

REVASUM

Surface Preparation Equipment for the Compound Semiconductor Industry

Equity raising

November 2023

Scott Jewler, President & CEO

Not for resale to US wire services or distribution in the United States.

Disclaimer

This presentation has been prepared by Revasum, Inc. (ARBN: 629 268 533) (**Revasum**) and is for information purposes only. Each recipient of this presentation is deemed to have agreed to accept the qualifications, limitations and disclaimers set out below. It is intended only for those persons to whom it is delivered personally by or on behalf of Revasum. If you are not such a person, you are not entitled to receive this document, and you must promptly return all materials received from Revasum (including this document) without retaining any copies.

The information provided in this document is general and may not be suitable for the specific purposes of any user of this document. This document is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or under any other law. It is not financial advice or a recommendation to acquire Revasum securities (ASX: RVS). Neither this document nor anything contained in it forms the basis of any contract or commitment and no agreement to subscribe for securities will be entered into on the basis of this document. Revasum believes that the information in this document is correct (although not complete or comprehensive), but none of Revasum or its subsidiaries or their respective directors, officers, employees, advisers or representatives (**Beneficiaries**) make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information contained in this presentation, including any forecast or prospective information. Users of this document should conduct their own independent review, investigations and analysis of Revasum and of the information contained or referred to in this presentation and obtain independent professional advice as to whether an investment in Revasum is appropriate for them, having regard to their personal objectives, risk profile, financial situation and needs, before relying on this document as the basis for any investment decision. Users should also refer to Revasum's financial statements lodged with the ASX for the period to which this document relates and other announcements Revasum has lodged with the ASX.

Future performance - Forward looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. An investment in Revasum securities is subject to investment and other known and unknown risks, some of which are beyond the control of Revasum. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation.

To the maximum extent permitted by law, none of Revasum's employees, its directors, advisers or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of or reliance on, the information contained in this presentation. In particular, no representation or warranty, express or implied is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in this Presentation nor is any obligation assumed to update such information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances.

This presentation and the information in this presentation (**Confidential Information**) is strictly confidential. You must not copy, reproduce, quote or refer to the Confidential Information or give it to another person, in whole or in part, without the prior written consent of Revasum, which may be withheld in its absolute discretion.

The distribution of this presentation in jurisdictions outside Australia may be restricted by law. In particular, this presentation may not be distributed to any person, and securities may not be offered or sold in any country, other than as set out in the International Offer Restrictions at the back of the presentation.

Persons who come into possession of this presentation who are not in a jurisdiction set out in the International Offer Restrictions section of this presentation, should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Non-IFRS financial measures

Revasum uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards or IFRS. These measures are collectively referred to in this presentation as 'non-IFRS financial measures' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by 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 amortisation and interest and tax charges.

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. A number of figures, amounts, percentages, estimates, calculations of value and fractions in this document are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

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

Revasum is incorporated in the State of Delaware and its securities have not been registered under the U.S. Securities Act of 1933, as amended (US Securities Act) or the laws of any state or other jurisdiction in the United States. Trading of Revasum's CDIs on the Australian Stock 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 will 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.

Executive Summary

Business and Market

- Revasum designs and manufactures fully-automated and integrated single-wafer grinding and polishing systems for silicon carbide
- Silicon carbide is replacing silicon based IGBT and Mosfet solutions due to their ability to operate at higher voltages and frequencies
- Silicon carbide power device revenue is forecast to grow at a CAGR of 26% between 2022 and 2030 to US\$11.4 – US\$14.4 billion in 2030
- Revasum well positioned to take advantage of this growing market as co-optimization of grind and polish can significantly improve device cost and yield
- Process ongoing to identify an appropriate additional director to join the Revasum board

Financial Performance

- 43% Q3FY23 year on year revenue growth over Q3FY22
- Free Cash Flow improved to negative US\$0.40 million for Q3 2023 (Q2 FY23: negative US\$1.05 million) an improvement of 61.6% QoQ.
- Total revenue YTD FY23 of US\$14.23 million increased 33.1% over the prior corresponding period in FY22 (PCP) YoY (PCP: US\$10.69 million)
- Operating expenses in YTD FY23 were US\$8.09 million (PCP: US\$9.73 million), a decrease of 16.9%

Equity Raising

- 1 for 2.126 pro-rata accelerated non-renounceable entitlement offer to raise up to **A\$6.25m¹** (US\$4.06m) at **A\$0.125** per new CDI (**Equity Raising**)
- Proceeds from the Equity Raising will be used to provide working capital and funding for research & development for future projects if the full **A\$6.25m¹** (US\$4.06m) at **A\$0.125** per new CDI is raised
- Certain key executives from the senior management team have indicated an interest in participating in any shortfall under the Equity Raising
- Firsthand Technology Value Fund has agreed to voluntarily escrow its CDIs (representing 32.6% on a fully diluted basis) until 1 January 2025
- Firsthand Technology Opportunities Fund, a series of Firsthand Funds, has confirmed it does not have any current intention of disposing of shares or CDIs in Revasum (see slide 28)

Financing

- Revasum has agreed to enter into Forbearance Agreements with its lenders SQN and Firsthand Technology and has agreed revised terms of the facilities, including an extended interest only period (see slides 40 – 41)
- The minimum raise of A\$2.31m¹ (US\$1.50m) provides sufficient capital to operate the business and provide runway to the end of CY24 and provide optionality for further financing or other strategic directions
- Board has engaged B. Riley Securities, Inc. to conduct a review of strategic alternatives for the business (see slide 28)

History

1948

- Strasbaugh Founded

1990

- 6DS-SP Introduced, >300 systems shipped

1992

- 6DZ Introduced, >300 systems shipped

2016

- Strasbaugh assets acquired and Revasum formed

2016

- Revasum introduces 7AF-HMG, Hard Material Grinder

2018

- Revasum IPO and listing on Australian Securities Exchange

2021

- Revasum introduces 6EZ, Dedicated SiC CMP platform



Leadership Team



Scott Jewler
CEO

- >30 years semiconductor industry veteran
- Broad global leadership experience
- Operations, R&D, Sales & Marketing and Corporate Development
- USA, Taiwan, Japan, Singapore
- Equipment, Materials, Device Fabrication, Device Assembly & Test
- Mitsubishi Chemical, Globalfoundries, Amkor Technology, Powertech Technology



Bruce Ray
CFO

- >25 years of post MBA experience
- Multi-industry executive leadership
- Strategic planning, Operations, Financial Planning & Analysis, M&A, Change Management, Business Development and Sales
- Cannon Corporation, Trimble Navigation, Sanluisobispo.com, Excite@Home, Intel Corporation



Fred Sun, PhD
VP R&D

- ~30 years innovative technology & product development and R&D management
- >20 years servicing WW semiconductor customers
- Created dozens of products generating >\$1B sales cumulatively
- Equipment-consumables-process integration expert
- Ecolab, Stockhausen, Cabot Microelectronics



Bill Kalenian
VP Engineering

- Experienced engineering executive with 25+ years CMP and wafer grinding experience
- Led and participated in development and commercialization of 8 CMP and grinding platforms and numerous technological innovations and patents
- Agile product development, engineering management processes and tools, SEMI/CE regulatory compliance
- Semiconductor equipment and advanced materials, fabrication techniques, wafer handling, robotics/automation

Core surface preparation technology for the high-growth Silicon Carbide Semiconductor industry

