



Investor Presentation

4th Annual Needham Virtual Semiconductor Conference
August 22, 2023

Jefferies Annual Semiconductor and Technology Hardware Summit
August 29, 2023



Define. Create. Enable.

Experts in critical systems engineering and manufacturing

Forward-Looking Statements and Non-GAAP Financials

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This Presentation includes certain financial measures not presented in accordance with generally accepted accounting principles (“GAAP”), including, but not limited to, adjusted net income from continuing operations and certain ratios and other metrics derived therefrom. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing Ichor’s financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that Ichor’s presentation of these measures may not be comparable to similarly-titled measures used by other companies. Non-GAAP reconciliations are contained at the end of this document and in Ichor’s SEC filings.

This Presentation also contains estimates and other statistical data made by independent parties relating to market size and growth and other industry data. These data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The Company has not independently verified the statistical and other industry data generated by independent parties and contained in this presentation and, accordingly, it cannot guarantee their accuracy or completeness. In addition, projections, assumptions and estimates of its future performance and the future performance of the markets in which it competes are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results or outcomes to differ materially from those expressed in the estimates made by the independent parties.

Ichor Overview

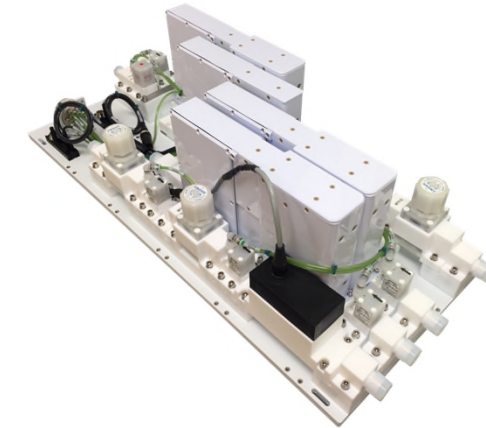
World's Leading Provider of Critical Fluid Delivery Subsystems for Semiconductor Capital Equipment

- **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, Mexico and Scotland, with **facilities strategically located in close proximity to key customers**
- **Headquartered in Fremont, California** with approximately 2,300 full-time-equivalent employees globally
- **Record \$1.28B Revenues and \$3.62 EPS in 2022⁽¹⁾**

Gas Delivery Subsystems



Chemical Delivery Subsystems



Weldments & Subassemblies



Precision Machining



(1) Non-GAAP earnings per share excludes amortization of intangible assets, share-based compensation, non-recurring expenses and discrete tax items. See Appendix for reconciliation.

Investment Highlights

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

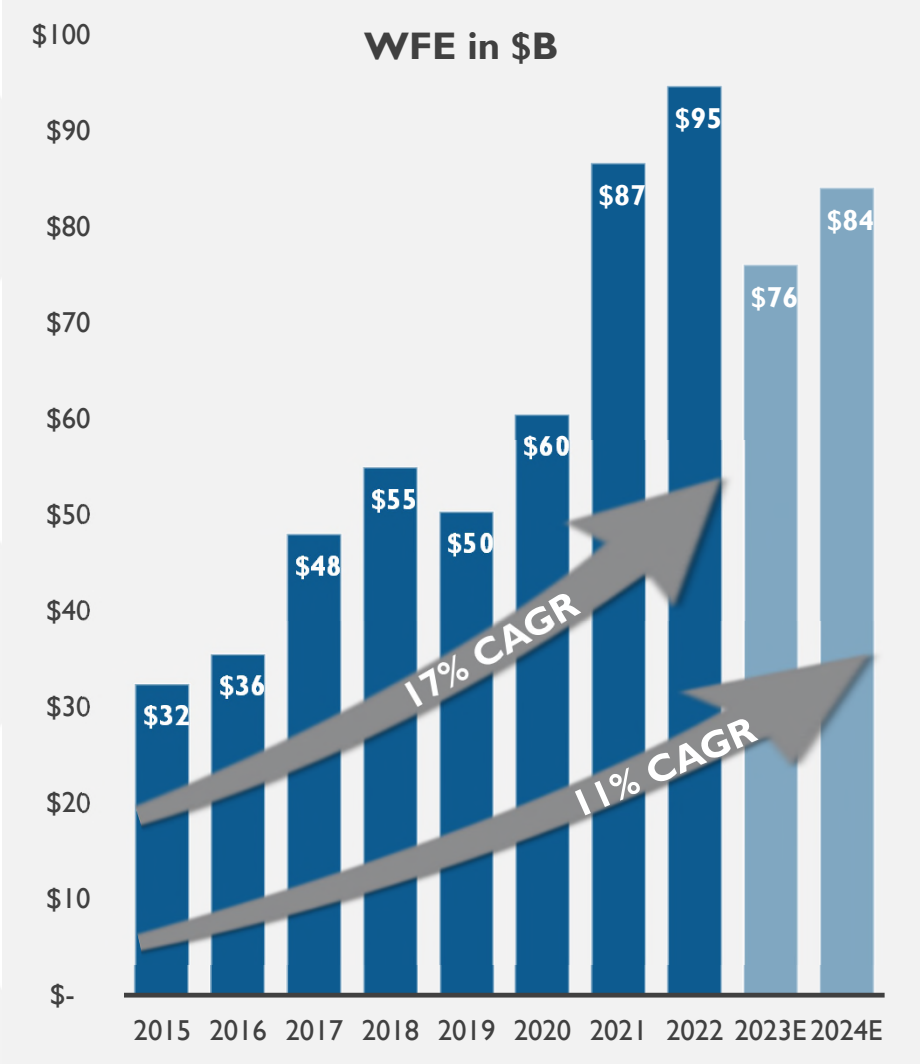
- **Revenue growth outperforming the industry...** Since 2015, Ichor's revenue growth has outpaced the industry by 50% (7-year CAGR of 24% compared to WFE annual growth rate of 16%)(1)
- **Multiple drivers for continued revenue outperformance...** Leveraged to largest growth segments within WFE... expanding 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 add complementary products, expand regional presence, and contribute accretive margins to the operating model
- **Delivering strong earnings leverage...** Increasing profitability through gross margin improvement and close control of opex to drive leverage to bottom line... Net income grew at 2x the rate of revenue growth from 2019 through 2022 (3-year earnings CAGR of 55% compared to annual revenue growth of 27%)(2)

(1) CAGR calculated on 2015-2022 period; see slide 5 for data.

