

Investor Presentation

**14<sup>th</sup> Annual  
CEO Summit**

**July 13, 2022**



**INTEVAC**

Powering Innovation, Delivering Value

# FORWARD LOOKING STATEMENTS

During the course of this presentation, we will comment upon future events and may make projections about our future financial performance, including statements related to strategies, our expected sales, product shipments and acceptance, gross margin, operating expense, profit, cash flow, income tax expense, and capital allocation. We will discuss our business strategy, our products, the markets our products address, our position in those markets, expected market acceptance of those products and production capacity.

We wish to caution you that these are forward looking statements that are based upon our current expectations, and that actual results could differ materially as a result of various risks and uncertainties, including, without limitation, the following: inability to develop and deliver new products as planned; inability to accurately forecast the demand for our products and services; the possibility that orders in backlog may be cancelled, delayed or rescheduled; inability to achieve gross margin and expense goals; and other risk factors discussed in documents filed by us with the Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

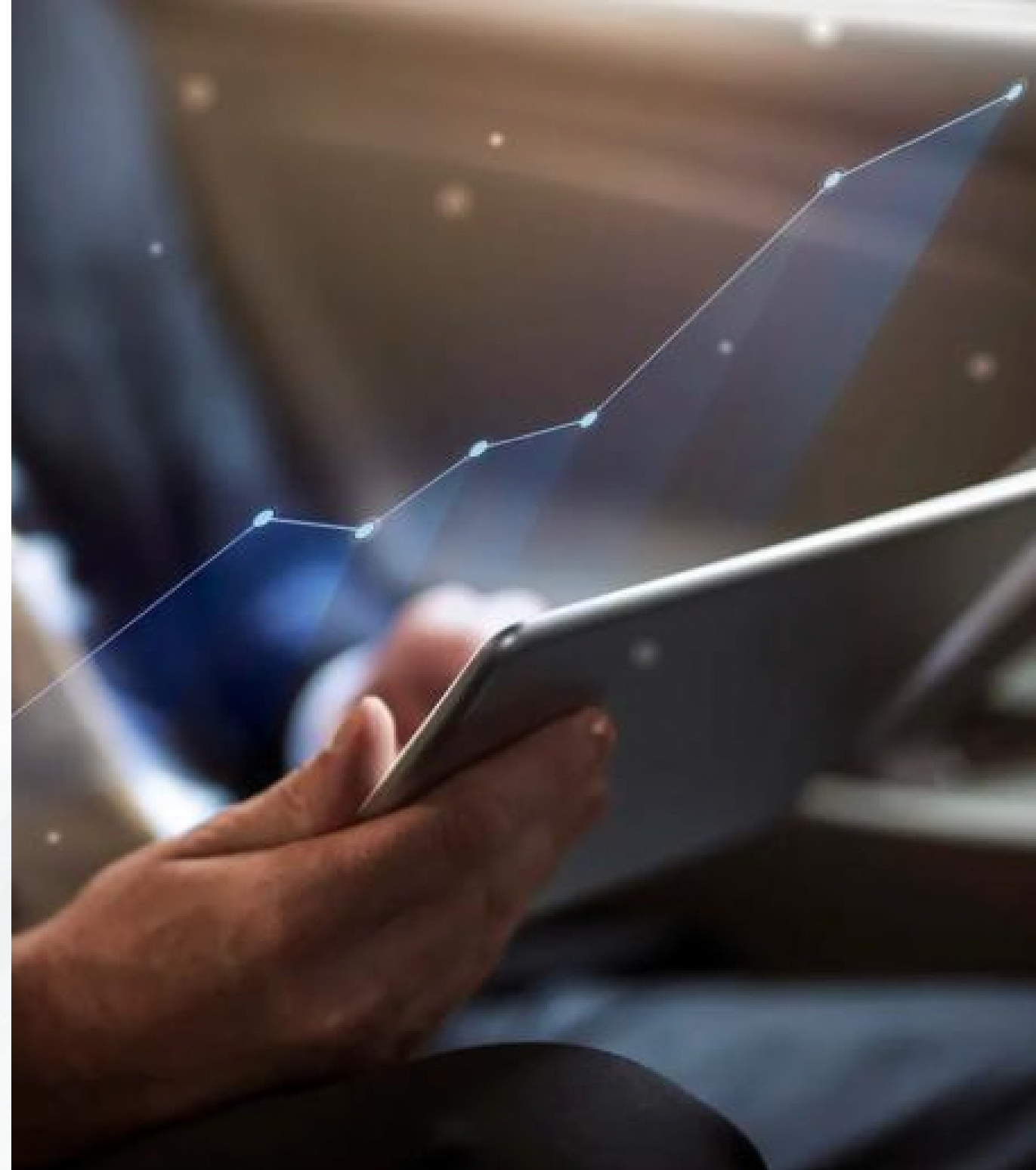
We undertake no obligation to update the forward-looking statements made during this presentation.



