CVD Equipment Corporation

enabling tomorrow's technologies™

NASDAQ: CVV

May 2023

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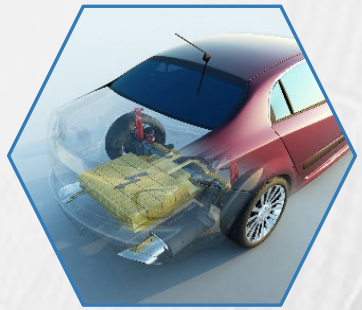
About CVD Equipment Corporation

We leverage 40+ years of experience in providing industry leading chemical vapor deposition systems

We focus on ***enabling tomorrow's technologies™*** through vertical integration of design, manufacturing and process optimization

We design, develop, and manufacture process equipment solutions for production, R&D and pilot applications



Our products include a complete array of turnkey solutions serving the High Power Electronics, EV Battery Materials / Energy storage and Aerospace & Defense markets

We are located on Long Island, New York, USA

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CVD Equipment Corporation At a Glance

CVD designs and manufacturers turnkey deposition and thermal process equipment to the Silicon Carbide Power Electronics, Energy Storage and Aerospace & Defense Markets

Investment Highlights

- ✓ Uniquely positioned to address massive high-growth Silicon Carbide (SiC) market driven by global EV adoption
- ✓ Provides reliable and precise equipment and solution systems to the SiC boule and wafer manufacturing industry
- ✓ Proven track record of customer engagement and satisfaction through on-time delivery and customer support
- ✓ Current markets are at an inflection point with customer growth and orders
- ✓ Seasoned Management Team with deep global manufacturing expertise

Key Markets

High-Growth

SiC High Power Electronics

Emerging

EV Battery Materials/ Energy Storage

Legacy

Aerospace & Defense

Key Products Overview

PVT-150
SiC Crystal Growth System

PowderCoat-1100
Grows Silicon Nanowires on Carbon Nanoparticles

CVI Systems for Aerospace
CMC Material Deposition

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CVD's Transformation

1.0 Creation and Validation

Founded to Focus on Designing and Manufacturing Key Process Equipment Solutions

- 40+ years of developing deep relationships with blue-chip industry leaders, innovative start-ups and leading research institutes
- Demonstrated wealth of IP and know-how in semiconductor market
- Started developing SiC Epitaxy (Epi) in 2008 and SiC Physical Vapor Transport (PVT) systems in 2011

CVD Equipment Corporation | firstnano | SDC

1982 → 2020

2.0 Transformation

Strategically Repositioning to Serve High-Growth Markets

- Reoriented strategy with CEO Manny Lakios and CFO Richard Catalano
- Transitioned company from Design Make-to-Order, to Make-to-Order, for improving Gross Margin Revenue Growth and overall ROI
- Increased R&D investment on high-quality, reliable tools that serve rapidly growing markets
- Renewed emphasis on customer engagement with expansion of Sales & Marketing initiatives

2021 → 2023

3.0 Industry Leader

Established Leader with Growing Market Share

- Robust customer engagement to deliver best-in-class tools to dominant industry players
- Continue to expand foothold with several industry leaders by replacing existing incumbents and adding to capacity
- Continued investment in R&D growing the portfolio offered within the markets

