

REVASUM

FY21 Results Presentation

ASX:RVS

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Although Revasum believes that these measures provide useful information about the financial performance of Revasum, they should be considered as supplements to the income statement measures that have been presented in accordance with the Australia Accounting Standards and IFRS and not as a replacement for them.

Financial Data

All dollar values are in US dollars (US\$) unless otherwise presented.

AT A GLANCE

COMPANY OVERVIEW

80+

Patents for CMP,
Grind & Polish

600+

Worldwide Active
Tool Install Base

100%

R&D and Manufacturing
In the US

US\$13.7M

FY21 Total Revenue

70+

Employees

SiC

Experts in SiC Processing

STOCK SNAPSHOT*

ASX:RVS

Stock Ticker

A\$91.6M

Market Capitalization



A\$0.90

Stock Price 25 February '22

HIGHLIGHTS

US\$8.6M

Total Confirmed
Sales Order Backlog
As of 25 February 2022

35.3%

Gross Margin improvement
(+3.5% margin YoY)

6EZ

PO Received for 2 x 6EZs
First Unit Shipped,
Installed & Accepted

US\$4.3M

Cash on balance sheet
further supported by
growth capital facility

US\$25M-US\$35M

Forecast FY22
Total Revenue
80% - 155% y/o/y Increase

REVASUM

FULLY-AUTOMATED SINGLE-WAFER GRINDING & POLISHING SOLUTIONS FOR SILICON CARBIDE

Revasum **designs and manufactures capital equipment** for substrate conditioning and device manufacturing in the global semiconductor industry with a strategic focus on the **Silicon Carbide (SiC) Market** and wafer sizes $\leq 200\text{mm}$. The Company's manufacturing and R&D is based in San Luis Obispo, California, USA.



FY21 Financial Results

REVΛSUM

DIVERSIFICATION OF REVENUE, MARGIN GROWTH AND STRONG 2H EARNINGS MOMENTUM

US\$M	FY21	FY20	YOY CHANGE
Sales	13.7	15.2	(1.5)
Cost of Goods Sold	(8.9)	(10.5)	1.6
Gross Profit	4.8	4.9	(0.1)
Gross Margin	35.3%	31.8%	+3.5%
Operating Expenses	(10.0)	(13.8)	3.8
Operating Loss	(5.2)	(8.9)	3.7
EBITDA	(3.2)	(7.4)	4.2

Key Metrics	FY21	FY20
Other Revenue % of Total Revenue	45%	36%
Sales Order Backlog	US\$8.6M ¹	US\$0.9M
Customer Deposits	US\$2.0M	US\$0.1M
Closing Cash Balance	US\$4.3M	US\$1.4M

Revenue

Total revenue of US\$13.7 million (FY20: US\$15.4 million), reflecting the impact on equipment revenue from pandemic-related supply chain disruptions across the semiconductor industry.

Offsetting the decline in equipment revenue was an increase in recurring revenues, with spare parts, consumables, and service revenue up 13% to US\$6.2 million (FY20: US\$5.5 million), now representing 45% of total revenue (FY20: 36%).