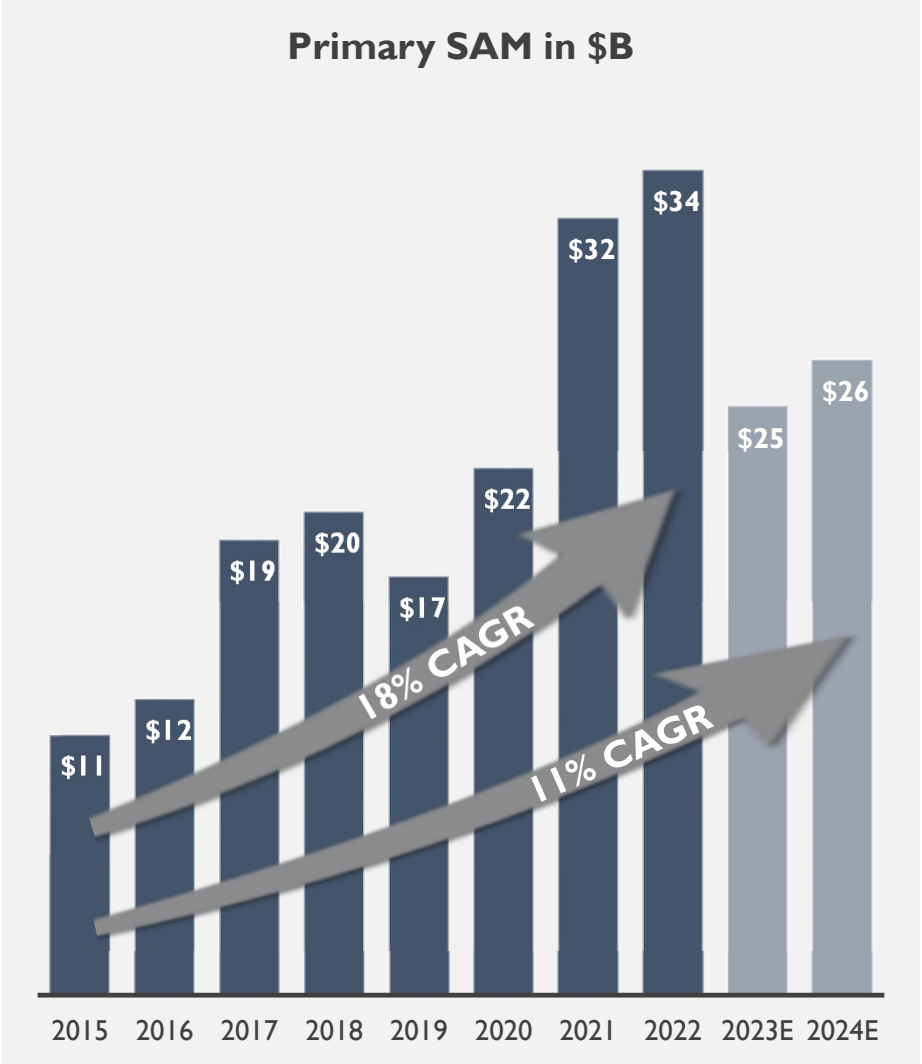
(2) See appendix at the end of this document for reconciliations of Non-GAAP metrics.

