



# Supplemental Investor Presentation Earnings Release – Fourth Quarter 2018

March 7, 2019



**Forward-Looking Statements.** Information presented below under “2019 Revenue Expectation” with respect to revenue to be generated in the 2019 is a forward-looking statement for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Actual results may vary significantly from ACM Research’s expectations based on a number of risks and uncertainties, including but not limited to the following: anticipated customer orders or identified market opportunities may not grow or develop as anticipated; customer orders already received may be postponed or canceled; suppliers may not be able to meet ACM Research’s demands on a timely basis; volatile global economic, market, industry and other conditions could result in sharply lower demand for products containing semiconductors and for ACM Research’s products and in disruption of capital and credit markets; ACM Research’s failure to successfully manage its operations; and trade regulations, currency fluctuations, political instability and war may materially adversely affect ACM Research due to its substantial non-U.S. customer and supplier base and its substantial non-U.S. manufacturing operations. ACM Research cannot guarantee any future results, levels of activity, performance or achievements. The industry in which ACM Research operates is subject to a high degree of uncertainty and risk due to variety of factors, including those described in ACM Research’s public filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and its Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2018, June 30, 2018 and September 30, 2018, for a more complete discussion of these factors and other risks, particularly under the heading “Risk Factors.” ACM Research expressly disclaims any obligation to update forward-looking statements after the date of this press release.

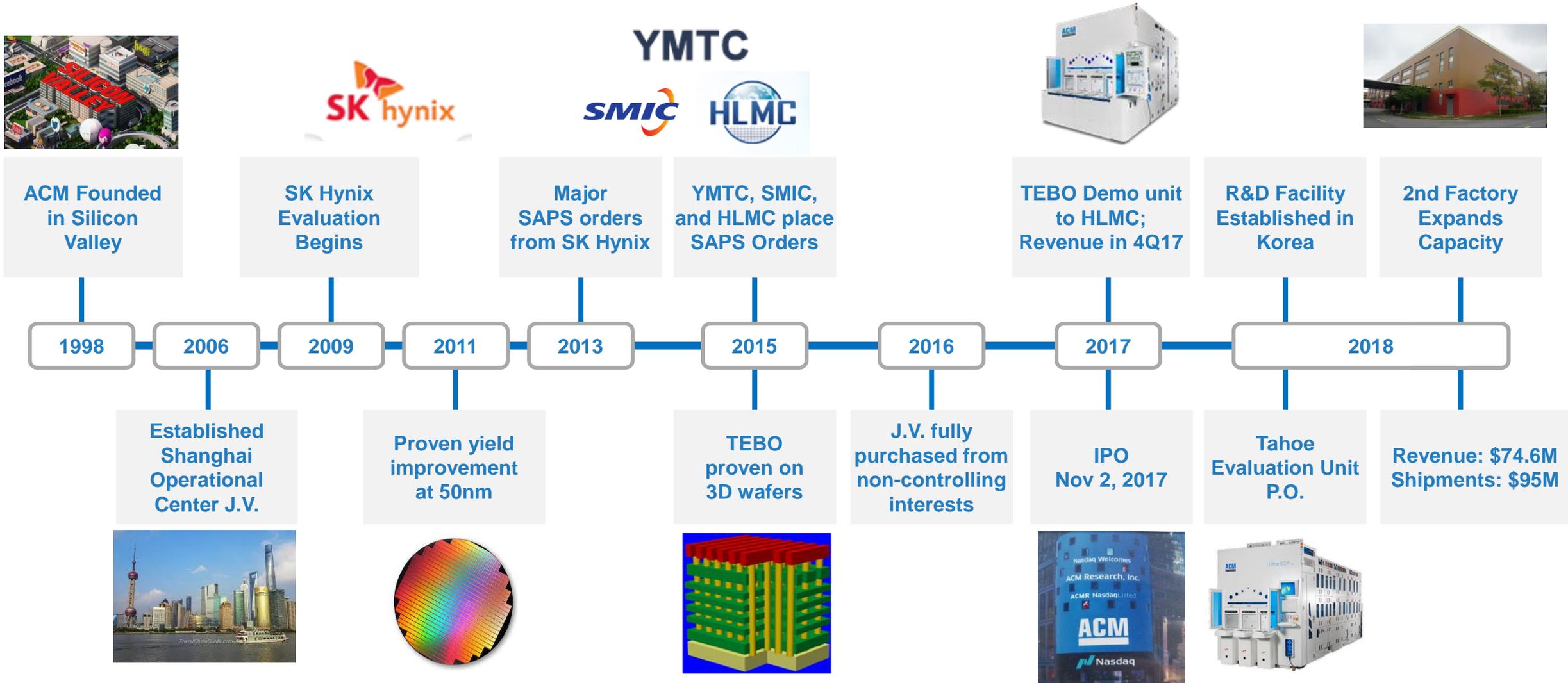
**Market Data.** Information presented below under “ACM Investment Summary” contains estimates of ACM Research concerning ACM Research’s addressable markets that are based on industry publications, reports and customer-generated information. This information involves a number of assumptions and limitations, and you are cautioned not to rely on or give undue weight to this information. ACM Research has not independently verified the accuracy or completeness of the data contained in these publications, reports or filings. The industry in which ACM Research operates is subject to a high degree of uncertainty and risk due to variety of factors, including those described in ACM Research’s public filings with the Securities and Exchange Commission, as described above.