# A SOUND INVESTMENT

Intevac has the fundamentals in place for growth

- ✓ Experienced management team / board of directors
- ✓ 12-year-record high orders, backlog, and visibility
- ✓ Leading market position
- ✓ Maintaining cash and strength of the balance sheet
- ✓ Initial restructuring completed
- ✓ Plan to return to profitability in 2023
- ✓ Additional growth levers with IBC and TRIO
- ✓ Strategic process continues







# ENABLING TECHNOLOGY THROUGH THIN-FILM DEPOSITION

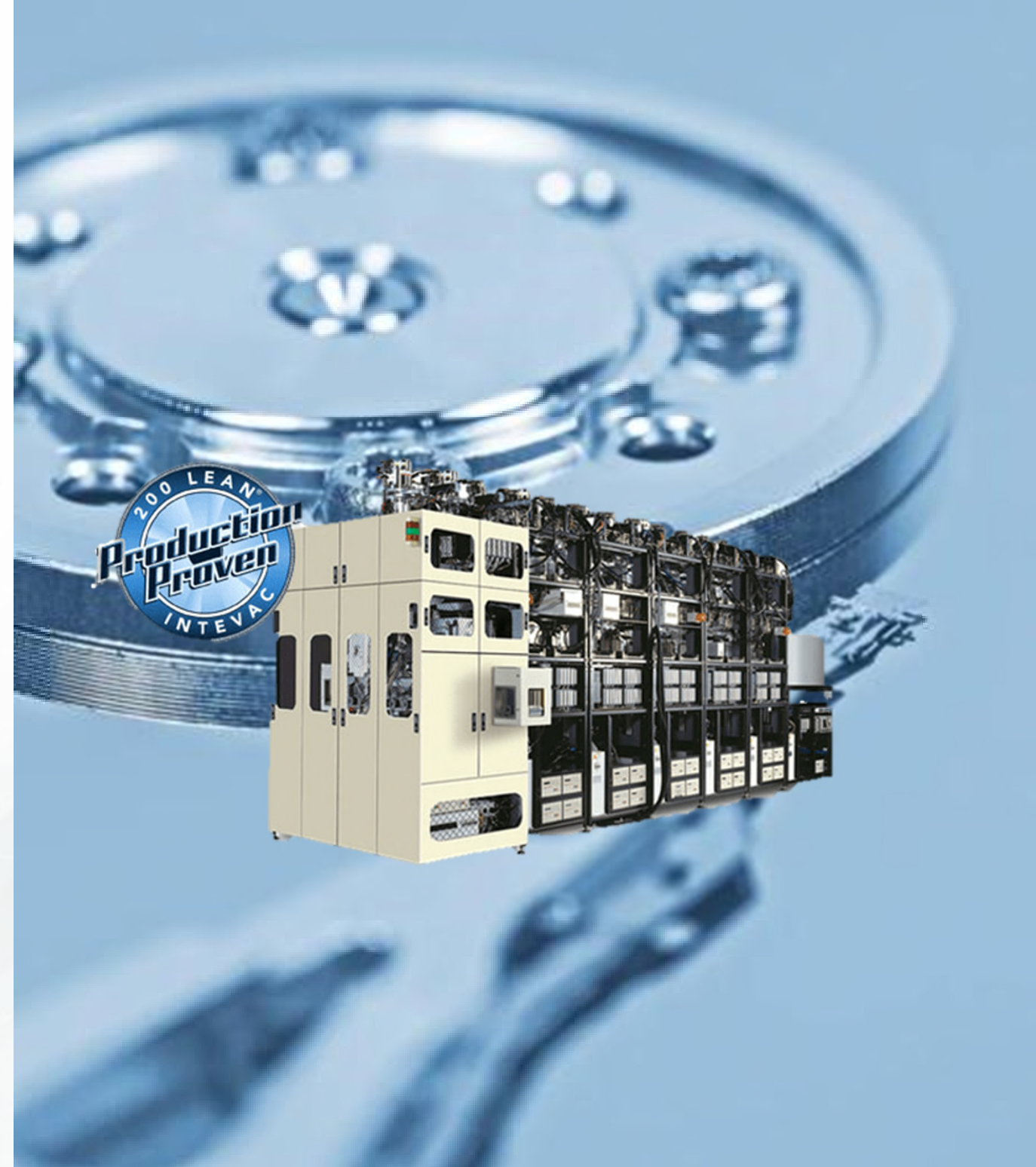
Intevac is a global supplier for hard disk drive (HDD) manufacturing and a key enabler of process advancement with over 65% market share of installed systems

We are a customer-focused industry leader with teams and products that are deeply embedded with HDD suppliers; including 20+ year relationships with these customers

We are led by an experienced management team with a vision and strategy to deliver growth

We have a culture of innovation, and our new product development is focused on expanding into an attractive new market

We have 120+ patents issued or pending



# A SEASONED LEADERSHIP TEAM WITH IN-DEPTH EXPERIENCE IN THE HIGH-TECH INDUSTRIES



**Nigel Hunton**  
**PRESIDENT & CEO**

30+ years of executive experience in the semi-industry and other high-tech sectors with a proven track record of increasing shareholder value and delivering results.



**James Moniz**  
**CFO & CORPORATE SECRETARY**

30+ years of finance experience, extensive public company experience with 20+ years in senior executive roles.



**Sam Harkness**  
**VP, TECHNOLOGY  
& PRODUCT DEVELOPMENT**

25+ years experience in coatings with proven track record of driving technologies from laboratory to production.



