

inTEST Corporation



Innovative **Test** & Process Solutions

Colliers Institutional Investor Conference

September 9, 2021

Nick Grant
President and CEO

Duncan Gilmour
Treasurer and CFO

Safe Harbor Statement

Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements do not convey historical information but relate to predicted or potential future events and financial results, such as statements of our plans, strategies and intentions, or our future performance or goals, that are based upon management's current expectations. Our forward-looking statements can often be identified by the use of forward-looking terminology such as “believes,” “expects,” “intends,” “may,” “will,” “should,” “plans,” “projects,” “forecasts,” “outlook,” “anticipates” or similar terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.

Such risks and uncertainties include, but are not limited to, any mentioned in this presentation as well as the impact of the COVID-19 pandemic on our business, liquidity, financial condition and results of operations; indications of a change in the market cycles in the Semi Market or other markets we serve; changes in business conditions and general economic conditions both domestically and globally; changes in the demand for semiconductors; the success of our strategy to diversify our business by entering markets outside the Semi Market; our ability to successfully consolidate our EMS operations without any impact on customer shipments, quality or the level of our warranty claims and to realize the benefits of the consolidation; the possibility of future acquisitions or dispositions and the successful integration of any acquired operations; our ability to borrow funds or raise capital to finance potential acquisitions; changes in the rates and timing of capital expenditures by our customers; and other risk factors set forth from time to time in our Securities and Exchange Commission filings, including, but not limited to, our annual report on Form 10-K for the year ended December 31, 2020. Any forward-looking statement made by us in this presentation is based only on information currently available to us and speaks to circumstances only as of the date on which it is made. We undertake no obligation to update the information in this presentation to reflect events or circumstances after the date hereof or to reflect the occurrence of anticipated or unanticipated events.

Non-GAAP Financial Measures

In addition to disclosing results that are determined in accordance with GAAP, we also disclose non-GAAP financial measures. These non-GAAP financial measures consist of adjusted net earnings (loss), adjusted net earnings (loss) per diluted share and EBITDA. Adjusted net earnings (loss) is derived by adding acquired intangible amortization, adjusted for the related income tax expense (benefit), to net earnings (loss). Adjusted net earnings (loss) per diluted share is derived by dividing adjusted net earnings (loss) by diluted weighted average shares outstanding. EBITDA is derived by adding acquired intangible amortization, interest expense, income tax expense, and depreciation to net earnings (loss). These results are provided as a complement to the results provided in accordance with GAAP. Adjusted net earnings (loss), adjusted net earnings (loss) per diluted share and EBITDA are non-GAAP financial measures presented to provide investors with meaningful, supplemental information regarding our baseline performance before acquired intangible amortization charges as this expense may not be indicative of our current core business or future outlook. These measures may be useful to an investor in evaluating the underlying operating performance of our business. The non-GAAP financial measures presented in this presentation are used by management to make operational decisions, to forecast future operational results, and for comparison with our business plan, historical operating results and the operating results of our peers. Reconciliations from net earnings (loss) and net earnings (loss) per diluted share to adjusted net earnings (loss) and adjusted net earnings (loss) per diluted share and from net earnings (loss) to EBITDA, are contained in the tables below. The non-GAAP financial measures discussed in this presentation may not be comparable to similarly titled measures used by other companies. The presentation of non-GAAP financial measures is not meant to be considered in isolation, as a substitute for, or superior to, financial measures or information provided in accordance with GAAP.

inTEST Corporation (NYSE American: INTT)

A global supplier of innovative test and process solutions for use in manufacturing and testing across a wide range of markets, including automotive, defense/aerospace, industrial, medical, semiconductor and telecommunications.



Nick Grant

President and CEO

- Appointed as President and CEO August 24, 2020
- ABB SVP Americas Region Industrial Automation Measurement & Analytics Division
- AMETEK VP & GM Materials Analysis Division (Test & Measurement)
- Emerson Electric (various roles)
- MBA (Xavier University) / BS Physics (Northern Kentucky University)



Duncan Gilmour

Treasurer and CFO

- Appointed June 14, 2021
- ABB Americas Hub Controller Industrial Automation Measurement & Analytics Division
- Tyco International / Johnson Controls (various roles)
- Coopers & Lybrand / PricewaterhouseCoopers (U.S. and U.K.)
- BAcc Economics and Accounting (University of Glasgow) / Chartered Accountant (ICAS)

Vision

To be the *Supplier of Choice* for
Innovative Test and Process Technology Solutions

Mission

Leverage our Deep Industry Knowledge & Expertise to
Develop and Deliver High Quality, Innovative Customer Solutions
and Superior Support for Complex Global Challenges

Product and Industry Expertise

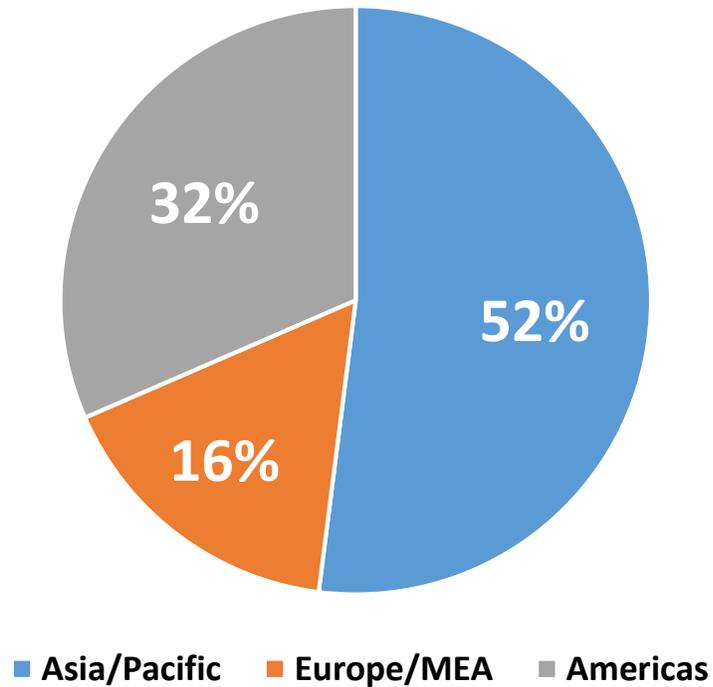
**Solve technical challenges others can't -
*thermally, mechanically, electronically***

