

*Dr. Christopher Coccio, CEO | Steve Harshbarger, President & COO*



*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, establishing market niches for recently developed products and services, including fuel cell roll-to-roll development and controlled coating, market reception of new spray innovations, ability to increase sales of larger machines with longer delivery times, maintaining strong net cash position, achieving revenue projections, possible 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 statements 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.*

***"It is tough to make predictions, especially about the future" - Yogi Berra***

**Sono-Tek Corporation** is the leading developer and manufacturer of ultrasonic coating systems for applying functional thin film coatings for:

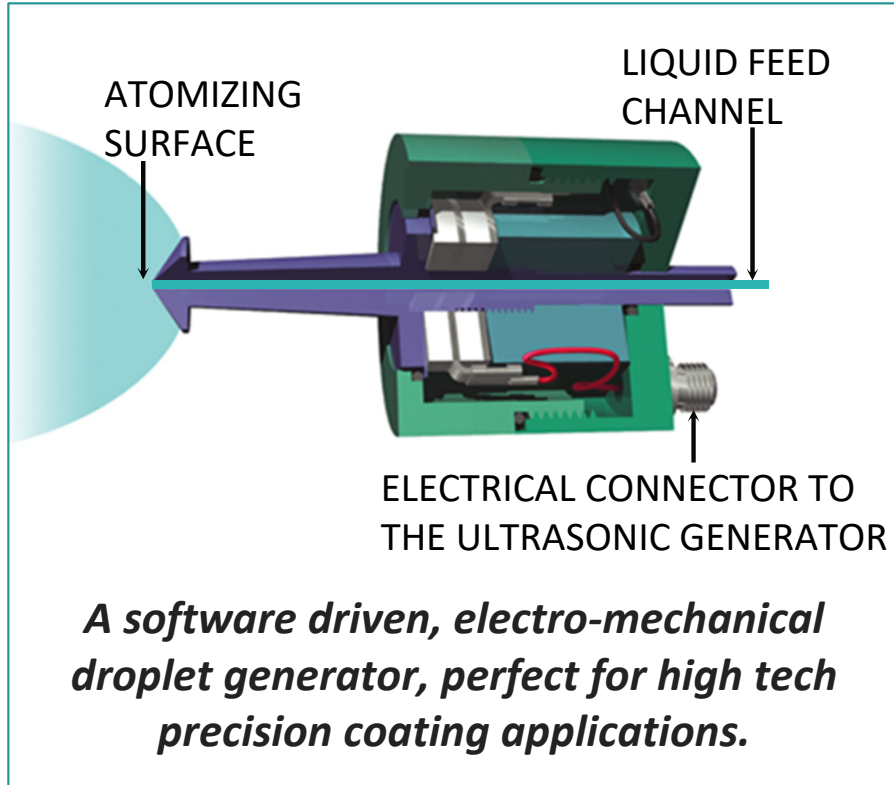
- MICROELECTRONICS/ELECTRONICS
- ALTERNATIVE ENERGY
- MEDICAL
- INDUSTRIAL
- EMERGING R&D MARKETS

### Market Data - 5/30/2023

Nasdaq	SOTK
Price	\$5.45
52 Week Range	\$4.64 - \$8.10
Market Cap	\$82M
Average Daily Trading (3 months)	~8.6k
Common Shares Outstanding	15.7M*
Insider Ownership	7%
Cash, Cash Equivalents & Marketable Securities	\$10.7M*

\*As of 2/28/2023

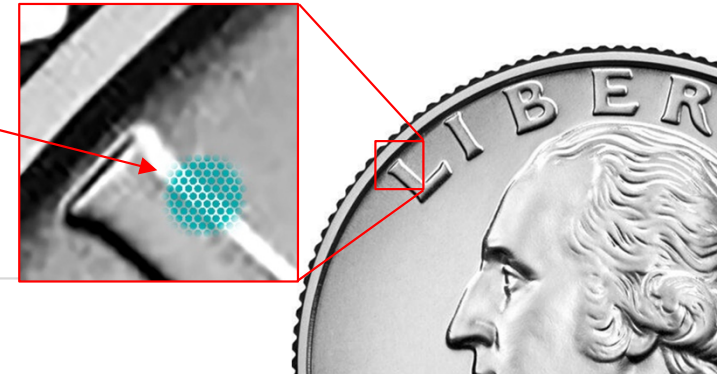
## *Inventor of Patented Ultrasonic Coating Technology*