**Raymond Chan**  
**SALES DIRECTOR**

Experienced Global Sales and Account Manager with 25+ years of proven sales success driving incremental revenue growth in the semiconductor and HDD industry.



**Eng Hong Pay**  
**GM, ASIA**

25+ years of experience in managing operations in equipment manufacturing industry for HDD and Semi-con customers.





# BOARD OF DIRECTORS

A group of recognized and established technology and business leaders, well-positioned to support management



**David Dury**

**INDEPENDENT CHAIR**

Industry veteran with executive management experience in semiconductor, disk drive, and software industries, followed by venture capital.



**Nigel Hunton**

**PRESIDENT & CEO**

30+ years of executive experience in the semi-industry and other high-tech sectors with a proven track record of increasing shareholder value and delivering results.



**Kevin Barber**

**INDEPENDENT DIRECTOR**

Wide industry experience in semi, display (touch screen) and mobile industries, currently serving as CEO of Ensurge Micropower ASA. Previously with Synaptics.



**Dotty Hayes**

**INDEPENDENT DIRECTOR**

Deep expertise in the design and oversight of business and financial processes, including strategic planning, stemming from her extensive global technology company experience.



**Michele Klein**

**INDEPENDENT DIRECTOR**

Extensive semi industry experience, founded 4 technology start ups and led 2 optical inspection companies from inception to acquisition.



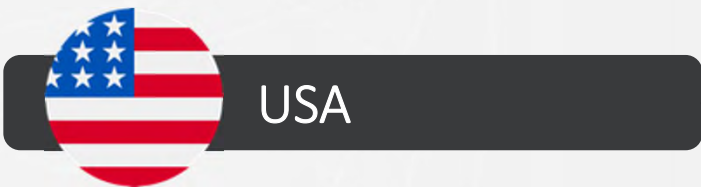
**Mark Popovich**

**INDEPENDENT DIRECTOR**

Coating industry expert and independent consultant to the semiconductor industry and is the former CEO of 3D Glass Solutions.



# A GLOBAL COMPANY WITH 138 EMPLOYEES



## Intevac USA (Santa Clara, CA USA)

- Corporate HQ
  - Research center
  - Sales & Business development
  - 75,000 ft<sup>2</sup> facility



## Intevac Asia (Singapore)

- Manufacturing & Engineering
- Sales & Service
  - 32,000 ft<sup>2</sup> Manufacturing facility
  - Cleanroom (<1000 ppm)
  - Center of Excellence for 200 Lean



# GROWTH STRATEGY

## Drive market leadership in HDD

Continued engagement and partnership with key customers  
100% of near-term capacity additions are on 200 Lean platform

