



FY22 Investor Presentation
28 February 2023

(ASX: PVS)

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Financial data - All dollar values are in US dollars (US\$) unless as otherwise presented.

Financial information

The financial information in this presentation is presented under US GAAP and in US dollars unless expressly stated otherwise. The Company moved from Australian Accounting Standards (IFRS) with effect from FY21 and financial information for FY20 included in this presentation has been restated under US GAAP. Financial information for prior years is presented under IFRS.

Pivotal Systems uses certain measures to manage and report on its business that are not recognized under US GAAP. These measures are collectively referred to in this document as 'non-IFRS financial measures' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by the Australian Securities and Investments Commission (ASIC). Management uses these non-IFRS financial measures to evaluate the performance and profitability of the overall business. The principal non-IFRS financial measure that is referred to in this document is EBITDA. EBITDA is earnings before interest, tax, depreciation and amortisation and significant items. Management uses EBITDA to evaluate the operating performance of the business prior to the impact of significant items, the non-cash impact of depreciation and amortization and interest and tax charges.

Although Pivotal Systems believes that these measures provide useful information about the financial performance of Pivotal Systems, 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.

Notice to U.S. persons: restriction on purchasing CDIs

Pivotal Systems is incorporated in the State of Delaware and its securities have not been registered under the U.S. Securities Act of 1933 or the laws of any state or other jurisdiction in the United States. Trading of Pivotal Systems' CHES Depositary Interests ("CDIs") on the Australian Securities Exchange is not subject to the registration requirements of the U.S. Securities Act in reliance on Regulation S under the U.S. Securities Act and a related 'no action' letter issued by the U.S. Securities and Exchange Commission to the ASX in 2000. As a result, the CDIs are "restricted securities" (as defined in Rule 144 under the U.S. Securities Act) and may not be sold or otherwise transferred except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. For instance, U.S. persons who are qualified institutional buyers ("QIBs", as defined in Rule 144A under the U.S. Securities Act) may purchase CDIs in reliance on the exemption from registration provided by Rule 144A. To enforce the transfer restrictions, the CDIs bear a FOR Financial Product designation on the ASX. This designation restricts CDIs from being purchased by U.S. persons except those who are QIBs. In addition, hedging transactions with regard to the CDIs may only be conducted in compliance with the U.S. Securities Act.

Company
Overview

Pivotal Systems Overview

Pivotal Systems (**Pivotal**) designs, develops, manufactures and sells high performance gas-flow controllers for both device manufacturers and equipment companies participating in the semiconductor capital equipment market



