



Helping shape possibility for your business

# Hypertherm Ventures

Hypertherm® Ventures is the corporate venture capital arm of Hypertherm, Inc. We are a strategic investor seeking early stage companies with the purpose of innovation, learning, and overall business success.

## Our mission

We are globally scouting and seeking entrepreneurs and early stage companies to commercialize technology within our strategic interest areas.

## What are we looking for?

We join with universities, startups, entrepreneurs, and innovative early stage companies in developments related to our strategic focus areas within advanced manufacturing.

- Leadership team with a track record of success
- Products and technology with strong value propositions
- Well-articulated and scalable business model
- Strong customer engagement linked to impactful market opportunity in 2–7 years



We partner with businesses that make things, helping advanced manufacturing deliver positive change to the world.

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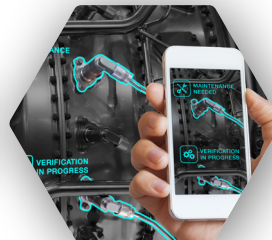
# Investment strategy

## Strategic interest areas

- Industrial cutting, welding, and thermal processing
- Robotics and automation
- Machine learning, AI
- Industrial Internet of Things (IIoT)
- Additive manufacturing
- Nanotechnology



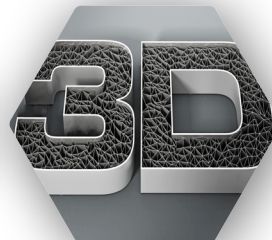
Industrial cutting, welding, and thermal processing



Industrial Internet of Things (IIoT)



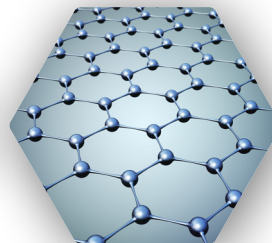
Robotics and automation



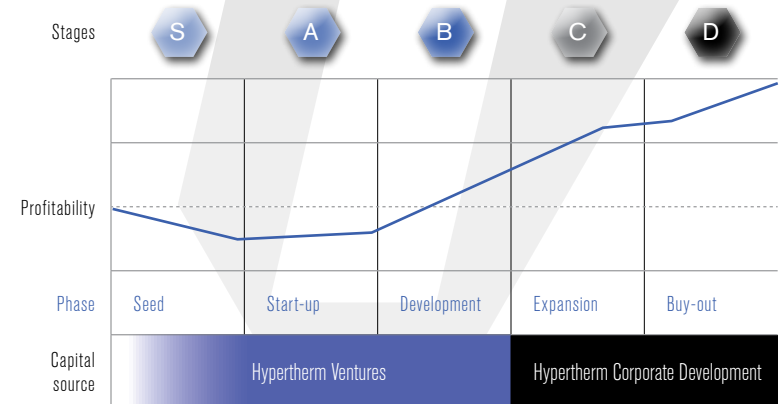
Additive manufacturing



Machine learning, AI



Nanotechnology



## Investment guidelines

- Our investments are focused in the early stage rounds (Seed, A, or B). Once a company has matured to the C or D levels, this is where our corporate development team would engage based upon the opportunity.
- Investment guidelines\*
  - \$250–500k initial investment; seed (S)
  - \$1.5M–\$3M; A, B Rounds
  - 10–25% equity position with investments

\* Actual deals vary based upon specific opportunities.



# Partnering with us

## Why partner with us?

In addition to a significant source of investment capital – partner with us to add strategic value to your business through:

- Our rich history of innovation and unparalleled expertise in the industrial cutting and fabrication space
- Proven track record of launching and scaling products and services
- Global footprint and industrial channel access
- Operations and Lean manufacturing knowledge and expertise
- Advanced technology development and manufacturing teams

Are you an entrepreneur or leading an early stage company in advanced manufacturing? Are you solving big problems with unique solutions? We would love to hear more about you and your business. Engage with us. We'll review the specifics of your people, products, and market opportunity to see how Hypertherm Ventures can help shape possibility for your business.

