



Investor Presentation

May 2023

Cautionary Statements

Use of Non-GAAP Adjusted Financial Measures

This presentation provides financial measures that exclude amortization of acquired intangible assets, stock-based compensation expenses, acquisition related expenses, inventory step-up and contingent consideration, revaluation facilities transition costs, 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.

Forward-Looking Statements

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 differ materially 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: increased information technology security threats and sophisticated computer crime; foreign political and economic risks including supply-chain difficulties; regulations that could restrict our operations such as economic sanctions and export restrictions; changes in U.S. trade policies; indirect effects of the Russia – Ukraine conflict; market instability including inflation and recessionary pressures; risks related to doing business with China; catastrophic events such as the outbreak of COVID-19; inability to protect our intellectual property; open source technology exposure; failure to compete effectively or to respond to rapid technological changes; consolidation in our industry; difficulty in predicting the length and strength of any downturn or expansion period of the market we target; 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 in integrating current or future acquisitions; lengthy sales cycle and customer delays in orders; political, economic and military instability in Israel including related to the potential changes to the judicial system; 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 presentation 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, 2022, filed with the Securities and Exchange Commission on February 28, 2023. 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



>1100 | Employees



Presence | Israel HQ , Global Offices



>4800 | Active Systems



>200 | Customer Sites



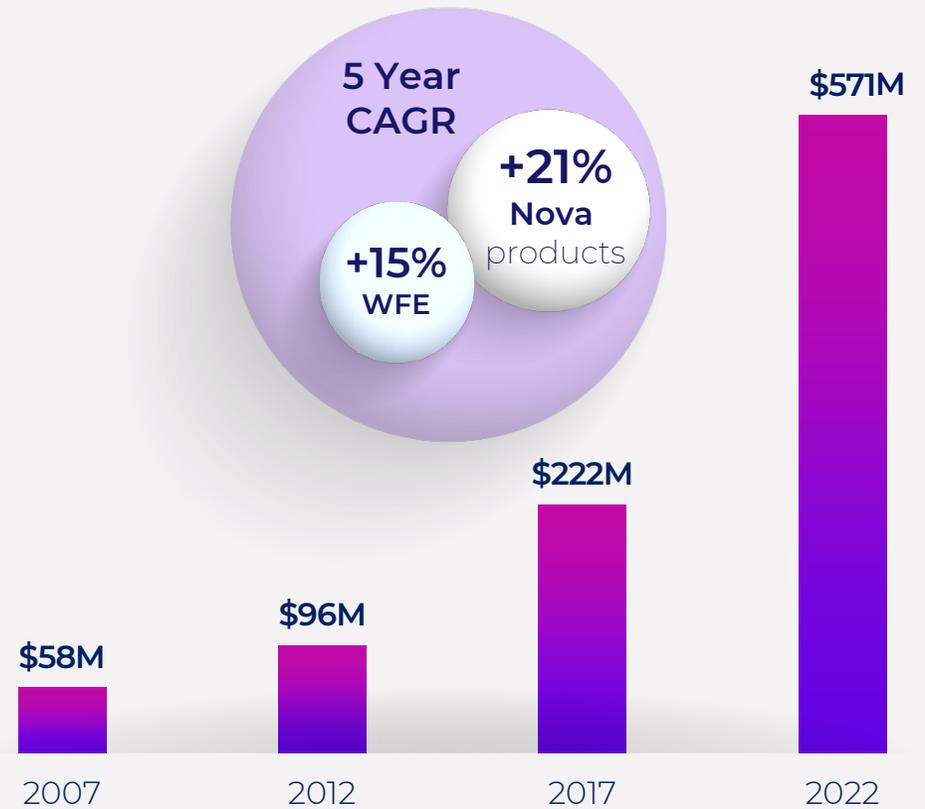
R&D | Israel, USA, Germany

Solid Track Record

- Proven Execution Ability

- Relative Industry Outperformance

- Revenue doubled every 5 years



Wide Metrology coverage

Differentiated portfolio

New organic engines

Diverse technology mix

Diverse customer mix

Diverse territory mix

Semiconductor Industry Eco System

Chip Design (Fabless)



