

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 20-F/A  
(Amendment No. 1)**

**REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2018

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 001-36515

**MATERIALISE NV**  
(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

Kingdom of Belgium

(Jurisdiction of incorporation or organization)

Technologielaan 15, 3001 Leuven, Belgium

(Address of principal executive offices)

Peter Leys, telephone +32 (16) 39 66 11, facsimile +32 (16) 39 66 00, Technologielaan 15, 3001 Leuven, Belgium

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class

American Depositary Shares, each representing one  
Ordinary Share, no nominal value per share  
Ordinary Shares, no nominal value per share\*

Trading Symbol(s)

MTLS

Name of each exchange on which registered

The NASDAQ Stock Market LLC

The NASDAQ Stock Market LLC

\* Not for trading but only in connection with the registration of the American Depositary Shares pursuant to the requirements of the Securities and Exchange Commission.

Securities registered or to be registered pursuant to Section 12(g) of the Act: None.

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None.

The number of outstanding shares of each of the issuer's classes of capital or common stock as of December 31, 2018 was: 52,890,761 Ordinary Shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.  Yes  No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act.

† The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP  International Financial Reporting Standards as issued by the International Accounting Standards Board  Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.  Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.).  Yes  No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.  Yes  No

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## EXPLANATORY NOTE

This Amendment No. 1 on Form 20-F/A (this “Amendment”) amends the Annual Report on Form 20-F for the year ended December 31, 2018 of Materialise NV (the “Company”), as originally filed with the U.S. Securities and Exchange Commission on April 30, 2019 (the “Original Form 20-F”). The Company is filing this Amendment solely to include the financial statements and related notes of RSPRINT Powered by Materialise NV (“RSPRINT”) as required by Rule 3-09 of Regulation S-X under the Securities Exchange Act of 1934, as amended (“Rule 3-09”).

The Company owns a 50% non-controlling interest in RSPRINT and accounts for RSPRINT using the equity method of accounting. RSPRINT met the significance test of an equity investee as of and for the years ended December 31, 2017 and 2016.

The Form 20-F is being further amended to include as exhibits: (i) unaudited financial statements of RSPRINT as of and for the year ended December 31, 2018 and audited financial statements of RSPRINT as of and for the years ended December 31, 2017 and 2016, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; (ii) the consent of BDO Bedrijfsrevisoren CVBA, the independent auditor of RSPRINT; (iii) certifications by the Company’s Chief Executive Officer and Chief Financial Officer and (iv) the Description of Securities required pursuant to amendments to Form 20-F that became effective subsequent to the filing of the Original Form 20-F.

Other than as required to reflect the amendments discussed above, this Amendment does not, and does not purport to, amend, update or restate any other information in the Original Form 20-F, or reflect any events that have occurred after the filing of the Original Form 20-F.

## PART III

### ITEM 19. EXHIBITS

- 1.1\* [Restated Articles of Association of Materialise NV \(English translation\)](#)
- 2.1 [Deposit Agreement, dated as of June 24, 2014, among Materialise NV and The Bank of New York Mellon \(incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form F-1 \(File No. 333-194982\)\)](#)
- 2.2 [Form of American Depositary Receipt \(included in Exhibit 2.1\)](#)
- 2.3 [Description of Securities](#)

Certain instruments relating to long-term debt as to which the total amount of securities authorized thereunder does not exceed 10% of the total assets of Materialise NV and its subsidiaries on a consolidated basis have been omitted in accordance with Form 20-F. The Company hereby agrees to furnish a copy of any such instrument to the SEC upon request.
- 4.1 [2013 Warrant Plan \(English translation\) \(incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form F-1 \(No. 333-194982\)\)](#)
- 4.2 [2014 Warrant Plan \(English translation\) \(incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form F-1 \(No. 333-194982\)\)](#)
- 4.3 [Form of Warrant Agreement under 2014 Warrant Plan \(English translation\) \(incorporated by reference to Exhibit 4.6 to the Company's Registration Statement on Form S-8 \(No. 333-197236\)\)](#)
- 4.4 [2015 Warrant Plan \(English translation\) \(incorporated by reference to Exhibit 4.5 to the Company's Annual Report on Form 20-F for the year ended December 31, 2015\)](#)
- 4.5 [Form of Warrant Agreement under 2015 Warrant Plan \(English translation\) \(incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form S-8 \(File No. 333-212445\)\)](#)
- 4.6 [Registration Rights Agreement, dated September 15, 2016, among Materialise NV and the Holders party thereto \(incorporated by reference to Exhibit 4.8 to the Company's Registration Statement on Form F-3 \(No. 333-213649\)\)](#)
- 4.7+ [Share and Loan Purchase and Transfer Agreement, dated October 4, 2017, among Materialise GmbH, Materialise N.V. and the Sellers party thereto \(incorporated by reference to Exhibit 4.9 to the Company's Annual Report on Form 20-F for the year ended December 31, 2017\)](#)
- 8.1\* [Subsidiaries of Materialise NV](#)
- 12.1\* [Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)
- 12.2\* [Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)
- 12.3 [Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)
- 12.4 [Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)
- 13.1\* [Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)
- 13.2\* [Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)
- 13.3 [Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)
- 13.4 [Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)
- 23.1\* [Consent of BDO Bedrijfsrevisoren CVBA, independent registered public accounting firm](#)
- 23.2 [Consent of BDO Bedrijfsrevisoren CVBA, independent accountants](#)
- 99.1 [Financial Statements of RSPRINT Powered by Materialise NV, as of and for the years ended December 31, 2018, 2017 and 2016](#)

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101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	XBRL Taxonomy Extension Definition Linkbase
101.LAB*	XBRL Taxonomy Extension Label Linkbase
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase

\* Previously filed with the Original Form 20-F.

+ The registrant has omitted portions of the referenced exhibit pursuant to a request for confidential treatment under Rule 24b-2 promulgated under the Exchange Act.

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**Signatures**

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Amendment No.1 to the annual report on its behalf.

