

January 15, 2025



Velo3D Completes Strategic Review - Successful Restructuring Positions Company for Future Success

Recently Completed Debt Exchange Significantly Strengthens Balance Sheet

Arun Jeldi Appointed Chief Executive Officer

New Go-To-Market Strategy to Leverage Industry Leading Technology

Company Announces Third Quarter 2024 Results

FREMONT, Calif., Jan. 15, 2025 /PRNewswire/ -- Velo3D, Inc. (OTC: VLDX), the leader in scalable metal 3D printing technology for production manufacturing, today announced that it has formally completed its strategic review process that commenced in December of 2023. As a result of the strategic review, the company has successfully implemented key corporate actions that position the company for sustainable growth starting in 2025, including:



- The debt for equity exchange resulting in Arrayed Notes Acquisition Corp. (the Holder) ultimately owning 95% of the issued and outstanding common shares of Velo3D. This transaction will enable Velo3D and Arrayed Additive, the parent company of the Holder, to combine resources to further expand industry leadership positions in supplying high value, additive manufacturing solutions to the defense, aerospace, and space segments.
- The resignation of six board members and the appointment of Arun Jeldi, CEO of Arrayed Additive, as the company's new board member and the company's Chief Executive Officer.
- The launch of the company's new go to market strategy to identify and maximize multiple revenue streams as well as an increasing focus on providing a total solutions-based approach for customers which includes both system and parts sales.

The company firmly believes that these actions will significantly improve its operational and financial performance, strengthen the company's competitive position, and provide the foundation for long term sustainable and profitable growth.

"Completing the strategic review is a significant milestone for Velo3D and I am pleased to be leading Velo3D in the new era of growth," said Arun Jeldi, CEO of Velo3D. "Our focus remains on providing customers with our industry leading, large-format metal 3D printing solutions and look forward to working with all of our stakeholders to make the company successful. Additionally, as these actions also show, we have taken a number of steps to

accelerate our path to profitability and execute on a sustainable, long term business model. While I am very happy with what the Company has accomplished to date, I am much more excited about the future of Velo3D as we embark on our next chapter of growth."

Summary of Third Quarter 2024 Results

The company reported the following financial results for its fiscal third quarter ended September 30, 2024. The company has also filed its third quarter 10-Q report with the Securities and Exchange Commission.

Revenue for the third quarter was \$8.2 million with a gross margin of 49.4%. GAAP operating expenses for the third quarter were \$22.8 million, which includes \$6.7 million of bad debt expenses.

GAAP net loss for the quarter was \$22.8 million and reflected a non-cash gain of \$9.2 million on the change in the fair value of warrants and contingent earnout liabilities, offset by a GAAP interest expense of \$10.9 million and bad debt expenses of \$6.7 million.

The company will provide its 2025 financial outlook when it reports its fourth quarter and fiscal year 2024 results.

Forward-Looking Statements:

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The Company's actual results may differ from its expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect", "estimate", "project", "budget", "forecast", "anticipate", "intend", "plan", "may", "will", "could", "should", "believes", "predicts", "potential", "continue", and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, the Company's expectations regarding its performance, the Company's strategic realignment and initiatives, the Company's expectations regarding its liquidity and capital requirements, the Company's expectations regarding the timing of deferred orders, the Company's expectations regarding its potential cost savings, and the Company's other expectations, beliefs, intentions or strategies for the future. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. You should carefully consider the risks and uncertainties described in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the "FY 2023 10-K"), which was filed by the Company with the Securities and Exchange Commission (the "SEC") on April 3, 2024, the "Risk Factors" section of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, which was filed by the Company on January 14, 2025 (the "Q3 2024 10-Q"), and the other documents filed by the Company from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Most of these factors are outside the Company's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the inability of the Company to execute its business plan, which may be affected by, among other things, competition, the Company's liquidity position/lack of available cash, the ability of the Company to grow and manage

growth profitably, maintain relationships with customers and suppliers and retain its key employees; (2) the Company's ability to continue as a going concern; (3) the Company's ability to service and comply with its indebtedness; (4) the Company's ability to raise additional capital in the near-term; (5) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; and (6) other risks and uncertainties described in the FY 2023 10-K and the Q3 2024 10-Q, including those under "Risk Factors" therein, and in the Company's other filings with the SEC. The Company cautions that the foregoing list of factors is not exclusive and not to place undue reliance upon any forward-looking statements, including projections, which speak only as of the date made. The Company does not undertake or accept any obligation to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based.

About Velo3D:

Velo3D is a metal 3D printing technology Company. 3D printing—also known as additive manufacturing (AM)—has a unique ability to improve the way high-value metal parts are built. However, legacy metal AM has been greatly limited in its capabilities since its invention almost 30 years ago. This has prevented the technology from being used to create the most valuable and impactful parts, restricting its use to specific niches where the limitations were acceptable.

Velo3D has overcome these limitations so engineers can design and print the parts they want. The Company's solution unlocks a wide breadth of design freedom and enables customers in space exploration, aviation, energy, and semiconductor to innovate the future in their respective industries. Using Velo3D, these customers can now build mission-critical metal parts that were previously impossible to manufacture. The fully integrated solution includes the Flow print preparation software, the Sapphire family of printers, and the Assure quality control system. Through this vertically integrated approach, the Velo3D ecosystem facilitates scalable metal AM using the same print file across any Sapphire system, ensuring repeatable outcomes without the need for additional optimization. This enhances manufacturing scalability and supply chain flexibility, allowing Velo3D customers to seamlessly adapt to fluctuating demand. The Company delivered its first Sapphire system in 2018 and has been a strategic partner to innovators such as SpaceX, Aerojet Rocketdyne, Lockheed Martin, Avio, and General Motors. Velo3D has been named as one of [Fast Company's Most Innovative Companies for 2023](#). For more information, please visit [Velo3D.com](https://www.velo3d.com), or follow the Company on [LinkedIn](#) or [Twitter](#).

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Amounts herein pertaining to September 30, 2024, represent a preliminary estimate as of the date of this press release. More information on our results of operations for the three months ended September 30, 2024, is provided in our filing of our Quarterly Report on Form 10-Q with the SEC.

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