80+

Patents for CMP,
Grind & Polish

600+

Worldwide Active
Tool Install Base

100%

In-house R&D and
Manufacturing

50+

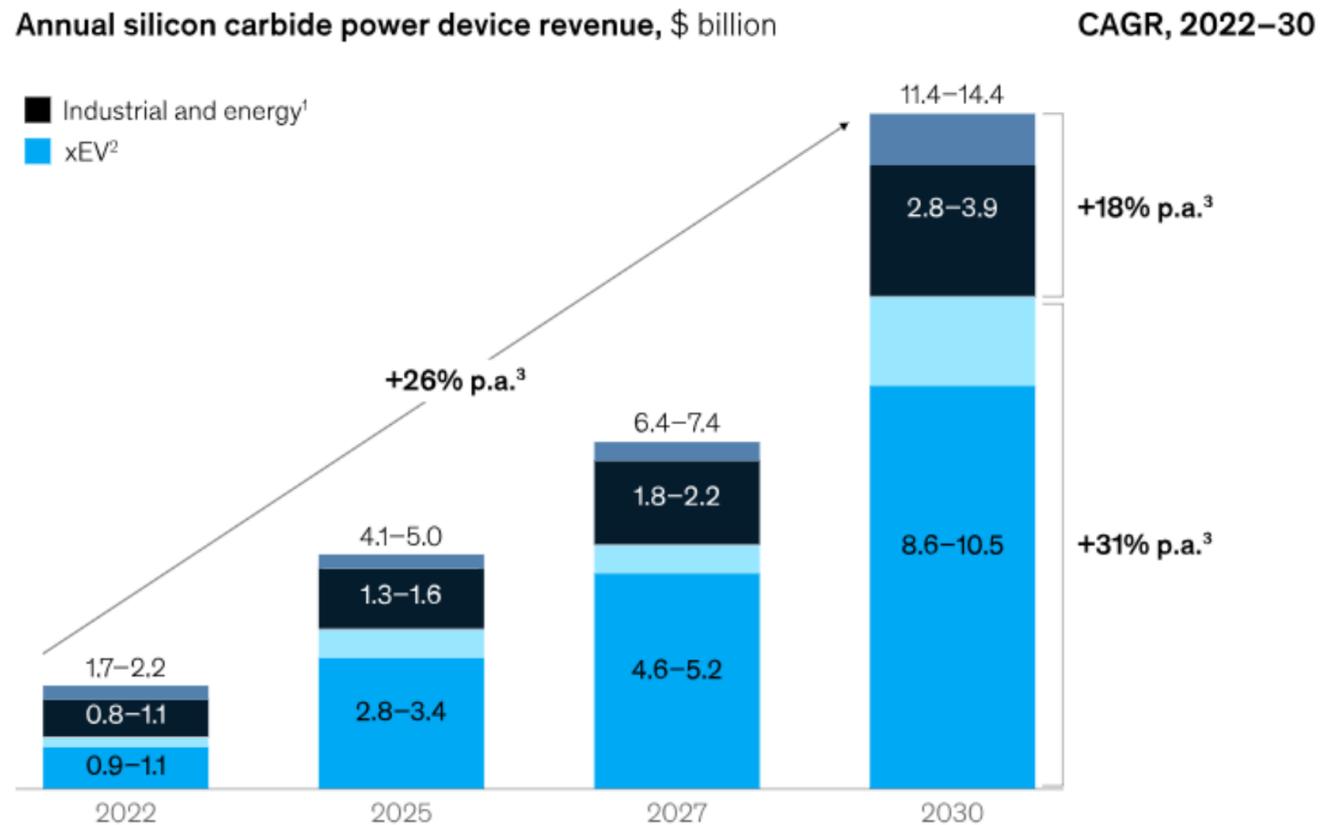
Employees, San Luis
Obispo, California, USA.

Our tools enable innovation across technology and industry. Customers include:



Current State of Market

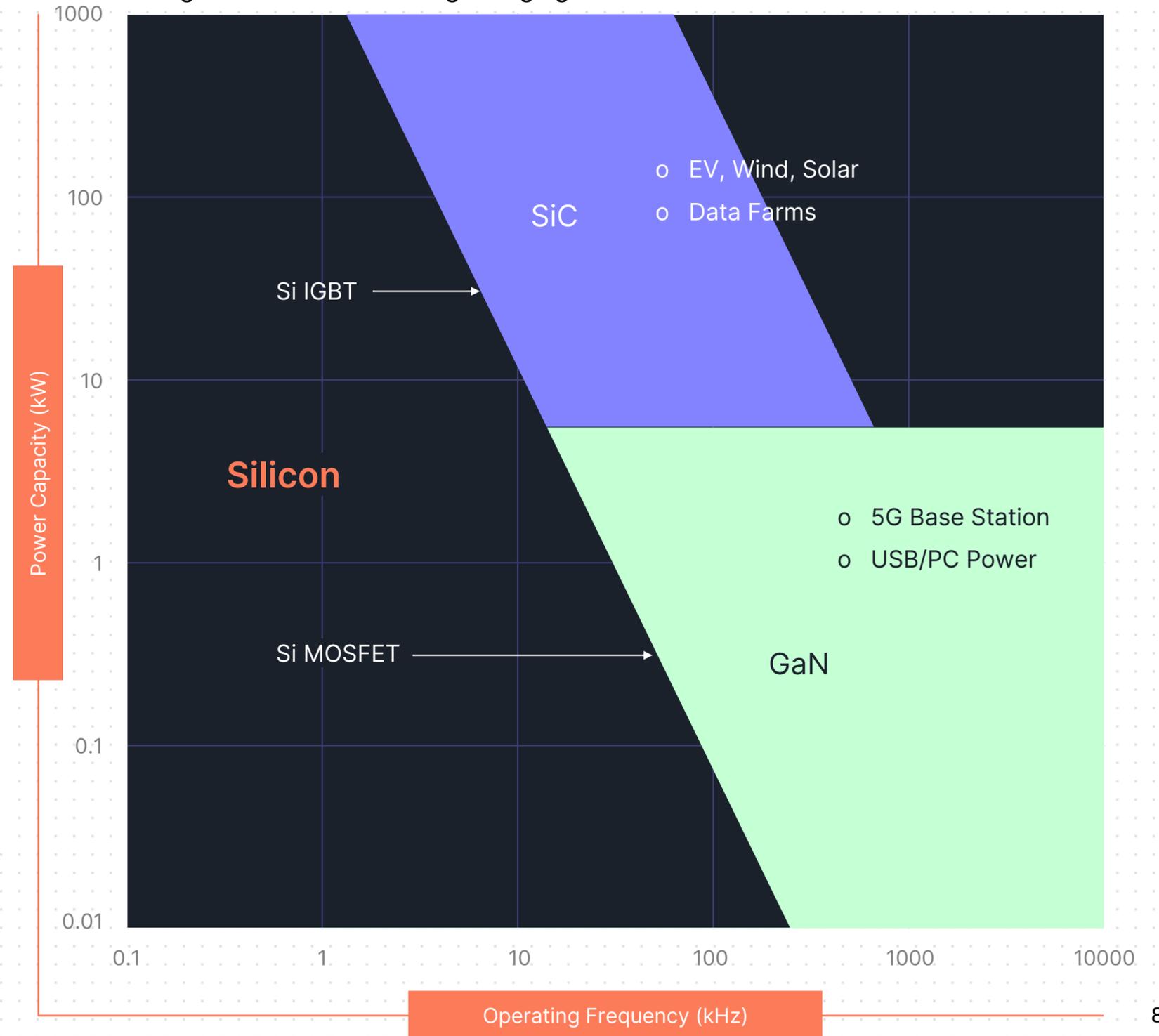
Market



Note: Data is as of November 2022.
¹Other applications as a share of industrial and energy include power supplies (23%), industrial applications (14%), commercial vehicles (12%), uninterruptable power supplies (12%), and military and aerospace (12%).
²xEV includes battery electric vehicles (BEVs), hybrid electric vehicles (HEVs), plug-in hybrid electric vehicles (PHEVs), and fuel-cell electric vehicles (FCEVs).
³Per annum.
 Source: McKinsey Center for Future Mobility, Current Trajectory Scenario

Source: Oct 17, 2023 Article from McKinsey & Company:
 New Silicon Carbide prospects emerge as market adapts to EV Expansion

Compound semiconductor substrates are replacing silicon based IGBT and Mosfet solutions due to their ability to operate at higher voltages and frequencies. These properties enable more efficient power conversion increasing range in EV's and reducing charging times.



