

Grant Thornton Bedrijfsrevisoren CVBA

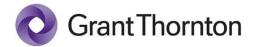
Maatschappelijke zetel Potvlietlaan 6 2600 Antwerpen België

www.grantthornton.be

Ailanthus NV

Jan Vander Vorstlaan 19 3040 Huldenberg RLP: 0461.745.338

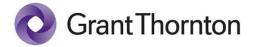
Company auditor's report on the proposed merger by acquisition in accordance with article 12:26 of the companies and associations Code.



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Appointment and assignment

In accordance with article 12:26 of the companies and associations Code, the management body of Ailanthus NV has appointed, the company Grant Thornton Bedrijfsrevisoren CVBA, having its registered office at 2600 Antwerp (Berchem), Potvlietlaan 6, represented by Mr. Steven Pazen, auditor, to report on the proposed merger by acquisition of Ailanthus NV by the company Materialise NV, in accordance with the merger proposal drawn up by the management bodies and filed with the court registry of the Commercial Court of Leuven on November 16, 2020.

This report only deals with the merger by acquisitions of Ailanthus NV by the company Materialise NV.

Article 12:26 of the companies and associations Code stipulates the following:

"§ 1 In each company the statutory auditor, or, if there is no statutory auditor, an auditor or external accountant appointed by the management body shall prepare a written report on the draft terms of merger.

The statutory auditor, appointed auditor or external accountant must certify in particular whether or not in his opinion the exchange ratio is relevant and reasonable.

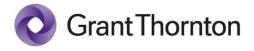
The certificate must mention in any case:

1° the methods pursuant to which the proposed exchange ratio is determined;

2° whether these methods are appropriate in the circumstances and the valuation resulting from each method applied; he must also give an opinion in respect of the relative importance attributed to these methods in the determination of the value taken into account.

The report must state the special valuation difficulties, if any.

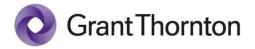
The statutory auditor, appointed auditor or external accountant may in situ inspect all documents useful for the performance of his duties. He may obtain from the companies involved in the merger any clarification and information and carry out any audits he deems necessary.



The present paragraph shall not apply if all the partners or shareholders and the holders of other securities conferring the right to vote of each of the companies involved in the merger have so agreed.

§ 2 If both a report in accordance with § 1 and a report in accordance with Article 12:25, first subparagraph, has been prepared, Articles 5:121, 5:133, 6:110, 7:179 and 7:197, as the case may be, shall not apply to an acquiring company having assumed the legal form of a limited liability company, a cooperative company, a public limited liability company, a European company or a European cooperative society."

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Envisaged transaction

General description of the transaction

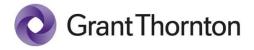
The transaction is described as follows in the written reports drawn up by the management bodies, as prescribed by article 12:25 of the companies and associations Code:

"At the request of Ailanthus (shareholder of Materialise holding 24,8% of its shares) and its shareholders, Mr. Fried Vancraen and Ms. Hilde Ingelaere, in accordance with section 7:126 CCA (the "**Request**"), the board of directors of Materialise and the board of directors of Ailanthus have prepared a joint proposal for merger by acquisition. The joint proposal will be submitted for approval to the respective extraordinary general meetings of shareholders of Materialise and Ailanthus at the request of Ailanthus and its shareholders (hereinafter jointly the "**Applicants**"), in accordance with the provisions of sections 12:2 and 12:24 et seq. of the CCA."

The merger by acquisition is justified by the management body of Ailantus (the "Company") as follows:

"The purpose of the envisaged transaction is to preserve the stability of the shareholding of the founder/reference shareholder of Materialise. The envisaged transaction will enable the transition of the shareholding to the next generation to take place in a favourable manner, making use of the continuity arrangement provided for by Belgian (tax) legislation. If the envisaged reorganization were not implemented, in the event of the untimely death of one of the reference shareholders, the shareholding would be subjected to a financial burden (in the form of inheritance tax) of a magnitude that would substantially threaten the retention of the reference shareholder. Materialise has the utmost interest in keeping the reference shareholding intact, in view of the important contribution that that shareholding has made to date and will continue to make in the future to the growth and further development of Materialise. In view of the potential impact that the disruption of the reference shareholding could have on the share price, the proposed transaction is not only in the interest of Materialise itself, but also in the interest of the other shareholders."