Gross Margin & EBITDA

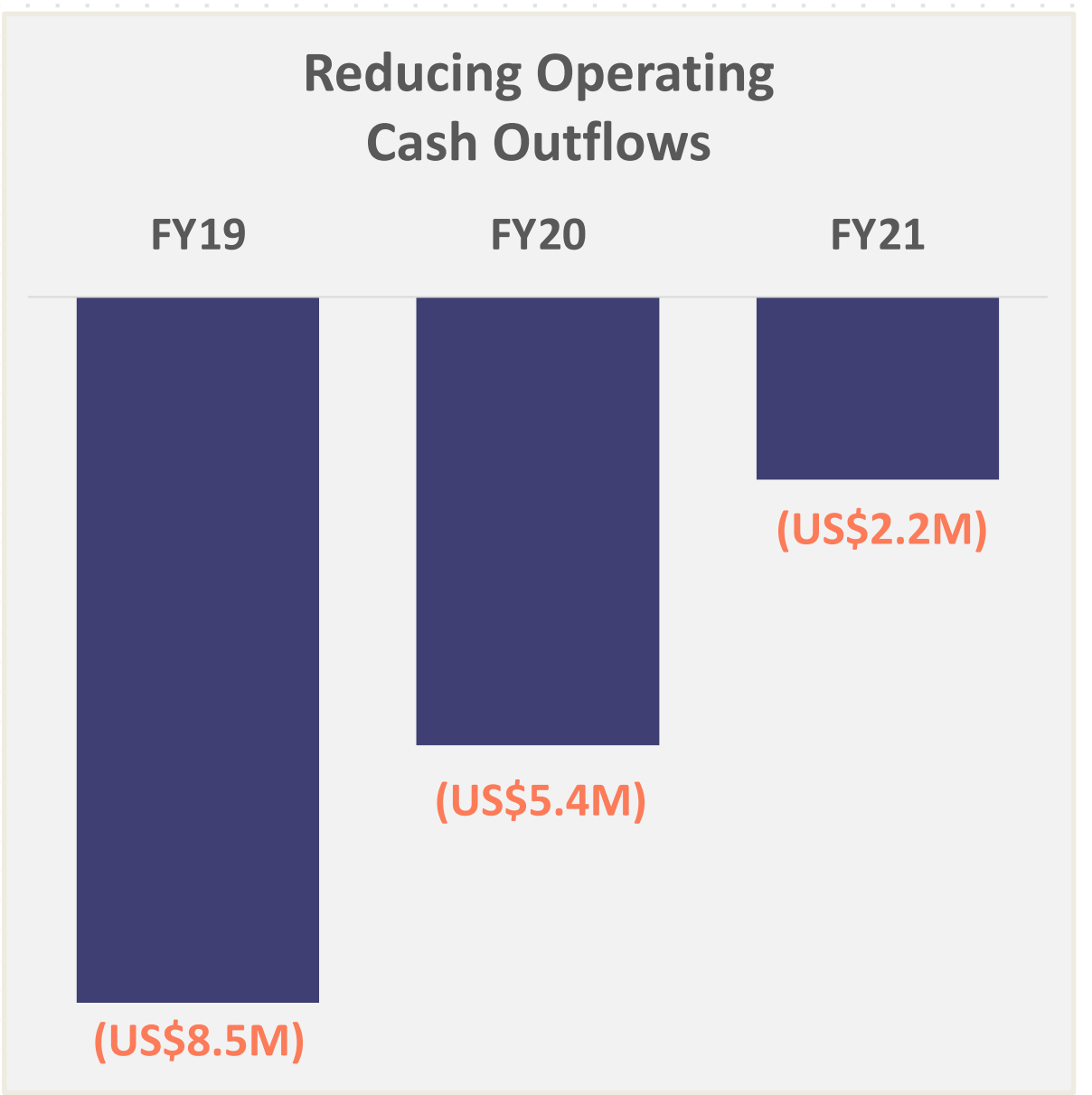
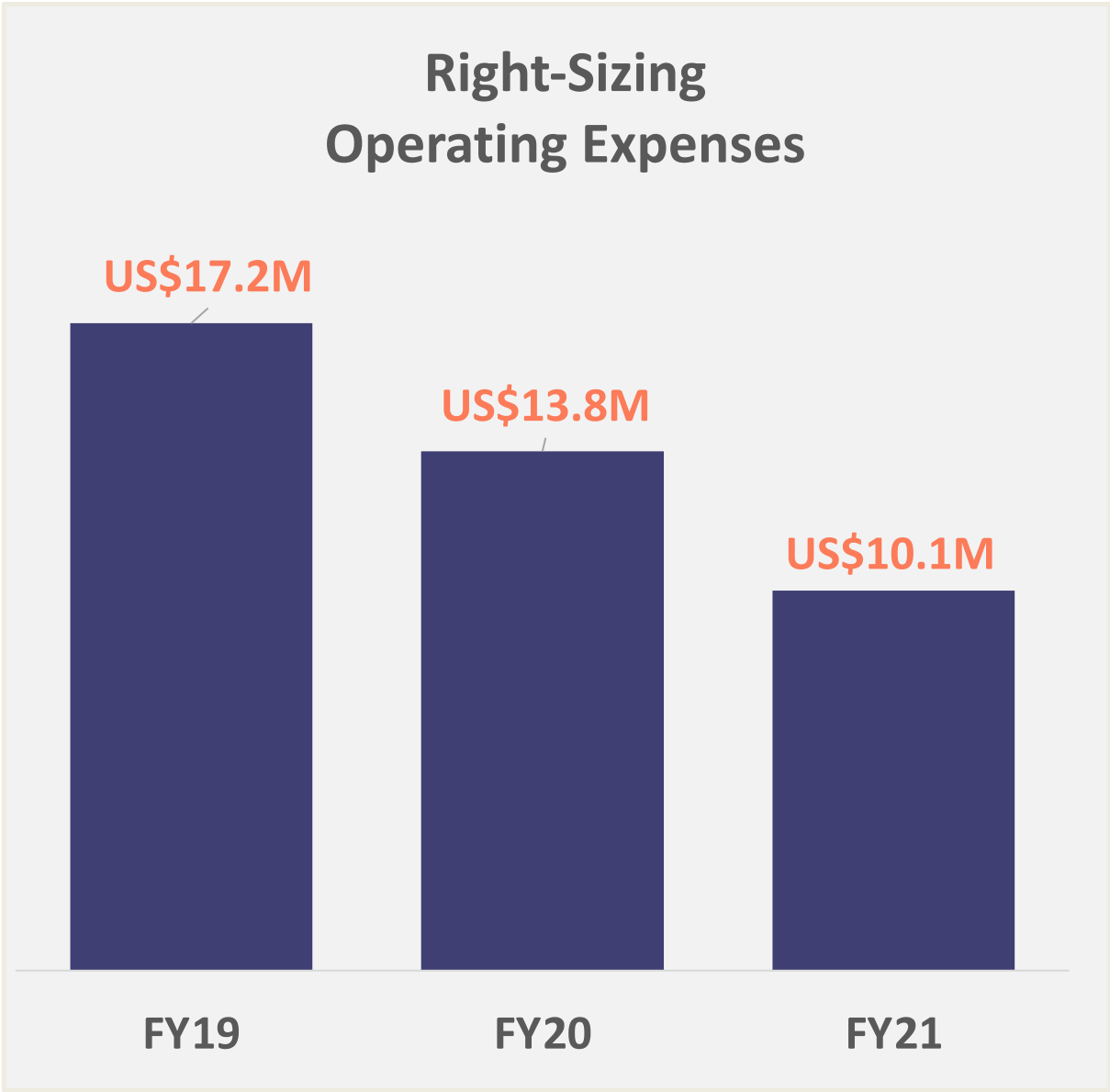
Gross margin improved for the second consecutive year in FY21 to 35.3% (FY20: 31.8%, FY19: 11.2%) through a series of initiatives including a review of list prices across all product lines, a focus on increasing operating efficiencies and a higher margin product mix. Gross margin growth contributed to improved EBITDA, with FY21 EBITDA loss of US\$3.2 million (FY20: US\$7.4 million loss), a 57% improvement YOY.