GLOBAL LEADER IN
GAS FLOW CONTROL
(GFC) WITH UNIQUE
DIGITAL FLOW
CONTROL SOLUTIONS



FASTEST & MOST
ACCURATE GFCs ON
THE MARKET



PATENED
TECHNOLOGY
ENABLING NEXT GEN
SEMICONDUCTOR
DEVICES



70,000 UNIT GLOBAL
INSTALLED BASE &
GROWING



SERVING MULTI-
BILLION DOLLAR
WAFER FAB
EQUIPMENT
INDUSTRY

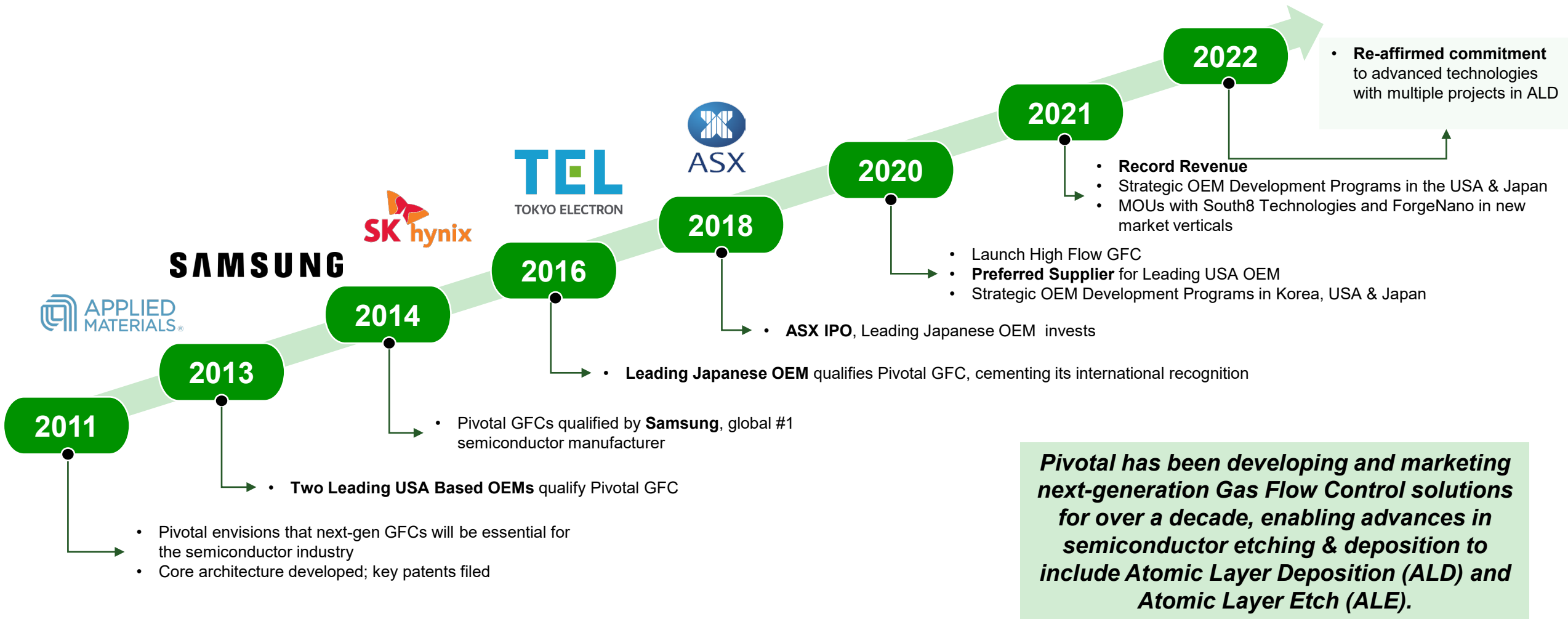


EXPANSION
OPPORTUNITIES INTO
ADJACENT MARKETS



GFC50L™ | GFC20L™ | GFC50L™
HIGH FLOW GAS FLOW CONTROLLER (GFC)

A History of Development, Delivery & Customer Expansion

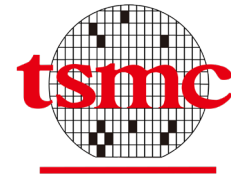


Our Customers

Equipment Manufacturers (WFE OEM)



Semiconductor Manufacturers (IDM)