As a result of the transaction, as further explained below, the shareholders of the Company will acquire the same number of shares in Materialise as the Company currently holds in Materialise."



The written report referred to in the previous paragraph, drawn up by each of the management bodies of both companies, has been submitted to us.

The management bodies of Materialise NV and Ailanthus NV have drawn up joint draft terms of merger in accordance with art. 12:24 of the companies and associations Code. This joint merger draft will be submitted to the extraordinary general meeting that will be convened on December 31, 2020 with the aim of ratifying the merger, whereby the total assets and liabilities at that time will be transferred from Ailanthus NV to Materialise NV.

As a result of this merger, Ailanthus NV will be dissolved without being liquidated. The envisaged merger will take place without retroactive effect for accounting and tax purposes.

The exchange ratio consists of 13.428.688 shares of Materialise NV against 58.320 shares of Ailanthus NV. As a result of the envisaged transaction, Materialise NV will acquire 13.428.688 of its own shares, which will be immediately destroyed. As a result of the issuance of 13.428.688 new shares and the cancellation of 13.428.688 own shares, the number of shares in Materialise NV before and after the transaction will remain completely the same.

At the level of the shareholding in Materialise, the envisaged transaction will only result in Mr. Wilfried Vancraen and Ms. Hilde Ingelaere (in addition to the other shares in Materialise already held by Mr. Wilfried Vancraen and Ms. Hilde Ingelaere) holding an equal number of shares in Materialise as was held by Ailanthus prior to the transaction.

This means that after the aforementioned immediate cancellation of 13.428.688 own shares, Materialise's capital will once again amount to EUR 4.096.418,72 and will be represented by 54.169.257 registered shares without par value and with a fractional value equal to approximately EUR 0,0756.

Identification of the companies involved

Acquiring company: Materialise NV

The company Materialise NV was established by deed executed before notary public Luc Weyts, on 28 June 1990, published in the Annexes to the Belgian Official Gazette of 1 August 1990 under number 900801-272.

Materialise NV has its registered office at 3001 Heverlee, Technologielaan 15. Its company number is 0441.131.254.

The capital of the company Materialise NV amounted to EUR 4.096.418.72 on 27 November 2020, represented by 54.169.257 shares without nominal value, each representing an equal part of the capital.

The articles of association were last amended on 27 November 2020 by a correcting deed, before public notary Stijn Raes. To this date, this amendment to the articles of association has not yet been published in the Annexes to the Belgian Official Gazette.



Based on the register of shareholders, the company's shares are held by the following shareholders:

Shareholders	Number of shares
Ailanthus NV	13.428.688
IDEM (maatschap)	12.021.612
Wilfried Vancraen	5.358.299
Hilde Ingelaere	304.635
Overige (incl. beurs)	23.056.023
TOTAL	54.169.257

The object of the company Materialise NV is as follows:

"Het onderzoek, de ontwikkeling en de commercialisatie van additieve manufacturing en aanverwante technologieën en alle dienstverlenings-, engineering en holdingactiviteiten in dit verband, inbegrepen software toepassingen. Dit alles in de meest ruime zin en voor alle bedrijfssectoren.

De vennootschap handelt voor eigen rekening, in consignatie, in commissie, als tussenpersoon of als vertegenwoordiger.

De vennootschap heeft tevens tot voorwerp:

— de aankoop, de verkoop, de ruiling, de bouw, de verbouwing, de valorisatie, de inrichting, de uitbating, de verhuur, de onderverhuur, het beheer, het onderhoud, de verkaveling, de horizontale verdeling en het plaatsen onder gedwongen mede-eigendom, de leasing, de prospectie, de promotie onder alle vormen, van alle onroerende goederen of onroerende zakelijke rechten.

