



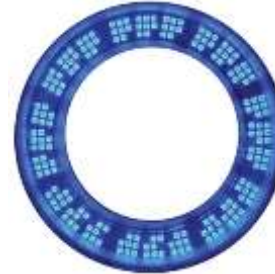
2017 Annual General Meeting

18 May 2017

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ProPhotonix



ProPhotonix **DESIGNS** and **MANUFACTURES** high technology **Laser and LED systems** for OEMs in machine vision, UV curing, medical equipment and security markets.



ProPhotonix at a Glance

Established in
1951



ISO-certified
production facilities



Current capacity:

- ✓ 2.7 million chip placements
- ✓ 200,000 laser diode modules



**>100 Talented Employees
and Growing**

Strategically positioned facilities.
Global Sales team
supported by
Distribution Partners



Wide Range of Configurable Laser Solutions



Laser Diodes



Laser Assemblies

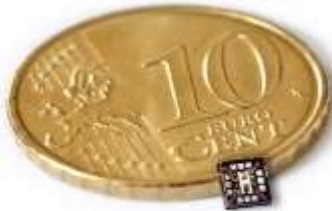


Laser Diode Modules

Design, Develop and Manufacture in the United Kingdom

- **Unique Position:** Laser Diode distributor and manufacturing integrator
- **Established Supply Chain:** Laser diodes, optics and other components
- **In-house Machining Of Parts:** Enhanced quality control, reduced lead times
- **1,500 Strong Design Bank:** Laser module designs for different applications

