

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 shape that tapers from the top right to the bottom left.

**materialise**  
innovators you can count on

## **Q4 2023 Financial Results**

Conference Call  
February 21, 2024

[www.materialise.com](http://www.materialise.com)  
NASDAQ: MTL

# 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 estimates for revenue, Adjusted EBITDA, Adjusted EBIT, our 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 armed conflicts in the Middle East and Ukraine and governmental responses thereto, inflation and increased labor, energy and materials costs), 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 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 press release.

This presentation includes non-IFRS financial measures, including EBIT, EBITDA, Adjusted EBIT 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 & FY 2023 Highlights
- Q4 & FY 2023 Financial Results
- 2024 Financial Guidance
- Q&A



**Brigitte de Vet-Veithen**  
*CEO*



**Koen Berges**  
*CFO*

# Q4 2023 & Full Year Financial Highlights

## Full Year 2023

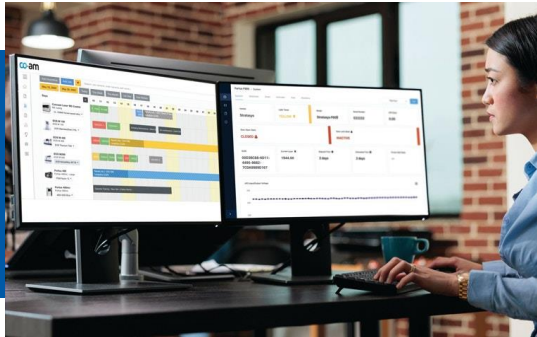
- Total revenue increased 10.4% to 256.1 mEUR
- Adjusted EBITDA increased 65% to 31.4 mEUR from 19.0 mEUR in 2022
- Net result turned into a net profit of 6.7 mEUR from a net loss of 2,2 mEUR in 2022
- Cash position as of year end was 127.6 mEUR

## Q4 2023

- Revenue increased 4.1% to 65.3 mEUR from last year's revenue of 62.7 mEUR
- Deferred revenue from maintenance and licenses fees grew to 44.9 mEUR
- Adjusted EBITDA almost doubled to 8.5 mEUR or 13.0% of revenue
- Net loss was (539) kEUR, or (1) EUR-ct. per share, including the impact from impairments on goodwill, tangible and intangible assets of (4,228) kEUR

*Continued strong performance despite less favorable market conditions in the second half of 2023*

# 2023 Full Year Key 2023 Achievements



## Software

Launch of next gen Build Processors and Magics 26, onboarding of new partners on CO-AM



## Manufacturing

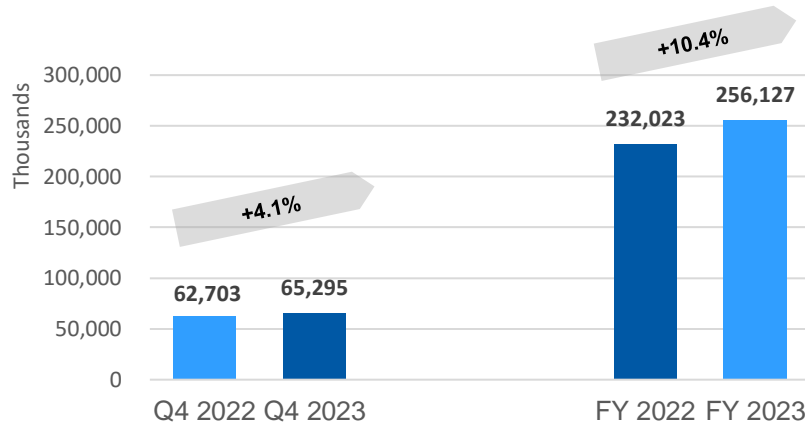
Increased enduser part production, continued investment in additional capacity and new materials



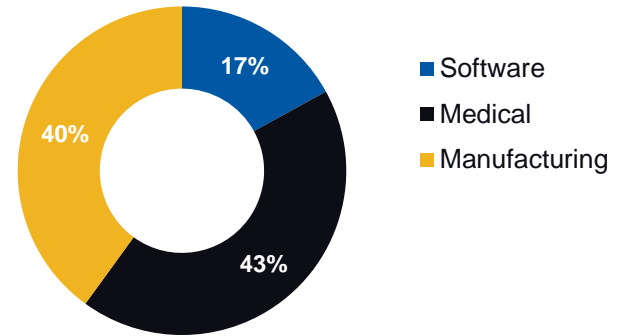
## Medical

US manufacturing enabling reduced lead times, launch of new hardware products and Mimics platform