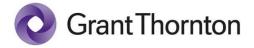
— het beleggen, het intekenen op, het vast overnemen, plaatsen, kopen, verkopen, verhandelen van alle roerende waarden, uitgegeven door Belgische of buitenlandse ondernemingen, al dan niet onder de vorm van handelsvennootschappen, administratiekantoren, instellingen of verenigingen, het beheren van deze beleggingen en participaties;

— het verlenen van advies, management en andere diensten aan alle verbonden vennootschappen of waarmee een deelnemingsverhouding bestaat, in haar hoedanigheid van bestuurder, vereffenaar of anderszins, de leiding waarnemen van, de controle uitoefenen over diezelfde vennootschappen.

Zij mag bij wijze van inbreng in speciën of in natura, van fusie, inschrijving, deelneming, financiële tussenkomst of op een andere wijze, een aandeel nemen in alle bestaande of op te richten vennootschappen of ondernemingen, in België of het buitenland, waarvan het voorwerp identiek, gelijkaardig of verwant is met het hare, of van aard is de uitoefening van haar voorwerp te bevorderen.

In de algemene regel mag de vennootschap alle daden stellen van welke aard dan ook, die rechtstreeks of onrechtstreeks, geheel of gedeeltelijk in verband staan met het voorwerp.

De vennootschap heeft een winstverdelingsdoel. Daarnaast stelt de vennootschap zich tot doel om middels haar bedrijfsvoering en economische activiteiten, een reële positieve impact te hebben op de samenleving en het milieu in het algemeen."



Acquired company: Ailanthus NV

The company Ailanthus NV was established by deed executed before notary public Luc Weyts, on 13 October 1997, published in the Annexes to the Belgian Official Gazette of 4 November 1997 under number 971104.

Ailanthus NV has its registered office at Jan Vander Vorstlaan 19, 3040 Huldenberg. Its company number is 0461.745.338.

The share capital of the company Ailanthus NV amounted to EUR 12.478.067,20 at September 30, 2020, represented by 58.320 shares without nominal value, each representing an equal part of the capital.

Based on the register of shareholders, the company's shares are held by the following shareholders:

Shareholders	Number of shares
Hilde Ingelaere	57.737
Wilfried Vancraen	583
TOTAL	58.320

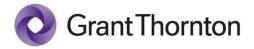
The object of the company Ailanthus NV is as follows:

"1. Het bij wijze van inschrijvingen, inbreng, fusie, samenwerking, financiële tussenkomst af anderszins verwerven van een belang of deelneming in alle bestaande of nog op te richten vennootschappen zonder onderscheid, in België of in het buitenland.
Het beheren, valoriseren of te gelde maken van deze participaties of belangen in het algemeen het stellen van alle handelingen of daden die nodig of nuttig zijn voor het beheer van dit roerend patrimonium van de vennootschap.
De vennootschap kan ondermeer rechtstreeks of onrechtstreeks deelnemen aan het bestuur, de directie, de controle en de vereffening van de vennootschappen waarin zij een belang of deelneming heeft.

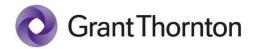
2. Het op om het even welke wijze verwerven van intellectuele rechten, patenten, tekeningen, modellen en merken, deze exploiteren, valoriseren, in waarde stellen en te gelde maken.

3. Het aankopen, ruilen of anderszins verwerven, het verkopen, huren, verhuren, in leasing geven of nemen, verkavelen, doen bouwen, doen verbouwen, doen bebouwen van alle al dan niet bebouwde onroerende goederen in België en in het buitenland, alsmede het verrichten van alle handelingen die nodig, nuttig of dienstig zijn voor het beheren en uitbaten van dit onroerend patrimonium van de vennootschap.

Zij kan alle hoegenaamde handels-, nijverheids-, financiële, roerende en onroerende verrichtingen uitvoeren, die rechtstreeks of onrechtstreeks in verband staan met haar doel of die van aard zijn dit te begunstigen.



Zij kan zich ten gunste van de vennootschappen waarin zij een belang of deelneming heeft borgstellen of haar aval verlenen, optreden als agent of vertegenwoordiger, voorschotten toestaan, kredieten verlenen, hypothecaire of andere zekerheden verstrekken."