2024 → 2030+

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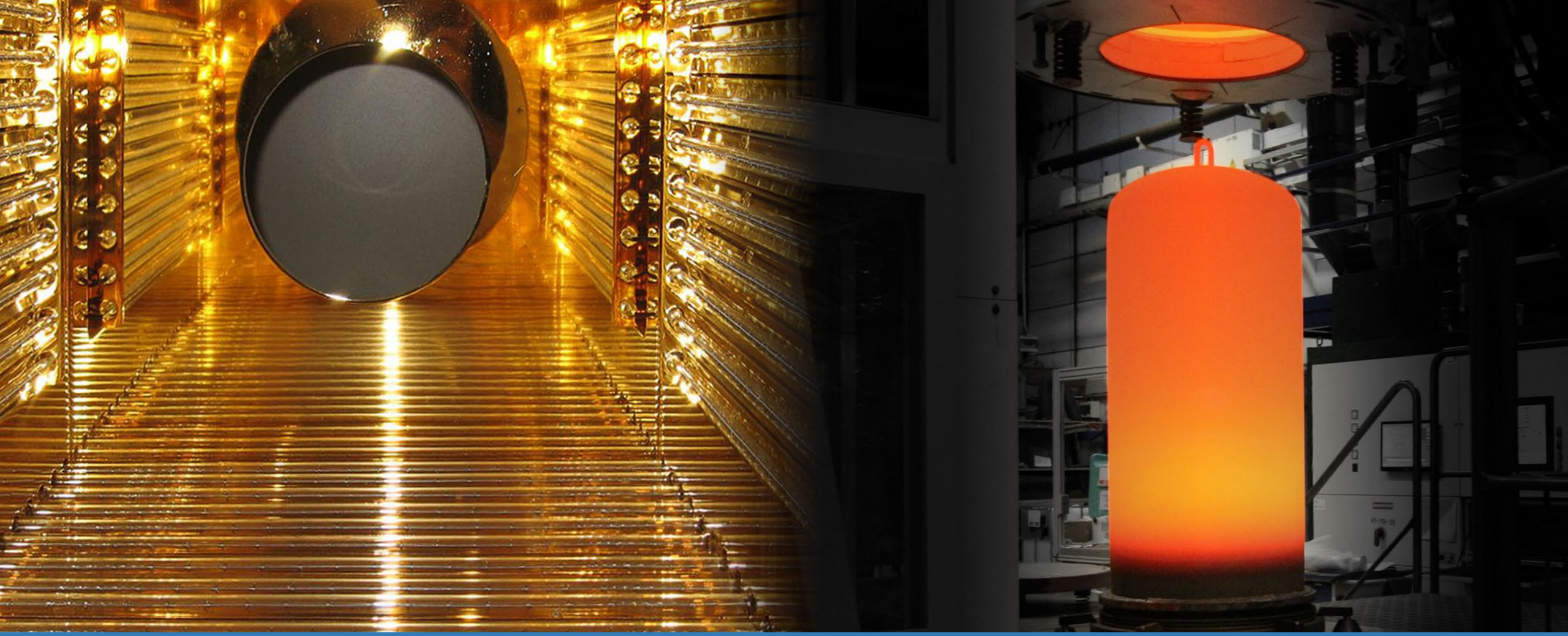

Market Overview

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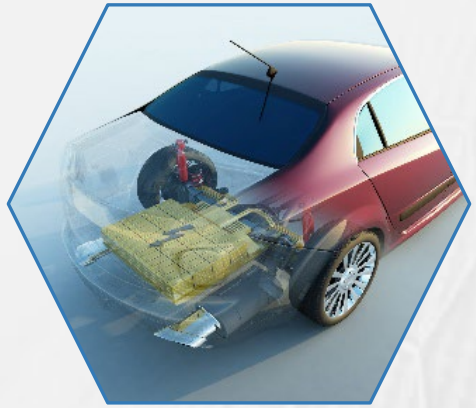
Our Target Markets – Focused on High-Growth Markets, SiC

High-Growth

High Power Electronics Silicon Carbide (SiC)

Silicon Carbide Power Electronics provide higher power density and higher efficiency than silicon-based technologies, enabling faster charging times and expanded EV range.

Emerging



EV Battery Materials / Energy Storage

Electric Vehicles are driving demand for advanced batteries. Addition of silicon to the carbon powder of the battery anode via CVD coating and infiltration process equipment improves the performance and efficiency of the battery.

Legacy

Aerospace & Defense

Demand from OEMs for Ceramic Matrix Composite materials (“CMCs”) for applications requiring high temperature and enabling greater fuel efficiency in aviation propulsion.

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Massive Multi-Market Growth Opportunity, Focus on SiC

High-Power SiC

$7.5B Estimated Global Automotive SiC market in 2030 growing at **27% CAGR** from **$0.9B in 2021**[1]

6-11x PVT Equipment for SiC crystal growth by 2030

> $1B Cumulative SiC PVT crystal growth equipment TAM 2023-2030

EV Battery

$276B Global EV Battery Market in 2030 growing at **23% CAGR** from **$53B in 2022**[2]

30M+ Estimated number EV Automotive Sales in 2030[3]

A&D

$16.5B Global CMC market by 2027, estimated to **grow at a CAGR of 11.0%**[4]