# Q4 2023 & Full Year Consolidated Revenue

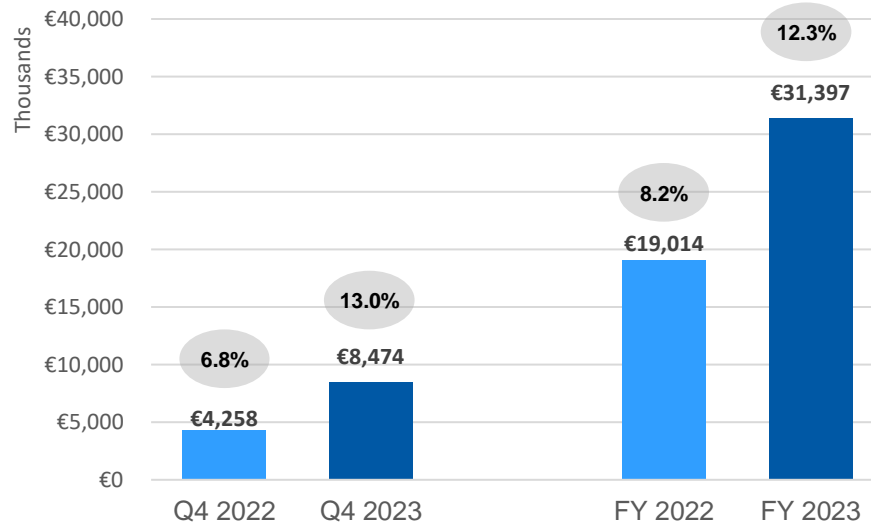


Q4 2023 Revenue by Segment



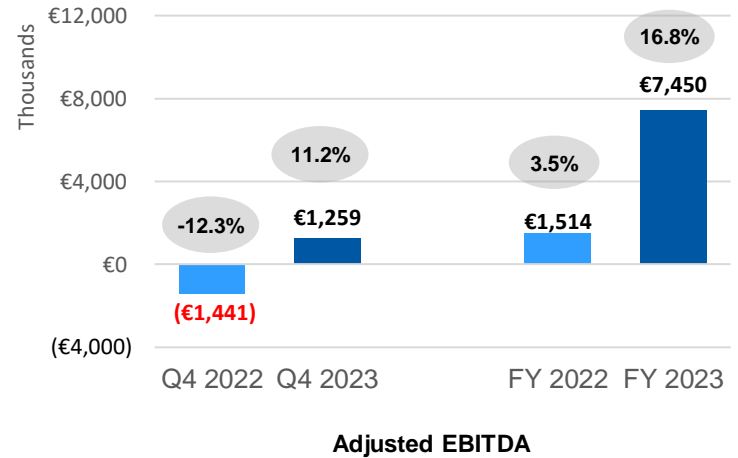
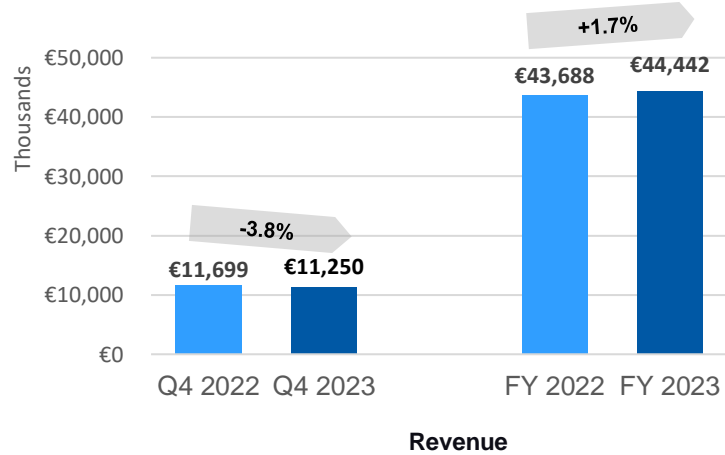
- Revenue increased 4.1% compared to Q4 2022 to 65.3 mEUR
- Impact from less favorable market conditions offset by a continued double-digit revenue growth in our Medical business
- Deferred revenue from software maintenance and license fees grew by 4.8 mEUR in Q4 2023 to 44.9 mEUR
- Full year revenue increased by 10.4% to 256.1 mEUR