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

- + *Firmware/software*
- + *Electronics*
- + *Precision hardware*

Example 20 micron drops



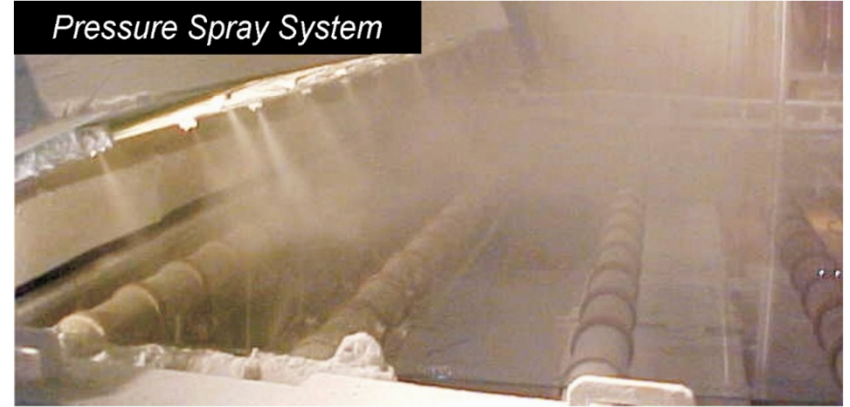
### *Seeing is Believing!*

***More cost-effective and simpler than alternative coating methods (pressure spray, vapor deposition, dip coating):***

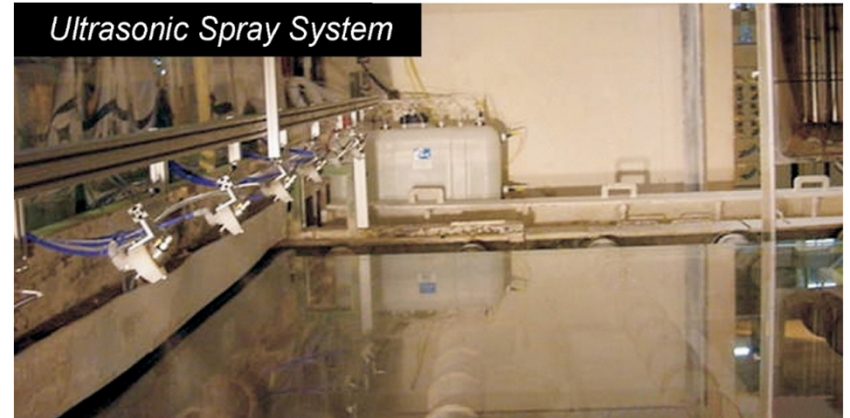
- Dramatic reductions in overspray with reduced emissions
- Large \$\$\$ cost savings
- Improved process repeatability
- Non-clogging high precision coatings

#### GLASS APPLICATION

*Pressure Spray System*



*Ultrasonic Spray System*





## Over 15 Years of Working Together



**Dr. Chris Coccio**  
*Chairman & CEO*



**Steve Harshbarger**  
*President & COO*



**Stephen Bagley**  
*Chief Financial Officer*



**Robb Engle**  
*Executive VP, Engineering*



**Maria Kuha**  
*VP, Operations*



**Chris Cichetti**  
*VP, Applications Engineering*

### Senior Management



*Dynamic, committed  
team located in the  
Mid-Hudson Valley  
with worldwide  
distribution and  
laboratories*

**FY2013 - FY2023**

	Sales	Operating Income	Net Income	Cash	Debt	Accumulated Deficit or Earnings	Market Cap
<b>2013</b>	\$9.5M	\$150k	\$130k	\$2.8M	\$2M	-\$2.9M	\$12M
<b>2023</b>	\$15M <b>+57%</b>	\$683k <b>+355%</b>	\$653k <b>+402%</b>	\$11.4M <b>+307%</b>	<b>\$0</b>	+\$4.9M <b>+\$7M</b>	\$87M <b>+86%</b>