[1] The Green Technology Cycle SiC - Goldman Sachs Global Investment Research June 202
[2] https://www.precedenceresearch.com/electric-vehicle-battery-market
[3] https://media.nature.com/original/magazine-assets/d41586-021-02222-1/d41586-021-02222-1.pdf
[4] https://www.marketsandmarkets.com/Market-Reports/ceramic-matrix-composites-market-60146548.html

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Product and Technology

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CVD SiC Wafer Production for High Power Electronics

End-User Applications

EV Charging

EV Motor Power Conversion

Power Grid Transmission

Process Solutions

PVT 150 mm SiC Crystal Growth System (2022)

PVT 200 mm SiC Crystal Growth System (2023)

SiC Annealing Furnace (2024)

SiC Epi Layer (2024)

Key CVD Strengths

Temperature, Pressure and Overall Process Control

Process Uniformity and Repeatability

Safety and Control System

Focus on Customer Cost of Ownership

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State-of-the-Art Equipment Addressing SiC Wafer High-Growth Market

CRYSTAL GROWTH STEPS

Crucible Charging → Crystal Growth → Annealing → **Bulk Crystal**

2022: Launched PVT150 Crystal Growth System
2023: Planned Launch of PVT200 Crystal Growth System
2024: Planned Launch of SiC Epi System
2024: Planned Launch of SiC Crystal Annealing Furnace

PVT 150™

PVT-150 SiC Crystal Growth System launched in 2022, **PVT-200** planned launch 2023

SiC Epi Single Wafer System planned launch 2024

150 mm & 200 mm SiC Boule Annealing Furnace planned launch 2024

WAFER PRODUCTION

OD Grinding → X-Ray Orientation → Flat Grinding → Multi-Wire Saw → Lapping/ Grinding → CMP Polishing → Wafer Cleaning → Wafer Inspection → **SiC Epi Layer**

CVD Positioned To Take Advantage of Key Industry Trends over next 1-2 years[1]

- Shift from 150 mm to 200 mm SiC manufacturing to reduce device costs
- Improve SiC quality and uniformity to increase yield and reduce costs

Present Capacity 7 Systems/Month, Plan to Ramp to 16 Systems/Month Q3/2023, 25 Systems/Month Q1-Q2/2024 (annual capacity to ramp to 300 systems)

[1] Goldman Sachs, "The Green Technology Cycle SiC" Takayama et. Al., 24 JUNE 2022

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Crystal Growth- Physical Vapor Transport Systems

PVT150™ Go To Market Launch

- R&D System: 2011
- Alpha System Customer Order Qty 6: Q4/2021
- Beta System Customer Order Qty 14: Q2/2022
- Alpha/Beta Shipments Qty 20: Q3/Q4 2022
- Production Customer Order Qty 10: Q4 2022
- Full Product Launch: Q1/2023
- Support growth of existing customer base and target capacity limited and PVT200 product for fully vertical device manufacturers.
- Launch 1st in USA, 2nd in Europe

Differentiating Features and Options

- Both Crystal Growth & Annealing
- Robust Production System with Enhanced Process Controls
  - Temperature Control +/- 0.5°C @2500°C
  - Pressure Control +/- 1%
  - Enhanced Process Monitoring Control System
- Time to market, internal vertical manufacturing yields 6-month lead time
- Platform Upgradeable to 200 mm
- Present Capacity 7 Systems/Month, Ramp to 16 Systems/Month Q3/2023, 25 Systems/Month Q1-Q2/2024 (annual capacity to ramp to 300 systems)

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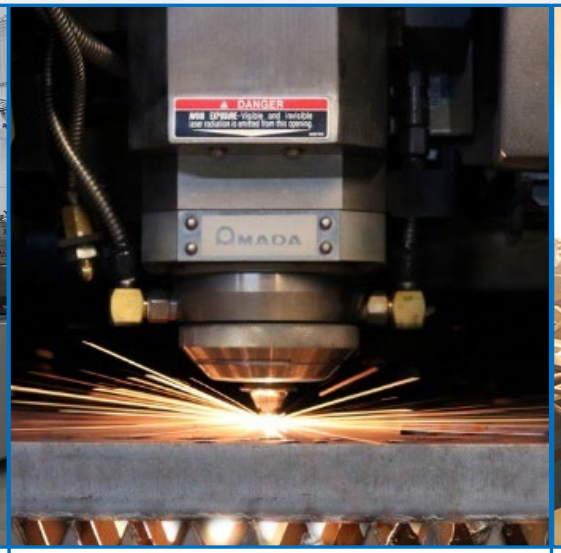
Vertically Integrated Manufacturing Built in the USA