Revenue Growth Outperforming WFE and Primary Process Tool SAM

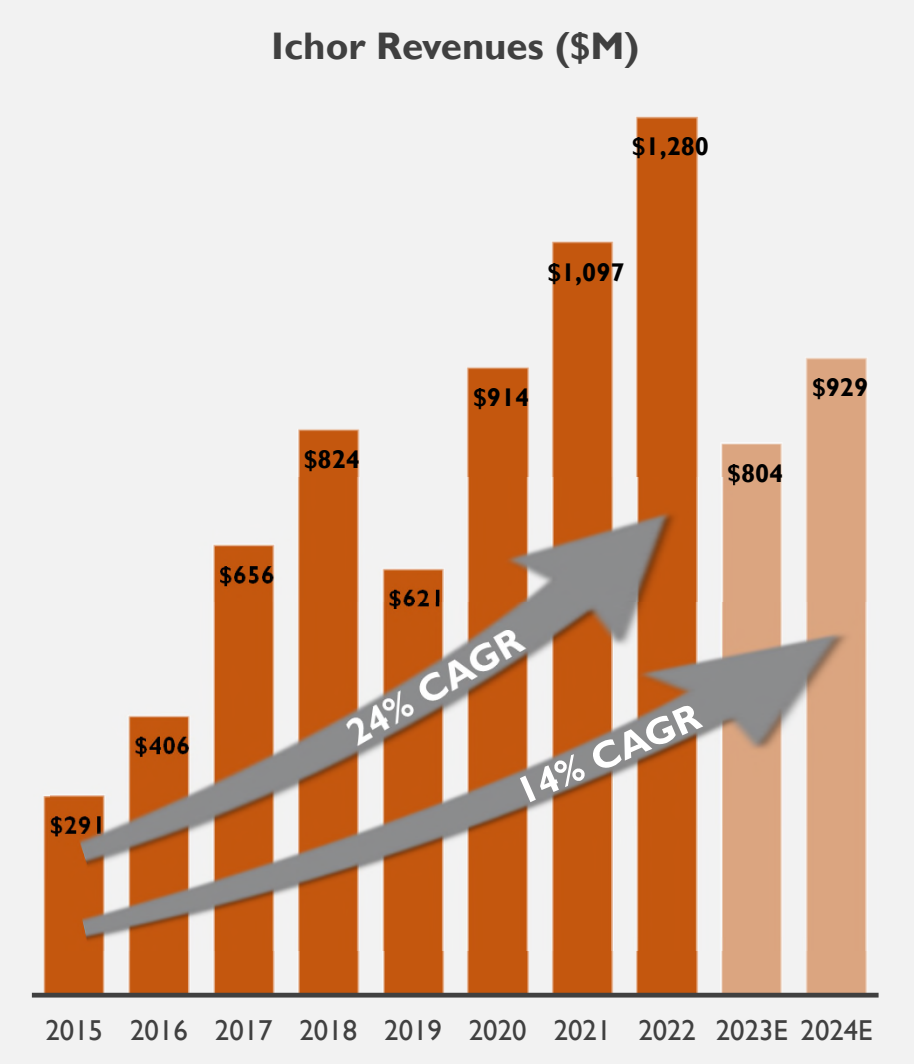
WFE⁽¹⁾



Dry Etch & CVD⁽²⁾



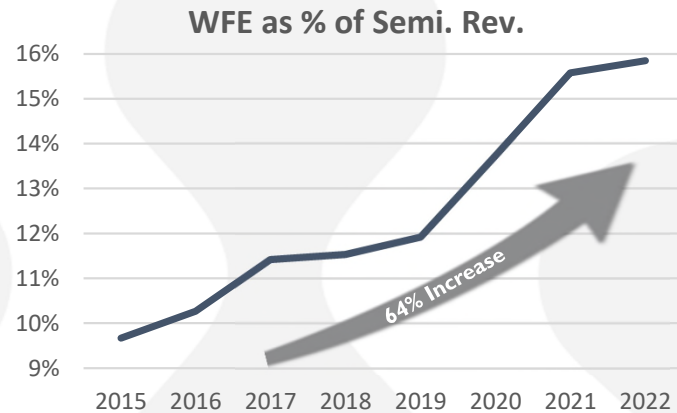
Ichor Revenue⁽³⁾



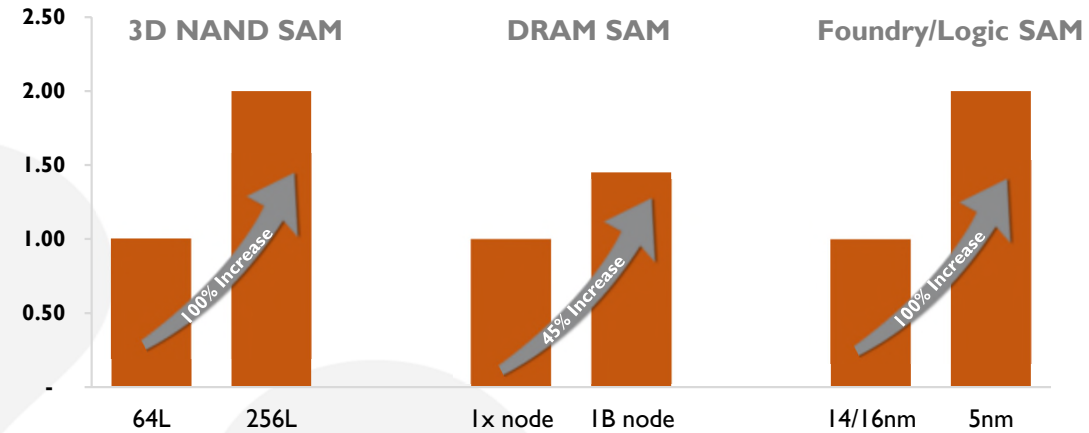
(1) Mean of analyst and industry OEM estimates that are current as of August 10, 2023.
 (2) Gartner estimates 2015-2016; Needham estimates for 2017-2024 as of June 14, 2023.
 (3) 2023E and 2024E reflects Ichor analyst consensus as of August 10, 2023.

Key Technology Transitions Driving Growth in Ichor SAM

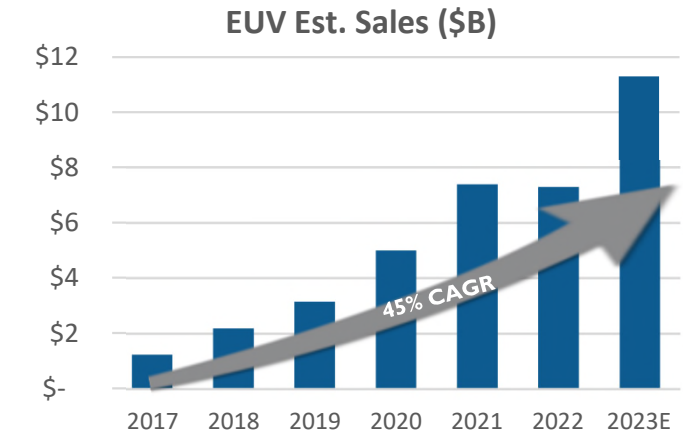
WFE Intensity Increasing⁽¹⁾



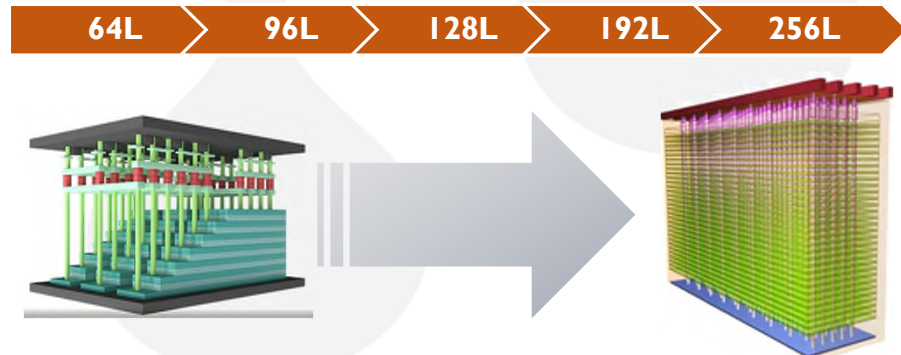
Etch and Deposition Intensity Increasing⁽²⁾



