

A white industrial robotic arm is shown in a factory setting, positioned over a clear plastic mold. The arm has various cables (blue, black, white) connected to it. The background is blurred, showing industrial lights and structures.

SONO•TEK

Annual Meeting
of Shareholders

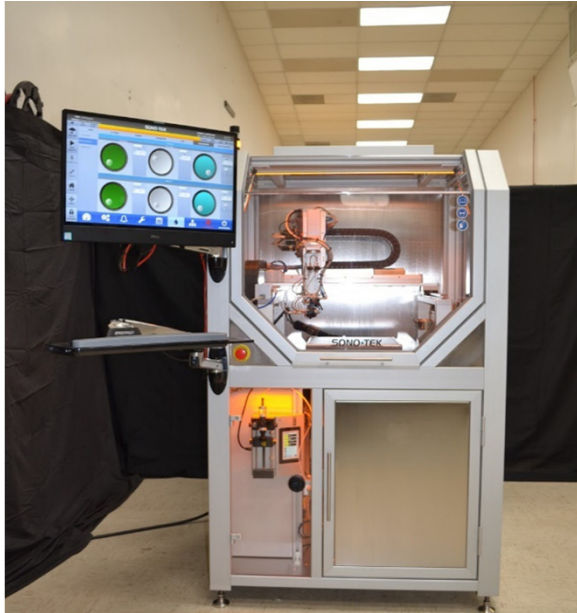
August 20, 2020

Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties, and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such statements, including delivery of profitable, dynamic growth, growth opportunities for ultrasonic spray technology, retaining and expanding industry leadership and customer base, continuing product diversity, maintaining technological advantage of the Company's nozzles over those of competitors, including faster return on investment compared to conventional spray systems, enhancing global distribution network, launching successful food industry initiative, establishing market niche for recently developed products, market reception of new spray innovations, ability to increase sales of larger machines with longer delivery times, maintaining strong net cash position, achieving EBITDA projections, probable negative effects of the Coronavirus on the Company's operations, and other factors. Accordingly, although the Company believes that the expectations reflected in such forward-looking statement are reasonable, there can be no assurance that such expectations will prove to be correct. The Company has no obligation to update the forward-looking information contained in this presentation.

Board Member Sam Schwartz: In Our Hearts
September 21, 1919 - July 17, 2020



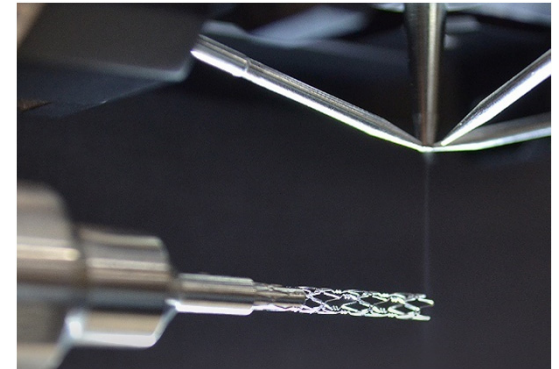
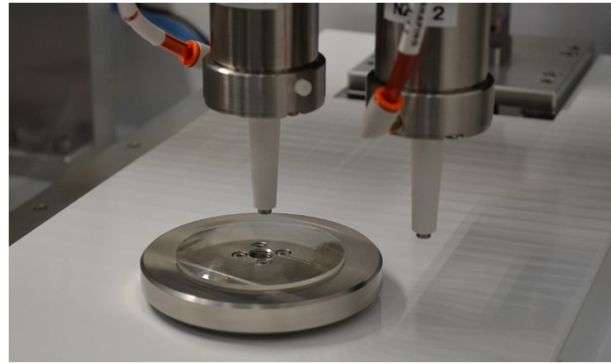
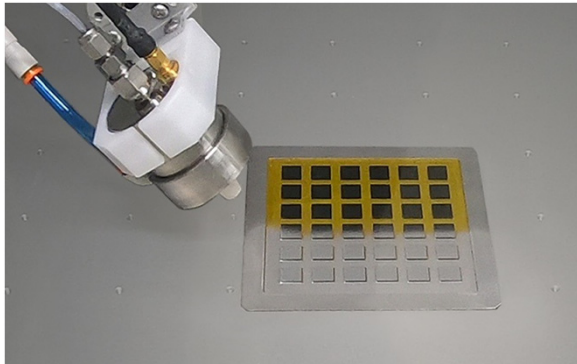


SONO•TEK Corporation

Annual Meeting of Shareholders

August 20, 2020

Dr. Chris Coccio, *CEO*



OTCQX: SOTK

Welcome Shareholders

BOARD MEMBERS	ROLE	DIRECTOR SINCE
Dr. Chris Coccio	Chairman	1998
Steve Harshbarger	Director	2013
Eric Haskell, CPA	Independent Director	2009
Dr. Donald Mowbray	Independent Director*	2003
Dr. Joseph Riemer	Independent Director	2007
Philip Strasburg, CPA	Independent Director**	2004
Carol O'Donnell	Independent Director	2018

*Chair of Compensation Committee **Chair of Audit Committee

Welcome Shareholders

EXECUTIVE & SENIOR MANAGEMENT



Dr. Chris Coccio
*Chairman and
Chief Executive Officer*



Steve Harshbarger
President



Stephen Bagley
Chief Financial Officer



Robb Engle
*Executive Vice President,
Engineering*



Bennett Bruntl
*Vice President,
Sales & Marketing*



Chris Cichetti
*Vice President,
Applications Engineering*

OFFICIAL BUSINESS MEETING

Overview

FYE - Feb

Sono-Tek Corporation is the world leader in the design and manufacture of ultrasonic coating systems for depositing precise, thin film coatings.

The main industries and applications include:

- *Microelectronics/Electronics*
- *Alternative Energy*
- *Medical*
- *Industrial*
- *Research & Development*



Market Data 8/7/2020

OTCQX - Applied to NASDAQ*	SOTK
Price (8/7/2020)	\$3.10
52 Week Range	\$1.80 - \$3.10
Market Cap	\$47.8 M
Average Daily Trading (30 day)	~3,600
Common Shares Outstanding	15.4 M
Insider Ownership	8%

Cash & Cash Equivalents 2/29/2020 \$7.9 M

* August 11, 2020

OUR MISSION IS TO PROVIDE

- Precision thin film coating equipment solutions
- Outstanding application expertise
- Worldwide application and service support
- Ultrasonic coating solutions for advanced thin film deposition
- Growth and shareholder value

*We are always finding new applications
for our unique technology.*

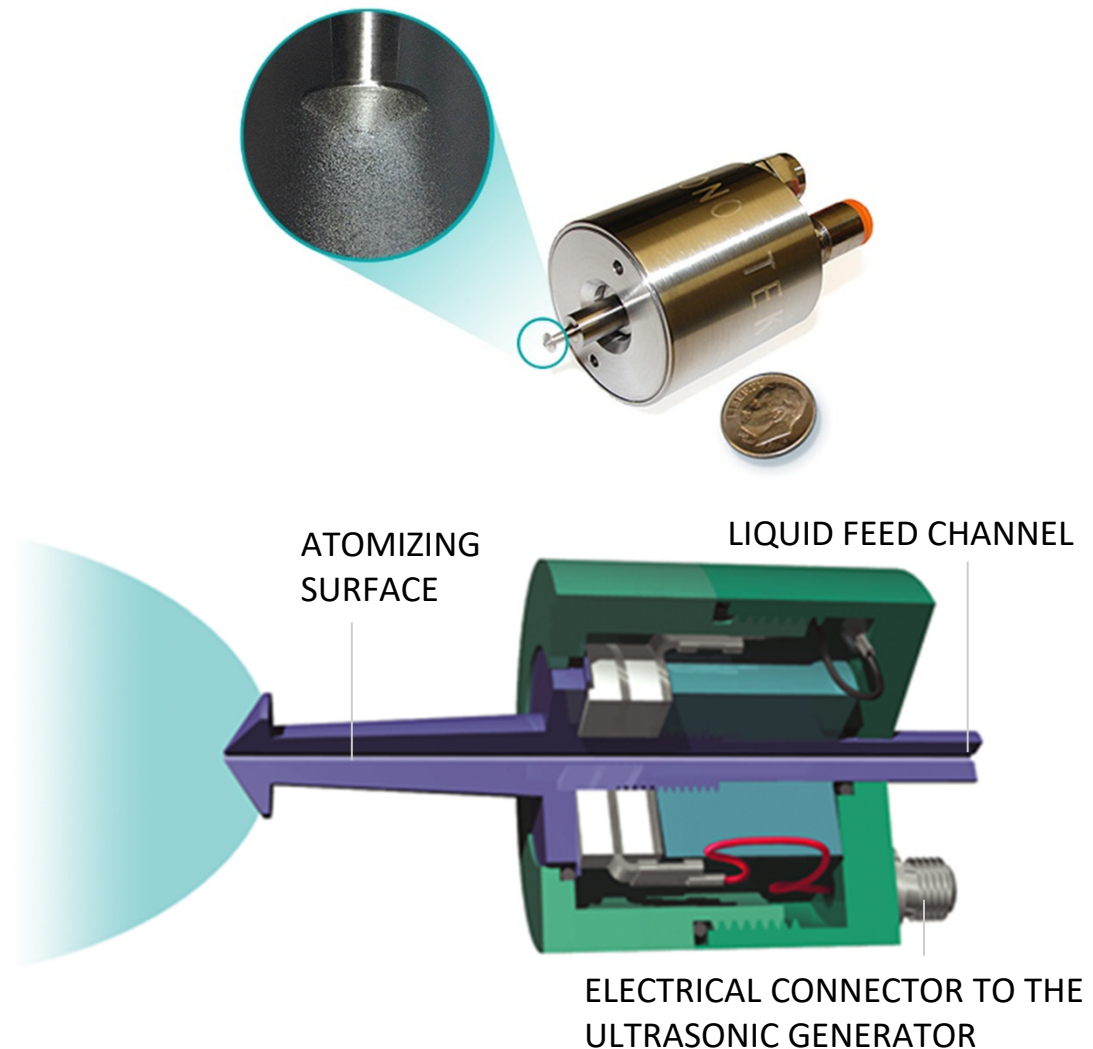
Ultrasonic Coating Technology

OTCQX: **SOTK**

Ultrasonic nozzle systems use high frequency ultrasonic vibrations to atomize liquids into uniform micron-sized drops for a wide variety of surfaces.