Applications Lab

New materials, coatings and processing techniques through CVD's Application Laboratory

Innovative carbon (CNT, graphene) products for energy storage, sensing and biomedical devices



Manufacturing

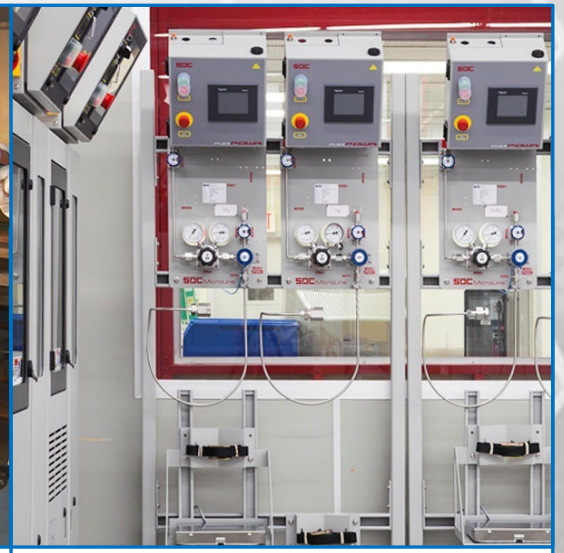
CVD has expanded its internal manufacturing capabilities in 2022 with new machining centers

Vertically-integrated, >95,000 ft^2 of total manufacturing space

Quartzware

Our quartzware manufacturing facility can produce prototype designs with rapid turnaround

Substrate paddles, wafer boats, process gas injectors, process tubes, quartz bubblers, bell jars, etc.



SDC® Gas & Chemical Delivery Systems

Manufacturer of ultra-high purity gas and chemical delivery systems for the Semiconductor industry as well as in microelectronics, nanomaterial production and aerospace markets

Vertical integration gives CVD a competitive advantage by reducing cost and lead times

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CVD Investment To Support The Market Growth Opportunity

Five Point Initiative

1. Grow market share through increased investment in sales and marketing effort
2. Expand manufacturing capacity and capability within existing facilities to accommodate >$125M annual revenue capacity target
3. Diversify manufacturing facilities to drive redundancies, a requisite to become sole sourced supplier
4. Innovate existing products while adding new SiC tools including PVT200 and SiC EPI within served customer market
5. Build out Application Lab for Process development to accompany equipment and “One Touch” customer support

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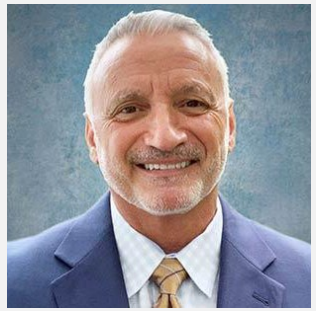
Seasoned Executive Team



Manny Lakios

President & Chief Executive Officer

- Appointed President and CEO of CVD January 2021
- Previously President and CEO at Sensor Electronic Technology, COO Imago Scientific, President Process Equipment Veeco
- Over 35 years of experience serving the aerospace, semiconductor, data storage, UVLED and optical device industries and holds multiple patents in equipment technology

Richard Catalano

Vice President & Chief Financial Officer

- CFO of CVD since August 2022
- Previously an audit partner at KPMG
- Served as leader of KPMG's Metro NY Healthcare and Life Sciences Practice and has over 35 years of experience as an audit professional

Warren Cheesman

Vice President of Manufacturing Operations

- VP of Manufacturing Ops at CVD since October 2022
- Previously VP of Engineering at iON Technology Solutions
- Over 25 years of management experience in the semiconductor, medical device and defense equipment sectors

Jeff Brogan

Vice President of Sales & Marketing

- VP of Sales &Marketing for CVD March 2021
- Previously President & CEO of Mesoscribe Technologies Corp.
- Over 25 years experience in strategic sales & technology management, advanced research & technology development, currently holding multiple US patents

