On-Demand 3D Fabrication

Cloud ecosystem for businesses to enable customized and personalized 3D Printing of products

WhiteClouds 3DaaS Platform
Our Customers Represent All Industries Across the Globe

<table>
<thead>
<tr>
<th>70+ Fortune 1000</th>
<th>38 New Fortune 1000 Customers in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Services</strong></td>
<td><strong>Technology/Internet</strong></td>
</tr>
<tr>
<td>American Express</td>
<td>Adobe</td>
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<tr>
<td>Allstate</td>
<td>Cisco</td>
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<tr>
<td>Nationwide</td>
<td>Micron</td>
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<tr>
<td>ally</td>
<td>IBM</td>
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<tr>
<td>Intuit</td>
<td>Google</td>
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<tr>
<td>CDW</td>
<td>Microsoft</td>
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<tr>
<td>DISCOVER</td>
<td>verizon</td>
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<tr>
<td><strong>Retail</strong></td>
<td><strong>Government/Defense</strong></td>
</tr>
<tr>
<td>Macy's</td>
<td>Boeing</td>
</tr>
<tr>
<td>Lowe's</td>
<td>Orbital ATK</td>
</tr>
<tr>
<td>L'Oréal</td>
<td>U.S. Army</td>
</tr>
<tr>
<td>GameStop</td>
<td>Martin Marietta</td>
</tr>
<tr>
<td><em>Target</em></td>
<td>Communications</td>
</tr>
<tr>
<td>Staples</td>
<td>Northrop Grumman</td>
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<tr>
<td><em>Wayfair</em></td>
<td><strong>Manufacturing</strong></td>
</tr>
<tr>
<td><em>Mattel</em></td>
<td>U.S. Air Force</td>
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<tr>
<td><em>Walmart</em></td>
<td><strong>Education</strong></td>
</tr>
<tr>
<td><em>GameStop</em></td>
<td><strong>Sports</strong></td>
</tr>
<tr>
<td><em>Sams’ Club</em></td>
<td>Georgia State University</td>
</tr>
<tr>
<td><em>Toys ‘R’ Us</em></td>
<td>The University of Alabama</td>
</tr>
<tr>
<td><em>L’Oréal</em></td>
<td>George Mason University</td>
</tr>
<tr>
<td><em>GameStop</em></td>
<td>Purdue University</td>
</tr>
<tr>
<td><em>GameStop</em></td>
<td>LMU</td>
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</table>

*Note: The list includes a variety of companies from different industries.*
The Industrial Revolutions

**INDUSTRIAL REVOLUTION 1.0**
Water and steam power are used to create mechanical production facilities
1765

**INDUSTRIAL REVOLUTION 2.0**
The age of science creates mass production and new divisions of labor
1870

**INDUSTRIAL REVOLUTION 3.0**
The Rise of Digital Technology further automates production lines
1969

**INDUSTRIAL REVOLUTION 4.0**
3D Printing and on-demand custom fabrication at unprecedented speeds, help fuel emerging technologies in Robotics, AI, IOT, Autonomous Vehicles, and others.

Today
The Evolution of 3D Printing

1st Gen 3D Printing - <2010

Volume
- Singular or very low volume

Purpose
- Aesthetic
- Representative
- Concept

Size
- Miniature to “Bread Box”

Emerging/Current Emphasis - 2016-2020

Volume
- Singular to dozens

Purpose
- Prototypes
- Gigs/Templates
- Bridge Manufacturing

Size
- Micro up to 10Ft (LxWxD)

Near Future – 2021+

Volume
- Thousands+

Purpose
- Commercial, Industrial
- Mass Personalization
- Full Life Cycle Manufacturing

Size
- Nano to Massive
WhiteClouds Core Competencies

3D Printing
On-Demand Production in as fast as one day
Largest Full-Color 3D printing capacity in the world
Thousands of individually 3D printed products produced each month
60,000 square foot facility
Proprietary Processes for pre and post production
Pending Patents

Design and Rendering
World class expertise in creating and optimizing high quality, production ready digital 3D images, animations, and models

Advanced Manufacturing
3D Printing, CNC, Laser Sintering, Wire Cutting,
Diverse materials expertise including plastics, wood, foam, latex, vinyl and metals
3D Printing Capital Expenditures and Scalability

WhiteClouds Original (2014)

$97,048
Average Cost Per Machine

WhiteClouds Current/Go-Forward Farm Strategy

$380
3D Printer Farms Average Cost Per Machine

3D Printed with 10 Printers in 2 Days
3D Printed with 15 Printers in 8 Days
Significant Growth and Upside Opportunities

EXPAND WITHIN EXISTING CUSTOMERS
- Expand salesforce
- Expand use cases
- Expand deployments

GROW CUSTOMER BASE
- Expand salesforce
- Search engine marketing
- Content creation
- Events/lead generation

EXPAND OFFERING
- Expand 3D fabrication technologies
- Expand materials
- Additional automation

EXPAND GEOGRAPHICALLY
Proven Team, Driving Results

Jerry Ropelato  
CEO

Founder/CEO Purch  
COO/CTO NetNanny  
Founder/CEO Vitrex  
Director Iomega  
Trustee Utah Tech Council  
Completed 14 Acquisitions  
BS Data Processing Accounting (Weber State University)

Joey Skinner  
COO/CTO

VP Brooks Automation  
CTO MySchedule  
R&D Mgr AutoSimulations  
Product Mgr Eide Bailly  
Over 30 Years in Develop, Mfg, and Scheduling  
BS Electrical Engineering (Weber State University)