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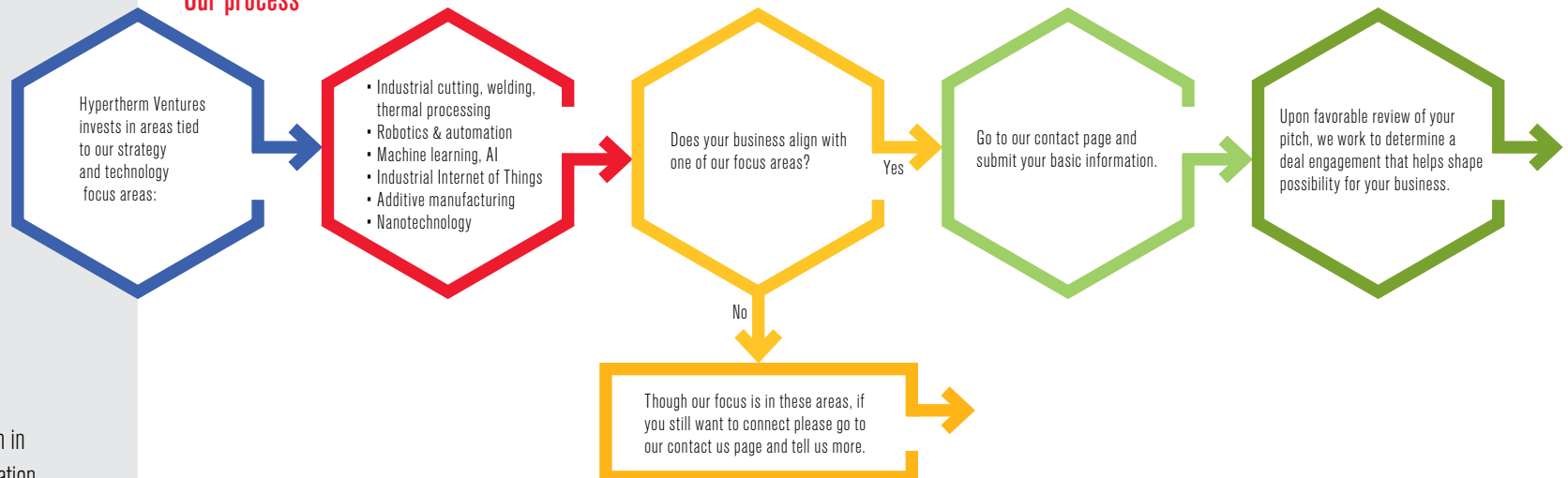
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We created Hypertherm Ventures to help shape possibility for our venture partners too.

## Our process



Learn more about Hypertherm in the second half of this publication.

### 50 years of Shaping Possibility

Fifty years ago, in a small two car garage, Hypertherm® began our journey with simple, powerful ideas about business and an invention that shaped the future of industrial cutting. The same ideals that fueled our inception all those years ago are still what drive us today: A passion for challenging what is achievable with the products we create, the culture we foster, and the experience we deliver to our customers. As we look to the horizon and the next 50 years, we are proud that our people, partners, and innovations will shape the future with solutions that make anything possible for industries around the world.

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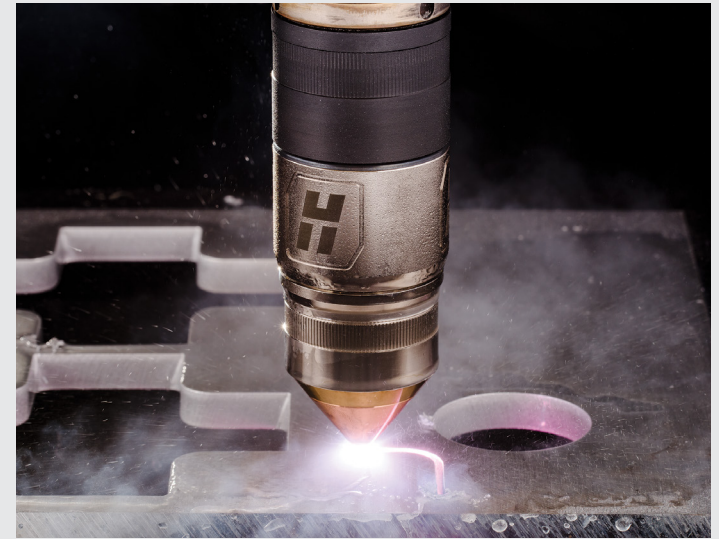
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At Hypertherm, we give shape to our customers' vision with the world's leading industrial cutting solutions. Every day we help individuals and companies around the world envision better, smarter and more efficient ways to produce the products that shape our world. So whether our customers are cutting precision parts in North America, constructing a pipeline in Norway, fabricating agricultural machinery in Brazil, cutting stone in Italy, gouging out welds in the mines of South Africa, or building a skyscraper in China, they count on Hypertherm to not just cut parts but achieve their vision.

