



# Laser Photonics Investor Presentation



CONFIDENTIAL

February 21

# Disclaimer

This presentation is provided for informational purposes only and has been prepared to assist interested parties in making their own evaluation of Laser Photonics and for no other purpose. No representations or warranties, express or implied are given in, or respect of, this Presentation. To the fullest extent permitted by law, in no circumstances will Laser Photonics, ICT Investments, or any of their respective subsidiaries, stockholders, affiliates, representatives, partners, directors, officers, employees, advisers or agents be responsible or liable for any direct, indirect or consequential loss or loss of profit arising from use of this Presentation, its contents, its omissions, reliance on the information contained within it, or on opinions communicated in relation thereto or otherwise arising in connection therewith. This Presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of Laser Photonics, ICT Investments or any Proposed Business Combination. Viewers of this Presentation should each make their own evaluation of Laser Photonics and of the relevance and adequacy of the information and should make such other investigations as they deem necessary.

## **About this presentation**

This Presentation contains forward-looking statements, which are subject to risks, uncertainties, and assumptions that are difficult to predict. All statements in this Presentation, other than statements of historical fact, are forward-looking statements. The forward-looking statements include statements, among other things, concerning its business strategy, including anticipated trends and developments in management plans for its business and the markets in which Laser Photonics operates and plans to operate. Statements can regard future financial results, operating results, revenues, gross profit, operating expenses, products, projected costs, and capital expenditures; research and development programs; sales and marketing initiatives; and competition.

## **Industry and Market Data**

This presentation has been prepared by Laser Photonics marketing Team and includes market data and other statistical information from sources believed by Laser Photonics and ICT to be reliable, including independent industry publications, governmental or other published independent sources. Some data is also based on the good faith estimates of Laser Photonics and ICT which in each case are derived from its review of internal sources as well as the independent sources described above. Although Laser Photonics and ICT believe these sources are reliable, Laser Photonics and ICT have not independently verified the information and cannot guarantee its accuracy and completeness.

## **Forward Looking Statements**

As used in this Presentation, the following abbreviations and terms have the meanings as listed below. Additionally, the terms “we,” “us” and “our” refer to LASER PHOTONICS, unless the context clearly indicates otherwise. Unless and as otherwise stated, any references in this Presentation to any agreement means such agreement and all schedules, exhibits, and attachments in each case as amended, restated, supplemented or otherwise modified to the date of filing this Presentation. In some cases, you can identify these statements by forward-looking words, such as “estimate,” “expect,” “anticipate,” “project,” “plan,” “intend,” “believe,” “forecast,” “foresee,” “likely,” “may,” “should,” “goal,” “target,” “might,” “will,” “could,” “predict,” and “continue,” the negative or plural of these words, and other comparable terminology. Its forward-looking statements are only predictions based on its current expectations and projections about future events. All forward-looking statements included in this Presentation are based upon information available to us as of the filing date of this Presentation. You should not place undue reliance on these forward-looking statements. Laser Photonics undertakes no obligation to update any of these forward-looking statements for any reason.

## **Definitions**

As used in this Presentation, the following abbreviations and terms have the meanings as listed below. Additionally, the terms “we,” “us” and “our” refer to LASER PHOTONICS, unless the context clearly indicates otherwise. Unless and as otherwise stated, any references in this Presentation to any agreement means such agreement and all schedules, exhibits, and attachments in each case as amended, restated, supplemented or otherwise modified to the date of filing this Presentation.

## **Trademarks**

The following brand and trade names of Laser Photonics are used in this Presentation: Laser Photonics, CleanTech™, JobSite™, EZ-RIDER™.

# The World is Waiting for Replacement of Abrasive Blasting with Laser



Laser Photonics Delivers

# Investment Thesis

## **The company acts as a platform for market entry and growth**

**Fully developed product line.** Product line is expandable virtually into any industry providing opportunities for mass-market, multi-market, or niche operations.

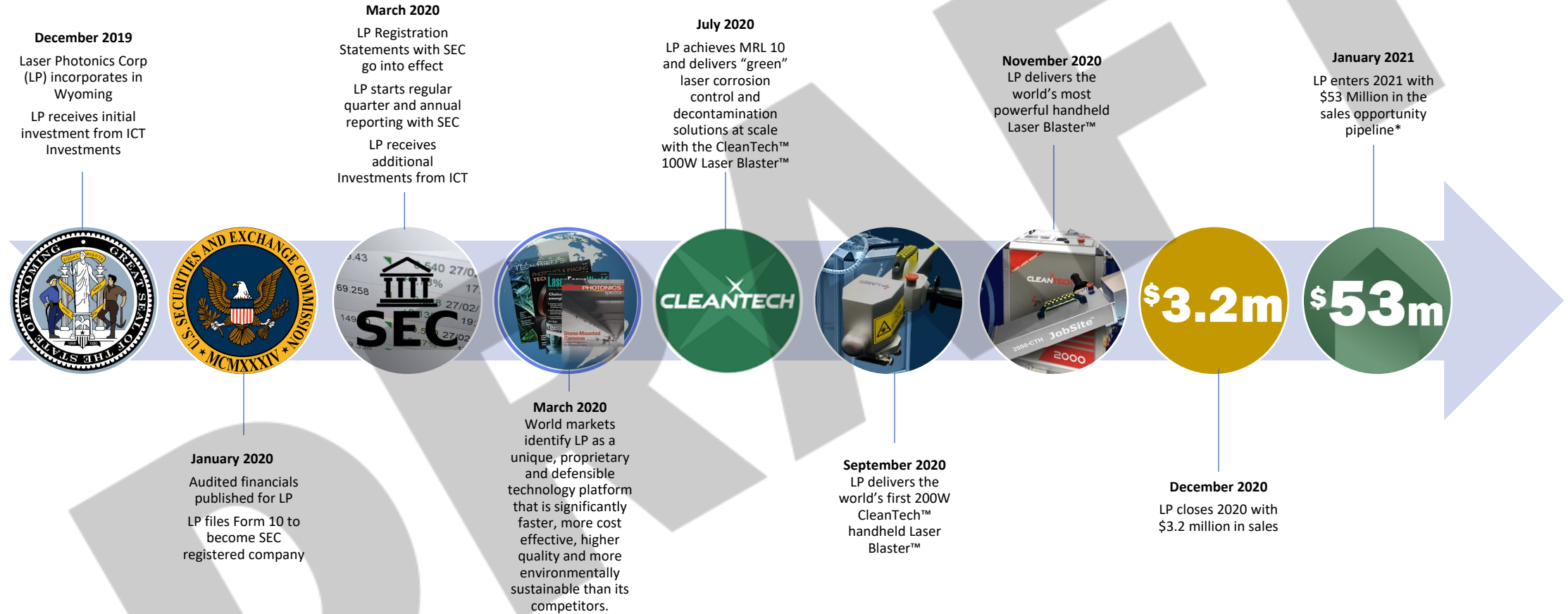
**Large local pool of laser professionals.** Offering employee benefits and capitalizing on vast laser labor pool in Orlando area due to the large concentration of Military contractors, NASA, Space Center, and Laser Optics School in University of Central Florida (UCF).

## **Stand alone or add on for market enhancement and growth.**

Extremely high barrier to entry precludes newcomers from competing in the same market space of industrial laser equipment, protecting this investment and making it an excellent market entry vehicle or an invaluable addition to any existent industrial products sales infrastructure.

**High-ranking Business.** In spite of small revenue numbers, Laser Photonics is highly ranked within the industry as one of the ten leading companies in the world for the different business segments. (See Top Players and Competition for more info)

# Company Timeline





# Key Strengths, Competitive Advantages

## **Leading Developer of Industrial Fiber Laser Equipment**

As a pioneer and technology leader in fiber lasers, we are able to leverage our scale to reduce costs for our customers and drive the proliferation of fiber lasers in existing and new applications.