David Forsberg  
Sales Advisor

Managing Partner-BlueRocket  
Executive VP Business Development-MarketStar  
(Led $325M in sales growth)  
BS Technical Sales (Weber State University)

Lesa May  
Controller

20 years accounting experience.  
Controller in two outdoor companies with management and accounting  
BS Accounting (Weber State University)

David Southern  
Dvlpmt Director

Soft Eng-Reachable  
Soft Development-Replicon  
Soft Development-Brooks Automation  
Soft Development-AutoSimulations  
24 yrs Development Exp.  
BS Computer Science (Brigham Young University)

Kelly Root  
Design Manager

Designer at WhiteClouds  
Promoted to Lead Designer, then Design Manager at WhiteClouds  
3rd Employee hired at WhiteClouds  
Bachelor of Arts-Film and Media Arts (University of Utah)

Balance of Team (30): Design, Production, Sales, Support
Use Cases
Mars Inc. – Veterinary Models

- Mars Inc./Blue Pearl (Fortune #50) leads the Veterinary Industry Worldwide
- Contract Signed after 23 month successful Beta. Network wide rollout begins in January 2019
- WhiteClouds is a Strategic Partner with BluePearl providing segmentation and 3D Printed Models for animal pre-op surgical planning. The WhiteClouds solution provides reduced anesthesia time allowing for a far-less risky treatment for pets.
- In 2016, Americans spent $63 billion on their pets. 76% of pet owners would spend any amount necessary to keep pet healthy. WhiteClouds saves both time and money on emergency animal healthcare.
Agency Large-Scale 3D Printing and 3D Fabrication

CES Signature 3D Display for 2019

Dreamworks Shera Comic-Con

Cannabis Conference with Mr. Wonderful

Cisco Conference
Footwear Design and Production Prototypes

• Working with Wolverine, Deckers, Altra, Salomon, and Innov8 in 3D design and 3D printing of footwear models.
• Significantly reducing footwear product development cycles.

"Footwear is 95% still in the 2D design world. Only a few pioneer companies like Deckers and Wolverine are leading the way into 3D. WhiteClouds, with your offering of 3D Footwear Virtualization Services and 3D Print Services, you are currently the only outsource option. You’ll be huge to this industry."

Chris Hillyer, Direction of Innovation, Deckers Brands Footwear

3D Printed Shoe Prototypes
Patient Specific Medical Models for Pre-Operative Planning

- WhiteClouds & TeraRecon have partnered to bring 3D Advanced Visualization (Physical 3D Printed Medical Models) to TeraRecon’s existing base of installed medical image viewing software (approximately 4,500 hospitals).

- WhiteClouds and Sectra have partnered to provide 3D Printed Models with their PACS software. They have 6% of the US PACS marketplace.

- WhiteClouds is providing Patent-Pending “Hinge and Slice” Medical Models. Working on two additional patents related to medical models.

- Prints come from segmented CAT Scans and MRI’s. 110 Million CAT Scans and MRI’s were performed in the US last year.
DroneDeploy – Topographical Maps Use Case

- WhiteClouds and DroneDeploy have built API’s to provide 3D Printing directly from the DroneDeploy Mapping mobile application
- Provides capabilities to 3D Print topographies and buildings for the construction, mining, and agricultural industries

3D Printed Topographies
New Business Customers in 2018

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Cost of Customer Acquisition</th>
<th>Customer Life Time Value (3 Yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2018</td>
<td>$496</td>
<td></td>
</tr>
<tr>
<td>Q2 2018</td>
<td>92</td>
<td>$21,578</td>
</tr>
<tr>
<td>Q3 2018</td>
<td>134</td>
<td></td>
</tr>
<tr>
<td>Q4 2018</td>
<td>171</td>
<td></td>
</tr>
</tbody>
</table>
Average Invoice Size

- 2018 Average Invoice Size: $3,330
- Customer Retention Rate: 98%

<table>
<thead>
<tr>
<th>Year</th>
<th>Invoice Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$500</td>
</tr>
<tr>
<td>2015</td>
<td>$1,000</td>
</tr>
<tr>
<td>2016</td>
<td>$1,500</td>
</tr>
<tr>
<td>2017</td>
<td>$2,000</td>
</tr>
<tr>
<td>2018</td>
<td>$3,330</td>
</tr>
</tbody>
</table>
**Financials At a Glance**

**EBITDA**
- 2017: $-2.1M
- 2018E: $-0.8M
- 2019E: $1.0M

**Break-Even Run Rate**
- Projected: Q2 2019

**$5-7M Use Proceeds**
- Mktg/Channel Sales: 70%
- Engineering: 15%
- G&A/Debt: 15%

**Raised in 2017/2018**
- $1.8M in Crowdfunding
- $1.3M in Venture Debt

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**Revenues**
- **Growth in 2019** will come from expansion within existing large customers and agencies, annual renewal of one-time customer events, continuing to grow the new customer base, and our new contract with BluePearl/Mars. Because of the discontinued low margin sales lines, our gross margins should be 69%-70% for 2019.

**Gross Margins**

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**Notes:**
- **We discontinued lower margin sales lines** (from our software acquisitions and hardware). This had a negative impact on our sales growth, but it has increased gross margins.
New Fortune 1000 Customers in 2018
Why WhiteClouds?

- Proprietary IP including software, processes, and patents
- Provides a vital bridge between partners and their customers
- Trusted by the **LARGEST BRANDS** in the World
- Largest 3D Full-Color printing facility in the World
- Experienced 3D Designers, 3D Printers, and Model Makers
whiteclouds
3D Printing in the Cloud for Businesses

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  Ogden, Utah 84404

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  jerry@whiteclouds.com

  www.whiteclouds.com