Temperature Forcing Systems | Thermal Chambers | Low-temp Chillers
| Induction Heating Systems |
ATE Test Head Manipulators, Docking, and Interfaces



Global Presence

2021 YTD Net Revenue by Region



Manufacturing
Sales, Service, Support



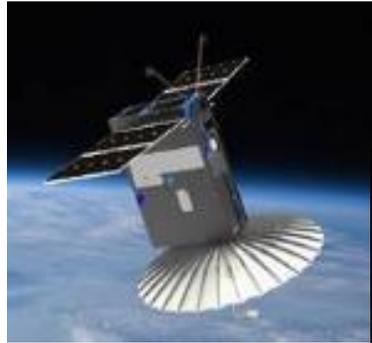
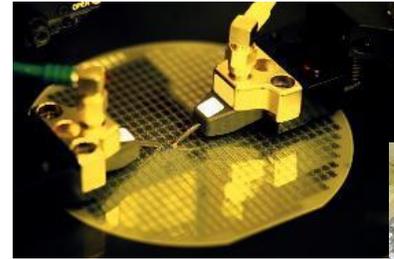
Markets Served

Historical Markets:

- Semiconductor Manufacturers – End Users
(Test Facilities, Labs, Production Floor)
- ATE Equipment Suppliers – OEMs

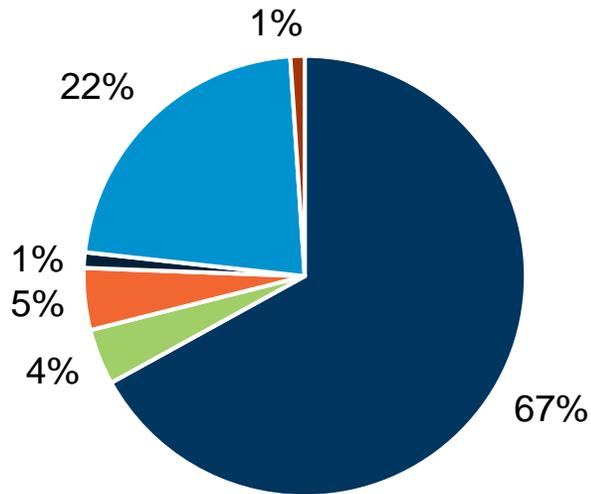
Multimarkets:

