



Investor Presentation

Q4 2020 Update

Define. Create. Enable.

Experts in critical systems engineering and manufacturing



Proprietary

Forward-Looking Statements, Non-GAAP Financials and COVID-19

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COVID-19 Pandemic and Market Conditions Update

The COVID-19 pandemic and related economic repercussions have created, and are expected to continue to create, significant volatility, uncertainty, and turmoil in our industry. Government shutdowns and “social distancing” guidelines are, and will continue to, result in reduced factory capacity. In addition, an increase in direct costs within our factories associated with employee personal protective equipment (“PPE”), facility cleaning and layout changes, together with increases in logistics costs and employee labor costs, as well as other operating inefficiencies have resulted in, and may continue to result in, lower revenues and operating margins. The extent and duration of these impacts cannot be specifically quantified given the dynamic nature and breadth of the pandemic’s impact on our operations and that of our customers and suppliers.

Ichor Overview

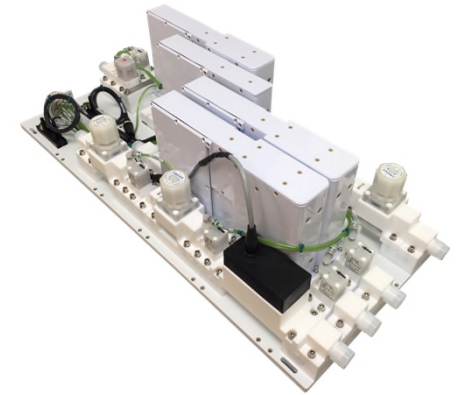
World's Leading Provider of Critical Fluid Delivery Subsystems and Components for Semiconductor Capital Equipment

- **Gas and chemical delivery subsystems are key elements of process tools** used in the manufacturing of semiconductor devices
- **Over 20 years of operational history** providing design, qualification, manufacturing and testing expertise to key OEMs throughout the product development cycle
- Global manufacturing footprint in the US, Malaysia, Singapore, Korea & Scotland, with **facilities strategically located in close proximity to key customers**
- **Headquartered in Fremont, California** with approximately 2,000 full-time employees globally
- **LTM Revenue and EPS of \$859 million and \$2.17, respectively⁽¹⁾**

Gas Delivery Subsystems



Chemical Delivery Subsystems



Weldments & Subassemblies



Precision Machining



(1) Results for twelve months ended 9/25/20. Non-GAAP EPS reconciliations are included in the company's earnings releases on file with the SEC, and at ir.ichorsystems.com.

Investment Highlights

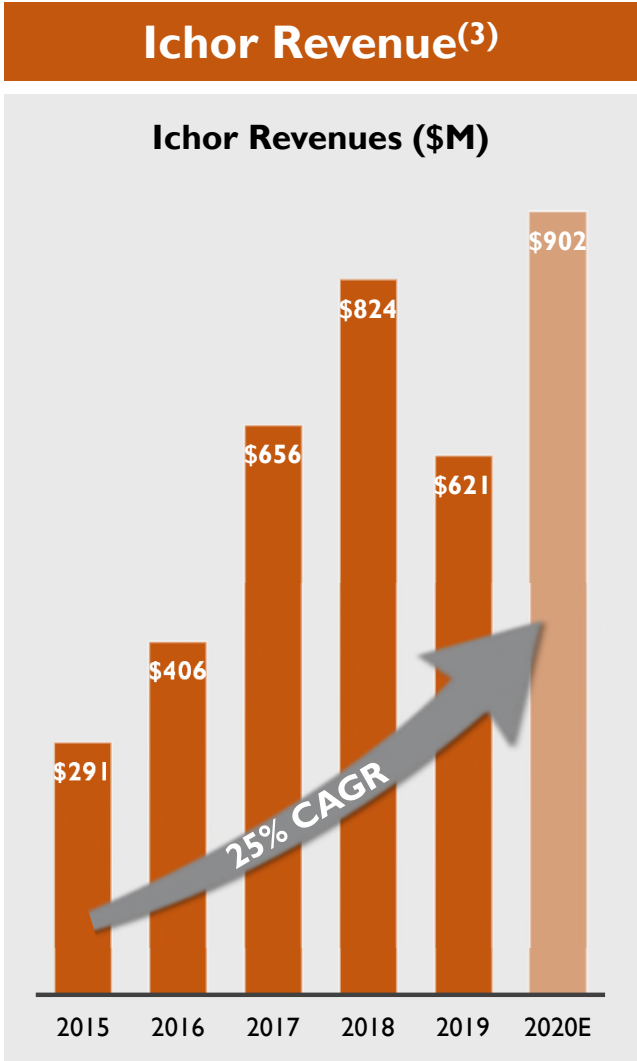
Combining Revenue Outperformance and Increasing Profitability to Drive Earnings Leverage and Free Cash Flow