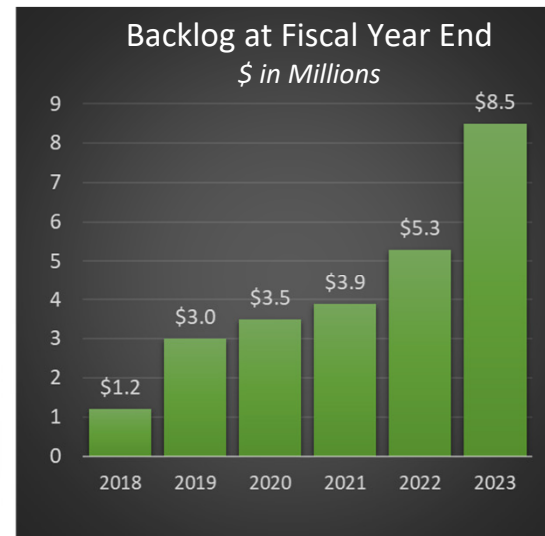
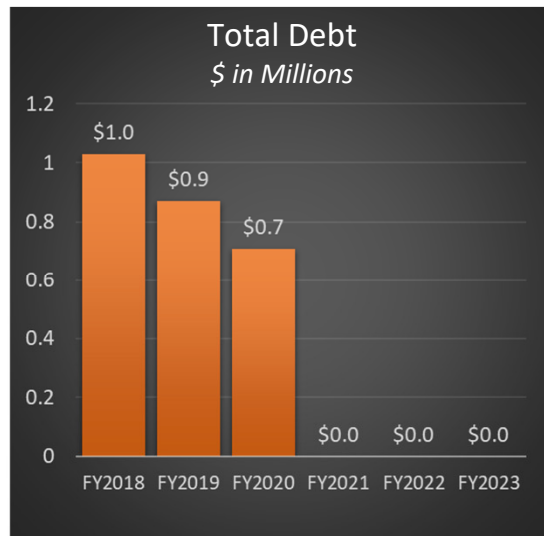
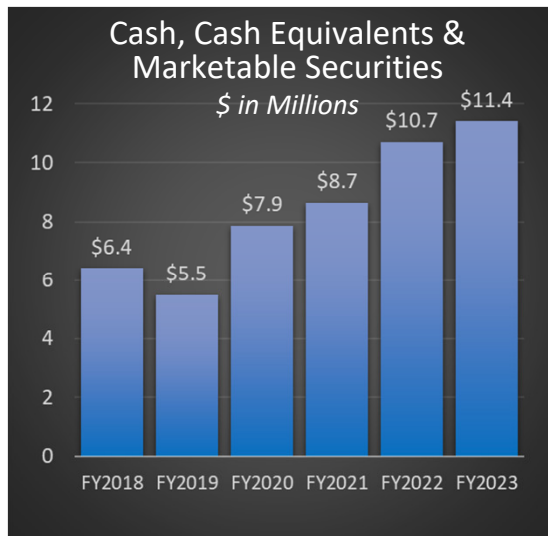


**Large  
Increases**

**SUCCESSFUL STRATEGIES HAVE STRENGTHENED OUR  
FINANCIAL POSITION AND OUTLOOK FOR GROWTH**

## Excellent Balance Sheet with ZERO debt

FYE - Feb 28



\*Excludes PPP loan, forgiven in Q1 FY2022

## Security & Strategic Strength



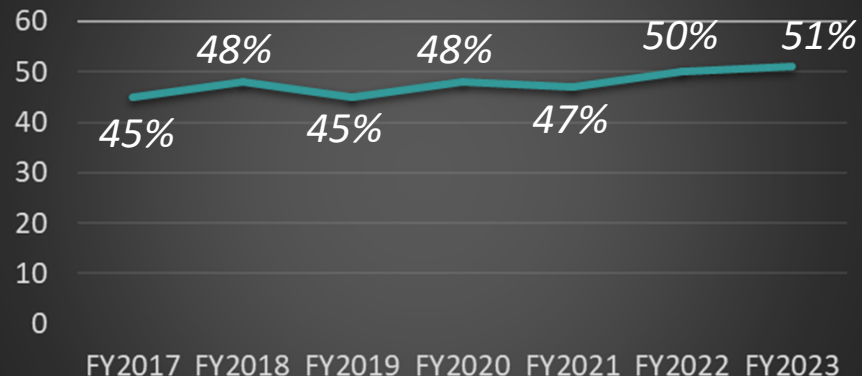
**Strong Gross Margin, Revenue & Income**