Automotive, consumer electronics, defense/aero, telecom, industrial



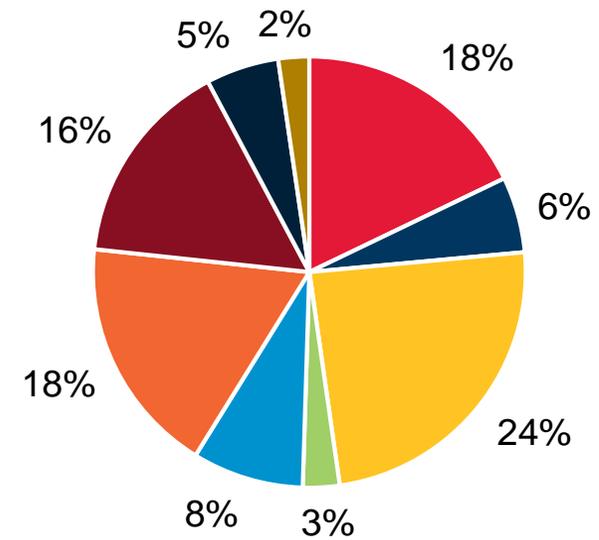
Serving Diverse Applications

2021 YTD Bookings by Market
\$50.3 million



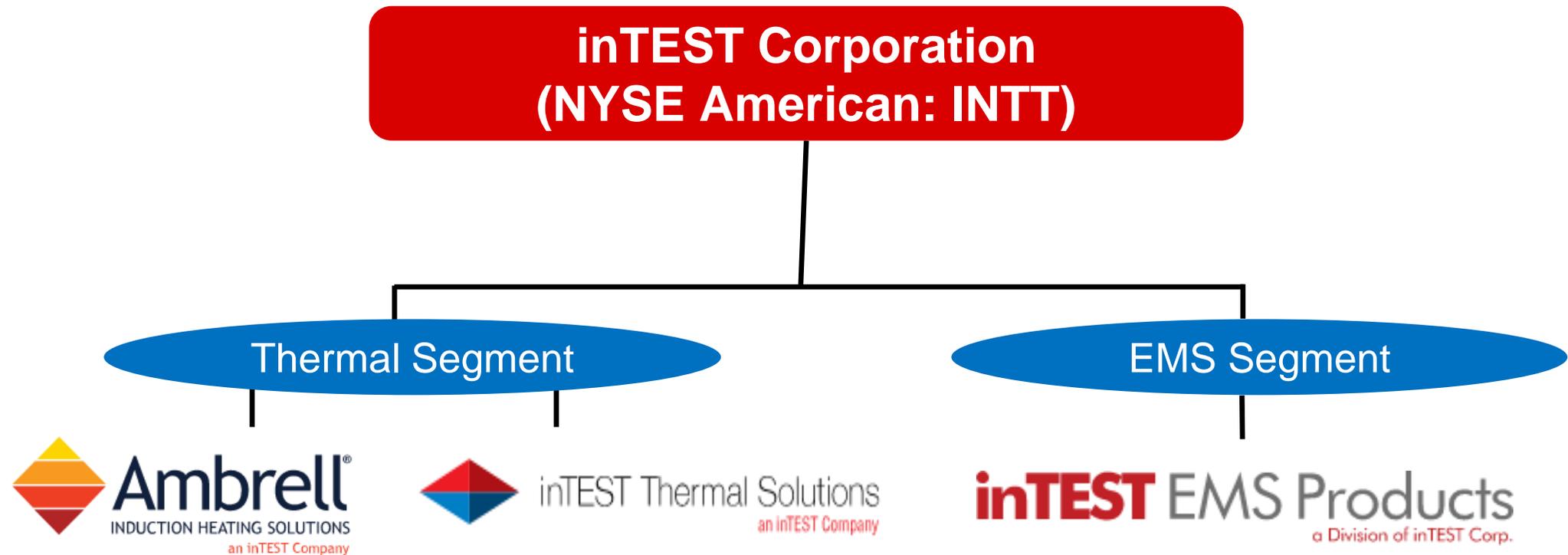
- Semi
- Auto
- Mil/Aero
- Telecom
- Industrial
- Medical/Other

2021 YTD Revenue by Product
\$41.1 million



- ThermoStreams
- Chambers
- Interfaces
- Chillers
- Manipulators
- Service
- Induction
- Docking
- Other

Decentralized Business Model Drive Operating Leverage



EMS Segment Solutions – *Specialty Leadership in Semi*

Products

Test Interfaces



Docking Systems



Manipulators



Applications

Provides high integrity signal path between DUT and tester

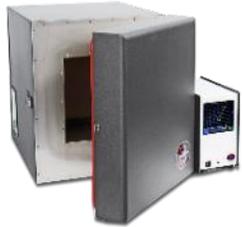
Improves accuracy and integrity of test results and protects delicate test interface components

Ease of positioning test heads for any test application, compatible with all major wafer prober or device handler models

Thermal Segment Solutions

Test Solutions

+932°F
+500°C



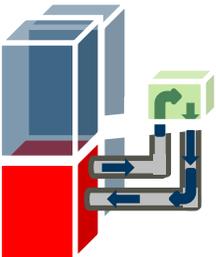
Space Research
-185°C 350°C



Network Infrastructure
-10°C 60°C



Missile Guidance
-60°C 150°C



Custom Design
Thermal Engine
-65°C 200°C



LED Extended Life Test
-100°C 200°C



Communication
Satellite
-65°C 200°C

-301°F
-185°C

+5450°F
+3000°C

Process Solutions



Brazing, catheter
tipping, nanoparticle
heating
1-10 kW



Hot heading, brazing,
annealing, shrink
fitting
1-100 kW



Brazing, metal-to-
plastic, curing,
hardening
1-500 kW



Chilling for Biomass
Extraction
25 kW at -60C



Cooling for
semiconductor
production
500 W at -80C



Cooling in Energy
production
4 kW at -60C

-148 °F
-100 °C

New Strategy and Focus

Core Growth Strategies

Growth Focus



Innovation Focus



Customer Focus



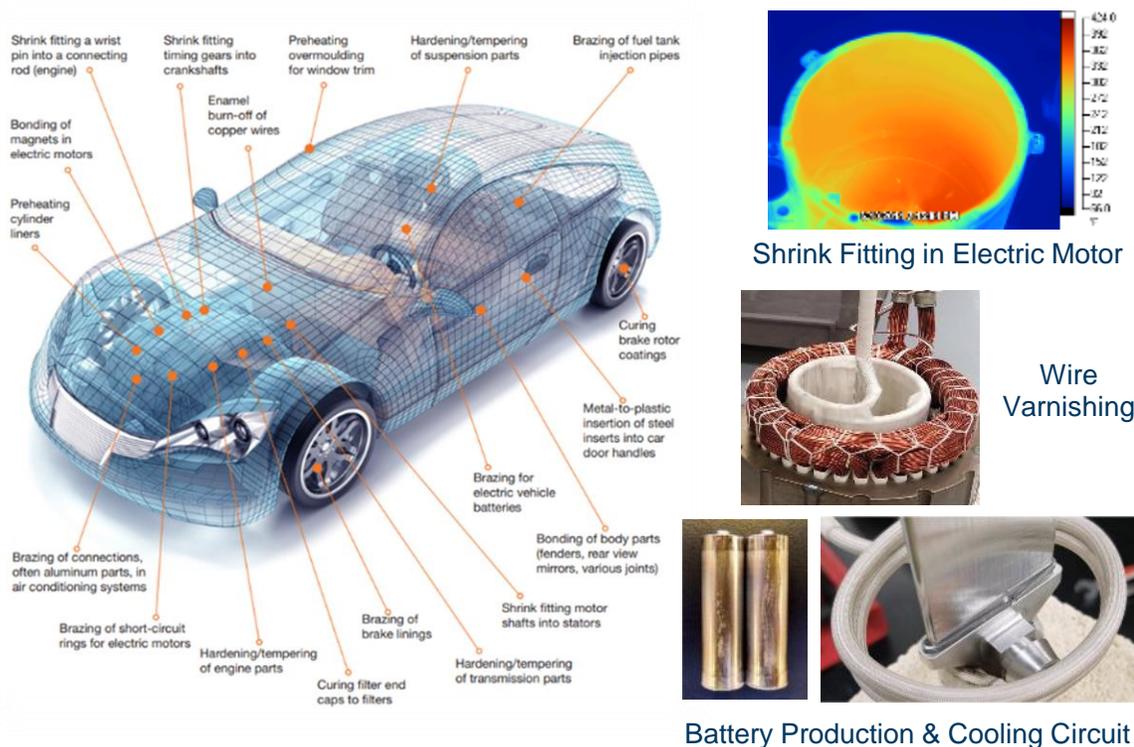
Standardization & Scalability



Thermal Segment: Growth Applications in Emerging Markets

Electric Vehicles

Wide-ranging induction heating solutions for heating metal and plastic parts in the manufacturing processes of electric vehicles



