



Statutory auditor's report to the general meeting of Materialise NV on the consolidated financial statements as of and for the year ended December 31, 2022

FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR'S REPORT ORIGINALLY PREPARED IN DUTCH

In the context of the statutory audit of the consolidated financial statements of Materialise NV (the "Company") and its subsidiaries (jointly the "Group"), we provide you with our statutory auditor's report. This includes our report on the consolidated financial statements for the year ended December 31, 2022, as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of November 5, 2020, in accordance with the proposal of the board of directors issued on the recommendation of the audit committee. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended December 31, 2022. We have performed the statutory audit of the consolidated financial statements of the Group for 3 consecutive financial years.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the Group as of and for the year ended December 31, 2022, prepared in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at December 31, 2022, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR ('000) 411.262 and the consolidated income statement shows a loss for the year of EUR 2.153.

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and financial position as at December 31, 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB and applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are



further described in the "Statutory auditors' responsibility for the audit of the consolidated financial statements" section of our report. We have complied with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Fair value of software and brands and trademarks acquired in the Link3D business combination

We refer to note 4 "Business Combinations" of the consolidated financial statements.

- Description

The Group acquired 100% of the voting equity instruments of Link3D, Inc. ("Link3D") on January 4, 2022 for a purchase price of EUR ('000) 26,747. As a result of the acquisition, the Group recognized EUR ('000) 6,892 of software and EUR ('000) 1,066 of brands and trademarks.

In determining the fair value of the software and the brands and trademarks acquired in the Link3D business combination, management had to make important estimates and assumptions, including with respect to future revenue growth rates, software royalty rates, brands and trademarks royalty rates and discount rates. These assumptions can have a significant impact on the fair value of the software and the brands and trademarks acquired.

Due to the relative importance to the consolidated statement of financial position of the software and the brands and trademarks acquired in the Link3D business combination, as well as the importance of the estimates and assumptions that management has to make in determining the fair value of these assets, we regarded this as a key audit matter.

- Our audit procedures

Our audit procedures included:

- Evaluating the design and testing the operating effectiveness of an internal control related to the Company's acquisition-date fair value measurement of intangible assets, including the development of the key assumptions;

- Evaluating the future revenue growth rates developed by management by comparing them to historical growth rates of Link3D, as well as to the forecasts presented to the Company's board of directors and used by the Company to determine the enterprise value of Link3D;
- With the assistance of our valuation specialists, evaluating the software royalty rate assumptions and the brands and trademarks royalty rate assumptions developed by management, by comparing them to licensing transactions for similar intellectual property; and
- With the assistance of our valuation specialists, evaluating the discount rate developed by management, by comparing it against a discount rate range that was independently developed using publicly available market data for comparable entities.

Impairment analysis for the Engimplan cash generating unit

We refer to note 5 "Goodwill" of the consolidated financial statements.

- Description

The Group performs impairment testing on an annual basis and whenever events or changes in circumstances indicate that the carrying value of a cash generating unit (CGU) may exceed its value-in-use. The Group determined that the carrying value of the Engimplan CGU approximated its value-in-use as at December 31, 2022.

In determining the value-in-use of the Engimplan CGU, management has to make important estimates and assumptions, including with respect to forecasted revenue growth rates and forecasted gross profit margin growth rates, perpetual revenue growth rates and discount rates. These assumptions can have a significant impact on the value-in-use of the Engimplan CGU.

Due to the relative importance to the consolidated statement of financial position of the assets related to the Engimplan CGU, as well as the importance of the estimates and assumptions that management has to make in determining the value-in-use of this CGU, we regarded this as a key audit matter.

- Our audit procedures

Our audit procedures included:

- Evaluating the design and testing the operating effectiveness of an internal control over management's impairment analysis, including the development by management of estimates and assumptions regarding forecasted revenue and gross profit margin growth rates, the perpetual revenue growth rate and the discount rate used to estimate the value-in-use of the Engimplan CGU;

- Evaluating the forecasted revenue and gross profit margin growth rates developed by management, by comparing them to the Engimplan CGU's historical performance;
- Evaluating management's ability to accurately forecast by comparing forecasts made by management in the prior year to the actual performance of the Engimplan CGU;
- Evaluating the perpetual growth rate by comparing it to the Engimplan CGU's historical performance and to external market and industry data; and
- With the assistance of our valuation specialists, evaluating the discount rate developed by management, by comparing it against a discount rate range that was independently developed using publicly available market data for comparable entities.

Board of directors' responsibilities for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the consolidated financial statements in



Belgium. The scope of the statutory audit of the consolidated financial statements does not extend to providing assurance on the future viability of the Group nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Group. Our responsibilities regarding the going concern basis of accounting applied by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the Board of directors

The board of directors is responsible for the preparation and the content of the board of directors' annual report on the consolidated financial statements.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the consolidated financial statements, and to report on this matter.

Aspects concerning the board of directors' annual report on the consolidated financial statements

Based on specific work performed on the board of directors' annual report on the consolidated financial statements, we are of the opinion that this report is consistent with the consolidated financial statements for the same period and has been prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the consolidated financial statements contains material misstatements, that is information incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

Information about the independence

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the consolidated accounts and our



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audit firm remained independent of the Group during the term of our mandate.

- The fees for the additional engagements which are compatible with the statutory audit referred to in article 3:65 of the Companies' and Associations' Code were correctly stated and disclosed in the notes to the consolidated financial statements.

Zaventem, May 15, 2023

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Götwin Jackers
Bedrijfsrevisor / Réviseur d'Entreprises