- **Revenue outperforming the industry...** Outpacing industry, peers, and customers with 5-year CAGR of 25% vs. WFE growth of 12%... 2020 Revenues up 45% YoY at Q4 midpoint⁽¹⁾
- **Multiple drivers for continued revenue outperformance...** Leveraged to largest growth segments within WFE; expanding product offerings and customer base; continued market share gains
- **Expanding capabilities and SAM...** Investments in R&D focused on driving increased IP content in proprietary products; strategic acquisitions added plastics, weldment, and precision machining capability, as well as strategic foothold in South Korea – adding ~\$2.5B to our SAM⁽²⁾
- **Delivering strong earnings leverage...** Increasing profitability through gross margin improvement and close control of opex to drive leverage to bottom line; EPS growing at 2x the rate of revenue growth YTD in 2020⁽¹⁾

(1) Ichor 5-year CAGR of 25% based on midpoint of Q4 revenue guidance as of 11/2/20. YTD references = 9 months' EPS growth of approximately 120% vs 55% growth YoY for revenues. WFE Source: average of Top 5 OEMs and recent analyst estimates as of 11/2/20.

(2) Estimated 2020 SAM provided on slide 15.

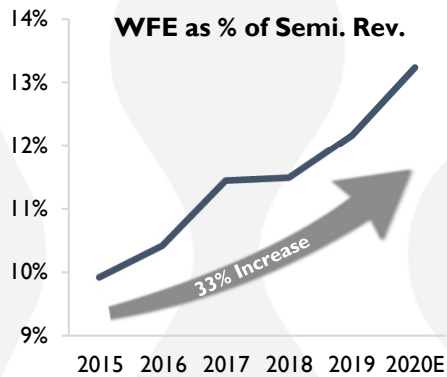
Revenue Growth Outperforming WFE and Primary Process Tool SAM



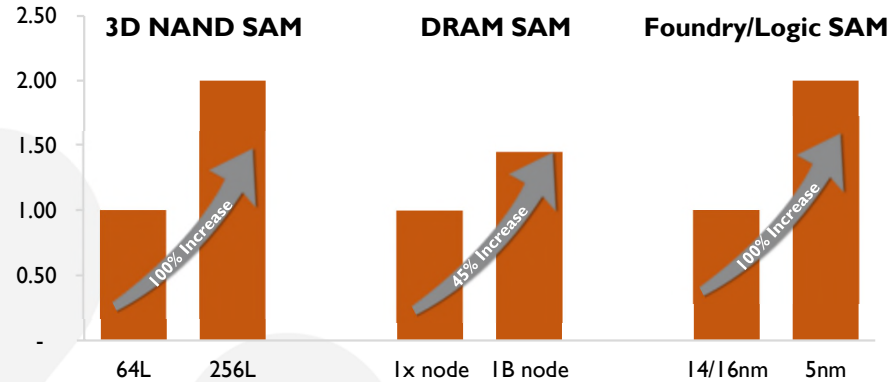
(1) Average of Top 5 OEMs' estimates for 2020 and current analyst estimates as of 11/2/20.
 (2) Gartner estimates through 2019; Company's estimated growth of 20% in 2020.
 (3) At midpoint of Q4'20 guidance as of 11/2/20.