Cannabis Extraction

Broad chiller solutions used in THC and CBD extraction processes where it's critical to cool hydrocarbons or ethanol to ultra-low temperatures (-60°C to -90°C)



Capable of chilling 100 Gallons of Ethanol to -70°C in Under 30 Minutes

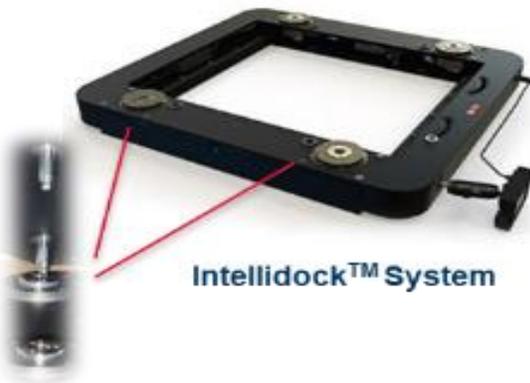
EMS Segment: Organic Growth through Innovation

Automated Manipulators + Docking

- **1st fully automated, fully featured ATE Manipulator**
 - Auto positions the test head
 - Unmatched precision and accuracy
- **Automated, high precision docking system for ATE testers**
 - Intelligent Pin/Cup design
 - Automatic latching feature



LS Series Manipulator



Intellidock™ System

Intelligent Test Cell

Reduces Downtime

- ✓ Prevents operator from damaging the system due to error or poor setup

Improves Quality

- ✓ Better manage rapidly changing production and process sequencing

Increases Productivity

- ✓ Increase throughput, minimize waste and reduce errors
- ✓ Simplify machine operation and reduce setup time
- ✓ Optimize and create predictable and repeatable production setup
- ✓ Improve machine utilization and ergonomics

Enhances Safety

- ✓ Enhance operator interaction with test cell

Blue-Chip Customer Base



Top 10 Customers: 45% of Revenue

The logo for AIXTRON, featuring the word "AIXTRON" in a red, stylized, italicized font.The logo for ALLEGRO microsystems, featuring a colorful globe icon above the word "ALLEGRO" in blue and "microsystems" in a smaller font below it.The logo for ANALOG DEVICES, featuring a black square with a white play button icon to the left of the words "ANALOG DEVICES" in black.The logo for GT ADVANCED TECHNOLOGIES, featuring the letters "GT" in red and "ADVANCED TECHNOLOGIES" in black to its right.The logo for Hakuto, featuring a large black stylized "H" above the word "Hakuto" in black.The logo for mct, featuring the letters "mct" in a blue, lowercase, sans-serif font.The logo for NXP, featuring the letters "NXP" in a stylized font with "N" in orange, "X" in blue, and "P" in green.The logo for Qualcomm, featuring the word "Qualcomm" in a blue, lowercase, sans-serif font.The logo for TEXAS INSTRUMENTS, featuring a red outline of the state of Texas with the letters "ti" inside, followed by the words "TEXAS INSTRUMENTS" in black.The logo for ST life.augmented, featuring a stylized blue "ST" logo above the text "life.augmented" in a smaller font.

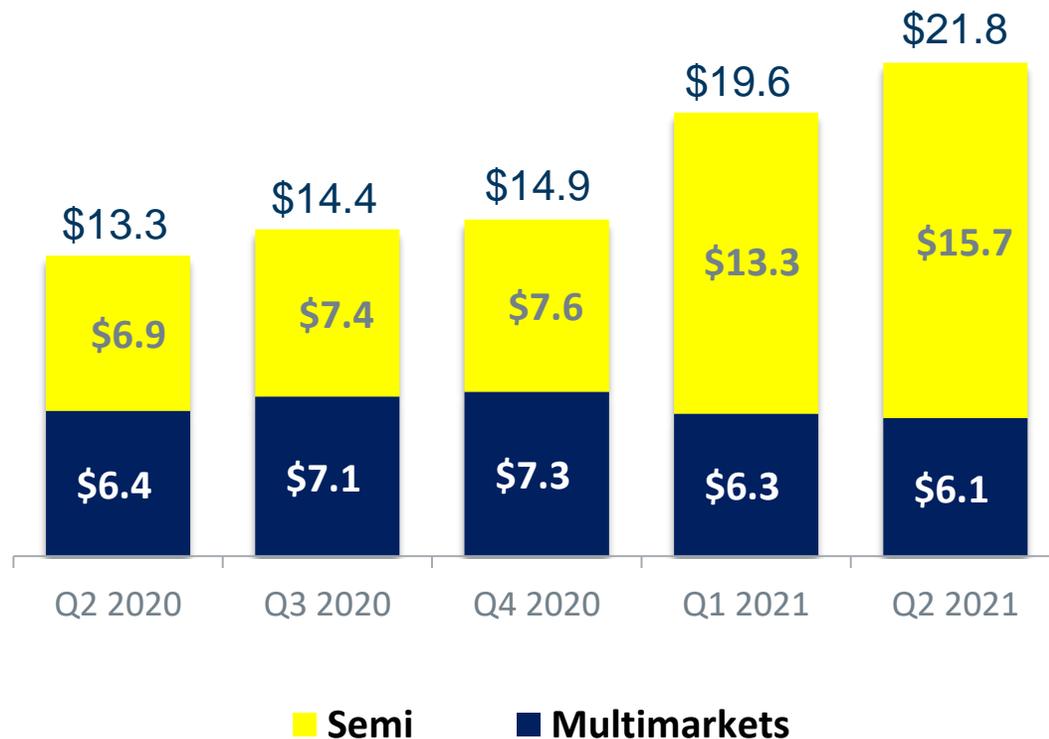
Top 10 customers are Semi related with the exception of Hakuto which is both Semi and Multimarkets

