Annual Shareholder Meeting
October 29th, 2019

NASDAQ: CVV
Safe Harbor Statement

Certain statements in the following presentation relate to future results that are forward looking statements as defined in the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to those noted in our forms 10-K, 10-Q, and other filings with the SEC.

This presentation includes historical and forward-looking ProForma information. The Company assumes no responsibility to update the information contained in this presentation.
Welcome to the CVD Equipment 2019 Annual Shareholder Meeting

Meeting Focus Areas

- Company insight
- Growth markets and trends
- 2019 operational activities to support growth
At a Glance

NASDAQ: CVV

FOUNDED 1982

HEADQUARTERS Central Islip, NY

NUMBER OF EMPLOYEES ~180

CVD Equipment Corporation is a leading deposition equipment and coating solutions supplier since 1982

“We provide turnkey equipment solutions, comprised of substrate handling, instrumentation, reactor geometry, process control software, gas management, and exhaust abatement. In our materials division we provide deposition and coating services enabled by our innovation, unique capabilities, and the materials-driven demands and challenges of the markets we serve.”

Market Drivers:

- High performance composite materials
- Additive manufacturing acceptance
- Energy efficiency of advanced electronic materials
- Medical devices driven by functional materials
- Nanotechnology used to improve all elements of life
- Defense and aerospace specialty materials

Keys to CVD’s Value Proposition:

- 37+ years providing Equipment and Process solutions
- Inhouse Process Development Laboratory
- Design Flexibility and Conceptual Modeling
- Proprietary Software and Control System platform
- Scalable Manufacturing Capacity
- Vertically Integrated Manufacturing
- Direct Customer Engagement
How we enable tomorrow’s technologies

- Innovation leader since 1982
- Equipment, Thin Films, Coatings, and Surface Modification
  - Equipment Design and Development
  - Production Scale Manufacturing
  - Installation, Start-up, and Operational Service
- Material Coating & Surface Treatment
  - Robust coatings and treatments for corrosive and demanding applications
  - Carbon and Ceramic Matrix Composite materials
- Process, Applications, Research & Development
  - Nanomaterial Research
  - Equipment Optimization
  - Customer Process Development Services
  - Funded Research Collaboration
Our Company, Products, and Services

Growth focus in each product group and service area
CVD Heading into the Future

Leveraging know-how and expanding customer base to accelerate growth

1982
CVD Equipment Corporation
PILOT & PRODUCTION EQUIPMENT
GAS & CHEMICAL DELIVERY SYSTEMS

1999
SDC
Surface Mount Technology (SMT)

2001/2
firstnano
Application Laboratory Opens

2005
Research & Development Equipment

2006
Facilities 156,500 ft² Company Owned

2009
Process Development Services

2013
TANTALUM SURFACE TREATMENT SERVICES

2016
MESOSCRIBE
DIRECT WRITE PRINTED ELECTRONICS

2017
CVD Materials Corporation
Additional 184,000 ft² Facility

2017/18
CVD Equipment Corporation
TANTALINE FACILITY SET UP ON LONG ISLAND

2019
Focus on End User Markets.
Aerospace & Defense
Biomedical
Industrial
MEMS and micro mechanics

Growth in Equipment and Material Services through Organic Innovation

MESOSCRIBE RELOCATED TO LONG ISLAND
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Aerospace & Defense Market Update

- **CVD Equipment:**
  - Received multiple system orders for environmental barrier coating used on gas engine components.
  - Multiple CVD Systems for fiber coating shipped up to 2019 are installed and running production.
  - Significant quantity of outstanding quotations for chemical vapor deposition and infiltration systems for thermal barrier coatings and fabrication of engine and brake components.
Aerospace & Defense Market Update

- **CVD Materials:**
  - MesoScribe™ is shipping into aerospace and satellite applications, for heaters, laminate electronics, thermal measurement electronics, crack sensors.
  - Receive three (3) Government contracts totaling ~$1M for product and application development having strategic commercial potential.
  - Manufacturing Operations are now fully moved into CVD’s new materials facility and has resumed shipping product.
Biomedical Market: Blood Oxygenation Technology

A promising technology to improve the quality of life of the end user, developed at CVD.
c-VACNT™ - Structures -> a NanoToMacro™ component

Potential Benefits

- Reduced Priming Volume, Pressure drop, Blood Contact Surface
- Reduced Blood Trauma
- Functional with Oxygen or Air Supply
- “Improving Quality of Life”
Biomedical Market: Tantalum Coatings and Carbon Devices

- **CVD Equipment:**
  - CVD equipment for Tantalum deposition in biocompatibility implant applications

- **CVD Materials:**
  - Further tested and evaluated our Carbon base blood oxygenator technology and devices. Patent applied for and pending. “Fluid Reactor”.
  - Proprietary Tantaline™ Ta treatment for advanced implants. Is now operational in our CVD Materials facility in Long Island. Patent applied for and pending.
Industrial Markets: Tantaline Corrosion Protection

- **CVD Materials:**
  - Received first article orders for proprietary Tantaline+™ treatment for Ni Alloy valves and components
  - Patent applied for in 2018 and pending.
  - Buildout for regional Tantaline service in North America with Central Islip facility, on plan for 2019 first article shipments.
  - Plan to upgrade Demark Tantaline™ facility with new CVD Equipment reactor to improve yield and productivity.