Front End Fabrication



Packaging



Process Control



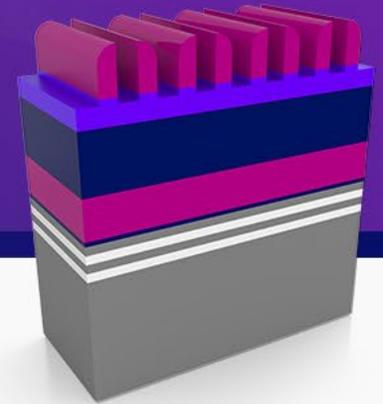
Process equipment



Materials



Innovative Technology



LOGIC • FLASH • DRAM



Semiconductor
Segments

300mm
Wafer

20um
Pad

3nm
Node

0.5Å
Precision

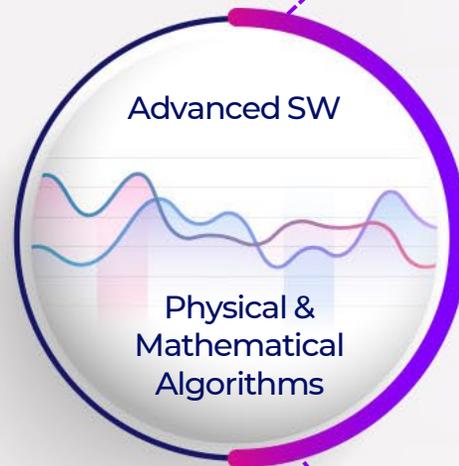
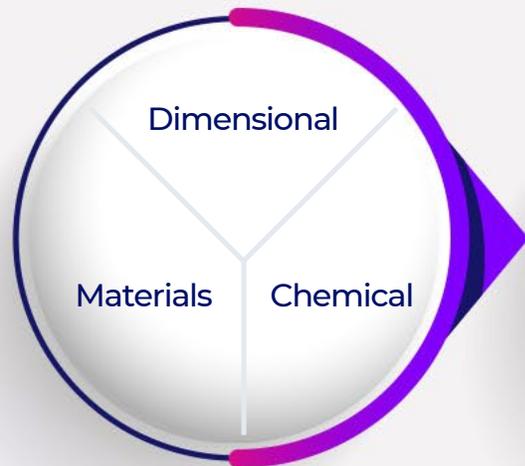
[One ten-billionth of a meter]

Dimensions / Materials
Parameters

Optical / X-Ray / Chemical

Revealing the Invisible

Actionable Insight, Critical Foresight



Memory Device

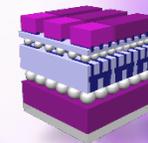


64

X6
Layers

400

Packaging Device

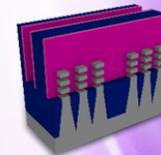


Flip-Chip Bump
<300µm

X30
I/O
Pitch

3D-SOC
<10µm

Logic Device



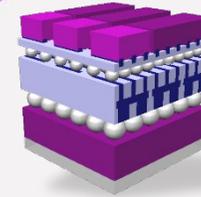
A4
150M

X100
Transistors

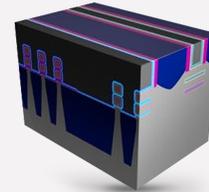
A15
16B

Addressing Multiple Markets

Advanced Packaging



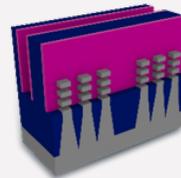
New Materials



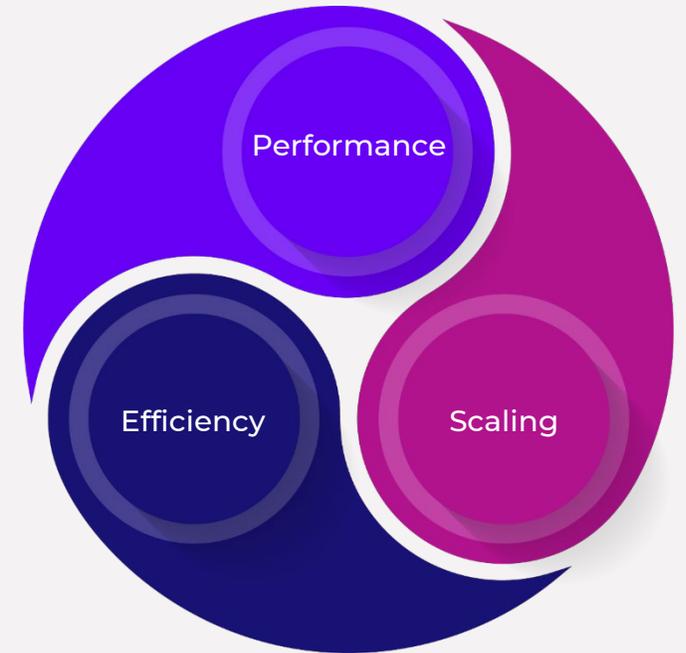
Vertical Integration



Device Scaling

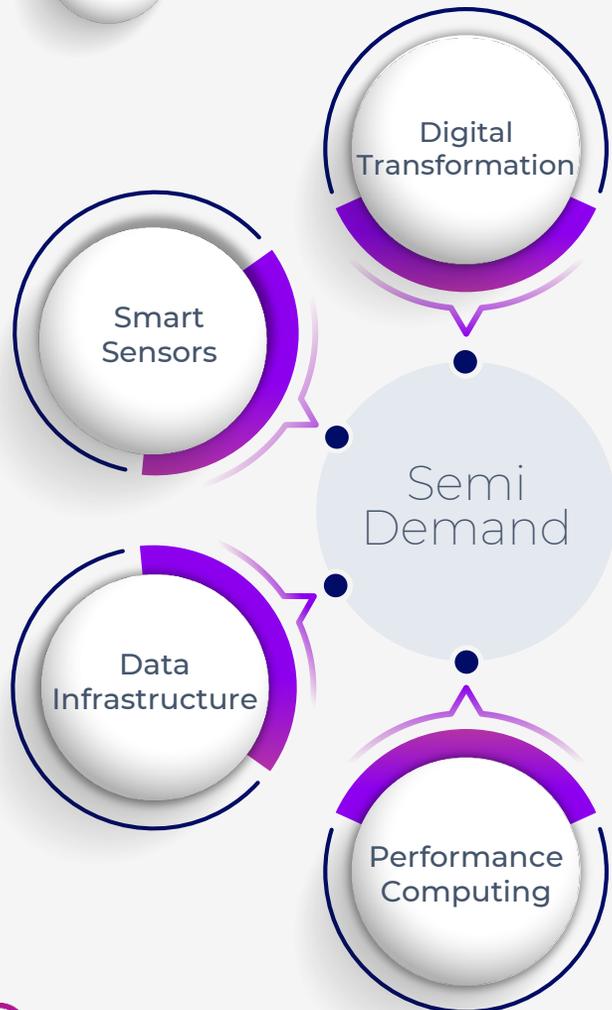


Economics



Fundamental Drivers in Cyclical Environment

1 Multiple Tech Drivers



2 Disruptive Investment

- Investment across broad range of IC Devices
- Technology transitions to support performance demand
- Resume normal scaling cycles (EUV) below 7nm
- Demand for increased content in advanced devices
- Synergy between industry segments drives need for better process control
- Geo-centric strategy drives diverse geographical investment