inTEST Corporation

Financial Overview

Semi Demand Driving Consolidated Revenue

(\$ in millions)



Q2 2021 revenue up 64% y/y and up 11% sequentially

Strength in semi market drove growth

Managed supply chains and solved resource challenges to deliver above expectations for the quarter

Multimarkets revenue driven by shipment timing (Book-to-Bill in Q1'21 and Q2'21 exceeded 1.4x)

Operating Performance

	2018	2019	2020	2021 Q1	2021 Q2
Gross Margin	50%	48%	45%	49%	50%
SG&A	29% ^b	36% ^a	38% ^c	29%	30% ^d
Eng. & Prod. Development	6%	8%	9%	7%	6%
Operating Margin	15% ^b	5% ^a	(2)% ^c	13%	14% ^d
EBITDA Margin⁽¹⁾ (Non-GAAP)	9% ^b	8% ^a	1% ^c	16%	16% ^d

⁽¹⁾ See supplemental slides for EBITDA reconciliation

a. Includes acquisition related expenses of \$683K

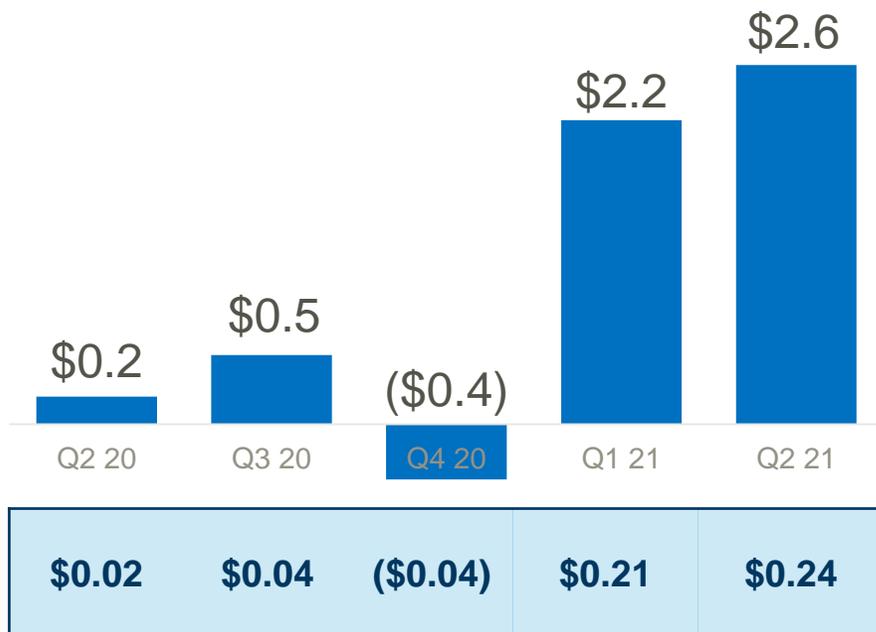
b. Adjusted for contingent consideration adjustment (related to earnout): \$6.9M

c. Includes restructuring, CEO transition costs, lease impairment and other non-recurring costs of \$1.8M

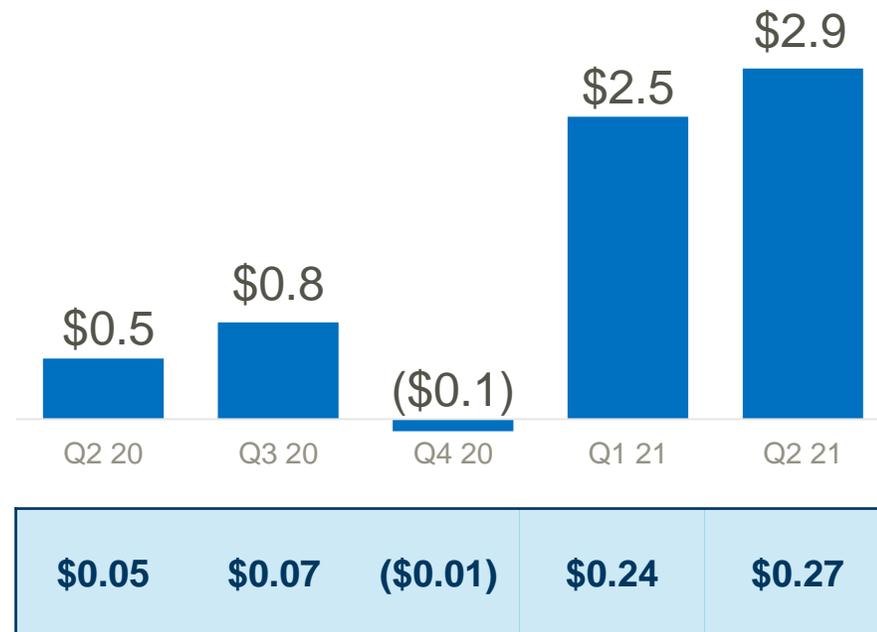
d. Includes CFO transition and other non-recurring costs of \$424K