Revenue Momentum

Revenue momentum increased in H2 FY21, with revenue of US\$9.1 million representing 66% of FY21 total revenue, underpinned by an increasing sales order backlog of US\$8.6 million (as of 25 February 2022). The growing sales order backlog is a key lead indicator for continued revenue momentum.

POISED FOR SUSTAINABLE GROWTH

- Improved operating efficiencies combined with list price reviews driving gross margin improvement for second consecutive year
- Operating expense reduced post cost management initiatives implemented in FY20/FY21, with operating expenses reaching more appropriate level representing 74% of FY21 revenue vs 84% of revenue in FY19
- Operating cash outflows reduced, with outflows in FY21 relating to building inventory to support increases customer demand and manage supply chain challenges



BALANCE SHEET & CAPITAL STRUCTURE WELL-POSITIONED TO SUPPORT GROWTH STRATEGY

US\$M	2 Jan 2022	3 Jan 2021
Cash	4.3	1.4
Trade and other receivables	1.8	2.7
Inventories	7.5	6.8
Right-of-use asset	1.2	2.0
Intangible assets	3.0	3.8
Property, plant & equipment	2.8	3.1
Other assets	1.9	0.4
Total assets	22.5	20.2
Trade and other payables	2.5	2.2
Customer deposits	2.1	0.1
Lease liabilities	1.4	2.1
Borrowings	-	3.2
Other liabilities	0.7	0.7
Total liabilities	6.7	8.2
Net assets	15.8	12.0

Commentary

Strong balance sheet with cash of US\$4.3 million and no debt outstanding as of 2 January 2022.

PPP loans of US\$3.4 million fully forgiven and Bridge Bank loan fully repaid during FY21.

Increase in other assets a result of deposits paid on inventories to minimize impact of FY22 supply chain challenges.

Customer deposits up US\$2.0 million from FY20 to US\$2.1 million – a reflection of the strong equipment order backlog for FY22.

Completed a successful entitlement offer in Q1 of A\$7.9 million (US\$6.1 million), of which RVS' two major shareholders, Firsthand Venture Investors and Perennial, took up their full entitlements.

In Q1 2022, RVS established a US\$8.0 million growth capital facility with SQN Venture Partners to support future product development and working capital requirements.

IMPROVED CASH FLOW PROFILE

US\$M	FY21	FY20
Receipts from customers	16.7	12.3
Payments to suppliers & employees	(18.9)	(17.7)
Interest & taxes paid - net	-	(0.1)
Net operating cash flow	(2.2)	(5.5)
Payments of PPE	(0.2)	(0.1)
Payments for cap. dev. costs	-	(0.4)
Net investing cash flow	(0.2)	(0.5)
Change in borrowings	0.2	1.3
Proceeds from equity capital raise	5.7	-
Other financing cash flows	(0.6)	(0.8)
Net financing cash flow	5.3	0.5
Net change in cash	2.9	(5.5)
Cash, ending balance	4.3	1.4
Free cash flows	(2.4)	(6.0)

Commentary

Free cash outflows reduced to US\$2.4 million (FY20: US\$6.0 million), a 60% improvement YOY.