## **Vertically Integrated Development & Manufacturing**

We develop and manufacture most of our key high-volume specialty components, along with optical heads and other products used in conjunction with our lasers, which we believe enhances our ability to meet customer requirements, reduce costs and accelerate product development.

## **Manufacturing at Scale**

We have invested extensively in our production capabilities allowing us to deliver large volumes of fiber lasers in short delivery cycles which provide us with a competitive advantage.

## **Breadth & Depth of Expertise**

Our extensive know-how in materials sciences and experience in optical, electrical, mechanical and semiconductor engineering enable us to develop and manufacture proprietary components, products, accessories and systems and assist customers in improving their manufacturing using our fiber lasers.

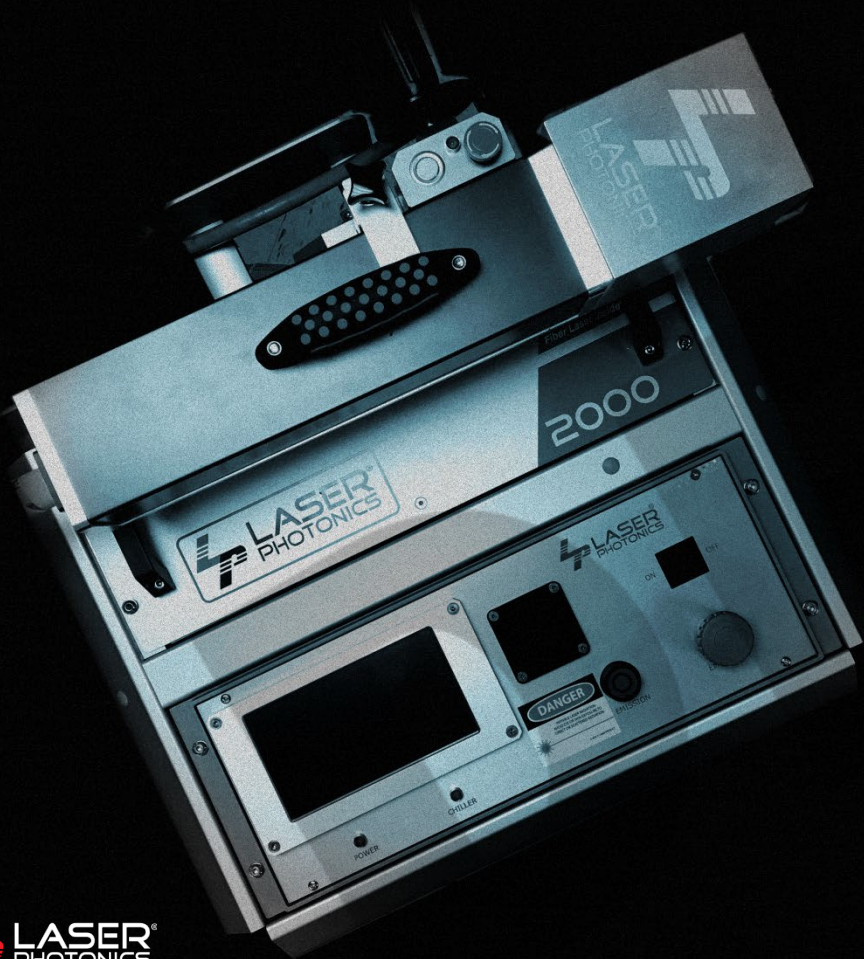
## **Broad Product Portfolio & Ability to Meet Customer Requirements**

Our broad range of standard and custom fiber lasers operating at various wavelengths and pulse rates.

# Key Strengths & Competitive Advantages Highlights

- **High-profit margin** products: 60 – 70% on average
- **In-house R&D** and product development
- Integrated design and manufacturing
- Almost **40 years of brand recognition**, preference and loyalty
- Large historical **install base within Fortune 500 companies**.
- **Named** as one of the **top 10 key players** in the global Laser Cleaning Market
- All LPC Class 1 laser systems **meet or exceed OSHA, EPA and FDA regulations** and fully complies with FD CDRH Chapter 21 CFR 1040.10

# The Brand



## ≈ 40 Years of Industry Recognition

The Laser Photonics brand of industrial products is recognized as the workhorse of laser material processing by world-renowned companies such as GE, NASA, 3M, Johnson & Johnson, Caterpillar, Harley Davidson, HP, Nike, GM, SONY, Corning, Delphi, DuPont, Smith & Nephew, Schott, and PPG Industries.



# The Markets: \$46 Billion Worldwide

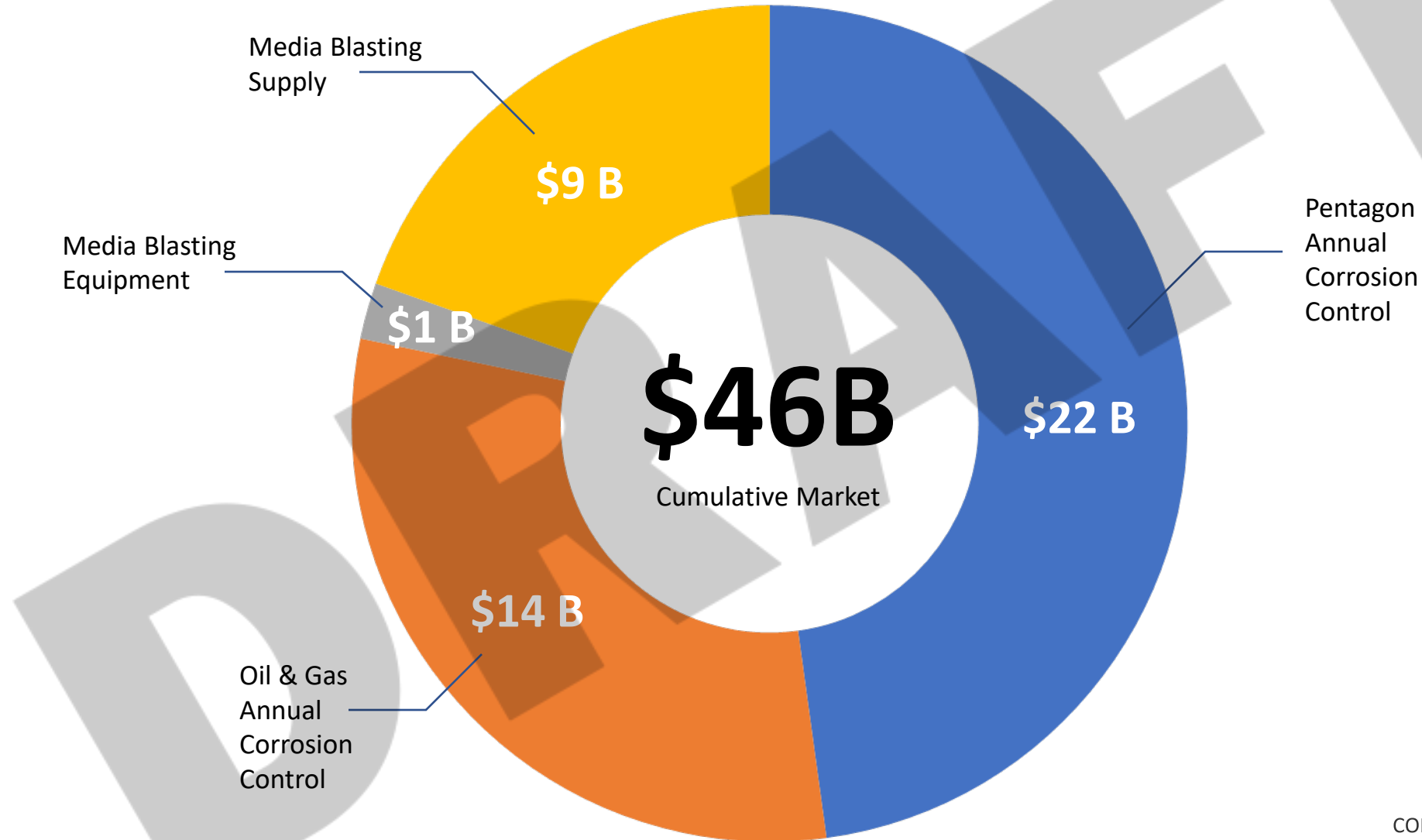
## Blast Cleaning and Blasting Media:

- Global Blasting Market projected to grow to **\$12 B** by 2025
- Growing at a CAGR of 5.9% over the period 2021-2027
- U.S. market is over 25% of Global Market Size
- Marine industry share **\$2 B**
- Aerospace Market share 10% by 2025

## Corrosion Control:

- Oil & Gas industry spends **\$14 B**
- Pentagon spends **\$22 B** annually for corrosion control

# The Markets: \$46 Billion Worldwide (continued)



# Global Blasting Media Market

## Global Statistics



Global Industry Size

**\$7.2B**



**5.9%**

CAGR (2018-2025)

## End-Use Landscape:

Construction Sector  
CAGR (2018-2025):

**7.5%**

Metal Working  
Segment Share by 2025:

**\$1B** (20%)

Marine Industry  
Share by 2025:

**\$2B**

Aerospace  
Market Share by 2025:

**\$7.2M** (10%)

North America  
Industry Share  
(2017):

**\$1.8B** (25%)

Europe Industry  
CAGR(2018-2015):

**6%**

Asia Pacific  
Market Share  
(2018-2015):

**\$3.2B** (45%)

# A Unique Market Opportunity in North America

---

LP is uniquely positioned to achieve and maintain leadership in the North American laser blasting market

**The abrasives blasting (sandblasting) market** in North America is under extreme pressure to phase out the nineteenth-century sandblasting method of industrial cleaning to safeguard both workers' and the environment.

Government regulators (EPA, FDA, OSHA) are severely curtailing media blasting activities. They are quick to levy hefty fines for non-compliance. In addition, organized labor applies its own pressure on industry to ban media blasting, as it is known to cause hearing loss, lung cancer, and incurable and fatal silicosis.

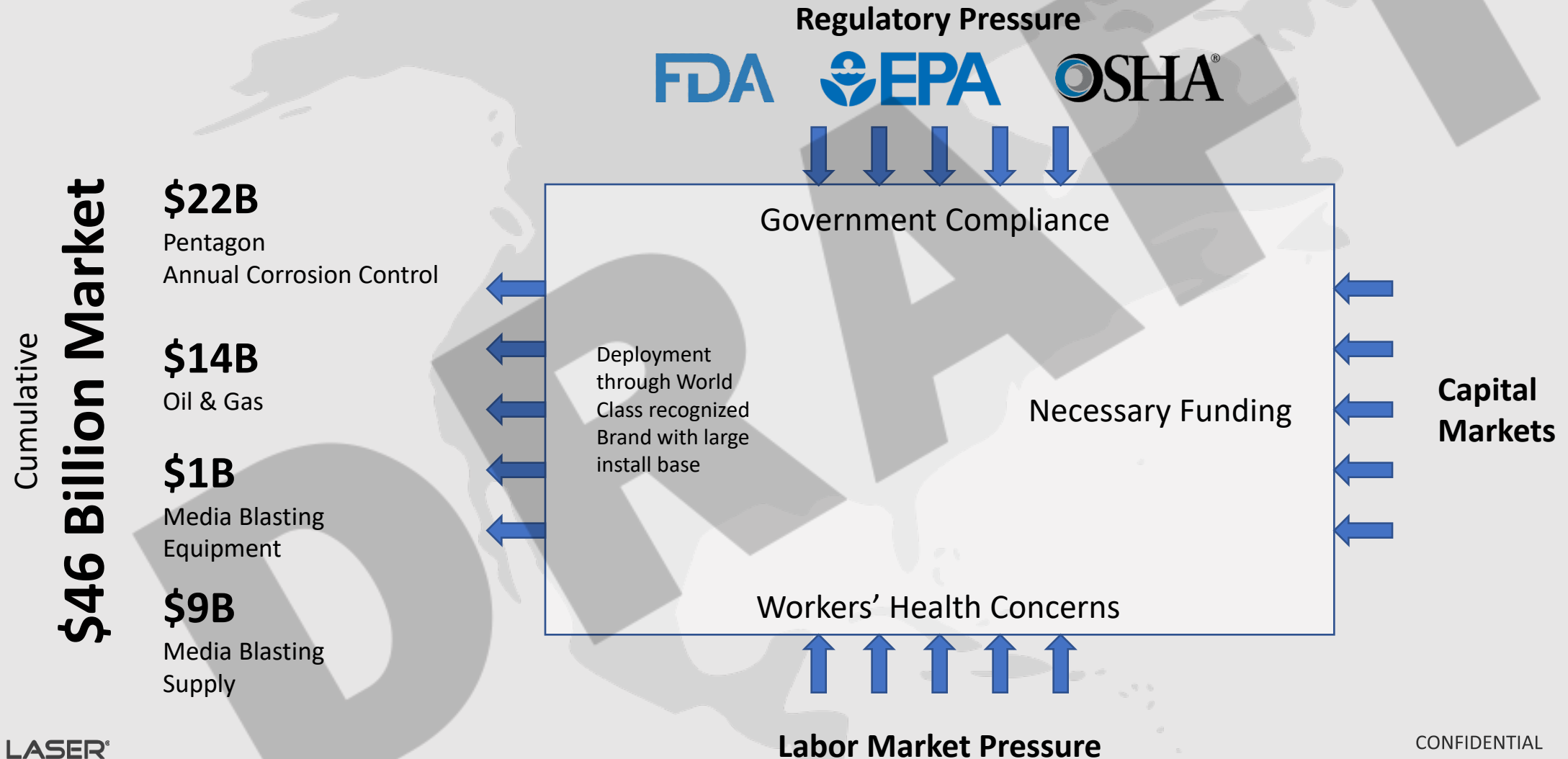
Personal injury or wrongful death lawsuits can destroy a business, but sandblasting literally kills.

Fortunately, LP has the answer. Laser cleaning has already been adopted as the cleanest, safest, most economical and environmentally friendly alternative to sandblasting.

With pressure from Government and Labor mounting, the North American market for laser cleaning is growing quickly, and buying American Made is public policy in the current administration.

Of the three major competitors in this space, **only LP has** onshore and in-house R&D, manufacturing, marketing & sales, training and service, in addition to **brand recognition**, and a **loyal install base**.

# A Unique Market Opportunity in North America



The image shows a close-up of a laser blasting machine. It features a series of yellow, conical nozzles mounted on a metal frame. A red hose is connected to the top. A bright blue laser beam is visible in the lower-left corner. The text "CLEANTECH Laser Blasting™" is overlaid in white.