Patented Software

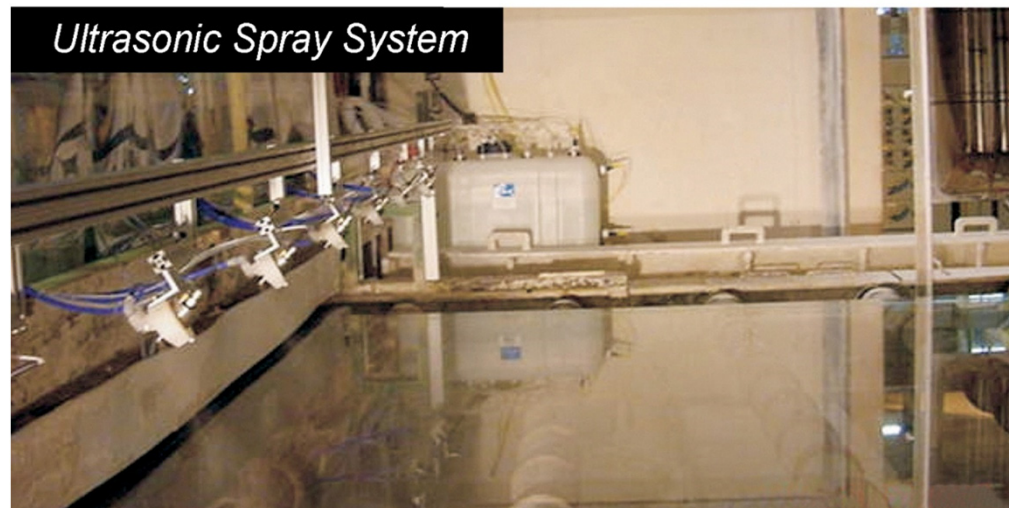
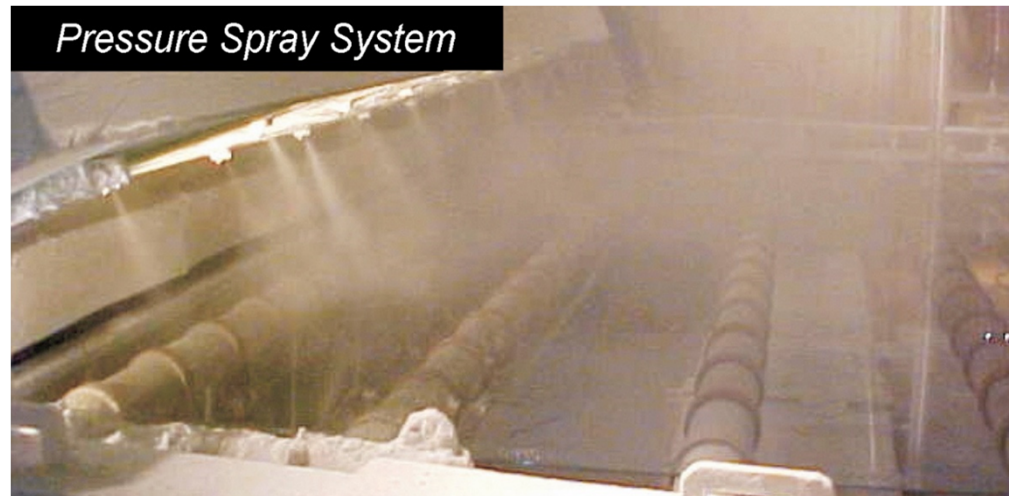
- + *Firmware*
- + *Electronics*
- + *Precision hardware*



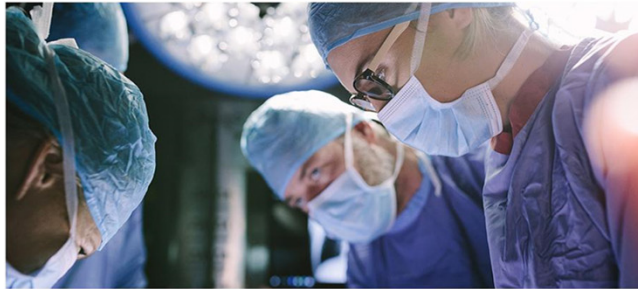
Advantages becoming broadly recognized

More cost-effective and simpler than alternative coating methods:

- Dramatic reductions in overspray with reduced emissions
- Large cost savings
- Improved process repeatability
- High precision coatings



*Technology
for industry
advancements
that create a
better world*



Strong Revenue and Gross Margin

FYE - Feb

Sales Grew

32%

In FY2020

Net Income
\$1.1M

In FY2020

*A Seven-fold Year
Over Year Increase*

Gross Margin

47%

45%

48%

45%

48%

FY2016

FY2017

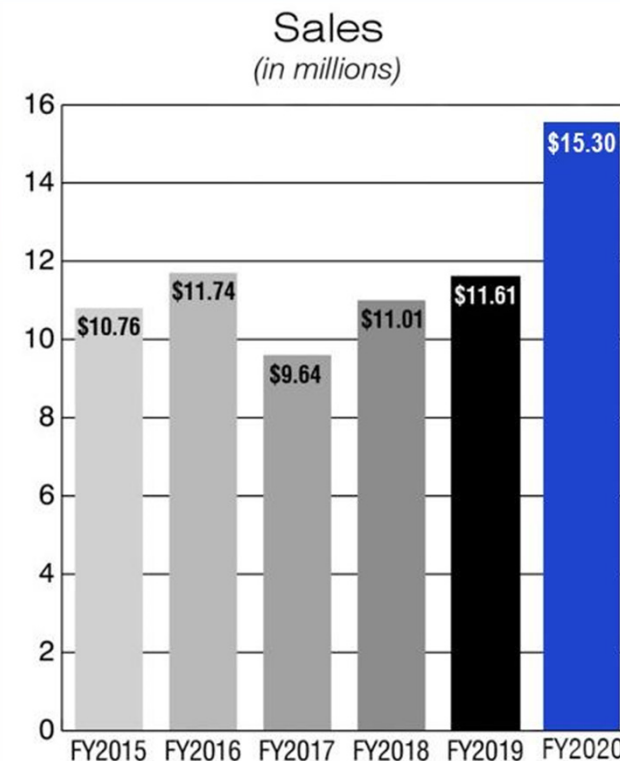
FY2018

FY2019

FY2020

Industry Leading Gross Margins

Excellent Revenues

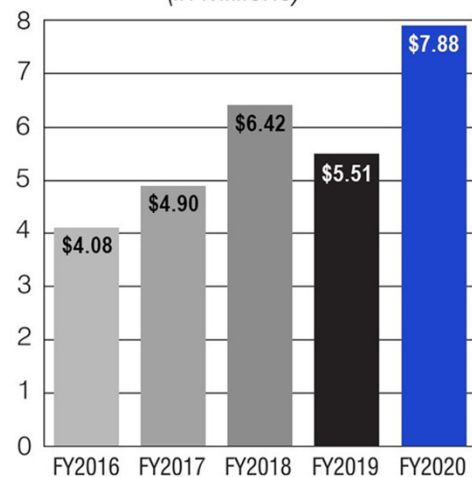


Strong Balance Sheet

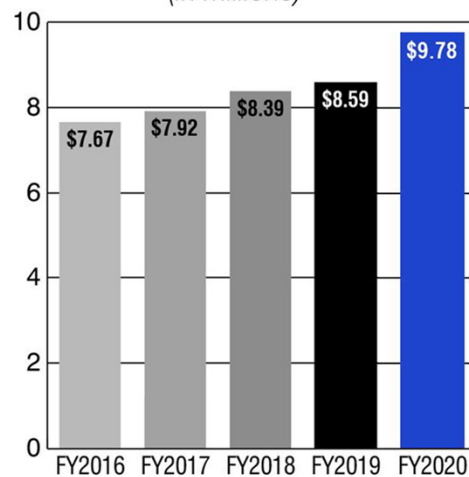
OTCQX: **SOTK**

FYE - Feb

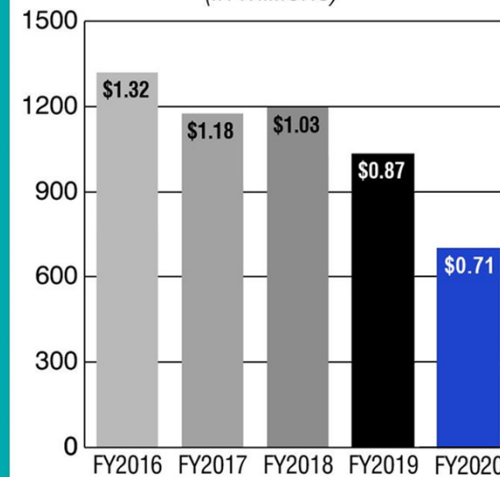
Cash and Cash Equivalents
(in millions)



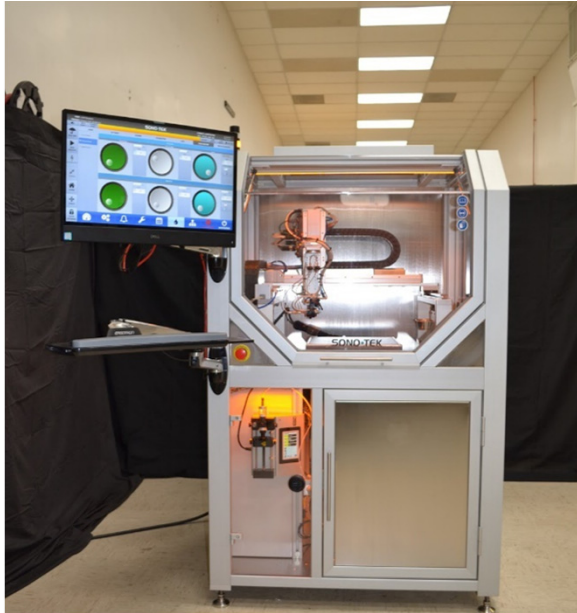
Stockholders' Equity
(in millions)



Total Debt
(in millions)



