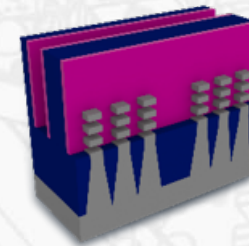
Revealing The Invisible



Memory
Transistor



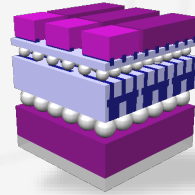
Packaging
Device



Logic
Transistor

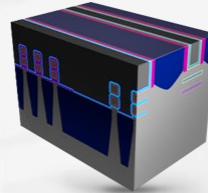
Addressing Multiple Markets

Advanced Packaging



anco/sys®

Materials Engineering



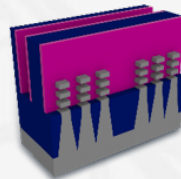
anco/sys®
NOVA PROCESS INSIGHT

Vertical Integration



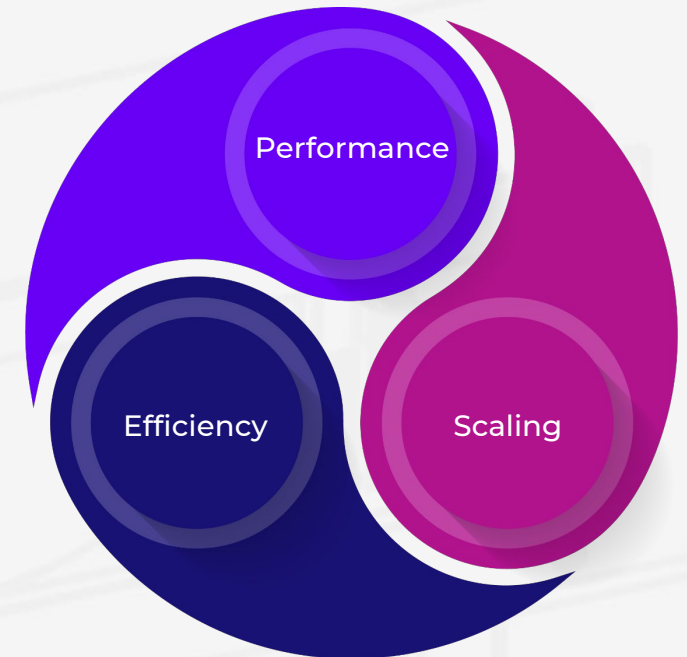
NOVA PROCESS INSIGHT

Device Scaling



NOVA PROCESS INSIGHT

Economics



Rich Metrology Portfolio

Dimensional Metrology

- Critical Dimensions



NOVA i570
Integrated Metrology



NOVA ASTERA
Integrated Multi
channel Metrology



NOVA PRISM
Standalone Metrology

Materials Metrology

- Materials Properties



NOVA VERAFLEX
X-Ray - XPS, XRF



NOVA ELIPSON
Raman Spectroscopy



NOVA METRION
SIMS

Chemical Metrology