Receipts from customers increased 36% YOY to US\$16.7 million, a reflection of increased demands across Revasum's product lines and the growing sales order backlog.

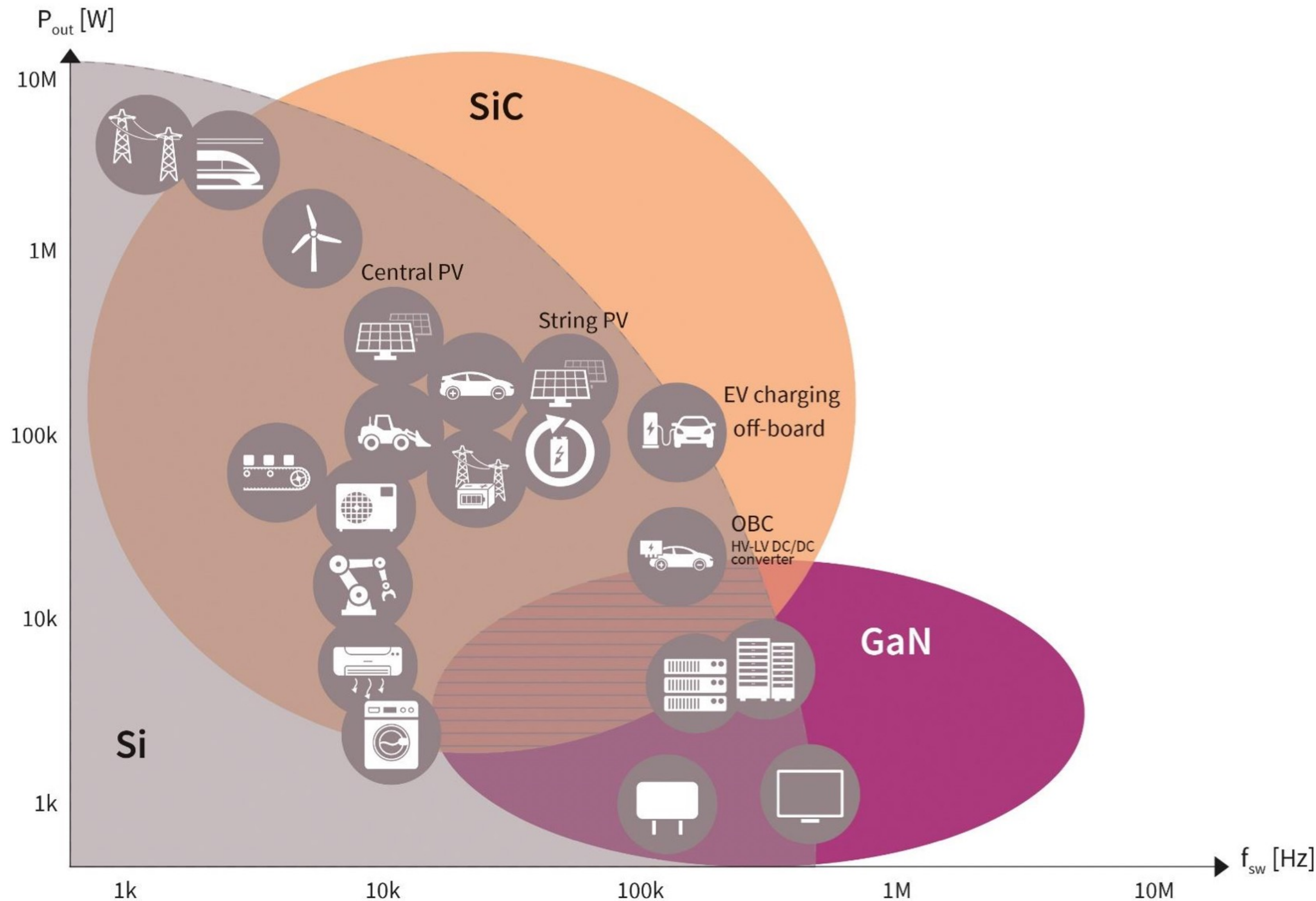
Payments to suppliers & employees increased by 7% YOY as the Company builds its inventory to manage supply chain constraints being experienced across the industry.

RVS expects a more consistent and improved operating cash flow profile in FY22 and believes the Company will be free cash flow positive in 2H22.

