Innovating Prosperous Relationships with Forests

Scaling the Use of Round Timber in Construction
Supply-Side Problem: Crisis in Forestry

No markets to enable resource optimization for lower value species

No economic incentives to remove small diameter and other cull trees

Overstocked, undermanaged forests susceptible to disease and wildfire

“Investing in forests is an insurance policy for the planet.”

Ban Ki-Moon
UN Secretary General
Demand-Side Opportunity: New markets for trees

“High-tech timber as a new type of 21st century building material.”

“Why corporations like Google prioritize biophilia as a core design principle.”

“Authenticity: The Way To The Millennial's Heart.”
Scale round timber to commercial construction with new products and digital technologies
Business Model

Sell high-margin products by utilizing low value trees in new ways

License brand and IP connecting supply to markets

Launch a Volume Department

Invest $3M to grow to $30M in 2024

Expand on current market penetration
Strategically increase volume
Increase gross margins
License software and production

Image on right: Ash trees infected by the emerald ash bore replacing steel as structural columns; suppressed red pine cull-trees as long-spanning patented trusses.
Strong in Nature

50% Stronger. And Scale-able.
Technology: Licensable Production Process

Sourcing Technologies
Grading Technologies
Patented Products

Inventory system to capture unique data for regional supplies of low value trees

Non-destructive evaluation (NDE) techniques and MSR grades optimize round timber design values

Patented steel connections enabling truss spans of 60’ and 500 lbs/l.f.
Technology: Designer-Oriented Marketplace

Searchable database of “Standing Inventories”
Downloadable 3D models for BIM Systems
Integration with partners’ truss specification software (2021)

Software Platform Walk-Through: https://vimeo.com/272858031

Welcome to the WholeTrees® Inventory Platform

We have streamlined the process of specifying and implementing round timber structural products. WholeTrees are a strong and sustainable building material sourced from the abundant waste stream of managed forests. Search the database of available WholeTrees components and download the available tree-specific 3D models to incorporate into your upcoming building projects. Additionally, standard components and products are available in the CAD Library to help you start seeing trees.
Code Compliant & Contractor Approved

Round timbers fall under building codes Type II-V
Performs better in fire than steel
Go-to-Market

**Prove Early Markets**
Nature-Oriented Companies and Institutions
Direct Sales to Owners/Architects
Distribution through Sales Reps

**Launch a Volume Department**
Sell column components and trusses
Increase distributor relationships
Optimize partnerships nation-wide

**License Production Process/Software**
Grading Systems
Product Patents
Software Platform
Total Early Addressable Markets
Relevant Early Market Segments $17B

Early Adopters Ready for WholeTrees (T.A.M.): $500M (3%)

WholeTrees will capture 6% of our Total Addressable Market (T.A.M.), aka >$30M in annual revenue, to attract the attention of new markets and acquirers.
Customer Validation

2019 Sales Funnel
>$2M projected 2019 sales
>$4M product specified
$10M line-of-site to sales

Major Brands/Institutions

Industry Validation

Software
Autodesk
Google

Production Expansion
Caribou Creek
Pacific Timber Products
Why Now?

Industry hunger for wood
Hunger has driven disruptive products: CLT/Modular Housing
Increasing demand strains traditional forest supply chains
Wood products industry requires new products made of non-traditional, lower-value trees and species.

The market is primed for wood innovation at scale
Traction and Financial Projections

2017 - 2018 $\$ Quoted by Quarter

<table>
<thead>
<tr>
<th>Year</th>
<th>2017 Q3</th>
<th>2017 Q4</th>
<th>2018 Q1</th>
<th>2018 Q2</th>
<th>2018 Q3</th>
<th>2018 Q4</th>
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<tr>
<td>2017 A</td>
<td>$767,000.00</td>
<td>$1,820,000.00</td>
<td>$1,500,000.00</td>
<td>$1,600,000.00</td>
<td>$3,600,000.00</td>
<td>$4,394,200.00</td>
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<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
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<tr>
<td>2018 A</td>
<td>$972,980</td>
<td>$2,200,000</td>
<td>$5,920,000</td>
<td>$11,890,000</td>
<td>$18,742,000</td>
<td>$24,009,600</td>
</tr>
<tr>
<td>2019</td>
<td>$2,200,000</td>
<td>$5,920,000</td>
<td>$11,890,000</td>
<td>$18,742,000</td>
<td>$24,009,600</td>
<td>$29,150,000</td>
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<tbody>
<tr>
<td>Total Gross Receipts</td>
<td>$432,946</td>
<td>$972,980</td>
<td>$2,200,000</td>
<td>$5,920,000</td>
<td>$11,890,000</td>
<td>$18,742,000</td>
<td>$24,009,600</td>
<td>$29,150,000</td>
</tr>
<tr>
<td>Gross Margins</td>
<td>28%</td>
<td>32%</td>
<td>33%</td>
<td>32%</td>
<td>33%</td>
<td>34%</td>
<td>35%</td>
<td>36%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-$434,736</td>
<td>$72,554</td>
<td>$174,000</td>
<td>$338,400</td>
<td>$1,208,900</td>
<td>$2,297,090</td>
<td>$3,147,536</td>
<td>$4,294,500</td>
</tr>
<tr>
<td></td>
<td>-100%</td>
<td>7%</td>
<td>8%</td>
<td>6%</td>
<td>10%</td>
<td>12%</td>
<td>13%</td>
<td>15%</td>
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</tbody>
</table>
Team