FYE - Feb 28

Net Income **\$653k**

In FY2023

**Gross Margin**



**Revenue (in Millions)**



## Focused on High Tech Growth Applications

### Global trends demanding thin film coating solutions

- **Microelectronics**

Chip shortages and new demands for handhelds

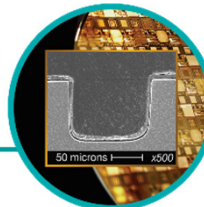
- **Medical Devices**

Implantables, microfluidics, and diagnostic applications (i.e. COVID)

- **Energy**

Both climate change and energy security are key drivers

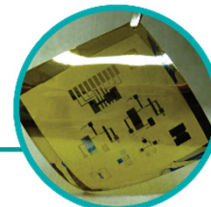
#### MICROELECTRONICS/ SEMICONDUCTORS



MEMs



Handheld Devices

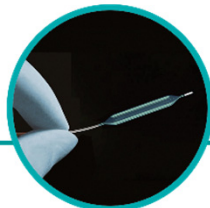


Flexible Electronics

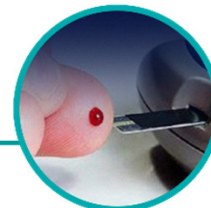
#### MEDICAL DEVICES



Stents

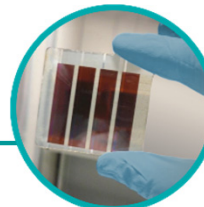


Balloons

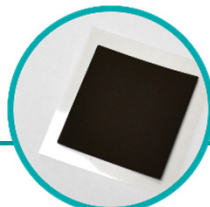


Diagnostic Devices

#### CLEAN ENERGY



Solar Cells



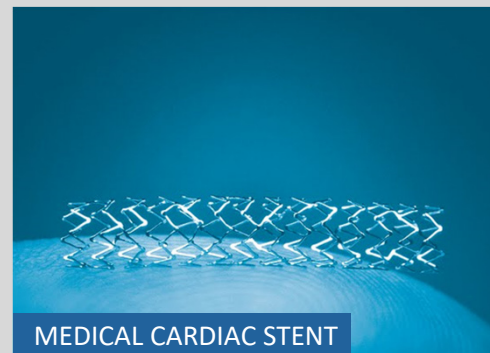
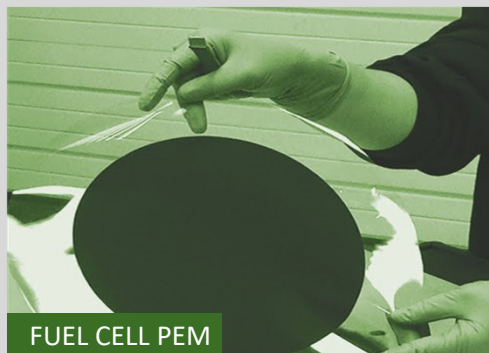
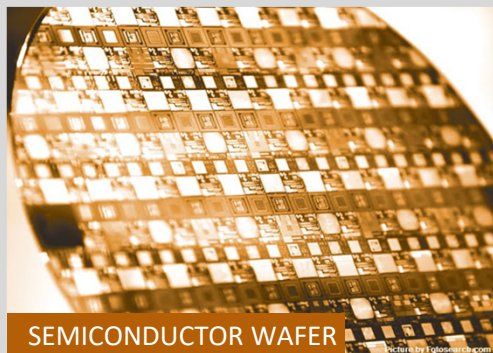
Fuel Cells



Electrolysis/  
Carbon Capture

Steve Harshbarger

*President & COO*



*June 2023*

## *Strategic Shift to Full System Solutions Began a Decade Ago*

### **Developed:**

- *Amazing technical capabilities to solve customer coating challenges*
- *State-of-the-art custom engineered products*
- *Established network of industry partners for large system integration projects*
- *Rapidly establishing new customers and new applications in high tech markets for large platform systems*



### **Results:**

- ✓ *Recognized as an innovative technology company with powerful proprietary knowledge*
- ✓ *Rapidly expanding ASPs*

### *Full coating solutions to meet customers' unique needs*

- Vital part of our customers success.
- On-site laboratory testing, customer visits and support ensure customer success, accelerate and expand orders.
- Enables complex machine solutions and more customized equipment solutions, giving us a distinct competitive edge.
- Strategic partnerships with chemical companies creating new formulations.