Industry Update & Outlook

REVASUM

COMPARISON OF Si, SiC & GaN TECHNOLOGIES



Silicon (Si)

- Si remains the mainstream technology
- Targeting 25V – 6.5kV
- Suitable from low to high power

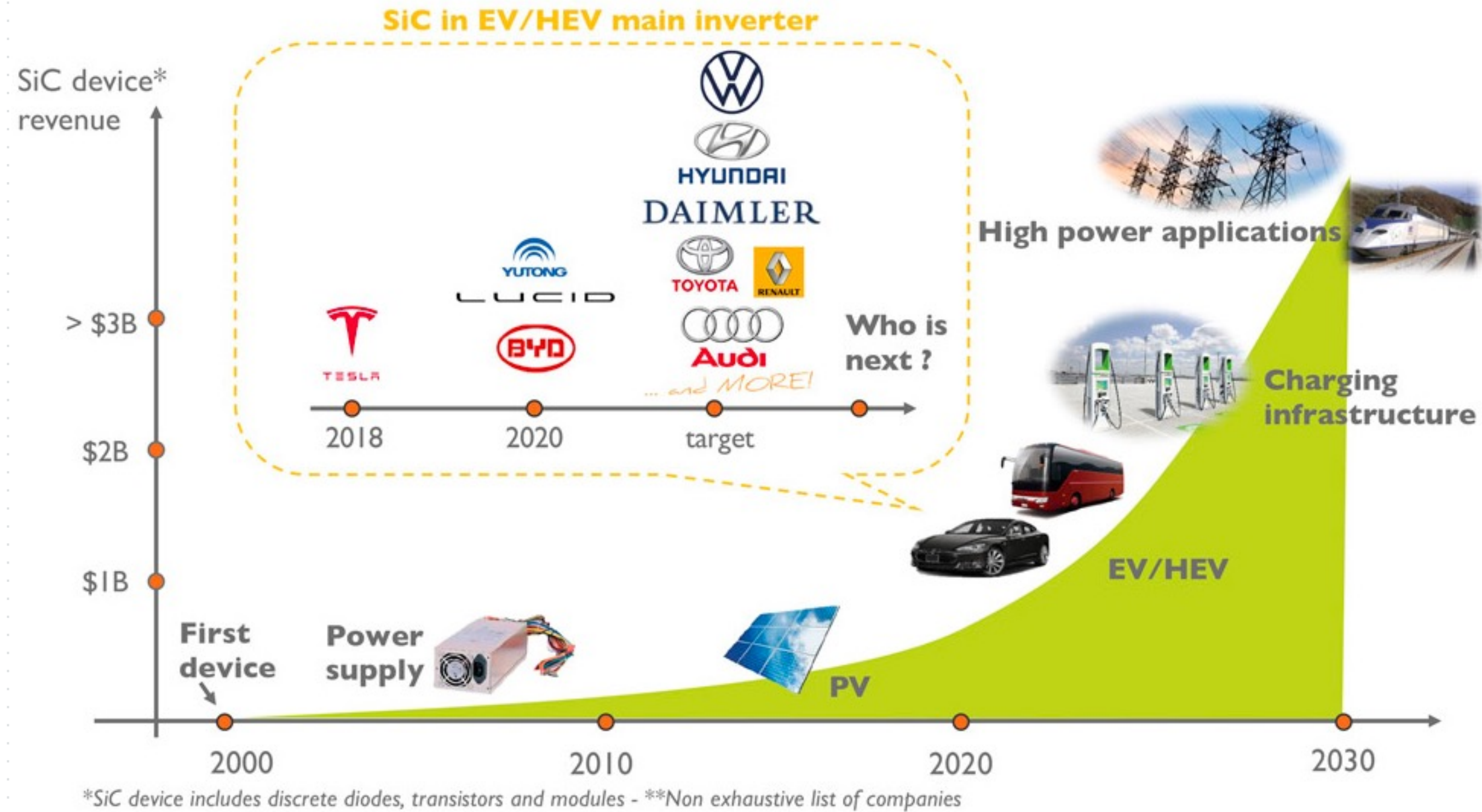
Silicon Carbide (SiC)

- SiC complements Si for many applications and enables new solutions
- Targeting 650V – 3.3kV
- High-power high switching frequency

Gallium Nitride (GaN)

- GaN enables new horizons in power supply applications
- Targeting 800V – 600V
- Medium-power highest switching frequency