Cash and Equity Rising, Debt Declining

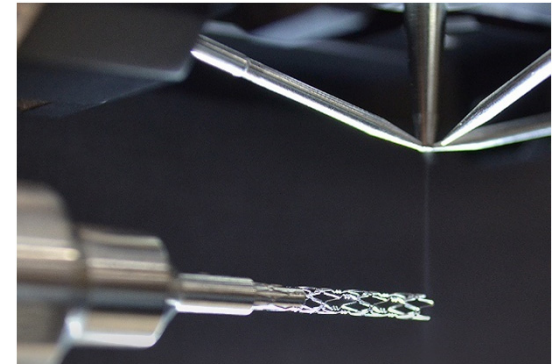
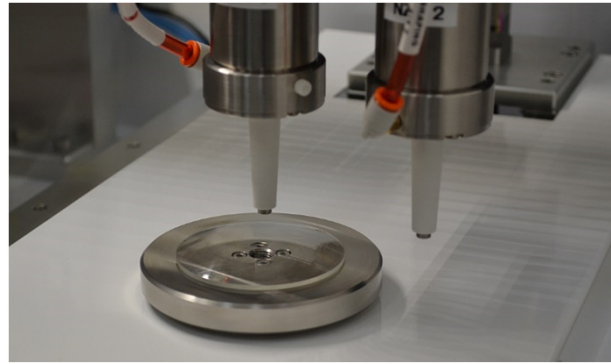
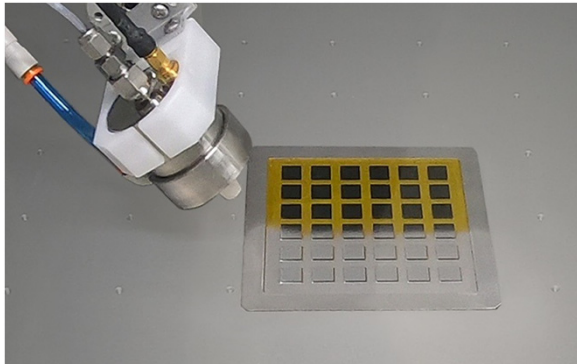


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Steve Harshbarger, *President*



OTCQX: SOTK

Strategic Shift Starting in 2013

- Heavily invested in **applications engineering**
- Shifted focus to higher value complete **machine solutions**
- **Created strategic partnerships** for requirements outside Sono-Tek expertise
- Invested significant resources to enhance **market diversity**

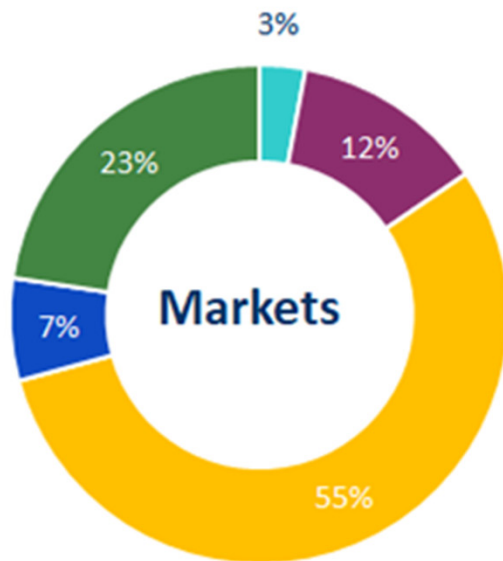
RESULTS TO DATE

- **ASP has grown to ~\$200K - \$300K, with large orders \$750K - \$1.6 million range**
- **Highly diversified by markets, geography and products**
- **Accelerated profits, improved balance sheet and increased financial strength**
- **Differentiated Sono-Tek from ultrasonic spray competitors**

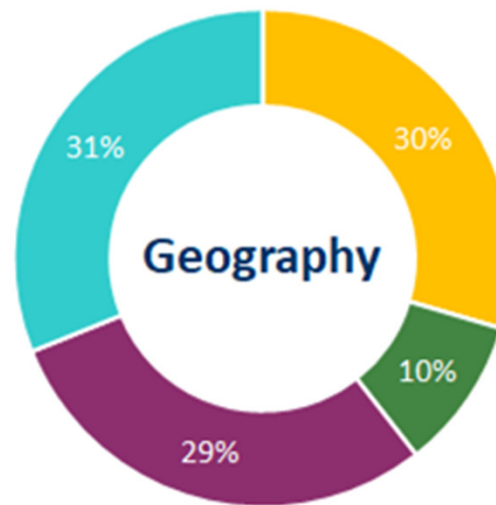
Diversified Markets, Geography and Products

OTCQX: **SOTK**

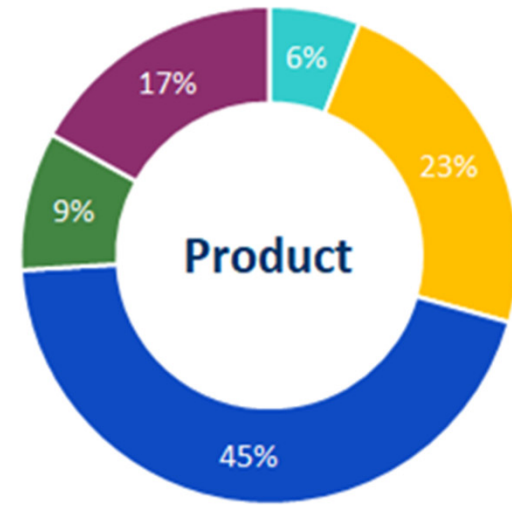
FY 2020 Sales \$15.3 million



- Industrial
- Alt Energy
- Electronics
- Emerging R&D & Other
- Medical



- US & Canada
- Latin America
- Europe
- Asia



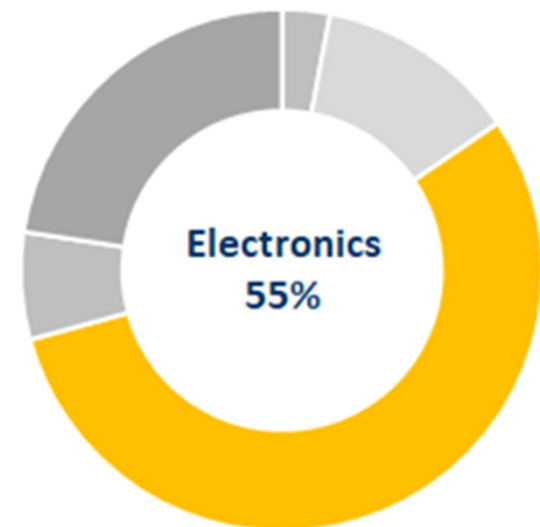
- Fluxing Systems
- Integrated Coating Systems
- Multi-Axis Coating Systems
- OEM
- Other

OUTLOOK FOR GROWTH

Driven by the never-ending appetite for new, smaller and more complex electronics devices, phones, touch screens, etc.

Applications

- Printed circuit boards
- Semiconductors: micron-thin photoresist layers onto complex wafers (MEMs)
- Sensors
- Display/panel glass on personal electronic devices, lenses



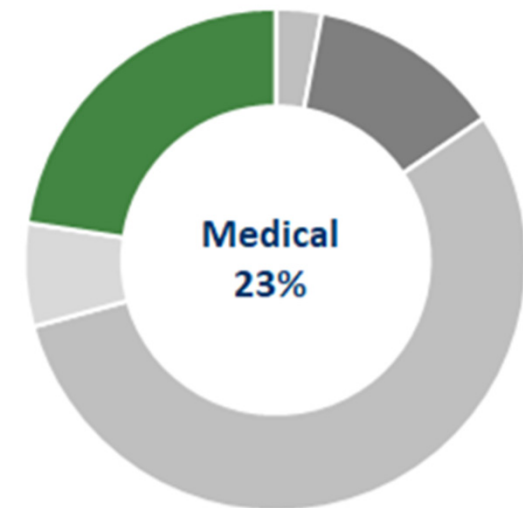
Diversified Markets *Medical*

OUTLOOK FOR GROWTH

Rapid deployment of next gen diagnostic coatings for quick analysis and identification of blood and genomics.

Applications

- Implanted medical devices: stents, balloons and diabetic monitoring devices
- Blood collection tubes
- Diagnostic devices, microfluidics
- Advanced drug delivery products

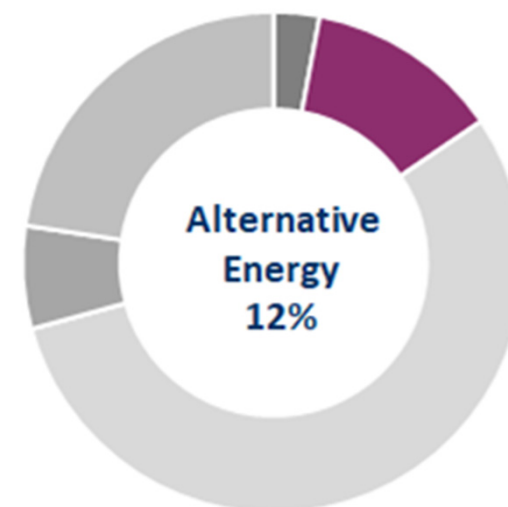


OUTLOOK FOR GROWTH

Growing demand for clean energy fuel cell technology, CO2 reduction and other emerging environmentally conscious technologies driving growth for multi-axis coating systems.

Applications

- Catalyst coating for fuel cell technologies and systems
- Solar cells
- Batteries
- Electrolyzer coatings for hydrogen generation and CO2 reduction



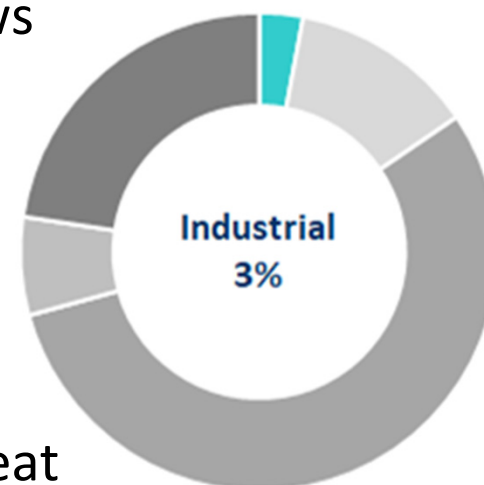
Diversified Markets *Industrial*

OUTLOOK FOR GROWTH

Demand for expensive high purity glass is opening opportunities for increased coating protection from staining during storage.