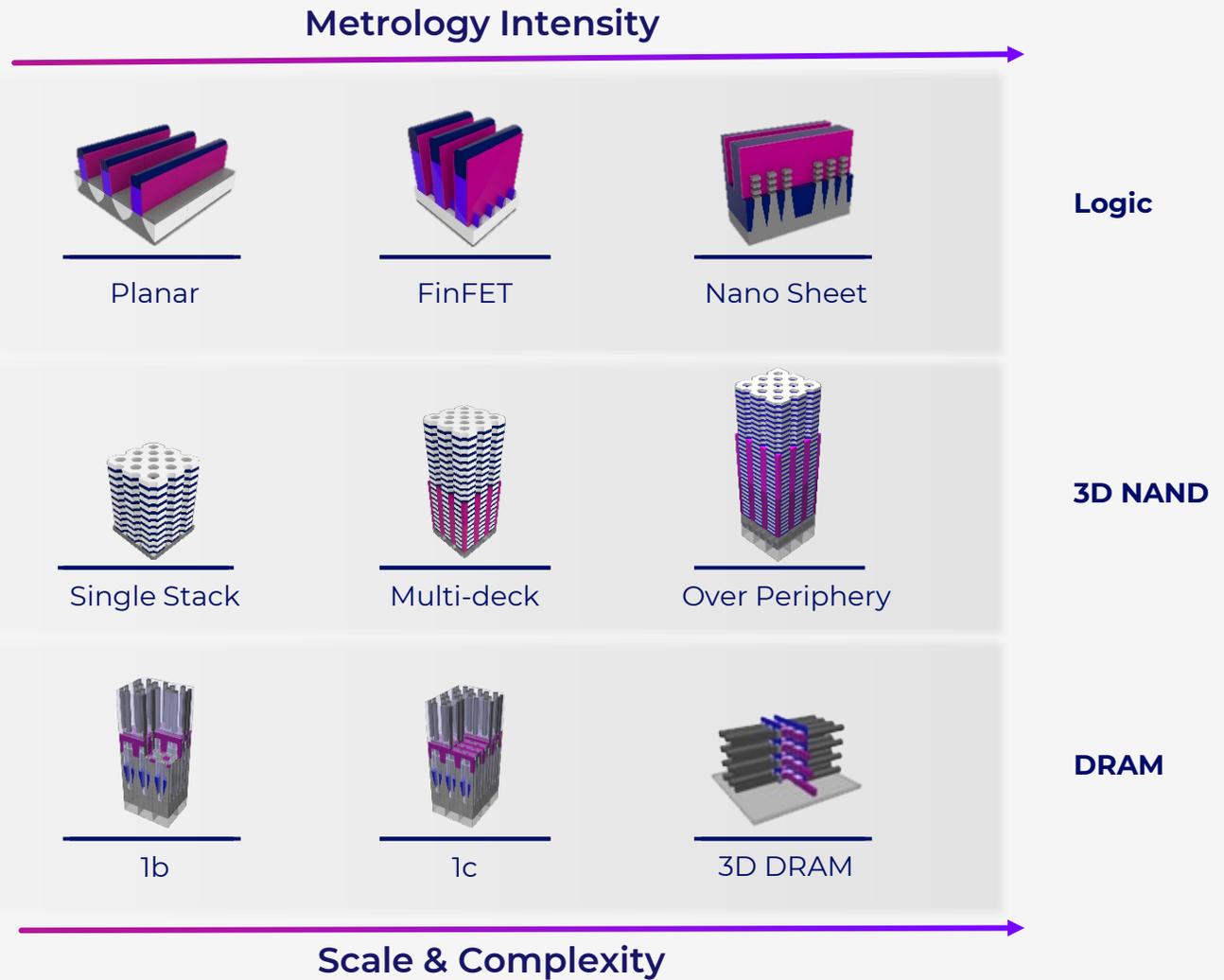
3 Technology Avenues



Dimensional Metrology Intensity

- Scaled Devices
- 3D Profiles
- Multiple Design Steps
- Films Variety
- Intricate Architecture