ROADMAP FOR POWER SiC DEVICES



Electrification of Vehicles is the strongest contributor to SiC market growth

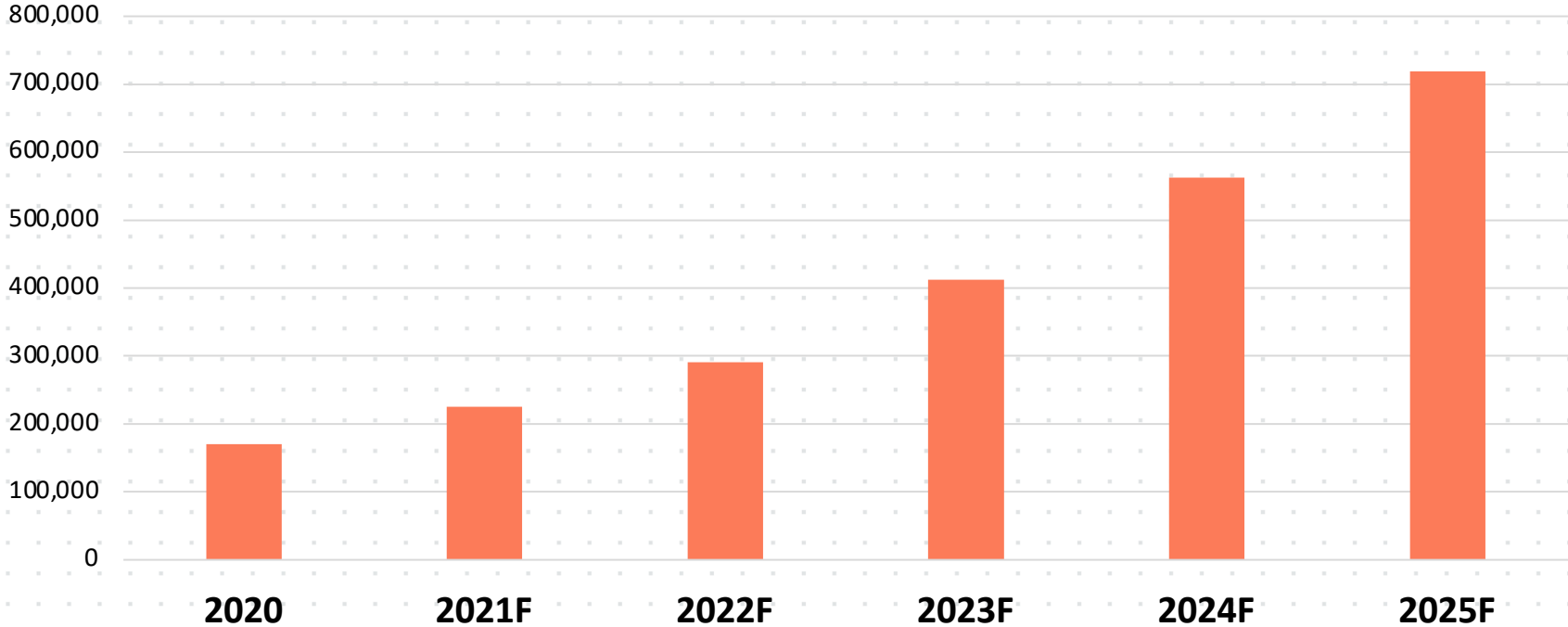
SiC is the technology of choice for fast charging both on & off the vehicle:

- SiC creates lower-cost, energy-efficient fast chargers
- High power conversion capabilities
- Faster switching speeds
- Improved thermal performance
- Reduces the size of battery needed