Applications

- Flat (“float”) glass used for windows in buildings and vehicles
- Aerospace/aircraft: specialty component coating
- Textiles: antimicrobial, next gen plasma technology
- Food: antimicrobial coatings on meat products and packaging, coatings of flavors
- Automotive: heat exchangers and brake pads



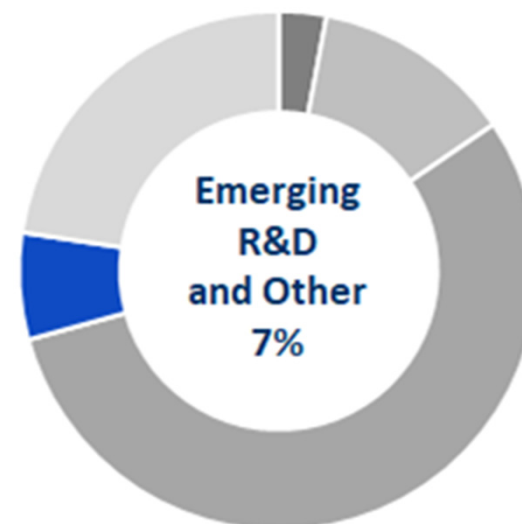
Diversified Markets *Emerging R&D*

OUTLOOK FOR GROWTH

Broadbased basket of next gen applications in developing markets with growth potential

Applications

- Wide range of new applications in early R&D phase, often supported with government funding.



Application Expertise

Provide customers with unique application expertise and knowledge

- *Continually developing in-house applications engineering, sales and marketing teams knowledge*
- *Provide proof of concept testing at 7 global process development laboratories*
- *Highly technical, established long term global distribution network*

Strategic Relationships

Strong outsourcing partners and OEM relationships for applications and machinery needs outside of Sono-Tek capabilities or core expertise

- *Leverage Sono-Tek core technology to expand into new fields*
- *Seamless organic growth*

Introduction of New Products to Enhance Capabilities

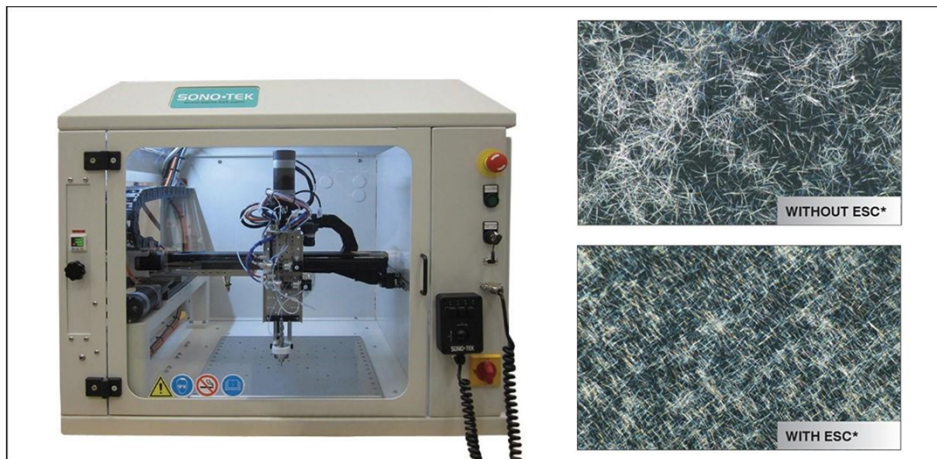
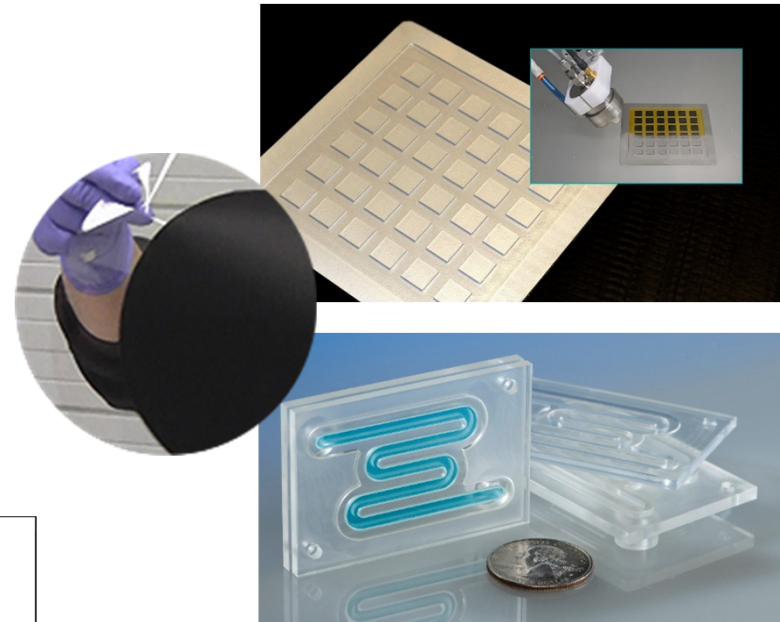
- **Robotic coating platforms**
 - *Highly customized, multi-axis coating systems*
- **Complex multi-nozzle industrial platforms**



Fully automated, large format, customized coating solutions accelerate growth

Introduction of New Products & Applications Knowledge

- **Electrolyzers for fuel cells, CO2 reduction, hydrogen generation**
- **EMI Shielding**
- **Clear Laser Welding**
 - *For medical devices*
- **Electrostatics**

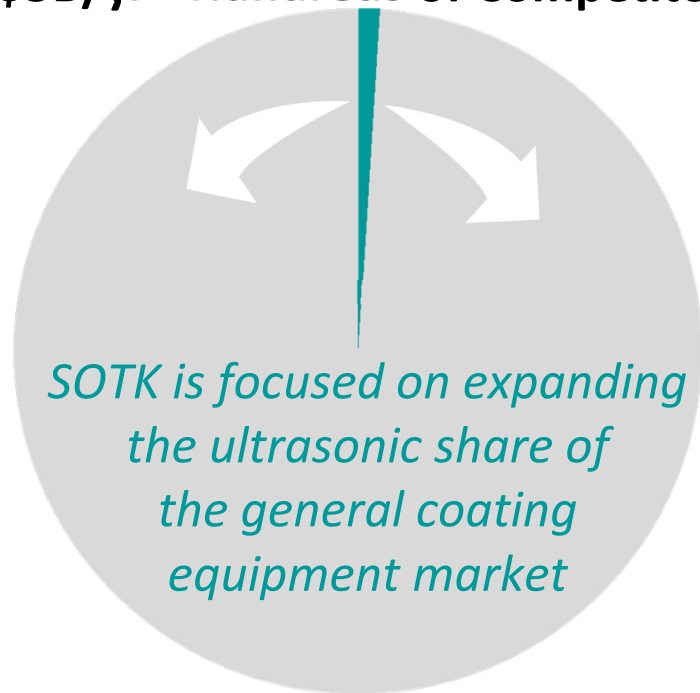


Sono-Tek systems enable functional coatings that are often not possible with other coating methods

Coating Technologies Market Share

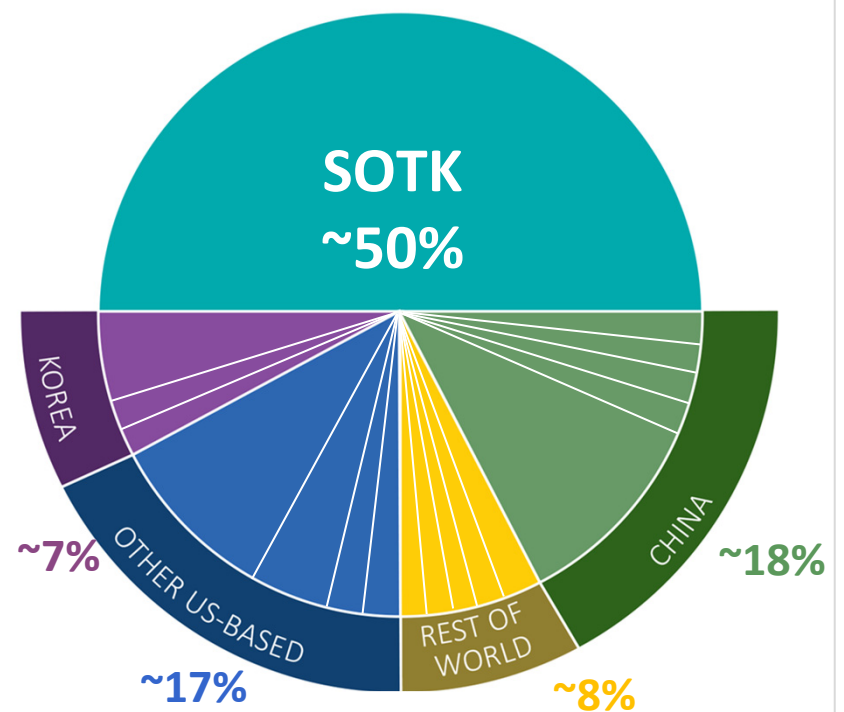
GENERAL COATING EQUIPMENT MARKET

~\$5B/yr - Hundreds of Competitors

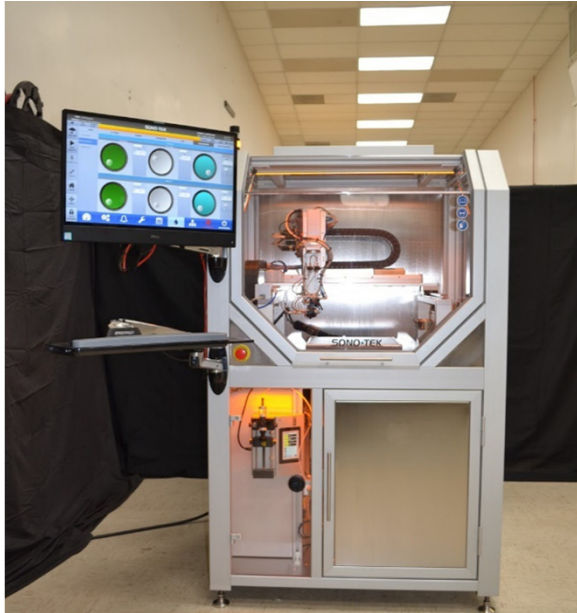


ULTRASONIC COATING EQUIPMENT

~\$32M/yr - ~20 Competitors



Capturing a growing segment of the coatings equipment market

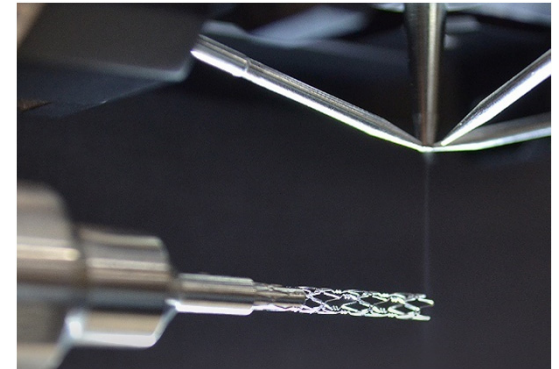
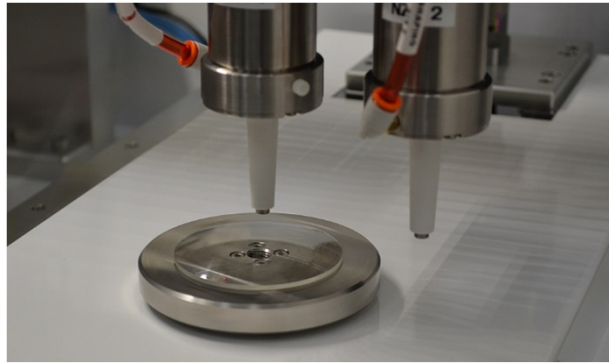
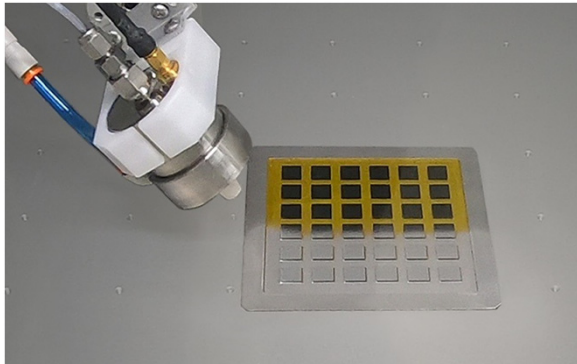