# Our technology

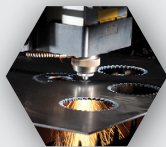
## Solutions for a variety of fabrication needs

Hypertherm products cover nearly every fabrication need. Our engineering teams work together to optimize the performance of industrial cutting systems across the Hypertherm product line. Powerful process parameters are built into our controllers and CAD/CAM software to give customers the ability to cut bolt-ready holes, better bevels, and twice as many parts. That is just the start of what our SureCut™ technology can do.



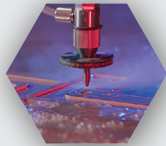
### Plasma

Hypertherm's plasma cutting systems range from our portable yet powerful for air plasma cutting and gouging, to our industry leading XPR® family. Find out for yourself why more of the world's cutting tables come equipped with Hypertherm plasma than all other brands combined.



### Laser systems and consumables

Hypertherm's HyIntensity™ systems are the industry's first complete fiber laser systems specifically optimized for cutting applications. This makes it easy to produce consistent laser quality across a full range of materials and thicknesses. The systems come in a range of power levels beginning at 1 kW. Hypertherm is also a world leader in the development and production of laser consumables. We provide OEMs around the world with high-quality laser nozzles, nozzle holders, and accessories.



### Waterjet

Our HyPrecision™ waterjet line features a complete line of waterjet products including pumps from 15 to 150 horsepower, precision cutting heads, and abrasive delivery equipment. The systems feature Advanced Intensifier Technology™ to extend maintenance intervals, reduce maintenance time, and maximize performance for a lower total cost of ownership.



### Automation

Computer Numeric Control (CNC) systems from Hypertherm are delivered worldwide with cutting expertise built in, providing consistent product performance with easy-to-use software that empowers operators to make the optimal cut, every time. All CNCs utilize our proprietary, industry-leading Phoenix® software for consistent operational experience and are configurable to support each specific customer need.



### Software

From 2D to 3D, Hypertherm's software solutions have our customers covered. ProNest® CAD/CAM software for nesting, cutting, and metal fabrication helps improve the quality of finished parts, optimize machine motion, and maximize material usage. For robotic programming there's Robotmaster, offering quick, error-free programs for 3D machining, trimming, welding, and more.



Supporting most industrial robot brands, this innovative software lets you: generate more profit with a robot by reducing programming time, use a robot for short production runs and high-mix applications, and deliver closer conformance to design and optimized travel and trajectories.



### Consumables

Hypertherm engineered consumables ensure optimal performance of our plasma, laser, or waterjet systems at the lowest possible operating cost. Manufactured to exacting standards by highly trained machinists, our consumable designs are constantly evolving as we continuously introduce patented technologies to improve performance and life.