The administrative and accounting organisation of the companies concerned

The administrative and accounting organization of the companies involved in the merger have enabled us to form an opinion on the validity of the financial documents underlying the valuations applied.



The compensation granted in return

The exchange ratio

In the report, the management bodies propose, as an exchange ratio, to grant 13.428.688 shares of Materialise NV for 58.320 shares of Ailanthus NV. The transaction will therefore be remunerated by the issue of 13.428.688 shares of Materialise NV in exchange for 58.320 shares of Ailanthus NV.

The capital of Materialise NV after the merger and the intended subsequent cancellation of own shares will be represented by 54.169.257 shares without nominal value, divided as follows:

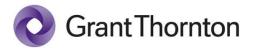
Shareholders	Number of shares
IDEM maatschap	12.021.612
Wilfried Vancraen	5.492.540
Hilde Ingelaere	13.599.082
Overige	23.056.023
TOTAL	54.169.257

Mr. Wilfried Vancraen and Mrs. Hilde Ingelaere are currently the sole shareholders of Ailanthus NV. Ailanthus NV holds 13.428.688 shares in Materialise NV. Prior to the proposed merger by acquisition of Ailanthus NV by Materialise NV, Ailanthus NV will proceed with a partial demerger, as a result of which the assets of Ailanthus NV at the time of the proposed merger will consist exclusively of these 13.428.688 shares in Materialise NV and the corresponding shareholders' equity.

As appears from the written reports drawn up by the management bodies, as required by article 12:25 of the Companies and Associations Code, at the time of the merger this equity will amount to \notin 2,272,938.14. Prior to the merger by acquisition planned on 31 December 2020, all assets and all liabilities and all rights and obligations of whatever nature, with the sole exception of all 13.428.688 shares held by Ailanthus NV in Materialise NV, will be transferred to a newly established company, Lunebeke NV. Based on the balance sheet of 30 September 2020 of Ailanthus NV, the equity to be contributed to the company Lunebeke NV amounts to a total of \notin 12.956.316.

Immediately after the envisaged merger, Materialise NV will proceed with the cancellation of the own shares that it will have acquired by acquisition pursuant to the merger.

The aforementioned issue of 13.428.688 new shares in Materialise NV to the shareholders of Ailanthus NV and the aforementioned cancellation by Materialise NV of 13.428.688 of



its own shares will result in an equal number of shares in Materialise NV held by Ailanthus NV being held directly by Mr. Wilfried Vancraen and Mrs. Hilde Ingelaere, on top of the other shares in Materialise NV already held by Mr. Wilfried Vancraen and Mrs. Hilde Ingelaere.

Applied valuation method

As set out in the report of the management body of Ailanthus NV as well as in the merger proposal, the management body subjects the proposed merger, and consequently the valuation of the companies involved in the proposed merger and the resulting exchange ratio, to the following suspensive conditions:

1) A positive decision of the Office for Rulings in Fiscal Matters that confirms the tax neutrality of the proposed merger for both Ailanthus NV and Materialise NV;

2) implementation of the aforementioned partial demerger of Ailanthus NV, as a result of which Ailanthus NV' assets and liabilities will consist solely of the 13.428.688 shares held by Ailanthus NV in Materialise NV (and the corresponding accounting equity components); and

3) the reaching of a final agreement between Materialise NV, on the one hand, and Lunebeke NV, Ailanthus NV and its shareholders (Mr Wilfried Vancraen and Mrs Hilde Ingelaere), on the other hand, concerning the undertaking given by Lunebeke NV, Ailanthus NV and its shareholders (Mr Wilfried Vancraen and Mrs Hilde Ingelaere) to Materialise NV to reimburse Materialise NV for all costs incurred by Materialise NV, all possible liabilities of Materialise NV and all possible negative tax consequences for certain of its shareholders (if such liabilities and/or consequences should exist) as a result of the intended merger.

In order to determine the exchange ratio in the context of the merger, the management body of Materialise NV proposes in its report to use as a basis the average stock market price of the Materialise NV shares (in a one-to-one ratio represented by American Depository Shares) on the Nasdaq stock exchange during the period of 30 calendar days from October 27, 2020 up to and including November 25, 2020.