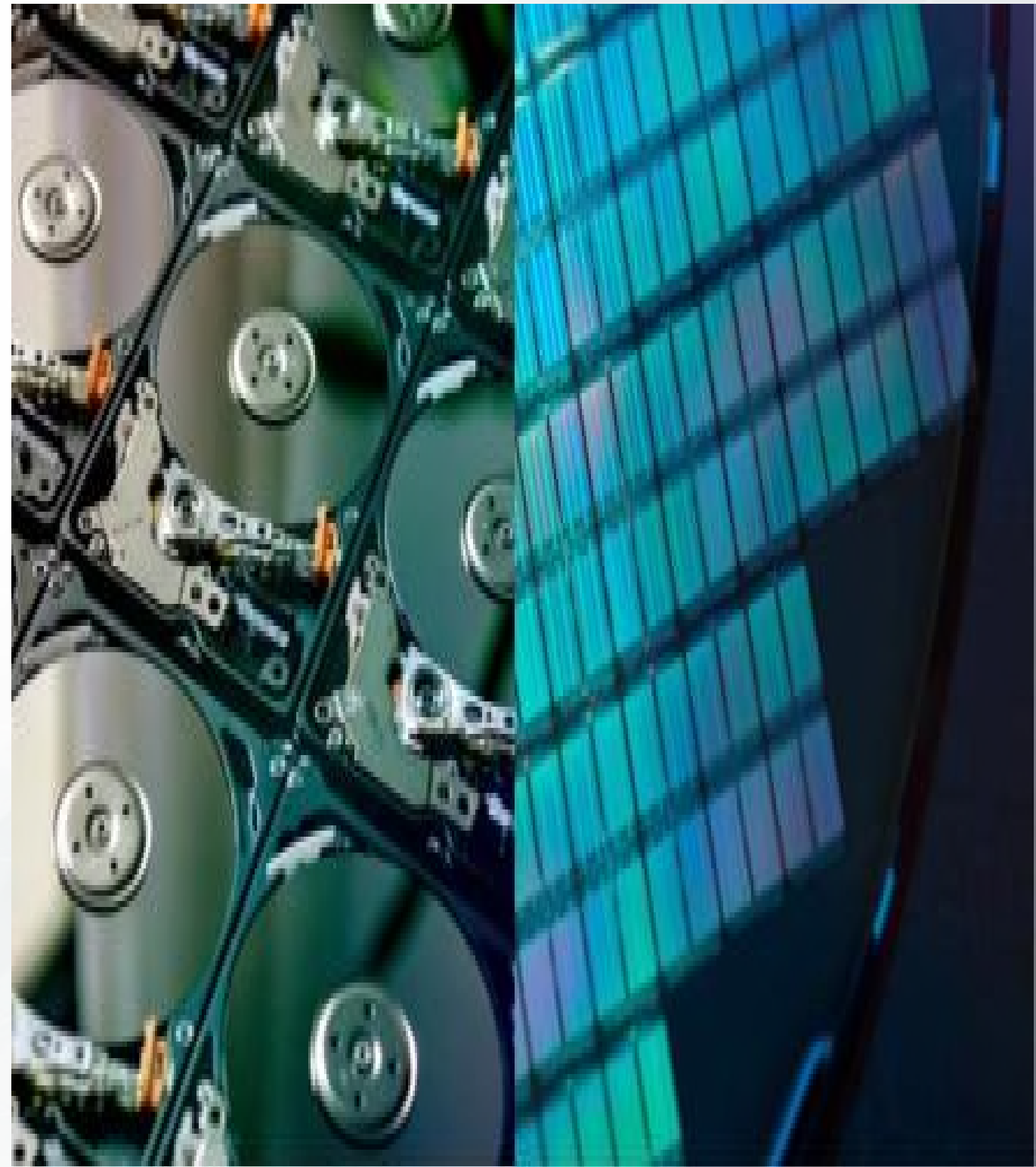
## Expand markets with new technologies

Leverage thin film technology to penetrate new markets

## Create opportunities that go beyond

Long-term investment in R&D  
Develop and acquire technologies

## Exit non-core activities







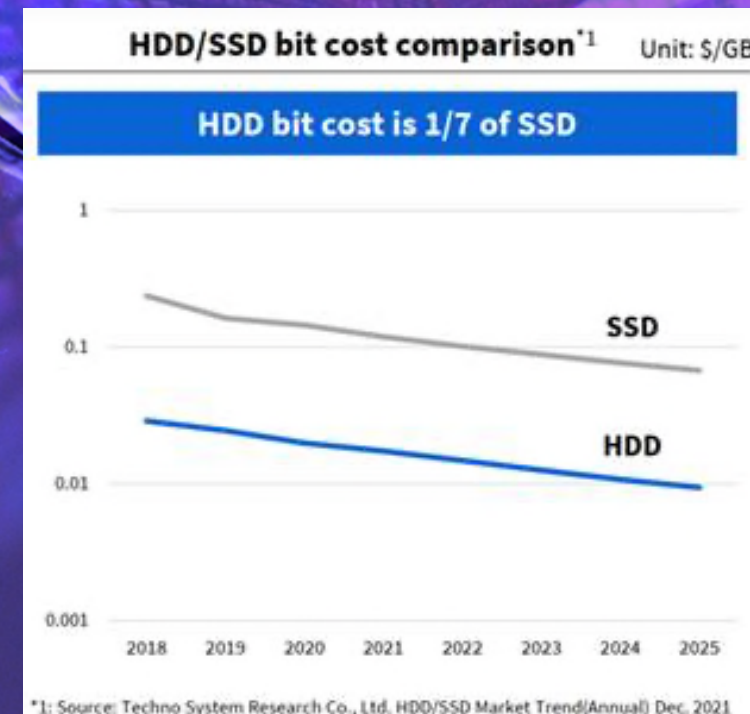
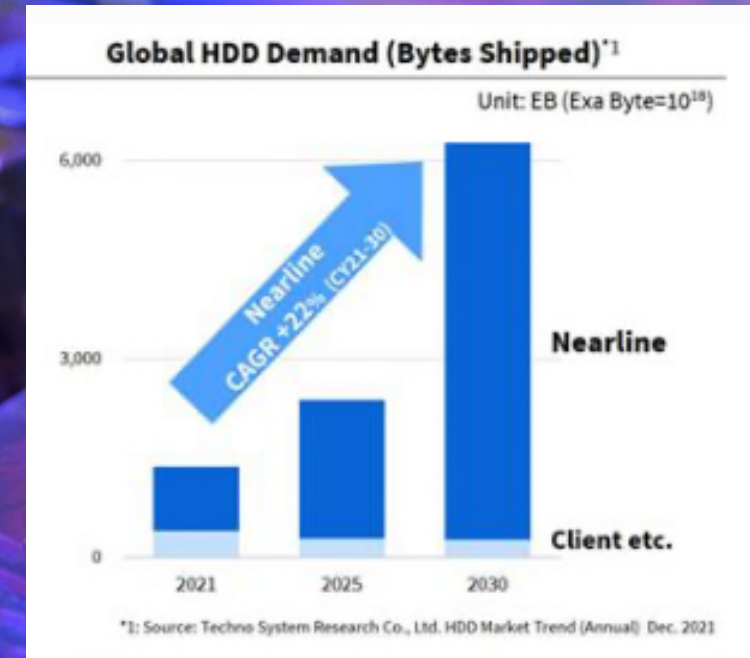
## CURRENT MARKET

### HDD Media – Returning to a Growth Industry

A market fueled by mass-capacity drives

- Industry seeing increasing demand from data centers
- 5-year CAGR for nearline drive storage ~35% through 2022
  - ✓ 20-year CAGR of 22% through 2030
- Average nearline drive today exceeds 7 disks
  - ✓ Leading-edge nearline currently at 8 to 10 disks per drive
- ~85% of storage industry needs (in Exabytes) served by HDD over SSD
  - ✓ 7-to-1 advantage in cost per bit persists
- Industry currently running at historically high utilization
  - ✓ Effectively “maxed out” of ~1B in annual disk capacity