MATERIALISE NV

By: /s/ Wilfried Vancraen

Name: Wilfried Vancraen

Title: Chief Executive Officer

Date: June 28, 2019

## DESCRIPTION OF SECURITIES

The following description is a summary of certain information relating to the share capital of Materialise NV, certain provisions of the restated articles of association of Materialise NV, or our articles of association, the Belgian Company Code and the deposit agreement governing the American Depositary Shares, or ADSs, each representing one ordinary share. For the purposes of the following description, except as otherwise required by the context, references to “Materialise,” “Company,” “we,” “us” and “our” are to Materialise NV, and “you” refers to holders of the ADSs. Because this description is a summary, it may not contain all information which is important to you. Accordingly, this description is qualified entirely by reference to our articles of association, the deposit agreement and the form of ADR, copies of which have been publicly filed with the Securities and Exchange Commission, or the SEC.

The following description includes comparisons of certain provisions of our articles of association and the Belgian Company Code applicable to us and the Delaware General Corporation Law, or the DGCL, the law under which many publicly listed companies in the United States are incorporated. Because such statements are summaries, they do not address all aspects of Belgian law that may be relevant to us and our shareholders or all aspects of Delaware law which may differ from Belgian law, and are not intended to be a complete discussion of the respective rights.

### **Share Capital**

Our share capital is represented by registered ordinary shares with no nominal but par value of €0.058 (rounded). Our share capital is fully paid-up. There are no separate classes of shares. The respective number of our ordinary shares issued and outstanding as of the last day of the fiscal year to which the annual report to which this description is attached or incorporated by reference as an exhibit pertains is given on the cover page of such annual report.

On June 30, 2014, we sold 8,000,000 ADSs in our initial public offering at a price of \$12.00 per ADS. In connection with the closing of our initial public offering, we converted our outstanding Class A ordinary shares, Class B ordinary shares and Class C ordinary shares into ordinary shares and effected a stock split of our outstanding ordinary shares, whereby each ordinary share was converted into four ordinary shares.

### ***Form and Transferability of Our Shares***

All of our shares belong to the same class of securities and are in registered form.

All of our outstanding shares are fully paid-up and freely transferable, subject to any contractual restrictions.

### ***Currency***

All of our shares are denominated in euro.

### ***Changes to Our Share Capital***

Changes to our share capital are decided by our shareholders. Our shareholders may at any time at a shareholders’ meeting decide to increase or decrease our share capital. Such resolution must satisfy the quorum and majority requirements that apply to an amendment of the articles of association, as described below in “—Description of the Rights and Benefits Attached To Our Shares—Right to Attend and Vote at Our Shareholders’ Meetings—Quorum and Majority Requirements.” No shareholder is liable to make any further contribution to our share capital other than with respect to shares held by such shareholder that are not fully paid-up.

### ***Share Capital Increases by Our Board of Directors***

Subject to the quorum and majority requirements described below in “—Description of the Rights and Benefits Attached To Our Shares—Right to Attend and Vote at Our Shareholders’ Meeting—Quorum and Majority Requirements,” our shareholders’ meeting may authorize our board of directors, within certain limits, to increase our share capital without any further approval of our shareholders. A capital increase that is authorized in this manner is referred to as authorized capital. This authorization can only be granted for a renewable period of a maximum of five years and may not exceed the amount of the registered share capital at the time of the authorization.

At our annual ordinary general shareholders’ meeting of June 4, 2019, our shareholders authorized our board of directors, for a period of five years from the date of publication of the changes to the articles of association decided by our shareholders’ meeting on June 4, 2019, to increase our share capital, in one or more transactions, up to a maximum amount equal to the amount of our share capital as of the date of the annual ordinary general shareholders’ meeting.

#### *Preferential Subscription Rights*

In the event of a share capital increase for cash through the issuance of new shares, or in the event we issue convertible bonds or warrants, our existing shareholders have a preferential right to subscribe, pro rata, to the new shares, convertible bonds or warrants. These preferential subscription rights are transferable during the subscription period. Our board of directors may decide that preferential subscription rights which were not exercised, or were only partly exercised, by any shareholders shall accrue proportionally to the other shareholders who have already exercised their preferential subscription rights, and shall fix the practical terms for such subscription.

Our shareholders may, at a shareholders’ meeting, decide to limit or cancel this preferential subscription right, subject to special reporting requirements. Such decision by the shareholders must satisfy the same quorum and majority requirements as the decision to increase our share capital. Shareholders may also decide to authorize our board of directors to limit or cancel the preferential subscription right within the framework of the authorized capital, subject to the terms and conditions set forth in the Belgian Company Code. Our board of directors currently has the authority to increase the share capital within the framework of the authorized capital, and the right to limit or cancel the preferential subscription right within the framework of the authorized capital. See also “—Share Capital Increases by Our Board of Directors” above. Generally, unless expressly authorized in advance by the shareholders’ meeting, the authorization of our board of directors to increase the share capital through contributions in cash with cancellation or limitation of the preferential subscription right of the existing shareholders is suspended as of the notification to us by the Belgian Financial Services and Markets Authority, or the FSMA, of a public takeover bid for our securities.

Under the DGCL, stockholders of a Delaware corporation have no preemptive rights to subscribe for additional issues of stock or to any security convertible into such stock unless, and to the extent that, such rights are expressly provided for in the corporation’s certificate of incorporation.

#### *Purchases and Sales of Our Own Shares*

We may only repurchase our own shares pursuant to authorization of our shareholders at a shareholders’ meeting taken under the conditions of quorum and majority provided for in the Belgian Company Code. Pursuant to the Belgian Company Code, such a decision requires a quorum of shareholders holding an aggregate of at least 50% of the share capital and approval by a majority of at least 80% of the share capital present or represented. If there is no quorum, a second meeting must be convened. No quorum is required at the second meeting, but the relevant resolution must be approved by a majority of at least 80% of the share capital present or represented. Any offer by us to purchase our own shares must be made on the same terms and conditions to all of our shareholders.