The management body of Materialise NV considers in its report that the average share price of Materialise NV shares over the last 30 calendar days is the most relevant measure for the valuation of both Materialise NV itself and Ailanthus NV since, after the aforementioned partial demerger, Ailanthus NV does not hold any assets or liabilities other than the 13.428.688 shares in Materialise NV.

Furthermore, the management body in its report is of the opinion that, provided that the conditions mentioned above are met, the most reasonable exchange ratio is that of Materialise NV and its existing shareholders which, after completion of the proposed merger, will remain unchanged. The Board of Directors concludes that, provided that the aforementioned valuation method is applied, the proposed merger will only result in the cancellation of the 13.428.688 "old" shares in Materialise NV and that the shareholders of Ailanthus NV, Mr Wilfried Vancraen and Mrs Hilde Ingelaere, will hold 13.428.688 "new" shares in Materialise NV, to which exactly the same rights and obligations are attached.

The value of the companies thus obtained on 27 November 2020 is as follows respectively EUR 1.816.187.530 for Materialise NV and EUR 450.237.220 for Ailanthus



NV.

Determination of the exchange ratio of the shares

The calculation method described above leads to the following values per share:

- The average value of a share of Materialise NV amounts to EUR 33,5280 based on the value of EUR 1.816.187.530 divided by the number of shares issued, i.e. 54.169.257 shares;

- The average value of a share of Ailanthus NV amounts to EUR 7.720,1169 based on the value of EUR 450.237.220 divided by the number of shares issued, i.e. 58.320 shares.

The exchange ratio consists of 13.428.688 shares of Materialise NV against 58.320 shares of Ailanthus NV.

Assessment of the valuation methods used and "reasonableness" of the exchange ratio

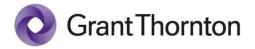
The valuation method based on the market value, which in turn is based on the market value on the average share price of Materialise NV during the period of 30 calendar days from 27 October 2020 to 25 November 2020 is correctly applied, and is economically justifiable if at the time of the proposed merger the conditions precedent as laid down by the management body in its special report and stipulated in the merger proposal, will be satisfied, i.e:

1) A positive decision of the Office for Rulings in Fiscal Matters that confirms the tax neutrality of the proposed merger for both Ailanthus NV and Materialise NV;

2) implementation of the aforementioned partial demerger of Ailanthus NV, as a result of which Ailanthus NV' assets and liabilities will consist solely of the 13.428.688 shares held by Ailanthus NV in Materialise NV (and the corresponding accounting equity components); and

3) the reaching of a final agreement between Materialise NV, on the one hand, and Lunebeke NV, Ailanthus NV and its shareholders (Mr Wilfried Vancraen and Mrs Hilde Ingelaere), on the other hand, concerning the undertaking given by Lunebeke NV, Ailanthus NV and its shareholders (Mr Wilfried Vancraen and Mrs Hilde Ingelaere) to Materialise NV to reimburse Materialise NV for all costs incurred by Materialise NV, all possible liabilities of Materialise NV and all possible negative tax consequences for certain of its shareholders (if such liabilities and/ or consequences should exist) as a result of the intended merger.

Under the aforementioned conditions, the valuation method used results in an exchange ratio that is relevant and reasonable. The management body states that other valuation methods would not lead to a more relevant or more reasonable valuation.



Carried out activities

Our work was carried out in accordance with the applicable professional standards in Belgium and in particular the standard on the control of mergers and demergers of companies.