Tylok® is a registered trademark of Tylok International, Inc.
Three (3) patent applications were filed for an enhanced Tantaline process expanding the range of treatable substrate materials. We believe that we are the only providers of such corrosion protection for advanced Nickel-based alloys and Titanium. Received orders and initiate first article shipments in Q4, 2019.

These extremely corrosion resistant Tantaline coated valves and components used in the chemical and petroleum applications are critical to the safe and ongoing operation of large scale production plants.

Tantaline treatment and coatings add value by extending maintenance cycles from weeks to months and years.
Emerging Electronics & Mechanics Market

- **CVD Equipment:**
  - HVPE400™ for bulk electronic material production launched in 2018. Completed the development, qualification and is scheduled to be shipped Q4 2019.

- **CVD Materials:**
  - Shipped approx. $500,000 of bulk polyGaN electronic material in 2019
  - Carbon Nano Tubes launched by leading watch manufacturer in next generation wrist watches. Providing superior performance of Carbon to legacy metal springs.
“TAG Heuer invents the carbon balance spring It’s no longer grey – it’s black. What are we talking about? The balance spring! TAG Heuer has unveiled the very first carbon balance spring, inside a sculptural Carrera Calibre Heuer 02T Tourbillon Nanograph.”

https://www.youtube.com/watch?v=xCCgR3Qn6_Y

Courtesy of Tag Hauer
Fabricated Quartzware

- CVD Materials Corporation’s fabricated quartzware is used in research and commercial applications.

- Consumable quartz demand has seen a significant increase due to the quantity of production, pilot production and research systems we have delivered over the past years.
SDC® a gas and chemical total solutions provider

- Sustained market position - anticipated > 20% growth in orders 2018 to 2019
- Strong international order rate in 2019.
- Provides critical products to end user facilities as well to CVD Equipment.
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Infrastructure Activities Supporting Growth

**ERP System**
- Implemented new Enterprise Resource Planning system in late to provide improved efficiency and opportunities.
- Rolled out ERP for CVD Material in 2019

**Advance Design Modeling**
- Advanced Dynamic and Gas modeling enables simulation and development of complex equipment.
- Supported application specific product development.
- Allow for increase effectivity of engineering designs.

**Dedicated Material Group Building**
- 180,000 sq. ft. to support the growth of CVD Materials Corporation
- MesoScribe and Tantline shipping product in 2019
- Other Material Opportunities: Electronic Materials, Ceramic matrix composites, for aerospace, carbon composites & graphene, Tantline® for Medical market.
Logistical issues delayed the launch of the web store to 2020.

Primary benefit of the web store is creation of awareness and lead generator with added value of direct order generator.
Financial Summary and Analysis
1) **Q3 Orders:** $7.9 million as compared to Q1 2019 $6.5 million and Q2 2019 $3.3 million, respectively  
   Strong market demand as evidenced by Q3 new orders and quotation activity

2) **CVD Materials business / facility:**
   We are completing building improvements, installing and starting up new production systems and training personnel  
   **CVD Materials operational savings:** Exceeds $475,000 per annum:  
   - $225,000 Rent related costs are eliminated - Mesoscribe California relocation May 2019  
   - $150,000 Reduced Real estate taxes - Combined tax abatement program at both Central Islip Facilities,  
     (existing and new) resulted in reduction at Executive offices and facility at 355 S. Technology Drive  
   - $100,000 Rental income exceeds current facility operating costs  
   Q2 & Q3 we have delivered in excess of $500,000 of Materials to an LED manufacturer

3) **Operating efficiency progress:**
   Reduced Q2 2019 net loss by $784,000 as compared to Q1 2019  
   Q1 2019 net loss $2.2 million vs Q2 2019 net loss of $1.4 million  
   GP% improving: Q1 2019 (11%) as compared to Q2 2019 of 10%  
   Operating improvements, cost reductions and overall pricing are the contributors  
   Q2 2019 operating expenses reduced by $141,000 as compared to Q1 2019  
   More progress in Q3 2019
4) With improved orders in Q3 2019, current quotation activity and materials contributing going forward...
   "We are on path to a return to profitability"

5) **Bank covenants**: Full compliance

6) **R&D Efforts**: Continue to invest in future for Tantaline, Carbon Composites, ECMO and other areas

7) **Cash and Liquidity**:  
   Cash at June 30, 2019 was $8.6 million  
   2019 Q3 and Q4 Cash will continue to reduce, but at a slower rate, as we enhance our Materials facility, and  
   "continue to stay on the path for a return to profitability".  
   We are comfortable with our Cash position and strong balance sheet  
   Have a strong cash to cash cycle to operate our business
Thank you for your attendance and attention