Key Technology Transitions Driving Growth in Ichor SAM

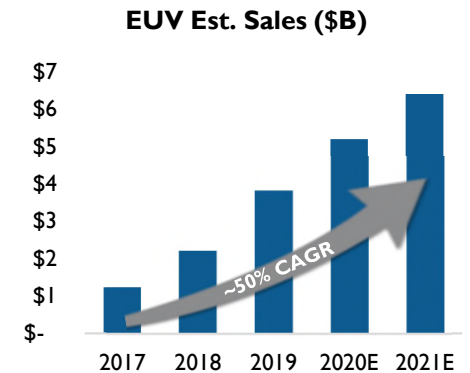
WFE Intensity Increasing⁽¹⁾



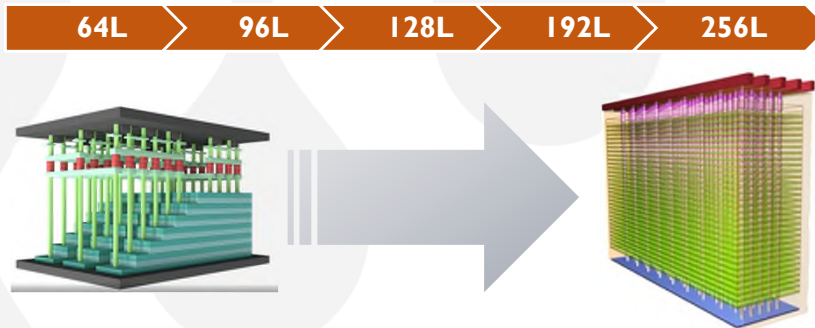
Etch & Deposition Intensity Increasing⁽²⁾



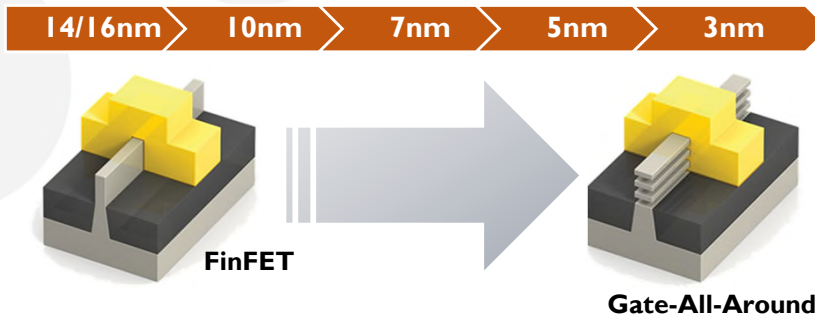
EUV Ramping⁽³⁾



NAND



Foundry and Logic



- Geometries becoming far more complex
- Impact of defects magnified
- Requiring faster etch rates, more control, higher development and production costs
- Increased etch and deposition intensity at each node transition
- More fluid delivery content per system
- Increasing opportunity for EUV on key layers offers incremental gas delivery SAM

(1) UBS Research as of September 2020.

(2) Lam Research Analyst Day Presentation (March 2020), normalized to 1.0 at starting node.

(3) 2017 est. EUV revenues from KeyBank Research; 2018-2021E EUV market size from Evercore Research (11/7/20).

Expanding SAM of \$4B with Multiple Growth Opportunities

Approx. 65% of WFE Market Requires Fluid Delivery Subsystems or Components

 Established Position  Opportunity

Served Markets and Market Opportunity

Customer

Gas Delivery
(\$1.5B)

Chemical Delivery
(including LDM)
(\$0.7B)

Sub-Assembly
(Weldments)
(\$1.0B)

Precision Machining
(\$0.6B)

Other Components
(\$0.2B)

U.S.

1



2



3



Europe

4



S.