芯恩(青岛)集成电路有限公司



Global Footprint Supporting 70,000+ Unit Installed Base



Sales

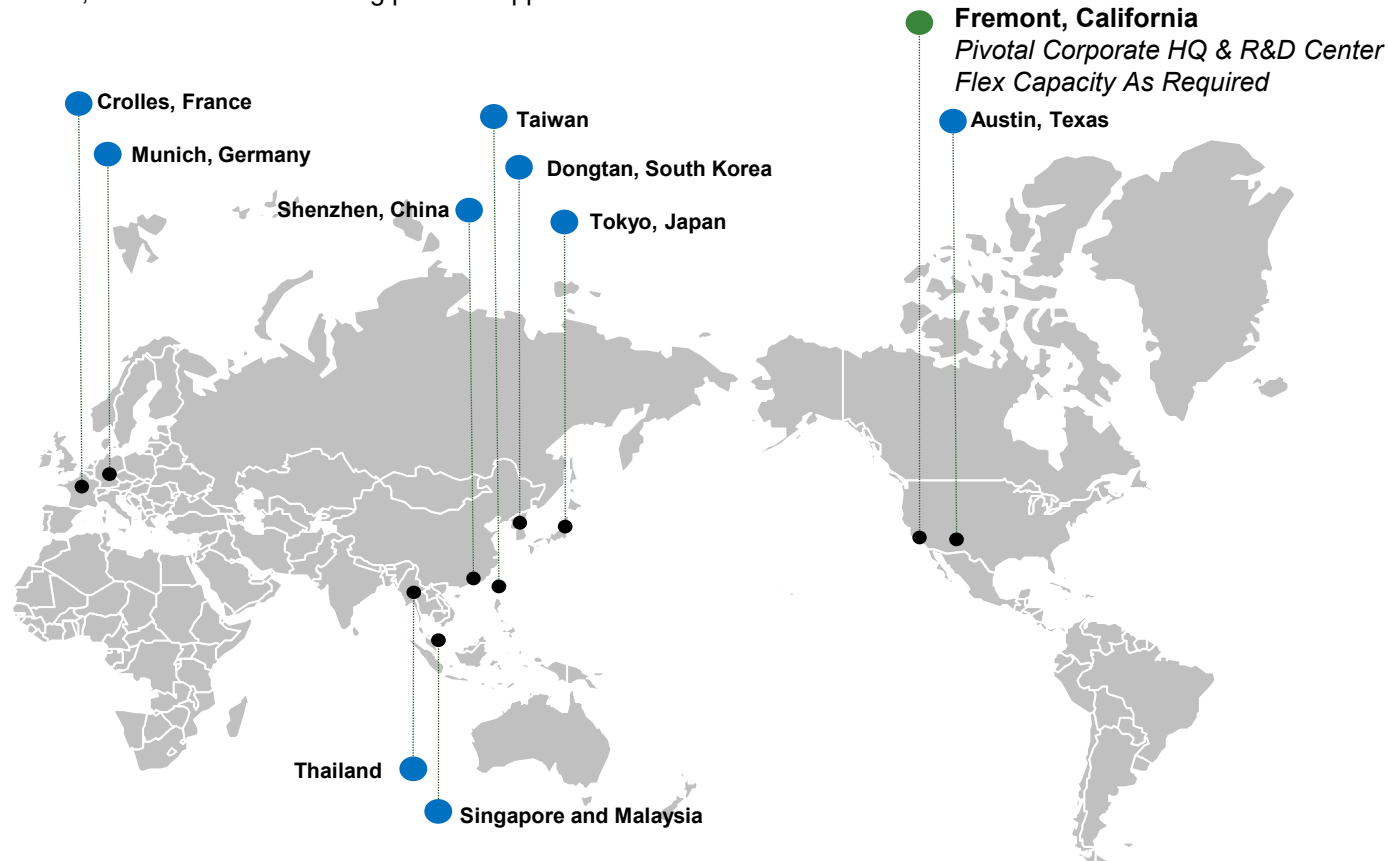


Technical



Manufacturing

● Pivotal technical, sales and manufacturing partner support



Strategically Located to Serve Key Markets & Customers

Manufacturing Partnerships in Korea, China, Thailand and Singapore
Korea Upgrade & Service Center

R&D partnerships in US and Japan

Support in all key IC markets globally

All software development and R&D is conducted and securely held in Pivotal's headquarters in Fremont, California

Leadership Team



- 28 years of global high tech management experience
- B.S., United States Military Academy at West Point, MSBA Boston University, and Certified Product Manager

Kevin Hill
Chief Executive Officer



- Founder of Pivotal Systems
- Former CTO of Lam Research

Joe Monkowski Ph.D.
Chief Technical Officer



- 30 years of experience as operating executive, venture investor, strategic advisor, & management consultant
- M.B.A from Harvard University & B.A. from Uni. California Berkeley

Ron Warrington
Chief Financial Officer



- 28 years of global high technology management experience
- B.S., from the United States Military Academy at West Point and an MS, from Pepperdine University

Cam Worsham
VP of Global Operations



- 30 years of experience in semiconductor and technology industries
- BS Mechanical Engineering, Stanford. MBA, Santa Clara University