- Chemical Analytics

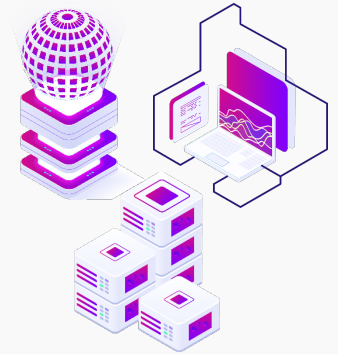


ancosys ancolyzer
Front End



ancosys ancolyzer
Back End

Software




- Physical & Mathematical Modeling
- Big Data Analytics

Core Technology

Disruptive Technology



Semiconductor Demand Driven **By Multiple Catalysts**



Robotic Process Automation

25%
CAGR



VR

36%
CAGR



Cloud Computing

25%
CAGR



Industrial IoT

23%
CAGR



Autonomous Vehicle

20 TB
Per Car Daily



5G

37%
CAGR



AI

42%
CAGR



2010

Mobile Internet
Mobility



2015

Data Augmentation
Productivity



2020

Enhanced Connectivity
Resiliency

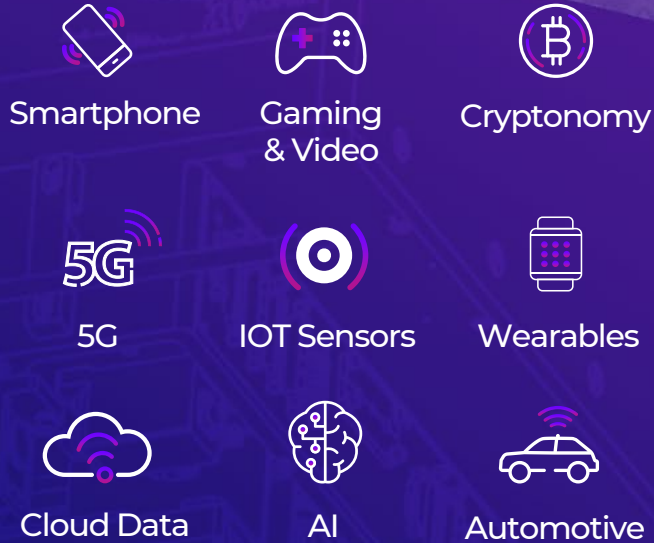


2025

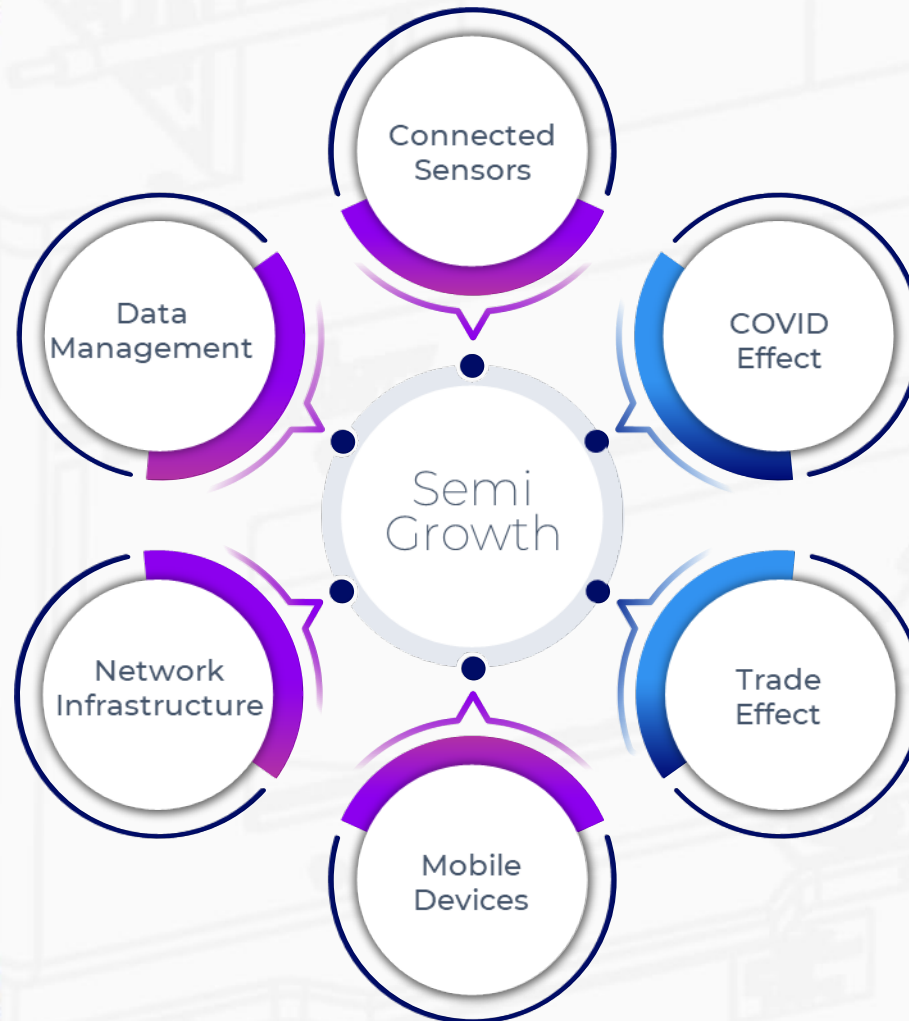
Data Efficiency
Veracity

Growing Demand

Semiconductors enable advanced digitization



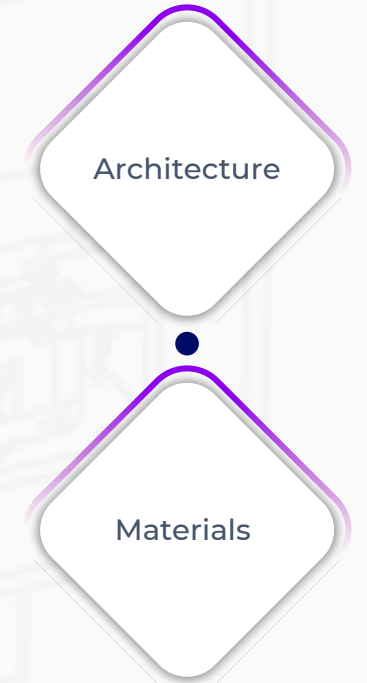
1 Capacity Growth



Acceleration

Explosion