Miniature LED Arrays to Turnkey Systems



LED Array



LED Modules

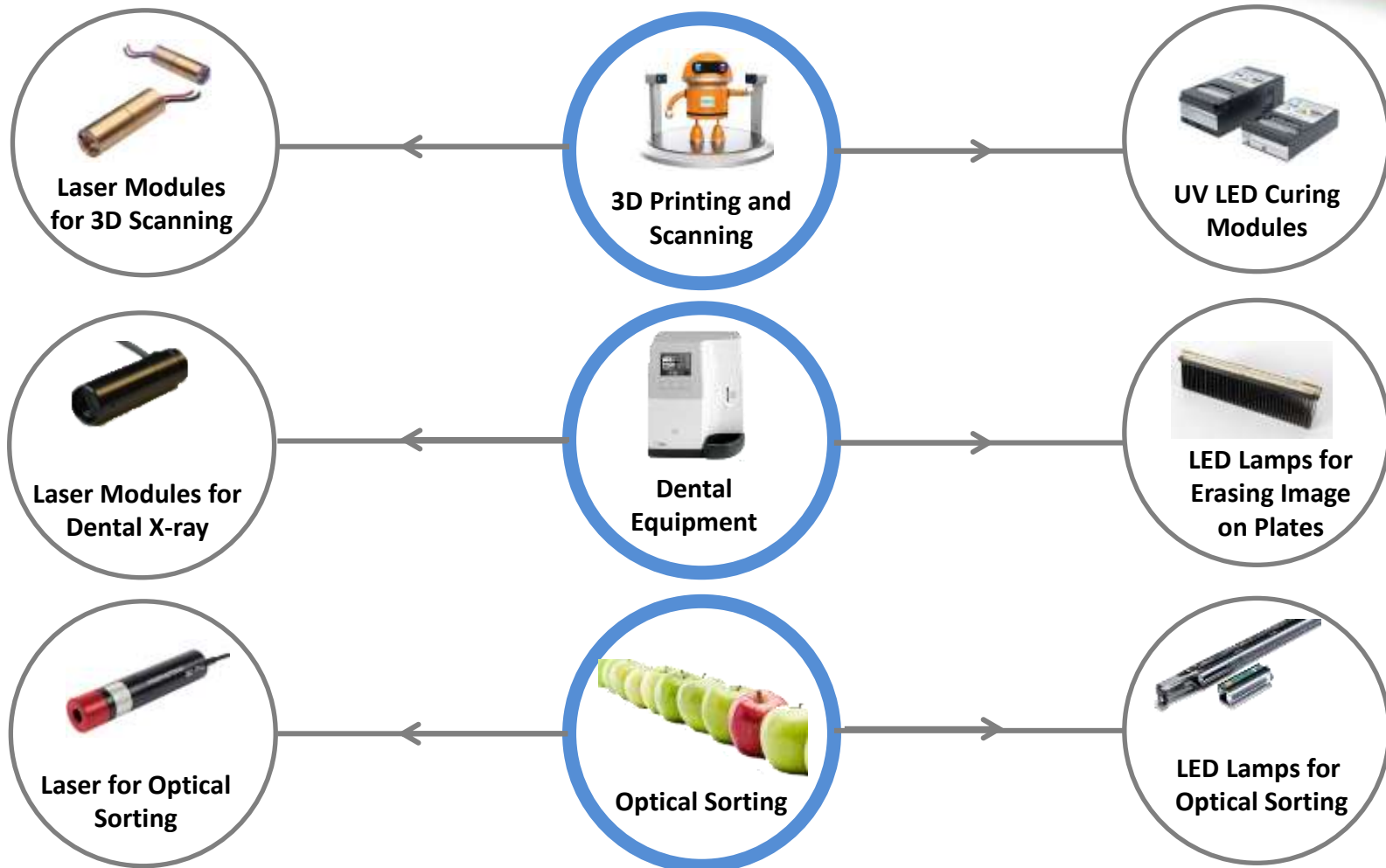


LED Systems

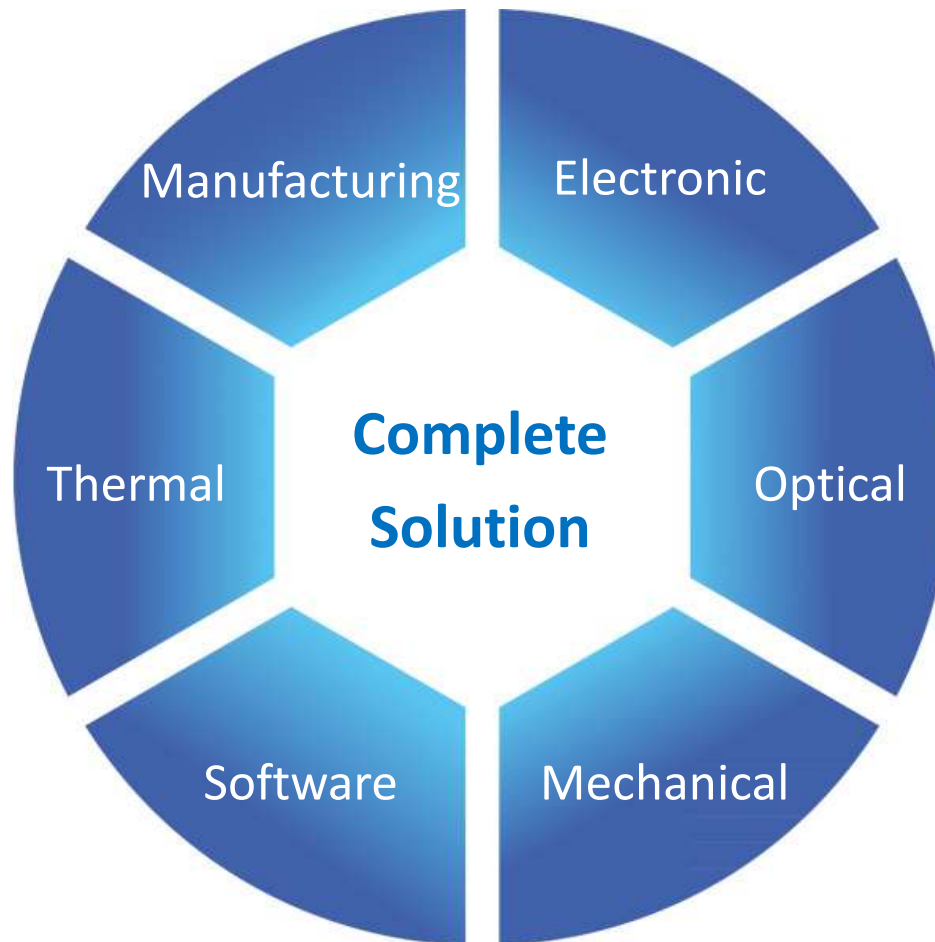
Design, Develop and Manufacture in Ireland

- **LED Technology:** Pioneer in Chip on Board LED technology
- **Established Supply Chain:** LEDs, optics, electronics, and thermal
- **Clean Room Facility:** Delivering manufacturing excellence
- **Design Library:** Offering a wide range of designs and capability