John Arima
VP Global Sales and Marketing



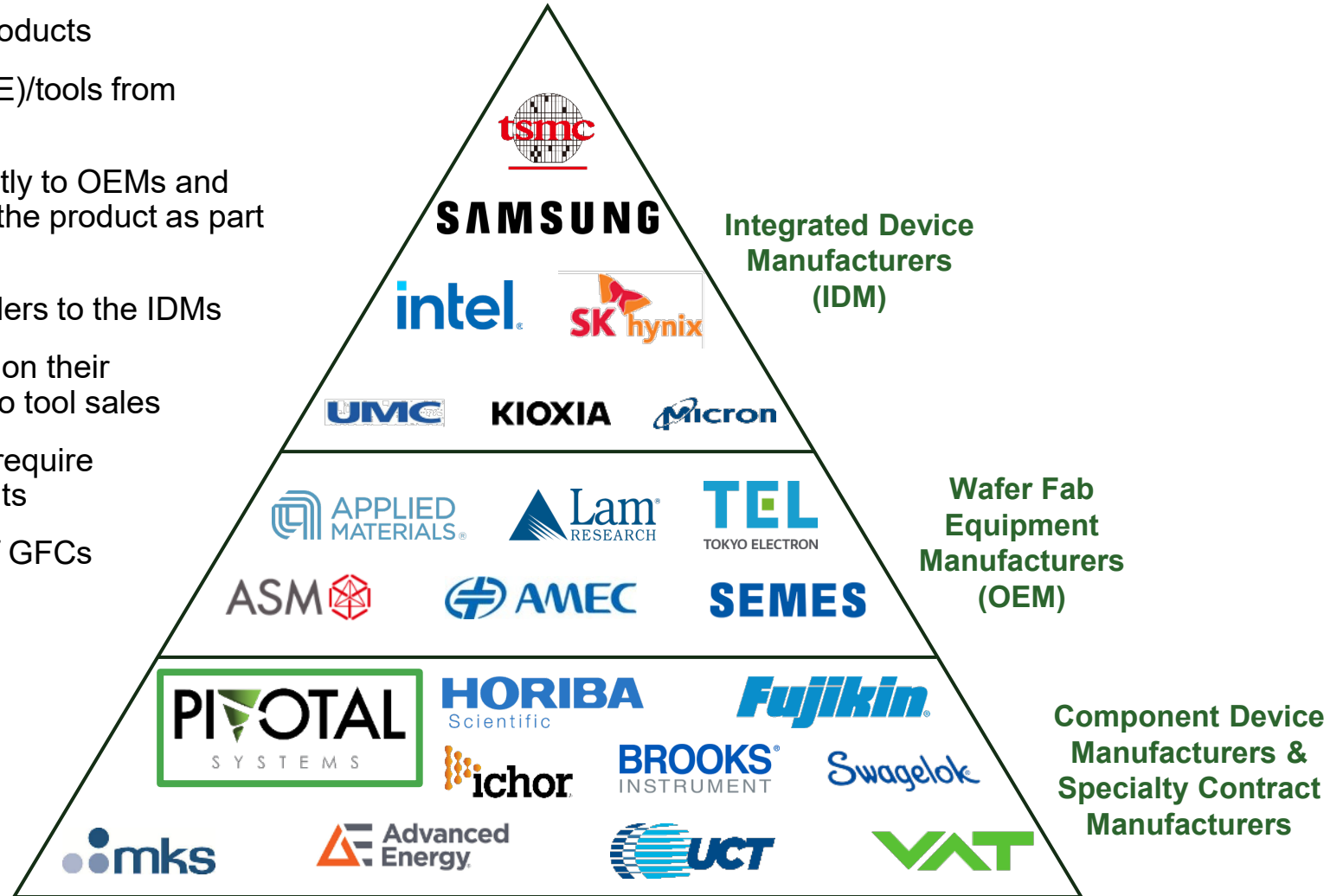
Decades of High-Tech & Semiconductor Industry Experience