**CLEANTECH**  
**Laser Blasting™**

**VS**

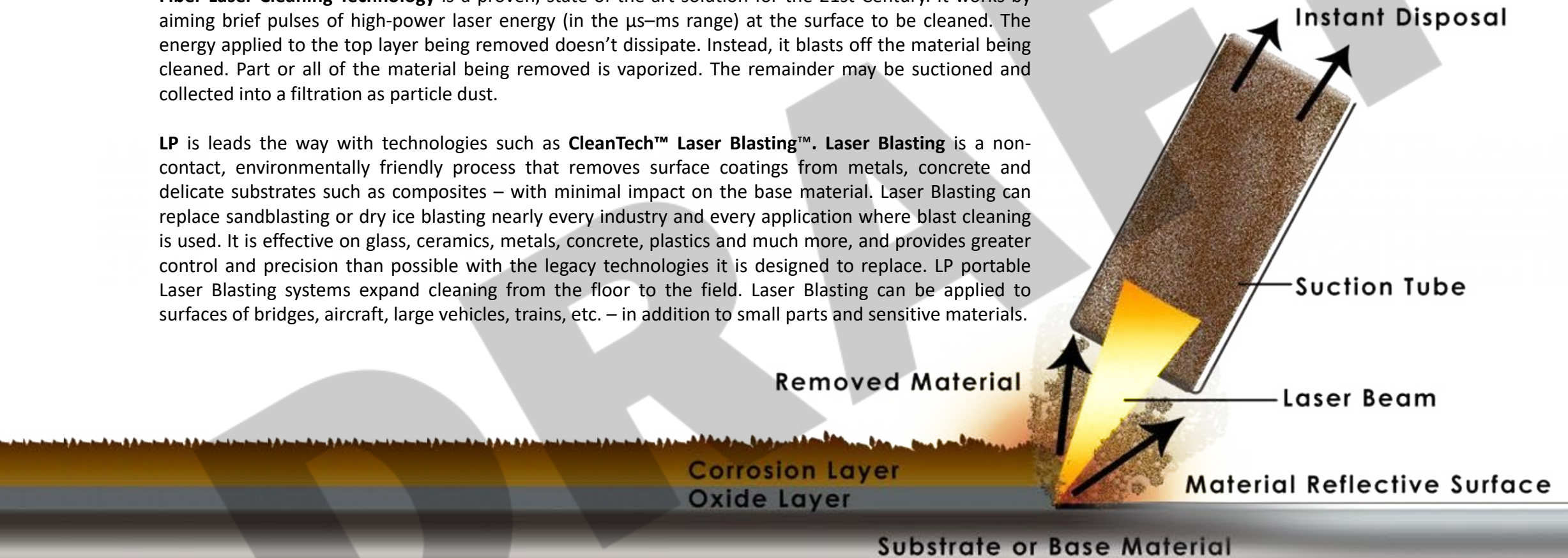
The image shows a worker in a full protective suit and helmet, sitting on a metal structure in a sandblasting chamber. The chamber is filled with metal beams and pipes. The text "Sandblasting" is overlaid in white.

**Sandblasting**

# What is Laser Cleaning / Laser Blasting™?

**Fiber Laser Cleaning Technology** is a proven, state-of-the-art solution for the 21st Century. It works by aiming brief pulses of high-power laser energy (in the  $\mu\text{s}$ – $\text{ms}$  range) at the surface to be cleaned. The energy applied to the top layer being removed doesn't dissipate. Instead, it blasts off the material being cleaned. Part or all of the material being removed is vaporized. The remainder may be suctioned and collected into a filtration as particle dust.

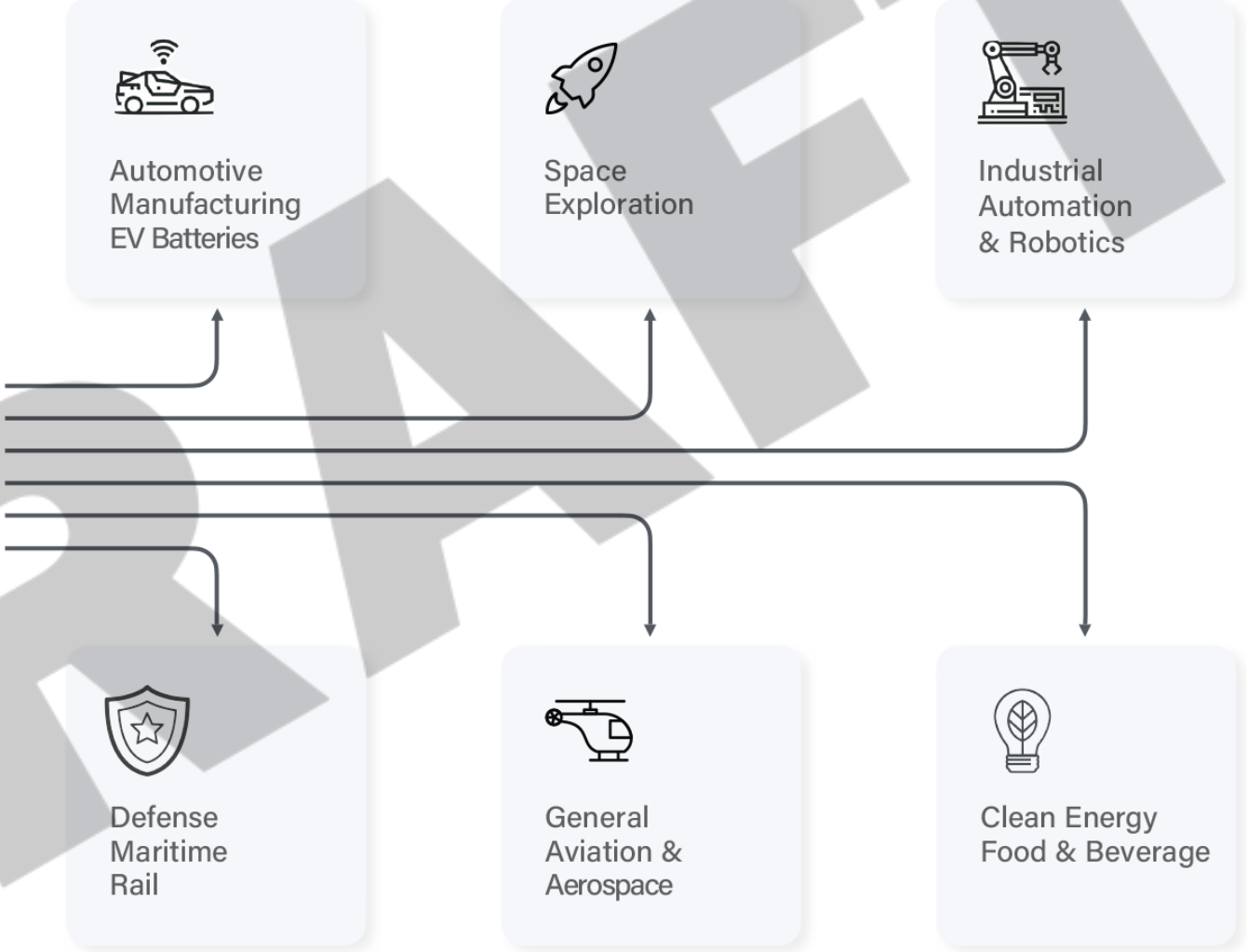
LP leads the way with technologies such as **CleanTech™ Laser Blasting™**. **Laser Blasting** is a non-contact, environmentally friendly process that removes surface coatings from metals, concrete and delicate substrates such as composites – with minimal impact on the base material. Laser Blasting can replace sandblasting or dry ice blasting nearly every industry and every application where blast cleaning is used. It is effective on glass, ceramics, metals, concrete, plastics and much more, and provides greater control and precision than possible with the legacy technologies it is designed to replace. LP portable Laser Blasting systems expand cleaning from the floor to the field. Laser Blasting can be applied to surfaces of bridges, aircraft, large vehicles, trains, etc. – in addition to small parts and sensitive materials.