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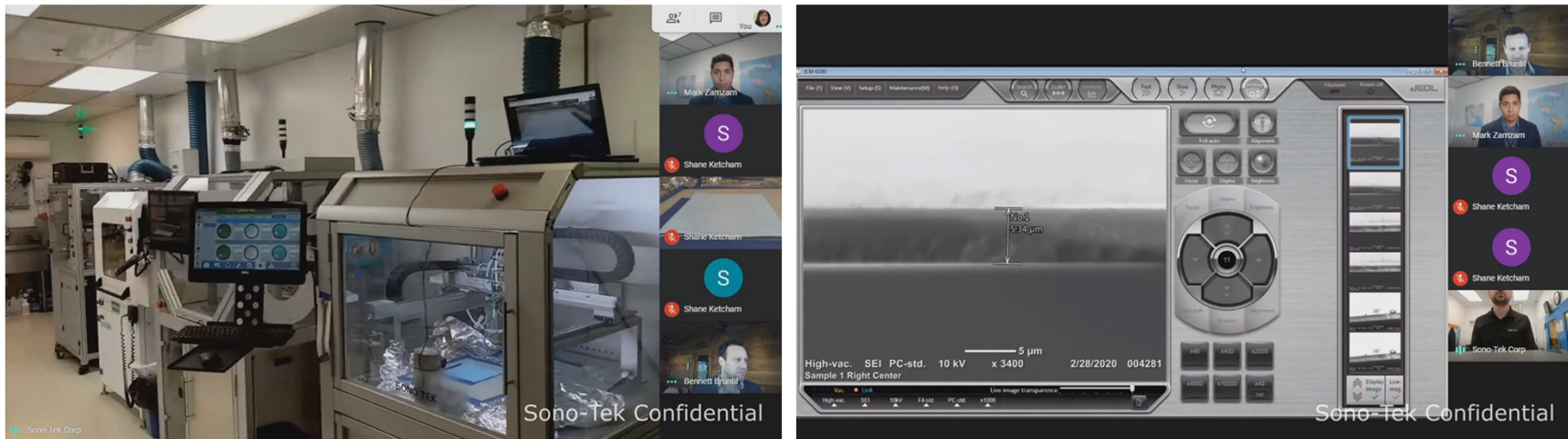
August 20, 2020

Chris Cichetti, VP, Applications Engineering



OTCQX: SOTK

Remote Lab Testing/Application Eng Support

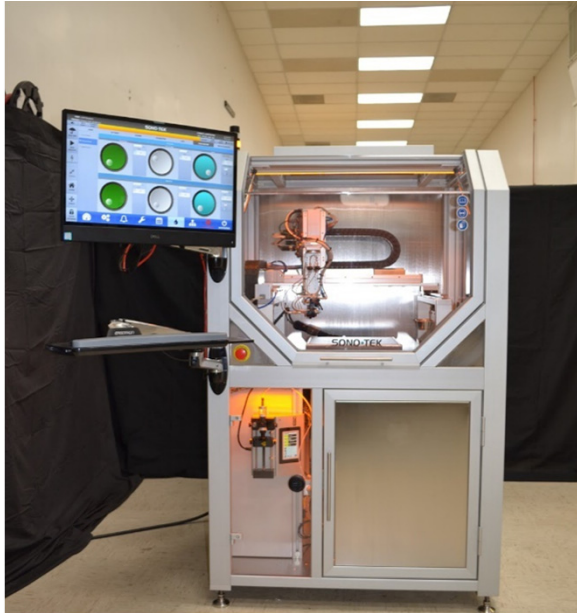


- Live video streaming of lab tests
- Virtual FATs (Factory Acceptance Tests)
- Remote Process Development support

6 Axis Robot Program Continuing with Success

- First machine shipped and installed
- Second machine being built
- Continued use in the Lab on new applications
- Several quotes issued to potential customers



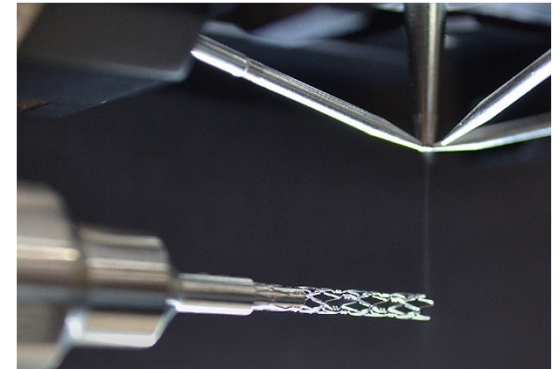
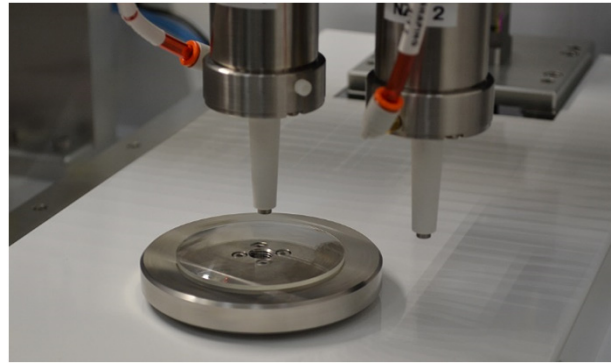
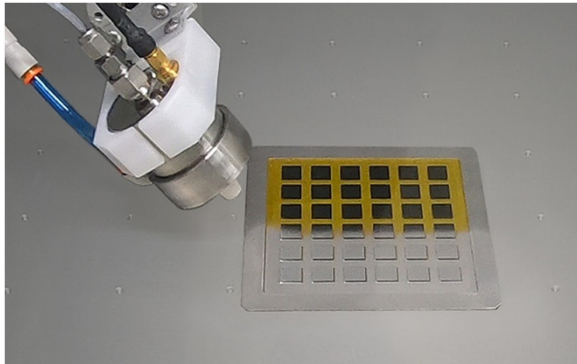


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Bennett Bruntl, VP, Sales & Marketing

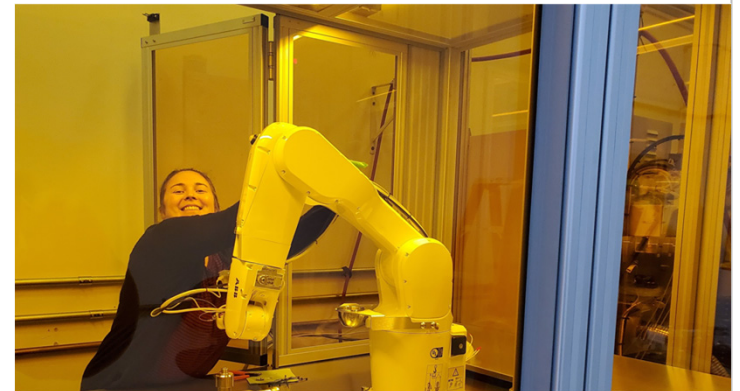
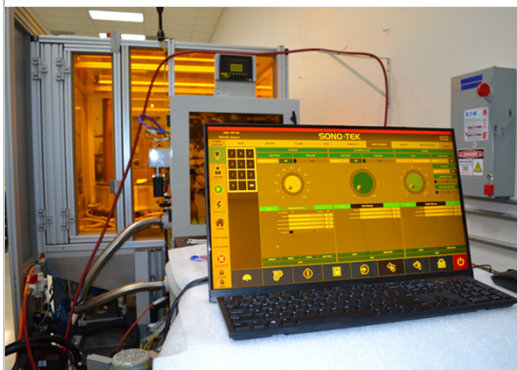
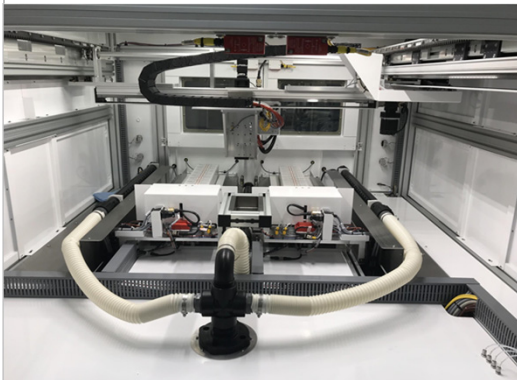


OTCQX: SOTK

High Value for Large Platform Machines

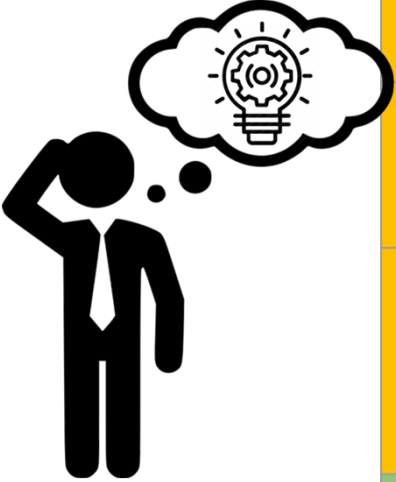








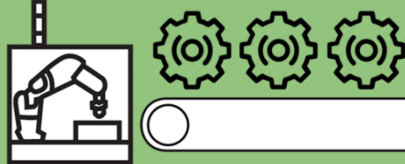
OTCQX: SOTK

- SOTK has recently been selling more complex and higher priced machines
- These are considered very high value systems to our customers