5



Eval



Korea

6



7



Japan

8



9



Others



Current Share (est.):

>30%

<10%

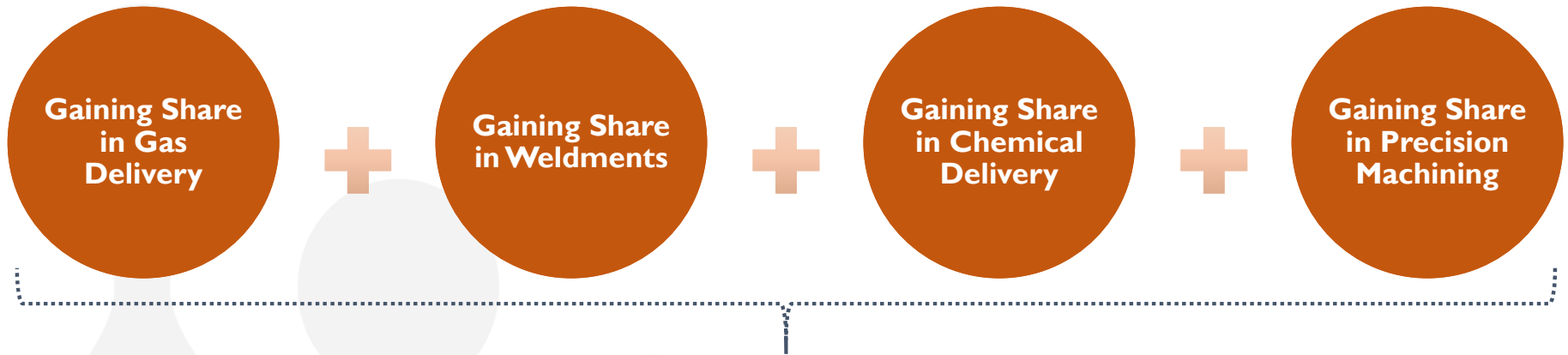
<25%

5%

5%

Note: Represents estimated size of served markets in 2020.

Drivers of 2020 Revenue Growth Outperformance



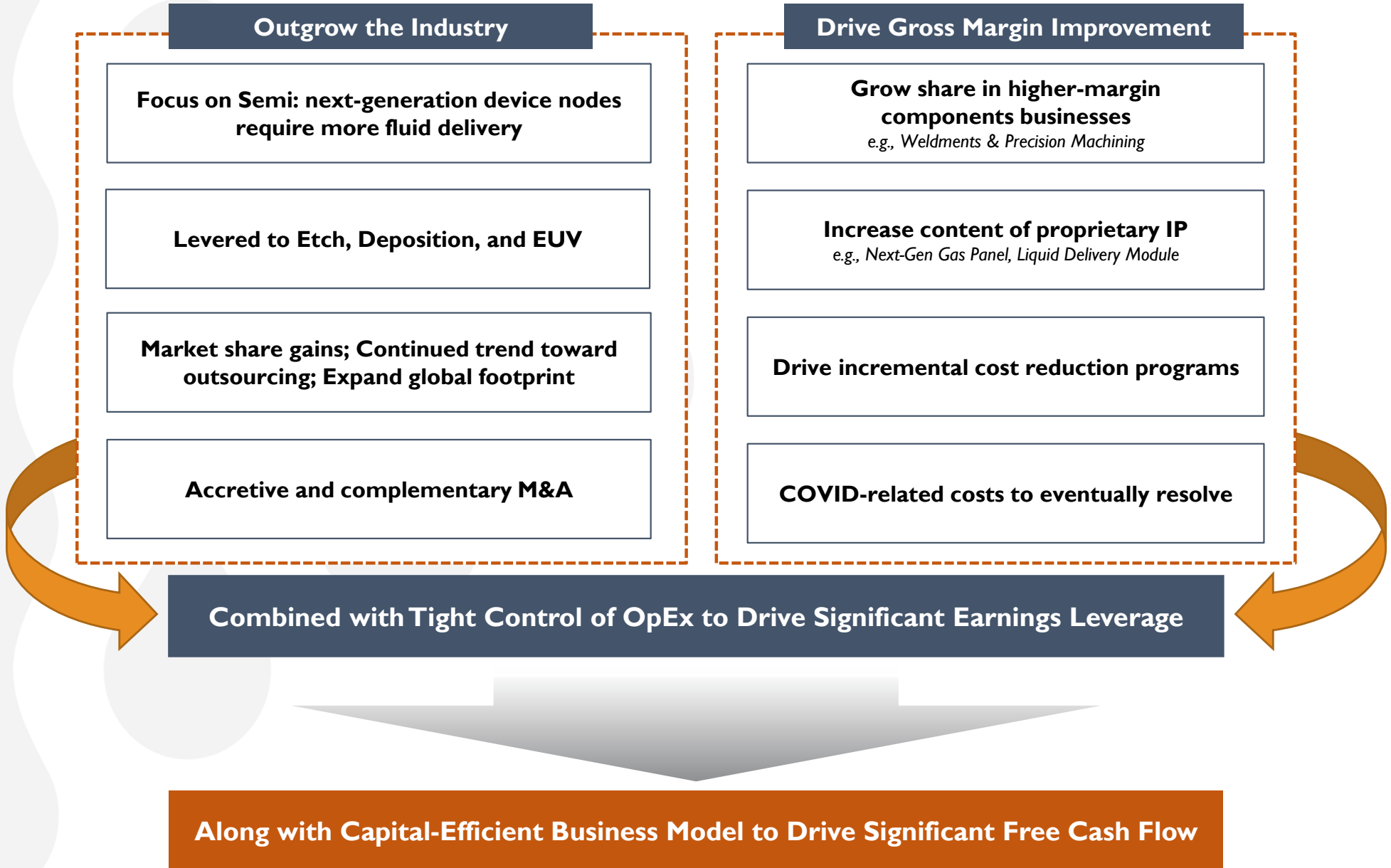
**Contributed \$70M of Incremental Revenues from Share Gains in 2019
with \$100M Annualized Run-Rate entering 2020**