Silicon Carbide – EV Is Just The Beginning



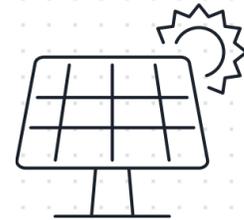
Vehicle Electrification

- Extend Range
- Reduce Weight



EV Charging

- Faster Charging
- Higher Efficiency



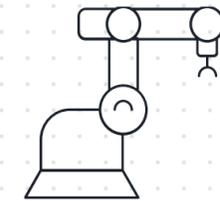
Renewable Energy

- Solar
- Wind
- Energy Storage



Server & Telecom

- Power Conservation



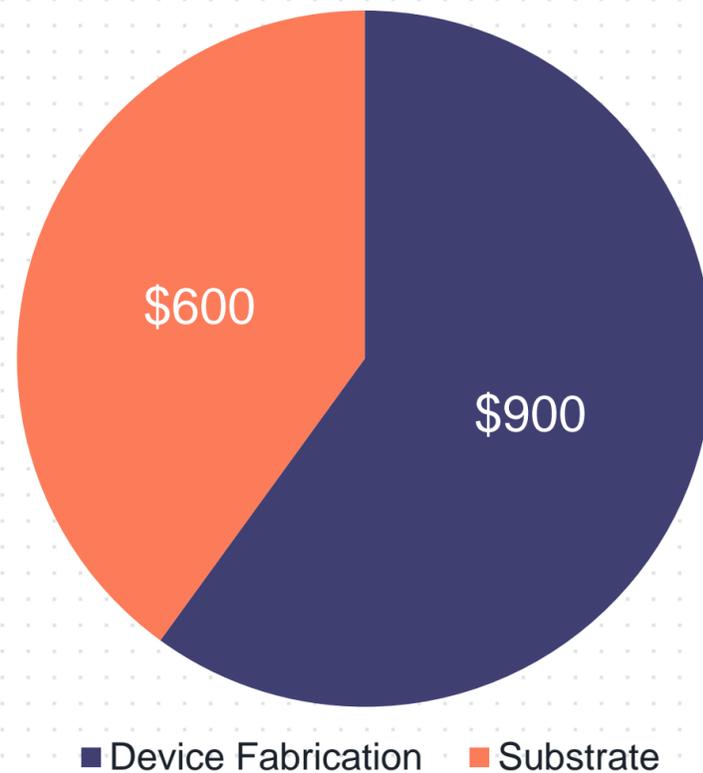
Industrial Power

- Servo Driver
- Electric Rail

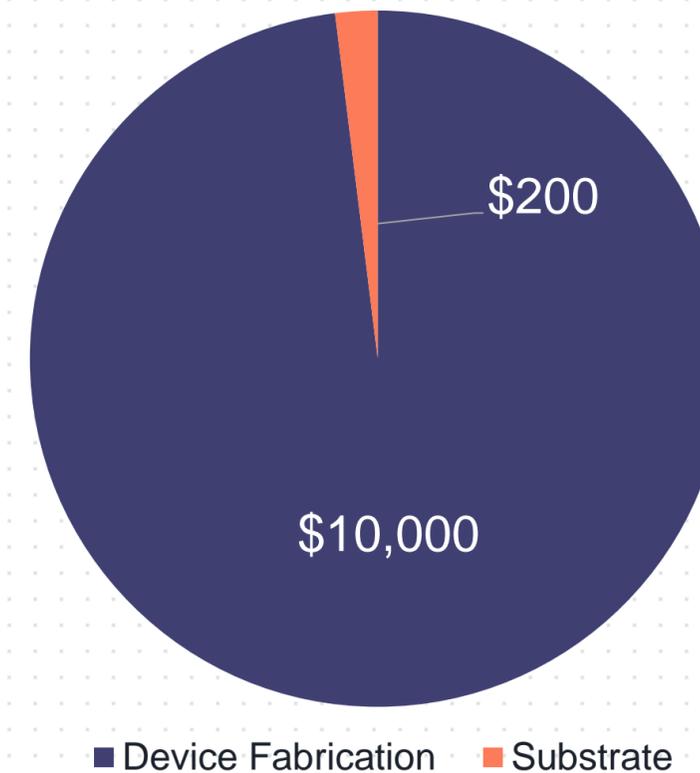


SiC Substrate Enables SiC Device Performance

SiC Device COGS



7nm Silicon Wafer



SiC substrates contribute a significantly higher portion of SiC device wafer cost of goods sold than Si Substrates for Silicon device wafers

Value is derived from SiC properties rather than extremely fine feature size device fabrication

Product Lineup

Fully-automated and integrated single-wafer grinding and polishing systems for silicon carbide



7AF-HMG

Compound Semiconductor Grinder



6EZ

Silicon Carbide Polisher

Substrate grinding and polishing are critical steps in compound semiconductor substrate manufacturing

Co-optimization of grind and polish can significantly improve device cost and yield

Revasum Equipment + Process Solutions enable 200mm SiC substrate surface preparation and device wafer thinning

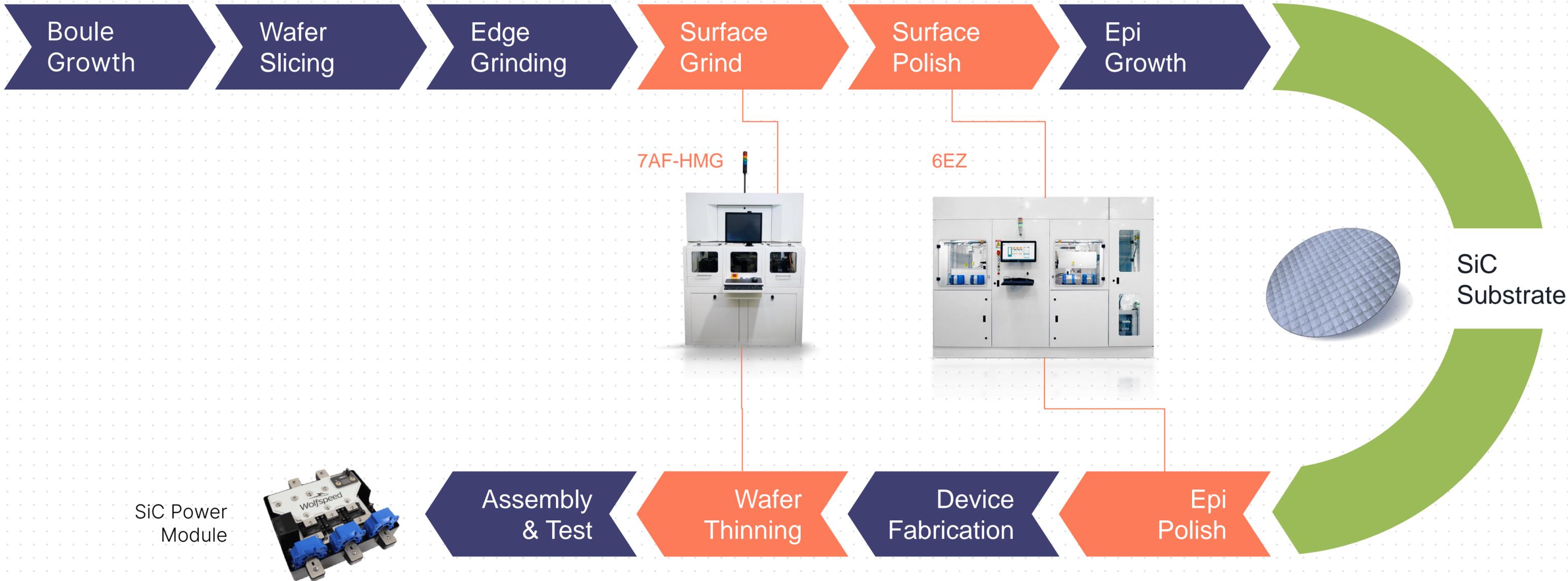
7AF-HMG: High speed, low stress hard material grinding

- **Ultra-stiff structure**
 - Reduced subsurface damage (less polishing required to remove damage)
 - 1.5-2X longer grind wheel life (~\$500k/year/tool wheel cost)
 - Lower wafer bow and warp (eliminate fine grind for most wafer backside thinning applications)
- **Wheel agnostic**
 - Use the best wheel for the application
- **On-board process diagnostics**
 - Monitor grind force, motor torque, etc. for predictive maintenance, process health monitoring
- **Recipe controlled head angle adjustment**
 - Eliminate timely human adjustments

6EZ: Built from the ground up for hard material polishing

- **Highest Pressure Velocity (PV) operating range**
 - Highest downforce (7.2 PSI in HVM) to achieve fastest removal rate (+20-30%)
 - 20-30% less slurry usage (~\$1M/tool/year in full production)
- **200mm SiC Proven**
 - Process qualified at leading customer
- **Proven high reliability polish engine**
 - >600 systems with similar structure in HVM (6DZ & 6DS-SP)
- **Gimble Polish Head Design**
 - Tight surface uniformity control without costly and fragile membrane carrier
 - Low maintenance, high repeatability, high availability
 - Non-contact retaining ring: Less friction for lower temperature polishing: Extend consumable life