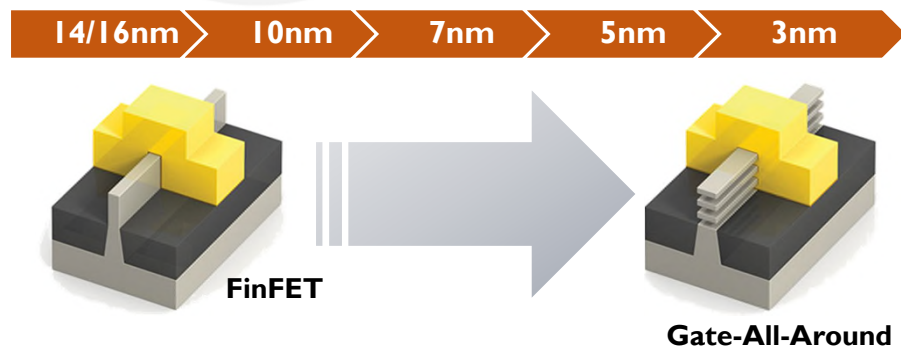
EUV Ramping⁽³⁾



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) Semi. industry revenues: consensus estimates as of March 2023; WFE is average of current analyst estimates as of August 2023.
 (2) Lam Research Analyst Day Presentation (March 2020), normalized to 1.0 at starting node.
 (3) 2017 estimated EUV revenues: KeyBanc Research; 2018-2023E EUV market size: Evercore Research as of March 2023.

Served Available Market Estimated at Over \$7B

 Established Position
  Opportunity

- U.S.**
- Europe**
- S. Korea**
- Japan**
- Others**

- Customer
- 1
 - 2
 - 3
 - 4
 - 5
 - 6
 - 7
 - 8
 - 9

Share (est. 2020):

Served Markets and Market Opportunity (Semi)				
Gas Delivery (\$1.8B)	Chemical Delivery (including LDM) (\$0.8B)	Sub-Assembly (Weldments) (\$1.3B pre-IMG)	Precision Machining (\$0.8B pre-IMG)	Other Components (\$0.2B)
~33%	<10%	<25%	<10%	<5%

IMG Acquisition Added new SAM Verticals:

>\$1B SAM for Non-Semi Precision Machining

\$0.35B SAM for Brazing

\$0.23B SAM for LINACs

IMG Acquisition Added to Semi SAM: +\$0.2B E-Beam / Laser Welding +\$0.6B Medium-Format Precision Mach.

Track Record of Successful M&A

Key M&A Strategies

- ✓ Expand Portfolio of Proprietary Product Offerings
- ✓ Expand Served Markets and Geographic Footprint
- ✓ Expand and Diversify Customer Base
- ✓ Gain Market Share with Key OEM Customers
- ✓ Accretive to Gross and Operating Margins; Target Returns > WACC

Acquisitions have expanded Ichor's SAM, Customer and Geographic Footprint and/or Product and IP Portfolio

2016



Deal Value: \$18 million

- Expansion of chemical delivery SAM
- Development of proprietary LDM product
- Annual revenue expectation at close: \$30 million

2017



Deal Value: \$50 million

- Expansion of weldment SAM
- Expansion of weldment and sub-assembly capabilities
- Annual revenue expectation at close: \$65-\$80 million

2017



Deal Value: \$130 million

- Expansion of precision machining, weldment and gas delivery SAMs
- Expansion of gas delivery component IP portfolio
- Annual revenue expectation at close: \$70-\$90 million

2018

IAN Engineering

Deal Value: \$7 million

- Expansion of customer and geographic footprint into South Korea
- Expansion of gas delivery, weldment and liquid delivery opportunity
- Annual revenue expectation at close: \$20 million

2019

Flow Control IP

- Expansion of flow control product & IP portfolio via asset purchase
- Valuable intellectual property for developing next-generation gas panel

2020



(Mexico Division)

- Expansion of precision machining SAM
- Expansion of precision machining capabilities in a low-cost region
- Annual revenue: ~\$10 million