Markets
We
Address

Semiconductor Supply Chain Overview

- IDMs are the ultimate end-users of Pivotal GFC products
- IDMs purchase Wafer Fabrication Equipment (WFE)/tools from OEMs to manufacture devices
- The highest volume of Pivotal GFCs are sold directly to OEMs and their contract manufacturing partners who include the product as part of the OEM tools
- OEMs provide optional selections for Flow Controllers to the IDMs
- OEMs qualify preferred components as 'Standard' on their equipment, increasing the component attach rate to tool sales
- IDMs with strong preference for Pivotal GFCs will require OEMs to include them on new equipment shipments
- There is also a direct channel of IDM purchases of GFCs for spare parts and upgrades – ~5% of OEM sales

Pivotal is qualified for key processes at all major OEMs who are supplying growing IDM WFE demand globally



Pivotal's Position in the Semiconductor Supply Chain

GFCs measure and control the gases used in the semiconductor chip-making process

GFC Manufacturer

Market
Size:
~\$660M



GFC: N=1



Wafer Fab Equipment Manufactures (OEMs)

Market
Size:
~\$100B



Tool: N=~100 GFCs/tool



Integrated Device Manufacturers (IDMs)

Market
Size:
\$600B+



Fab: N=`000s GFCs/fab



Pivotal well positioned to capture significant GFC market opportunity

Sources: Gartner, Markets and Markets, SEMI

FY22
Results

FY2022 Financial Summary

Revenue

\$18.2M

FY2021: \$29.2M

▼ 37.6%

Gross Margin

8.5%

FY2021: 30.4%

▼ 82.5%

EBITDA

(\$12.7M)

FY2021: (\$6.1M)