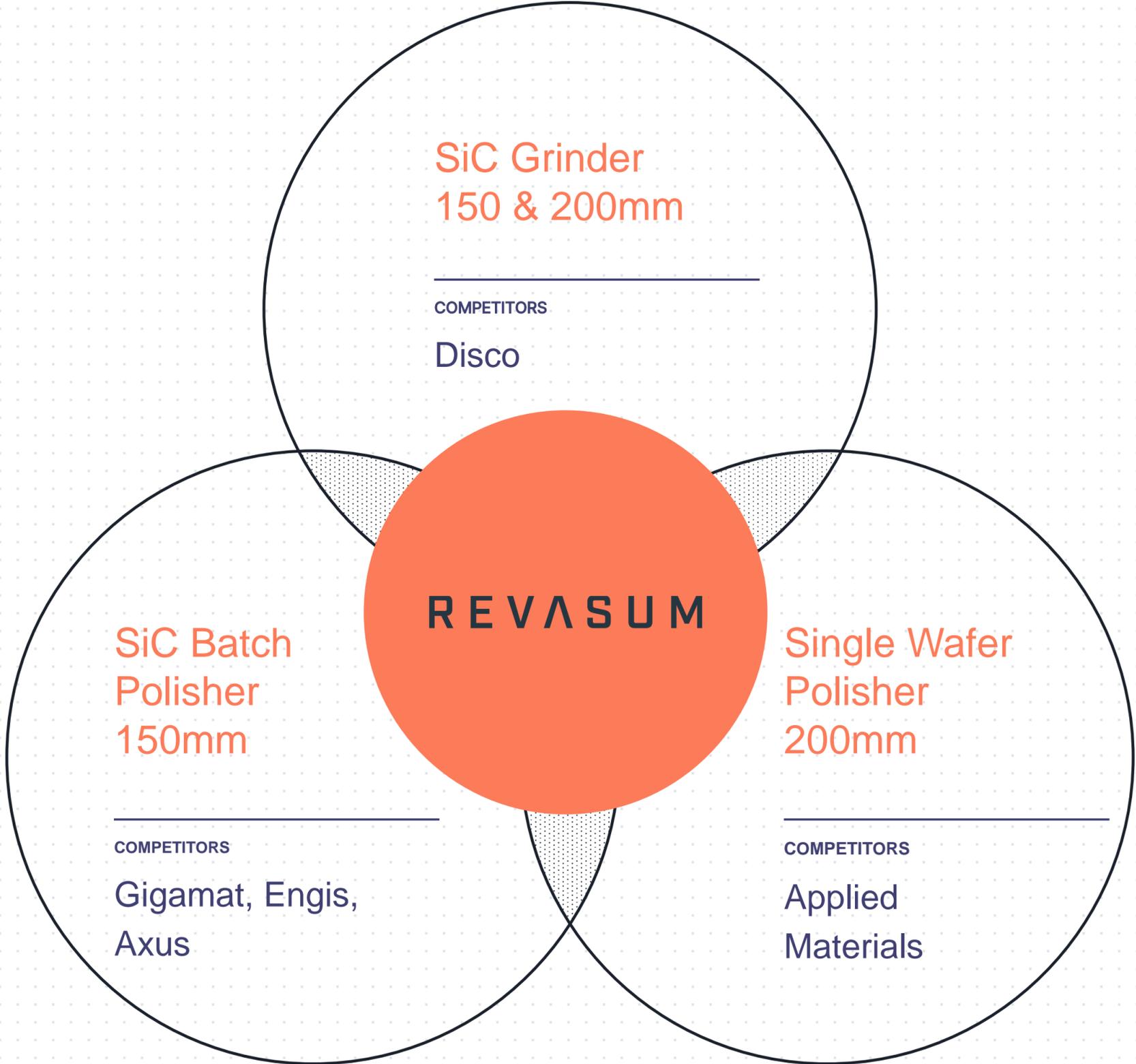
SiC Manufacturing Flow



Competition

**Silicon Carbide is the new frontier
with few competitive equipment
suppliers in a high-growth market**

Revasum is a global supplier of both **SiC grinding and polishing equipment**



Financial Highlights

Q3 FY23 Financial and Operational Highlights

Financial Highlights

- Total revenue of US\$4.69 million increased 43.0% YoY (Q3 FY22: US\$3.28 million)
- Operating expenses in Q3 FY23 were US\$2.39 million (Q3 FY22: US\$2.63 million), a decrease of 9.0%
- Inventory reduction efforts continued, at the end of Q3 FY23 was US\$8.29 million (Q2 FY23: US\$8.68 million), a decrease of 4.5% QoQ and down US\$1.47 million or 15.1% vs the Q3 FY22.
- Free Cash Flow improved to negative US\$0.40 million (Q2 FY23: negative US\$1.05 million), an improvement of 61.6% QoQ.
- Total backlog of US\$5.18 million as of 7 October 2023.

Operational Highlights

- 6EZ polisher
 - The company established specifications for a new version of the 6EZ polisher with higher productivity and began the process of evaluating design options.
 - The new product will utilize the existing 6EZ polish chain to produce equivalent results which will simplify qualification by customers and will add the capability to load each of the three existing polish stations independently for increased productivity
- 7AF-HMG grinder - The company also completed development of a new end effector for the 7AF-HMG wafer transfer robot that together with enhanced S/W controls increases the yield associated with handling fragile laser cut substrates
- Nick Langston was appointed Vice President of Sales

YTD FY23 Financial and Operational Highlights¹

Financial Highlights

- Total revenue YTD FY23 of US\$14.23 million increased 33.1% over the prior corresponding period in FY22 (PCP) YoY (PCP: US\$10.69 million). Both equipment revenue +25.3% and other revenue +40.9% grew robustly YoY.
- Operating expenses in YTD FY23 were US\$8.09 million (PCP: US\$9.73 million), a decrease of 16.9%
- Free Cash Flow YTD FY23 improved to negative US\$2.18 million (PCP: negative US\$7.23 million), an improvement of 69.9% YoY.

Operational Highlights

- 6EZ polisher
 - Completed installation of 6EZ chemical mechanical polishing system at 2nd large customer manufacturing facility and entered into process qualification for 200mm wafers
 - Released software and machine setting upgrades to enable a ~20% Increase in equipment productivity
 - 200mm conversion kit was shipped to one customer and a second conversion kit is on order to ship to another customer
 - Work initiated on design of the 6EZ+ version
- The Company entered into an agreement with a leading SiC grind wheel manufacturing company to collaborate on the development of next generation grind wheels on Revasum's 7AF HMG SiC grinder.
- Revasum received a letter of intent in Q4 FY23 from a South Korean company to acquire a 6EZ SiC CMP system via a hire purchase arrangement in FY24. This transaction will mark the third customer to acquire a 6EZ.

¹ Period from Q1 to Q3 FY23.

FY 2022 Financial and Operational Highlights

Financial Highlights

- Total revenue of US\$14.7 million increased 7.6% YoY (FY21: US\$13.7 million)
- Equipment revenue of US\$7.7 million increased 2.2% YoY (FY21: US\$7.5 million)
- Other revenue of US\$7.1 million increased 14.1% YoY (FY21: US\$6.2 million)

Operational Highlights

- New CEO, CFO, and CTO were hired in 2022.
- The Company initiated a yield engineering task force in 2022 and began the release of hardware and software upgrades to maintain best in class performance.
- Revasum completed a reassessment and redesign of the 6EZ product that is planned for release in 2024.
- CFO was assigned additional responsibility for field service engineering and will focus on building out the Company's capabilities to better track and manage performance of tools in the field and deliver improved service levels to our customers.
- The Company became eligible for funding under the US CHIPS Act.

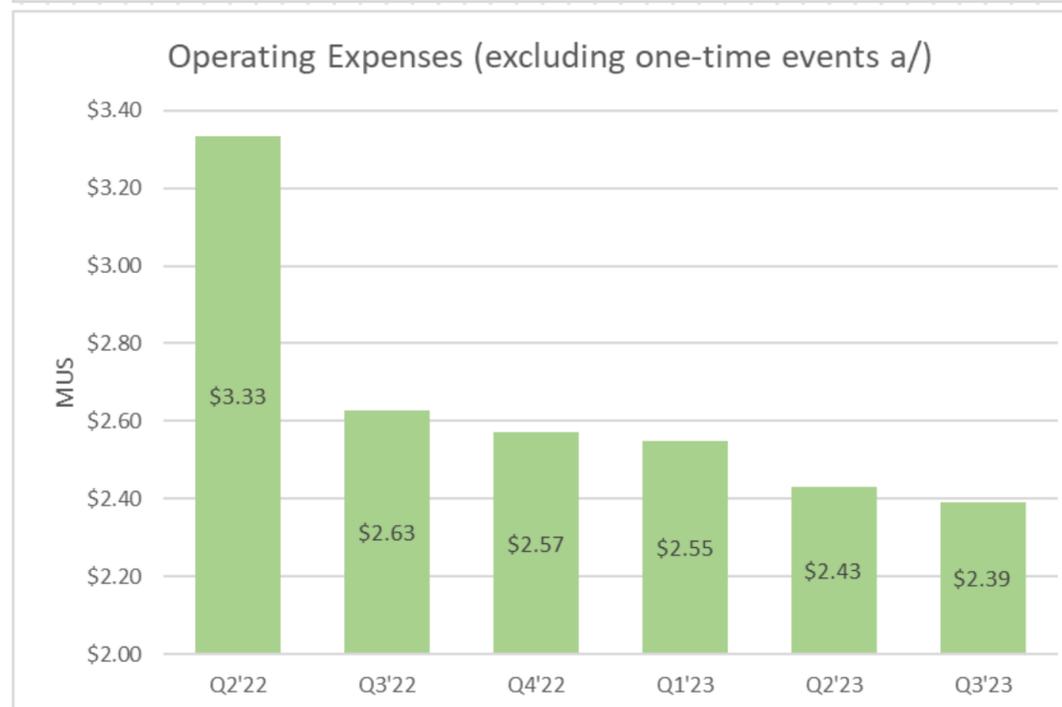
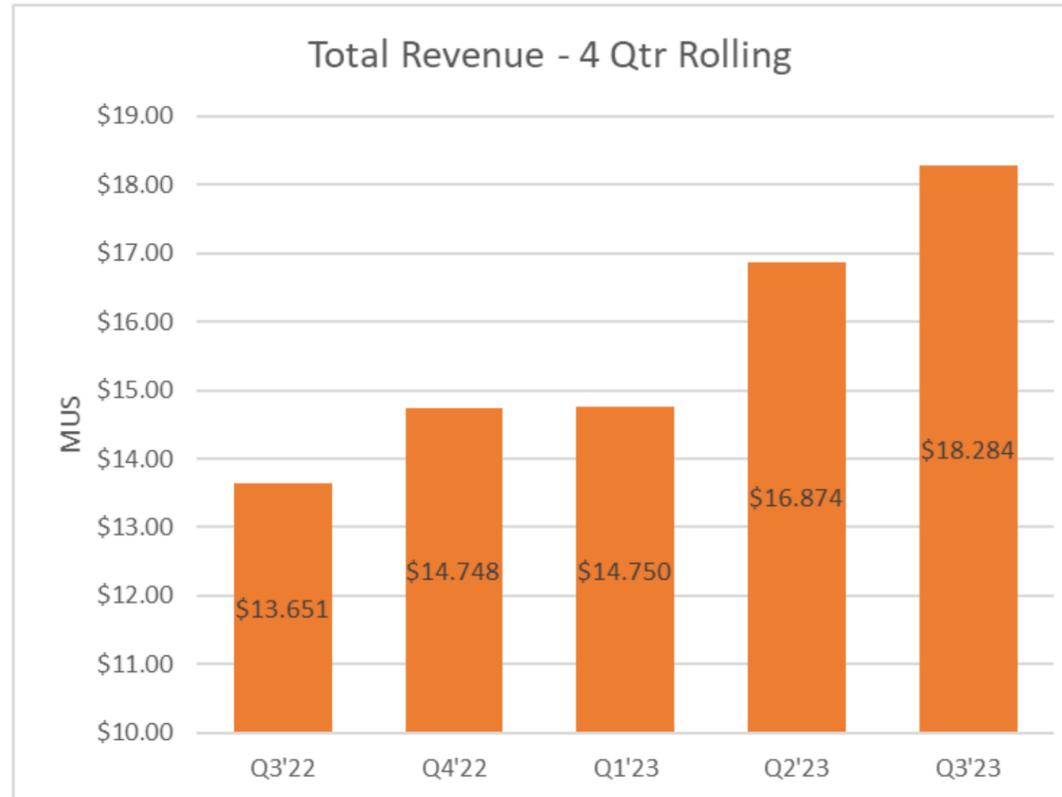
Operating Discipline and Continuous Improvement