2021



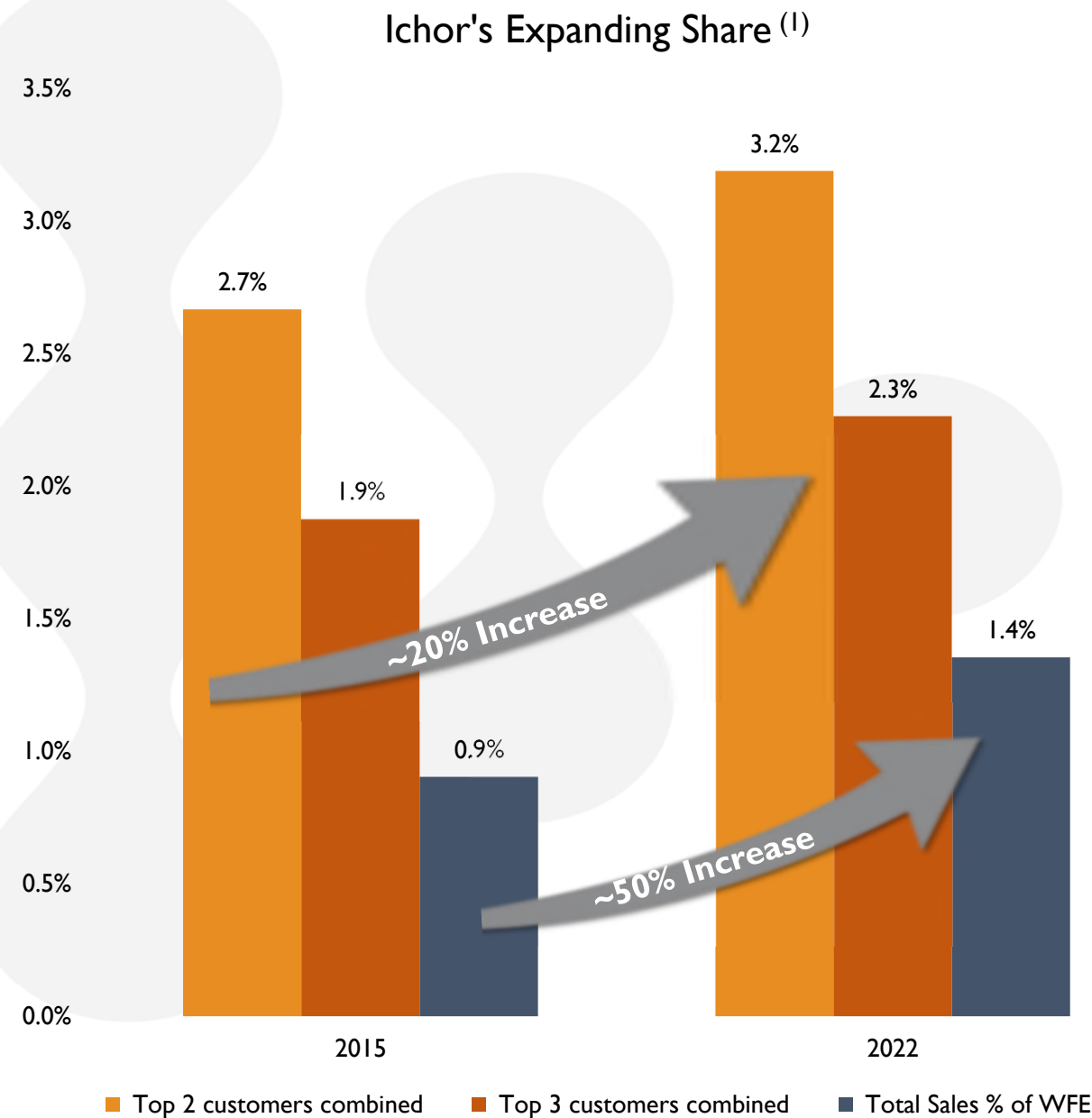
Deal Value: \$270 million

- >\$2B expansion of precision machining SAM
- Revenue profile includes growing markets outside of Semis as well as recurring revenue
- Accretive to gross margins; provided approximately 7% of Ichor's 17% YoY revenue growth in 2022

Note: Acquisition revenue contribution amounts for Cal-Weld, Talon Innovations and IAN Engineering based on expected annual revenue contributions as disclosed in transaction announcement press releases. Ajax revenue annualized based on \$20 million in revenue generated for the 8 months ended 12/31/16. CRM (Mexico Division) revenue based on year-to-date revenue as disclosed in transaction announcement press release.

Growing Share of Semiconductor System Sales & WFE

~65% of WFE Requires Fluid Delivery Subsystems & Components



Multiple Drivers for Increasing Share of Industry Revenues

✓ Industry Trends

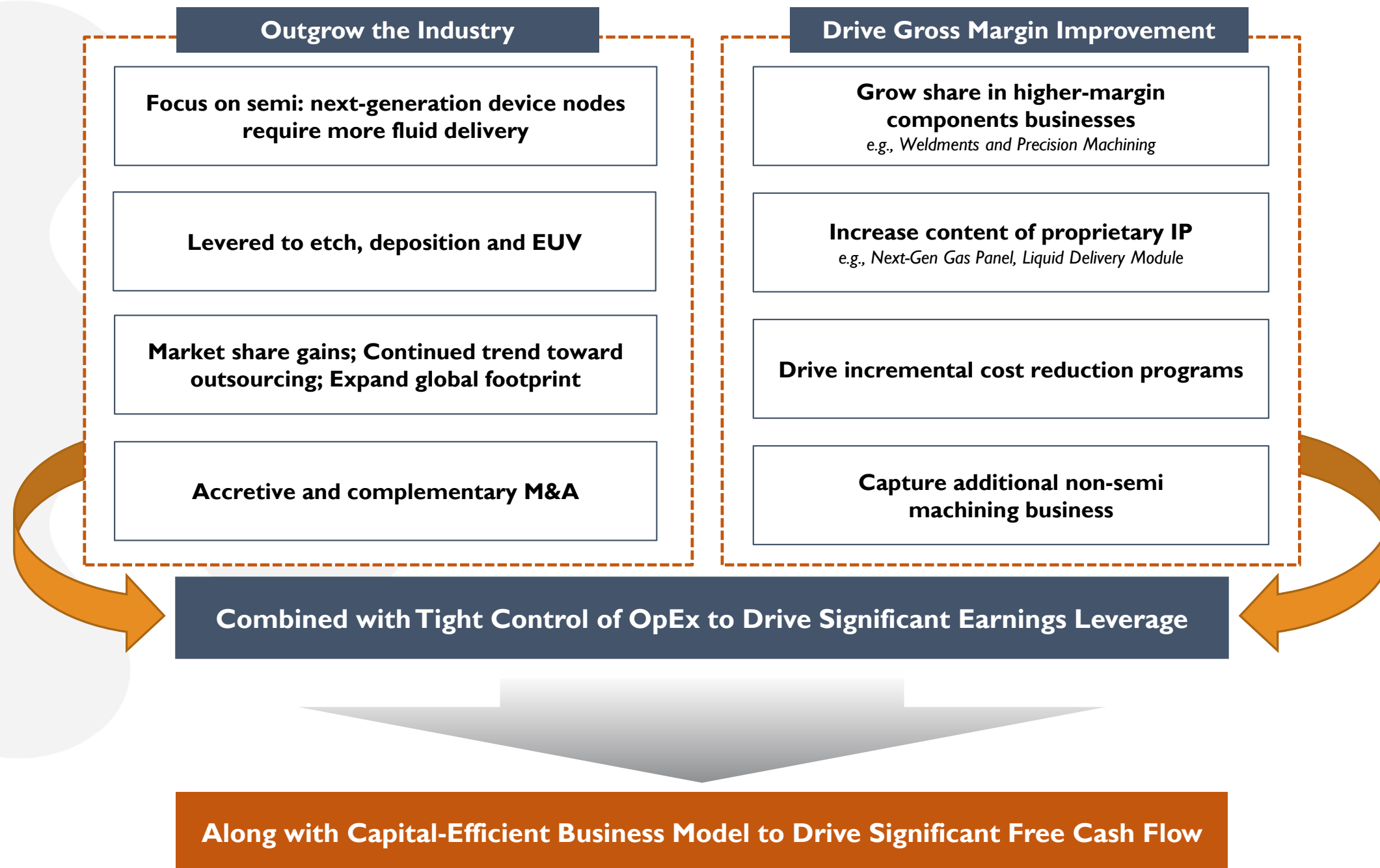
- Increasing trend toward outsourcing
- Increasing importance of etch and deposition
- Advanced devices require more fluid delivery/content per tool