## Ultrasonic Atomization Technology

HIGHLY SYNERGISTIC WITH GROWING NANO THIN FILM COATING APPLICATIONS

Nanoscale\* films / Nano-particles applied to product surfaces to add or improve functionalities.

*High Growth Applications: Electronics, Automotive, Energy, Glass and Medical Industries*

*Examples: Corrosion Protection, Water Protection, Friction Reduction, Antibacterial, Self-Cleaning, Conductive Properties, and Thermal Management*

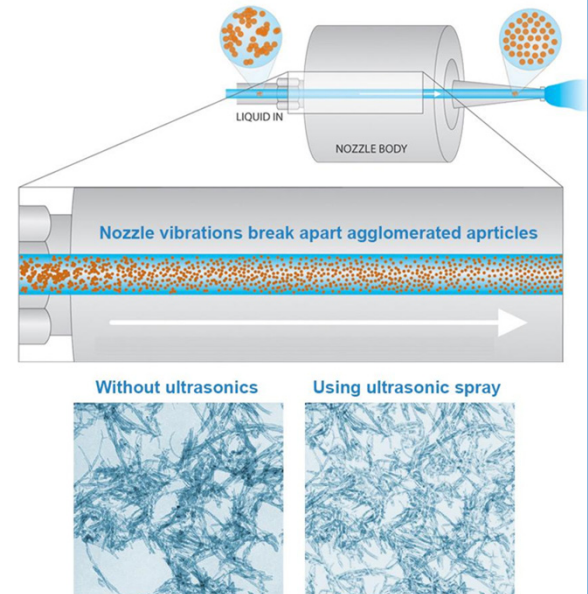
### NANOCOATINGS MARKET

\$7.8B  
2020

\$39.9B  
2028

CAGR 22.7%

### Ultrasonic Spray Disperses Particles



\* Nanoscale - a thickness of tens to a few hundreds of nanometers



## A Broad Range of Applications

**Strategy:** Growing our business by targeting key disruptive coating applications in growth oriented sectors.

ENERGY  
SEMICONDUCTORS  
NANOMATERIALS  
TEXTILES  
FOOD  
INDUSTRIAL  
AUTOMOTIVE  
AEROSPACE  
GLASS  
MEDICAL DEVICES  
ELECTRONICS



### Established Markets

#### Full system solutions for:

- Implantable stent devices, considered the industry standard coating technology - **MediCoat** (*Next gen implantable devices*)
- Thousands of PCB fluxing platforms installed worldwide - **SonoFlux**
- Evolving platforms for float glass (first system installed in 1980s), long history of experience and reputation in glass coatings - **WideTrack**

*Continuous improvement, refinement and service to existing machine offerings keep Sono-Tek at the forefront of these markets.*

#### Established Markets

(10+Years)

- **Medical Devices**
  - ✓ *Implantable stents*
  - ✓ *Blood collection tubes*
- **Printed Circuit Boards (PCBs)**
  - ✓ *Spraying flux in wave solder processes*
- **Industrial Float Glass**
  - ✓ *Anti-stain protective coatings onto continuous glass production lines*

### *New Applications & Emerging Markets for Next Gen Devices*

#### **Evolving machine capabilities/application solutions to growing and emerging markets**

- Expanding platforms with customized configurations
- Advanced understanding of customers liquid chemistries, and process requirements pre and post the coating step
- Lab testing validation and contract coating

*Unique capabilities make Sono-Tek a good fit for high growth potential new applications.*

#### **Growing & Emerging Markets**

- **Microelectronics**
  - ✓ *Smaller footprint devices require precise coatings for EMI shielding, photoresist, and other nanomaterials*
- **Medical devices**
  - ✓ *New advanced diagnostic device coatings*
  - ✓ *Balloons and other next gen implantables*
  - ✓ *Microfluidics, laser welding*
- **Protective and functional coatings**
  - ✓ *Automotive coatings for plastics, glass, sensors*



## Transitioning Markets

### New equipment to existing customers ramping production from R&D to higher volumes

- Advanced multi-stage robotic coating platforms
- Sophisticated product handling systems
- Fully automated, custom engineered solutions integrated with several steps in the manufacturing process.
- Accelerating ASPs