• Revenue Growth

- 4 consecutive quarters of 4 quarter rolling average revenue growth

• Operating Expense Control

- Restructuring actions since Q2 FY22 yield ~US\$2.5 million in annualized savings
- Complete review of recurring expenses and contracts has resulted in >US\$700 thousand in annualized savings



Q2 FY22 excludes a one-time US\$1M evaluation tool write-down,
 Q2 FY23 excludes one-time expenses: US\$0.35M Other Expense true-up, US\$0.25M in legal costs,
 and US\$0.11M in severance costs

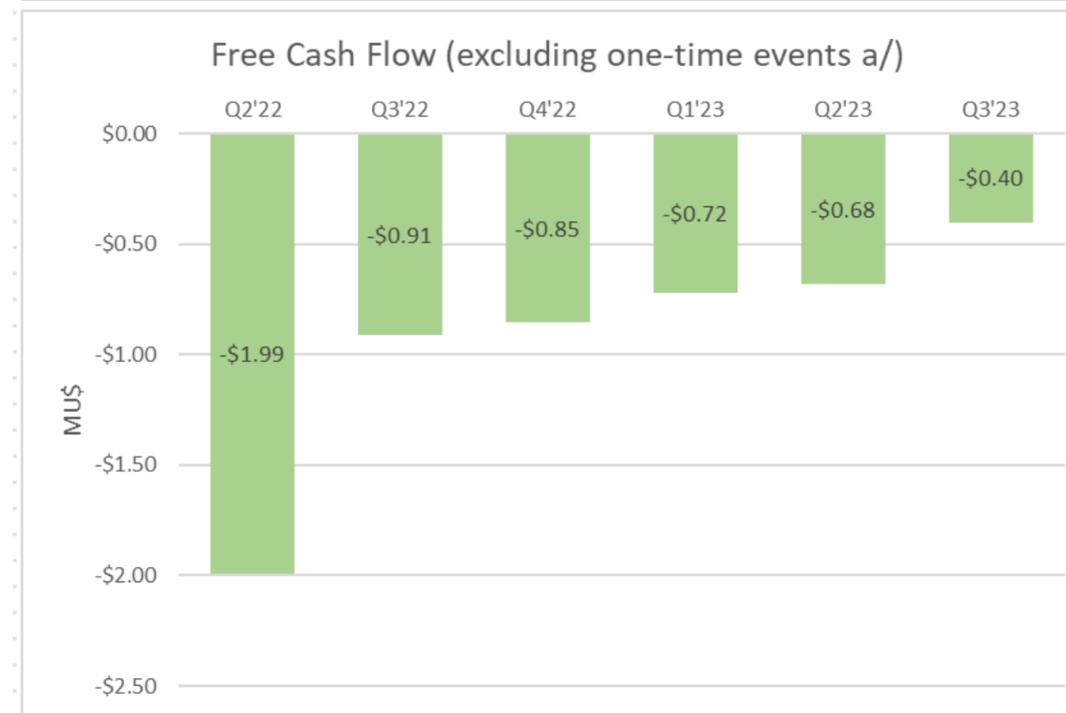
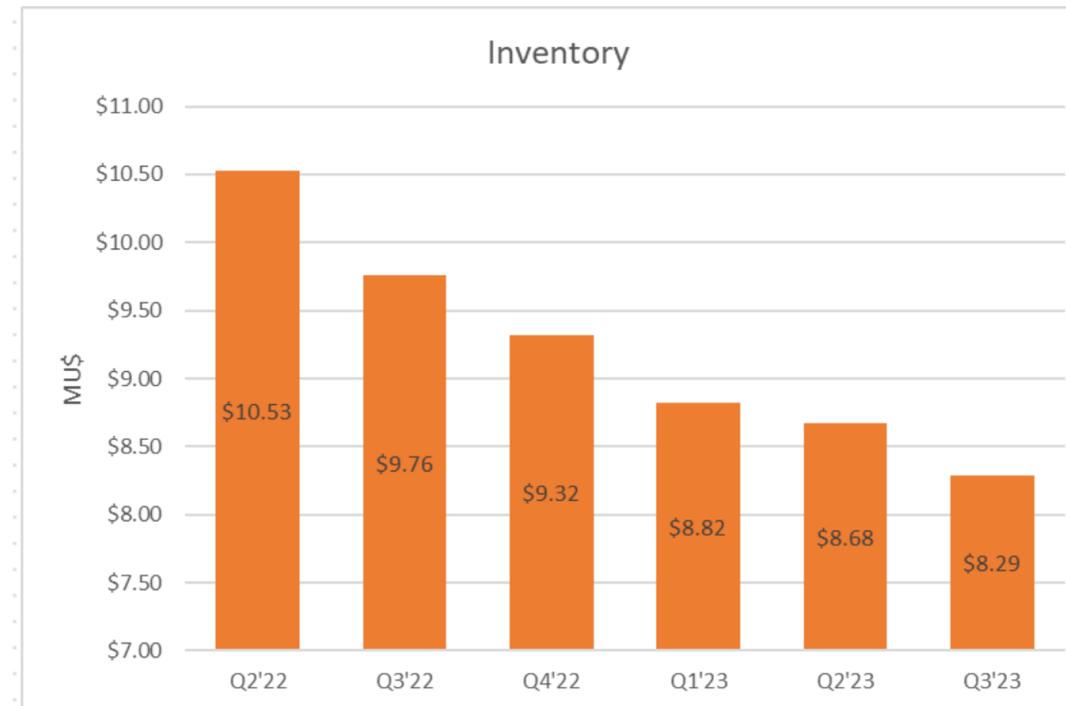
Operating Discipline and Continuous Improvement, continued

• Inventory reduction

- Inventory build through Q3 FY22 result of:
 - Over investment in CMP tool parts
 - Imbalance due to grinder supply chain constraints
- Introduced rule-based risk purchasing
- Negotiated with suppliers to reduce lead-time
- Increased tool and parts shipments