# Q4 2023 & Full Year Consolidated Adjusted EBITDA



- Q4 2023 Adjusted EBITDA almost doubled to 8.5 mEUR
- Full year Adjusted EBITDA increased to 31.4 mEUR representing 12.3% Adjusted EBITDA margin while including continued investments in our growth businesses

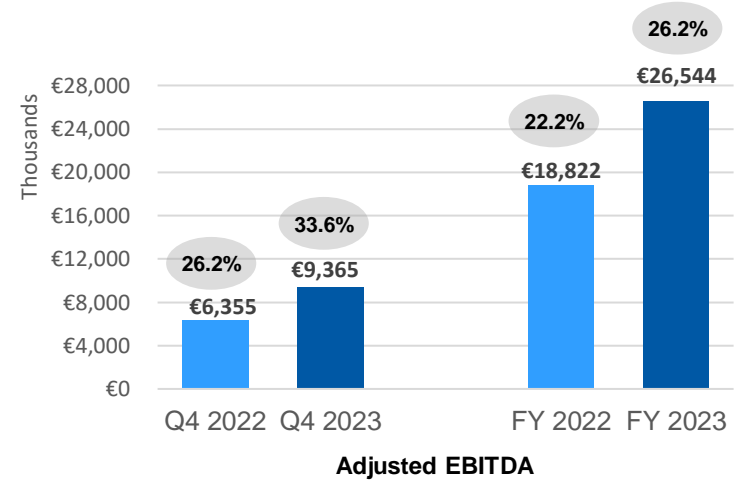
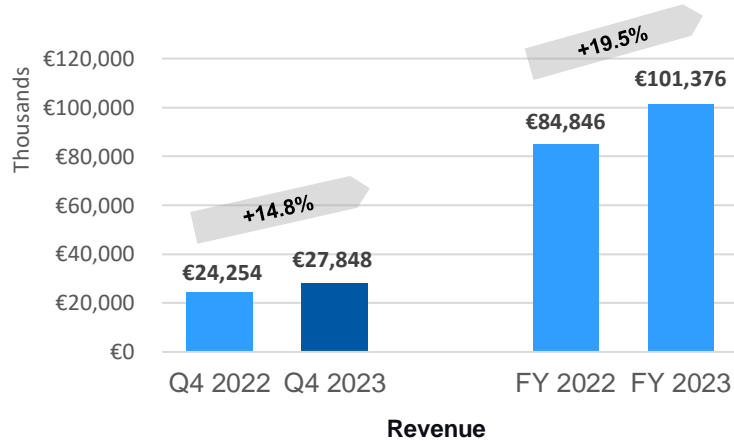
# Q4 2023 & Full Year Software Segment



- Q4 2023 revenue declined 3.8% compared to Q4 2022 but was impacted by a higher income deferral
  - Recurring revenue, including CO-AM subscription fees, rose 5%
  - Non-recurring revenue decreased by 16%
- Q4 2023 Adjusted EBITDA grew to 1,259 kEUR, representing an Adjusted EBITDA margin of 11.2%