*Huge customer base using our ultrasonic coating systems for R&D, and several of these companies are starting the transition to production volumes.*

### Transitioning Markets

- **Fuel cells/electrolyzers**
  - ✓ *Transition from R&D to high volume catalyst coatings for PEMs and Carbon capture, green hydrogen generation*
- **Medical devices**
  - ✓ *Higher volume batch coatings for implantable devices*

### *Transitioning Demand to High Volume Sono-Tek Solutions*

**CHIPS ACT:** Over \$200B for high tech research and semiconductor manufacturing.

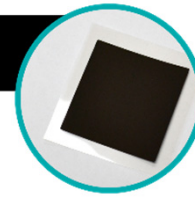
**CLIMATE BILL:** \$369B focused at reducing 40% of greenhouse emissions by 2030.

**SOUTH KOREA GREEN NEW DEAL:** \$135B investment in both green energy and digital technologies.

**REPowerEU:** >€210B to reduce energy dependence with a focus on transitioning to clean energy and a net-zero carbon goal by 2050.



### *Target Market: Clean Energy*



### Transition to High Volume Production, Green Hydrogen & Energy Market Growth

- Electrolyzers for fuel cells, CO2 reduction, green hydrogen generation
- New catalyst formulations, R&D for novel membrane materials
- Thin film solar could return as a significant contributor to revenue.

**MASSIVE GOVERNMENT  
INVESTMENTS AND  
PRODUCT MATURATION  
WILL CONTINUE TO  
DRIVE GROWTH**



***Million \$+ high volume production  
orders new to backlog.***



***First Large New Orders Announced in Energy Sector***

**MARCH 2023**

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***Sono-Tek Announces First Production Scale System Order Exceeding \$600K From Specialty Clean Energy Customer, First Part of Expected Multi-System Program***

**JANUARY 2023**

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***Sono-Tek Announces Second Order Exceeding \$1.1 Million From Clean Energy Sector***

**AUGUST 2022**

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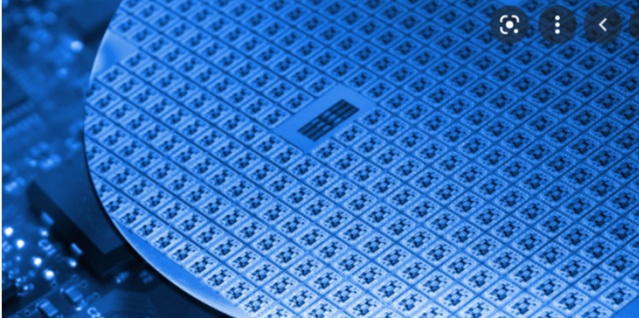
***Sono-Tek Announces \$1.1 Million Order from Clean Energy Sector***

### ***FY2023 Record Backlog & Supply Chain Challenges***

- As of year end FY2023 backlog was \$8.5M\*
  - ✓ *SOTK records full revenue recognition at time of shipment, no partial allocation of order fulfillment in process*
  - ✓ *Revenue may vary significantly from quarter to quarter based on ship dates*
- FY2023 revenue down YOY in energy, electronics and medical sectors due to supply chain delays
  - ✓ *Increasing in-house production capabilities for internal needs*
- FY2024 net sales projected to post positive growth
  - ✓ *Supply chain issues will impact Q1 (ended 5/31/2023)*
  - ✓ *Shipments of large supply chain-constrained orders expected to begin clearing from backlog in Q2 (began 6/1/2023)*

## *Gaining Market Share with Current Global Trends*

### **Unprecedented Semiconductor Demand**



*Key supplier of proprietary next generation product development for the semiconductor industry*

### **Advanced Medical Devices & Diagnostics**



*Established leader in rapid diagnostic technology*

### **Climate Action, Demand for CO2 Reduction**



*SOTK technology is being adopted for fuel cell and CO2 reducing systems*

Thank You!