Complementary LED and Laser Solutions for a Wide Range of Applications

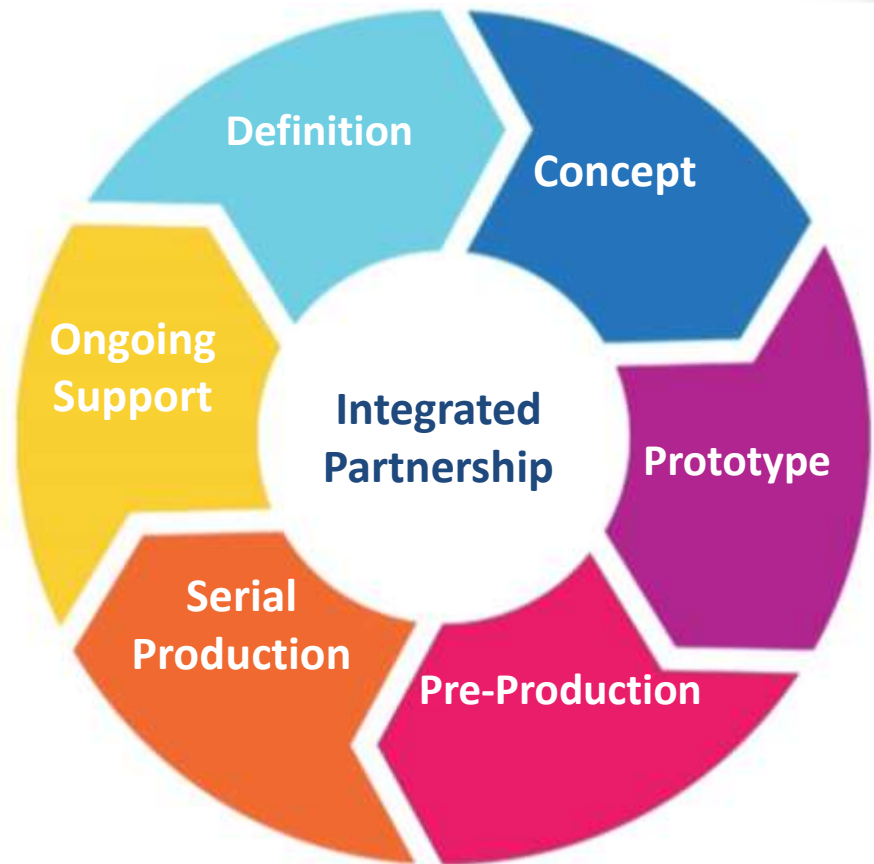


In – House Design Capabilities



The ProPhotonix Approach

- ProPhotonix R&D team becomes part of customer's team
- Proven process with customer approval at every stage
- ProPhotonix process does not end when the solution goes into production
- Product lifecycle management through to Gen^N
- **Our team provides continuous support to improve the competitiveness of your solution**





Financial and Business Review

World Class Customer Base/Diverse Markets and Geography

Revenue by Geography		<u>2016</u>	<u>2015</u>
• Europe		48%	47%
• Americas		42%	41%
• Middle East		6%	9%
• Asia	4%	3%	
Revenue by Markets			
• Commercial/Industrial*		82%	79%
• Medical/Dental	14%	17%	
• Security		4%	4%