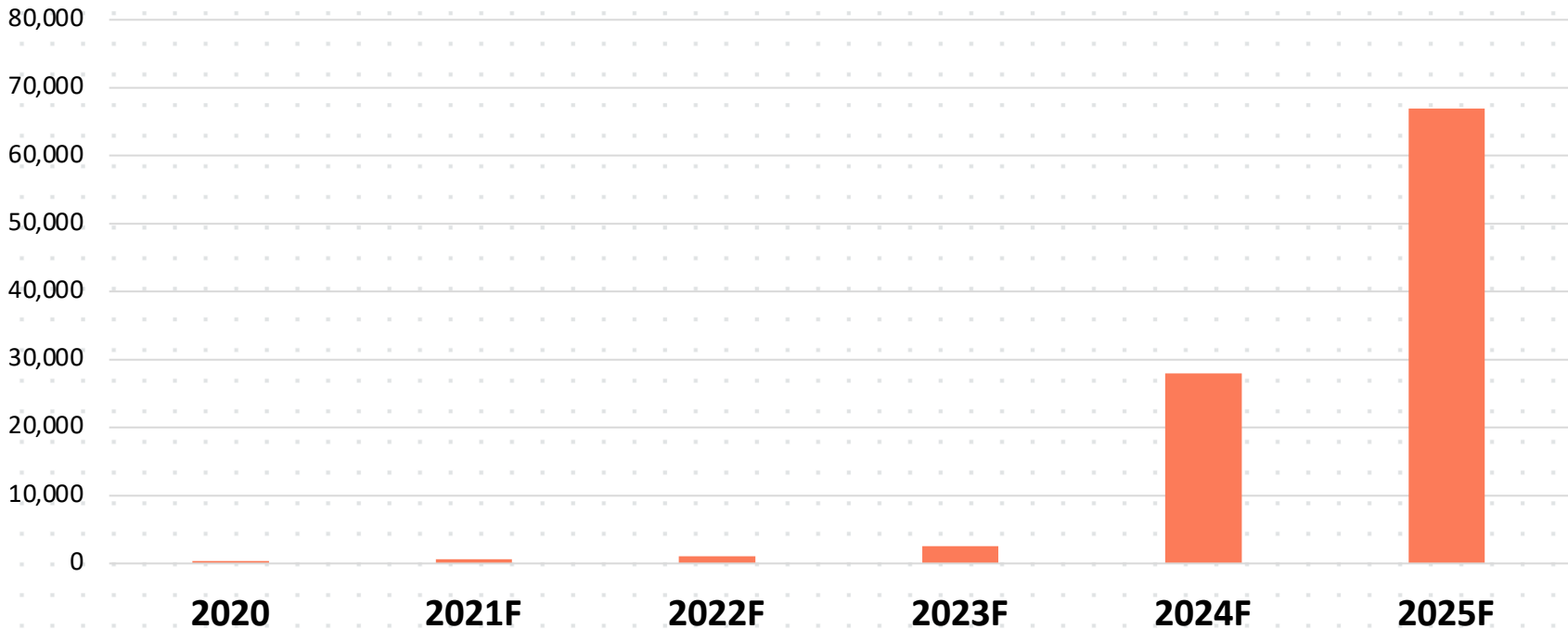
GROWING SiC WAFER VOLUME DRIVING DEMAND

- Increased SiC wafer volume directly drives demand for SiC Wafer Fab Equipment
- Most industry participants have made the move to 6-inch SiC wafers with the volume growing rapidly, with a CAGR of 33% between 2020 and forecast for 2025
- We are seeing some industry participants, including Wolfspeed and ST Microelectronics, start to make the move to 8-inch SiC wafers
- A CAGR of 183% is anticipated in 8-inch wafer volume between 2020 and forecast for 2025
- The move to 8-inch wafers is necessary to reduce the overall cost of SiC wafers
- Both the Revasum 7AF-HMG Grinder and the 6EZ Polisher are configurable for 6-inch and 8-inch SiC wafers, with customers able to easily switch between the two configurations

6 Inch N-Type SiC Wafer Size Volume for Power SiC Applications



8 Inch N-Type SiC Wafer Size Volume for Power SiC Applications



GROWTH STRATEGY: ADDRESSING HIGH-GROWTH MARKET TRENDS

MAINTAIN POSITION AS A MARKET LEADER FOR SiC SINGLE-WAFER PROCESSING SOLUTIONS

COMMITTED TO HARNESSING OUR EXTENSIVE DESIGN AND ENGINEERING EXPERTISE TO DEVELOP CUTTING EDGE TECHNOLOGY THAT MEETS OUR CLIENTS' NEEDS

WORKING CLOSELY WITH STRATEGIC CUSTOMERS AND INDUSTRY LEADING CONSUMABLES MANUFACTURERS ON PROCESS DEVELOPMENT TO CONTINUOUSLY OPTIMIZE PROCESS RESULTS

POSITION RVS FOR LONG-TERM SUSTAINABLE GROWTH

STRATEGIC FOCUS ON GROWING RECURRING REVENUE STREAMS

DISCIPLINED COST & PRICE MANAGEMENT INITIATIVES EMBEDDED SUPPORTING INCREASED AND SUSTAINABLE GROSS MARGIN LEVEL (35.3% FY21)

FOCUSED ON SUPPLY CHAIN MANAGEMENT TO IMPROVE CASH OUTFLOWS

CAPTURE THE EQUIPMENT DEMAND DRIVEN BY HIGH-GROWTH END MARKET TRENDS

PARTNERING WITH LEADING CONTRACT MANUFACTURER BASED IN THE US TO ENSURE WE CAN MEET DEMAND OVER THE COMING YEARS

STRATEGIC HIRING PROGRAM TO EXPAND OUR ENGINEERING AND RESEARCH CAPABILITIES

ONGOING INNOVATION TO DEVELOP CUTTING-EDGE TECHNOLOGY

Core to our growth strategy is retaining our position as a market leader of advanced SiC wafer processing technology.