2 Beyond Capacity Performance Demand

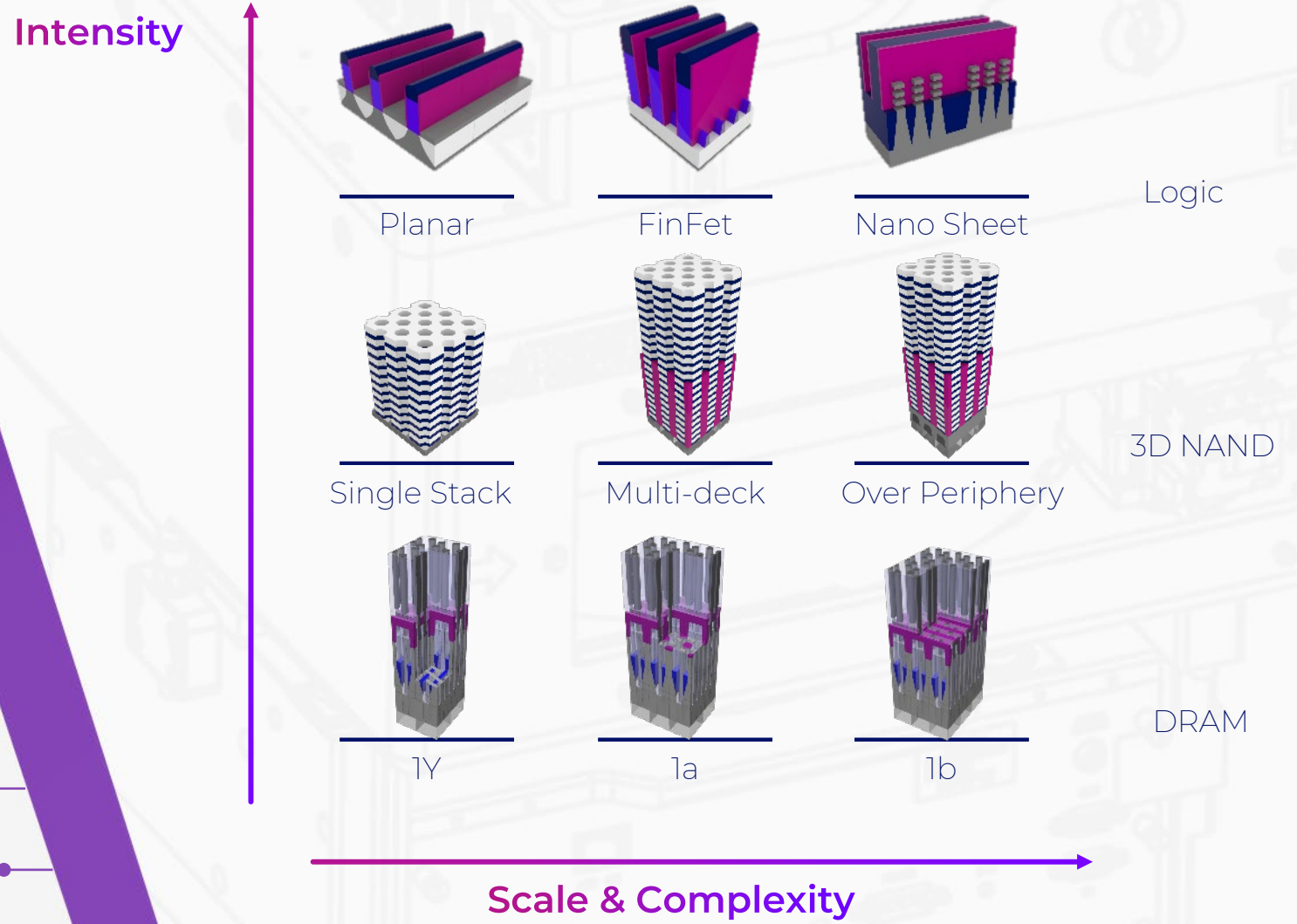


Enablement

Dimensional Metrology Intensity

- Scaled Devices
- 3D Profiles
- Multiple Parameters
- Thinner Films
- Packaging

Scale & Complexity = Growing Demand



Materials Engineering

Beyond Moore's Law



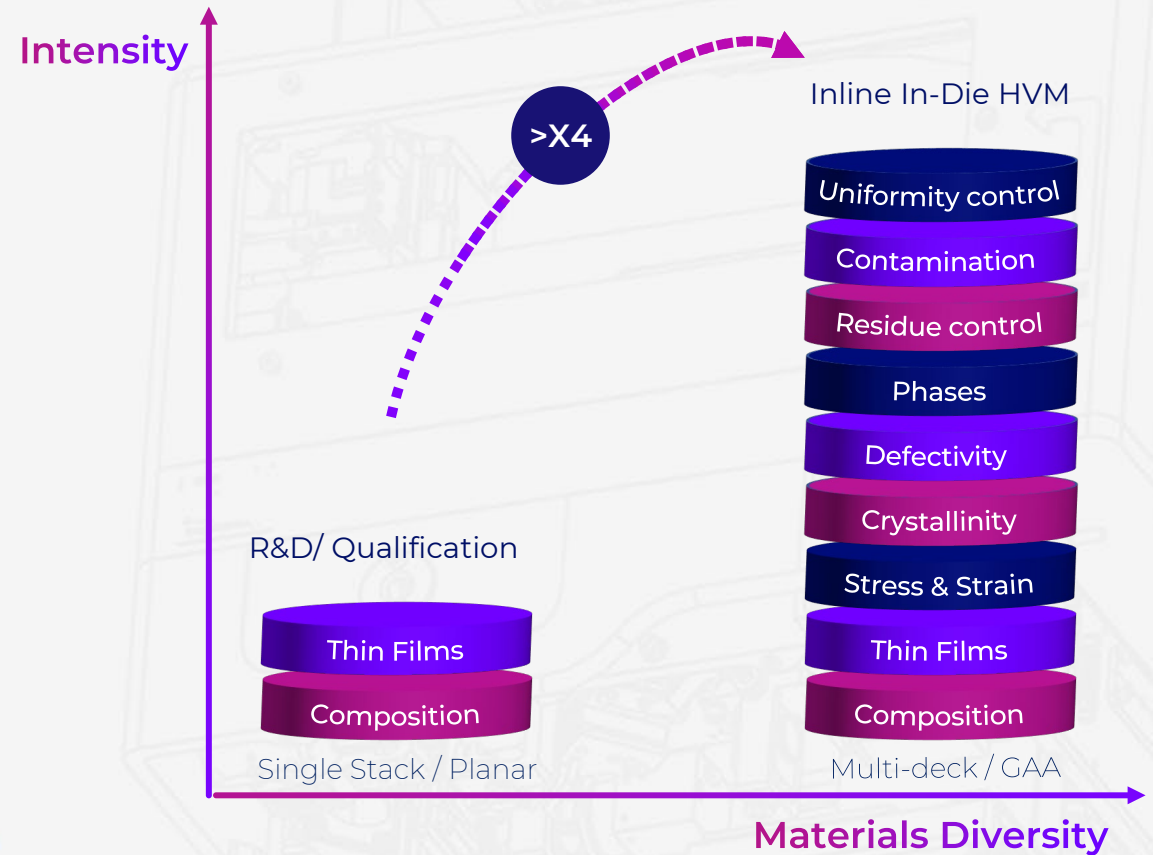
Broader Metrology Scope

(Composition, Thin Films, Stress, Strain)

		Past 21										Present 62																																			
H																						He																									
Li	Be											B	C	N	O	F	Ne																														
Na	Mg											Al	Si	P	S	Cl	Ar																														
K	Ca	Sc	Ti	V	Cr	Mn	Fe	Co	Ni	Cu	Zn	Ga	Ge	As	Se	Br	Kr																														
Rb	Sr	Y	Zr	Nb	Mo	Tc	Ru	Rh	Pd	Ag	Cd	In	Sn	Sb	Te	I	Xe																														
Cs	Ba	<small>57-71 Lanthanoids</small>	Hf	Ta	W	Re	Os	Ir	Pt	Au	Hg	Tl	Pb	Bi	Po	At	Rn																														
Fr	Ra	<small>89-103 Actinoids</small>	Rf	Db	Sg	Bh	Hs	Mt	Ds	Rg	Cn	Nh	Fl	Mc	Lv	Ts	Og																														
<table border="1"> <tr> <td>La</td><td>Ce</td><td>Pr</td><td>Nd</td><td>Pm</td><td>Sm</td><td>Eu</td><td>Gd</td><td>Tb</td><td>Dy</td><td>Ho</td><td>Er</td><td>Tm</td><td>Yb</td><td>Lu</td> </tr> <tr> <td>Ac</td><td>Th</td><td>Pa</td><td>U</td><td>Np</td><td>Pu</td><td>Am</td><td>Cm</td><td>Bk</td><td>Cf</td><td>Es</td><td>Fm</td><td>Md</td><td>No</td><td>Lr</td> </tr> </table>																		La	Ce	Pr	Nd	Pm	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu	Ac	Th	Pa	U	Np	Pu	Am	Cm	Bk	Cf	Es	Fm	Md	No	Lr
La	Ce	Pr	Nd	Pm	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu																																	
Ac	Th	Pa	U	Np	Pu	Am	Cm	Bk	Cf	Es	Fm	Md	No	Lr																																	