# Delivering the future of industrial cleaning today...

## Laser Blasting™

CleanTech™ Laser Blasting™ is the disruptive technology from LP that has already replaced hazardous blast media and chemical cleaning methods for Fortune 500 companies, global industries and government agencies. Sandblasting has been around since the nineteenth century. It is known to cause lung cancer, silicosis and hearing loss. Laser blasting will revolutionize how industrial cleaning is carried out, and LP intends to lead the way with its safe, clean, and economical line of revolutionary laser cleaning products.





# Laser Blasting (Cleaning)

## Pros:

Eco-friendly “green” technology complies with OSHA, EPA and FDA health and environmental regulations

Maintenance-free with no ongoing media costs

Extreme precision and accuracy

Non-abrasive

Non-toxic

Minimize contaminated surfaces

Decreased health and safety risks

Improve component marking and tracking

OSHA and EPA friendly

Decontamination and Decommissioning

Easy to master

Easy cleanup

Quick implementation

Competitively priced

## Cons:

Demanding safety precautions

Requires safety training

# Sandblasting

## Pros:

Surface profiling

Easy process

Wide applications

Affordable equipment

## Cons:

Known to cause hearing loss, lung cancer and silicosis

Banned in some countries, being phased out of the highly regulated US market

Safety and environmental fines and lawsuits can be costly

Requires purchase, transport and storage of abrasive media

Produces contaminated waste requiring special clean-up and disposal

Destructive to substrate material from

Difficult to target specified areas

High security demands

Special training

Requires special containment

Large investment into safety precautions

Immobile process

Because of health issues associated with sandblasting it is difficult to find personnel willing to operate

Ongoing costs of media, clean-up and maintenance never end

Arising compliance and regulation issues

# Laser Blasting

Laser cleaning (a.k.a. Laser Blasting) is a non-contact, environmentally friendly process for removal of surface coating from metals, concrete and delicate substrates such as composites – with minimal impact on the base material. Laser cleaning is applicable in nearly every industry and can be applied to glass, ceramics, metals, concrete, plastics and much more. It is clean, portable and easy to use.



**\$.06**

per ft<sup>2</sup>, 240 ft<sup>2</sup> per hour\*



**\$15.20**

per hour including labor

**\$61,722**

Annual operating cost including depreciation

[Industrial Laser Blasting system](#)  
2000w Handheld CleanTech™

\*Strip rate in ft<sup>2</sup> per minute is calculated as follows: 2 X (laser power in KW) / (coating thickness in mils), where one mil = .001". Source: Robotic Laser Coating Removal System ESTCP Project WP-0526 apps.dtic.mil

# Sandblasting

**\$.49**

per ft<sup>2</sup>, 150 ft<sup>2</sup> per hour\*

**\$73.74**

per hour including labor



**\$165,880**

Annual operating cost including depreciation

[Industrial media blasting system](#)  
Turnkey sandblasting system

**Abrasive blasting** (a.k.a. **sandblasting**) is the operation of forcibly propelling a stream of abrasive material against a surface under high pressure to smooth a rough surface, roughen a smooth surface, shape a surface or remove surface contaminants. Abrasive blasting operations create high levels noise **leading to hearing loss**, and dust, including silica sand (crystalline), which can cause **silicosis, lung cancer, and breathing problems in exposed workers**.\*

**Sources:**

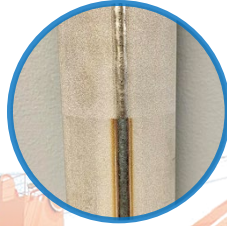
Graco.com  
SPECIAL ADVANCED STUDIES FOR POLLUTION PREVENTION  
Delivery Order 0065: "The Monitor" – Spring 2001  
Robotic Laser Coating Removal System ESTCP Project WP-0526 apps.dtic.mil  
<https://www.osha.gov/Publications/OSHA3697.pdf>

CONFIDENTIAL

# Laser Blasting™ Techniques in Industrial Applications



**1. Pre-Welding Metal Cleaning**  
Efficient pre-welding treatment or material preparation, which may include rust removal, e-coating contamination, or treatment of other selective layers.



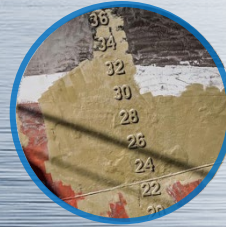
**2. Post-Welding Cleaning in Preparation for Coating**  
Easy removal of the rough and charred post-welding area to securely adhere paint or coating to the welded material in preparation for coatings.



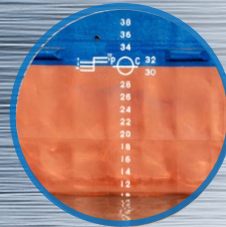
**3. Maintenance Interior and Exterior**  
Maintenance repairs for engines, critical components, door hinges, door locks, and latches. Removal of salt water stains and more to prevent corrosion, maintain functionality, avoid premature failures, and prevent further deterioration and damage.



**4. Assembled Component Maintenance Cleanups and Reconditioning**  
Smoothing of surfaces and removal of scaling from engines, generators, anchoring chains, winches, gear shifting components, throttle components, fuel pumps, and water separators, without disassembly



**5. Parts Identification Engraving for Maintenance or Inventory Management**  
Marking and engraving of individual parts without human evaluation of conditions.



**6. Non-Erasable Service and Quality Marks** Can be used for weld quality control, repair work, and more on newly welded piping, high-pressure fuel pipes, balance tanks, pressurized compartments, water pipes, and high-pressure vapor pipes.



**7. Selective Depainting**  
Selective cleaning on access points, service latches, and more.



# Research & Development

## Laser Blasting, Rust Removal & Cleaning Equipment and Technology

LP's main **R&D** activities focus on the development of its **Laser Blasting™** line of equipment as one of the emerging and disruptive technologies, based on newly developed processes such as laser cleaning or laser blasting. It requires intensive R&D efforts to develop component bases, laser units, controls, packaging systems in different powers and configurations, as well as developing specific applications to complement existing Industrial Standards.

# The Products

## Built on a reputation of Reliability

LP has been recognized as the industry's **#1 brand** of industrial grade laser equipment and offers the largest product line of standard and specialized laser-based systems.

# QMS

## Guiding Principles

By applying a systems approach to manufacturing, LP Achieved MRL 10 in less than one year.



# Laser Photonics Pioneering Laser Blaster™ Portfolio

(Class 4 laser systems)

The CleanTech™ Line delivers unprecedented power, precision and control.



The CleanTech™ JobSite™ 2000-CTH is the world's most powerful Handheld Laser Blasting system



The EZ-RIDER™ is the world's first Roughing & Finishing Laser combination.



The CleanTech™ IC-Robot is the first commercially available collaborative, easily programmable, artificial intelligence (AI) capable, laser cleaning system made in the U.S.



CONFIDENTIAL

# Pioneering Laser Blaster Portfolio (continued)

(Class 1 laser systems)



Our line of industrial Class 1 laser systems as are designed for safety, reliability and high throughput, with fully compliant Blasting Cabinets. The can be configured with full automation for high-volume production environments.



**21 CFR 1040.10 Compliance**  
These products are Class 1 laser systems as designated by the FDA Center for Devices and Radiological Health (CDRH). Each system is engineered to meet or exceed the requirements for stand-alone laser systems as defined by 21 CFR 1040.10 under the Radiation Control for Health and Safety Act of 1968.



# Our Customers

## Above and Beyond...

Successful, satisfied customers drive expansion

“ We recently tested a Laser Photonics LN120C laser that had sat unused for nearly 20 years. We were delighted to find that the laser operated well despite the long duration in storage. We are planning to use it to test Silicon Photomultipliers (SiPM) for future space experiments.”