• Free Cash Flow improvement

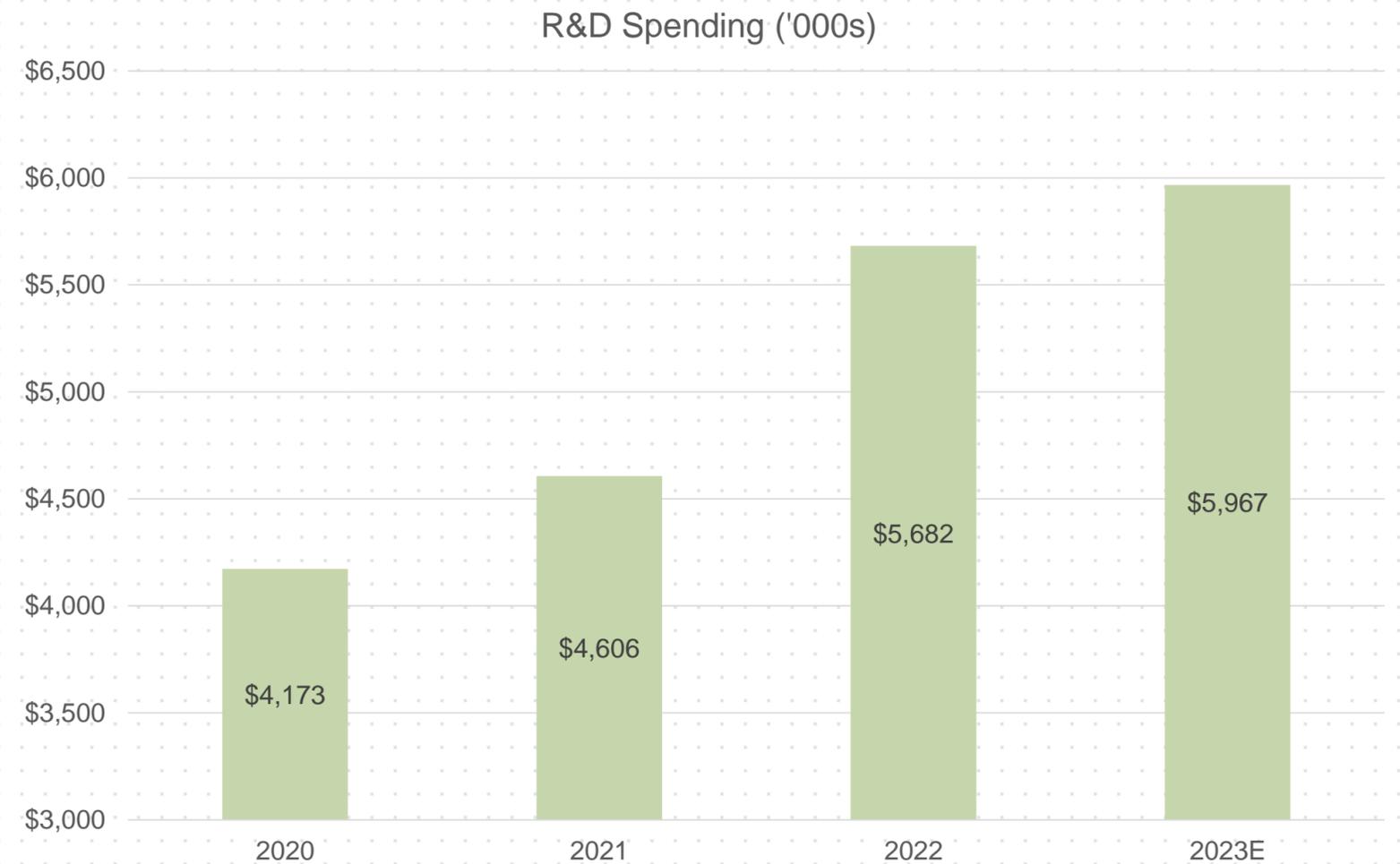
- Annualized operating expense reductions of more than US\$3 million since Q2 FY22
- US\$2.24 million in inventory reductions since Q2 FY22



Q2'23 excludes one-time expenses: US\$0.25M in legal costs, and US\$0.11M in severance costs

Investment in Future Products and Product Improvements is a Top Priority

- Continued investment in technology is critical to success in fast growing compound semiconductor market
- Key accomplishments in 2022 and YTD 2023
 - Recipe control head angle option for 7AF-HMG
 - >20% increase in 6EZ sprint capacity
 - Hardening of 6EZ for high reliability when operated with new highly acidic slurries
 - Modernization of metrology for improved correlation with customers
 - Improved SW reliability and user experience



Equity Raising Overview

Equity Raising Summary

Offer structure	<ul style="list-style-type: none"> The Company is seeking to raise a minimum of US\$1.5m / A\$2.31m¹ with an ability to raise up to US\$4.06m / A\$6.25m¹ by issuing up to a maximum of 50 million new fully paid CDIs in the Company via a pro-rata Accelerated Non-Renounceable, Entitlement Offer (ANREO) on the basis of 1 new fully paid CDI (New CDI) for 2.126 existing CDIs. The Company has received commitments for the minimum raise amount A maximum of approximately 50.0 million New CDIs to be issued under the Offer representing approximately 47.2% of existing RVS CDIs² on issue
Offer price	<ul style="list-style-type: none"> All CDIs under the Offer will be issued at a fixed price of A\$0.125 per New CDI (Offer Price) The Offer Price represents: <ul style="list-style-type: none"> 3.8% discount to the last traded price of RVS CDIs on ASX of A\$0.13 on 23 November 2023 2.6% discount to the TERP² of A\$0.1284 as at 23 November 2023 15.3% discount to the 5-day VWAP of A\$0.1476 up to and including 23 November 2023
Institutional Offer	<ul style="list-style-type: none"> The institutional component of the Entitlement Offer will be conducted on 28 November 2023 The institutional offer will be extended to eligible institutional shareholders in Australia, New Zealand, the United States and certain other jurisdictions agreed by the Company and the Lead Manager Entitlements not taken up and those of ineligible institutional shareholders will be placed into an institutional shortfall bookbuild and sold at the Offer Price
Retail Offer	<ul style="list-style-type: none"> Retail Entitlement Offer to open on Tuesday, 5 December 2023 and close at 5:00pm (Sydney time) on Thursday, 14 December 2023 Only eligible shareholders with an address on Revasum's share register as at 7:00pm (Sydney time) Thursday, 30 November 2023 in Australia or New Zealand may participate in the Retail Entitlement Offer Entitlements not taken up and those of ineligible retail shareholders will be placed into a retail shortfall bookbuild and sold at the Offer Price. To the extent any shortfall is not sold in the institutional or retail bookbuild, the Board (by agreement with the Lead Manager) reserves the right to place the shortfall within 3 months after close of the Offer
Settlement Date	<ul style="list-style-type: none"> Settlement of New CDIs issued under the Institutional Entitlement Offer on Wednesday, 6 December 2023 Allotment of New CDIs issued under the Retail Entitlement Offer on Thursday, 21 December 2023
Use of proceeds¹	<ul style="list-style-type: none"> At the maximum raise size, RVS will utilise the proceeds of the Offer for: <ul style="list-style-type: none"> Working capital - up to A\$2.45m / US\$1.59m Research and Development – up to A\$3.12m / US\$2.03m Costs of the Offer - up to A\$0.68m / US\$0.44m <p>Please see slide on Sources & Uses of Funds for further details.</p>

¹ Assumes an exchange rate of 0.65 AUD/USD; ² Assuming all shares are held in the form of CDIs; ³ TERP is the theoretical ex-rights price. TERP is calculated by reference to Revasum's CDIs closing price of \$0.13 on 23 November 2023, being the last trading day prior to the announcement of the Offer. TERP is a theoretical calculation only and the actual price at which Revasum CDIs trade immediately after the ex-date of the Offer will depend on many factors and may not be equal to TERP.

General note: The timetable is indicative only. The Company and the Lead Manager reserve their rights to alter the timetable in their absolute discretion and without notice, subject to the Listing Rules, Corporations Act and other applicable laws. As such, any dates note above are subject to such change.

Equity Raising Summary

Ranking	<ul style="list-style-type: none">• New CDIs issued under the Offer will rank equally in all respects with RVS's existing CDIs from the date of their issue
Record Date	<ul style="list-style-type: none">• 7:00pm (Sydney time) Thursday, 30 November 2023
Major Shareholder Participation	<ul style="list-style-type: none">• Firsthand Technology Value Fund and its affiliate, Firsthand Technology Opportunities Fund, a series of Firsthand Funds (together referred to as Firsthand), has confirmed that it will not take up its entitlements which will facilitate the introduction of new investors with increased liquidity and free float market capitalisation• Firsthand Technology Value Fund (which recently announced its delisting and that it would seek shareholder approval for a potential liquidation) has agreed to voluntarily escrow its Revasum CDIs (representing 32.6% on a fully diluted basis) until 1 January 2025 subject to customary carve outs for change of control transactions• Firsthand Technology Opportunities Fund, a series of Firsthand Funds, has confirmed that it does not have any current intention of disposing of shares or CDIs in Revasum• Firsthand's aggregate shareholding in the Company will decrease from 55.8%¹ to 54.6% assuming a minimum raise (or 48.5% on a fully diluted basis) and 43.6% assuming a maximum raise (39.6% on a fully diluted basis)
Director and Key Executive Participation	<ul style="list-style-type: none">• Director, Paul Mirabelle, has provided a binding commitment to take up his entitlement under the Entitlement Offer• Certain key executives from the management team have indicated an interest in participating in any shortfall under the Equity Raising
Strategic options	<ul style="list-style-type: none">• In addition to conducting this Equity Raising, following approaches from multiple parties indicating potential interest in the Company, the Company has engaged B. Riley Securities, Inc. to conduct a review of strategic alternatives for the business. This engagement may result in a strategic investment in the business to fund additional R&D expenditures and working capital to support growth or a sale of the business. There is no assurance that any offers for an exit, strategic investment or other strategic alternative will be received, or that any such alternatives will be successful and the Company sees strong potential to continue its current independent path
Lead Manager	<ul style="list-style-type: none">• Shaw and Partners Limited is acting as Lead Manager and Bookrunner to the Equity Raising. The Equity Raising is not underwritten

