

The logo for Materialise, featuring the word "materialise" in a bold, lowercase sans-serif font, with the tagline "innovators you can count on" in a smaller, lowercase sans-serif font below it. The background is white with a blue diagonal stripe running from the bottom left to the top right.

materialise
innovators you can count on

Q4 2022 Financial Results

Conference Call
February 14, 2023

www.materialise.com
NASDAQ: MTLA

Safe Harbor Summary

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, among other things, our intentions, beliefs, assumptions, projections, outlook, analyses or current expectations, plans, objectives, strategies and prospects, both financial and business, including statements concerning, among other things, our current estimates for fiscal 2022 revenue and Adjusted EBITDA, results of operations, cash needs, capital expenditures, expenses, financial condition, liquidity, prospects, growth and strategies (including how our business, results of operations and financial condition could be impacted by the ongoing military conflict between Ukraine and Russia and economic sanctions related thereto), and the trends and competition that may affect the markets, industry or us. Such statements are subject to known and unknown uncertainties and risks. When used in this press release, the words “estimate,” “expect,” “anticipate,” “project,” “plan,” “intend,” “believe,” “forecast,” “will,” “may,” “could,” “might,” “aim,” “should,” and variations of such words or similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon the expectations of management under current assumptions at the time of this press release. These expectations, beliefs and projections are expressed in good faith and the Company believes there is a reasonable basis for them. However, the Company cannot offer any assurance that our expectations, beliefs and projections will actually be achieved. By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics and industry change, and depend on economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. We caution you that forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. All of the forward-looking statements are subject to risks and uncertainties that may cause the Company's actual results to differ materially from our expectations, including risk factors described in the Company's most recent annual report on Form 20-F filed with the U.S. Securities and Exchange Commission. There are a number of risks and uncertainties that could cause the Company's actual results to differ materially from the forward-looking statements contained in this presentation.

This presentation includes non-IFRS financial measures, including EBITDA and Adjusted EBITDA. These measures are supplemental measures of financial performance that are not required by, or presented in accordance with, international financial reporting standards (“IFRS”). Please refer to the Appendix of this presentation for a reconciliation of such non-IFRS financial measures to the most directly comparable financial measures prepared in accordance with IFRS.

Agenda

- Q4 and FY 2022 Highlights
- Key 2022 Operational Achievements
- Q4 2022 Financial Results
- Fiscal 2023 Financial Guidance
- Q&A



Fried Vancraen
Founder & CEO



Peter Leys
Executive Chairman



Johan Albrecht
CFO

Q4 2022 & Full Year Financial Highlights

Q4 2022

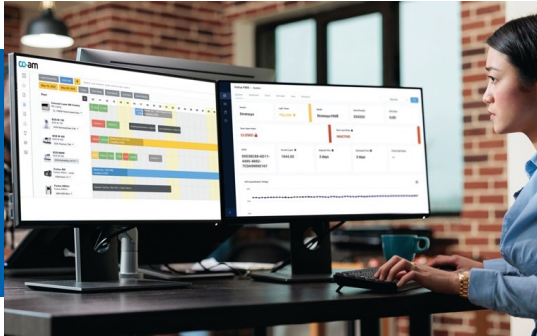
- Revenue increased 10.0% to 62,703 kEUR from last year's revenue of 56,989 kEUR
- Adjusted EBITDA decreased to 4,258 kEUR or 6.8% of revenue
- Net loss was (4,588) kEUR, or (8) EUR-ct. per share, compared to a net profit of 4,762 kEUR in Q4 2021

Full Year 2022

- Total revenue increased 12.9% to 232,023 kEUR
- Deferred revenue from maintenance and licenses fees grew 22% to 42,780 kEUR
- Adjusted EBITDA decreased to 19,014 kEUR from 32,490 kEUR in 2021
- Net loss was (2,153) kEUR compared to a net profit of 13,145 kEUR in 2021
- Cash position as of year end was 140,867 kEUR

