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team

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soft: Peter Theunis peter@lopoco.com

hard: Jack Mills jack@lopoco.com

fund: Mark Brine mark@lopoco.com

market: Kripa Nithya kripa@lopoco.com

lopoco is led by co-founder Andrew Sharp who has been in the server business in Silicon Valley since he joined Convergent Technologies in 1985, and has worked at Sun, HP, SGI and LSI, as well as several startups.

Peter Theunis, CTO and co-founder, has more than 10 years of experience in large scale systems architecture in Silicon Valley startups as well as with Yahoo!

Jack Mills, VP Engineering, while at Intel was an architect of the Pentium and the Itanium processors; later Director of advanced processor research; also an alumnus of Convergent Technologies. (Advisor)

Mark Brine, CFO, is a veteran of Silicon Valley startups, starting out at VLSI, later VP of Finance at semiconductor startup Discera; now Director of Finance at Cloudera. (Advisor/Board Member)

Kripa Nithya, VP Marketing, is **lopoco**'s marketing and partnership guru

executive summary

lopoco designs and manufactures ultra-efficient servers that use 25% of the power of conventional servers without compromising on performance or business continuity. Our servers are built on proven, shipping technology without costly custom silicon. Our technology is disruptive to the industry, but not to the customer. All our current products use Intel or AMD 64-bit X86 CPUs¹.

validation

- Revenue to date: >\$100k [August, 2014]
- 75% repeat customer rate
- 65+ Systems shipped
- Named "Most Efficient Certified to Date" by Power Assure's PAR⁴ energy efficiency rating system, utilizing an energy efficiency algorithm adopted by Underwriters Laboratories and the U.N.
- Recently signed Data Guard Solutions as reseller/distributor for GCC region



value proposition

Conventional servers waste more than half the power they consume. Large data centers which pay for their own electricity and HVAC will be able to realize a 50% reduction in OpEx costs by adopting our products, savings which go straight to the bottom line of these companies. Datacenter experts report that they pay between \$50-\$100 per watt for the power used by their servers. This translates to \$100s of millions in savings for large scale data centers.

market

The current global server market > \$50B² (TAM); projected to be \$75B in 5-8 years, powered by accelerating cloud deployments and crypto currencies. **Lopoco** in 5+ years: Projected SAM: \$60B; SOM \$12B.

ip, competition & exit

Over 2.5 man-years of R & D was invested to create our first generation product line of servers that are very effective at conserving energy. We have considerable IP in the filing pipeline covering current and future product generations.

Competition: main competition is conventional top tier vendors (no similar products). When it comes to efficiency, none are in **lopoco**'s league. Multiple self-styled efficient server startups (Calexda/Tilera, HP Moonshot, Seamicro, Servergy) are all making products with similar problems: costly; high power; proprietary silicon and packaging; weird processors; dubious efficiency. Put simply, they are making servers nobody wants. With high adoption risk and providing no business continuity, these products are seeing very little adoption in the market, and have a very small SAM compared to **lopoco**. [Note: Calexda closed doors 1/2014]