Scale & Complexity = Growing Demand Growth in Design Steps

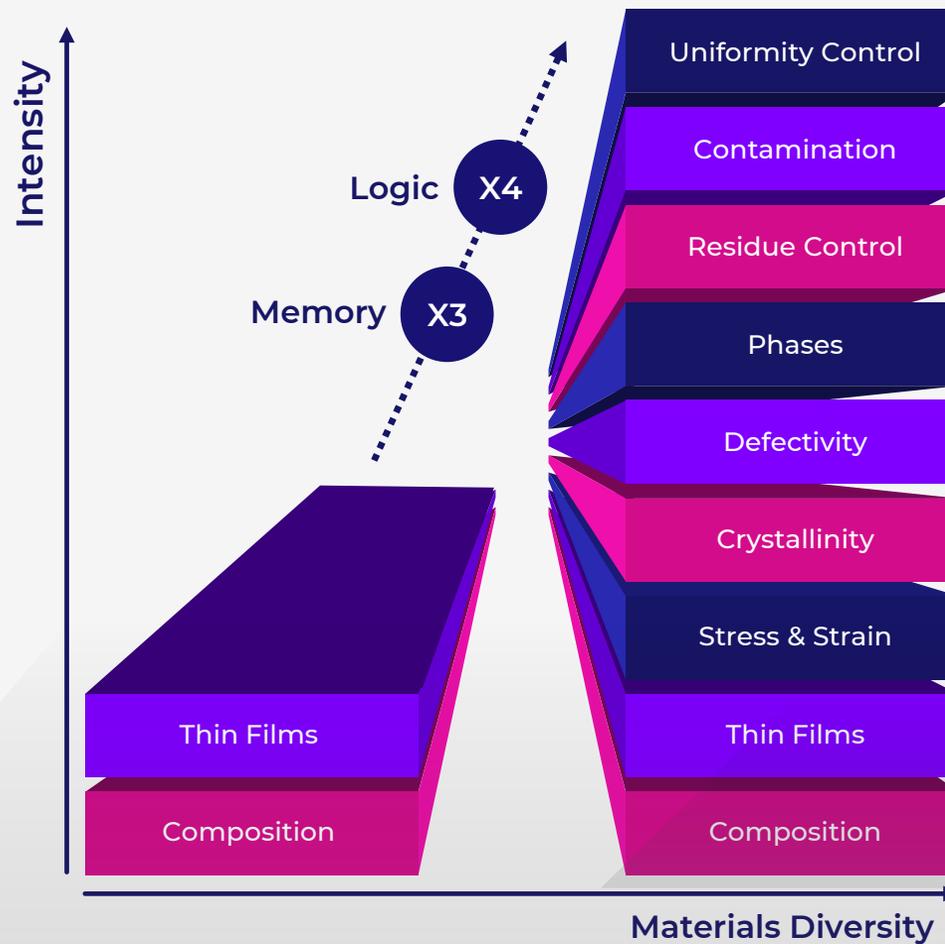


Materials Metrology Intensity

Broader Metrology Scope
from planar/single stack
to GAA/Multi stack

From 20 to 90 steps

From 21 to 62 Materials



Broader Metrology Scope

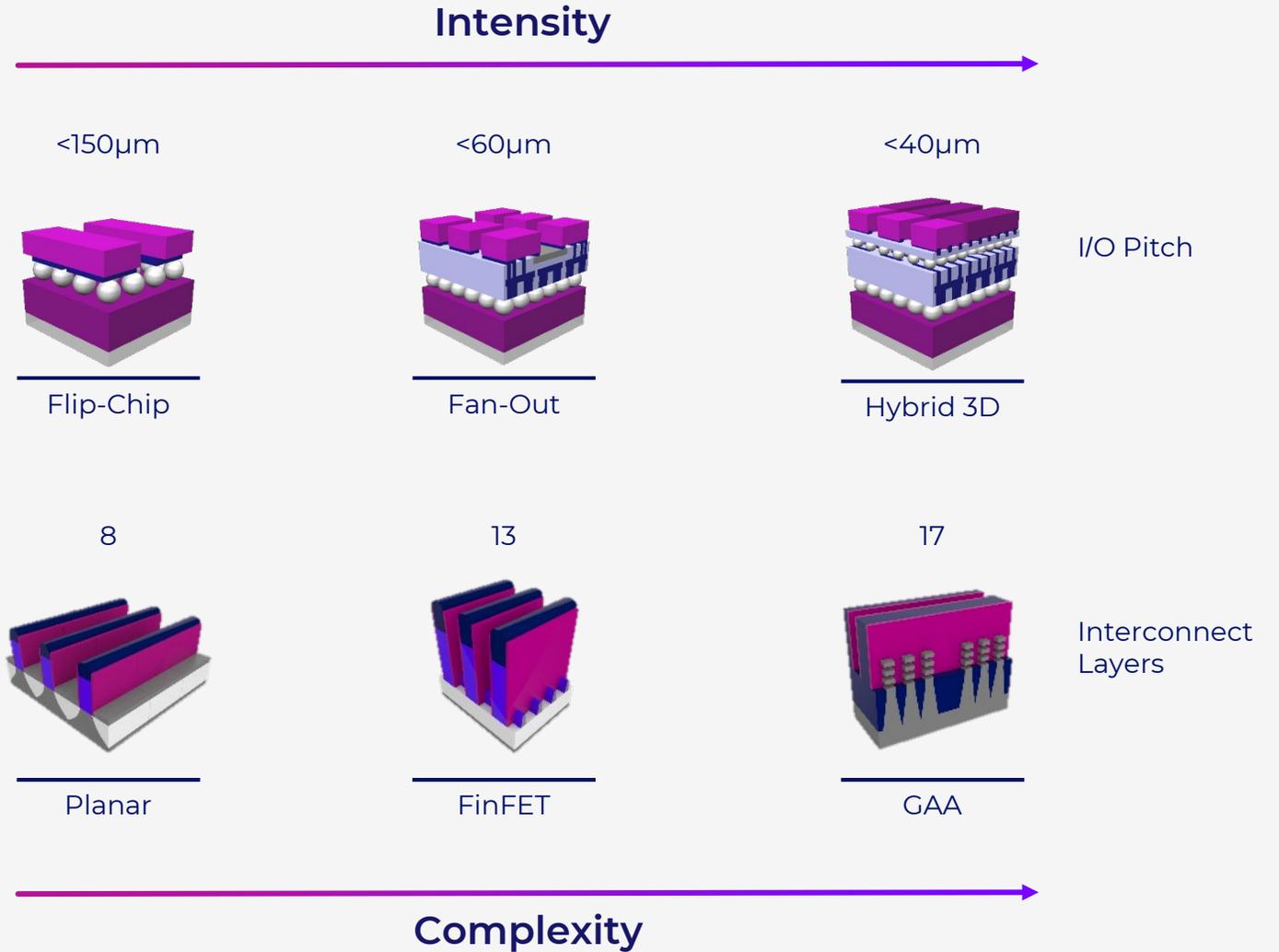
H	Past 21										Present 62										He
Li	Be											B	C	N	O	F	Ne				
Na	Mg											Al	Si	P	S	Cl	Ar				
K	Ca	Sc	Ti	V	Cr	Mn	Fe	Co	Ni	Cu	Zn	Ga	Ge	As	Se	Br	Kr				
Rb	Sr	Y	Zr	Nb	Mo	Tc	Ru	Rh	Pd	Ag	Cd	In	Sn	Sb	Te	I	Xe				
Cs	Ba	La	Hf	Ta	W	Re	Os	Ir	Pt	Au	Hg	Tl	Pb	Bi	Po	At	Rn				
Fr	Ra	Ac	Rf	Db	Sg	Bh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