✓ Ichor Execution

- Market share gains
- Accretive and complementary acquisitions
- Expanded product offerings
- Levered to etch and deposition
- Key role in EUV ramp
- New markets outside of semiconductor WFE

(1) Represents Ichor's sales to its top 2 and top 3 customers combined, respectively, divided by their combined new semiconductor system sales (calendar year basis). 2015 estimated WFE of \$32.4B vs. 2022 estimated WFE of \$94.6B.

Key Financial Strategies



After a Record 2022, Dampened WFE Demand Environment In 2023

Q2 2023 Expected to be the Trough Revenue Quarter of Downturn

Executed Significant Revenue Ramp Last 3 Years

- Revenues more than doubled from 2019 to 2022
- 27% 3-yr CAGR 2019-2022
 - 47% growth in 2020; 20% growth in 2021; 17% growth in 2022

Delivered Strong Earnings Leverage

- Record \$144M EBITDA and \$105M earnings for 2022
- Net income grew 2x revenue growth from 2019 to 2022⁽²⁾
 - 55% 3-yr CAGR for earnings vs 27% annual revenue growth
 - Gross Margin +300bp and Operating Margin +350bp

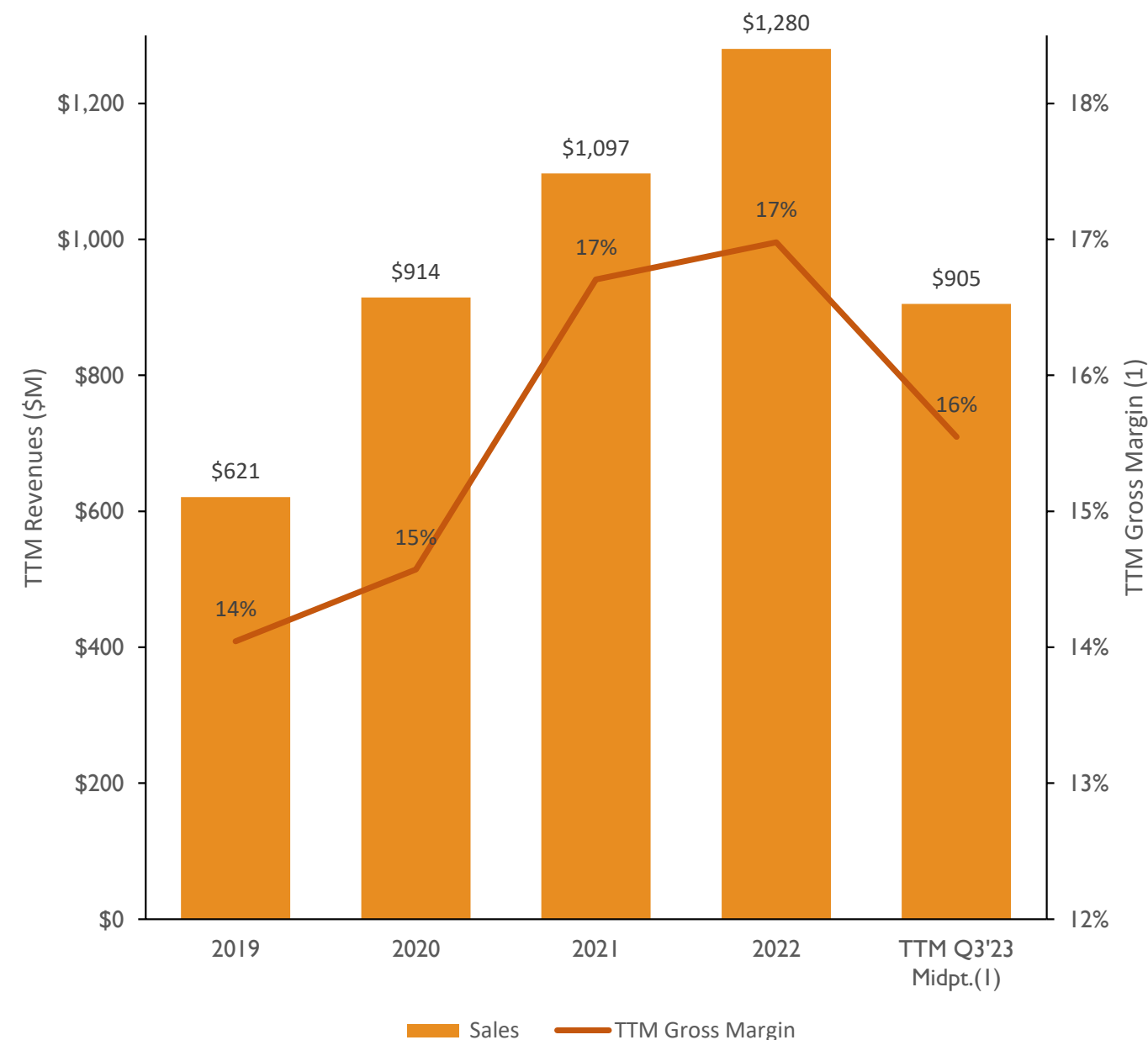
Experiencing Downturn in WFE for 2023⁽¹⁾

- Q2 revenues of \$185M; Q3 expectation \$185M - \$190M
- Q2 earnings of \$0.02; Q3 expectation \$0.01 - \$0.13⁽²⁾
- Expect continued modest sequential revenue growth

Strong Capital Position

- \$85M Cash and \$294M Debt at June 30, 2023
- Net Debt/EBITDA currently ~2x
- >\$95M Available on Revolving Credit Facility
- Interest Expense ~\$5.3M/qtr

Annual Revenue and GM Trend



(1) Based on last three quarters' actuals and midpt. of Q2 outlook provided as of May 9, 2023.