Under the DGCL, a Delaware corporation may purchase or redeem its own shares unless the capital of the corporation is impaired or the purchase or redemption would cause an impairment of the capital of the corporation.

Our board of directors is authorized to acquire our own shares if such acquisition is necessary to prevent serious and imminent harm to us. This authorization is valid for three years from the date of the publication of the authorization in the Annexes to the Belgian State Gazette (*Belgisch Staatsblad/Moniteur belge*).

Our board of directors is also authorized to sell our own shares at a price that it determines. This authorization is valid without restriction in time. The authorization is also valid for the sale of our shares by one of our direct subsidiaries, as defined in Article 627 of the Belgian Company Code.

### **Exchange Controls and Limitations Affecting Shareholders**

There are no Belgian exchange control regulations that impose limitations on our ability to make, or the amount of, cash payments to residents of the United States.

### **Belgian Legislation**

#### ***Disclosure of Significant Shareholdings***

The Belgian Law of May 2, 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market and containing various provisions does not apply to us. However, in accordance with U.S. federal securities laws, holders of our ordinary shares and holders of ADSs representing our ordinary shares will be required to comply with disclosure requirements relating to their ownership of our securities. Any person who, after acquiring beneficial ownership of our ordinary shares or ADSs representing our ordinary shares, is the beneficial owners of more than 5% of our outstanding ordinary shares or ordinary shares underlying ADSs must file with the Securities and Exchange Commission a Schedule 13D or Schedule 13G, as applicable, disclosing the information required by such schedules, including the number of our ordinary shares or ordinary shares underlying ADSs that such person has acquired (whether alone or jointly with one or more other persons). In addition, if any material change occurs in the facts set forth in the report filed on Schedule 13D (including a more than 1% increase or decrease in the percentage of the total shares beneficially owned), the beneficial owner must promptly file an amendment disclosing such change.

#### ***Public Takeover Bids***

Public takeover bids in Belgium for our shares or other securities giving access to voting rights are subject to supervision by the FSMA. Public takeover bids must be extended to all of the voting securities, as well as all other securities giving access to voting rights. Prior to making a bid, a bidder must publish a prospectus which has been approved by the FSMA prior to publication.

However, the Belgian rules on mandatory takeover bids, which provide that a mandatory bid must be launched if a person, as a result of its own acquisition or the acquisition by persons acting in concert with it or by persons acting for their account, directly or indirectly holds more than 30% of the voting securities in a Belgian listed company, are not applicable to us.

#### ***Squeeze-out***

Pursuant to Article 513 of the Belgian Company Code and the regulations promulgated thereunder, a person or legal entity, or different persons or legal entities acting alone or in concert, who own together with the company 95% of the securities with voting rights in a public company are entitled to acquire the totality of the securities with voting

rights in that company following a squeeze-out offer. The securities that are not voluntarily tendered in response to such an offer are deemed to be automatically transferred to the bidder at the end of the procedure. At the end of the procedure, the company is no longer deemed a public company, unless bonds issued by the company are still spread among the public. The consideration for the securities must be in cash and must represent the fair value (verified by an independent expert) in order to safeguard the interests of the transferring shareholders.

The DGCL provides for stockholder appraisal rights, or the right to demand payment in cash of the judicially determined fair value of the stockholder's shares, in connection with certain mergers and consolidations.

### **Limitations on the Right to Own Securities**

Neither Belgian law nor our articles of association impose any general limitation on the right of non-residents or foreign persons to hold our securities or exercise voting rights on our securities other than those limitations that would generally apply to all shareholders.

### **Description of the Rights and Benefits Attached To Our Shares**

#### ***Right to Attend and Vote at Our Shareholders' Meetings***

##### *Annual Shareholders' Meeting*

Our annual shareholders' meeting will be held on the first Tuesday in June of each year, at 10 a.m., or at any other time, at our registered office or at any other place in Belgium mentioned in the notice of the meeting. If this date falls on a legal holiday in Belgium, the meeting is held on the next business day in Belgium (excluding Saturday) at the same time.

##### *Special and Extraordinary Shareholders' Meetings*

Our board of directors or the statutory auditor (or the liquidators, if appropriate) may, whenever our interests so require, convene a special or extraordinary shareholders' meeting. Such shareholders' meeting must also be convened when one or more shareholders holding at least one-fifth of our share capital so demands.

Under the DGCL, special meetings of the stockholders of a Delaware corporation may be called by such person or persons as may be authorized by the certificate of incorporation or by the bylaws of the corporation, or if not so designated, as determined by the board of directors. Stockholders generally do not have the right to call meetings of stockholders unless that right is granted in the certificate of incorporation or the bylaws.

##### *Notices Convening Shareholders' Meetings*

Notices of our shareholders' meetings contain the agenda of the meeting indicating the items to be discussed as well as any proposed resolutions that will be submitted at the meeting. Other than in connection with a demand to convene a special or extraordinary shareholders' meeting as described above, shareholders may not submit matters to be voted upon at our shareholders' meetings.

Notices are sent 15 days prior to the date of our shareholders' meeting to the holders of our registered shares, holders of our registered warrants and convertible bonds, and to our directors and our statutory auditor.

We publish on our website the notices of all our shareholders' meetings and all related documents, such as specific board and auditor's reports.

Under the DGCL, unless otherwise provided in the certificate of incorporation or by-laws, written notice of any meeting of the stockholders of a Delaware corporation must be given to each stockholder entitled to vote at the meeting not less than 10 nor more than 60 days before the date of the meeting and shall specify the place, date, hour, and, in the case of a special meeting, the purpose of the meeting.

##### *Admission to Meetings*

All holders of our shares are entitled to attend our shareholders' meeting, take part in the deliberations and, within the limits prescribed by the Belgian Company Code, vote.

Shareholders wishing to attend and participate in the shareholders' meeting must have the ownership of their shares recorded in their names on the third business day preceding the day of the meeting through registration in the shareholders' register. Our board of directors may make attendance and participation in the shareholders' meeting subject to a requirement for shareholders to express, on a date prior to the meeting to be determined by our board of directors, their intention to attend the meeting and the number of shares in respect of which they intend to exercise voting rights.