**Note Regarding Presentation of Non-GAAP Financial Measures.** Information presented below under “Q4 and 2018 Operating Highlights” and “Q4 2018 Financial Results” includes certain “non-GAAP financial measures” as defined in Regulation G under the Securities Exchange Act of 1934, including non-GAAP gross profit, non-GAAP operating profit and non-GAAP operating margin. These supplemental measures exclude the impact of stock-based compensation, which ACM Research does not believe is indicative of its core operating results. A reconciliation of each non-GAAP financial measure to the most directly comparable GAAP financial measure is included in ACM Research’s fourth-quarter earnings release dated March 6, 2019, which (a) has been filed with the Securities and Exchange Commission and can be viewed at [https://www.sec.gov/Archives/edgar/data/1680062/000165495419002448/acm\\_ex991.htm](https://www.sec.gov/Archives/edgar/data/1680062/000165495419002448/acm_ex991.htm) and (b) has been posted at, and can be downloaded from, the “Investors” content area at ACM Research’s website, <http://ir.acmrcsh.com/news-releases/news-release-details/acm-research-reports-fourth-quarter-and-fiscal-year-2018-results>.

# Q4 and 2018 Operating Highlights

- **Solid results despite industry challenges**
- **2018 Financial Highlights**
  - \$74.6 million revenue, up 104% from 2017
  - 13.2% non-GAAP operating margin
  - \$27.1 million cash balance at December 31, 2018
- **Total shipments of \$95 million in 2018**
  - \$32 million for Q4 2018
- **Key operational progress:**
  - Ramped production at second factory
  - Delivered a significant number of first tool systems
  - Introduced “Ultra-C Tahoe” platform

# ACM History of Innovation & Customer Adoption



# ACM Research Single-Wafer Wet-Cleaning Products

## SAPS



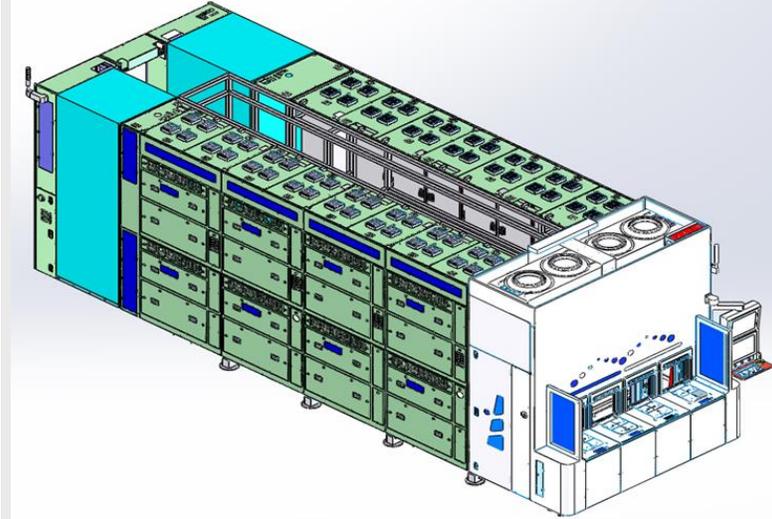
*Megasonic Cleaning for  
2D Structures*

