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Oqton AI-Driven Software For Dental Labs Integrates Additive Manufacturing Work ow To Boost Efficiencies By Over 50%

04/26/2023

- Several hundred dental labs have adopted Oqton's Manufacturing Operating System worldwide in first 18 months of availability
- Production efficiency gains exceed 50% in first year of implementation
- Customer renewal extremely strong with churn rates of negative 20-30%
- · Ratio of lifetime-value to customer-acquisition-cost of over five demonstrates value creation through Ogton adoption
- Oqton embedded AI proven effective with broad range of OEM production equipment and materials

ROCK HILL, S.C., April 26, 2023 (GLOBE NEWSWIRE) -- Oqton, a wholly-owned subsidiary of **3D Systems** (NYSE:DDD), today released the first comprehensive update on the adoption of its Al-driven Manufacturing Operating System, which has focused heavily on the dental market. Dental laboratories are realizing a more than 50% boost in production efficiencies as the Oqton Al capability optimizes all critical additive manufacturing elements into a single workflow in the production environment. This is particularly meaningful given the range of digital manufacturing equipment and OEM suppliers that can link seamlessly into the Oqton platform, allowing for the stepwise adoption of additive manufacturing into production environments at a rate at which each customer chooses. With several hundred dental labs now using the Oqton platform to manage their operations, customer feedback has been overwhelmingly positive, as demonstrated by churn rates ranging from negative 20% to 30%, meaning that customers are not only renewing their licenses but are rapidly expanding the number of licenses they are using in each of their operations.

A prime example is Bertram Dental Lab, the largest USA-based Removable Partial Denture (RPD) manufacturer. Since 1976 Bertram Dental Lab has specialized in RPDs from their Wisconsin-based headquarters. Since adopting the Oqton platform, they have experienced a 50%+ boost in efficiency. "Oqton consistently maintains the highest level of quality that has enabled us to increase efficiency and scalability exponentially," states Andy Timblin, Bertram Dental Lab's CAD/CAM production supervisor.

"The adoption of advanced automation through the use of deep learning is tipping the scale on more and more business cases for using additive manufacturing in production," said Dr. Ben Schrauwen, SVP of software and general manager for Oqton. "It is a technology that improves the end part quality and overall cost, enabling an increased adoption rate. The Oqton Manufacturing

Operating System is able to holistically drive, track and integrate all of the production steps, including post-processing, machining, and quality. It is also completely vendor agnostic and open, exactly what is needed in the heterogeneous production environment today."

With the rapid growth in customer interest in production-scale additive manufacturing to address critical supply chain risks, which were dramatically highlighted during the COVID crisis, 3D Systems saw firsthand the emerging industry-wide need for a software platform to not only bridge the gap between existing enterprise systems and factory floor operational elements but to do so in a manner that was agnostic to the individual printing technology and OEM supplier. This approach was critical in that customers wanted the flexibility to acquire and update printing hardware and related technologies of their choosing as the industry matured in the future. After evaluating numerous options, 3D Systems, whose production AM technology now produces over one million components per day worldwide, chose to acquire Oqton, support its continued development, and simultaneously establish it as an operationally independent business unit. This approach has allowed Oqton to focus on serving the full spectrum of customer/supplier preferences for technology and implementation paths across the entire additive manufacturing industry. The effectiveness of this approach has been demonstrated in the Dental market, where 85% of Oqton implementation involves manufacturers of equipment other than 3D Systems, making Oqton the emerging standard operating platform for the future.

The AI embedded in the Oqton software is essential to its ability to manage the entire factory workflow, optimizing production efficiencies and providing critical component traceability where needed in regulated industries and high-performance system applications. This same approach is now being taken in several other market verticals, including medical device manufacturing in the Healthcare market, and Energy, Aerospace, Automotive, and Contract Manufacturing in the Industrial market. Based upon early customer feedback, 3D Systems believes success in these markets will mirror that of the Dental market in the years ahead.

Commenting on the progress of Oqton, Dr. Jeffrey Graves, president and CEO of 3D Systems stated, "Our company has always been at the forefront of innovation in additive manufacturing, and our acquisition of Oqton is a reflection of our dedication to aggressively embrace AI technology to help unlock the full benefits of additive manufacturing in production environments. By providing AI-driven automation solutions to customers like Bertram Dental Lab, we are helping them realize unprecedented levels of efficiency and competitiveness in their industries. In this case, we leverage deep learning for automatic identification, segmentation, and orientation of dental parts, as well as using powerful AI techniques to generate very dense part nesting on the print bed. This leads to greatly increased productivity and reduced labor requirements while maintaining high part quality. We are now taking the same approach in adjacent market verticals as the Oqton platform rollout continues. With meaningful adoption statistics we are now able to estimate a 'lifetime value to customer-acquisition cost' (LTV/CAC) ratio of roughly five, which we believe is illustrative of the economics we will see as Oqton is adopted at an increased scale in other market verticals. What this translates to is a software platform that will benefit not only our company but all customers and suppliers to the additive manufacturing production environment as we had originally envisioned."

Forward-Looking Statements

Certain statements made in this release that are not statements of historical or current facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the company to be materially different from historical results or from any future results or projections expressed or implied by such forward-looking statements. In many cases, forward-looking statements can be identified by terms such as "believes," "belief," "expects," "may," "will," "estimates," "intends," "anticipates" or "plans" or the negative of these terms or other comparable terminology. Forwardlooking statements are based upon management's beliefs, assumptions, and current expectations and may include comments as to the company's beliefs and expectations as to future events and trends affecting its business and are necessarily subject to uncertainties, many of which are outside the control of the company. The factors described under the headings "Forward-Looking Statements" and "Risk Factors" in the company's periodic filings with the Securities and Exchange Commission, as well as other factors, could cause actual results to differ materially from those reflected or predicted in forward-looking statements. Although management believes that the expectations reflected in the forward-looking statements are reasonable, forward-looking statements are not, and should not be relied upon as a guarantee of future performance or results, nor will they necessarily prove to be accurate indications of the times at which such performance or results will be achieved. The forward-looking statements included are made only as of the date of the statement. 3D Systems undertakes no obligation to update or revise any forward-Skip to main content looking statements made by management or on its behalf, whether as a result of future developments, subsequent events or circumstances or otherwise, except as required by law.

About 3D Systems

Industria

Systems brought the innovation of 3D printing to the manufacturing industry. Today, as the leading additive manufacturing solutions partner, we bring innovation, performance, and reliability to every interaction - empowering our customers to create products and business models never before possible. Thanks to our unique offering of hardware, software, materials, and services, each application-specific solution is powered by the expertise of our application engineers who collaborate with customers to transform how they deliver their products and services. 3D Systems' solutions address a variety of advanced applications in healthcare and industrial markets such as medical and dental, aerospace & defense, automotive, and durable goods. More information on the company is available at www.3dsystems.com.

About Oqton

Oqton accelerates intelligent manufacturing by providing comprehensive software solutions for additive production, 3D scanning, and robotic welding — helping industrial and healthcare organizations drive innovation and efficiency. The company's additive production software enables complete traceability and visibility across an organization, delivering Al-powered capabilities for image segmentation, additive design, build prep, MES, additive inspection, and simulation. Global manufacturers use Oqton software to automate robotic welding to increase productivity. The company's industry leading Geomagic suite is the foundation of 3D scanning solutions for reverse engineering and inspection applications. Oqton is supported by partnerships with machine and scanner vendors, software partners, and ERP/CAD/PLM integrations. For more information, visit www.oqton.com or LinkedIn.

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