#### *Votes*

Each of our ordinary shares is entitled to one vote except for shares owned by us, or by any of our direct subsidiaries, the voting rights of which are suspended.

Voting rights can also be suspended in relation to shares:

- which are not fully paid-up, notwithstanding the request thereto of our board of directors;
- to which more than one person, or a legal entity represented by two or more persons acting as a board, is entitled, except in the event a single representative is appointed for the exercise of the voting rights; and
- for which the voting rights were suspended by a competent court.

The ordinary shares held by our principal shareholders do not entitle such shareholders to different voting rights, except that as long as Wilfried Vancraen, our founder and Chief Executive Officer, Hilde Ingelaere, an Executive Vice President of our company who is also Mr. Vancraen's spouse, and their three children, Linde, Sander and Jeroen Vancraen, or collectively, the Family Shareholders, control, directly or indirectly, in the aggregate at least 20% of the voting rights attached to our ordinary shares company, a majority of our directors must be appointed by our shareholders from a list of candidates proposed by the Family Shareholders.

Any shareholder with the right to vote may either personally participate in the meeting or give a proxy to another person, who need not be a shareholder, to represent such shareholder at the meeting. All proxies must be in writing in accordance with the form prescribed by us and must be received by us no later than the date determined by our board of directors. Our articles of association do not allow shareholders to vote electronically.

#### *Quorum and Majority Requirements*

Generally, there is no quorum requirement for our shareholders' meetings, except as provided for by law in relation to decisions regarding certain matters. Decisions are made by a simple majority, except where the law provides for a special majority.

Under the DGCL, the certificate of incorporation or bylaws of a Delaware corporation may specify the number of shares required to constitute a quorum but in no event shall a quorum consist of less than one-third of shares entitled to vote at a meeting. In the absence of such specifications, a majority of shares entitled to vote shall constitute a quorum.

Matters involving special legal quorum and majority requirements include, among others, amendment to the articles of association, issues of new shares, convertible bonds or warrants and decisions regarding mergers and demergers, which require at least 50% of the share capital to be present or represented and the affirmative vote of the holders of at least 75% of the votes cast. If the quorum is not reached, a second meeting may be convened at which no quorum requirement applies. The special majority requirement for voting, however, remains applicable.

Any modification of our corporate purpose or legal form requires a quorum of shareholders holding an aggregate of at least 50% of the share capital and approval by a majority of at least 80% of the share capital present or represented. If there is no quorum, a second meeting must be convened. At the second meeting, no quorum is required, but the relevant resolution must be approved by a majority of at least 80% of the share capital present or represented.

### *Right to Ask Questions at our Shareholders' Meeting*

Within the limits of Article 540 of the Belgian Company Code, members of the board of directors will answer, during the shareholders' meeting, the questions raised by shareholders. Shareholders can ask questions either during the meeting or in writing, provided that we receive the written questions at the latest on the third business day preceding the shareholders' meeting.

### **Dividends**

All shares participate equally in our profits (if any) as of and for the entire fiscal year starting on January 1. In general, we may only pay dividends if approved at our shareholders' meeting, although our board of directors may, subject to certain conditions, pay an interim dividend without shareholder approval in accordance with the provisions of the Belgian Company Code. Dividends are paid on the dates and at the places determined by our board of directors.

The Belgian Company Code provides that dividends can only be paid up to an amount equal to the excess of our shareholders' equity over the sum of (i) paid-up or called-up share capital and (ii) reserves not available for distribution pursuant to law or the articles of association. Under Belgian law and our articles of association, we must allocate at least 5% of our annual net profit under our statutory non-consolidated accounts (prepared in accordance with Belgian GAAP) to a legal reserve until the reserve equals 10% of our share capital. Our legal reserve currently meets this requirement.

Under the DGCL, a Delaware corporation may pay dividends out of its surplus (the excess of net assets over capital), or in case there is no surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year (provided that the amount of the capital of the corporation is not less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets). Dividends may be paid in the form of shares, property or cash.

### **Appointment of Directors**

Our articles of association provide that, as long as the Family Shareholders control, directly or indirectly, in the aggregate at least 20% of the voting rights attached to our ordinary shares company, a majority of our directors must be appointed by our shareholders from a list of candidates proposed by the Family Shareholders.

### **Liquidation Rights**

Our company can only be dissolved by a shareholders' resolution passed with a majority of at least 75% of the votes cast at an extraordinary shareholders' meeting where at least 50% of the share capital is present or represented.

Under the DGCL, unless the board of directors approves the proposal to dissolve, dissolution of a Delaware corporation must be approved by stockholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. The DGCL allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board.

In the event of the dissolution and liquidation of our company, the assets remaining after payment of all debts and liquidation expenses will be distributed to the holders of our shares, each receiving a sum on a pro rata basis.

If, as a result of losses incurred, the ratio of our net assets (determined in accordance with Belgian legal and accounting rules) to share capital is less than 50%, our board of directors must convene a general shareholders' meeting within two months of the date upon which our board of directors discovered or should have discovered this undercapitalization. At this shareholders' meeting our board of directors needs to propose either our dissolution or our continuation, in which case our board of directors must propose measures to address our financial situation. Our

board of directors must justify its proposals in a special report to the shareholders. Shareholders representing at least 75% of the votes validly cast at this meeting have the right to dissolve us, provided that at least 50% of our share capital is present or represented at the meeting.

If, as a result of losses incurred, the ratio of our net assets to share capital is less than 25%, the same procedure must be followed, it being understood, however, that in the event shareholders representing 25% of the votes validly cast at the meeting can decide to dissolve us. If the amount of our net assets has dropped below €61,500 (the minimum amount of share capital of a Belgian limited liability company), any interested party is entitled to request the competent court to dissolve us. The court can order our dissolution or grant a grace period during which time we must remedy the situation.

Holders of ordinary shares have no sinking fund, redemption or appraisal rights.