Astrophysics Science Division

# Established Blue Chip Customer Base

LP enjoys an **existing install base** among diversified Fortune 500 companies, global industries and government agencies. LP products have successfully been delivered to world-class organizations all over the world.



# Top Players & Competition

Laser Photonics' primary focus is providing industrial-grade laser-based machinery in both the Materials Processing and Laser Cleaning systems market. Each market has different clusters of competitors sharing common rapidly changing technologies, materials, and customer base with continuously changing requirements and geographical outsourcing. In certain cases, we inhibit competitors through our owned or licensed patents.

Competition for most products is based primarily on the process and product application know-how, along with the ability to provide a full range of products and services to meet customer needs. Laser Photonics' ongoing research & development programs are intended to maintain technology leadership.

However, some companies producing competing products are well established and may have greater financial, managerial and technical resources, more extensive distribution and service networks, and greater sales and marketing capacity than Laser Photonics.

## **Majors players and our top competitors include:**

- **P-Laser (Belgium)**
- **Adapt Laser(US)**
- **Clean Lasersysteme GmbH (Germany)**  
(US distribution exclusively through Adapt Laser)

# Primary **competitive factors** in the laser manufacturing market include:

## LP leads the market in key areas

- MRL in less than one year
- >50,000 hours MTBF
- First to market with handheld laser cleaning
- Most powerful handheld unit on the market
- Most diverse product offerings in the market

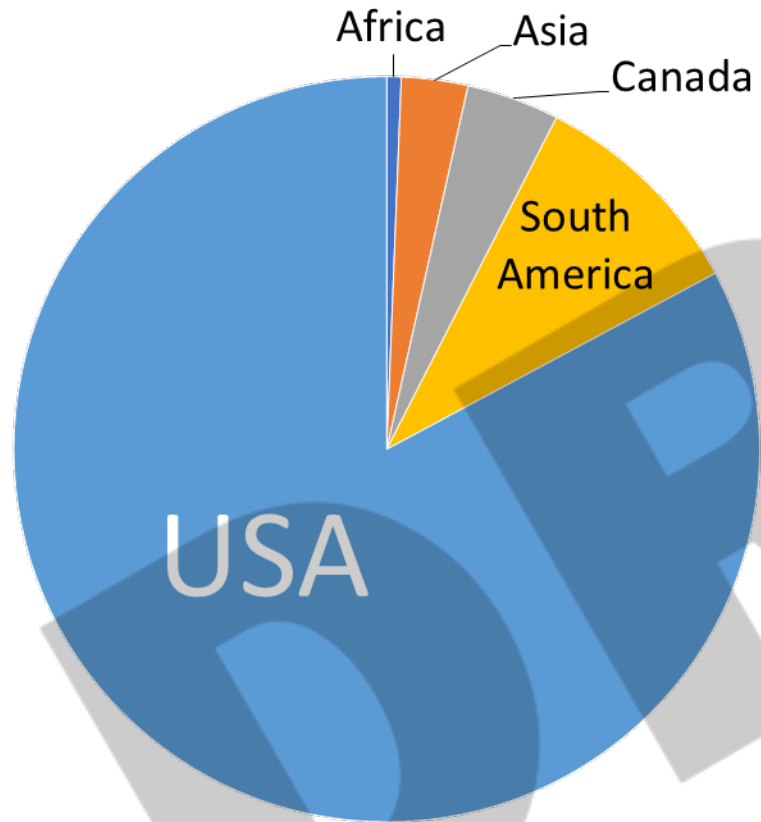
- Competitive price pressures
- Ability to design, manufacture, and deliver new products on a cost-effective and timely basis
- Ability of our suppliers to produce and deliver components, including sole or limited source components, in a timely manner, in the quantity desired and at the prices budgeted.
- Product performance and reliability
- Quality and service support
- Product mix
- Price and value to the customers
- Ability to meet customer specifications
- Ability to respond quickly to changes in market demand and technology developments
- Equipment/Product life cycle

# First Year Financial Summary

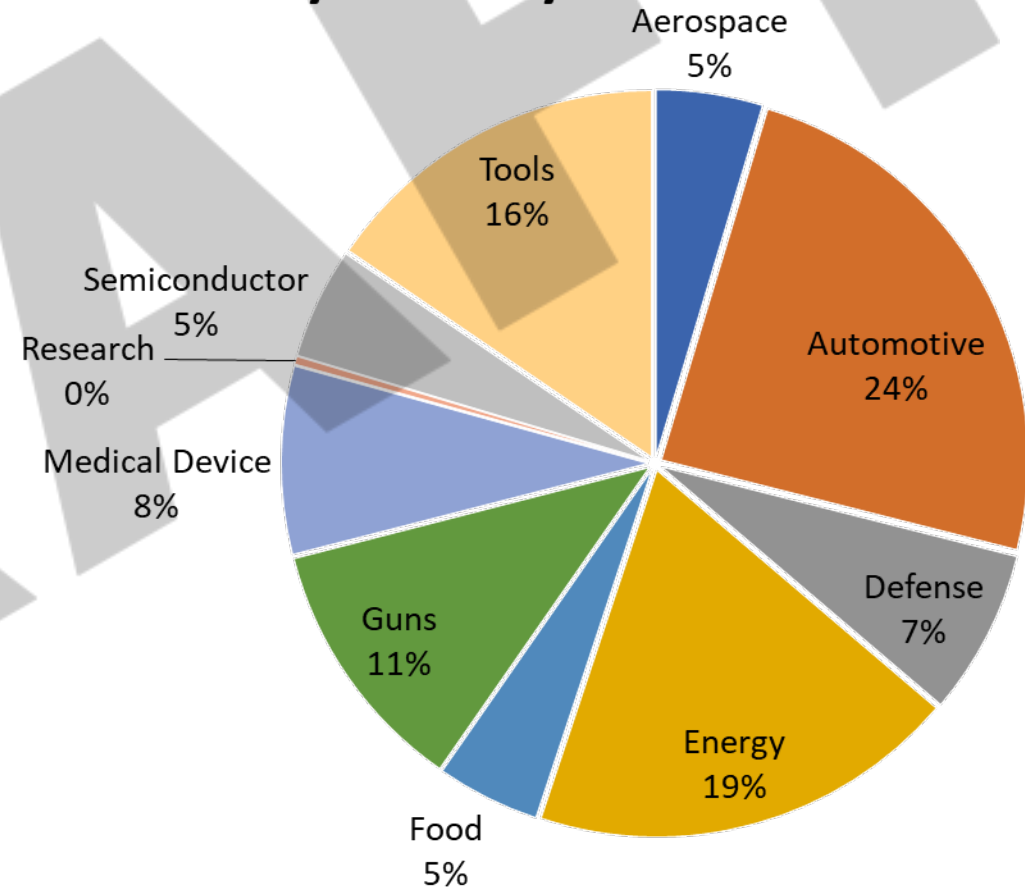
	Total
Income (Non GAAP)	\$3,242,434.85
Cost of Goods Sold	\$900,457.83
Gross Profit	\$2,341,977.02
Expenses	
Depreciation Expense	\$26,409.36
G&A Expense	\$203,882.08
Payroll Expenses	\$776,847.99
Rent Expense	\$172,588.00
SEC Compliance Costs	\$5,000.00
Total Expenses	\$1,184,727.43
Net Income	\$1,157,249.59
Adjusted EBIDTA (Non GAAP)	\$1,447,319.53