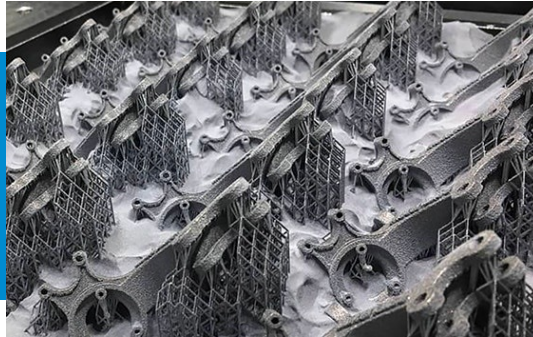
Materialise executing strategic growth path

Strategic Advances in 2022 and Expected Progress in 2023



Software

Integration of Link3D & Identify3D, launch of CO-AM platform compatible with Magics



Manufacturing

Second facility to double capacity of ACTech, complete new Materialise Footscan Suite, new fitting app in IOS for Eyewear



Medical

New production line for implants in the US, increased use of AI based automations in planning of surgeries, design of devices and in the Mimics Innovation Suite

Empower the choice for sustainability

Strategy

- Reduce stock by printing on demand
- Reduce transportation by printing de-localized
- Reduce material usage by printing first time right and personalized
 - All while ensuring the reliable, repeatable quality your customers expect !

Products & solutions

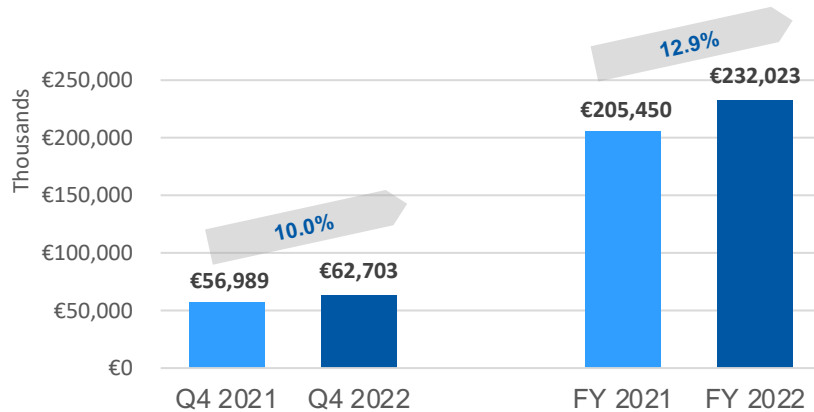
- Rethinking and reducing
 - Software for sustainability-conscious manufacturing
- Optimizing production processes
 - Bluesint re-used polyamide powder

Behaviour

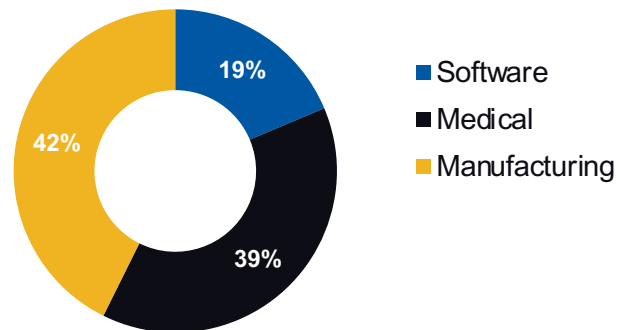
- Cutting our carbon footprint by 50% by 2025 (compared to 2019 baseline)
 - ~40% achieved at YE 2022