### **American Depositary Shares Representing Our Ordinary Shares**

The Bank of New York Mellon serves as the depository for the ADSs. Each ADS represents one ordinary share (or a right to receive one ordinary share) deposited with the principal Amsterdam office of ING Securities Services, Inc., as custodian for the depository. Each ADS also represents any other securities, cash or other property which may be held by the depository. The depository's corporate trust office at which the ADSs are administered is located at 240 Greenwich Street, New York, New York 10286. The Bank of New York Mellon's principal executive office is located at 240 Greenwich Street, New York, New York 10286.

You may hold ADSs either (i) directly (x) by having an American Depositary Receipt, or ADR, which is a certificate evidencing a specific number of ADSs, registered in your name, or (y) by having ADSs registered in your name in the Direct Registration System, or (ii) indirectly by holding a security entitlement in ADSs through your broker or other financial institution. If you hold ADSs directly, you are a registered ADS holder, or ADS holder. This description assumes you are an ADS holder. If you hold the ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of ADS holders described in this section. You should consult with your broker or financial institution to find out what those procedures are.

The Direct Registration System, or DRS, is a system administered by The Depository Trust Company, or DTC, pursuant to which the depository may register the ownership of uncertificated ADSs, which ownership is evidenced by periodic statements sent by the depository to the registered holders of uncertificated ADSs.

As an ADS holder, we will not treat you as one of our shareholders and you will not have shareholder rights. Belgian law governs shareholder rights. The depository will be the holder of the ordinary shares underlying your ADSs. As a registered holder of ADSs, you will have the rights of an ADS holder. A deposit agreement among us, the depository and the ADS holders sets out the ADS holder rights as well as the rights and obligations of the depository. New York law governs the deposit agreement and the ADSs.

### **Dividends and Other Distributions**

*How will you receive dividends and other distributions on the ordinary shares?*

The depository has agreed to pay to ADS holders the cash dividends or other distributions it or the custodian receives on ordinary shares or other deposited securities, after deducting its fees and expenses. You will receive these distributions in proportion to the number of ordinary shares your ADSs represent.

**Cash.** We have no present intention of declaring or paying any cash dividends or cash distributions on our ordinary shares in the foreseeable future. In the event we do declare or pay any cash dividends or cash distributions, the depository will convert any cash dividend or other cash distribution we pay on the ordinary shares into U.S. dollars, if it can do so on a reasonable basis and can transfer the U.S. dollars to the United States. If it is not possible and lawful to do so on a reasonable basis, or if any government approval is needed and cannot be obtained, the deposit agreement allows the depository to distribute the foreign currency only to those ADS holders to whom it is possible to do so. It will hold the foreign currency it cannot convert for the account of the ADS holders who have not been paid. It will not invest the foreign currency and it will not be liable for any interest.

Before making a distribution, any taxes or other governmental charges, together with fees and expenses of the depositary that must be paid will be deducted. It will distribute only whole U.S. dollars and cents and will round fractional cents to the nearest whole cent. If the exchange rates fluctuate during a time when the depositary cannot convert the foreign currency, you may lose some or all of the value of the distribution.

**Shares.** We have no present intention of declaring or paying any share dividends or other distributions of our ordinary shares in the foreseeable future. In the event of a share dividend or other distribution of ordinary shares, the depositary may distribute additional ADSs representing such ordinary shares. The depositary will only distribute whole ADSs. It will sell shares which would require it to deliver a fractional ADS and distribute the net proceeds in the same way as it does with cash. If the depositary does not distribute additional ADSs, the Depositary will consult with us in good faith concerning the appropriate treatment of such additional ordinary shares. The depositary may sell a portion of the distributed ordinary shares sufficient to pay its fees and expenses in connection with that distribution.

**Rights to Purchase Additional Ordinary Shares.** If we offer holders of our securities any rights to subscribe for additional ordinary shares or any other rights, the depositary may make these rights available to ADS holders. If the depositary decides it is not legal and practical to make the rights available but that it is practical to sell the rights, the depositary will use reasonable efforts to sell the rights and distribute the proceeds in the same way as it does with cash. The depositary will allow rights that are not distributed or sold to lapse. In that case, you will receive no value for them.

If the depositary makes rights available to ADS holders, it will exercise the rights and purchase the ordinary shares on your behalf. The depositary will then deposit the ordinary shares and deliver ADSs to the persons entitled to them. It will only exercise rights if you pay the exercise price and any other charges required to be paid in order to exercise the rights.

U.S. securities laws may restrict transfers or the cancellation of the ADSs representing ordinary shares purchased upon the exercise of rights. For example, you may not be able to trade these ADSs freely in the United States. In this case, the depositary may deliver restricted depositary shares that have the same terms as the ADSs described in this section except for changes needed to put the necessary restrictions in place.

**Other Distributions.** The depositary will send to ADS holders anything else we distribute on deposited securities by any means it determines is legal, fair and practical. If it cannot make the distribution in that way, the depositary has a choice. It may decide to sell what we distributed and distribute the net proceeds, in the same way as it does with cash. Or, it may decide to hold what we distributed, in which case ADSs will also represent the newly distributed property. However, the depositary is not required to distribute any securities (other than ADSs) to ADS holders unless it receives satisfactory evidence from us that it is legal to make that distribution. The depositary may sell a portion of the distributed securities or property sufficient to pay its fees and expenses in connection with that distribution.

The depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADS holders. We have no obligation to register ADSs, ordinary shares, rights or other securities under the Securities Act. We also have no obligation to take any other action to permit the distribution of ADSs, ordinary shares, rights or anything else to ADS holders. This means that ADS holders may not receive the distributions we make on our ordinary shares or any value for them if it is illegal or impractical for us to make them available to ADS holders.

### ***Deposit, Withdrawal and Cancellation***

#### *How are ADSs issued?*

The depositary will deliver ADSs if you or your broker deposit ordinary shares or evidence of rights to receive ordinary shares with the custodian. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or share transfer taxes or fees, and delivery of any required endorsements, certifications or other instruments of transfer required by the depositary, the depositary will register the appropriate number of ADSs in the names you request and will deliver the ADSs to or upon the order of the person or persons that made the deposit.