▼ 108.2%

Cash

\$3.2M

FY2021: \$4.0M

▼ 19.5%

New Orders

\$18.2M

FY2021: \$30.7M

▼ 40%

Backlog

\$1.0M

FY2021: \$3.9M

▼ 73.0%

Customers

46

FY2021: 42

▲ 9%

Installed Base

~77,000

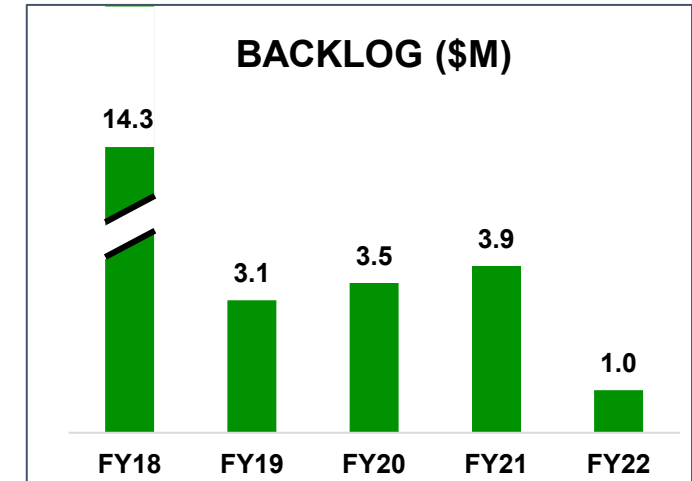
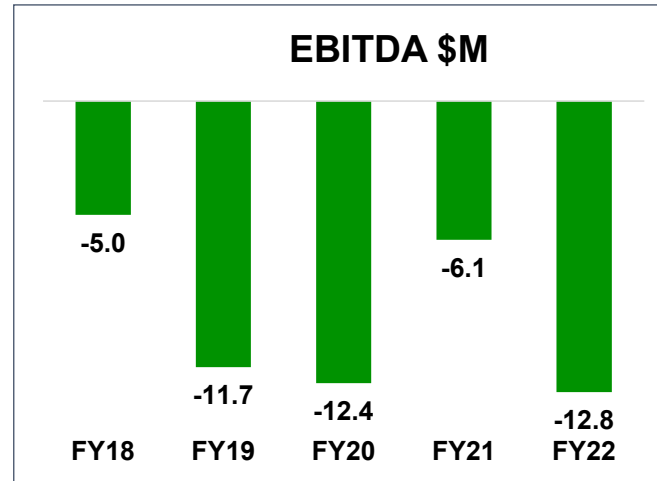
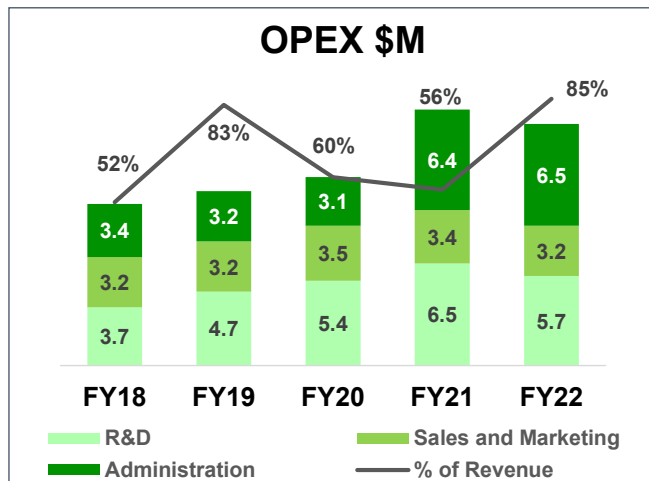
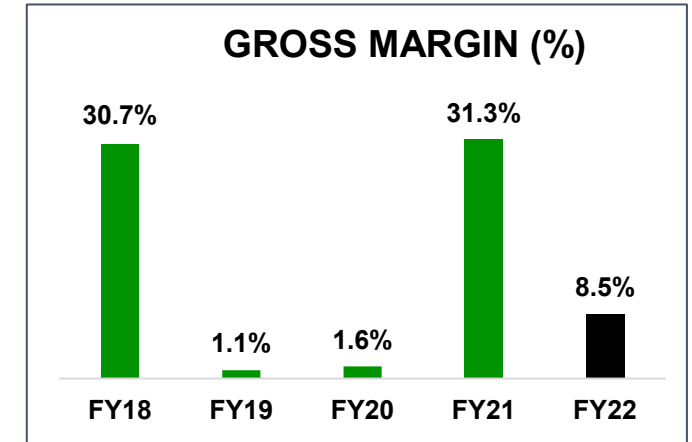
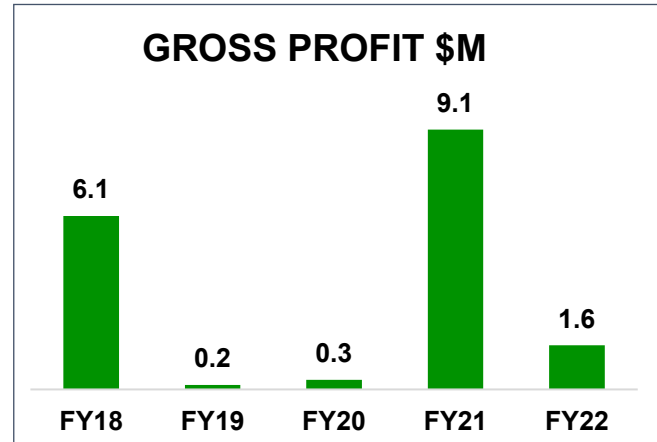
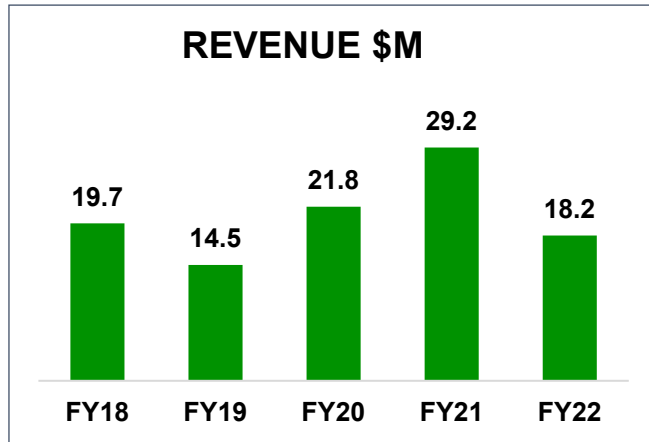
FY2021: 68,000

▲ 10%

1 All amounts are expressed in US Dollars

2 On a U.S. GAAP basis. The FY22 figures are based on the unaudited financial statements of Pivotal Systems that were released on the ASX on 27 February 2023.