We have been provided with the documents and accounting documents, which we deemed necessary for an assessment of the planned transaction, including:

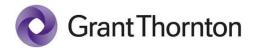
- 1. The coordinated articles of association of the companies concerned;
- 2. The merger proposal;
- 3. The reports of the management bodies;
- 4. The financial statements of the acquired company of September 30, 2020;
- 5 The financial statements of the acquiring company of September 30, 2020;
- 6. A copy of the shareholders' register of the acquired company;
- 7. A copy of the shareholders' register of the acquiring company;

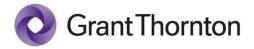
8. Supporting calculations and related documentation to support the average share price of Materialise NV during the period of 30 calendar days from 27 October 2020 to 25 November 2020;

9. Proposal for a partial demerger by incorporation of the company Lunebeke NV by the company Ailanthus NV;

10. Draft agreement between Materialise NV, on the one hand, and Lunebeke NV, on the other hand, and its shareholders Mr. Wilfried Vancraen and Mrs. Hilde Ingelaere, as regards the pledge made by Lunebeke NV, Ailanthus NV and its shareholders to pay all costs of Materialise NV, all possible liabilities of Materialise NV and all possible tax-damaging consequences for certain of its shareholders (if there are any such liabilities and/or consequences) as a result of the proposed merger; and

11. A draft of the request to become a positive decision of the Office for Rulings in Fiscal Matters that confirms the tax neutrality of the proposed merger for both Ailanthus and Materialise.





Auditor's conclusion to the extraordinary general meeting of the company

We have studied the merger proposal drawn up by the management bodies of Materialise NV and Ailanthus NV relating to the merger by acquisition of Ailanthus NV by Materialise NV. This transaction will enter into force for accounting purposes on 31 December 2020 at 0:00 am. The transaction will be realized according to an exchange ratio whereby 13.428.688 shares of Materialise NV will be allocated in exchange for 58.320 shares of Ailanthus NV. The proposed merger will be remunerated by the issue of 13.428.688 new shares of Materialise NV, during the extraordinary general meeting that will decide on the merger.

The companies concerned were valued in an identical manner and more specifically on the basis of the average share price of Materialise NV (represented in a one-to-one ratio by American Depository Shares) on the Nasdaq stock exchange during the period of 30 calendar days from 27 October 2020 to 25 November 2020. This method resulted in a value of respectively EUR 1.816.187.530 for Materialise NV and EUR 450.237.220 for Ailanthus NV.

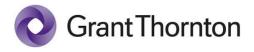
The exchange ratio was established by the ratio of the value of a share of each of the companies, being EUR 33,5280 for Materialise NV and EUR 7.720,1169 for Ailanthus NV. This means that for 1 share in Ailanthus NV approximately 230,2587 shares in Materialise NV will be issued.

As a result of the work carried out by us, in accordance with the professional standards applicable in Belgium and in particular the standard on the control of merger and demerger transactions of companies, we believe that the exchange ratio is relevant and reasonable, provided that at the time of the proposed merger the conditions precedent stipulated by the governing body in its special report and in the merger proposal will be fulfilled, i.e:

1) A positive decision of the Office for Rulings in Fiscal Matters that confirms the tax neutrality of the proposed merger for both Ailanthus NV and Materialise NV;

2) implementation of the aforementioned partial demerger of Ailanthus NV, as a result of which Ailanthus NV' assets and liabilities will consist solely of the 13.428.688 shares held by Ailanthus NV in Materialise NV (and the corresponding accounting equity components); and

3) the reaching of a final agreement between Materialise NV, on the one hand, and Lunebeke NV, Ailanthus NV and its shareholders (Mr Wilfried Vancraen and Mrs Hilde Ingelaere), on



the other hand, concerning the undertaking given by Lunebeke NV, Ailanthus NV and its shareholders (Mr Wilfried Vancraen and Mrs Hilde Ingelaere) to Materialise NV to reimburse Materialise NV for all costs incurred by Materialise NV, all possible liabilities of Materialise NV and all possible negative tax consequences for certain of its shareholders (if such liabilities and/or consequences should exist) as a result of the intended merger.

Finally, we would like to make clear that our assignment is not to make a statement regarding the legality and fairness of the transaction, or in other words, that our report is not a 'fairness opinion'.

This report has been drawn up in accordance with article 12:26 of the companies and associations Code and is intended solely for the shareholders and only in the context of the proposed merger, as described above, and may not be used for any other purpose.

Antwerp, November 30, 2020

Grant Thornton Bedrijfsrevisoren CVBA represented by

Steven Pazen

Auditor