Max Shatalov

Vice President of Engineering & Technology

- Joined CVD as VP of Engineering and Technology in April 2018
- Previously VP of Technology at Sensor Electronic Technology Inc.
- Over 20 years of experience in semiconductor research and devices, currently holding 120+ US patents

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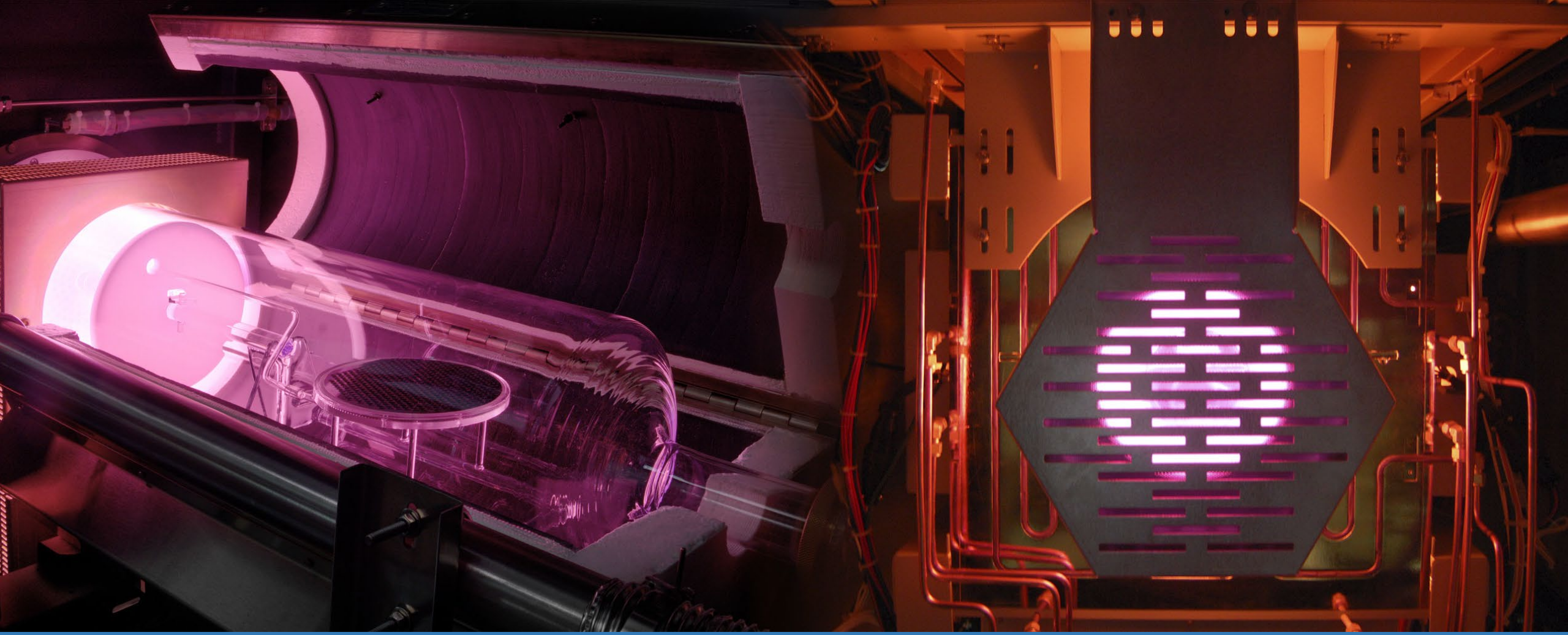