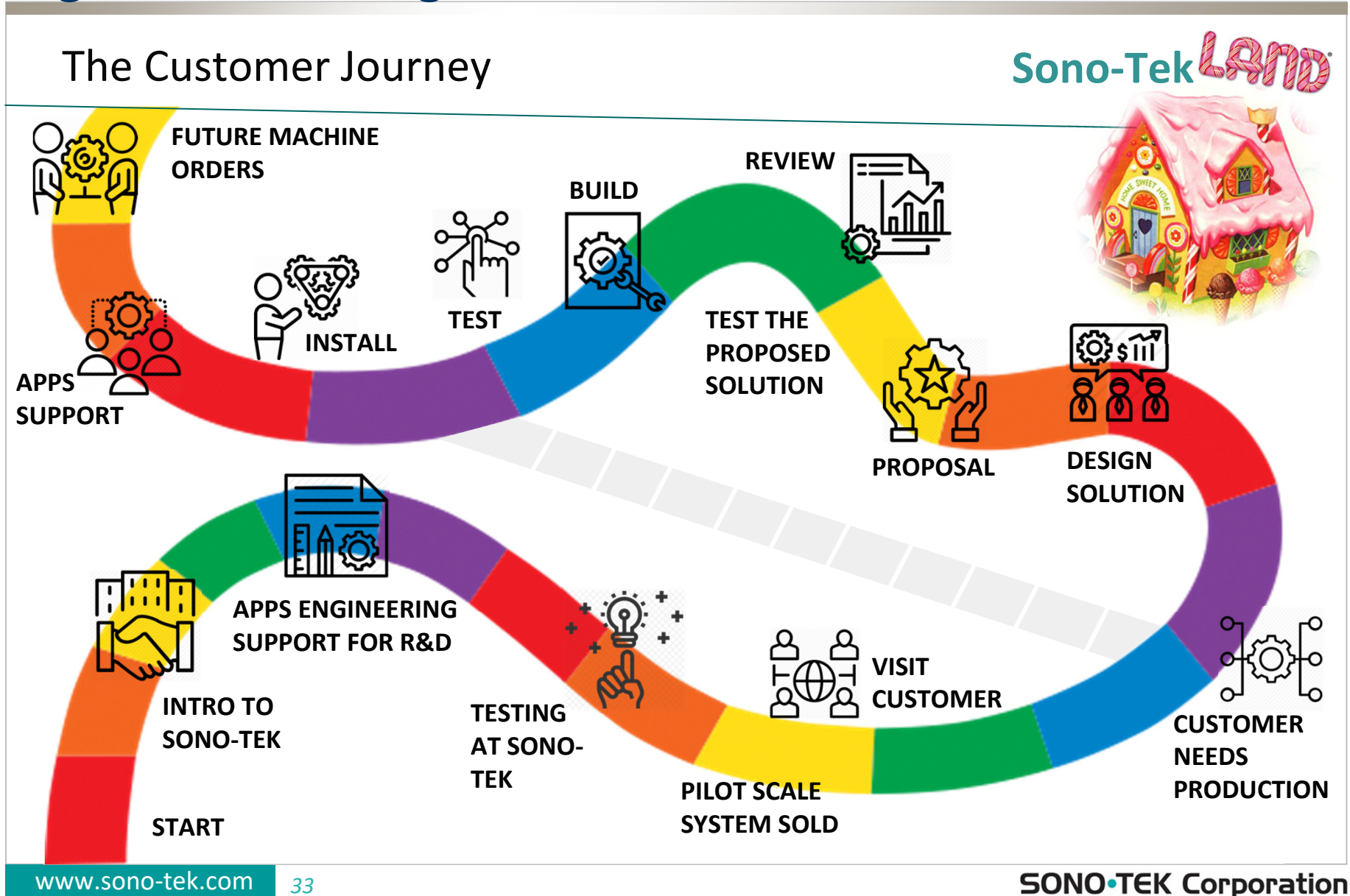


High Value for Large Platform Machines *continued*

Why Sono-Tek is different

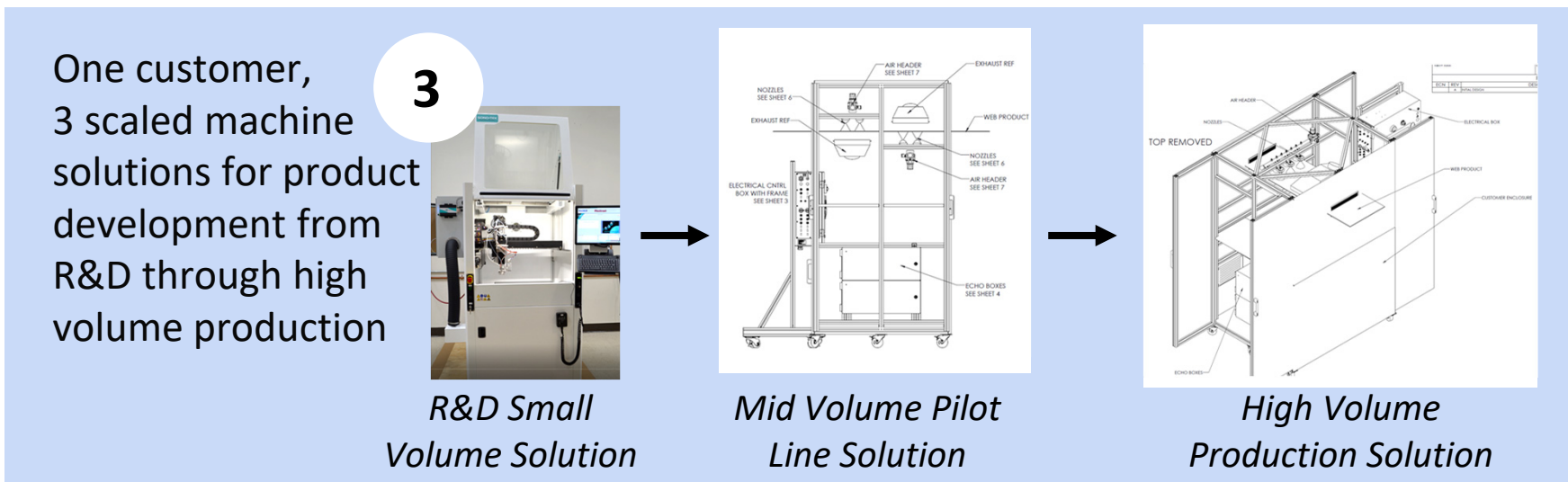
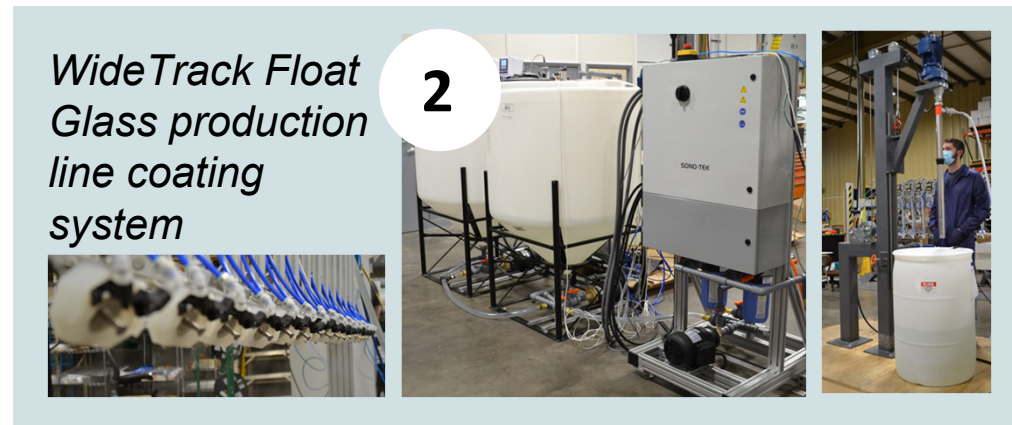
Customer	Purchasing Options	Potential Solutions	Offering
 <p>New product creation or production problem to solve</p>	Company A		
	Company B		
	Company C		
	Sono-Tek	  <p>Applications Development Engineering</p>	 <p>Complete Solution</p>

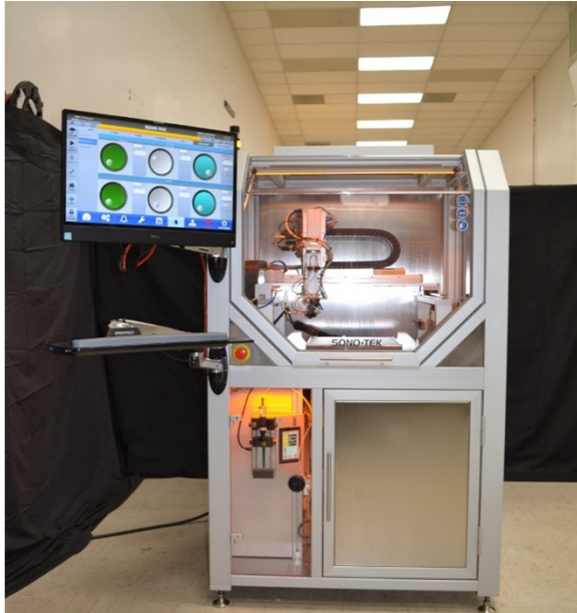
High Value for Large Platform Machines *continued*