*Inspection/sorting, Semi-conductor, robotics, UV, machine vision

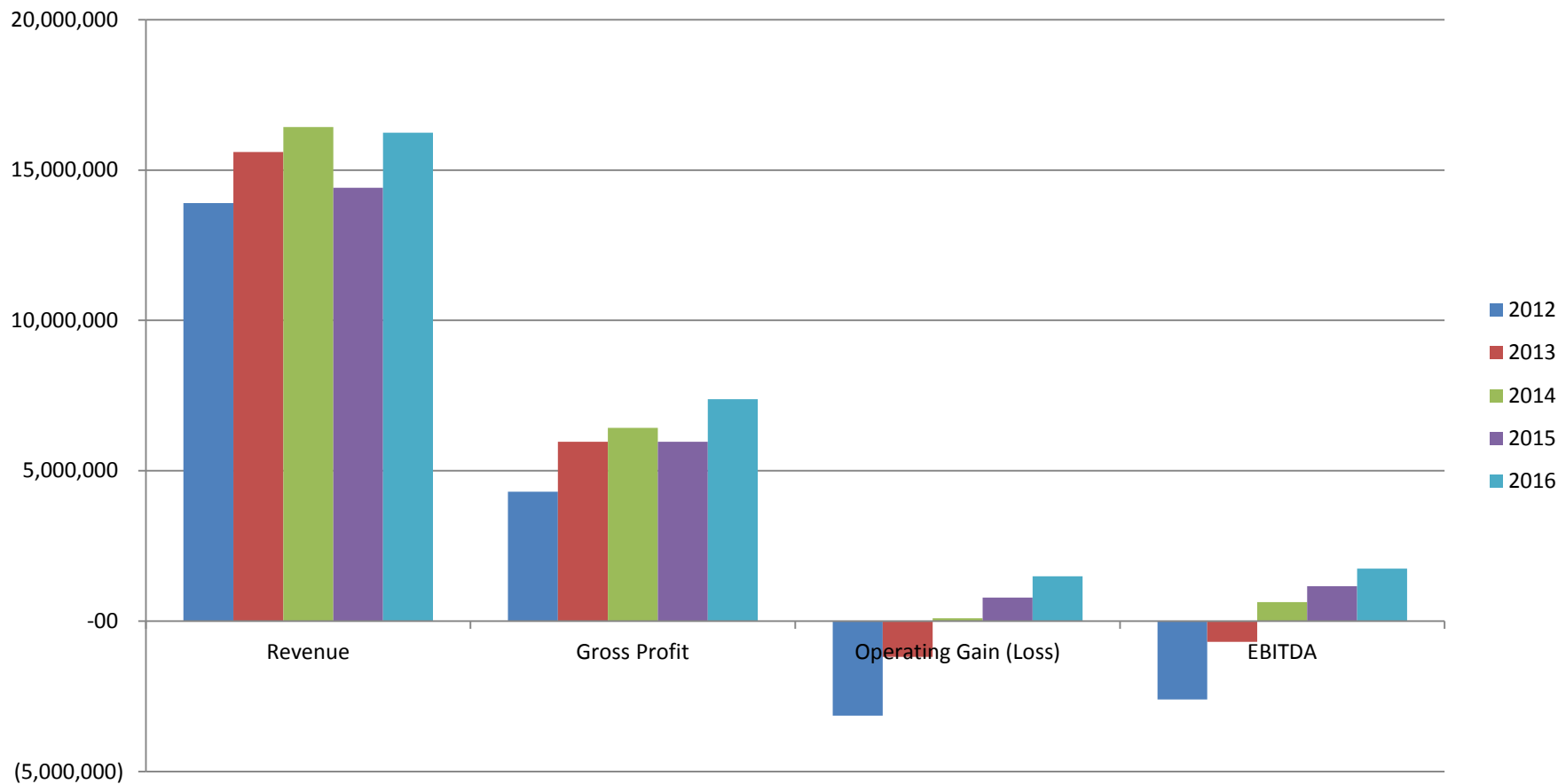
ProPhotonix uses a hybrid Direct/Indirect sales model.