## TEBO



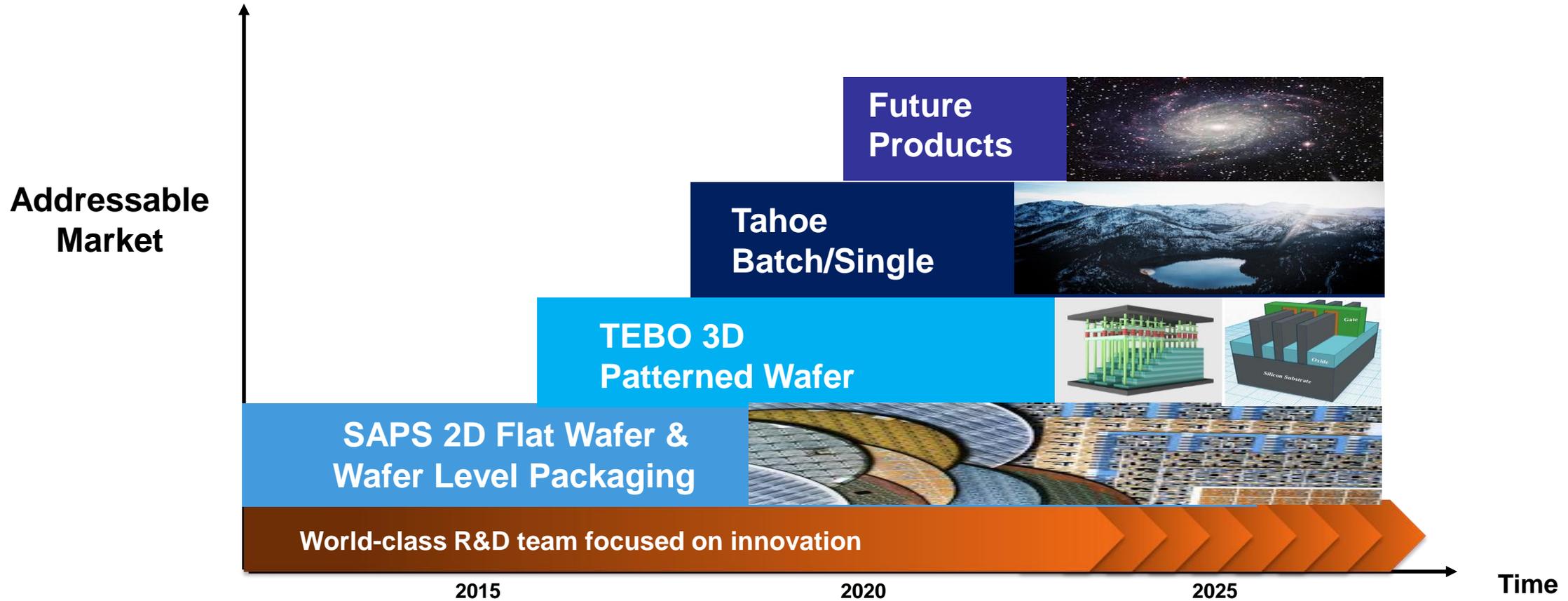
*Disruptive Solution for  
3D Patterned Wafer Surface*

## Ultra – C Tahoe



*Hybrid Wafer Cleaning With Significant  
Cost & Environmental Benefits*

# Our Product Expansion Vision



*ACM estimates that its SAPS, TEBO, and Tahoe addresses more than 50% of the single-wafer wet-cleaning market*

# New Factory Ramps Production

- **New factory added 50,000 square feet of production capacity to 36,000 square feet at existing facility**
- **Production initiated at new factory in Q3 2018, expanded in Q4 2018 and expected to ramp during 2019**