Amelia Baxter, Co-founder/CEO
Thought leader steering a pioneer company and concept toward scale

Randy King, Strategist – Volume Department
Bringing to WholeTrees 3 decades of C-suite growth in the forest products industry

Derek Mayhew, VP of Operations
Innovating standard operating procedures for WholeTrees since its founding in 2007

Woody Wallace, Earthling Interactive Software Development
Software Developer, expert in data-mining natural resources for improved yields

Sean Cleary, Cleary Building Corp.
Owner/President of nation’s 2nd largest pre-engineered post-frame company. advisor

Vincent Stanley, Patagonia
Patagonia’s Chief Philosophy Officer; Instigator in the B Corporation Movement

Ray King, Strategist – Volume Department
Bringing to WholeTrees 3 decades of C-suite growth in the forest products industry

Advisors

Tom Gorman, Lead Scientist
National expert in round timber grading technologies; interface with mass timber industry

Joe Terrenzio, Director – Seattle Division
Expanding the WholeTrees footprint by growing sales in the Pacific Northwest and California

Karen Plunkett, AIA Silicon Pastures Angels and Plunkett Foundation
Active with the AIA’s national leadership; Principal investor in one of WI’s most active investment funds; WholeTrees investor and board member.

Woody Wallace, Earthling Interactive Software Development
Software Developer, expert in data-mining natural resources for improved yields

Vincent Stanley, Patagonia
Patagonia’s Chief Philosophy Officer; Instigator in the B Corporation Movement

Amie Sullivan, SE, KPFF Consulting Engineers
Bringing a national perspective on mass timber markets, design, and structural engineering to WholeTrees
Milestones and Opportunity

- $5M product/service revenue to-date
- Above average gross margins year-after-year
- $2.2M USDA grant funds
- $3M equity capital to-date
- Beta-software platform launched in 2018
- 2019 alignment with Google and Autodesk
- Certified B Corporation

$3M Series B 2019

Pre-Series B Valuation: $12M

- EBITDA 2018 + EBITDA 2024 divided by 2 and then multiplied by 5, plus value for disruptive intellectual property.

Use of Funds and Milestones

- Market Development (50%)
- Intellectual Property (50%)
Exit Goals

Attract Industry Partners
with our high-margin product line, proven markets, and innovative technologies.

License
the software-based inventory-through-sales process and proprietary grading system that brings a low-value material to commercial construction at scale.

Liquidity Event
Sell – or alternate liquidity event – our product line, brand and software-based technologies at 8-12X EBITDA by 2024. A 6X-10X ROI.

Potential Acquirers in our industry:

- Universal Forest Products®
- RedBuilt™
- bam
- storaenso
“If we surrendered
To earth's intelligence
We could rise up rooted,
like trees.”

Rainer Marie Rilke
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements made in this business plan are forward-looking statements. These forward-looking statements are based upon the company’s current expectations and projections about future events. Although the company believes that its plans and objectives reflected in or suggested by these forward-looking statements are reasonable, it may not achieve these plans or objectives and its actual future results may be materially different from what it expects.

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Additional Slides
WholeTrees Specification Process

Building professionals can engage WholeTrees at different stages in the design and construction process:

- Supply
- Design
- Engineer
- Select
- Deliver

8-12 weeks from Purchase Order to delivery
### Competitive Comparison

**WholeTrees® products and their replacements**

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<tbody>
<tr>
<td>Mixed-species round timber structural systems</td>
<td>Med/High</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>WholeTrees</td>
</tr>
<tr>
<td>Pre-engineered mass timber systems (glulam, LVL, CLT’s)</td>
<td>Med/High</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Various regional fabricators</td>
</tr>
<tr>
<td>Pre-engineered nail plate trusses</td>
<td>Low</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Morton Buildings, Cleary Building Corp.</td>
</tr>
<tr>
<td>Pre-engineered lumber I-Joists/open-web trusses</td>
<td>Low</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>RedBuilt, Weyerhaeuser</td>
</tr>
<tr>
<td>Heavy-gauge steel structures</td>
<td>Low/Med</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Various regional fabricators</td>
</tr>
</tbody>
</table>

WholeTrees products can compete favorably with long-spanning and heavily loaded glue-laminated timber; heavy-gauge steel applications; and projects where theming, fireproofing, or other coatings are required for alternative products.
Market Validation: $$ Quoted by Quarter

Sample of Clients in 2018
- Pokagon Band of Potawatomi
- Morton Arboretum
- Lake Oswego School District, OR
- Bainbridge Island School District, WA
- Rosebud Sioux
- Birmingham Zoo
- Maryland Zoo

Sample of 2019 Specified Projects Totaling >$2M
- MHA Nation Cultural Center and Earth Lodge
- Columbus Zoo Elephant Structures
- Lake Oswego Junior High School
- City of Minneapolis
- Houston Zoo
- Philadelphia Zoo
- Tribal Carport System, MA
Impact

MARKETS FOR LOW-VALUE TREES

CATALYZING FOREST PRODUCT SALES

PARTNERSHIPS/ACQUISITIONS

LICENSEABLE SOFTWARE GROWS GLOBAL MARKETS

SECONDARY SOFTWARE USES