Asia – Indirect Distributors and Representatives

EMEA – Direct sales and Indirect Distributors/Reps

Americas - Direct sales and Indirect Distributors/Reps

Financial Trends - Year on Year Progress



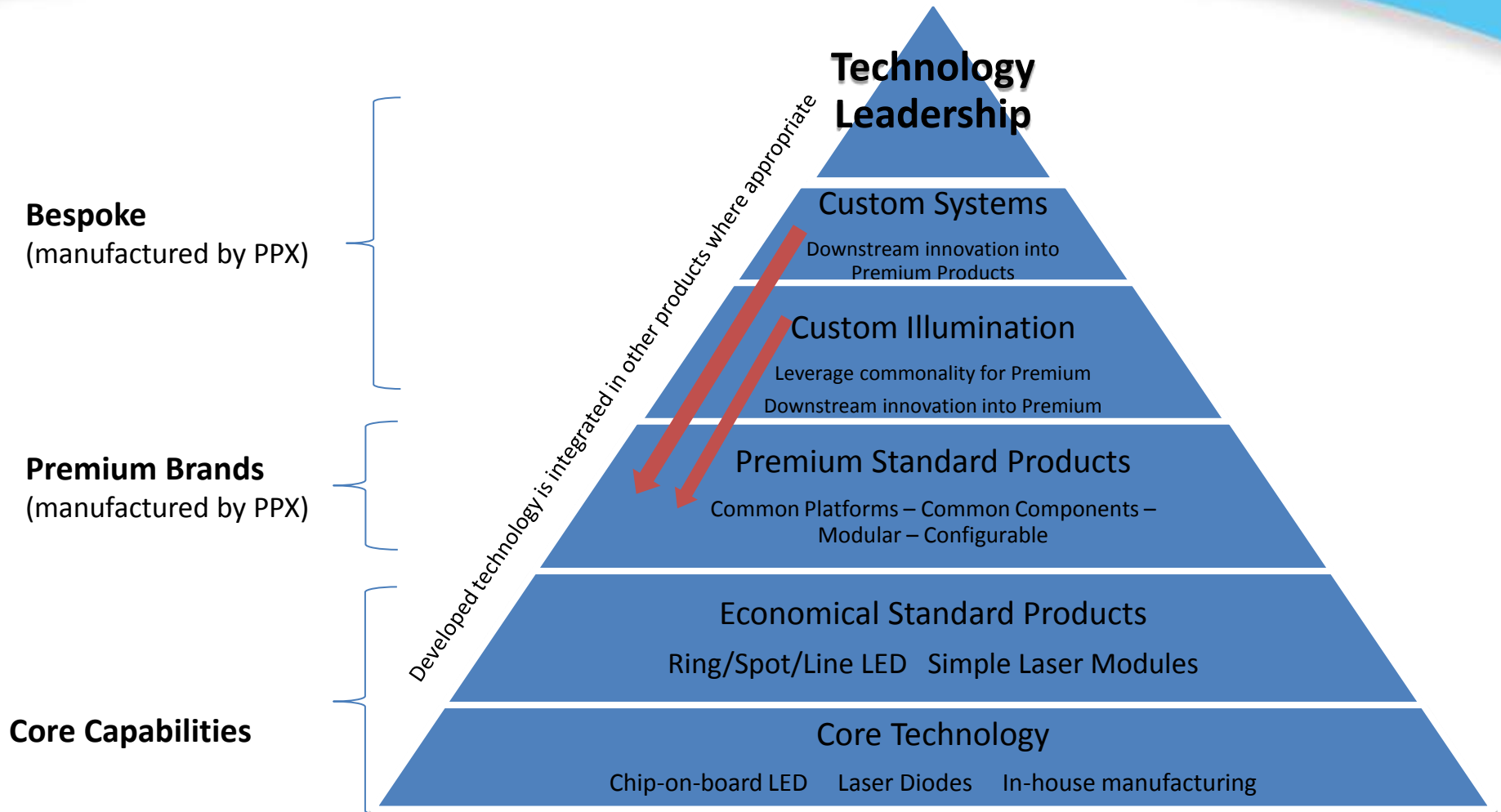
Financial/Business Summary

- Operating Income – 2014, 2015, 2016
- EBITDA – 2014, 2015, 2016
- Net income positive – 2015, 2016
- Continuing new product announcements