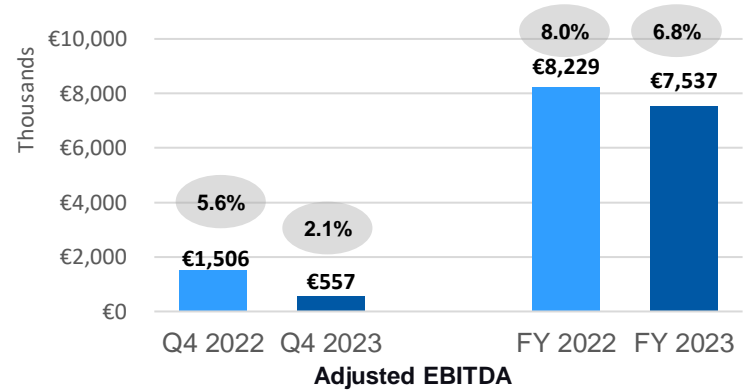
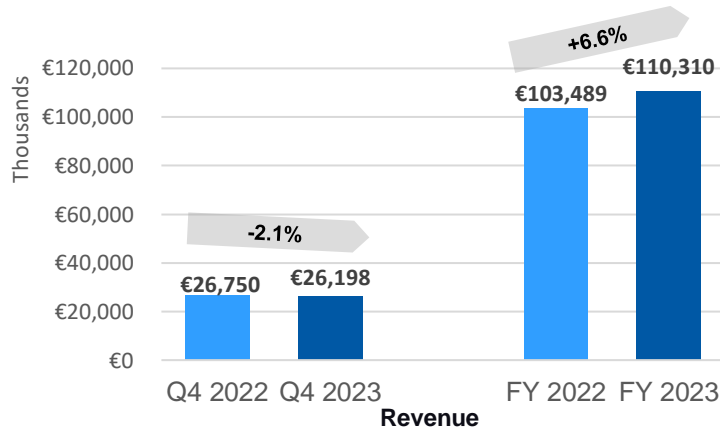


# Q4 2023 & Full Year Medical Segment



- Q4 2023 revenue increased 14.8% to 27,848 kEUR
  - Revenue from medical software grew 13%
  - Revenue from medical device solutions increased 16% driven by growth in both partner and direct sales
- Q4 2023 Adjusted EBITDA grew to 9,365 kEUR representing an Adjusted EBITDA margin of 33.6%

# Q4 2023 & Full Year Manufacturing Segment



- Q4 2023 revenue decreased by 2.1% compared to Q4 2022 mainly due to a continued slow down in the prototyping market
- Q4 2023 Adjusted EBITDA decreased to 557 kEUR, representing an Adjusted EBITDA margin of 2.1%, including effects of:
  - Less favorable market conditions
  - Continued investments in our growth business lines Motion and Eyewear

# Income Statement Highlights

	Q4		Full Year	
	2023	2022	2023	2022
(in thousands of euros, except where indicated)				
<b>Revenue</b>	<b>65,295</b>	<b>62,703</b>	<b>256,127</b>	<b>232,023</b>
<b>Cost of sales</b>	(27,747)	(27,022)	(110,996)	(103,255)
<b>Gross profit</b>	<b>37,548</b>	<b>35,681</b>	<b>145,131</b>	<b>128,768</b>
<b>Research &amp; development expenses</b>	(10,116)	(11,494)	(38,098)	(37,568)
<b>Sales &amp; marketing expenses</b>	(15,403)	(17,284)	(57,822)	(62,125)
<b>General &amp; administrative expenses</b>	(9,855)	(9,051)	(37,068)	(35,143)
<b>Other income/(expenses), net</b>	(3,287)	593	(6,254)	3,196
<b>Operating profit/(loss)</b>	<b>(1,113)</b>	<b>(1,554)</b>	<b>5,619</b>	<b>(2,872)</b>
<b>Financial income/(expenses), net</b>	(234)	(3,436)	1,154	1,694
<b>Share in gain/(loss) of joint venture</b>	0	0	0	0
<b>Taxes</b>	809	402	(78)	(975)
<b>Net profit/(loss)</b>	<b>(539)</b>	<b>(4,588)</b>	<b>6,695</b>	<b>(2,153)</b>
<b>Diluted EPS</b> (in €)	(0.01)	(0.08)	0.11	(0.04)
<b>(Diluted) weighted average shares</b> (thousands)	59,067	59,064	59,085	59,064

# Other Financial Highlights

(in thousands of euros)	12/31/23	12/31/22
<b>Cash and equivalents</b>	127,573	140,867
<b>Receivables</b>	52,698	51,043
<b>Inventories</b>	17,034	16,081
<b>Payables</b>	22,973	24,476
<b>Deferred income</b>	51,492	50,998
<b>Borrowings</b>	64,398	80,980
<b>Equity</b>	236,594	228,928
<b>Total balance sheet</b>	396,630	411,262