Financial Overview

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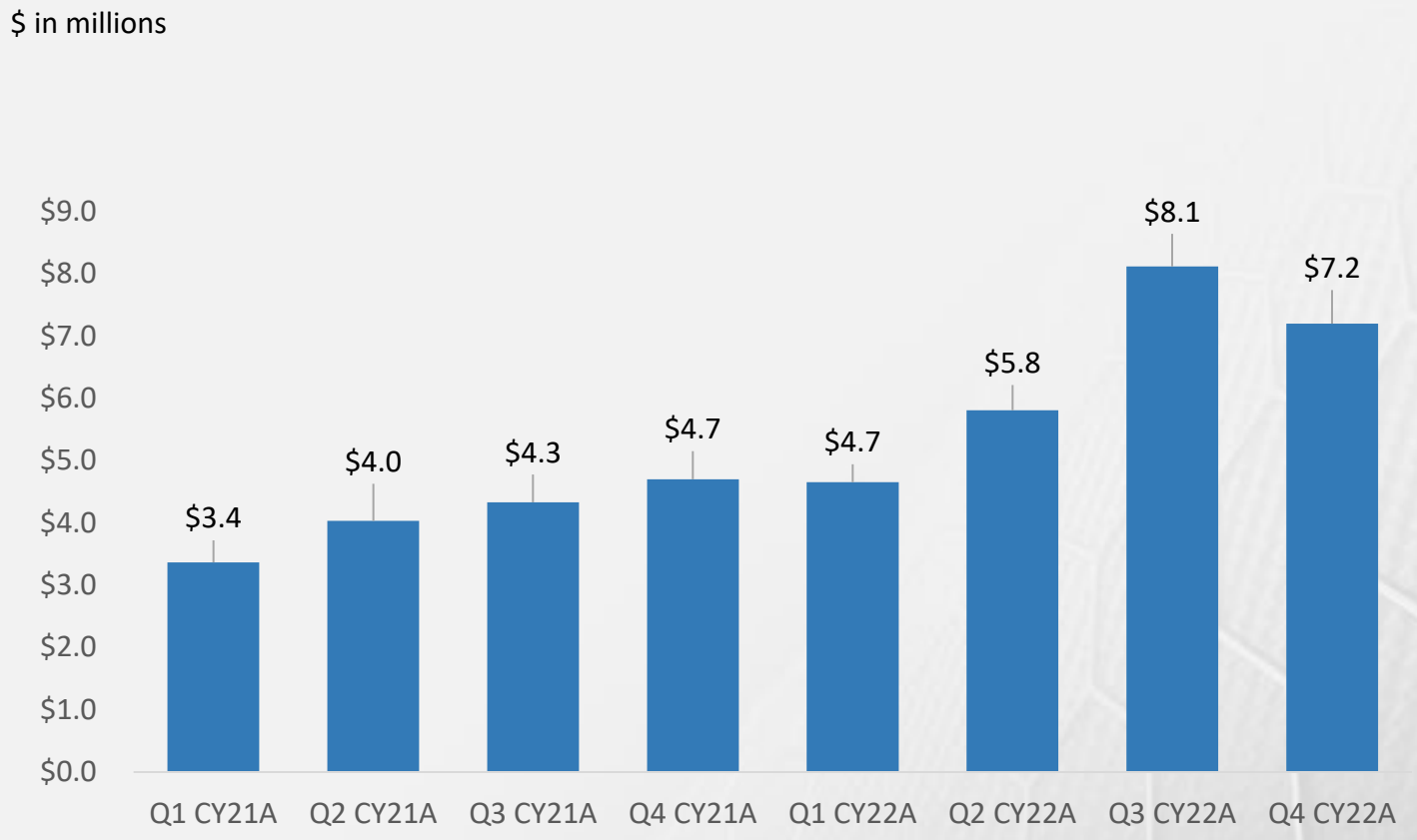
Quarterly Revenue