Materials Metrology Intensity

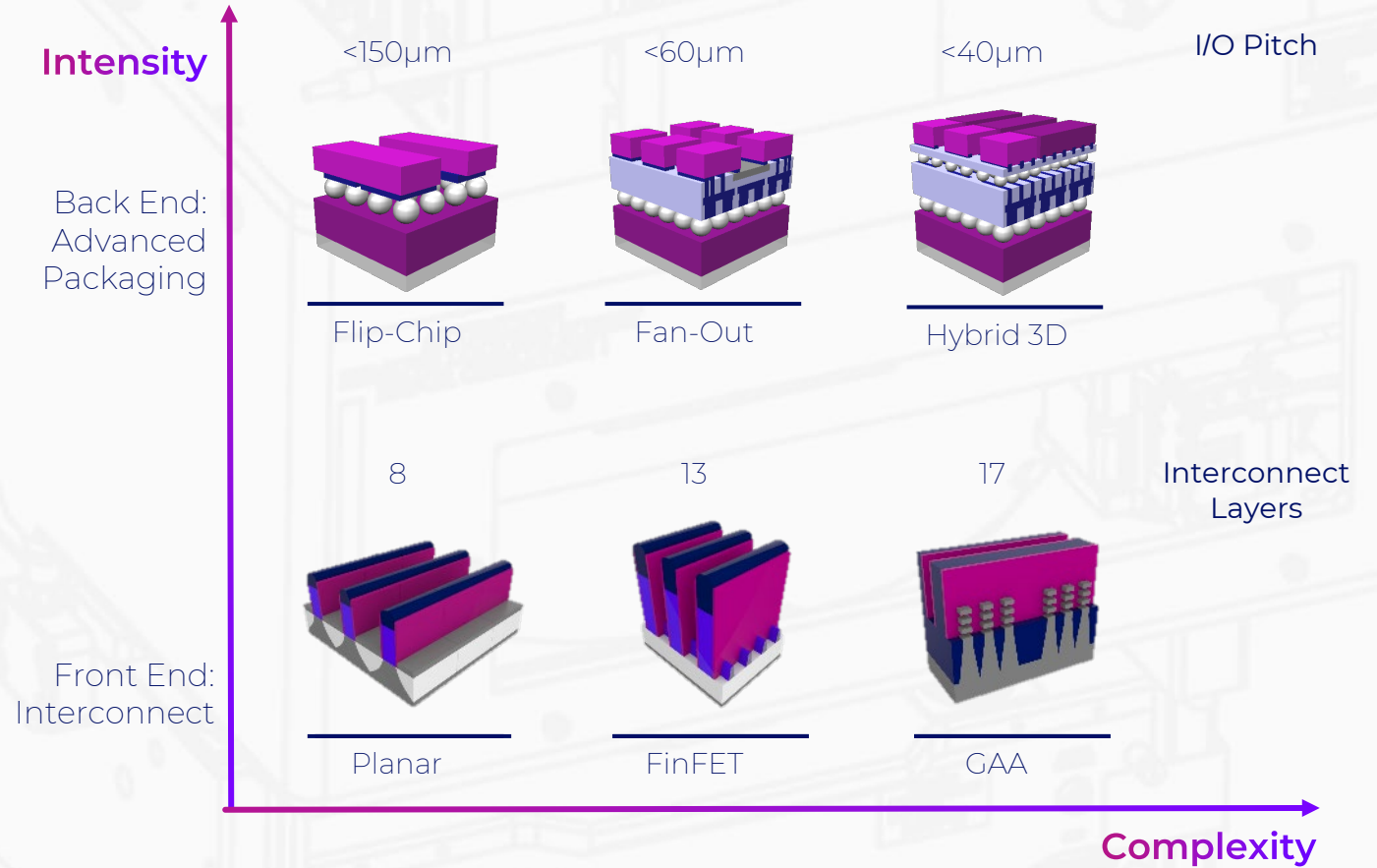
From 20 to 90 Steps



Chemical Metrology Intensity

- complexity
- New materials
- New chemistries
- Stability and purity
- Tighter process control