Technology and Market Strategy

Technology Strategy

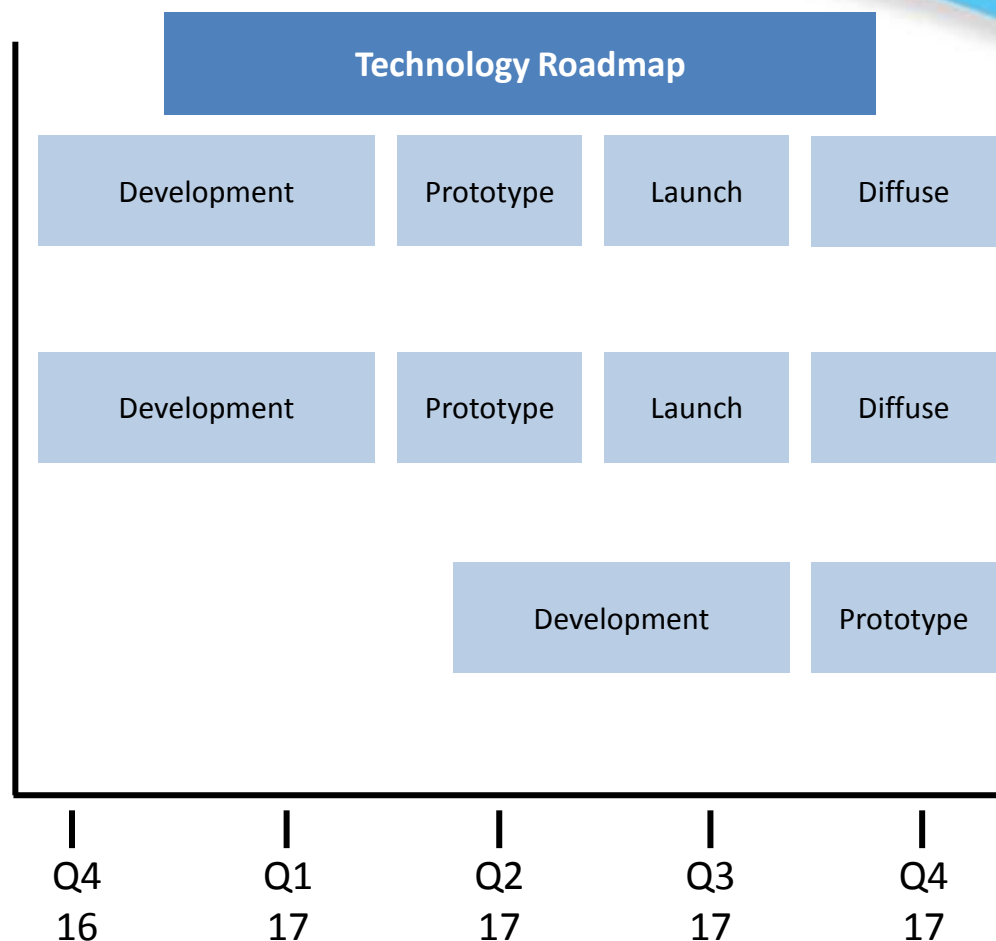


Laser Technology Roadmap

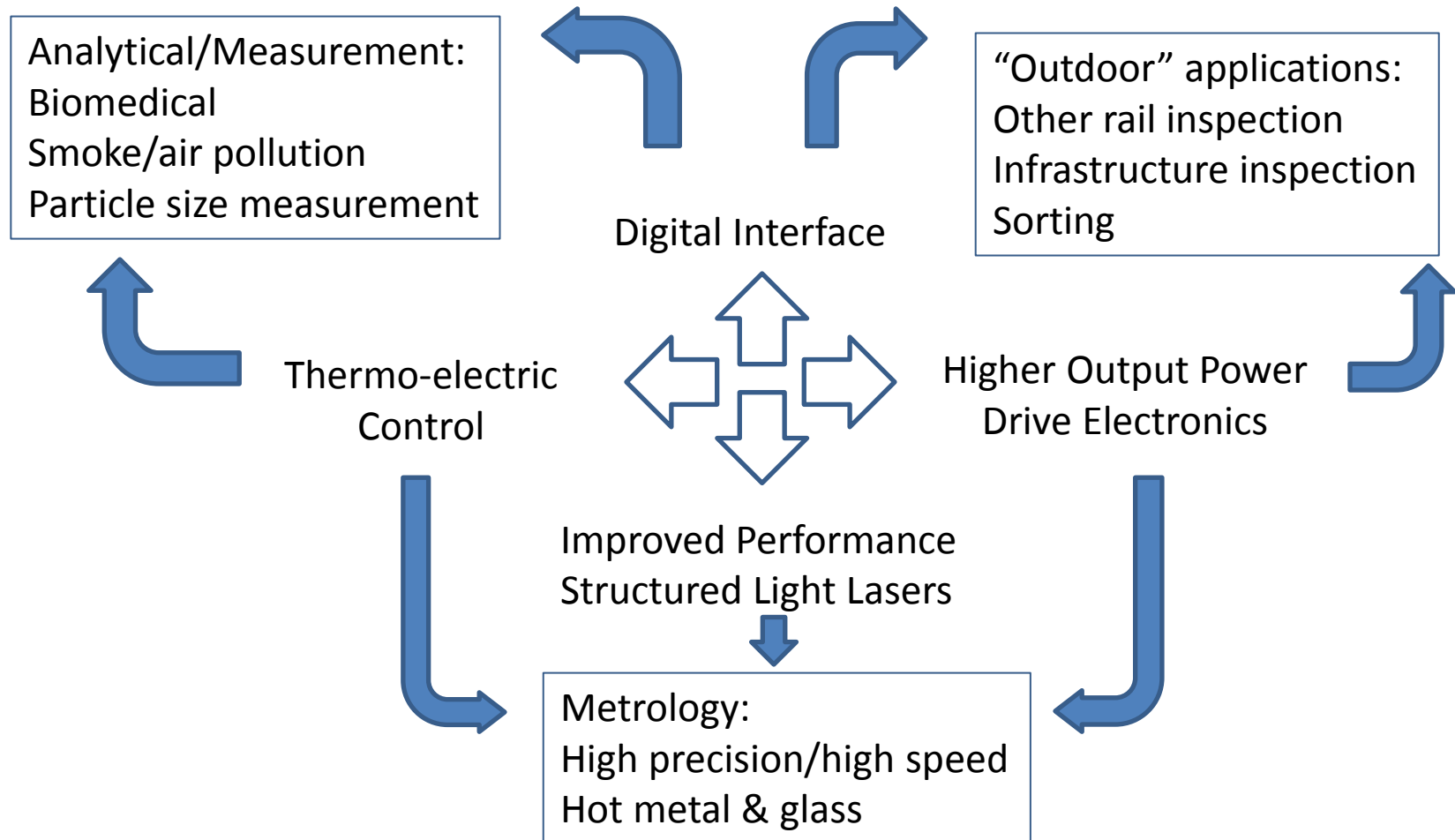
Technology Development	Discipline Challenges	Lead Customer
Digital Laser Modules & Interfaces	<ul style="list-style-type: none"> - Electronics - GUI Software 	- Multiple
Ultra Small Laser Modules	<ul style="list-style-type: none"> - Mechanics - Supply Chain - Production 	- Multiple
High Performance Laser Modules	<ul style="list-style-type: none"> - Optics - Thermal Management 	- Project