Strengthening Earnings Power

Net Income and EPS



Adjusted Net Income and EPS ⁽¹⁾ (Non-GAAP)



⁽¹⁾ See supplemental slides for adjusted net income reconciliation

Strong and Flexible Balance Sheet

(\$ in millions)

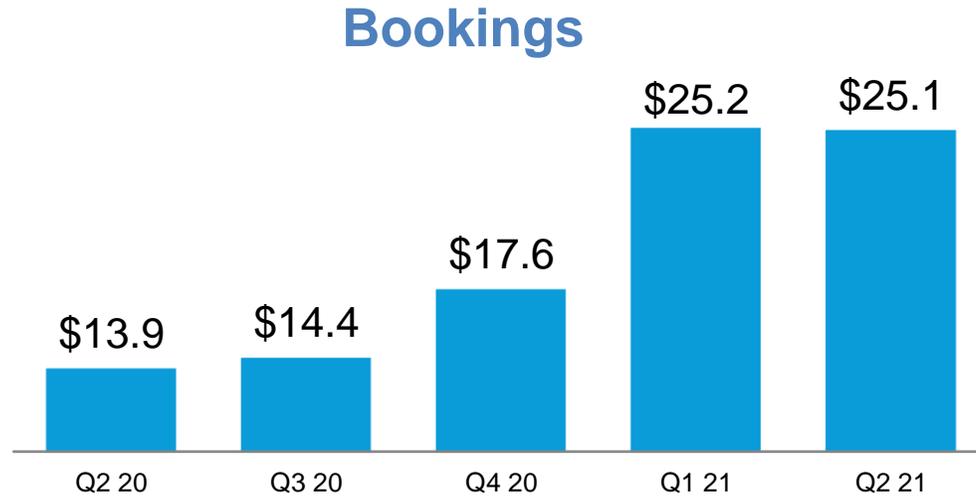
	June 30, 2021	Dec. 31, 2020
Cash and cash equivalents	\$ 14.6	\$ 10.3
Working capital	25.0	18.1
Total assets	70.7	62.0
Total debt	-	-
Shareholders' equity	\$ 51.2	\$ 44.8

Generated \$4.2 million of cash from operations in Q2 21

In April 2021, increased revolving credit facility from \$7.5 million to \$10.0 million and extended revolver term out to April 2024 from 364 days

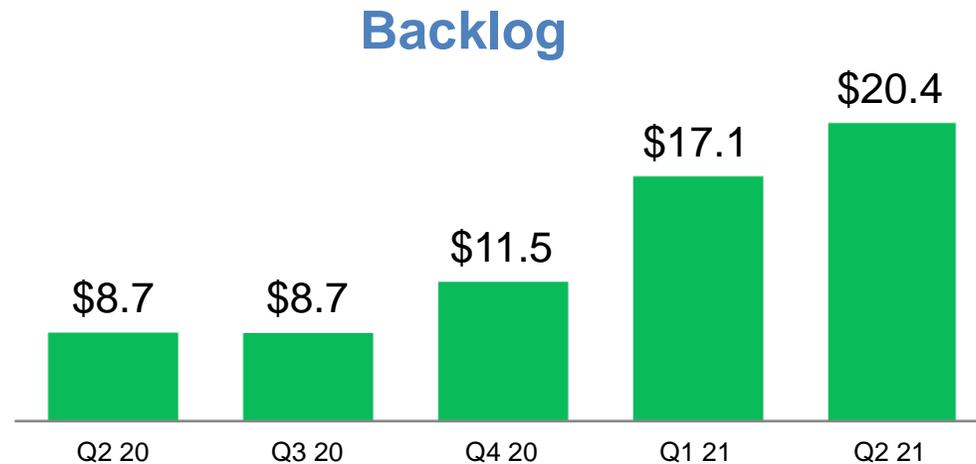
Bookings and Backlog

(\$ in millions)



80% YoY

Q2 Multimarket Book: Bill of 1.40



134% YoY

Q2 backlog stretching out over time as industry lead-times grow

Q3 2021 Guidance *(provided 8/6/2021)*

Net Revenue	\$20.5M to \$21.5M
Gross Margin	49% to 51%
GAAP Net Earnings per diluted share	\$0.18 to \$0.22
Non-GAAP Adjusted Net Earnings per diluted share	\$0.21 to \$0.25

This outlook is based on the Company's current views with respect to operating and market conditions and customers' forecasts, which are subject to change; as well as our expectations for the balance of the quarter, subject to any strategic investments we may choose to make. Actual results may differ materially as a result of, among other things, the factors described under "Forward-Looking Statements" on slide #2.

The Path Ahead: **It's ALL about Growth**

Growth through Innovative Technologies

- Increased focus on differentiated/disruptive technologies
- Expansion of complementary capabilities
- Driving a broader use of customer applications and standardization

Growth through Geographic and Market Expansion

- Enhanced customer focus in current markets (deeper and wider)
- Continued diversification of served markets (adjacent markets)
- Global Expansion (Asia, Europe and Lat.Am.)