Chemical Metrology Intensity

Complexity, Scale & New Chemicals

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

Back End:
Advanced
Packaging

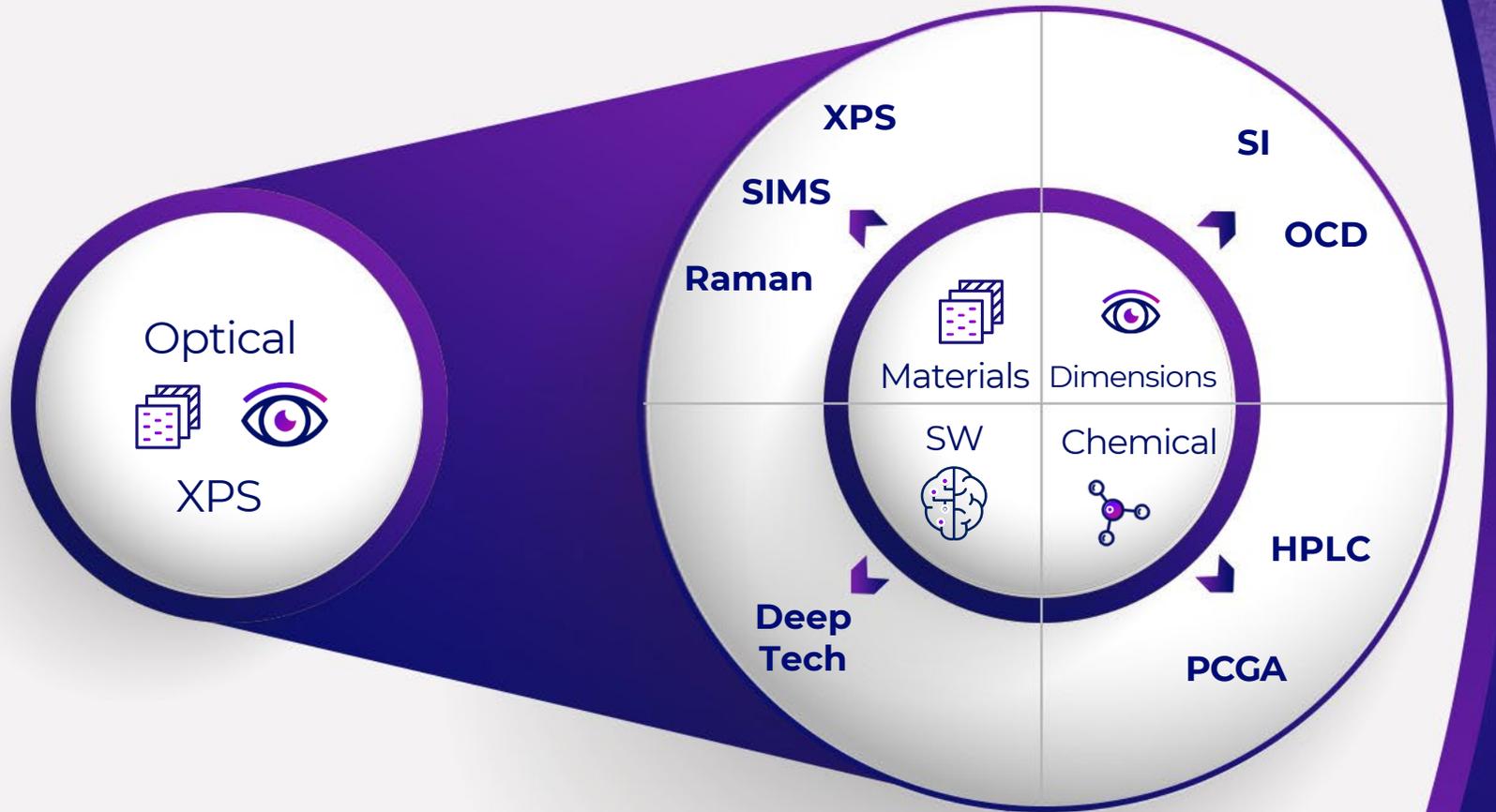


Why Do We **PREVAIL**?