**Contact Info:**

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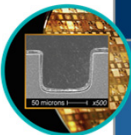

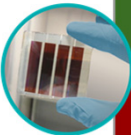


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Nasdaq: SOTK

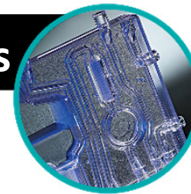


# Appendix

	MARKET	APPLICATIONS	OUTLOOK FOR GROWTH
	<b>Electronics &amp; Microelectronics</b>	<ul style="list-style-type: none"> <li>Semiconductors: photoresist layers</li> <li>Printed circuit boards</li> <li>Sensors</li> <li>Display glass on electronic devices, lenses</li> </ul>	<b><i>Worldwide demand for advanced semiconductor chips with smaller size and complexity, being driven by sensor technology in cars, appliances, phones, touch screens, etc.</i></b>
	<b>Medical</b>	<ul style="list-style-type: none"> <li>Implanted medical devices</li> <li>Blood collection tubes</li> <li>Diagnostic devices, microfluidics</li> <li>Advanced drug delivery products</li> </ul>	<b><i>Rapid deployment of next gen diagnostic coatings for quick analysis and identification of blood and genomics. COVID-19 accelerating growth.</i></b>
	<b>Alternative Energy</b>	<ul style="list-style-type: none"> <li>Fuel cell catalyst coatings</li> <li>Hydrogen generation, CO2 reduction electrolyzer coatings</li> <li>Solar cells</li> </ul>	<b><i>Growing demand for clean energy fuel cell technology, CO2 reduction and other emerging environmentally conscious technologies.</i></b>
	<b>Industrial</b>	<ul style="list-style-type: none"> <li>Glass for windows in buildings and cars</li> <li>Aerospace/aircraft: specialty component</li> <li>Other industrial: textile nano-materials, food antimicrobials and flavorings, automotive components</li> </ul>	<b><i>Advances in functional nano-coating materials creating demand for new applications and markets.</i></b>
	<b>Emerging R&amp;D</b>	<ul style="list-style-type: none"> <li>Future applications in early R&amp;D phase</li> </ul>	<b><i>Incubator for development of next gen applications in developing markets with growth potential.</i></b>



## Target Market: Medical Devices



### Drug Delivery, Advanced Diagnostic Devices and Niche Segments

- Clear laser welding, a well-established niche market
- Microneedles for contact drug delivery
- Higher volume production of implantable stents and balloons
- Advancement of catheter product improvements
- New diagnostic and genomics/blood testing development

**HIGHER VOLUME  
PRODUCTION AND NEW  
PRODUCT DEVELOPMENT  
WILL CONTINUE TO  
DRIVE GROWTH**



*Q1FY2024 - \$600K Multi-System Order from  
Innovative Medical Technology Customer,  
First Part of Expected Multi-Phase Program*



## Target Market: Microelectronics/Semiconductors

### Photoresist, Conductive and Protective Coatings

- EMI shielding coatings for RF protection
- Photoresist coatings for next gen chips
- Expansion of technologies in automotive, medical, consumer electronics
- Development of smaller and flexible electronics

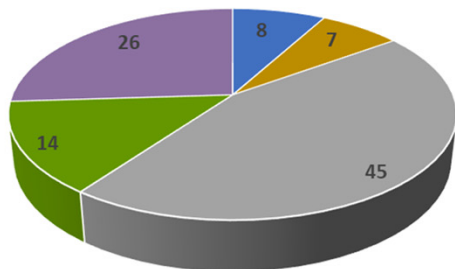
**CHIPS ACT AND HIGH  
CONSUMER DEMAND  
WILL CONTINUE TO  
DRIVE GROWTH**

*Strong OEM Relationships and Lab  
Testing Capabilities Driving Growth*



## FY2023

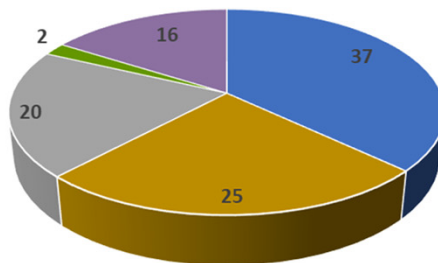
### PRODUCT



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

## FY2023

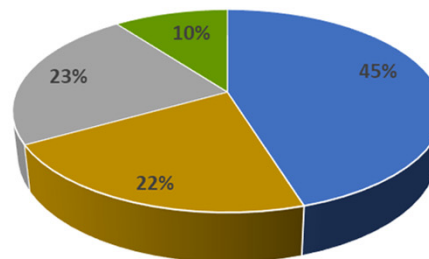
### MARKET



- Electronics/Microelectronics
- Medical
- Alternative Energy
- Emerging R&D
- Industrial