53%

Q4 YoY Growth Rate

$7.2 M

Q4 CY2022A Revenue

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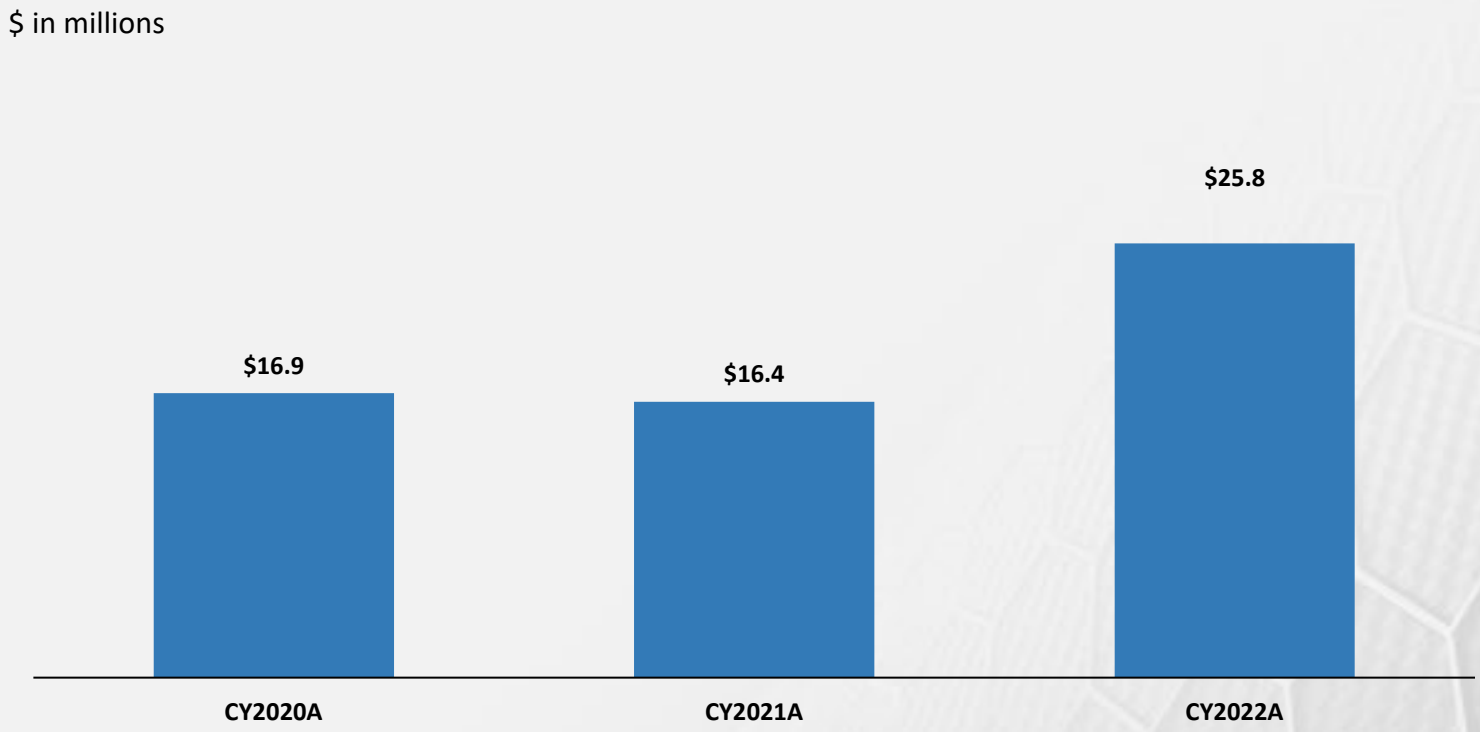
Annual Revenue