Q4 2022 & Full Year Consolidated Revenue

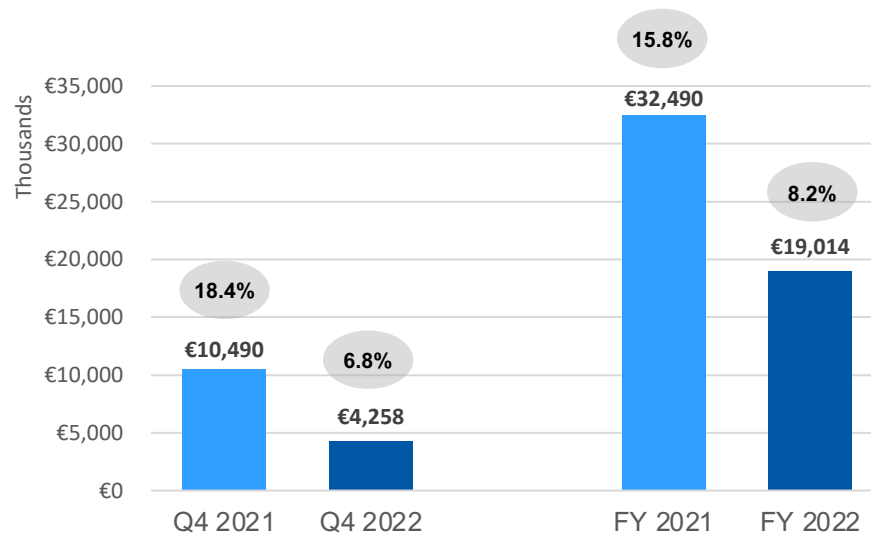


Q4 2022 Revenue by Segment



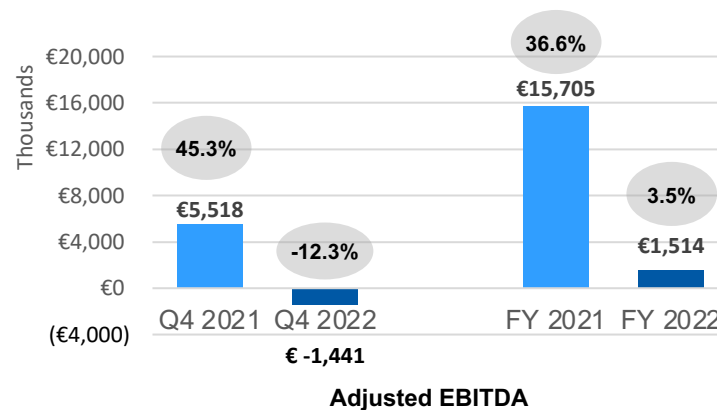
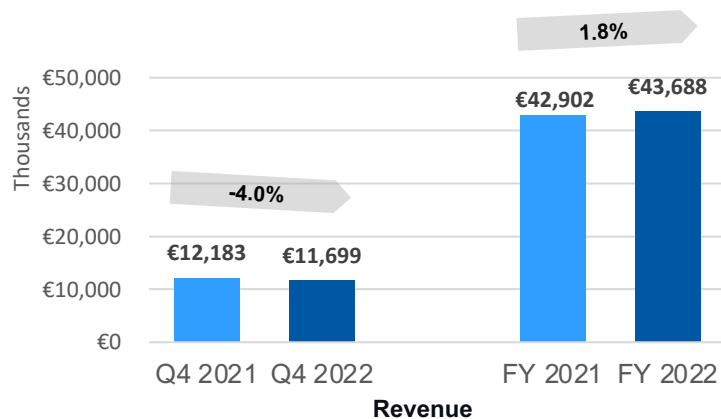
- Double-digit growth driven by Medical and Manufacturing segments
- Deferred revenues from software license and maintenance fees grew by 7.6 million EUR from year end 2021
- Cross-segment revenue from software products amounted to 27%

Q4 2022 & Full Year Consolidated Adjusted EBITDA



- Q4 2021 consolidated Adjusted EBITDA decreased to 4.3 mEUR
- Full year Adjusted EBITDA decreased to 19,014 kEUR and included:
 - the effect of continuing investments in Link3D, Identify3D and our other growth business lines
 - Inflationary pressures on energy and materials costs, and increased labor costs as we invest in personnel in a highly competitive labor market

