Disclaimer

Certain statements made by us in this presentation that are not historical facts or that relate to future plans, events or performances are forward-looking statements within the meaning of the federal securities laws. Our actual results may differ materially from those expressed in any forward-looking statement made by us. Forward-looking statements involve a number of risks or uncertainties including, but not limited to, the risks described under the heading “Risk Factors” in the Company’s filings with the Securities and Exchange Commission, including, but not limited to, the Company’s Reports on Form 10-K for the year ended December 31, 2019. All forward-looking statements are qualified by those Risk Factors as well as the Company’s “Statement of Forward-Looking Information” in such filings. All statements made by us in this presentation are further qualified in all respects by the information disclosed in the Company’s filings with the Securities and Exchange Commission. These statements are only predictions. We are under no duty to update or revise any forward-looking statements to conform such statements to actual results or events, and do not intend to do so.

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Vision:

Enable the future of computing & imaging with OLED technology
Key Messages

1. The only US manufacturer of OLED microdisplays; a technology leader with proprietary and patented direct patterning technology (dPd™) for ultrahigh brightness in color

2. Uniquely positioned to capitalize on growing addressable markets in military, industrial and consumer for high brightness AR/VR solutions

3. Recent U.S. government funding of approximately $39 million for manufacturing to support improvement in growth, innovation and productivity

4. Deep applications expertise and broad IP portfolio; aligned with blue-chip customer base and long-term industry trends

5. Well-established military and aviation market presence benefitting from secular and cyclical tailwinds; leverageable platform for high growth opportunities in consumer and commercial end markets

6. Highly experienced management team with industry leading technical expertise enabling a substantial runway for value creation
eMagin at a Glance

Headquarters: Hopewell Junction, NY
Manufacturing: U.S. Domiciled
Employees: 100+

Revenue: $26.7M in 2019
• 92% from Product Sales, 8% Contracts
• 53% U.S., 47% International
• 27 countries served

Market Cap: $95M*
Exchange: EMAN on NYSE

Patents: 43 issued, 39 pending

*Based on closing price on 8/26/20 and 67.4 million shares outstanding.

The technology leader in OLED Displays.

Making AR/VR a reality.
Growth Strategy

- Develop partnerships for high volume manufacturing
- Grow commercial and industrial presence
- Expand military and aviation market share
- Deepen penetration of leading-edge dPd™ technology
- Increase capacity and production yields; expand manufacturing capability

Leverage commercial and consumer electronics customer relationships for AR/VR opportunities
Q2 2020 Highlights: Improving Performance

Improved Financial Trends
• 2Q20 revenue of $7.7 million, 44% YOY increase due to increased demand from military customers and contribution from R&D work for the consumer market
• $13.2 million of backlog at 2Q20, 14% YOY increase

Operating Trends
• 2Q20 results reflected an 8% increase YOY in operating expenses due to focus on R&D projects related to dPd technology and XLE display development
• Expect ongoing improvement in yield and throughput

Advancing Product Development
• Continued to ship a significant amount of product for the ENVG-B program as well as produce displays for the F-35 program in 2020
• Will achieve 10,000 nits brightness by 4Q20 and 28,000 nits by 2023, 5x – 10x > competitors
• Received awards for two-multiyear U.S. helicopter helmet programs in 1Q20
• Providing displays for thermal systems for firefighting/law enforcement and veterinary ultrasound goggles, cataract operating systems, and MRI and LASIK systems in medical market
$39 million of Department of Defense Awards

- Recognized by DOD as the only domestic manufacturer of OLED microdisplays designated as a cornerstone of the US manufacturing base

- Received $5.5 million award under the Industrial Base Analysis and Sustainment (IBAS) Program for Organic Light Emitting Diode (OLED) Supply Chain Assistance for procurement and installation of capital equipment at the Hopewell Junction facility to enhance manufacturing capabilities

- Received $33.6 million DoD funding to sustain and enhance U.S. domestic capability for high resolution, high brightness OLED microdisplays based on proprietary dPd technology
eMagin’s OLED Technology Advantage

*Lowest Power and Highest Brightness*

- Brightest OLED – monogreen over 28,000 cd/m²; full color 7,500 cd/m² demonstrated, full color 10,000 cd/m² targeted this year
- Very high contrast – greater than 1,000,000:1
- Lower power consumption—longer battery life
- More compact form factor
- Light-weight solution
- Field tested for reliability and performance
- Nausea-free operation
- Superior performance and a competitive cost at higher volumes
History of Technical Leadership