(2) See appendix at the end of this document for reconciliations of Non-GAAP metrics.

Target Model with Significant Operating Leverage

	Annual Results				Target Model
	2019	2020	2021	2022	
Gross Margin	14%	15%	17%	17%	19% - 20%
Operating Expenses	8%	6%	6%	7%	6%
Operating Margin	6%	8%	11%	10%	13 - 14%
EBITDA Margin	8%	9%	12%	11%	14%+
Net Margin	5%	7%	9%	8%	12%+

(1) See appendix at the end of this document for reconciliations of Non-GAAP metrics.

Conclusion

Industry-Leading Execution of Strategic Objectives

Business Objectives



Expanding Share at Top Semi Cap Customers



Expanding Product Offerings and 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

Appendix

Reconciliation of GAAP Gross Profit to Non-GAAP Gross Profit

Ichor Holdings, Ltd. GAAP to Non-GAAP Reconciliations <i>(in thousands, except per-share amounts)</i>	Fiscal Year							2023	
	2016	2017	2018	2019	2020	2021	2022	Q1	Q2
Net sales	\$ 405,747	\$ 655,892	\$ 823,611	\$ 620,837	\$ 914,236	\$ 1,096,917	\$ 1,280,069	\$ 225,870	\$ 185,008
GAAP gross profit	\$ 65,395	\$ 100,761	\$ 136,137	\$ 86,364	\$ 124,892	\$ 177,480	\$ 211,864	\$ 33,240	\$ 25,742
Non-GAAP adjustments:									
Share-based compensation	20	118	608	705	991	1,384	2,056	421	1,091
Purchase accounting	—	5,230	4,839	—	—	1,652	2,492	—	—
Settlement loss	—	—	—	—	1,386	—	—	—	—
Facility shutdown costs	—	—	—	—	2,215	2,611	—	—	—
Other non-GAAP adjustments	—	1,752	116	129	3,743	106	933	1,287	—
Non-GAAP gross profit	\$ 65,415	\$ 107,861	\$ 141,700	\$ 87,198	\$ 133,227	\$ 183,233	\$ 217,345	\$ 34,948	\$ 26,833
Non-GAAP gross margin	16.1%	16.4%	17.2%	14.0%	14.6%	16.7%	17.0%	15.5%	14.5%

Appendix

Reconciliation of GAAP Operating Expenses to Non-GAAP Operating Expenses

Ichor Holdings, Ltd. GAAP to Non-GAAP Reconciliations <i>(in thousands, except per-share amounts)</i>	Fiscal Year							2023	
	2016	2017	2018	2019	2020	2021	2022	Q1	Q2
Net sales	\$ 405,747	\$ 655,892	\$ 823,611	\$ 620,837	\$ 914,236	\$ 1,096,917	\$ 1,280,069	\$ 225,870	\$ 185,008
GAAP operating expenses	\$ 41,524	\$ 54,581	\$ 72,172	\$ 71,387	\$ 83,340	\$ 96,466	\$ 126,041	\$ 28,446	\$ 28,648
Non-GAAP adjustments:									
Amortization of intangible assets	(7,015)	(8,880)	(15,369)	(13,015)	(13,365)	(14,918)	(17,905)	(3,966)	(3,960)
Share-based compensation	(3,196)	(2,112)	(6,969)	(7,832)	(8,884)	(10,089)	(11,868)	(3,216)	(3,186)
Facility shutdown costs	—	—	—	—	(248)	(385)	—	—	—
Settlement loss	—	—	—	—	—	—	(4,146)	—	—
Acquisition costs	—	—	—	—	—	(4,386)	(296)	—	—
Other non-GAAP adjustments	(2,988)	(6,103)	(1,611)	(2,679)	(3,438)	(392)	(211)	(37)	—
Non-GAAP operating expenses	\$ 28,325	\$ 37,486	\$ 48,223	\$ 47,861	\$ 57,405	\$ 66,296	\$ 91,615	\$ 21,227	\$ 21,502
Non-GAAP operating expenses, % of sales	7.0%	5.7%	5.9%	7.7%	6.3%	6.0%	7.2%	9.4%	11.6%

Appendix

Reconciliation of GAAP Operating Income to Non-GAAP Operating Income

Ichor Holdings, Ltd. GAAP to Non-GAAP Reconciliations <i>(in thousands, except per-share amounts)</i>	Fiscal Year							2023	
	2016	2017	2018	2019	2020	2021	2022	Q1	Q2
Net sales	\$ 405,747	\$ 655,892	\$ 823,611	\$ 620,837	\$ 914,236	\$ 1,096,917	\$ 1,280,069	\$ 225,870	\$ 185,008
GAAP operating income (loss)	\$ 23,871	\$ 46,180	\$ 63,965	\$ 14,977	\$ 41,552	\$ 81,014	\$ 85,823	\$ 4,794	\$ (2,906)
Non-GAAP adjustments:									
Amortization of intangible assets	7,015	8,880	15,369	13,015	13,365	14,918	17,905	3,966	3,960
Share-based compensation	3,216	2,230	7,577	8,537	9,875	11,473	13,924	3,637	4,277
Purchase accounting	—	5,230	4,839	—	—	1,652	2,492	—	—
Facility shutdown costs	—	—	—	—	2,463	2,996	—	—	—
Settlement loss	—	—	—	—	1,386	—	4,146	—	—
Acquisition costs	—	—	—	—	—	4,386	296	—	—
Other non-GAAP adjustments	2,988	7,855	1,727	2,808	7,181	498	1,144	1,324	—
Non-GAAP operating income	\$ 37,090	\$ 70,375	\$ 93,477	\$ 39,337	\$ 75,822	\$ 116,937	\$ 125,730	\$ 13,721	\$ 5,331
Non-GAAP operating margin	9.1%	10.7%	11.3%	6.3%	8.3%	10.7%	9.8%	6.1%	2.9%