FY2022 Financial Metrics



Note: Pre FY20 figures are presented under IFRS. The FY22 figures are based on the unaudited financial statements of Pivotal Systems that were released on the ASX on 27 February 2023.

Delisting from ASX - Summary

Delisting from ASX

- Intention to Delist from ASX Announced 14 February 2023
- Costs of remaining listed on the ASX for the foreseeable future significantly exceed the benefits; lack of liquidity on ASX

Share Buy-Back

- Offering securityholders the opportunity to participate in an off-market buy-back of up to 2,000 shares/CDIs from each eligible holder on the record date up to an aggregate cap of A\$30,000.
- Directors of Pivotal will not participate in the Buy-Back

Special Shareholder Meeting

- Targeting 3 April 2023
- The resolution to approve the Delisting must be approved by way of special resolution whereby it must be passed by **at least 75%** of the shares of stock voting at the meeting
- If delisting is approved, any securityholders who do not sell their securities prior to Pivotal being removed from the Official List of ASX will continue to hold shares in Pivotal as a private, unlisted Delaware corporation

Date	Document / Action
14 February 2023	Announcement of proposed Delisting of the Company from ASX (subject to receipt of shareholder approval)
17 February 2023	Ex-date for Buy-Back
20 February 2023	Record date to identify shareholders/CDI holders entitled to participate in the Buy-Back (subject to shareholder approval of the Delisting)
2 March 2023 (previously 23 February 2023)	Dispatch Notice of Meeting (seeking approval for the Delisting)
10 March 2023 (previously 23 February 2023)	Lodge Buy-Back Offer Booklet with ASX and dispatch to shareholders
10 March 2023 (previously 23 February 2023)	Buy-Back offer period opens
3 April 2023 (previously 23 March 2023)	Shareholder meeting to approve Delisting of the Company from ASX
2 May 2023 (previously 21 April 2023)	Buy-Back offer period closes
9 May 2023 (previously 27 April 2023)	Suspension of CDIs from trading on ASX
23 May 2023 (previously 11 May 2023)	Removal of the Company from the Official List of ASX
23 May 2023 (11 May 2023)	Announce volume of shares to be bought back by the Company under the Buy-Back
23 May 2023 (previously 11 May 2023)	Payment date under Buy-Back
25 May 2023 (previously 15 May 2023)	CHESS Depository Nominees Pty Limited (CDN) to revoke the trust under which it holds the CDIs and notify CDI holders of such termination
27 May 2023 (previously 17 May 2023)	CDN transfers title to the shares underlying any remaining CDIs to the former CDI holder

Note: All dates and times above are Sydney, Australia time. The Company will also inform securityholders of any changes to the indicative timetable referred to above by market announcement made via the ASX company announcements platform.