Many fundamental innovations in microdisplays

- Commercial full color SVGA+ Active Matrix OLED microdisplay
- Full color SXGA OLED microdisplay
- High-brightness monochrome SXGA microdisplay (20k+ cd/m²)
- High-brightness color SXGA OLED microdisplay (700+ cd/m²)
History of Technical Leadership

Promising results of Direct Patterning (dPd)

• dPd® demonstrated on 2k x 2k display

• dPd enhancements (<7,500 cd/m² brightness on a full color WUXGA)

• 4k x 4k microdisplay demonstrated at SID conference
OLED Provides Superior AR/VR Experience

Magnification Highlights eMagin’s Superior Fill Factor

Samsung Galaxy S5 OLED Cell Phone Display / 600 ppi

eMagin OLED Microdisplay >2,500 ppi
• Conventional OLED microdisplays use white OLED with color filters
  • Color filters absorb ~80% of the useful light; limited brightness and inefficient

• Only eMagin has Direct Patterned microdisplay technology for direct emission of red, green and blue light without color filters
  • Enables significantly higher brightness; targeting 10,000 cd/m² at year end and 28,000 cd/m² by 2023
  • Higher efficiency, much lower power consumption

• eMagin is ahead today in full color OLED microdisplay brightness and will stay ahead

*for illustrative purposes only
Deep Application Expertise & Broad IP Portfolio

Patents

- 43 patents issued and 39 pending
- Includes silicon backplane, OLED architecture, process and packaging
- Key patents include ultra-high brightness directly patterned OLED displays

Know-how

- Includes Silicon backplane, OLED architecture, process and packaging
- Back-plane design
- Anode patterning
- Direct patterning of OLED
- Thin film encapsulation
- Packaging methodology

Significant Barriers to Entry
Military & Aviation

Profile

- Predominately sole-source supplier
- Differentiated performance and leader in brightness
  - Visible in bright sunlight
  - High contrast for detail
- First mover in AR/VR for domestic and foreign military applications
- Global market leadership - U.S. Army, Air Force, Special Forces, Navy/Marines
- Proven track record of performing in demanding applications and environments
- Long-standing customer relationships and extended program and product lifecycles
- Favorable secular and cyclical tailwinds
- Military microdisplays addressable market expected to increase five-fold to $1.3B by 2024
- Accelerating activity and program wins in aviation
- Trend away from LCD to microOLED for better contrast and brightness

Customers

![BAE Systems](image1)
![Elbit Systems](image2)
![Lockheed Martin](image3)
![Leonardo DRS](image4)
![L3Harris](image5)
![Rockwell Collins](image6)
![Thales](image7)
![Sagem](image8)
![Tata Power](image9)
![Raytheon Technologies](image10)

Products

- Enhanced Night Vision Goggle
- Helmet Display
- Laser Range Finder
- Simulation Training Devices
Commercial & Medical

Profile

• Products provide high reliability in stressful environments
• Visualize digital information and imagery
• Successful in supplying to medical imaging devices, thermal cameras and hunting scopes
• Recent customer wins include:
  • $780,000 order from an existing medical device customer upgrading their product with our high brightness XLT technology with anticipated follow-on orders
  • Second order from a new customer that is developing/prototyping a non-invasive surgical application device using our displays

Products

XM Reality AR Guidance System
NordicNuroLabs Visual System
Bug Bovine Ultrasound Goggle
EyeSi Surgical Sim
Hunting Scopes

End Market Diversification

Abbott LASIK
Commercial & Consumer

Profile

✓ Augmented reality for
  • Equipment repair
  • Factory automation
  • Service technicians

✓ Virtual reality for
  • Vehicle design
  • Training and simulation
  • Consumer gaming and entertainment

✓ eMagin is the only company with technology that satisfies the key requirements:
  • High brightness
  • High speed
  • High pixels per inch
  • High resolution

Well Positioned To Capitalize on Large Market Opportunity
Manufacturing Footprint - Made in the USA

Hopewell Junction, NY (Headquarters)
- Lease ~42,000 square feet of space
- Houses own equipment for OLED microdisplay fabrication, assembly operations, R&D and product development functions
- eMagin is the only US-based manufacturer of OLED microdisplays
- Approximately $39 million in DoD awards for procurement and installation of capital equipment to enhance manufacturing and enhance dPd technology

Class 10 Clean Room Operations
- Photo-Lithography
- Metal Deposition
- OLED Deposition
- In-Line Inspection
- Glass Lid
- Glass Lid Detail