Capital Structure

	Existing	On completion (assuming minimum raise)	On completion (assuming maximum raise)
Shares on Issue ¹	106,267,204	124,728,742	156,267,204
Options / RSUs / Warrants ²	15,793,278	15,793,278	15,793,278
Total Securities on Issue	122,060,482	140,522,020	172,060,482
Market capitalisation (at Offer Price) ³ (fully diluted)	A\$15.3m	A\$17.6m	A\$21.5m
Market capitalisation (at TERP) ⁴ (fully diluted)	A\$18.2m	A\$20.9m	A\$25.6m
Cash ^{5,7}	A\$1.1m	A\$3.4m	A\$7.3m
Debt ^{6,7}	A\$9.5m	A\$9.5m	A\$9.5m
Implied Enterprise Value (at Offer Price) (fully diluted)	A\$23.7m	A\$23.7m	A\$23.7m

Pro Forma Balance Sheet¹

US\$m	Pre Transaction ¹	On completion (assuming minimum raise)	On completion (assuming maximum raise)
Cash and cash equivalents	0.69	2.19	4.76
Trade receivables	3.29	3.29	3.29
Inventories	8.68	8.68	8.68
Other current assets	0.67	0.67	0.67
Current assets	13.32	14.82	17.38
Property, plant and equipment	1.72	1.72	1.72
Right-of-use assets	2.22	2.22	2.22
Intangible assets	1.69	1.69	1.69
Non-current assets	5.63	5.63	5.63
Assets	18.95	20.45	23.01
Trade payables	3.31	3.31	3.31
Customer deposits	0.95	0.95	0.95
Deferred revenue	0.24	0.24	0.24
Employee benefits	0.40	0.40	0.40
Warranty Provision	0.21	0.21	0.21
Borrowings	1.40	1.40	1.40
Lease liabilities	0.89	0.89	0.89
Other current liabilities	0.38	0.38	0.38
Current liabilities	7.77	7.77	7.77
Borrowings	4.76	4.76	4.76
Lease liabilities	1.70	1.70	1.70
Non-current liabilities	6.45	6.45	6.45
Liabilities	14.22	14.22	14.22
Equity	4.73	6.23	8.79

Sources & Uses of Funds

Sources	US\$m		A\$m	
	Minimum	Maximum	Minimum	Maximum
Capital raising proceeds	\$1.50	\$4.06	\$2.31 ¹	\$6.25 ¹
Total	\$1.50	\$4.06	\$2.31¹	\$6.25¹

Uses	US\$m		A\$m	
	Minimum	Maximum	Minimum	Maximum
Working capital	\$1.22	\$1.59	\$1.87 ¹	\$2.45 ¹
Research and Development	\$0.00	\$2.03	\$0.00 ¹	\$3.12 ¹
Transaction costs	\$0.29	\$0.44	\$0.44 ¹	\$0.68 ¹
Total	\$1.50	\$4.06	\$2.31¹	\$6.25¹

Offer Timetable

Event	Date
Trading halt	Friday, 24 November 2023
Announcement of Entitlement Offer; Institutional Entitlement Offer opens	Tuesday, 28 November 2023
Institutional Entitlement Offer closes	Tuesday, 28 November 2023
Announcement of results of Institutional Entitlement Offer	Wednesday, 29 November 2023
Resumption of trading on ASX on an ex-entitlement basis	Wednesday, 29 November 2023
Record date for Entitlement Offer	7:00pm Thursday, 30 November 2023
Retail Entitlement Offer opens	Tuesday, 5 December 2023
Settlement of Institutional Entitlement Offer	Wednesday, 6 December 2023
Allotment and commencement of trading of New CDIs issued under the Institutional Entitlement Offer	Thursday, 7 December 2023
Retail Entitlement Offer closes	Thursday, 14 December 2023
Announcement of results of Retail Entitlement Offer	Wednesday, 20 December 2023
Allotment and commencement of trading of New CDIs issued under the Retail Entitlement Offer	Thursday, 21 December 2023

Note: the timetable is indicative only. The Company and the Lead Manager reserve their rights to alter the timetable in their absolute discretion and without notice, subject to the Listing Rules, Corporations Act and other applicable laws

Key Risk Factors

Key Risk Factors

This section describes some of the potential material risks associated with the Company’s business and an investment under the Offer. This section does not purport to list every risk that may be associated with the Company’s business, the industry in which the Company operates, or the Offer.

No.	Risk	Description
1.	Debt funding - Default risk	<p>Under the SQN Loan and Security Agreement (SQN Loan Agreement), there are a number of conditions and negative covenants that the Company must adhere to. This includes a minimum liquidity covenant whereby the Company must maintain at least 6 months of minimum liquidity under the original loan agreement which was amended to at least 3 months of minimum liquidity under the revised loan agreement. The Company has previously breached these minimum liquidity covenants and certain other covenants under the SQN Loan Agreement and SQN has agreed to enter into a Forbearance Agreement with respect to such events of defaults. As part of the current forbearance, SQN has agreed that there will be no minimum liquidity covenant testing until 30 June 2024 and thereafter a 3-month minimum liquidity covenant is reinstated.</p> <p>The Company is also a party to a Note Purchase Agreement with Firsthand Technology Opportunity Fund, a series of Firsthand Funds (Firsthand Technology) under which Firsthand Technology has advanced funds to Revasum for the issue of promissory notes. This Note Purchase Agreement and related Firsthand Technology promissory notes also have a number of conditions and events of default including that a cross default clause which will be triggered if there is an event of default under the SQN Loan Agreement. As a result of the Company’s breaches of the SQN Loan Agreement, an event of default (cross default) has occurred under the Firsthand promissory notes in relation to which Firsthand has granted a forbearance until 30 June 2024.</p> <p>Should the Company default on its payment or performance obligations under the SQN Loan Agreement or the Firsthand Technology promissory notes, an event of default will occur under both facilities. In these circumstances, if the Company is unable to raise sufficient funds or otherwise cure the defaults, the SQN will be able to seek immediate repayment of the debts due or enforce the security granted under the SQN Loan Agreement and acquire or sell some or all of the Company’s assets. Firsthand Technology will be able to exercise similar rights following SQN’s satisfaction of the amounts owing to it by the Company. See additional disclosure regarding debt funding and associated default risk in the section titled “Amended SQN and Firsthand Technology Financing (slides 40 and 41).</p>
2.	Debt funding – repayment risk	<p>On completion of a sale of the Company or its business or on repayment or refinancing of the SQN loans, the Company is required to pay an exit fee of 25% of the outstanding loan at that time. In addition, the Company must pay a minimum return amount of 40% of the principal amount of the loans being repaid.</p> <p>The Firsthand Technology promissory notes must be repaid no later than 2 January 2025. In addition, on completion of a sale of the Company or its business or on repayment or refinancing of the Firsthand Technology promissory notes, the Company must also pay a success fee of around \$240,000.</p> <p>The Company expects to be able to repay the outstanding amounts under the SQN Loan Agreement and Firsthand promissory notes in accordance with the terms of the loans as amended under the respective forbearance agreements using the proceeds from future debt or equity raisings, cash flow from operations or proceeds from the sale of assets. However, there is a risk that the Company may be unable to procure or raise sufficient cash resources from its operations, future debt or equity raisings.</p>

Key Risk Factors - Continued

No.	Risk	Description
3.	Further funding	The Company expects that it will require additional debt or equity funding in 2024, which will likely be required in 2H FY24. The Company may experience unexpected liabilities and costs or a decline in revenue for various reasons including industry trends, which may impact the Company's financial position and result in the Company having to raise funds earlier than anticipated. There is also no assurance that funds will be raised on favourable terms, or at all, and additional funding may result in further dilution to shareholders.
4.	Reliance on key customers and lack of formal contracts	Other than in relation to the sale of spares and ongoing maintenance arrangements, a significant proportion of Revasum's revenue in any period is typically derived from a concentrated number of customers. If Revasum's relationships with any of these major customers deteriorates or should any of these major customers not order products from Revasum, then Revasum's business and financial condition could be adversely impacted. Revasum does not have formal written contracts in place with its customers who order and purchase products from Revasum on an ad hoc basis. As a result, Revasum's operating performance may vary from period to period and may fluctuate significantly in the future.
5.	Costs associated with customising products	The manufacture of Revasum's products requires significant time and capital investment. While all customers are required to pay a deposit prior to commencement of production of their order, these customers may decide to forego their deposit and cancel their order prior to taking delivery. This may leave Revasum with excess inventory or in circumstances where Revasum's products can be repurposed for a new customer, require systems to be changed in order to be sold to that new customer, requiring additional time, materials, investment and costs to the Company.
6.	Timing of purchase orders and receipt of revenues due to the potential delay of capital expenditure plans by customers	Timing differences as to whether purchase orders are received late one financial period or early the following financial period, or if the customer requests to defer the delivery date for any reason, could materially affect the financial performance in each year and relatively between periods.
7.	Reliance on compound semiconductor wafer substrate and device fabrication markets	Revasum derives the majority of its revenue from the compound semiconductor wafer substrate and device fabrication markets. Until such time as Revasum's other markets contribute a greater share of Revasum's revenue, Revasum's future success is disproportionately dependent on the success of the compound semiconductor wafer substrate and device fabrication markets and any significant changes to those markets may materially adversely impact Revasum's financial performance and leave Revasum with substantial inventory levels.