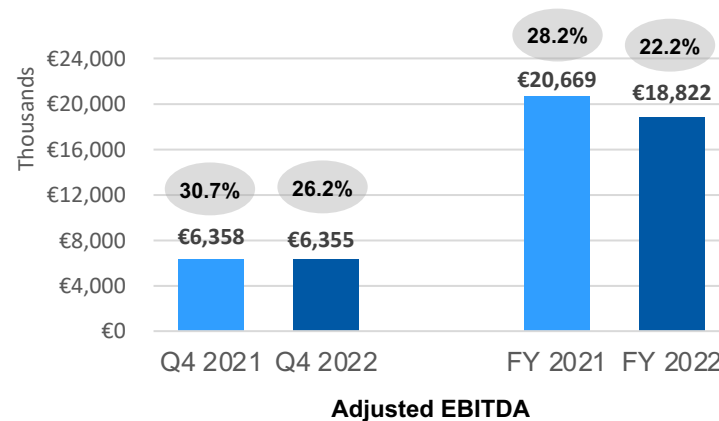
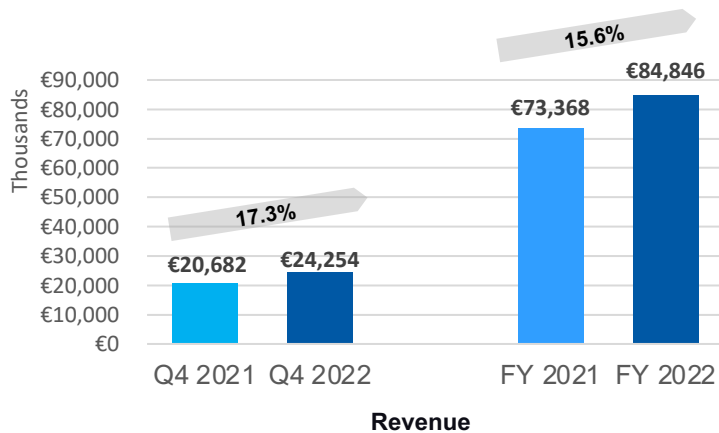
Q4 2022 & Full Year Software Segment



- Q4 2022 sales increased 10%, driven by recurring sales growth of 29%
- Revenue decreased 4% to 11,699 kEUR and was impacted negatively by 3.6 mEUR deferred income
- Q4 2022 Adjusted EBITDA was negative (1,441) kEUR including
 - Continued investments in CO-AM
 - Non-recurring effects

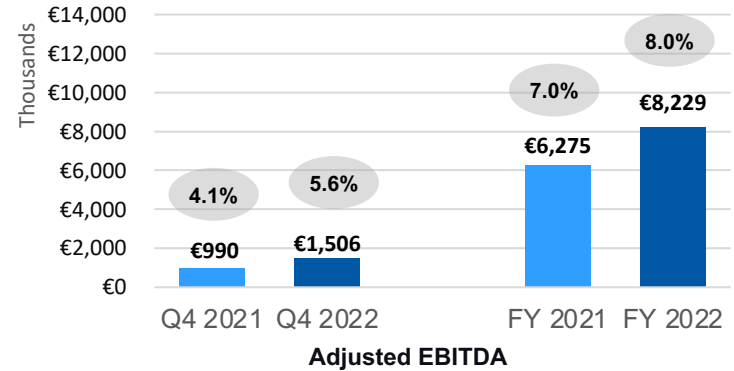
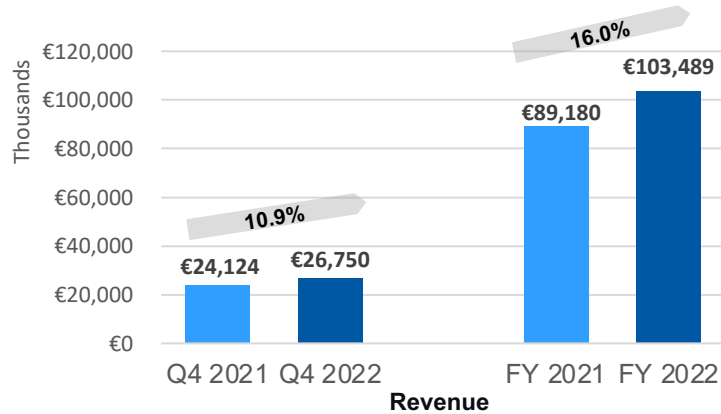
* Sales are defined in this presentation as revenue plus deferred revenue.