Continued Outperformance in 2020

~45% Expected YoY Growth for Ichor vs. ~15% for WFE

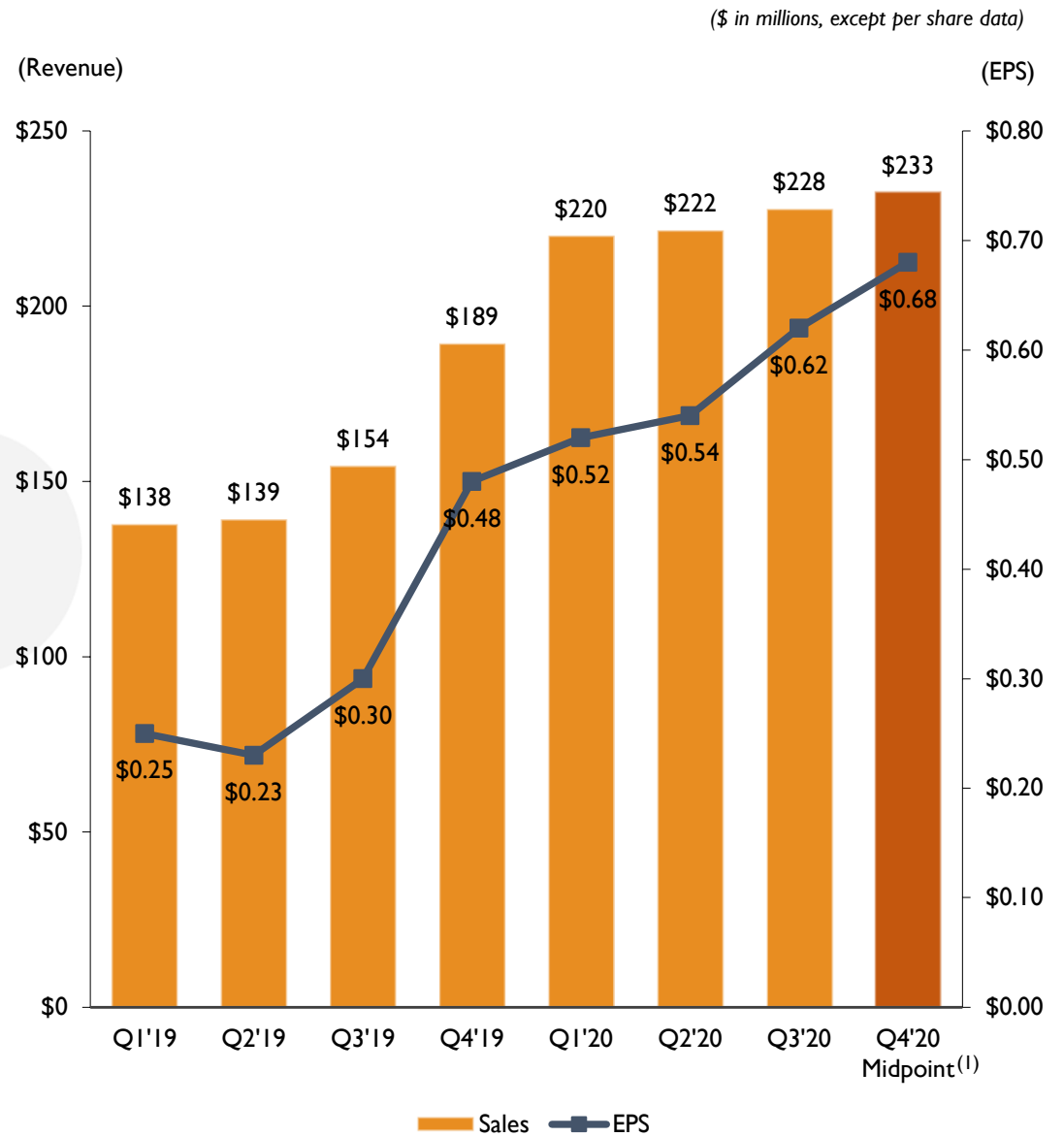
- **2019 gains growing with the market in 2020 (~\$45M of growth YoY)**
- **Incremental market share gains**
- **Increased mix of memory WFE benefiting etch/dep in 2020**
- **Top 2 customers are growing faster YoY than WFE**
- **EUV system sales ramping**