Key Risk Factors - Continued

No.	Risk	Description
8.	Supply chain disruption	<p>Revasum's products are manufactured using components supplied by third parties. In particular, Revasum relies on certain manufacturers to supply critical components, some of which only have a single source of supply.</p> <p>A disruption to the supply of such components could have a material adverse effect on the Company's ability to generate revenue, or result in increased costs, while the disruption or delays remain in place.</p>
9.	Launch of new products	<p>The development and release of new products (e.g. the new 6EZ SiC Polisher), or the adoption of these new products by customers may take longer than expected, may involve additional costs and / or may delay new revenue streams. There is also a risk that the Company's new products may not be well received or adopted by customers for various reasons such as the new products not being well priced or the new products not having features that resonate with customers or new products developed by competitors could prove more advanced.</p>
10.	Protection and potential infringement of intellectual property	<p>The value of Revasum's products is dependent on Revasum's ability to effectively identify, protect, defend, and in certain circumstances keep secret, its intellectual property, including business processes and know-how, copyrights, patents, trade secrets and trademarks. There is a risk that Revasum may be unable to detect and protect against the unauthorised use of its intellectual property rights in all instances.</p>
11.	Reliance on / loss of key persons	<p>There is no guarantee the Company will be able to recruit and retain suitable staff, especially those with the right technical skills and experience required. The loss of any such personnel or inability to recruit such personnel, may adversely impact the Company's operations.</p>
12.	Competition	<p>Level of competition may increase, which could render the Revasum's products uncompetitive. The Company faces competition in supplying systems to the semiconductor market in grinding, polishing and CMP applications. The Company faces the risk that its competitors increase their market share, develop new products, or enhance their product offering. If any of these risks arise, the Company may compete less effectively, and its market share may be reduced, impacting the Company's operating and financial performance.</p>

Key Risk Factors - Continued

No.	Risk	Description
13.	Government policy and regulatory changes	<p>The introduction of new or increased trading tariffs, import or export duties or other trade restrictions may impact the Company's competitiveness, increase costs and limit its access to particular markets and supply chains.</p> <p>The US government continues to enact restrictions on the transfer of technology and sales of some semiconductor products to China and other countries. Revasum's 6EZ and 7AF-HMG are classified as EAR-99 by the US Bureau of Industry and Security meaning that they can be sold without restrictions however technology related to high resistivity silicon carbide technology for which Revasum's equipment can be used is restricted by the US government. Given these products can be used for both restricted and non-restricted uses, there is a risk Revasum may unknowingly sell or transfer unrestricted products into China or other countries that are subsequently used in the manufacture of high resistivity silicon carbide substrates which is restricted. This could lead to Revasum incurring punitive penalties and damage to its reputation.</p> <p>The US Government could introduce additional restrictions or vary existing restrictions, that may further limit Revasum's ability to sell products in China which will be a large market for silicon carbide moving forward. This could adversely impact Revasum's revenue and financial performance. In addition, if Revasum is unable to keep up with these changes, this may result in non-compliance, fines, penalties and loss of reputation.</p>
14.	Share price fluctuations	<p>As Revasum is a publicly listed company, the Company is subject to general market risk that is inherent in all securities listed on a stock exchange. This may result in fluctuations in the Company's CDI price that are not explained by the Company's fundamental operations and activities.</p> <p>Some of the factors which may adversely impact the price of the CDIs include, but are not limited to, the number of potential buyers or sellers of CDIs on the ASX at any given time, fluctuations in the domestic and international markets for listed securities, general economic conditions, the nature of the markets in which the Company operates and general operational and business risks.</p>
15.	Liquidity risk	<p>Once the CDIs are quoted on the ASX, there can be no guarantee that an active trading market for the CDIs will arise or that the price of the CDIs will increase. There may be relatively few prospective buyers or sellers of the CDIs on the ASX at any given time.</p> <p>Following the offer, Firsthand will continue to hold between 39.6% and 48.5% of the Shares / CDIs of Revasum on a fully diluted basis. Firsthand Technology Value Fund, Inc. holds approximately 39.8 million CDIs (approximately 32.6% on a fully diluted basis) which are subject to voluntary escrow restrictions until 1 January 2025. Given the number of Shares / CDIs held by Firsthand and the escrow restrictions on Firsthand Technology Value Fund, Inc.'s CDIs, this may impact the liquidity of the Company's CDIs which could impact the prevailing market price at which securityholders are able to sell their CDIs.</p>

Key Risk Factors - Continued

No.	Risk	Description
16.	General economic conditions	<p>The general economic climate in which the Company operates may experience changes, which adversely affect the Company's financial performance. Factors that may influence the general economic climate include but are not limited to changes in Government policies, taxation and other laws, future demand for polishing, grinding and CMP tools, and changes in investor sentiment towards particular market sectors.</p>
17.	Foreign exchange risk	<p>The proceeds of the Offer will be received in Australian Dollars, while the Company's functional currency is US Dollars. The Company is not currently hedging against exchange rate fluctuations, and consequently will be at the risk of any adverse movement in the US Dollar – Australian Dollar exchange rate between the pricing of the Offer and the closing of the Offer and to such time as proceeds are exchanged for US Dollars.</p> <p>The CDIs will be listed on the ASX and priced in Australian Dollars. However, the Company's reporting currency is US dollars. As a result, movements in foreign exchange rates may cause the price of the Company's CDIs to fluctuate for reasons unrelated to the Company's financial condition or performance.</p>

SQN and Firsthand Technology Funding Arrangements

Amended SQN and Firsthand Technology Financing

SQN and Firsthand Technology have agreed to forbear from exercising certain rights and remedies under their financing facilities and to amend certain of the terms of their agreements with Revasum as summarized below.

Current SQN Loan and Security Agreement (LSA) terms	Revised SQN terms with effect from 27 November 2023
Interest rate: 9.75% per annum	Interest rate: 14.75% per annum with effect from 1 November 2023
Interest only period: To 1 January 2024	Interest only period: To the earlier of 30 June 2024 or the termination of the forbearance period
Maturity date: 1 August 2025	Maturity date: 1 January 2025
Minimum liquidity covenant of 3 months tested at Q4 FY2023	Minimum liquidity covenant: No minimum liquidity covenant testing until 30 June 2024; thereafter 3-month covenant is reinstated
Security: Security over all assets except intellectual property	Security: Additional security granted over intellectual property
Board representation: N/A	Board representation: SQN entitled to appoint an observer to the Board
Exit fee: N/A	Exit fee: 25% of principal amount of loan outstanding at date of completion of a sale of the Company/business or on repayment or refinancing of the SQN facility
Minimum return: 20 – 35% depending on time for repayment	Minimum return: 40% regardless of date of repayment or partial repayment
Forbearance period expired	Forbearance period: To 30 June 2024 subject to the conditions below: <ul style="list-style-type: none"> • Revasum raises gross cash proceeds of at least US\$1.5 million prior to 31 December 2023; • Revasum continues to make interest payments in accordance with the facility; • Revasum makes no payments to Firsthand Technology until the SQN facility is repaid in full, together with all fees including the exit fee and minimum return • There is no new event of default under the facility; • First priority security amended to include security over the Company's intellectual property

Amended SQN and Firsthand Technology Financing (cont.)

Current Firsthand promissory note terms	Revised Firsthand promissory note terms with effect from 27 November 2023
Interest rate: 9.75% per annum compounded and payable on repayment of the principal	Interest rate: 14.75% per annum with effect from 1 November 2023 payable on repayment of the principal
Maturity date: One day following maturity date of SQN facility (2 August 2025)	Maturity date: One day following maturity date of SQN facility (2 January 2025)
Exit fee: N/A	Exit fee: US\$236,530 payable on completion of a sale of the Company/business or on repayment or refinancing of the Firsthand Technology promissory notes
Forbearance period expired	Forbearance period: To 30 June 2024 subject to the following conditions: <ul style="list-style-type: none"> • Revasum raises gross cash proceeds of at least US\$1.5 million prior to 31 December 2023; • There is no new event of default under the facility; • Subordinated security amended to include security over the Company's intellectual property, subordinated to SQN's security

International Offer Restrictions

International Offer Restrictions

This document does not constitute an offer of New CDIs of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New CDIs may not be offered or sold, in any country except to the extent permitted below.

International offer restrictions

New Zealand	<p>This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “FMC Act”).</p> <p>The CDIs are not being offered to the public within New Zealand other than to existing securityholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.</p> <p>Other than in the entitlement offer, the New CDIs may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:</p> <ul style="list-style-type: none">• is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;• meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;• is large within the meaning of clause 39 of Schedule 1 of the FMC Act;• is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or• is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.
United States	<p>This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New CDIs and the underlying shares have not been, and will not be, registered under the US Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New CDIs will not be offered or sold in the United States or to US persons except to existing securityholders of the Company in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.</p>

REVASUM