Growth through Strategic M&A and Partnerships

- Broadening customer solutions – complementary technology plays
- Strengthening geographic presence
- Higher growth adjacent segments

inTEST Corporation

Reconciliations for Non-GAAP Measures

Reconciliations for Non-GAAP Measures

(Dollars in thousands)

Reconciliation of Net Earnings (Loss) (GAAP) to EBITDA (Non-GAAP)	Years Ended December 31,		
	2018	2019	2020
Net earnings (loss) (GAAP)	3,037	2,322	(895)
Net interest (income) expense	(22)	(17)	33
Income tax expense (benefit)	2,006	282	(336)
Depreciation expense	768	685	630
Amortization expense	1,102	1,257	1,233
EBITDA (Non-GAAP)	6,891	4,529	665

Reconciliations for Non-GAAP Measures

(Dollars in thousands)

Reconciliation of Net Earnings (Loss) (GAAP) to EBITDA (Non-GAAP)	Quarters Ended				
	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21
Net earnings (loss) (GAAP)	170	458	(380)	2,212	2,609
Net interest (income) expense	25	4	4	0	2
Income tax expense (benefit)	13	(25)	(74)	366	447
Depreciation expense	155	164	156	156	167
Amortization expense	309	307	306	304	305
EBITDA (Non-GAAP)	672	908	12	3,038	3,530

Reconciliations for Non-GAAP Measures

(Dollars in thousands, except per share)

Reconciliation of Net Earnings (Loss) (GAAP) to Adjusted Net Earnings (Loss) (Non-GAAP) and Net Earnings (Loss) Per Diluted Share (GAAP) to Adjusted Net Earnings (Loss) Per Diluted Share (Non-GAAP)	Quarters Ended				
	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21
Net earnings (loss) (GAAP)	170	458	(380)	2,212	2,609
Add back: Acquired intangible amortization	309	307	306	304	305
Tax adjustments	(5)	(15)	(2)	(4)	(4)
Adjusted net earnings (loss) (Non-GAAP)	474	750	(76)	2,512	2,910
Diluted weighted average shares outstanding	10,259	10,288	10,283	10,526	10,765
Net earnings (loss) per diluted share (GAAP)	\$ 0.02	\$ 0.04	\$ (0.04)	\$ 0.21	\$0.24
Add back: Acquired intangible amortization	0.03	0.03	0.03	0.03	0.03
Tax adjustments	0.00	0.00	0.00	0.00	0.00
Adjusted net earnings (loss) per diluted share (Non-GAAP)	\$ 0.05	\$ 0.07	\$ (0.01)	\$ 0.24	\$0.27

inTEST Corporation

Appendix

inTEST History

Founded in 1981, inTEST served the Semiconductor industry with manipulator and docking systems to support ATE production test equipment at end users and OEMs. As the success of its engineered solutions grew, the company established operations in Asia, quickly followed by a subsidiary in Europe.

inTEST expanded its presence in supporting production test with tester interface products by acquiring TestDesign in 1998.

With a strategy to broaden its Semiconductor business to include thermal systems for electronics test, inTEST acquired Temptronic Corporation in 2000 and created the ThermoStream brand of temperature forcing systems known throughout the world today for characterizing ICs and devices.

In the mid-2000s, inTEST executed a strategy to expand the reach of thermal products outside of the Semiconductor industry, resulting most notably as the leading supplier to optical transceiver production test customers. Continuation of the thermal strategy to handle conditioning of larger devices, inTEST acquired Sigma Systems, thermal chamber and plate products in 2008. This permitted the company to deliver thermal using conduction and convection for larger test articles such as electronic modules, subassemblies, and PCBs, used extensively in automotive, aerospace, defense, and industrial applications. The company has been expanding thermal electronics test ever since.

As the strategy for thermal evolved, inTEST looked to develop business in the industrial arena. That challenge was met in 2017 with the acquisition of Ambrell Corporation, a manufacturer of induction heating systems used in a myriad of industrial processes.

Today, customers worldwide rely on inTEST engineered products to provide custom and standard solutions for their product development, production, testing, and quality requirements.

inTEST Organization & Markets Served

Business Segments		Brands			Focus	
Semiconductor (Semi) Multimarket		Ambrell Temptronic Sigma Systems Thermonics EMS Products			Electronic Test Process Cooling Induction Heating	

		SEMICONDUCTOR MARKET			MULTIMARKET	
		Back-End		Front-End	Electronic Test	Industrial
Applications		Production Test	Engineering Lab / Product Development	CVD Crystal Growth	Multiple Applications	Multiple Applications
THERMAL	EMS	Manipulators Docking Interfaces				
	iTS		ThermoStreams® Temperature Forcing System		Sigma Chambers ThermoStreams® Temperature Forcing System	Platforms Chillers
	Ambrell			EKOHEAT® Induction Tools		EASYHEAT® & EKOHEAT™ Induction Tools
		Cornerstone of inTEST and an important component of our business			Any market or industry not categorized as “Semi Market” Represents strategic diversification towards less cyclical markets (formerly “Non-Semi”)	

Thermal segment business can fall into either “Semi” or “Multimarket,” depending upon customer utilization of our products or upon their respective applications

inTEST Segments

Designs and manufactures engineered solutions for Automated Test Equipment (ATE) and other electronic test, as well as industrial process applications.