Increasing Share while Expanding TAM



Diversifying Product Offering

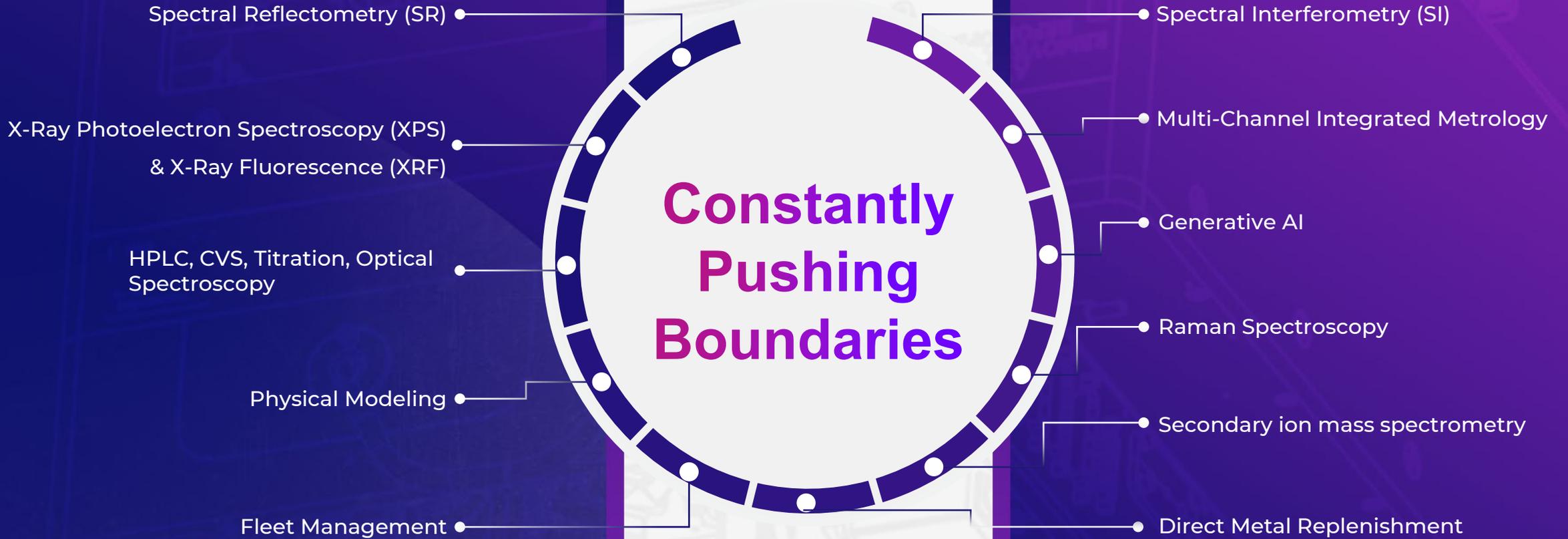


R&D Investment



Core Technology

Disruptive Technology



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



Nova ANCOSCENE
Front End

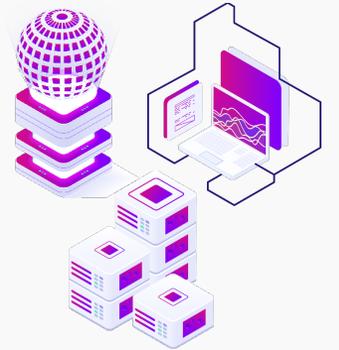


Nova ANCOLYZER
Back End



Nova DMR
Back End

Software



- Physical & Mathematical Modeling
- Big Data Analytics

Balanced Exposure

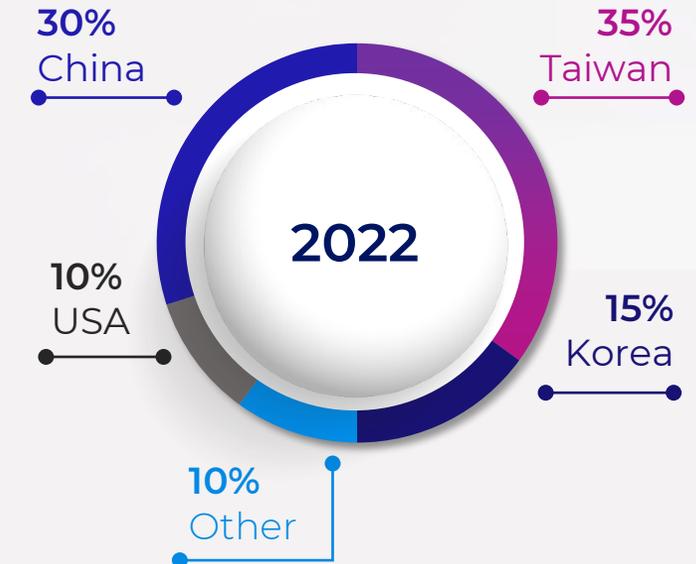
Segments



Nodes

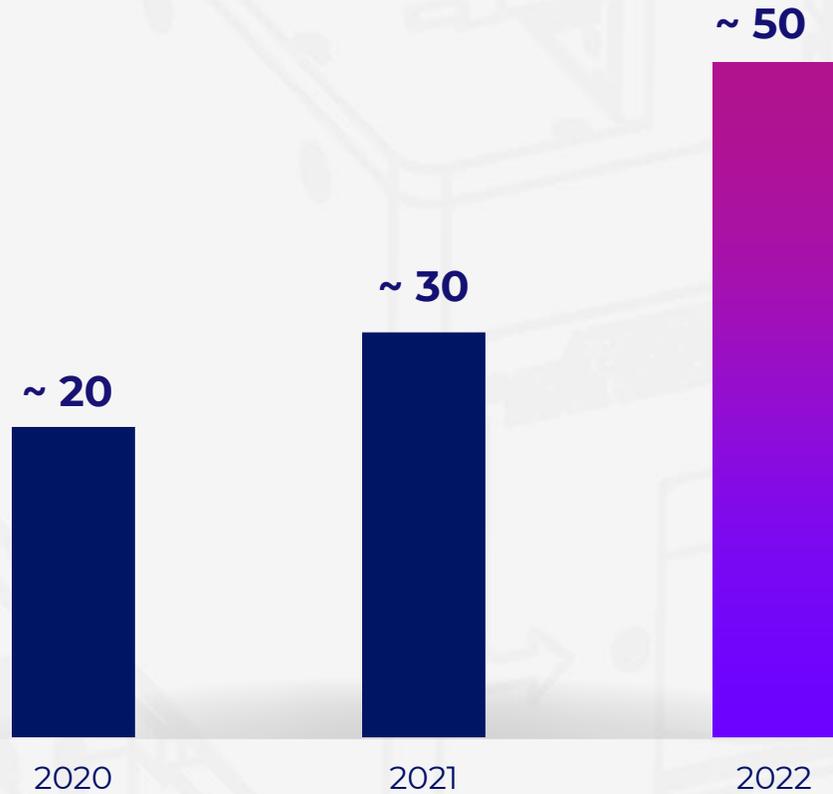


Geographies



Expanding Customer Base

Number of Customers



Geopolitical implications

Chip Acts drive localized investments

New technology to new segments (Backend, Advanced Packaging)

Advanced metrology penetration to new segments

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