Complexity, Scale & New Chemicals



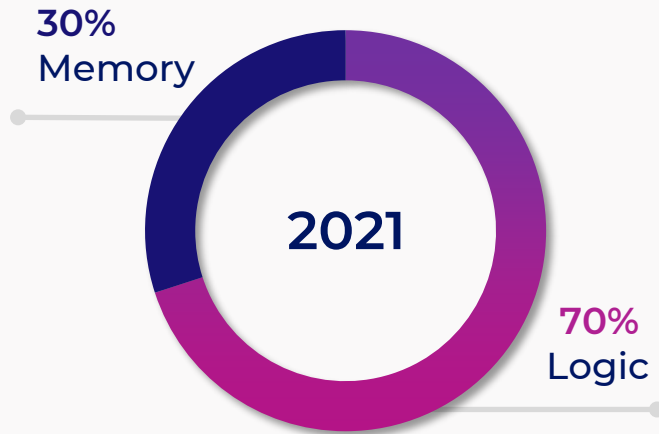
Why Do We **CONTINUE GROWING?**

Increasing Market Share while Expanding TAM

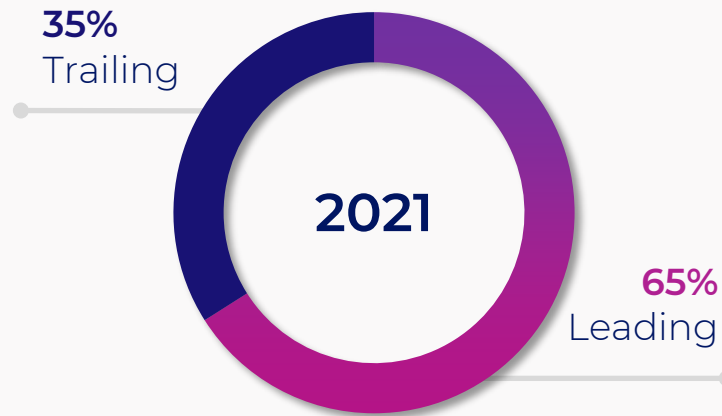


Greater Exposure

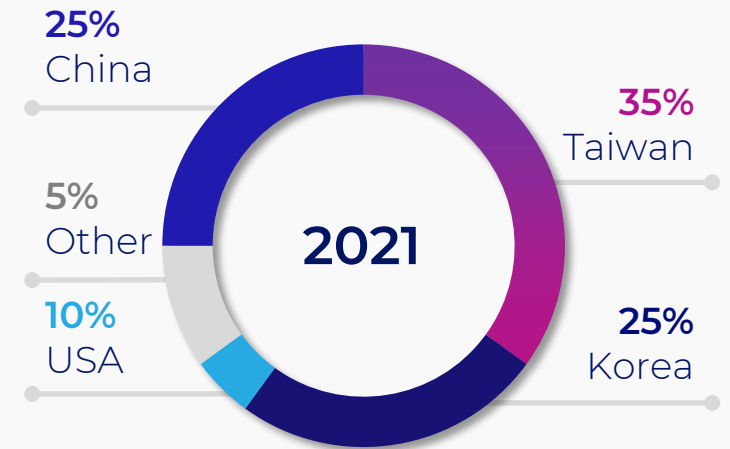
Segments



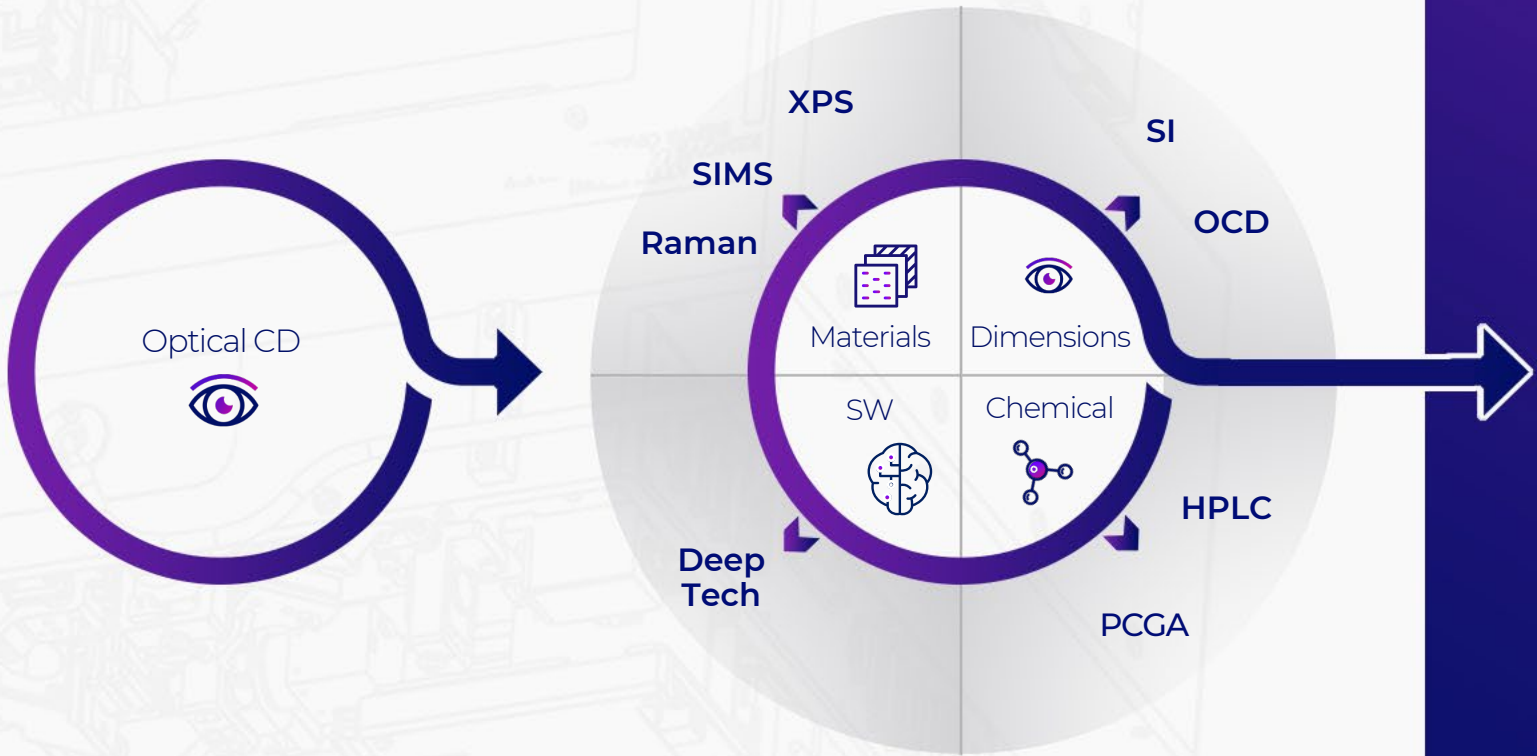
Nodes



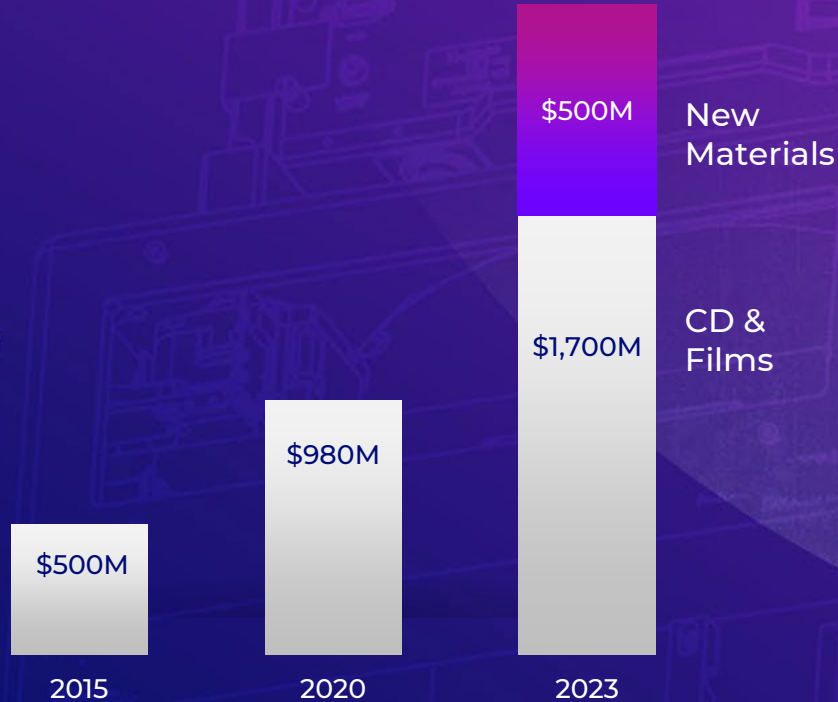
Geographies