**We are well positioned to take advantage of these trends**







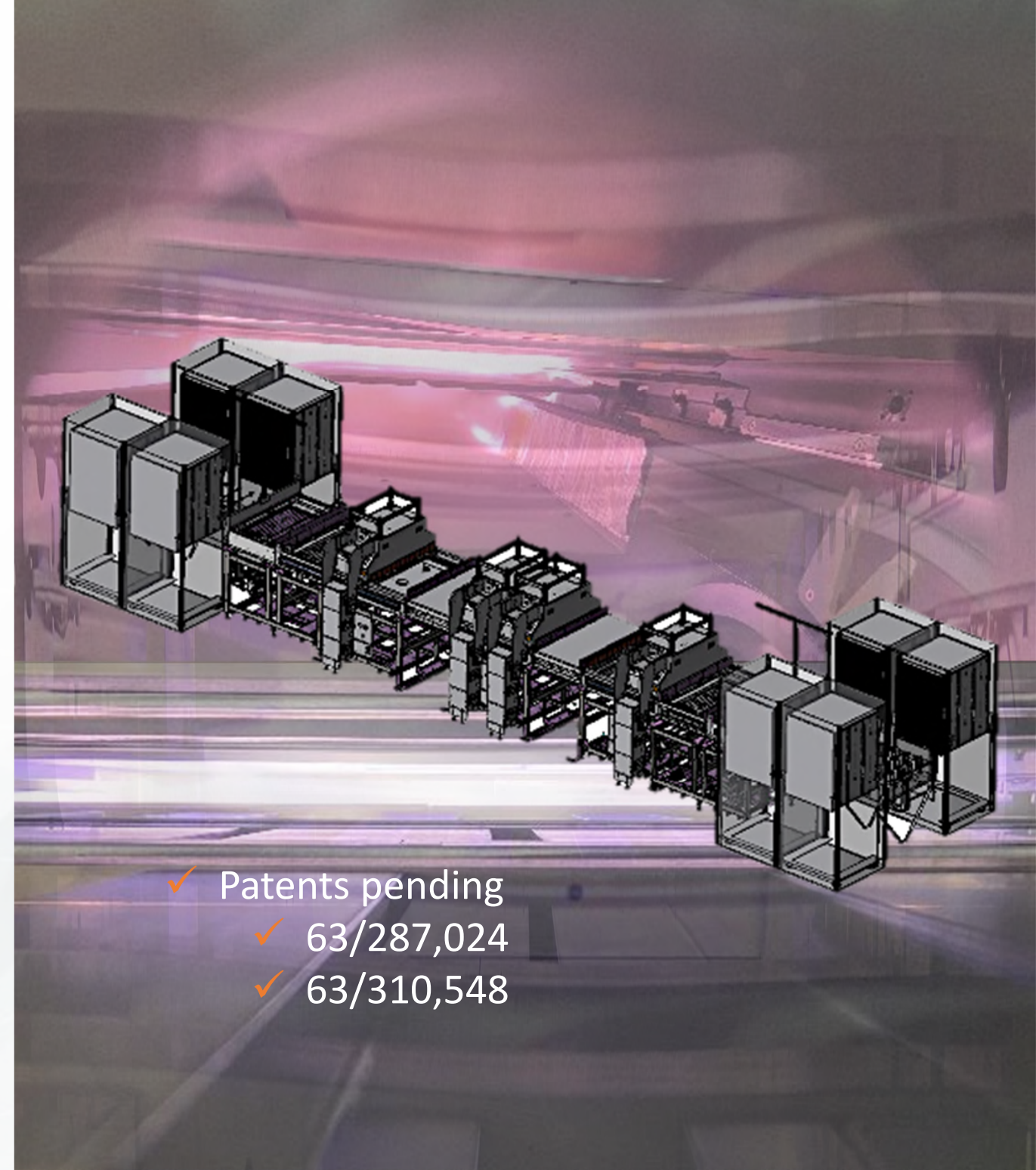
# ENABLING THE FUTURE

## All New Product : TRIO

Intevac has developed TRIO equipment that enables:

### Scratch resistant Anti Reflective Coating (“ARC”)

- ✓ Leveraging technology from HDD experience
- ✓ Utilizing Intevac Ballistic Coating (“IBC”) technology
- ✓ Patents pending
- ✓ Cost-effective modular design
- ✓ Focused on attractive markets
- ✓ Enabling the next evolution of glass



- ✓ Patents pending
  - ✓ 63/287,024
  - ✓ 63/310,548



# ENABLING THE FUTURE

## All New Product : Intevac Hard ARC Coating “IBC”

PROBLEM to solve:

- ✓ Industrial Anti-Reflective Coatings scratch easily
- ✓ Optical effect magnifies evident scratches