*How can you withdraw the deposited securities?*

You may surrender your ADSs at the depository's corporate trust office. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or share transfer taxes or fees, the depository will deliver the ordinary shares and any other deposited securities underlying the ADSs to you or a person designated by you at the office of the custodian. Or, at your request, risk and expense, the depository will deliver the deposited securities at its corporate trust office, if feasible.

*How can you interchange between certificated ADSs and uncertificated ADSs?*

You may surrender your ADR to the depository for the purpose of exchanging your ADR for uncertificated ADSs. The depository will cancel that ADR and will send to you a statement confirming that you are the registered holder of uncertificated ADSs. Alternatively, upon receipt by the depository of a proper instruction from a registered holder of uncertificated ADSs requesting the exchange of uncertificated ADSs for certificated ADSs, the depository will execute and deliver to you an ADR evidencing those ADSs.

**Voting Rights**

*How do you vote?*

You may instruct the depository how to vote the number of deposited ordinary shares your ADSs represent. The depository will notify you of shareholders' meetings and arrange to deliver our voting materials to you if we ask it to. Those materials will describe the matters to be voted on and explain how you may instruct the depository how to vote. For instructions to be valid, they must reach the depository by a date set by the depository.

*Otherwise, you will not be able to exercise your right to vote unless you withdraw the ordinary shares. However, you may not know about the meeting with sufficient advance notice to withdraw the ordinary shares.*

The depository will try, to the extent practicable, and subject to the laws of Belgium and to our articles of association, bylaws or similar documents, to vote or to have its agents vote the ordinary shares or other deposited securities as instructed by you. If we requested the depository to act at least 30 days prior to the meeting date and the depository does not receive voting instructions from you by the specified date, it will consider you to have instructed it to give a discretionary proxy to a person designated by us with respect to the number of deposited securities represented by your ADSs, provided that no such instruction will be deemed given with respect to any matter as to which we inform the depository (and we will provide such information as promptly as practicable, if applicable) that substantial opposition exists or such matter materially and adversely affects the rights of holders of ordinary shares. The depository will only vote or attempt to vote as instructed or as described above. The depository, as a shareholder on record, may either personally participate in the meeting or give a proxy to another person to represent it at the meeting. Our articles of association do not allow shareholders to vote electronically.

We cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depository to vote your ordinary shares. In addition, the depository and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that you may not be able to exercise your right to vote and there may be nothing you can do if your ordinary shares are not voted as you requested.

In order to give you a reasonable opportunity to instruct the depository as to the exercise of voting rights relating to deposited securities, if we request the depository to act, we agree to give the depository notice of any such meeting and details concerning the matters to be voted upon at least 15 days in advance of the meeting date.

**Fees and Expenses**

*What fees and expenses will you be responsible for paying?*

Pursuant to the terms of the deposit agreement, you will be required to pay the following fees to the depository:

**Persons depositing or withdrawing ordinary shares or ADS holders must pay to the depositary: For:**

\$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	Issuance of ADSs, including issuances resulting from a distribution of ordinary shares or rights or other property
	Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates
\$0.05 (or less) per ADS	Any cash distribution to you
A fee equivalent to the fee that would be payable if securities distributed to you had been ordinary shares and the shares had been deposited for issuance of ADSs	Distribution of securities distributed to holders of deposited securities which are distributed by the depositary to you
\$0.05 (or less) per ADS per calendar year	Depositary services
Registration or transfer fees	Transfer and registration of ordinary shares on our share register to or from the name of the depositary or its agent when you deposit or withdraw shares
Expenses of the depositary	Cable, telex and facsimile transmissions (when expressly provided in the deposit agreement) converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian has to pay on any ADS or ordinary shares underlying an ADS, such as share transfer taxes, stamp duty or withholding taxes	As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	As necessary

The depositary collects its fees for delivery and surrender of ADSs directly from investors depositing ordinary shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may collect any of its fees by deduction from any cash distribution payable to ADS holders that are obligated to pay those fees. The depositary may generally refuse to provide fee-based services until its fees for those services are paid.

From time to time, the depositary may make payments to us to reimburse or share revenue from the fees collected from ADS holders, or waive fees and expenses for services provided, generally relating to costs and expenses arising out of establishment and maintenance of the ADS program. In performing its duties under the deposit agreement, the depositary may use brokers, dealers or other service providers that are affiliates of the depositary and that may earn or share fees or commissions.

**Payment of Taxes**

You will be responsible for any taxes or other governmental charges payable on your ADSs or on the deposited securities represented by any of your ADSs. The depositary may refuse to register any transfer of your ADSs or

allow you to withdraw the deposited securities represented by your ADSs until such taxes or other charges are paid. It may apply payments owed to you or sell deposited securities represented by your ADSs to pay any taxes owed and you will remain liable for any deficiency. If the depository sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to ADS holders any proceeds, or send to ADS holders any property, remaining after it has paid the taxes.

### ***Reclassifications, Recapitalizations and Mergers***

#### **If we:**

- Change the nominal or par value of our ordinary shares
- Reclassify, split up or consolidate any of the deposited securities
- Distribute securities on the ordinary shares that are not distributed to you
- Recapitalize, reorganize, merge, liquidate, sell all or substantially all of our assets, or take any similar action

#### **Then:**

The cash, ordinary shares or other securities received by the depository will become deposited securities. Each ADS will automatically represent its equal share of the new deposited securities.

The depository may distribute new ADSs representing the new deposited securities or ask you to surrender your outstanding ADRs in exchange for new ADRs identifying the new deposited securities.