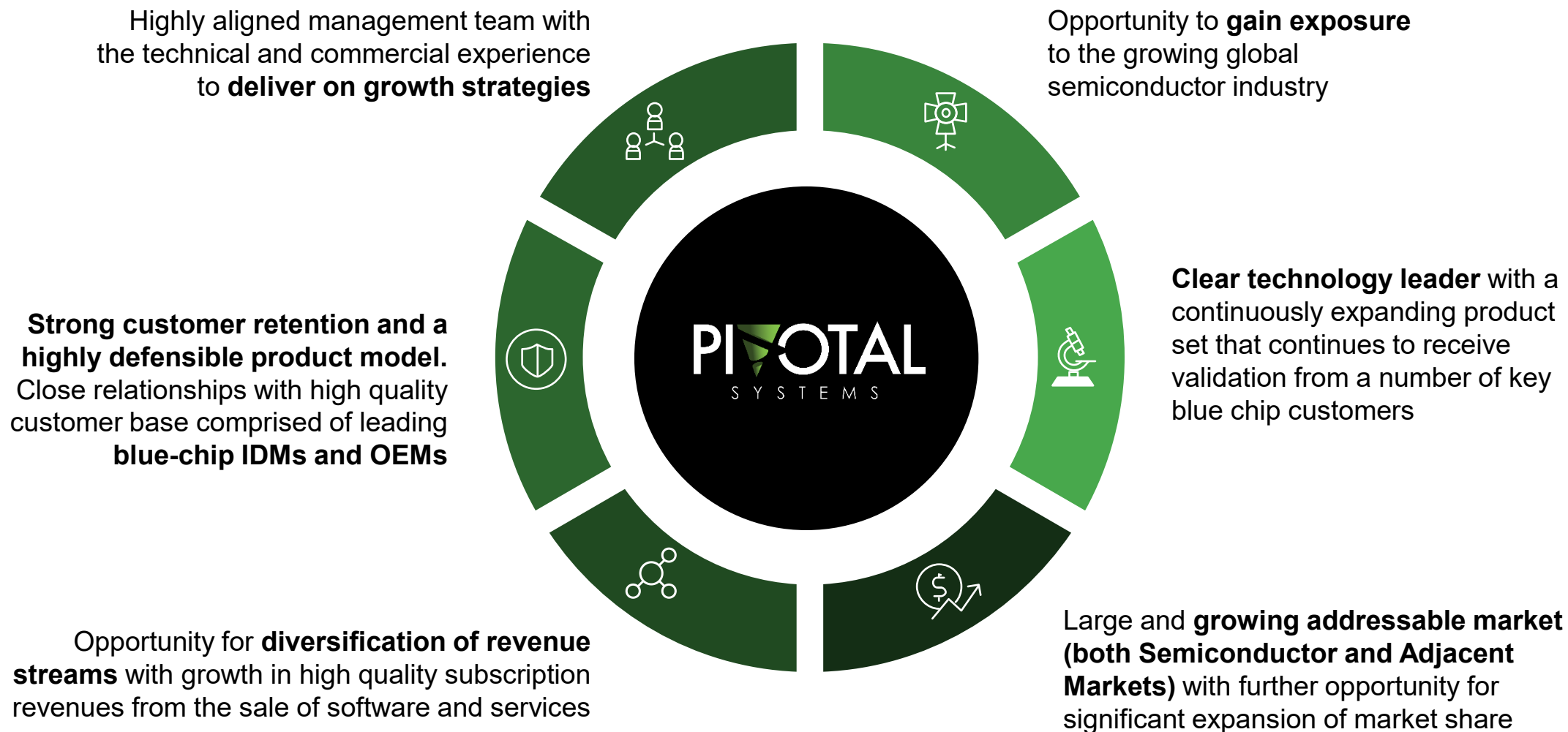
The Board maintains that it is in the best interests of Pivotal, and all Pivotal Security Holders, that the Company delist from the ASX

Growth Strategies 2023 & Beyond

- The Company has engaged Needham & Company to undertake a process to consider options for the Company following delisting¹
- Subject to obtaining appropriate financing, Pivotal will continue its efforts to grow its business and capture market share in the Semiconductor equipment manufacturing industry.
- The Company intends to continue developing new products related to its core gas flow control business, delivering value to current and future customers.
- Pivotal's devices provide OEMs with the ability to manufacture leading edge semiconductors using among the fastest, most accurate digital equipment on the market.
- With appropriate financing, Pivotal Systems believes it will gain market share through expansion of its existing products and customer base.

▪ 1. There is no guarantee that a higher price for Pivotal securities will be obtained or that an exit event or strategic alternative will occur at all.

Pivotal Summary





Thank You

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