Diverse Offering



Total Addressable Market



Organic Growth Engines



Differentiated Technology

Innovative Metrology
Raman, SIMS and Chemical Hybridization



Physical and ML Algorithms

Data-Driven Solutions
Training and Prediction Capabilities



Service Revenue

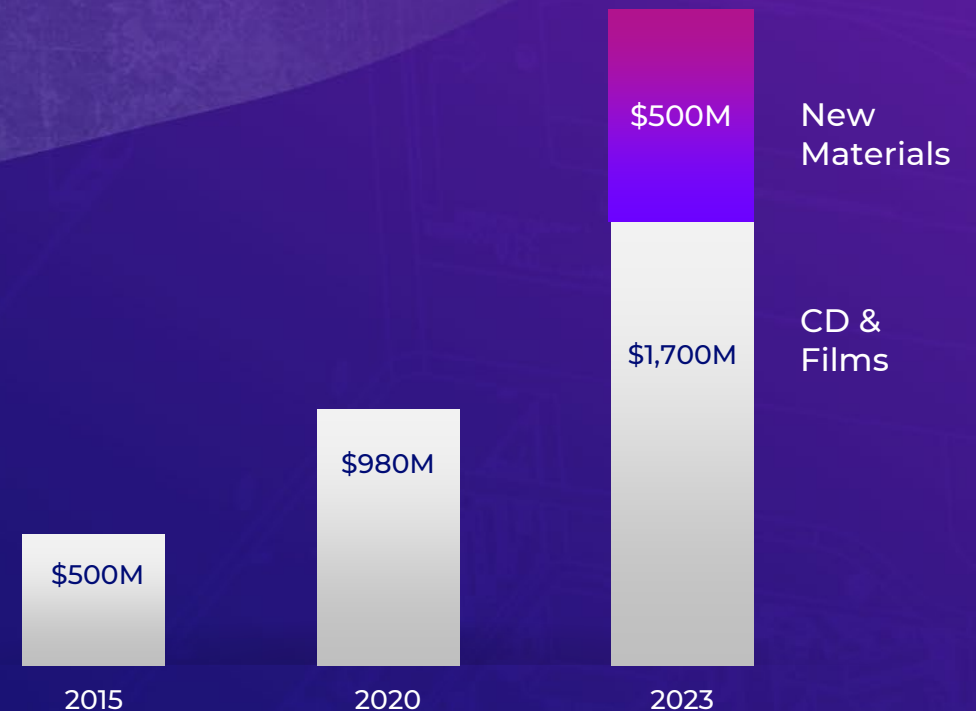
Extendibility & Enhancement
Value Added Services