High Value for Large Platform Machines *continued*

Recent machine examples - 3 Large scale complex industrial solutions



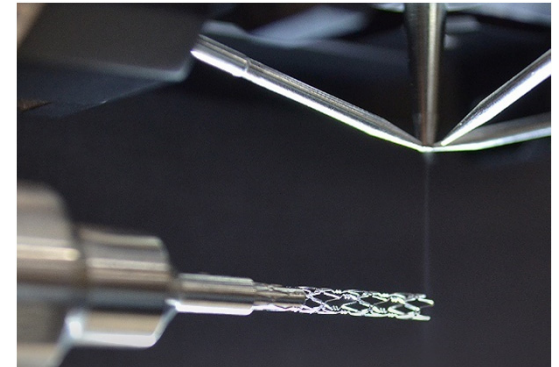
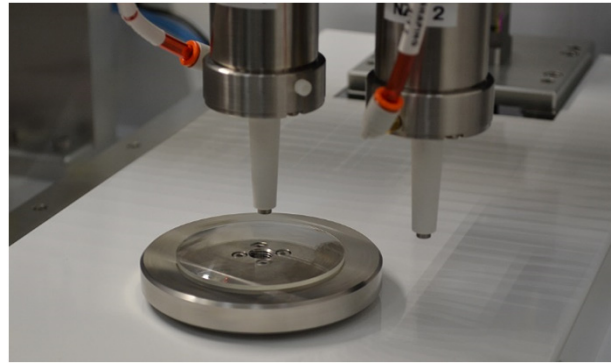
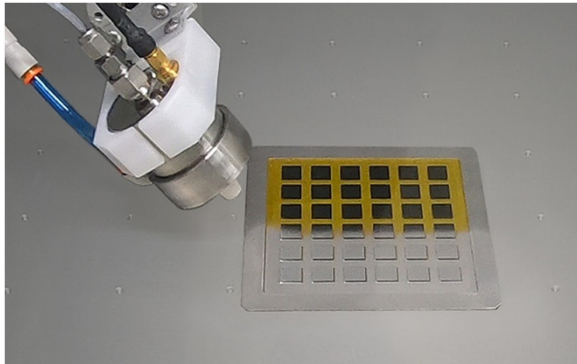


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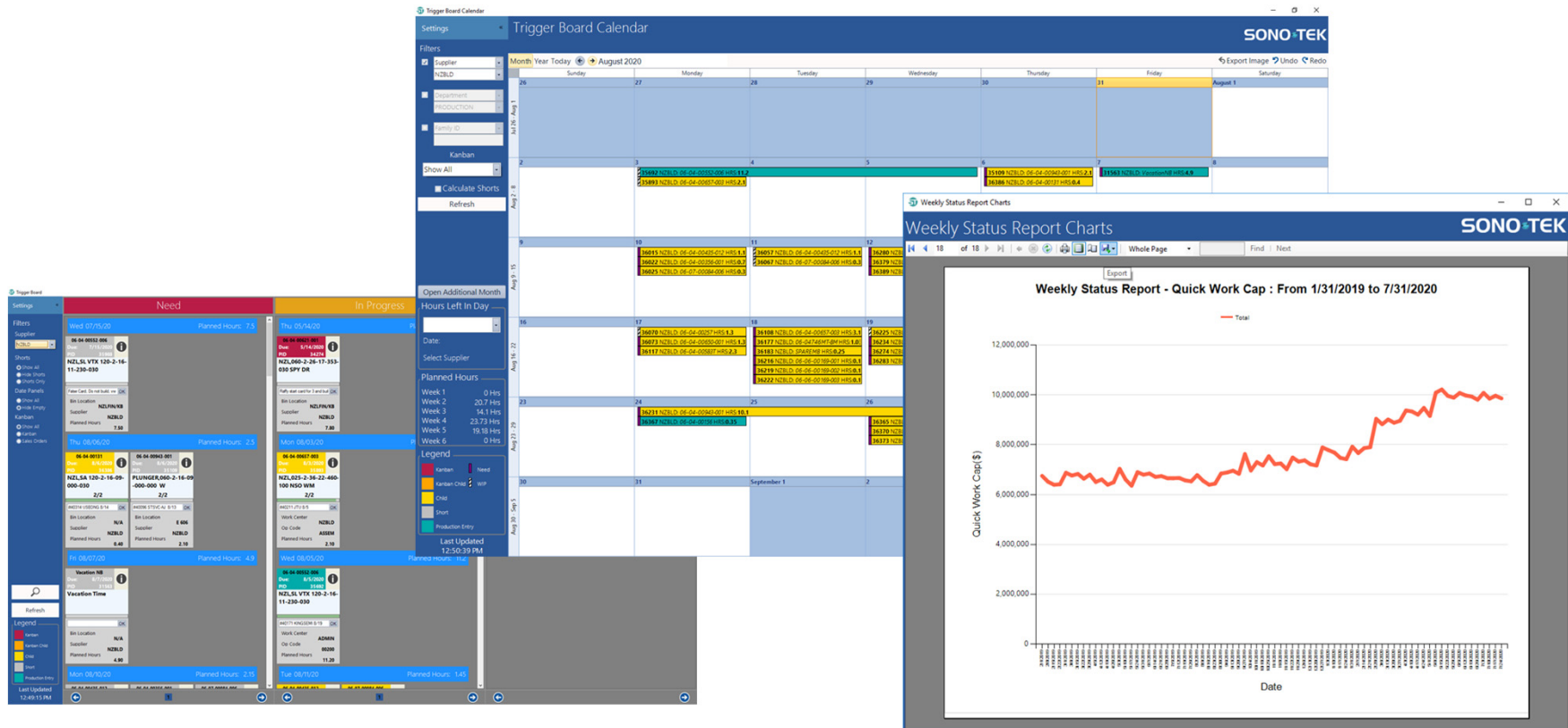
Robb Engle, Executive VP, *Engineering*



OTCQX: SOTK

Transition to Remote Operations

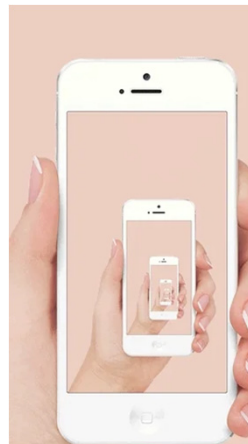
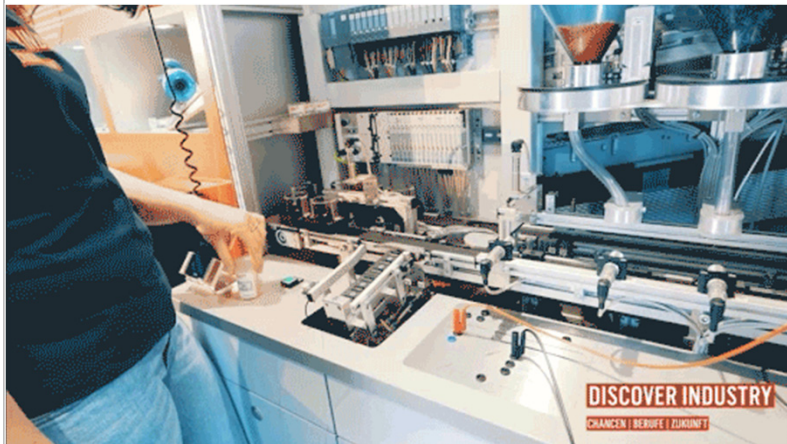
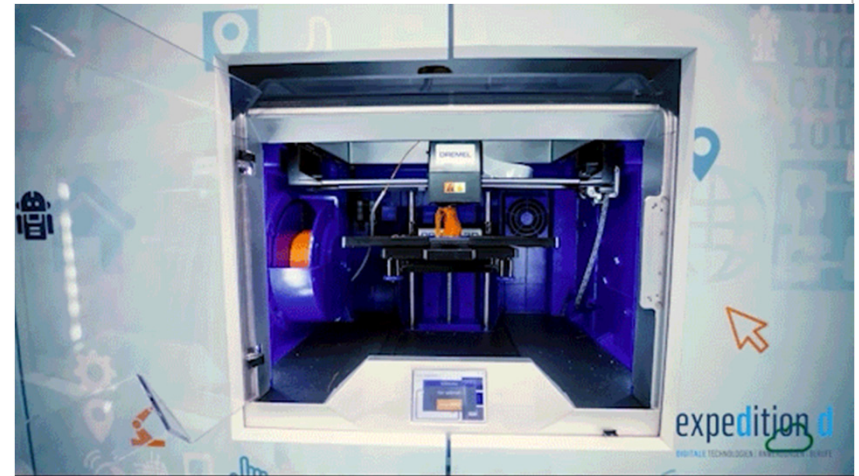
OTCQX: SOTK



Due to the strength in development of the software team, the company realized we have an advantage over companies even 10x our size in our ability to operate in a non-contact method. Further investments are being made in this area with two new major breakthroughs.

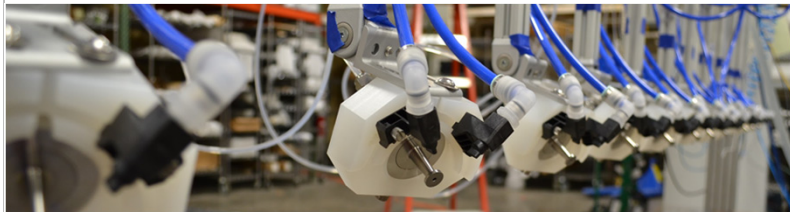
Remote Interactions with Outside Facing Engagements

- Successfully having remote sign-offs with suppliers
- Successfully having remote factory acceptance tests with customers
- Successfully having remote installations with customers around the world and domestically
- Successfully conducted our external ISO 9001: 2015 Quality Audit remotely.



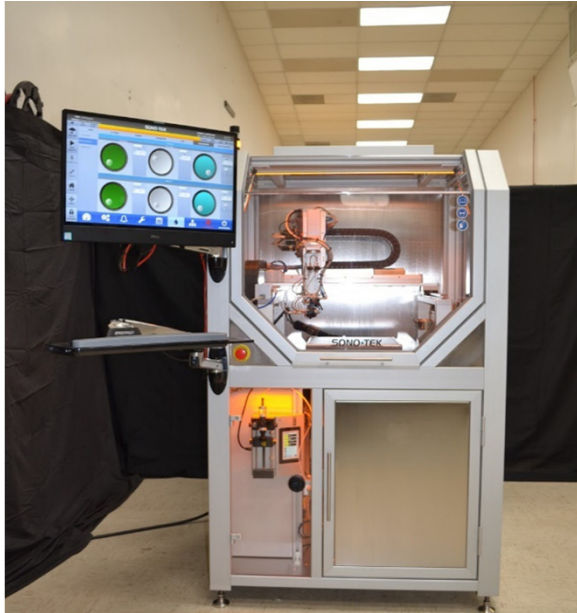
Outstanding Technical Product/Achievement^{CQX}: SOTK