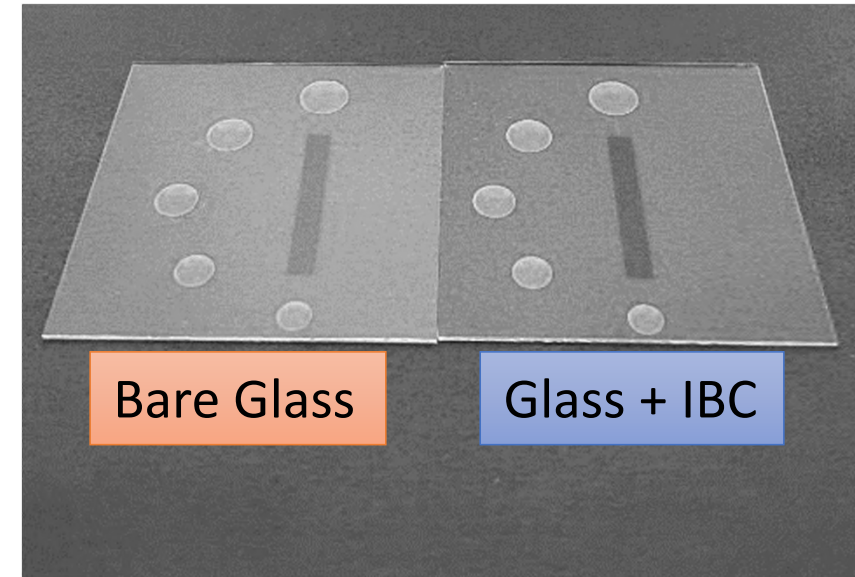
WHY Intevac Hard ARC “IBC”:

- ✓ Engineered high-hardness stack seamlessly connected to ARC layers
- ✓ Simple materials highly compatible with oleophobic coating
- ✓ Optimized for economical production on TRIO platform
- ✓ Customer samples validated on TRIO test bed

## Optical Test

### >%T vs. visible spectrum

- ✓ Enhanced optical transmission – enabling power benefits



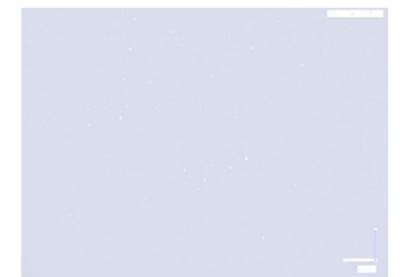
## Scratch Resistance Test



Bare Glass




Latest Glass



Glass + IBC




# STRONG FOUNDATION & VISIBILITY FOR GROWTH



## Industry Leader with \$87M Backlog <sup>(1)</sup>

**Strong Visibility**

- 2022 Guidance<sup>(2)</sup> of \$35M in revenue and gross margin in ~high 30%
- Backlog supporting \$65M-\$70M revenue outlook<sup>(2)</sup> for 2023
- Recent ~\$70M in 200 Lean system orders to begin shipping Q3 2023



## Strong Financial Footing

**Maintaining Strong Balance Sheet**

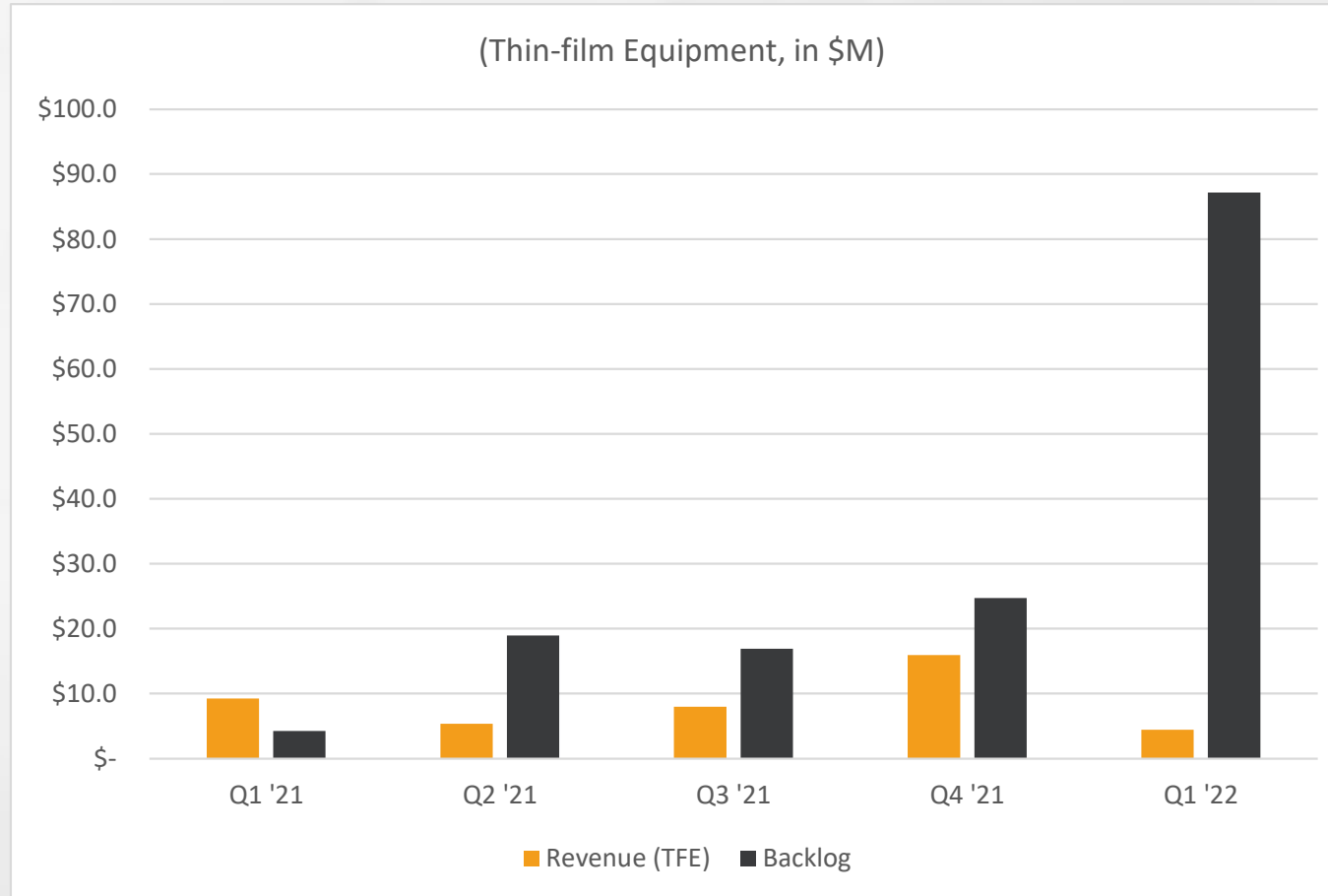
- \$117M Cash<sup>(1)</sup> (\$4.71 per Share)
- No Debt
- While making focused / increment investments for growth
- Expect year-end 2022 cash balance of at least \$115M<sup>(2)</sup>