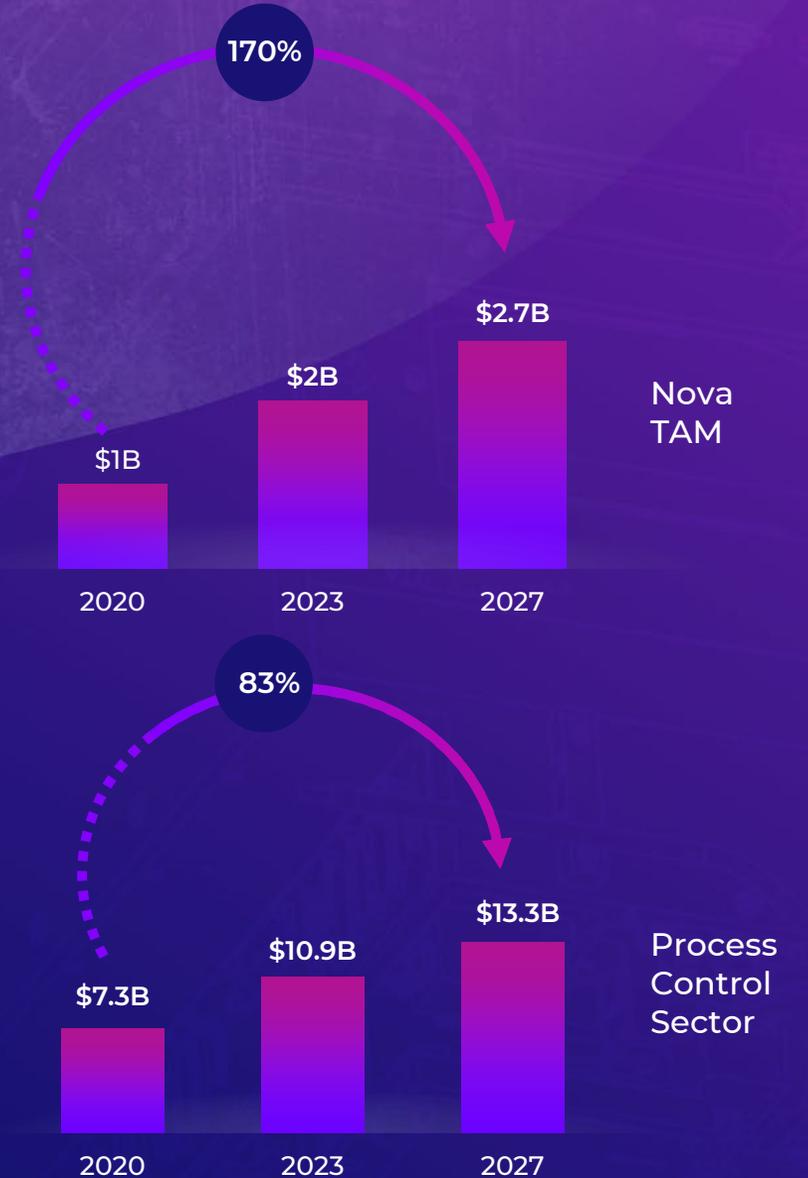
Extendibility & Enhancement
Value Added Services



Research Technologies

LAB to FAB

TAM Growth



Service Revenue Engine



Non-GAAP Financials

Inorganic Approach

Search Guidelines



Early Access

Lab to Fab Technology



Materials Leadership

Leadership



Software Offering Enhancement

Enhancement



Adjacent

Process Control Markets

Screening Elements

Top Line Synergy

Complementary Technology

Operational Leverage (Accretion)

Diversification Within Core Capabilities

Transformational

Our ESG Vision

To become an active influencer in creating a more sustainable and equitable future.

We believe in a pragmatic approach to interlace ESG practices across daily operations, including culture, products, business, supply chain, customers, R&D and manufacturing.