# Sales Highlights

## Sales By Region

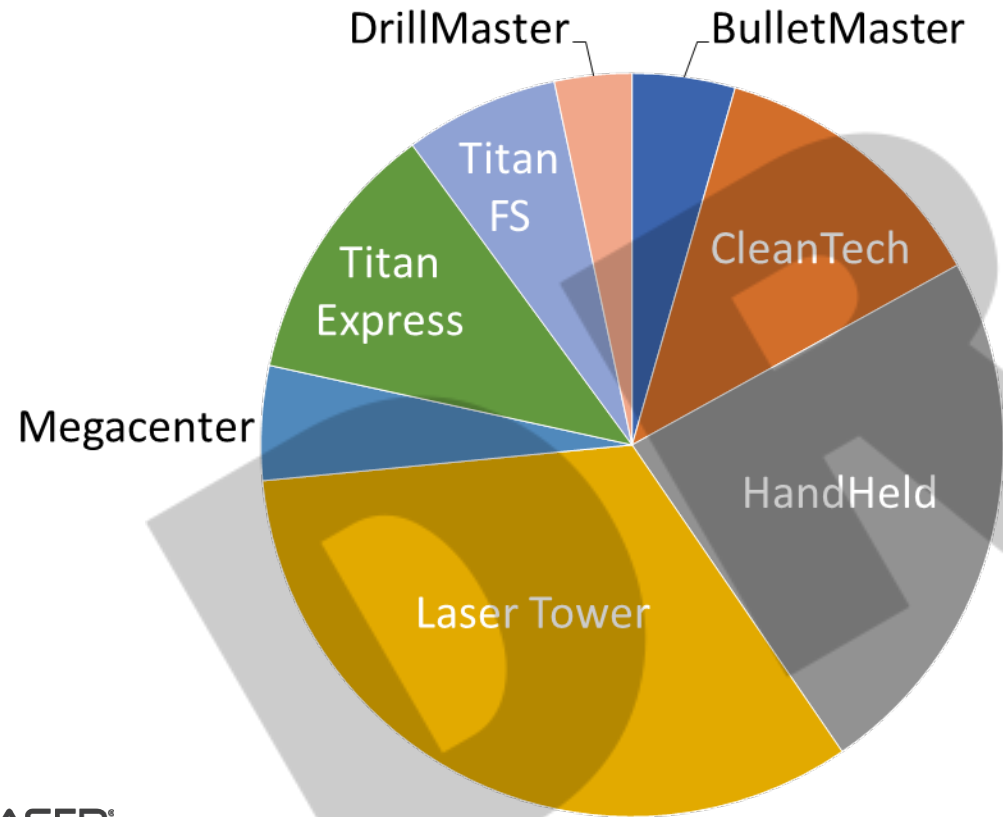


## Sales By Industry

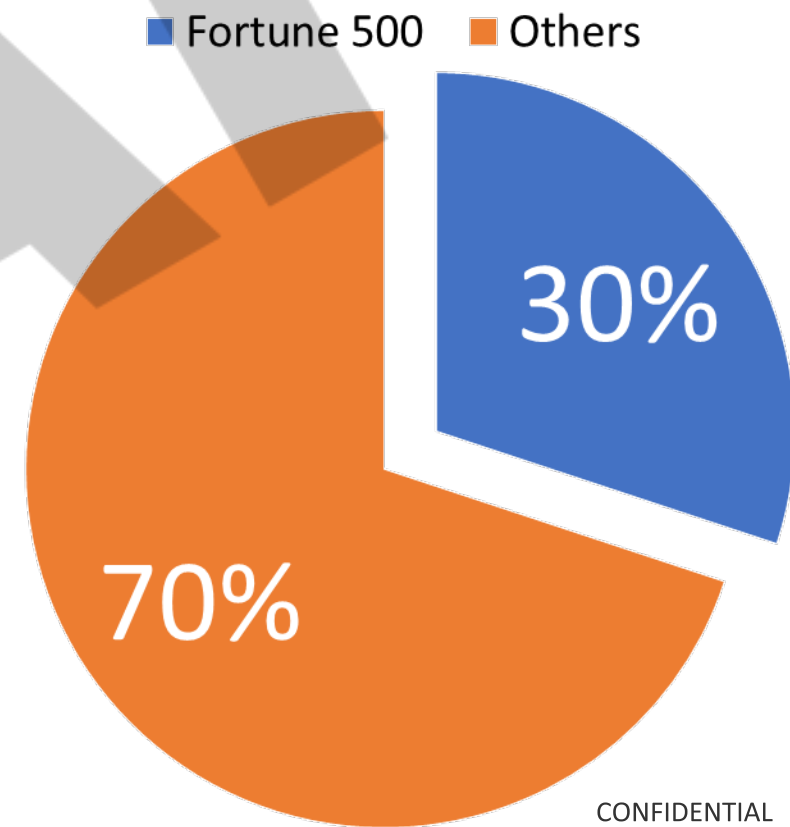


# Sales Highlights (continued)

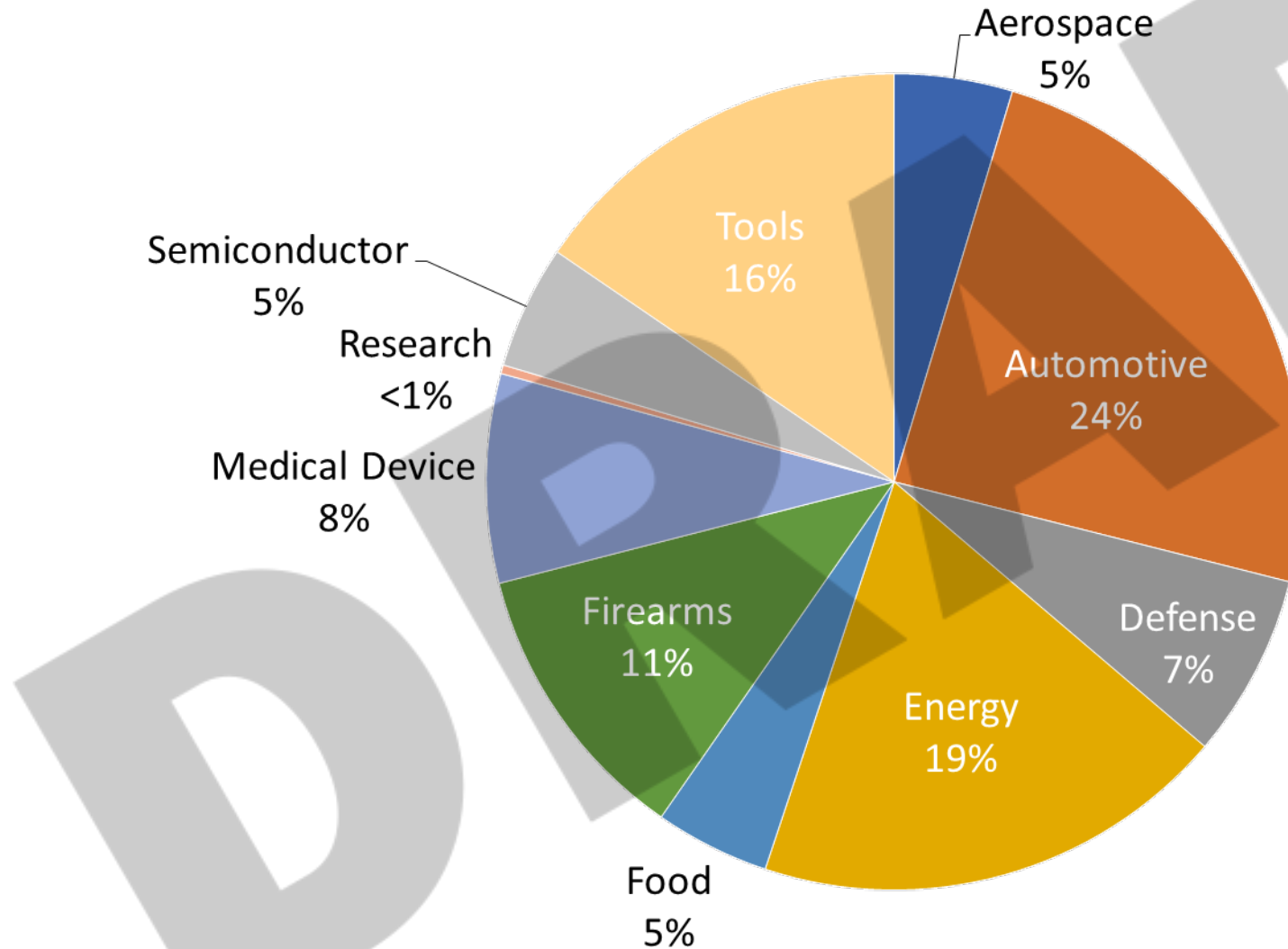
## Sales By Products



## Sales By Company Ranking



# Current Revenue By Industry





# Growth Strategy

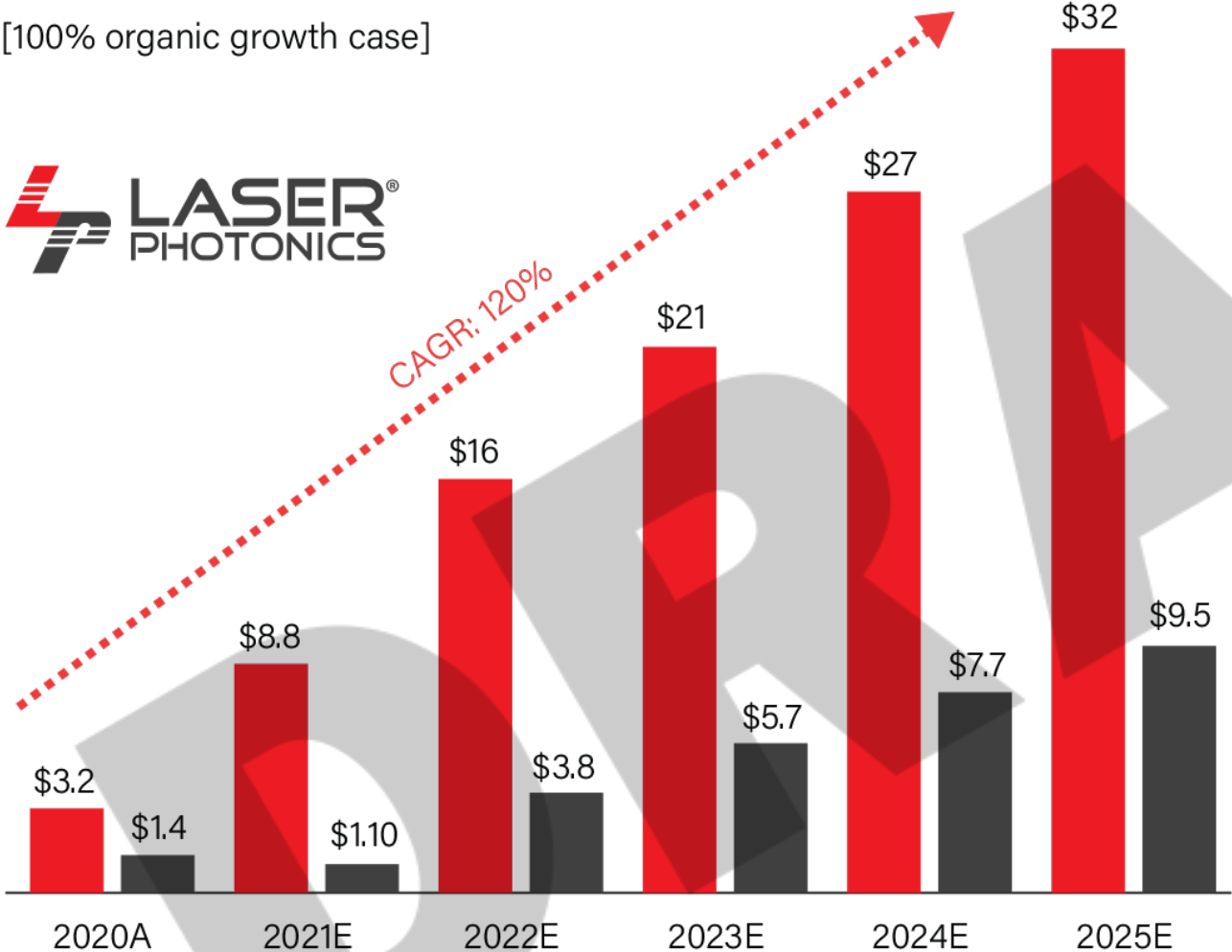
Our objective is to **maintain a leadership position** in our industry by pursuing the following key elements of our growth strategy:

- **Multi-market and Multi-product Approach.** We intend to develop and manufacture laser systems for a variety of markets to reduce the financial impact that a downturn in any one market would have.
- Accent on Developing **Standard Systems for Specific Markets.** We expect to increase sales through an industry recognized expertise in clearly defined markets with substantial sales demand such as rust removal equipment for the shipbuilding industry, laser de-contamination equipment for the nuclear industry, laser blasting cabinets for the general manufacturing industry, etc.
- **Broaden Customer Relationships.** We expect to develop a global diversified customer base in a variety of industries. We seek to differentiate ourselves from our competitors through superior product pricing, performance and service. We believe that a global presence and investments in application engineering and support will create competitive advantages in serving multinational and local companies.
- **New Product Development.** We intend to target new applications early in the development cycle and drive adoption by leveraging our strong customer relationships, engineering expertise and competitive production costs