Key Financial Strategies



Quarterly Momentum at Top and Bottom Lines

- **6 Straight Quarters of Sequential Revenue Growth Reported Through Q3**
- **Strong Earnings Leverage**
 - EPS growth outpacing revenue growth by ~2x YTD in 2020⁽¹⁾
- **Positive Outlook⁽¹⁾**
 - Q4 EPS of \$0.59-\$0.77
 - Q4 Revenue of \$220M-\$245M
 - Stronger 2H'20 vs 1H'20
 - Continued momentum into Q1'21
 - Continued incremental GM improvement
- **Balance Sheet Remains Solid**
 - \$79M of Cash as of Sept 25, 2020
 - \$204M of Debt as of Sept 25, 2020
 - Interest Expense ~\$2M/quarter



⁽¹⁾ Reflects ~120% EPS growth vs. 55% Revenue growth for the 1st 9 mo. of 2020 vs. 1st 9 mo. of 2019. Midpoint of Q4'20 and 2H outlook as of 11/2/20. EPS presented on a non-GAAP basis. Non-GAAP earnings per share excludes amortization of intangible assets, share-based compensation, non-recurring expenses and discrete tax items.

Target Model with Significant Operating Leverage

(\$ in millions)

	Annual Results				1st 9 mo. 2020 ⁽¹⁾	Target Model
	2016	2017	2018	2019		
Revenue	\$406	\$656	\$824	\$621	\$669	
Gross Margin	16%	16%	17%	14%	14%	19% - 20%
Operating Expenses	7%	6%	6%	8%	6%	6%
Operating Margin	9%	11%	11%	6%	8%	13% - 14%
EBITDA Margin	10%	11%	12%	8%	9%	14%+
Net Margin	8%	10%	9%	5%	6%	12%+

(1) 9 mo. results as reported 11/2/20. Non-GAAP results and model reflect net income from continuing operations; excluding amortization of intangible assets, share-based compensation expense, tax adjustments related to those non-GAAP adjustments, tax benefits from acquisitions, and non-recurring charges. Non-GAAP EBITDA is defined as Non-GAAP net income from continuing operations, excluding interest, non-GAAP income tax expense (benefit), and depreciation.

Conclusion

Industry-Leading Execution of Strategic Objectives

Business Objectives



Expanding Share at Top Semi Cap Customers



Expanding Product Offerings & IP Content



Expanding Customer Base



Accretive and Strategic M&A

Financial Objectives



Revenue Growth Outpacing Industry



Strong Profitability Through Industry Cycles



Financial Model with Operating Leverage



Scalable and Capital-Efficient Business Model



NASDAQ: ICHR