Appendix

Reconciliation of GAAP Income Tax Expense to Non-GAAP Income Tax Expense

Ichor Holdings, Ltd. GAAP to Non-GAAP Reconciliations <i>(in thousands, except per-share amounts)</i>	Fiscal Year							2023	
	2016	2017	2018	2019	2020	2021	2022	Q1	Q2
GAAP income tax expense (benefit)	\$ (649)	\$ (13,886)	\$ (3,664)	\$ (6,454)	\$ (988)	\$ 2,857	\$ 2,526	\$ (535)	\$ 12,620
Non-GAAP adjustments:									
Tax adjustments related to non-GAAP adjustments	131	626	8,203	6,743	8,507	9,861	7,848	(2,206)	(2,032)
Tax benefit from acquisitions	2,271	7,582	—	—	—	—	—	—	—
Tax benefit from re-characterizing intercompany debt to equity	—	1,627	—	—	—	—	—	—	—
Tax benefit (expense) from valuation allowance	—	—	4,140	—	—	—	—	—	(11,094)
Tax impact from tax law change	—	5,911	—	—	—	—	—	—	—
Non-GAAP adjustments to GAAP income tax expense (benefit)	2,402	15,746	12,343	6,743	8,507	9,861	7,848	(2,206)	(13,126)
Non-GAAP income tax expense	\$ 1,753	\$ 1,860	\$ 8,679	\$ 289	\$ 7,519	\$ 12,718	\$ 10,374	\$ (2,741)	\$ (506)
Non-GAAP effective tax rate	5.3%	2.8%	10.4%	1.0%	11.3%	11.5%	9.0%	-32.7%	-251.7%

Appendix

Reconciliation of GAAP Net Income to Non-GAAP Net Income

Ichor Holdings, Ltd. GAAP to Non-GAAP Reconciliations <i>(in thousands, except per-share amounts)</i>	Fiscal Year							2023	
	2016	2017	2018	2019	2020	2021	2022	Q1	Q2
Net sales	\$ 405,747	\$ 655,892	\$ 823,611	\$ 620,837	\$ 914,236	\$ 1,096,917	\$ 1,280,069	\$ 225,870	\$ 185,008
GAAP net income (loss)	\$ 20,779	\$ 56,915	\$ 57,883	\$ 10,729	\$ 33,279	\$ 70,899	\$ 72,804	\$ (5)	\$ (20,656)
Non-GAAP adjustments:									
Amortization of intangible assets	7,015	8,880	15,369	13,015	13,365	14,918	17,905	3,966	3,960
Share-based compensation	3,216	2,230	7,577	8,537	9,875	11,473	13,924	3,637	4,277
Purchase accounting	—	5,230	4,839	—	—	1,652	2,492	—	—
Facility shutdown costs	—	—	—	—	2,463	2,996	—	—	—
Settlement loss	—	—	—	—	1,386	—	4,146	—	—
Acquisition costs	—	—	—	—	—	4,386	296	—	—
Other non-GAAP adjustments	2,988	7,855	1,727	2,808	7,181	498	1,144	1,324	—
Loss on extinguishment of debt	—	—	—	—	—	737	—	—	—
Gain on investment	—	(304)	—	—	—	—	—	—	—
Non-GAAP adjustments to GAAP income tax expense (benefit)	(2,402)	(15,746)	(12,343)	(6,743)	(8,507)	(9,861)	(7,848)	2,206	13,126
Non-GAAP net income	\$ 31,596	\$ 65,060	\$ 75,052	\$ 28,346	\$ 59,042	\$ 97,698	\$ 104,863	\$ 11,128	\$ 707
Non-GAAP net margin	7.8%	9.9%	9.1%	4.6%	6.5%	8.9%	8.2%	4.9%	0.4%
Non-GAAP diluted EPS	\$ 1.31	\$ 2.48	\$ 2.99	\$ 1.25	\$ 2.52	\$ 3.37	\$ 3.62	\$ 0.38	\$ 0.02
Shares used to compute diluted EPS:	24,189	26,218	25,128	22,767	23,460	28,979	28,963	29,412	29,493

Appendix

Reconciliation of Non-GAAP Net Income to EBITDA

Ichor Holdings, Ltd. GAAP to Non-GAAP Reconciliations <i>(in thousands, except per-share amounts)</i>	Fiscal Year							2023	
	2016	2017	2018	2019	2020	2021	2022	Q1	Q2
Net sales	\$ 405,747	\$ 655,892	\$ 823,611	\$ 620,837	\$ 914,236	\$ 1,096,917	\$ 1,280,069	\$ 225,870	\$ 185,008
Non-GAAP net income	\$ 31,596	\$ 65,060	\$ 75,052	\$ 28,346	\$ 59,042	\$ 97,698	\$ 104,863	\$ 11,128	\$ 707
Non-GAAP adjustments:									
Interest expense	4,370	3,277	9,987	10,647	8,727	6,451	11,056	4,550	5,030
Non-GAAP income tax expense (benefit)	1,753	1,860	8,679	289	7,519	12,718	10,374	(2,741)	(506)
Depreciation expense	2,482	3,629	7,695	8,854	10,881	11,074	17,195	4,523	4,696
EBITDA	\$ 40,201	\$ 73,826	\$ 101,413	\$ 48,136	\$ 86,169	\$ 127,941	\$ 143,488	\$ 17,460	\$ 9,927
EBITDA margin	9.9%	11.3%	12.3%	7.8%	9.4%	11.7%	11.2%	7.7%	5.4%



NASDAQ: ICHR