### ***Amendment and Termination***

#### ***How may the deposit agreement be amended?***

We may agree with the depository to amend the deposit agreement and the ADRs without your consent for any reason. If an amendment adds or increases fees or charges, except for taxes and other governmental charges or expenses of the depository for registration fees, facsimile costs, delivery charges or similar items, or materially prejudices a substantial right of ADS holders, it will not become effective for outstanding ADSs until 30 days after the depository notifies ADS holders of the amendment. At the time an amendment becomes effective, you are considered, by continuing to hold your ADSs, to agree to the amendment and to be bound by the ADRs and the deposit agreement as amended.

#### ***How may the deposit agreement be terminated?***

The depository will terminate the deposit agreement at our direction by mailing notice of termination to the ADS holders then outstanding at least 30 days prior to the date fixed in such notice for such termination. The depository may also terminate the deposit agreement by mailing notice of termination to us and the ADS holders if 60 days have passed since the depository told us it wants to resign but a successor depository has not been appointed and accepted its appointment.

After termination, the depository and its agents will do the following under the deposit agreement but nothing else: collect distributions on the deposited securities, sell rights and other property, and deliver ordinary shares and other deposited securities upon cancellation of ADSs. Four months after termination, the depository may sell any remaining deposited securities by public or private sale. After that, the depository will hold the money it received on the sale, as well as any other cash it is holding under the deposit agreement for the pro rata benefit of the ADS holders that have not surrendered their ADSs. It will not invest the money and has no liability for interest. The depository's only obligations will be to account for the money and other cash. After termination our only obligations will be to indemnify the depository and to pay fees and expenses of the depository that we agreed to pay.

### ***Limitations on Obligations and Liability***

*Limits on our obligations and the obligations of the depository; limits on liability to holders of ADSs*

The deposit agreement expressly limits our obligations and the obligations of the depositary. It also limits our liability and the liability of the depositary or any of our respective directors, officers, employees, agents or affiliates. We and the depositary and our respective directors, officers, employees, agents or affiliates:

- are only obligated to take the actions specifically set forth in the deposit agreement without negligence or bad faith;
- are not liable if we are or it is prevented or delayed by law or circumstances beyond our control from performing our or its obligations under the deposit agreement;
- are not liable if we or it exercises discretion permitted under the deposit agreement;
- are not liable for the inability of any holder of ADSs to benefit from any distribution on deposited securities that is not made available to holders of ADSs under the terms of the deposit agreement, or for any special, consequential or punitive damages for any breach of the terms of the deposit agreement;
- are not liable for any tax consequences to any holders of ADSs on account of their ownership of ADSs;
- have no obligation to become involved in a lawsuit or other proceeding related to the ADSs or the deposit agreement on your behalf or on behalf of any other person; and
- may rely upon any documents we believe or it believes in good faith to be genuine and to have been signed or presented by the proper person.

In the deposit agreement, we and the depositary agree to indemnify each other under certain circumstances. Additionally, we, the depositary and each owner and holder of ADSs waives the right to a jury trial in an action against us or the depositary arising out of or relating to the ordinary shares or other deposited securities, ADSs, ADRs or the deposit agreement.

#### ***Requirements for Depositary Actions***

Before the depositary will deliver or register a transfer of an ADS, make a distribution on an ADS, or permit withdrawal of ordinary shares, the depositary may require:

- payment of share transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any ordinary shares or other deposited securities;
- satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and
- compliance with regulations it may establish, from time to time, consistent with the deposit agreement, including presentation of transfer documents.

The depositary may refuse to deliver ADSs or register transfers of ADSs when the transfer books of the depositary or our transfer books are closed or at any time if the depositary or we think it advisable to do so.

#### ***Your Right to Receive the Ordinary Shares Underlying Your ADSs***

ADS holders have the right to cancel their ADSs and withdraw the underlying ordinary shares at any time except:

- when temporary delays arise because: (i) the depositary has closed its transfer books or we have closed our transfer books; (ii) the transfer of ordinary shares is blocked to permit voting at a shareholders' meeting; or (iii) we are paying a dividend on our ordinary shares;
- when you owe money to pay fees, taxes and similar charges; and
- when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to ADSs or to the withdrawal of ordinary shares or other deposited securities.

This right of withdrawal may not be limited by any other provision of the deposit agreement.

### ***Pre-release of ADSs***

The deposit agreement permits the depository to deliver ADSs before deposit of the underlying ordinary shares. This is called a pre-release of the ADSs. The depository may also deliver ordinary shares upon surrender and cancellation of pre-released ADSs (even if the ADSs are cancelled before the pre-release transaction has been closed out). A pre-release is closed out as soon as the underlying ordinary shares are delivered to the depository. The depository may accept ADSs instead of ordinary shares to close out a pre-release. The depository may pre-release ADSs only under the following conditions: (1) before or at the time of the pre-release, the person to whom the pre-release is being made represents to the depository and agrees in writing that it or its customer (i) owns or represents the owner of the shares to be deposited (ii) assigns all beneficial right, title and interest in such shares to the depository in its capacity as such and for the benefit of the ADS holders, and (iii) will not take any action with respect to such shares that is inconsistent with the transfer of beneficial ownership (including without the consent of the depository, disposing of such shares), other than in satisfaction of such pre-release; (2) the pre-release is fully collateralized with cash or other collateral that the depository considers appropriate; and (3) the depository must be able to close out the pre-release on not more than five business days' notice. In addition, the depository will limit the number of ADSs that may be outstanding at any time as a result of pre-release, which limit will normally be 30% of the ordinary shares deposited under the deposit agreement, although the depository may disregard the limit from time to time if it thinks it is appropriate to do so.

### ***Direct Registration System***

In the deposit agreement, all parties to the deposit agreement acknowledge that the DRS and Profile Modification System, or Profile, will apply to uncertificated ADSs upon acceptance thereof to DRS by DTC. DRS is the system administered by DTC under which the depository may register the ownership of uncertificated ADSs, which ownership will be confirmed by periodic statements sent by the depository to the registered holders of uncertificated ADSs. Profile is a required feature of DRS that allows a DTC participant, claiming to act on behalf of a registered holder of ADSs, to direct the depository to register a transfer of those ADSs to DTC or its nominee and to deliver those ADSs to the DTC account of that DTC participant without receipt by the depository of prior authorization from the ADS holder to register that transfer.