Advanced Packaging Capabilities
## Senior Management Team

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Experience/Qualifications</th>
</tr>
</thead>
</table>
| Andrew Sculley      | CEO                          | • Over 20 years experience in OLED technology and manufacturing  
|                     |                              | • Led Kodak OLED Systems  
|                     |                              | • MS Physics Cornell, MBA Carnegie-Mellon  |
| Dr. Amal Ghosh      | COO                          | • Pioneering inventor of disruptive OLED technology at eMagin and Kodak  
|                     |                              | • PhD Physics MIT  
|                     |                              | • Past President of the prestigious Society for Information Display (SID)  |
| Mark Koch           | Acting CFO                   | • Previously eMagin’s VP of Finance and Corporate Controller  
|                     |                              | • +25 years of financial experience  
|                     |                              | • Certified Public Accountant; BS Manhattan College  |
| Oliver Prache       | SVP Product Development      | • OLED product commercialization pioneer at Pixtech (France) and OIS Optical Imaging Systems  
|                     |                              | • Diplôme d'Ingénieur from E.N.S.E.R.G. Grenoble France  |
| Joseph Saltarelli   | SVP Operations               | • Over 25 years of semiconductor, thin films, and packaging manufacturing  
|                     |                              | • Senior Director of Manufacturing Operations, GLOBALFOUNDRIES  
|                     |                              | • BS Ceramic Engineering and Materials Science Rutgers, MBA in Technology Management  |
| Dr. Scott Bukofsky  | VP Business Development      | • Over 20 Years experience in semiconductors and sales management  
|                     |                              | • Senior Director of Sales at GLOBALFOUNDRIES  
|                     |                              | • PhD Electrical Engineering from Yale University  |
Key Messages

1. The only US manufacturer of OLED microdisplays; a technology leader with proprietary and patented direct patterning technology (dPdTM) for ultrahigh brightness in color

2. Uniquely positioned to capitalize on growing addressable markets in military, industrial and consumer for high brightness AR/VR solutions

3. Approximately $39 million in recent government awards for manufacturing to support improvement in growth, innovation and productivity, including dPd equipment

4. Deep applications expertise and broad IP portfolio; aligned with blue-chip customer base and long-term industry trends

5. Well-established military and aviation market presence benefitting from secular and cyclical tailwinds; leverageable platform for high growth opportunities in consumer and commercial end markets

6. Highly experienced management team with industry leading technical expertise enabling a substantial runway for value creation
Appendices
## Consolidated Statement of Operations

($ In thousands)  
( unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended June 30,</th>
<th></th>
<th>Six Months Ended June 30,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>$ 6,260</td>
<td>$ 4,958</td>
<td>$ 11,894</td>
<td>$ 10,465</td>
</tr>
<tr>
<td>Contract</td>
<td>1,440</td>
<td>403</td>
<td>2,537</td>
<td>1,008</td>
</tr>
<tr>
<td>Total revenues, net</td>
<td>7,700</td>
<td>5,361</td>
<td>14,431</td>
<td>11,473</td>
</tr>
<tr>
<td>Cost of revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>4,978</td>
<td>4,898</td>
<td>9,768</td>
<td>9,324</td>
</tr>
<tr>
<td>Contract</td>
<td>746</td>
<td>238</td>
<td>1,253</td>
<td>588</td>
</tr>
<tr>
<td>Total cost of revenues</td>
<td>5,724</td>
<td>5,136</td>
<td>11,021</td>
<td>9,912</td>
</tr>
<tr>
<td>Gross profit</td>
<td>1,976</td>
<td>225</td>
<td>3,410</td>
<td>1,561</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>1,599</td>
<td>1,300</td>
<td>2,579</td>
<td>2,897</td>
</tr>
<tr>
<td>Selling, general and administrative</td>
<td>1,712</td>
<td>1,777</td>
<td>3,510</td>
<td>3,716</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>3,311</td>
<td>3,077</td>
<td>6,089</td>
<td>6,613</td>
</tr>
<tr>
<td>Loss from operations</td>
<td>(1,335)</td>
<td>(2,852)</td>
<td>(2,679)</td>
<td>(5,052)</td>
</tr>
<tr>
<td>Other (expense) income:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in fair value of common stock warrant liability</td>
<td>(1,481)</td>
<td>536</td>
<td>(1,501)</td>
<td>1,330</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>(18)</td>
<td>(21)</td>
<td>(35)</td>
<td>(55)</td>
</tr>
<tr>
<td>Other income, net</td>
<td>15</td>
<td></td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Total other (expense) income</td>
<td>(1,496)</td>
<td>515</td>
<td>(1,521)</td>
<td>1,275</td>
</tr>
<tr>
<td>Loss before provision for income taxes</td>
<td>(2,831)</td>
<td>(2,337)</td>
<td>(4,200)</td>
<td>(3,777)</td>
</tr>
<tr>
<td>Income taxes</td>
<td>—</td>
<td></td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Net loss</td>
<td>$ (2,831)</td>
<td>$ (2,337)</td>
<td>$ (4,200)</td>
<td>$ (3,777)</td>
</tr>
<tr>
<td>Loss per share, basic and diluted</td>
<td>$ (0.05)</td>
<td>$ (0.05)</td>
<td>$ (0.08)</td>
<td>$ (0.08)</td>
</tr>
<tr>
<td>Weighted average number of shares outstanding:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic and Diluted</td>
<td>56,755</td>
<td>48,818</td>
<td>54,197</td>
<td>46,980</td>
</tr>
</tbody>
</table>
## Adjusted EBITDA