*(1) As of April 2, 2022.*

*(2) Outlook as of May 9, 2022 earnings call.*

# FINANCIAL SUMMARY

## Revenue and Backlog



**Restructuring process underway**

### Q1 2022

Revenue	\$4.4M
Gross Margin <sup>(1)</sup>	32%
Order Backlog	\$87M
Total Cash	\$117M
Tangible Book Value	\$126M

### Fiscal 2021

Revenue	\$38.5M
Cash	\$121M
Order Backlog	\$25M

### Q2 2022 Guidance

Revenue	\$8.0M to \$8.5M
Gross Margin	45%
Operating Expenses	\$6.7M to \$7.0M

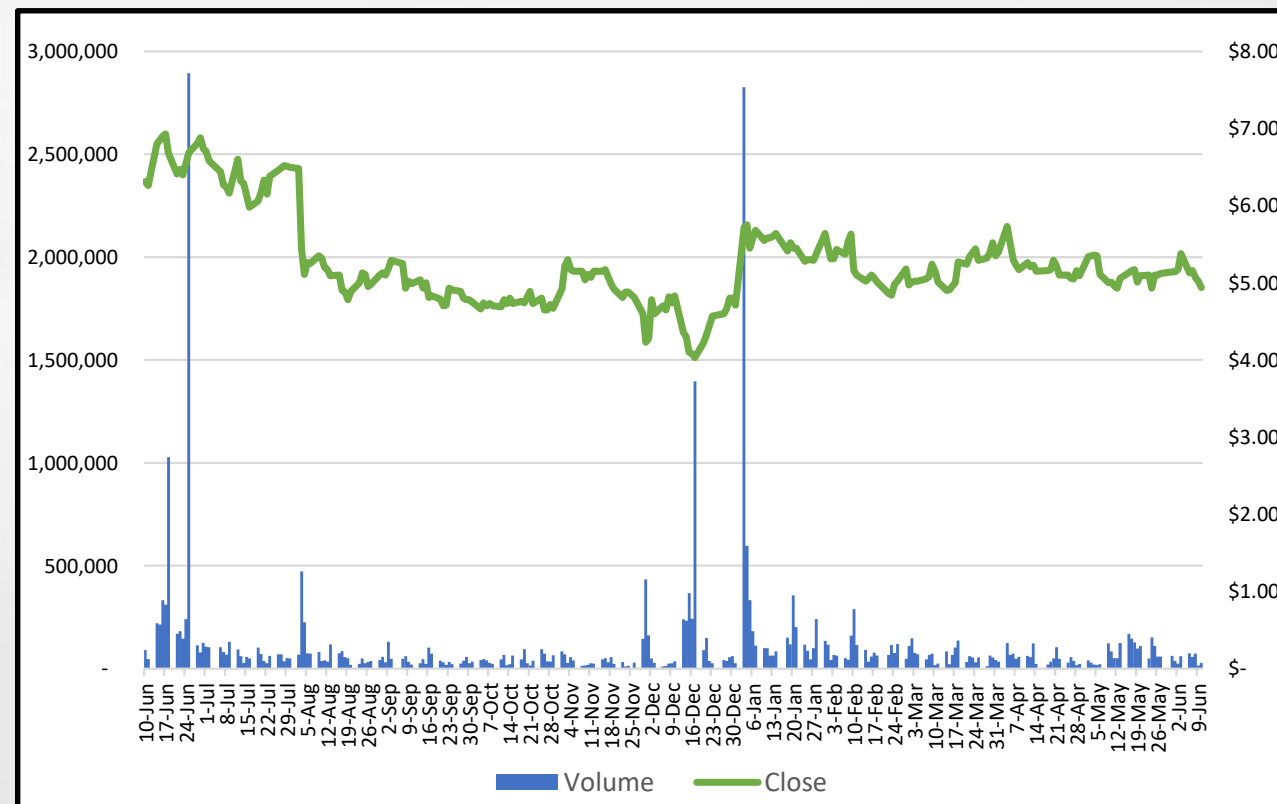
*(1) Non-GAAP gross margin, excluding inventory reserves.*