# Positioned for rapid growth over the next decade

## Summary financials (\$M)

[100% organic growth case]



CAGR: 120%

■ Revenue ■ EBITDA

Assumes 100% conversion of existing reservations to orders.

## Key growth drivers & commentary

- High government regulatory pressure to replace media blasting over health, safety and environmental concerns
- Pressure from labor organizations to protect workers from hazards inherent in media blasting and chemical cleaning methods
- Growing demand for high-power (>500W) laser cleaning units occupying the largest market share segment (44.39%), and accounting for the fastest growth
- Growing system install base yields repeat orders
- LP produces and delivers the highest power and most portability of any laser cleaning systems on the market
- Organic growth case fully funded — opportunity for upside through consolidation of Laser Cleaning Equipment producers and resellers



# Financial Projections

	2021E	2022E	2023E	2024E	2025E
Sales	\$8,794,000	\$15,890,000	\$20,960,000	\$26,920,000	\$32,407,500
Cost of Goods	\$4,028,674	\$7,232,225	\$9,433,295	\$11,911,100	\$14,314,220
Gross Profit	\$4,765,326	\$8,657,775	\$11,526,705	\$15,008,900	\$18,093,280
Income before Taxes	\$974,408	\$3,706,068	\$5,612,567	\$7,570,214	\$9,353,801
Taxes on Income	\$297,194	\$1,130,351	\$1,711,833	\$2,308,915	\$2,852,909
Net Income After Taxes	\$677,214	\$2,575,717	\$3,900,734	\$5,261,299	\$6,500,892

# Questions?

**USA +1 407 804 1000**

**UAE +971 (0) 52 712 1172**

Or visit us online at [LaserPhotonics.com](http://LaserPhotonics.com)