### $ in thousands

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended</th>
<th>Six Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30, 2020</td>
<td>June 30, 2019</td>
</tr>
<tr>
<td>Net loss</td>
<td>$(2,831)</td>
<td>$(4,200)</td>
</tr>
<tr>
<td>Non-cash compensation</td>
<td>44</td>
<td>87</td>
</tr>
<tr>
<td>Change in fair value of common stock warrant liability</td>
<td>1,481</td>
<td>1,501</td>
</tr>
<tr>
<td>Depreciation and intangibles amortization expense</td>
<td>479</td>
<td>959</td>
</tr>
<tr>
<td>Interest expense</td>
<td>18</td>
<td>35</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$(809)</td>
<td>$(1,618)</td>
</tr>
</tbody>
</table>

© 2020 eMagin Corporation Proprietary Information
### Consolidated Balance Sheet

(unaudited)  
(In thousands, except share data)

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2020</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 5,447</td>
<td>$ 3,515</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>6,085</td>
<td>3,966</td>
</tr>
<tr>
<td>Unbilled accounts receivable</td>
<td>16</td>
<td>155</td>
</tr>
<tr>
<td>Inventories</td>
<td>8,470</td>
<td>8,832</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>1,389</td>
<td>1,130</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>21,407</td>
<td>17,598</td>
</tr>
<tr>
<td>Equipment, furniture and leasehold improvements, net</td>
<td>7,817</td>
<td>8,100</td>
</tr>
<tr>
<td>Operating lease right - of - use assets</td>
<td>3,358</td>
<td>3,729</td>
</tr>
<tr>
<td>Intangibles and other assets</td>
<td>130</td>
<td>160</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$ 32,712</td>
<td>$ 29,587</td>
</tr>
</tbody>
</table>

| **LIABILITIES AND SHAREHOLDERS’ EQUITY** |               |                   |
| Current liabilities:            |               |                   |
| Accounts payable                | $ 1,809       | $ 1,302           |
| Accrued compensation            | 1,914         | 1,778             |
| Paycheck Protection Program loan - current | 496 |           |
| Revolving credit facility, net  | 420           | 2,891             |
| Common stock warrant liability  | 1,524         | 23                |
| Other accrued expenses          | 1,598         | 1,401             |
| Deferred revenue                | 289           | 277               |
| Operating lease liability - current | 809         | 775               |
| Other current liabilities       | 508           | 342               |
| **Total current liabilities**   | 9,367         | 8,789             |
| Finance lease liability - long term | 16           | 24                |
| Paycheck Protection Program loan - long term | 1,467 |           |
| Deferred Income - Government awards - long term | 2,263 |           |
| Operating lease liability - long term | 2,654       | 3,067             |
| **Total liabilities**           | 15,767        | 11,880            |

Shareholders’ equity:

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2020</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock, $.001 par value: authorized 200,000,000 shares, issued 61,407,331 shares, outstanding 61,245,265 shares as of June 30, 2020 and issued 50,250,378 shares, outstanding 50,088,312 shares as of December 31, 2019.</td>
<td>61</td>
<td>50</td>
</tr>
<tr>
<td>Additional paid-in capital</td>
<td>262,194</td>
<td>258,767</td>
</tr>
<tr>
<td>Accumulated deficit</td>
<td>(244,810)</td>
<td>(240,610)</td>
</tr>
<tr>
<td>Treasury stock, 162,066 shares as of June 30, 2020 and December 31, 2019.</td>
<td>(500)</td>
<td>(500)</td>
</tr>
<tr>
<td><strong>Total shareholders’ equity</strong></td>
<td>16,945</td>
<td>17,707</td>
</tr>
<tr>
<td><strong>Total liabilities and shareholders’ equity</strong></td>
<td>$ 32,712</td>
<td>$ 29,587</td>
</tr>
</tbody>
</table>