# CAPITAL STRUCTURE

Analyst Coverage | Ticker Symbol / Market



## Share Performance



## Share Structure <sup>(1)</sup>

Common Shares Outstanding	24.9M
Dilutive Securities – Options & RSUs	0.4M
Fully-Diluted Shares Outstanding	25.3M
Share Price	\$4.94
Market Capitalization	\$125M
Total Cash & Investments	\$117M
Debt	\$0M
Deemed Enterprise Value	\$8M

(1) Common shares outstanding as of April 2, 2022. Share Price at June 10, 2022. Total Cash, Restricted Cash, and Investments as of April 2, 2022.

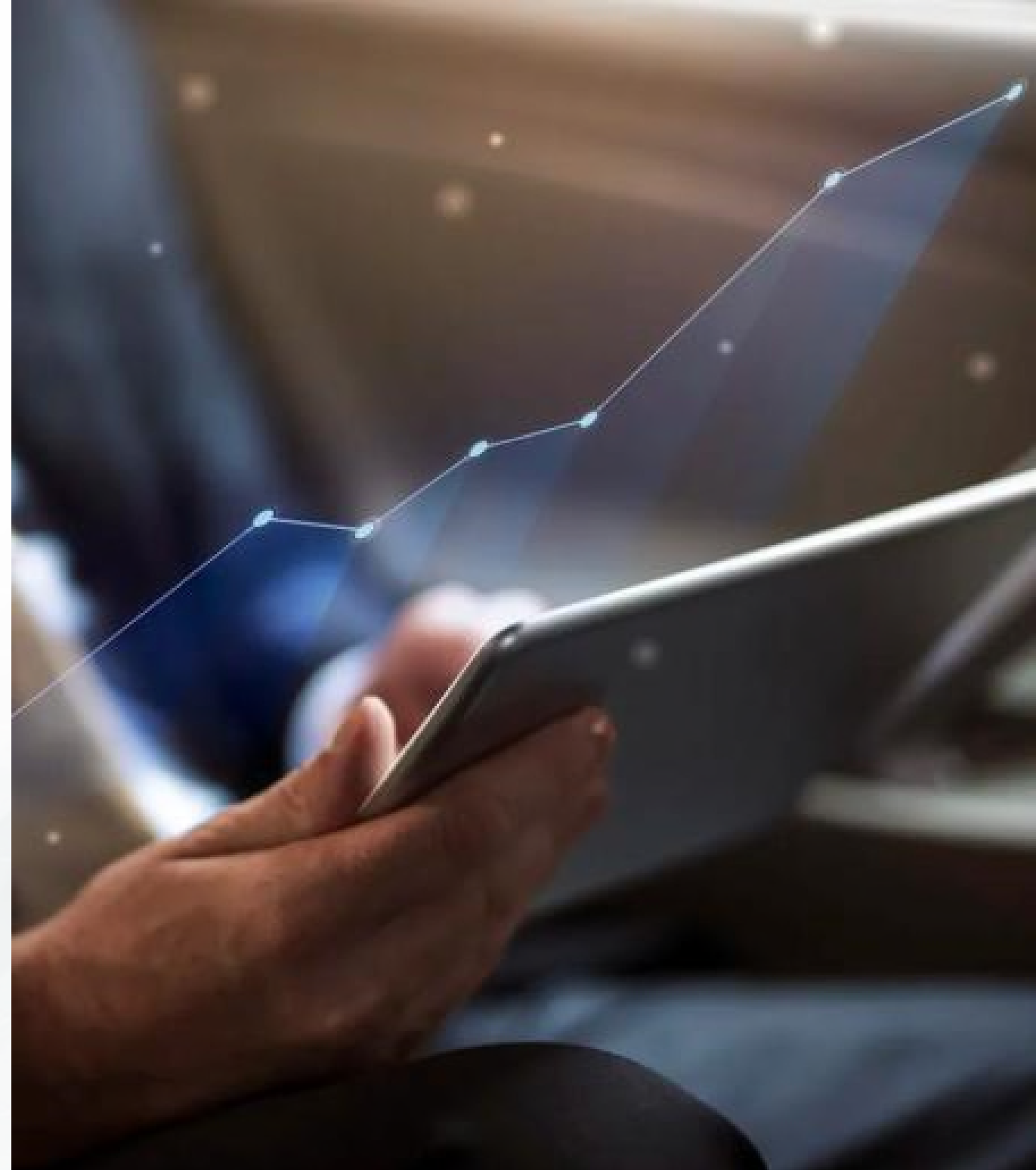




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**THANK YOU**

[Intevac.com](http://Intevac.com) | [NASDAQ \(IVAC\)](https://www.nasdaq.com/markets/ivac) | [ir.Intevac.com](http://ir.Intevac.com)

The logo consists of a vertical bar with a dot above it, and a series of five orange dots to its left, arranged in a slightly curved pattern.

**INTEVAC**