Q4 2022 & Full Year Medical Segment



- Q4 2022 revenue increased 17.3% to 24,254 kEUR
 - Revenue from medical software grew 17.1%
 - Revenue from medical device solutions grew 17.3%
- Q4 2022 Adjusted EBITDA of 6,355 kEUR, 26.2% EBITDA margin
 - Effects of sales mix, investing in growth business lines, inflation and completion for talent

Q4 2022 & Full Year Manufacturing Segment



- Q4 revenue increased 10.9%, driven by end part manufacturing (+22.6%) and ACTech (+19.6%)
- Q4 Adjusted EBITDA amounted to 1,506 kEUR

Income Statement Highlights

(in thousands of euros, except where indicated)	Q4		Full Year	
	2022	2021	2022	2021
Revenue	62,703	56,989	232,023	205,450
Cost of sales	(27,022)	(23,791)	(103,258)	(87,278)
Gross profit	35,681	33,198	128,765	118,172
Research & development expenses	(11,494)	(6,896)	(37,568)	(26,891)
Sales & marketing expenses	(17,284)	(13,421)	(62,125)	(49,151)
General & administrative expenses	(9,051)	(9,165)	(35,140)	(33,315)
Other income/(expenses), net	593	1,260	3,196	3,402
Operating profit/(loss)	(1,554)	4,976	(2,872)	12,217
Financial income/(expenses), net	(3,436)	275	1,694	1,519
Share in gain/(loss) of joint venture	0	0	0	0
Taxes	402	(490)	(975)	(591)
Net profit/(loss)	(4,588)	4,762	(2,153)	13,145
Diluted EPS (in €)	(0.08)	0.08	(0.04)	0.23
(Diluted) weighted average shares (thousands)	59,064	59,025	59,064	56,843

Other Financial Highlights

(in thousands of euros)	12/31/22	12/31/21
Cash and equivalents	140,867	196,028
Receivables	51,043	41,541
Inventories	16,081	11,295
Payables	26,875	20,954
Deferred income	50,999	38,259
Borrowings	80,980	99,107
Equity	228,928	232,578
Total balance sheet	411,262	413,408

(in thousands of euros)	FY 2022	FY 2021
Capital expenditures	24,773	11,722
Cash flow from operations	24,709	25,845

(in thousands of euros)	Q4 2022	Q4 2021
Capital expenditures	5,283	4,455
Cash flow from operations	1,122	8,353

Fiscal 2023 Financial Guidance

- Expect consolidated Revenue to grow by at least 10% to 255-260 mEUR
- Expect consolidated Adjusted EBITDA to increase at least 30% to 25-30 mEUR
- Uncertainty with respect to the impact of the Ukrainian war remains high



APPENDIX

Adjusted EBITDA Reconciliation

	For the quarter ended December 31		For the year ended December 31	
(in thousands of euros)	2022	2021	2022	2021
Net profit/(loss)	(4,588)	4,762	(2,153)	13,145
Income taxes	(402)	490	975	591
Financial expenses	4,216	919	4,420	4,101
Financial income	(780)	(1,195)	(6,114)	(5,620)
Share of loss in a joint venture	0	0		0
Depreciation & amortization	5,832	5,277	22,026	20,516
EBITDA	4,278	10,253	19,154	32,733
Share-based compensation expenses	(20)	44	(140)	(833)
Acquisition-related expenses	0	8	0	413
Impairments	0	177	0	177
Re-valuation on 50% Rs Print	0	8	0	0
Adjusted EBITDA	4,258	10,490	19,014	32,490