Our four Pillars

Our ESG strategy is built around four pillars- each with long-term goals and areas of focus. Annual planning and investments will align with these pillars



Governance

As our compass



People First

The individual as a whole & our community as our home



Innovation

As our mission



Environment

As our obligation

Nova's Priority ESG topics



Governance

- Governance compliance
- Data Privacy & cyber security
- Ethical business practices
- Product safety and quality
- Supply Chain and Procurement Management



Social

- Talent Attraction & Retention
- Diversity, Equity and Inclusion
- Human capital development
- Occupational health and safety



Environment

- Environmental management –
- Energy, water, waste
- Carbon footprint and GHG emissions



Nova \$1B Plan

Continuous Outperformance

New Technologies Proliferation

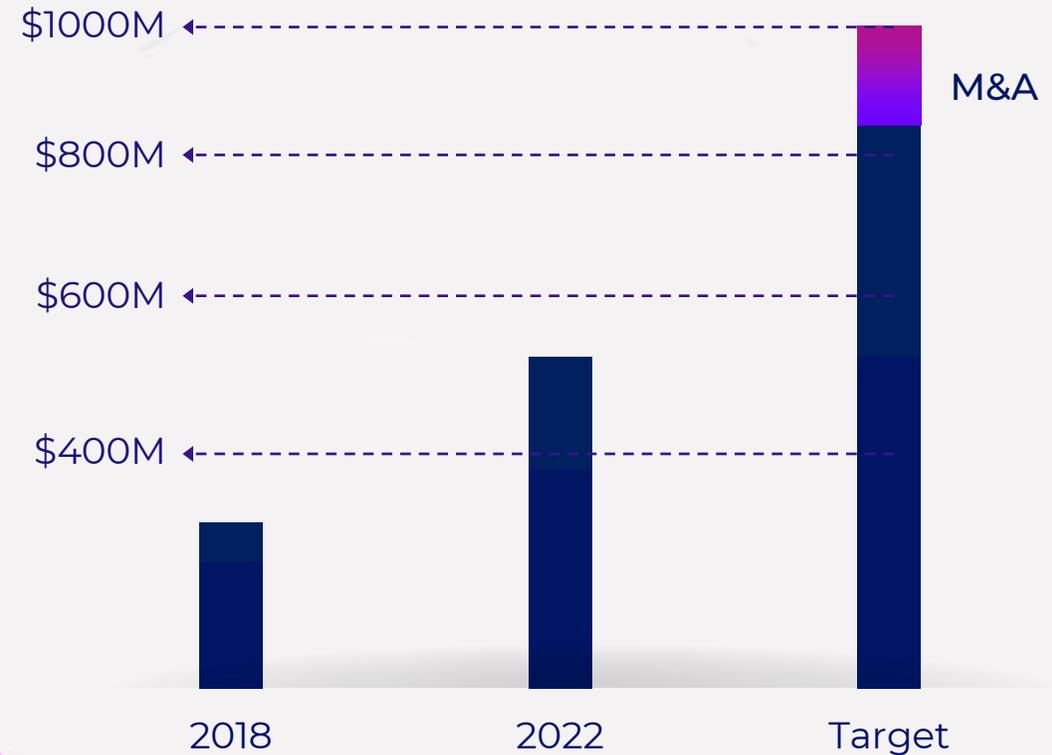
Chemical Analysis Growth

Materials Metrology Leadership

Diversified Markets

Further M&A

500M Cash Reserves Supporting Long-Term Growth



Financial Target Model

(Organic)

Revenue

\$1B

R&D Investment

15%-18%

Tax

14%

Gross Margin

57%-59%

SG&A

13%-15%

Share Count

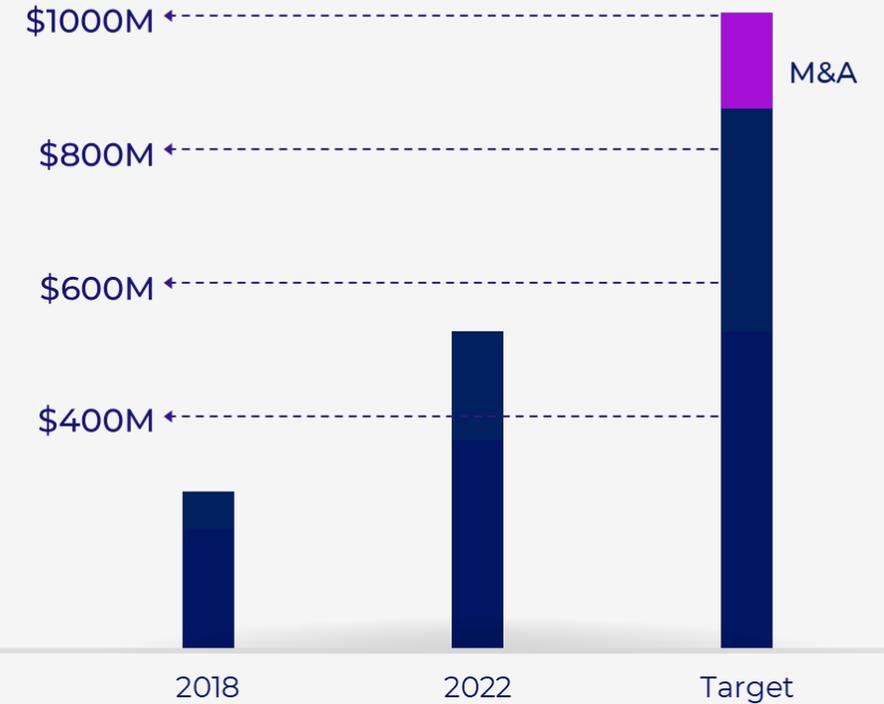
32M

Operating Margin

27%-31%

Earnings

>7\$



Non-GAAP Financials

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 consciousness

Financial Long-Term Target Model

Sales

1B\$

Gross Margin

57%-59%

Operating Margin

27%-31%

Non-GAAP Financials



Thank You