Research Technologies



LAB to FAB

Total Addressable Market



Inorganic Approach

Search Guidelines

- **Early Access**
Lab to Fab Technology
- **Materials Leadership**
- **Software Offering Enhancement**
- **Adjacent Process Control Markets**

Screening Elements

Top Line Synergy

Complementary Technology

Operational Leverage (Accretion)

Diversification within Core Capabilities

ESG

Ethics

Community
Relations

Diversity

Inclusion

Environment

Encourage workforce diversity

Support Youth at Risk

Responsible & Ethical supply
chain management

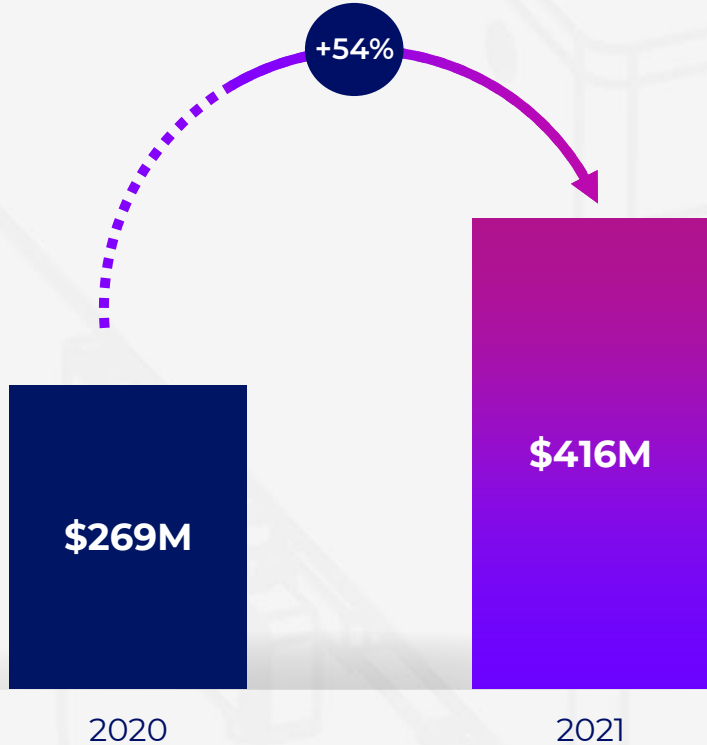
Optimize waste management
and energy consumption

Sustainable facilities across the globe

Financial Performance

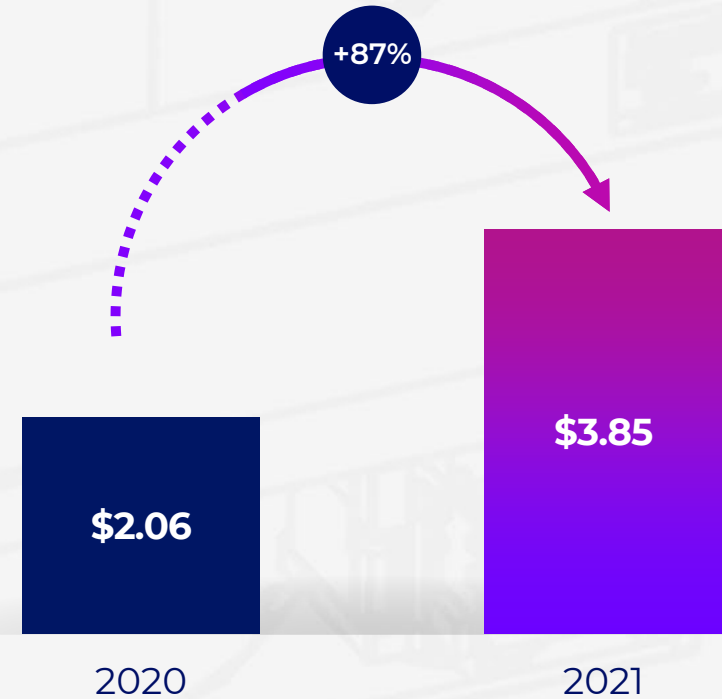
2021 Annual Results

Continuous Revenue Growth



Non-GAAP Financials

Earnings Per Share (Non-GAAP)



Non-GAAP Financials

Note: Our non-GAAP measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP, available on our website.

Key Takeaways

Positioned for Continuous Growth



Growing demand for IC drives capacity & Increasing complexity

Increasing need for advanced metrology solutions



Unique and disruptive technology portfolio

Driving a stronger position and expanding TAM



Solid operational model

Supports clear strategy for growth



Proven performance towards Nova500

Outperforming the Industry



Cultural elevation with new CSR strategy

Combining business ethics with culture and social conciseness

Financial Target Model

Gross Margin

56%-59%


R&D Investment

15%-17%

Operating Margin

26%-29%

Non-GAAP Financials



NOVA[®] PROCESS
INSIGHT

Thank You