Horizon 2020
Programme



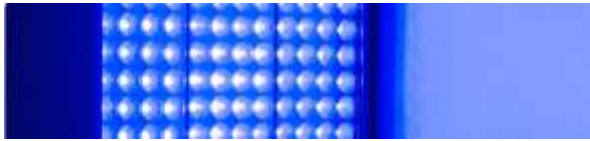
Technical Advances/ Market Opportunities Laser Devices



COBRA Cure FX Series



Printing



Curing



3D Printing



Key Specifications



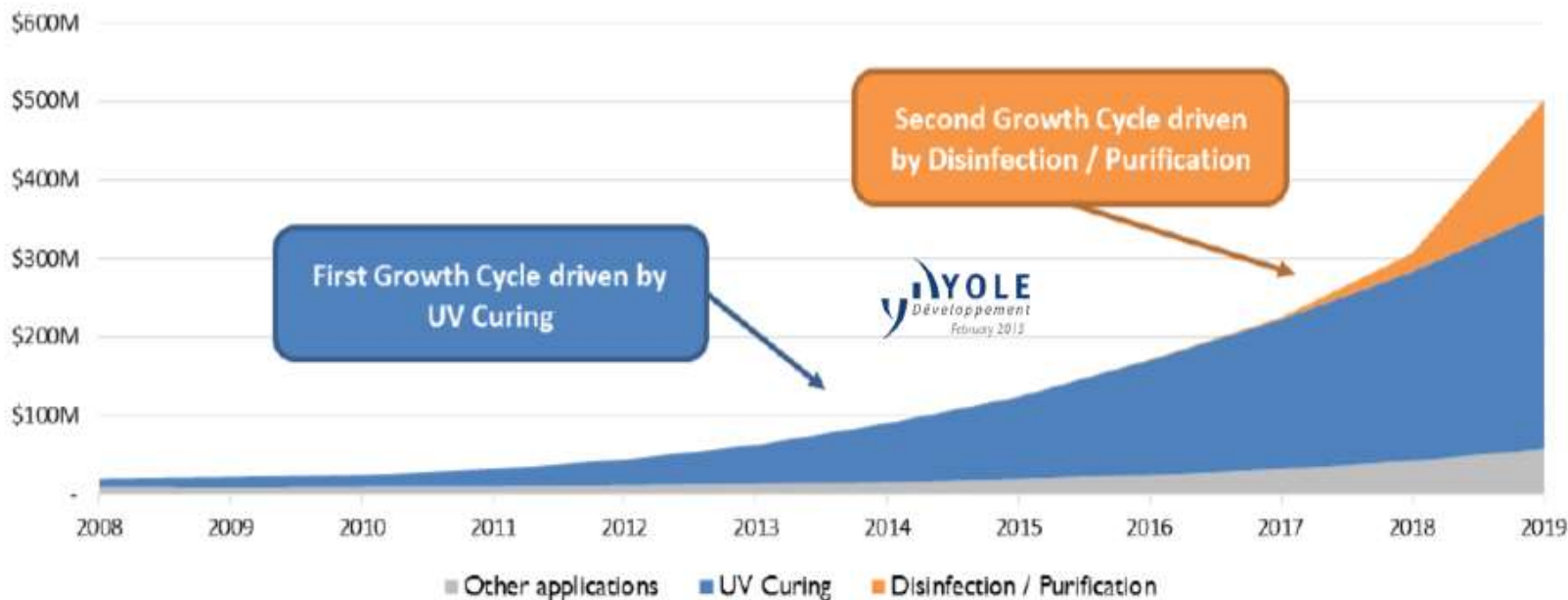
Feature	FX1	FX2	FX3
Intensity (W/cm ²)	1 to 6	5 to 10	10 to 16
Max. Energy density (J/cm ²)	5	17	42
Illumination Area (mm)	77 x 10	77 x 20	77 x 20
Communication	14-pin Analog	RS485	RS485
365, 385, 395, 405 (nm)	✓	✓	✓
48V Power Supply	✓	✓	✓
Fan-Cooled	✓	✓	✓
2 Mounting Options	✓	✓	✓
Scalable System	✓	✓	✓