Thermal Segment

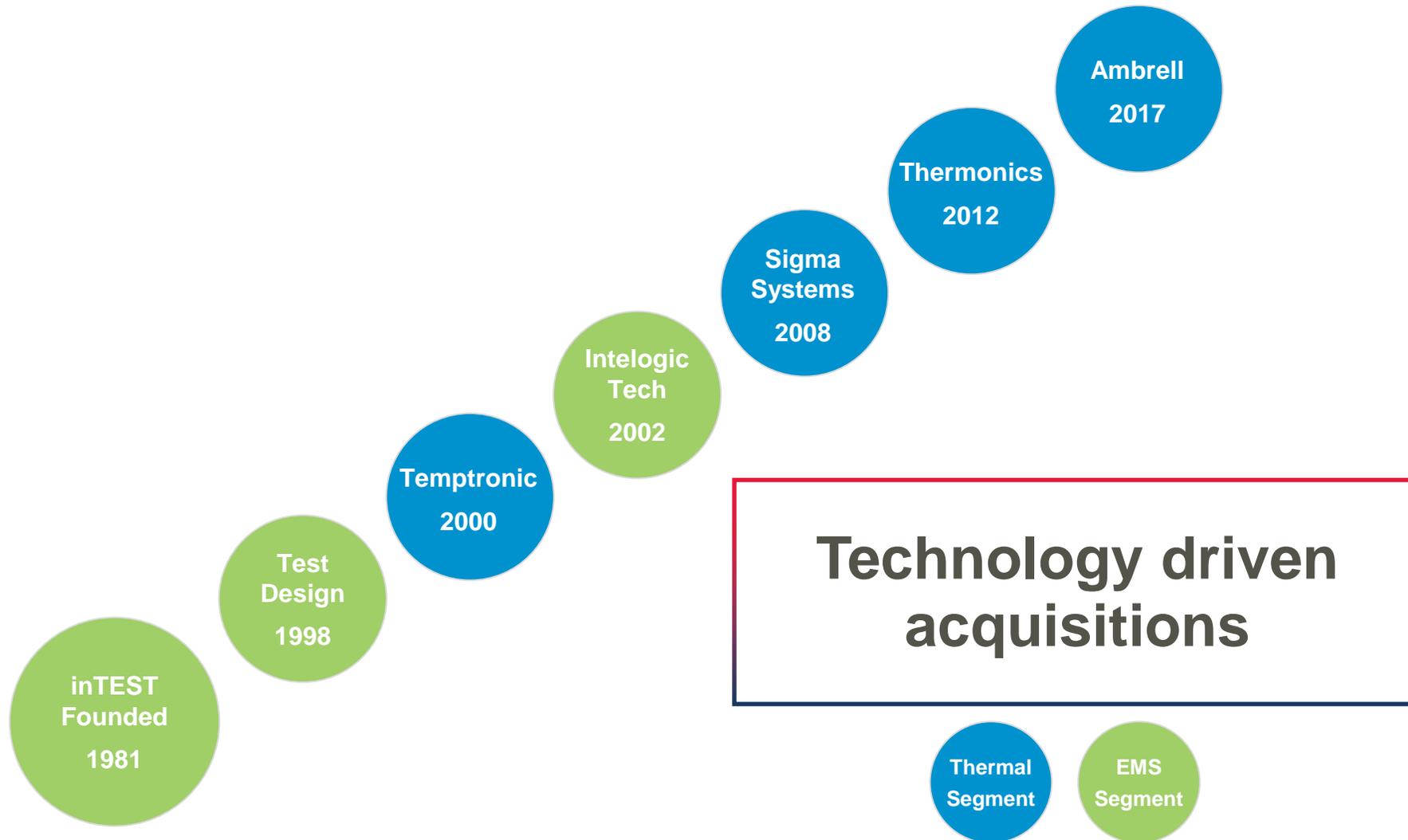
inTEST Thermal Solutions (iTS): Temperature affects everything and that's why it is critical to many test and process environments. iTS provides thermal systems for applications in the automotive, aerospace, defense, telecom, and Semiconductor space. Products deliver a wide range of temperatures from cryogenic to high heat for thermal conditioning in electronic and production test of sensors, modules and subassemblies. Other products are used to condition processes with chiller systems by adding or removing heat to maintain a thermally stable manufacturing or test site.

Ambrell: The use of metals and the need to heat them is prolific throughout production processes in a myriad of industries including automotive, aerospace, defense, electronics, fiber optic, machining, medical, and Semiconductor to name a few. Ambrell provides induction heating systems that provide just the right amount of heat for industrial manufacturing. Using non-contact, electromagnetic energy these systems are used for annealing, bonding, brazing, curing, forging, hardening, melting, sealing, shrink fitting, and soldering.

EMS Products Segment

inTEST EMS Products: Automotive, consumer electronics, and the Internet of Things continue to drive the production of Semiconductors. The wide range of components that serve these applications require significant testing and involves many test configurations of varying size. EMS Products make efficient testing possible through easy manipulation of test heads weighing hundreds of pounds, and secure docking and signal interfacing with automated test equipment.

Merger & Acquisition History



inTEST Thermal Test & Process Solutions

**MobileTemp
ThermoStreams**



Thermal Chambers



Platforms



**EasyHeat® Induction
Heating Systems**



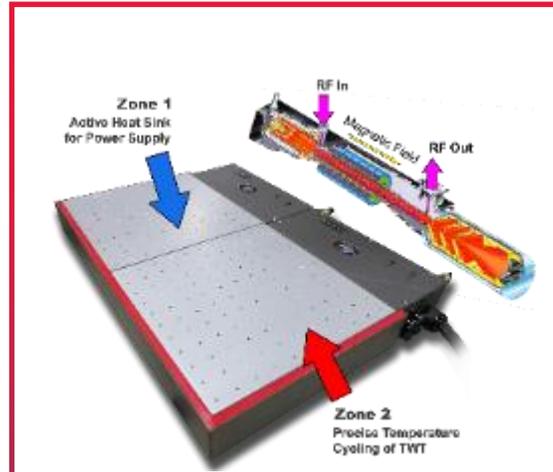
**EKOHeat® Induction
Heating Systems**



inTEST Custom Thermal Test Solutions



- Energy application for testing sensors and electronics
- Three zone chamber allows independent temperature control across entire assembly



- Satellite application for testing microwave amplifiers
- Two-zone plate provides heat sink for power supply while simulating wave tube temperatures in orbit



- Consumer electronics application for characterizing RF (WiFi, Bluetooth) components
- ThermoStream air forcing system provides the temperature source for rapid thermal cycling

inTEST EMS Semi-ATE Solutions