**10-mile drive from  
ACM Research's Shanghai headquarters**



**First phase of capital expenditures  
completed in 2018**

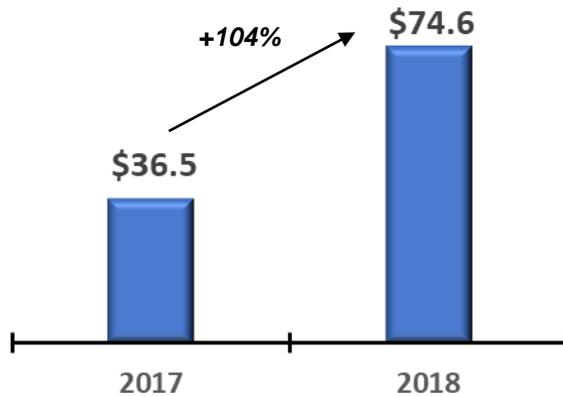


**40% of Production Mix Q4 2018**

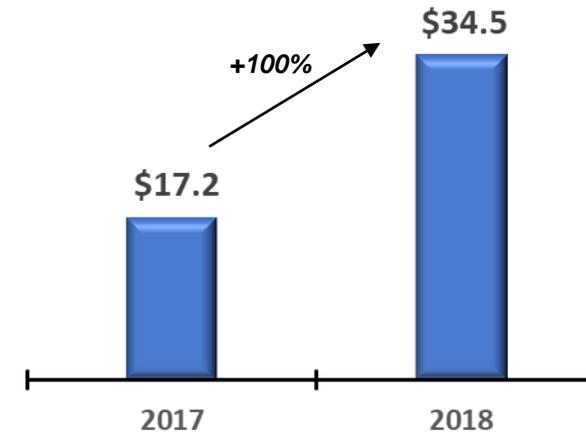
# 2018 Financial Results

\$ in millions

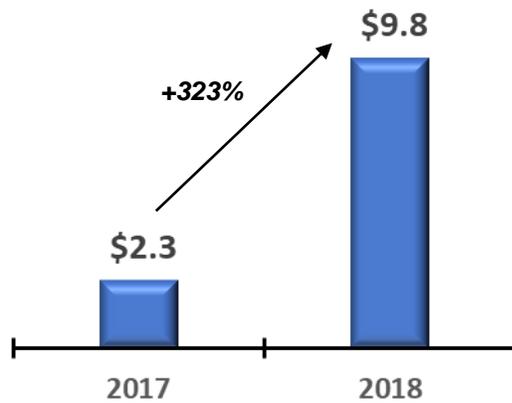
### Revenue



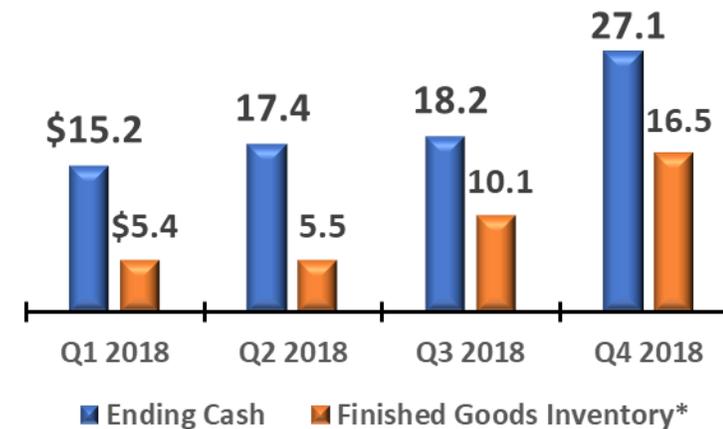
### Non-GAAP Gross Profit



### Non-GAAP Operating Profit



### Balance Sheet Data



- **2019 revenue of approximately \$100 million**
  - +34% growth
  - Represents strong demand from existing customers

# ACM Investment Summary

## Advanced Wet-Cleaning Tools for Leading Edge IC Fabs



- 1** Growing Share of ~\$3B Wet-Cleaning TAM
- 2** China Operations Near Major New Fabs
- 3** World-class DRAM, NAND, Foundry and Logic Customers
- 4** Capacity Expanded with Second Factory