6EZ
Silicon Carbide Polisher

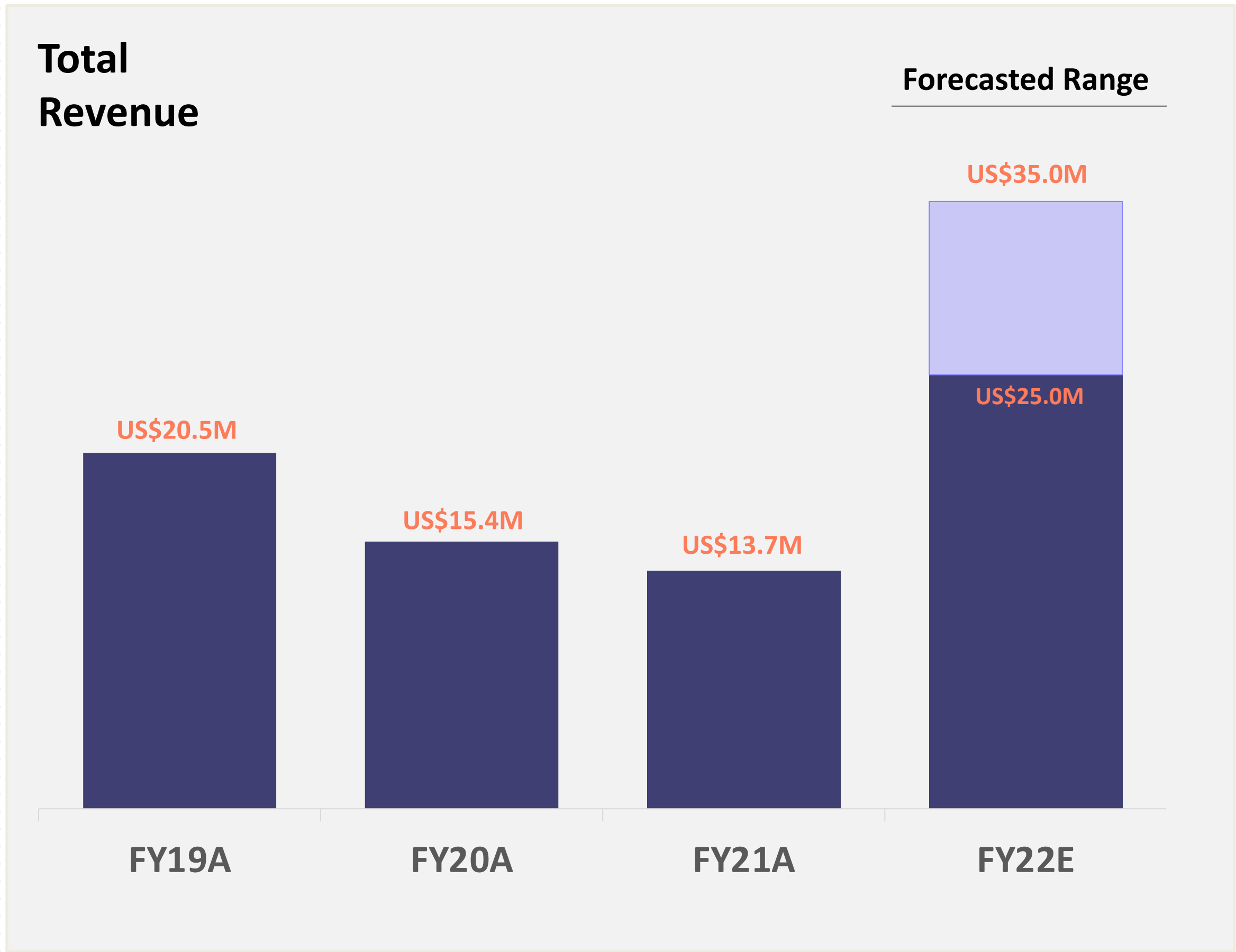
- Patent pending with USPTO for a new patent surrounding our proprietary pad cooling technology – key to minimizing defects during the CMP process for SiC
- Releasing next generation SiC polisher designed for high-volume production in Q123, next generation will include a multi-chamber brush cleaning module to increase throughput and improve clean
- Ongoing process development alongside strategic customers and industry leading consumables providers to continually optimize the process results



7AF-HMG
Silicon Carbide Grinder

- Shipped the first SMIF compatible 7AF-HMG during FY21 – this configuration is necessary in fully-automated factories, and Revasum is seeing more customers move to full factory automation.
- Revasum has now achieved incredible process results using both the 7AF-HMG and 6EZ, with post-polish roughness of $<1\text{\AA}$ ($<0.1\text{nm}$) on the Si-Face and $<2\text{\AA}$ on the C-Face, and total thickness variation (TTV) of $<1\mu\text{m}$.
- MOU signed with industry leading consumables manufacturer for the Joint Development of SiC Grind Wheels for use on the 7AF-HMG

FORECASTING SIGNIFICANT REVENUE GROWTH IN FY22



Total Revenue of US\$13.7M for FY21

Forecasted Total Revenue of US\$25.0M – US\$35.0M for FY22

80%-155% y/o/y Increase In Total Revenue from FY21 – FY22

Confirmed Customer Purchase Orders of US\$8.6M as of February 25, 2021

Over FY22 and FY23 we anticipate shipping 40 - 50 tools based on forecasted customer demand, across all product lines.

Revasum has partnered with a leading contract manufacturer based in the US to ensure we can meet demand over the coming years.

Q&A

REVASUM

REVASUM

A GLOBAL LEADER IN SILICON CARBIDE SINGLE-WAFER
PROCESSING EQUIPMENT