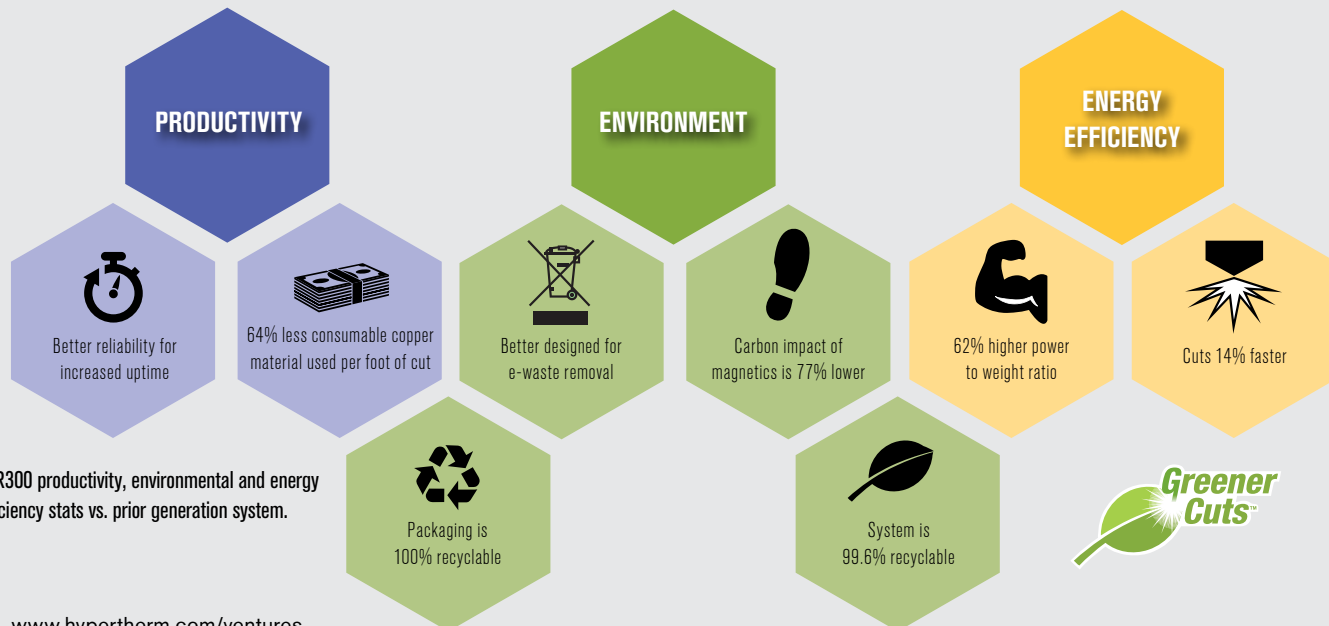
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# Research and development

- 5–10% of business unit sales are reinvested in R&D each year
- More than 10% of associates are engaged in research and development
- Engineering teams embedded within their business units have a tight connection to marketing and operations linked to the markets they serve.
- Our corporate advanced development team provides additional technology incubation and is a center of excellence for innovation across the company.
- Hypertherm holds >200 U.S. patents

## Focused on the triple bottom line

The engineering mission at Hypertherm is to develop innovative technologies, products, and solutions that provide superior value to our customers, our owners, and our planet. We consider it critical to our success to reduce the environmental impact of everything we do. As an example, the XPR300, our latest industrial plasma system, has been designed to be more efficient and less wasteful by reducing consumable use, energy and the carbon footprint.



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# World class manufacturing

## Worldwide presence and world class manufacturing

Hypertherm is a key partner for our end user fabrication needs and has built a global organization focused on providing high performance cutting solutions.

## Always close at hand

No matter where you live in the world, there is a good chance you will find Hypertherm. Though we are proud to design, engineer, and manufacture the majority of our products in the USA, we value the critical contribution of our hundreds of global Associates and are thankful for our channel partners. That extensive network ensures the strong representation of Hypertherm cutting solutions in all major markets.



## World class manufacturing

First time visitors to our United States headquarters often comment on our manufacturing operations. Most cannot believe how clean and well-organized they are, or how carefully we assemble and test our products to ensure every engineering specification – such as machining our genuine consumables within process control limits eight times tighter than the diameter of a human hair – is met. At Hypertherm though, that is simply what happens when you follow Lean and Six Sigma methodologies as passionately as we do. A team of Six Sigma Black and Green Belts continuously work to drive improvements across our organization, looking for ways to optimize our manufacturing process, make our products better, and pass the savings on to customers.