Automation



Communication



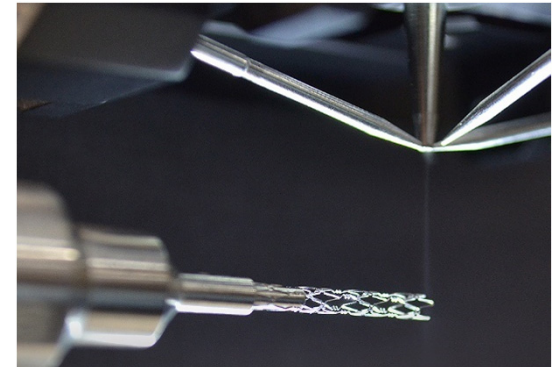
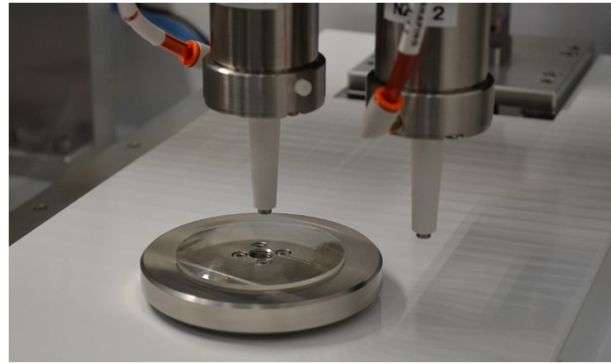
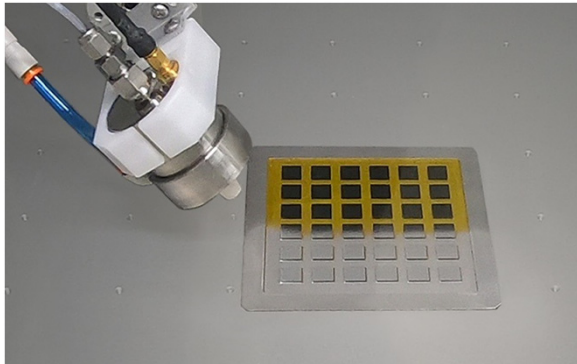


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Steve Harshbarger, *President*



OTCQX: SOTK

Facilities Expansion For Growth Completed OTCQX: SOTK

- 18 month expansion project completed
- Manufacturing space increased by approx 4,000 square feet
- Power / Air / Lighting / Access Doors / Building Renovation - all upgraded to allow for large platform machines to be manufactured in new area
- Capex for complete project partially funded by NYS and Central Hudson
- Expansion will allow for growth up to ~\$24M annual revenue, with additional expansion available in rented buildings of existing industrial park.



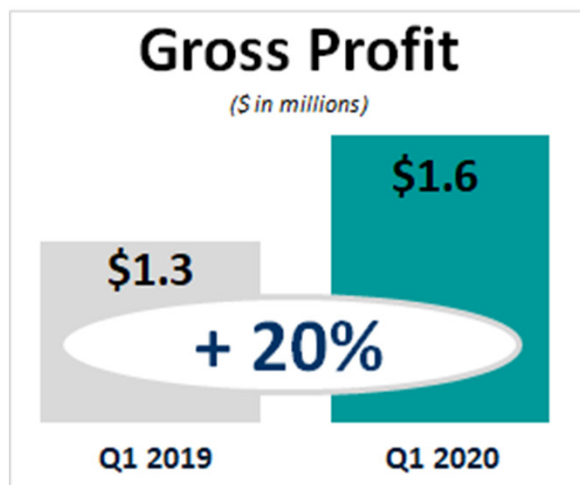
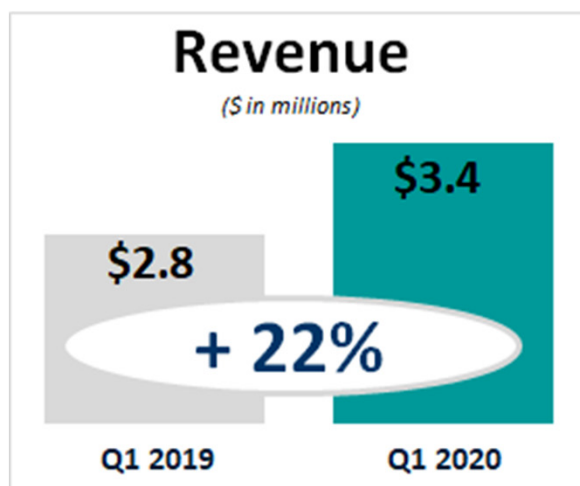
COVID-19 Impacts

OTCQX: SOTK

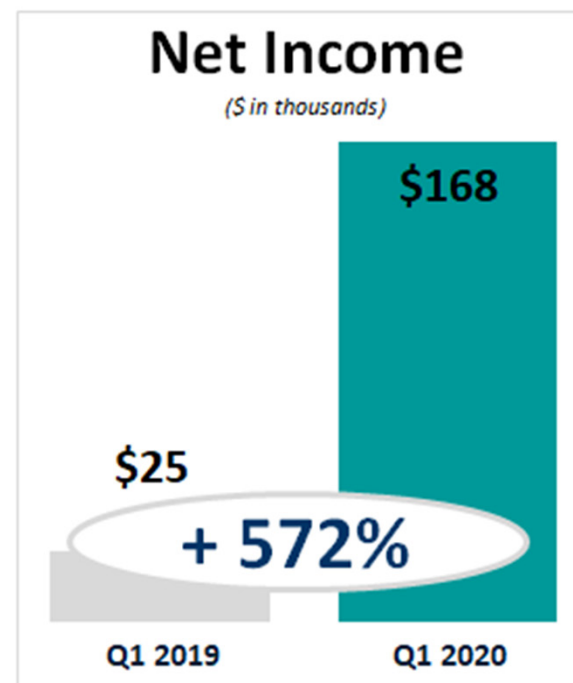
- Refocused some front-end efforts to applications and markets that may see increased demand during virus outbreak
- Several orders have been put on hold or canceled due to COVID-19. Won **two major orders** in July 2020 to offset this negative impact
- Increased inventory levels due to less predictability of certain areas of supply chain
- Possible acquisition opportunities may arise from less stable competitors or complementary product lines.

First Quarter FY2021 Results

OTCQX: SOTK



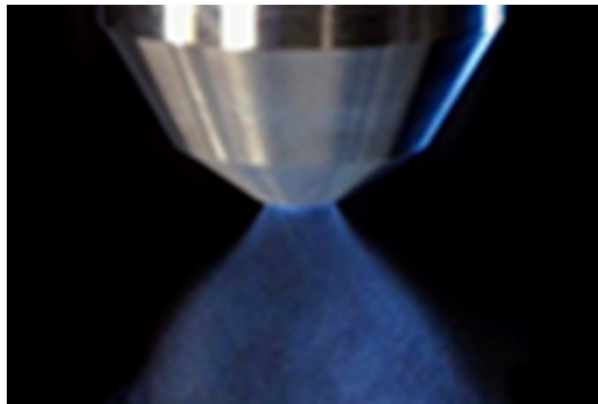
- **Backlog of \$3,202,000** (May 31, 2020)
- **Q2 FY2021** projected to show revenue growth year over year
- **Q3 & Q4 FY2021** have unknowns due to COVID-19, however major orders reported may offset much of the negative COVID-19 impact.



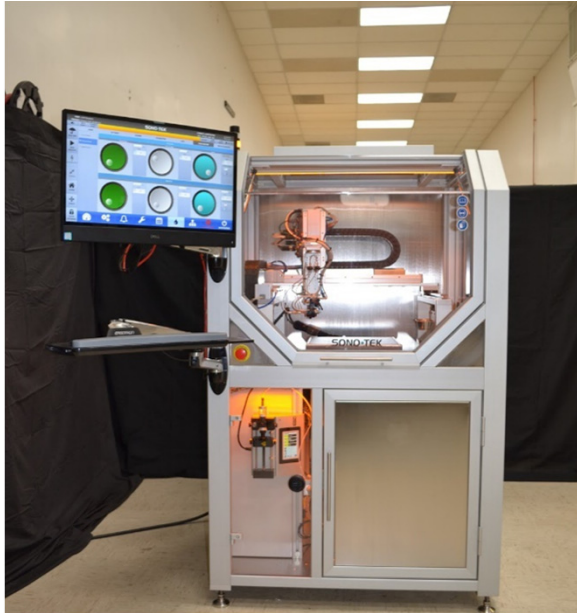
Key Takeaways

- **Growth strategies working** for introduction of new products, new markets, and market sub-segments within existing markets
- **Strong brand** and reputation: known for high quality and consistency
- **Continued strengthening of application expertise**, process development laboratories, new products, and technological advancements
- **Broadening of product line** with higher value machinery
- **Expanding addressable markets** and applications to broaden customer base
- Strong gross margins, **consistently profitable**, financial strength, successful accelerating growth strategies.

Questions?



BUSINESS MEETING CONTINUED

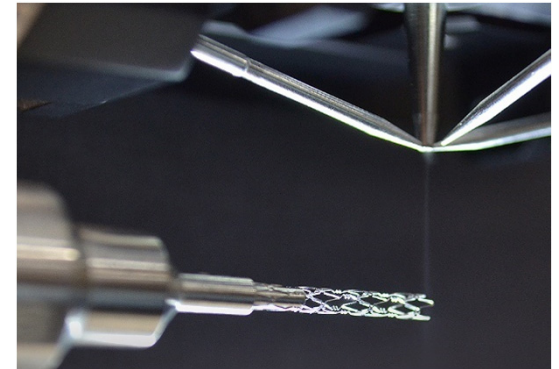
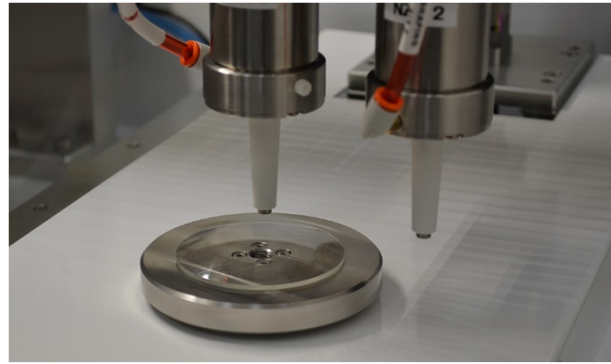
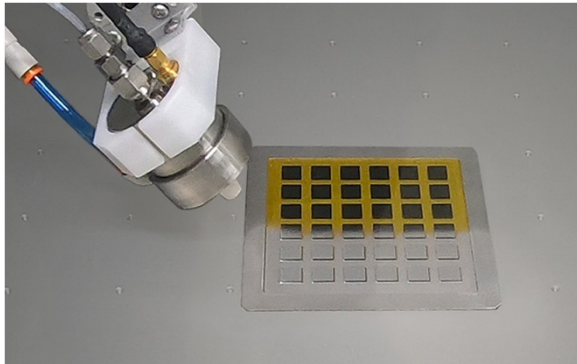


SONO•TEK Corporation

Annual Meeting of Shareholders

August 20, 2020

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