57%

CY2022A Growth versus CY2021A

$25.8M

CY2022A Revenue

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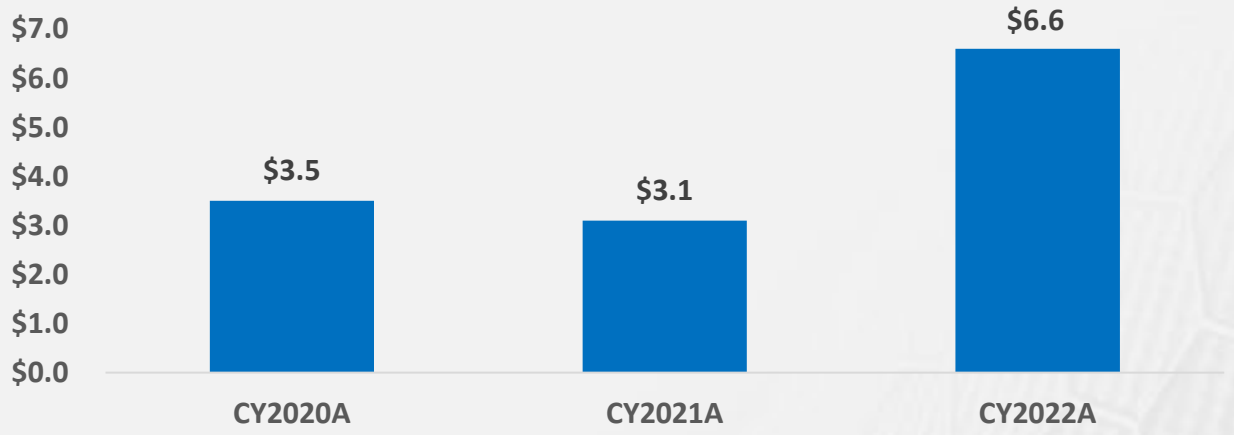
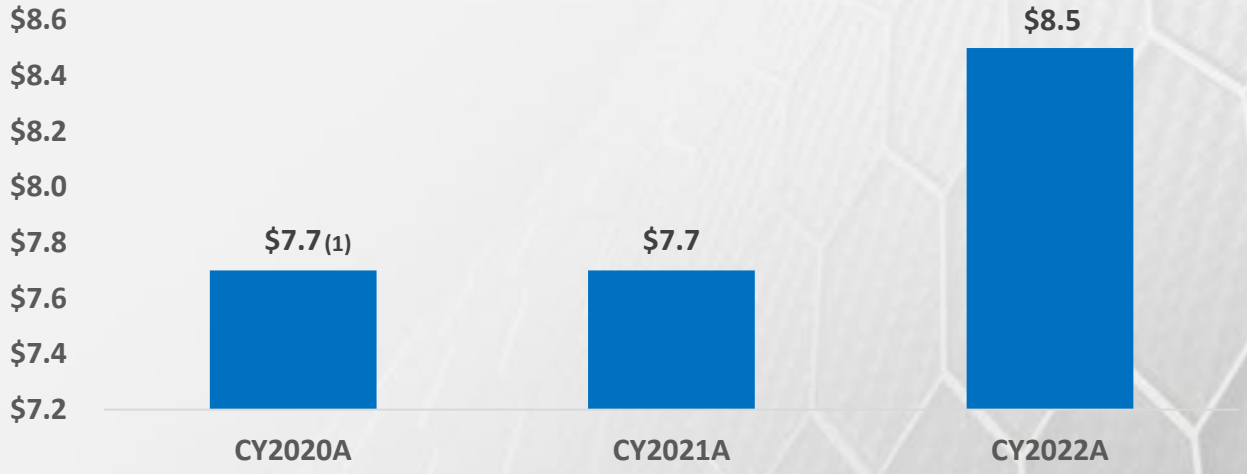
Annual Gross Profit and Operating Expenses

Annual Gross Profit ($ in millions)



Annual Operating Expenses ($ in millions)



Current Management Initiatives

- Expanding our in-house manufacturing capabilities
- Increasing our research and development investments in new product offerings such as the PVT-200
- Accelerating our sales and marketing effort, including new hires, targeting advertising, and attendance at key trade shows

Note: Amounts derived from 2020 Form 10-K with certain amounts reclassified to conform to the presentation in 2021 and 2022. (1) Excludes $3.6M impairment charge.

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Balance Sheet

$ in Millions	12/31/2022	9/30/22
Cash and Cash Equivalents	$14.4	$11.9
Net PPE	$12.6	$12.8
Other Assets	$10.9	$8.9
Debt	$0.4	$0.4
Other Liabilities	$8.1	$5.5
Total Equity	$29.4	$27.7

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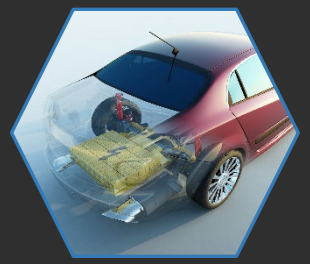
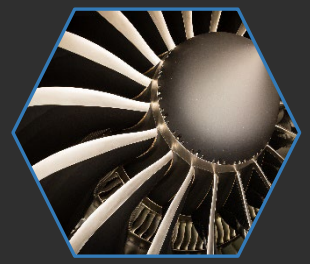
Key Markets

High Power Electronics



EV Battery Materials/Energy Storage



Aerospace & Defense

Key Investment Highlights

CVD Equipment Corporation

- 40+ years providing leading technology process equipment to electronics, aerospace and industrial markets
- Seasoned Management Team with deep global manufacturing expertise
- Uniquely positioned to address massive high-growth SiC Power Electronics market driven by global EV adoption
- Proven track record of customer engagement and satisfaction through on-time delivery and customer support
- Provides reliable and precise equipment and solution systems to the SiC boule and wafer manufacturing industry
- Current markets are at an inflection point with customer growth and orders

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Thank You

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