## FY2023

### GEOGRAPHY

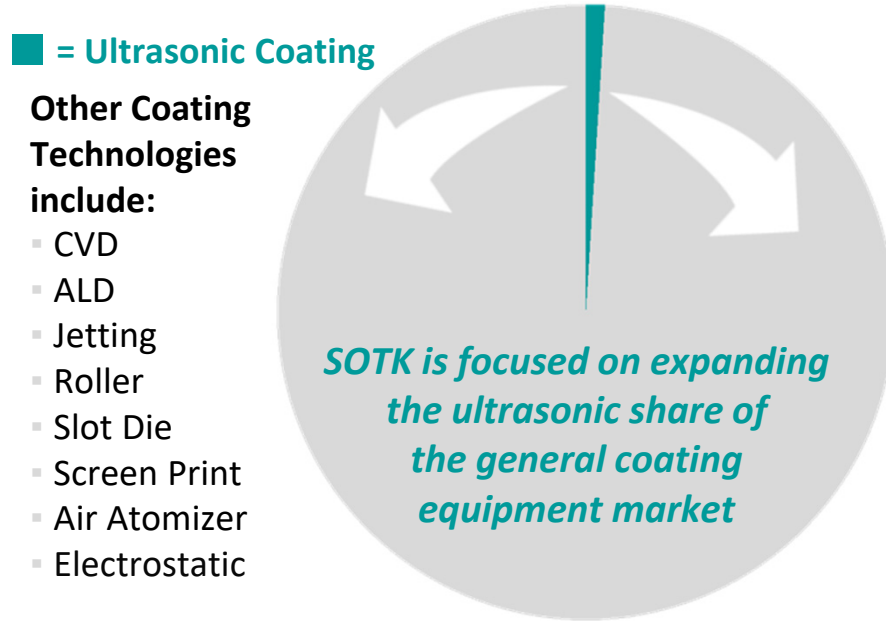


- US & Canada
- Asia Pacific (APAC)
- Europe, Middle East, Africa (EMEA)
- Latin America

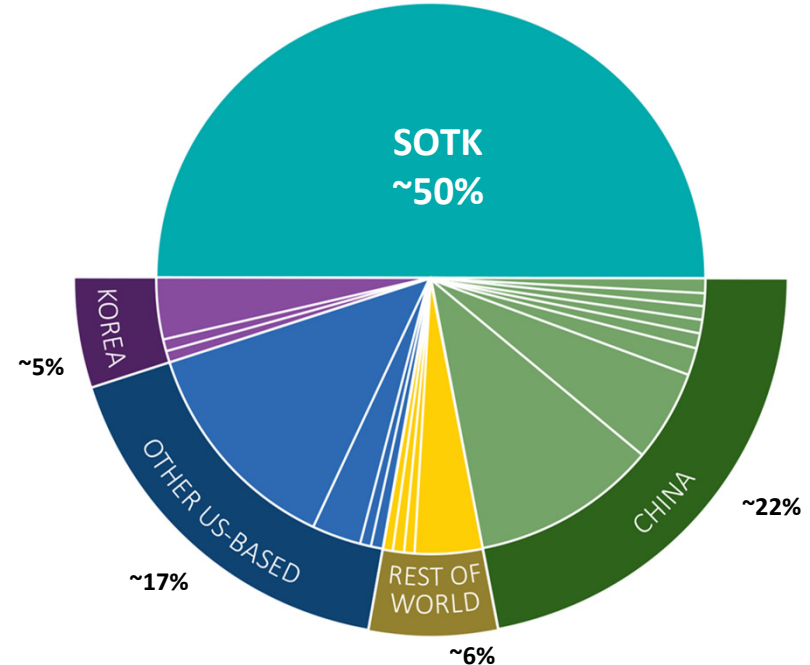
***FY2023 Global Sales \$15 Million***



### GENERAL COATING EQUIPMENT MARKET ~\$8B/yr - Hundreds of Competitors



### ULTRASONIC COATING EQUIPMENT ~\$36M/yr - ~22 Competitors



***Capturing a Growing Segment of the Coating Equipment Market***