The promise of world class manufacturing extends to the Hypertherm Technical Training Institute, a multi-million dollar training facility designed to address the need for skilled CNC machinists. The HTTI teaches new machinists the advanced skills they need to manufacture Hypertherm consumables to the tightest tolerances possible, while helping existing machinists advance their skills and careers.





# Business with purpose



## Key elements of the Hypertherm formula include:

### Committed to social responsibility

Our commitment to the community goes beyond just making a donation now and then. It is a central part of our triple bottom line mission to deliver shared value for people, planet, and profit. By embedding the principles of corporate social responsibility throughout our organization, we bring deeper meaning and tangible value to our business while igniting passion and engagement among our Associates. Our commitment includes providing all Associates with 32 hours of paid community service time each year, and on-going support to nonprofit organizations through our HOPE Foundation. A rotating group of 12 Associates make all funding decisions from the HOPE Foundation, putting community investment choices into the heart of our organization. Environmental sustainability goals, such as creating zero landfill waste by 2020 and reducing our carbon impact by 50 percent, are leading us down new roads. For example, we are making active investments in renewable energy generation. All of the energy used by Hypertherm comes from renewable sources, making us the only company in our industry to qualify for the EPA's "100 percent Green Power Users" list.

## Ethics and integrity

Hypertherm was founded in 1968 on the same core values that continue to guide us today. Hypertherm culture is powered by the pride of each Associate, a shared focus on excellence, and the guidance of our Code of Ethics and Business Conduct. The main takeaway is that each of us is responsible for promoting ethical business standards and practices, making good choices, and shaping future industry standards. We have a long history of holding ourselves and each other to the highest ethical standards. As a 100 percent Associate-owned company each of us takes our role of "owner" to heart in every decision we make.



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# End users

Our end users are shaping possibility in many applications from ships and skyscrapers, to transportation and heavy equipment like bulldozers and excavators, to pipeline and mining and even rollercoasters. These are all made with the help of a Hypertherm product.

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Mercedes-Benz



Bobcat



JOHN DEERE

TATA STEEL

ExxonMobil

BRIDGESTONE  
Firestone

FreightCar  
America



Boise Cascade



LIEBHERR



voestalpine



FINCANTIERI

3M



... and many more!

Reference to the above companies does not indicate any affiliation, referral, or sponsorship of Hypertherm.

# Awards

## 2017 Ethical Corporation Award

Award finalist for Business to Business Partnership of the Year and Employee Engagement of the Year categories.



## 2017 Environmental Merit Award

Awarded by the EPA for making significant contributions toward preserving and protecting our natural resources, and ensuring New England remains a vibrant community with clean air, land, and water.



## 2018 Forbes Magazine

Hypertherm is recognized as one of "America's Best Employers" by Forbes Magazine.



## 2002 Fortune Magazine

Hypertherm ranks #12 in 2002 Fortune Magazine's "100 Best Companies to Work For".



## Green Power Partnership, Leadership Club

EPA designation for using 100% green power; one of only six Industrial Goods and Services companies in the U.S. to achieve Leadership Club status.



## ISO 9001 certification

In 1992 Hypertherm's commitment to world-class quality systems is recognized by the coveted ISO 9001 certification.



## NHBSR Cornerstone Award

Joint recognition to Hypertherm and Casella Resource Solutions for our work and innovation around industrial recycling and waste reduction.



## Wastewise Partner

Awarded by the Environmental Protection Agency (EPA) for management practices that promote the productive use/reuse of materials throughout their lifecycle.





# HELPING YOU SHAPE THE WORLD.



PLASMA | LASER | WATERJET | AUTOMATION | SOFTWARE | CONSUMABLES

Learn more at: <https://www.hypertherm.com/ventures>



Hypertherm is a trademark of Hypertherm, Inc. and may be registered in the United States and/or other countries.

Environmental stewardship is one of Hypertherm's core values, and it is critical to our success and our customers' success. We are striving to reduce the environmental impact of everything we do. For more information: [www.hypertherm.com/environment](http://www.hypertherm.com/environment).

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SHAPING POSSIBILITY™

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