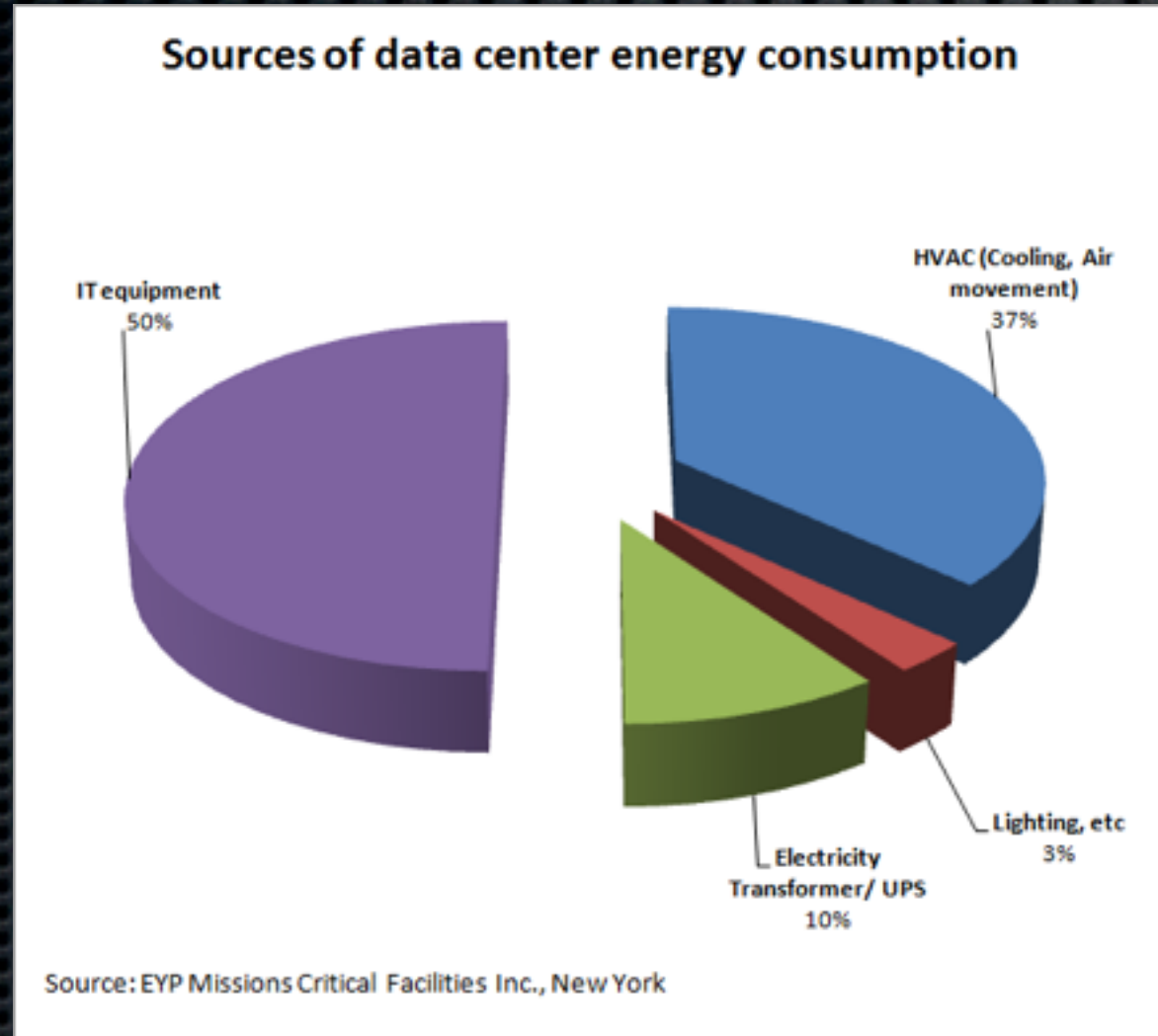
Exit: Our disruptive product, combined with the acquisition aggressive server/storage industry indicates the most likely exit will be through acquisition. \$400mm revenue in 3 years -> likely \$4bb acquisition valuation.

Similar:

- SeaMicro acquired by AMD in March 2013 for \$335M
- Wyse (low power desktops) acquired by Dell in 2012 for <\$1B
- Cobalt Systems acquired by Sun in 2000 for \$2B.