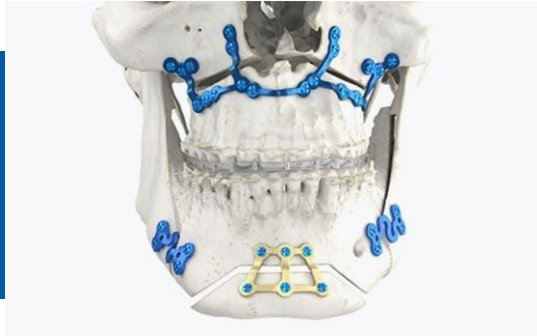
  

(in thousands of euros)	FY 2023	FY 2022
<b>Capital expenditures</b>	11,760	24,773
<b>Cash flow from operations</b>	20,157	22,288

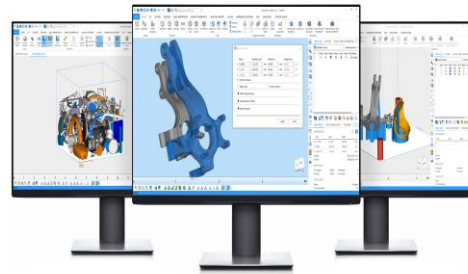
(in thousands of euros)	Q4 2023	Q4 2022
<b>Capital expenditures</b>	2,450	5,283
<b>Cash flow from operations</b>	195	(1,301)

# 2024 Full Year Outlook



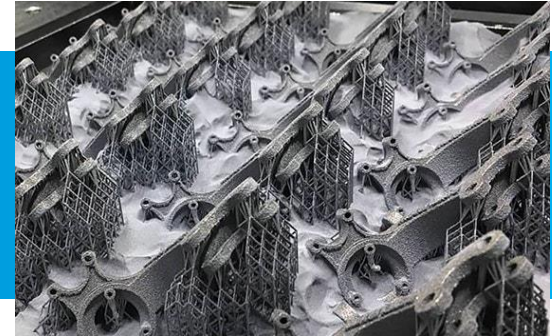
## Medical

Maintain momentum through continued product innovation and shortened lead times



## Software

Capture opportunity in end-use parts with Magics, Build processors and Co-AM



## Manufacturing

Start-up of 2nd ACTech plant, capture growth in selected growth markets

...whilst operating in an uncertain macro-economic and geo-political environment

# 2024 Financial Guidance

- Expect consolidated Revenue to grow to 265 – 275 mEUR
- Expect consolidated Adjusted EBIT to be between 11 – 14 mEUR

*Note: As of 2024 Materialise will be providing guidance for both consolidated revenue as well as consolidated Adjusted EBIT and will no longer be providing guidance for consolidated Adjusted EBITDA. We believe consolidated Adjusted EBIT will be a more useful guidance measure for investors and analysts going forward as Adjusted EBIT includes the periodic cost of capitalized tangible and intangible assets used in generating revenue in our business and, as such, will allow for a better assessment of our expected performance. However, we will continue to report the segment Adjusted EBITDA of our three business segments.*



# Appendix

## Adjusted EBIT & EBITDA Reconciliation

	For the quarter ended December 31		For the year ended December 31	
(in thousands of euros)	2023	2022	2023	2022
Net profit/(loss)	(539)	(4,588)	6,695	(2,153)
Income taxes	(809)	(402)	78	975
Financial expenses	266	4,216	3,865	4,420
Financial income	(32)	(780)	(5,019)	(6,114)
Share of loss in a joint venture	0	0	0	0
<b>EBIT</b>	<b>(1,113)</b>	<b>(1,554)</b>	<b>5,619</b>	<b>(2,872)</b>
Depreciation & amortization	5,320	5,832	21,511	22,026
<b>EBITDA</b>	<b>4,207</b>	<b>4,278</b>	<b>27,130</b>	<b>19,154</b>
Share-based compensation expenses	39	(20)	39	(140)
Acquisition-related expenses	0	0	0	0
Impairment charges	4,228	0	4,228	0
<b>Adjusted EBITDA</b>	<b>8,474</b>	<b>4,258</b>	<b>31,397</b>	<b>19,014</b>
Depreciation & amortization	(5,320)	(5,832)	(21,511)	(22,026)
<b>Adjusted EBIT</b>	<b>3,154</b>	<b>(1,574)</b>	<b>9,886</b>	<b>(3,013)</b>