Configure your UV Module



UV LED Market

2014 to 2019 UV LED market size (chip & package)
Comparison of main categories of application (curing, disinfection / purification and other applications)



- 40% per annum growth rate
- By 2017/2018, purification / disinfection applications should also start to emerge. We expect these applications to represent nearly 30% of total UV LED revenue by 2019 / 2020.

THANK YOU!

Board of Directors - Governance

Tim Losik,
President & CEO

A member of the Board since 2010, Tim Losik serves as the President and CEO of ProPhotonix and was formerly the COO and CFO. Mr. Losik has held senior financial and operational executive positions including: COO & CFO of Omtool Ltd. (2002 – 2004), a Nasdaq listed software company and prior to that he was with the printed circuit manufacturer Hadco (1992 – 2002), a NYSE listed company (now a subsidiary of Sanmina), most recently as SVP and CFO. In his time at Hadco revenues grew approximately ten fold to \$1 billion. Mr. Losik does not serve on any committees of the Board.

Raymond Oglethorpe,
Chairman, Non-Executive Director

A member of the Board since 2000, Raymond Oglethorpe is Chairman, and a member of the Audit and Governance/Remuneration and Nomination Committees. He is currently President of **Oglethorpe Holdings, LLC**, a private investment company. Mr. Oglethorpe served as **President of America Online, Inc.** from 2000 until his retirement in 2002.

Tim Steel,
Non-Executive Director

Appointed to the Board in March 2011, Tim Steel is a member of the Audit Committee and Chairman of the Governance/Remuneration and Nomination Committee. Tim Steel was previously Vice Chairman of Cazenove Capital Management Ltd, until the end of 2009. He initially joined Cazenove in 1980 from Robert Fleming. Tim Steel is currently **Chairman of Castle Alternative Invest AG, Chairman of Committed Cap**

Vincent Thompson,
Non-Executive Director

Appointed to the Board in in March 2011, Vincent Thompson is a member of the Governance/Remuneration and Nomination Committee and Chairman of the Audit Committee. Mr. Thompson has over 30 years of experience in corporate finance, having spent the majority of his career with Morgan Grenfell & Co. Limited and Hambros Bank Limited (later Société Générale, following the takeover of Hambros Bank Limited) and was a Director at both. In 2009, Vincent Thompson formed his own corporate finance boutique, **Easton Partners LLP**.

Mark Weidman,
Non-Executive Director

Appointed to the Board in July 2013, Mark Weidman is a member of the Governance/Remuneration and Nomination and Audit Committees. Mr. Weidman is a Senior Executive at Asian Atlantic Industries, Inc, a leading global electronics and consumer products distributor based in New Hampshire with operations in North America, Europe, South America and Asia. He previously served as President and CEO of Wheelabrator Technologies Inc., a world-leading environmental technologies company operating in North America, Europe and China, having served in that capacity from 2006 to July 2015.