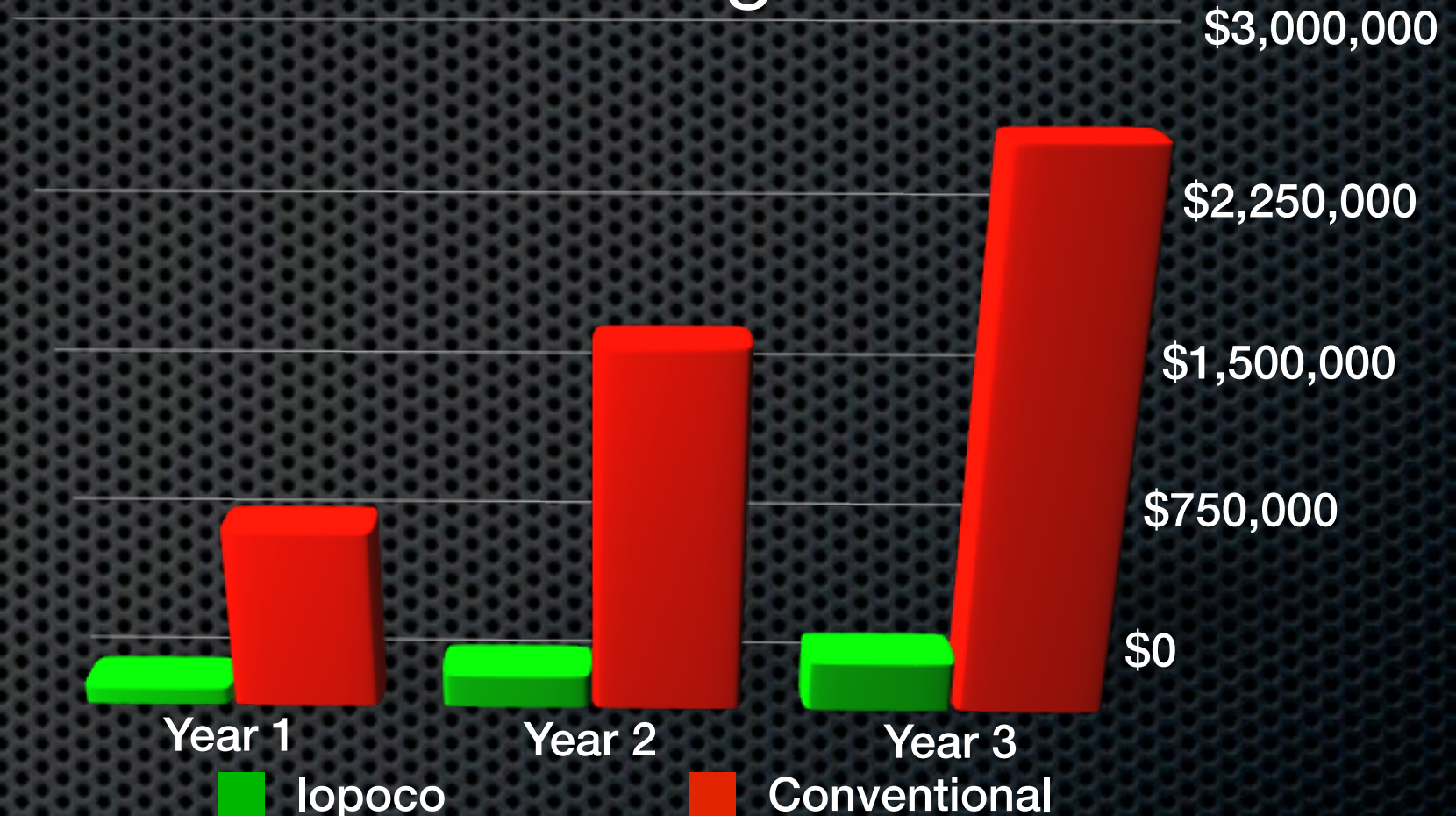
Irresistible Value Proposition of **lopoco** Servers

lopoco green tech servers help large data centers shed their monthly operating costs by 50%.
All while preserving business continuity and compliance with conventional form factors, CPUs, and server options already familiar to customers.



The chart above shows that, with the possible exception of lighting costs, a customer can save operating costs in all areas of data center operation by adopting **lopoco** servers.

TCO Running Totals



This bar chart illustrates the savings customers (20¢/KwH) can realize when utilizing **lopoco** servers.*
Per 1000 servers for 3 years.

¹lopoco remains agnostic on the subject of processors: we use what makes the most efficient, useable servers that appeal to customers.

²Global server sales, as of Q4, 2012