In connection with and in accordance with the arrangements and procedures relating to DRS and Profile, the parties to the deposit agreement understand that the depository will not verify, determine or otherwise ascertain whether the DTC participant that is claiming to be acting on behalf of an ADS holder in requesting registration of transfer and delivery described in the paragraph above has the actual authority to act on behalf of the ADS holder (notwithstanding any requirements under the Uniform Commercial Code). In the deposit agreement, the parties agree that the depository's reliance on and compliance with instructions received by the depository through the DRS/Profile system and in accordance with the deposit agreement will not constitute negligence or bad faith on the part of the depository.

### ***Shareholder Communications; Inspection of Register of Holders of ADSs; ADS Holder Information***

The depository will make available for your inspection at its office all communications that it receives from us as a holder of deposited securities that we make generally available to holders of deposited securities. The depository will send you copies of those communications if we ask it to. You have a right to inspect the register of holders of ADSs, but not for the purpose of contacting those holders about a matter unrelated to our business or the ADSs.

Each holder of ADSs will be required to provide such information as from time to time may be requested by us or as may otherwise be required to be disclosed, in accordance with applicable law, the rules and requirements of any stock exchange or clearing system on which the ADSs are traded or our articles of association.

**CERTIFICATION**

I, Wilfried Vancraen, certify that:

1. I have reviewed this annual report on Form 20-F/A of MATERIALISE NV (the “company”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; and
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report.

Date: June 28, 2019

By: /s/ Wilfried Vancraen

Wilfried Vancraen

Chief Executive Officer

**CERTIFICATION**

I, Johan Albrecht, certify that:

1. I have reviewed this annual report on Form 20-F/A of MATERIALISE NV (the “company”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; and
3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report.

Date: June 28, 2019

By: /s/ Johan Albrecht

Johan Albrecht  
Alfinco BVBA  
Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of MATERIALISE NV (the “Company”) on Form 20-F/A for the fiscal year ended December 31, 2018, as filed with the U.S. Securities and Exchange Commission on the date hereof (the “Report”), I, Wilfried Vancraen, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the U.S. Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (i) the Report fully complies with the requirements of section 13(a) or 15(d) of the U.S. Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 28, 2019

By: /s/ Wilfried Vancraen  
Wilfried Vancraen  
Chief Executive Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE U.S. SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of MATERIALISE NV (the "Company") on Form 20-F/A for the fiscal year ended December 31, 2018, as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), I, Johan Albrecht, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the U.S. Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (i) the Report fully complies with the requirements of section 13(a) or 15(d) of the U.S. Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 28, 2019

By: /s/ Johan Albrecht

Johan Albrecht  
Alfinco BVBA  
Chief Financial Officer

**Consent of Independent Accountants**

Materialise NV  
Leuven, Belgium

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-197236 and No. 333-212445) and Form F-3 (No. 333-213649 and No. 333-226006) of Materialise NV of our report dated June 26, 2018, relating to the financial statements of RSPRINT Powered by Materialise NV which appears in this Amendment No. 1 to the Annual Report on Form 20-F of Materialise NV. Our report contains an explanatory paragraph regarding the Company's ability to continue as a going concern.

BDO Bedrijfsrevisoren CVBA  
On behalf of it,

Veerle Catry  
/s/ Veerle Catry

Zaventem, Belgium  
June 28, 2019

FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

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### **Independent Auditor's Report**

Board of Directors  
RSPRINT Powered by Materialise NV  
3583 Paal (Beringen), Belgium

We have audited the accompanying financial statements of RSPRINT Powered by Materialise NV, which comprise the statements of financial position as of December 31, 2017 and 2016 and the statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RSPRINT Powered by Materialise NV as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### **Emphasis of Matter Regarding Going Concern**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As described in Note 2 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

BDO Bedrijfsrevisoren Burg. CVBA  
On behalf of it,

Bert Kegels  
/s/ Bert Kegels

Zaventem, Belgium  
June 26, 2018

## FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

## Statements of comprehensive income

in 000€	Notes	For year ended December 31,		
		2018 Unaudited	2017	2016
Revenue	12.1	1,112	817	684
Raw materials and consumables		(630)	(480)	(493)
Services and other goods	12.2	(921)	(1,047)	(1,341)
Employee benefits	12.5	(460)	(406)	(363)
Depreciation and amortization		(40)	(51)	(34)
Other operating expenses	12.4	(80)	(3)	(1)
Other income	12.3	130	410	334
<b>Operating loss</b>		<b>(889)</b>	<b>(760)</b>	<b>(1,214)</b>
Financial expenses	12.6	(77)	(17)	—
Financial income	12.6	25	54	6
<b>Loss before taxes</b>		<b>(941)</b>	<b>(723)</b>	<b>(1,208)</b>
Income taxes	12.7	—	—	—
<b>Net loss for the year</b>		<b>(941)</b>	<b>(723)</b>	<b>(1,208)</b>
Other comprehensive loss		—	—	—
<b>Total comprehensive loss for the year</b>		<b>(941)</b>	<b>(723)</b>	<b>(1,208)</b>

The accompanying notes form an integral part of these financial statements.

## FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

## Statements of financial position

in 000€	Notes	As of December 31,		
		2018 Unaudited	2017	2016
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant & equipment	4	46	144	133
Other non-current assets	5	64	68	53
<b>Total non-current assets</b>		<b>110</b>	<b>212</b>	<b>186</b>
<b>Current assets</b>				
Inventories	6	168	82	76
Trade receivables	7	405	250	326
Other current assets	5	77	715	1,155
Cash and cash equivalents	8	175	209	86
<b>Total current assets</b>		<b>825</b>	<b>1,256</b>	<b>1,643</b>
<b>Total assets</b>		<b>935</b>	<b>1,468</b>	<b>1,829</b>
<b>Equity and liabilities</b>				
<b>Equity</b>	10			
Share capital		4,000	4,000	4,000
Accumulated deficit		(4,953)	(4,012)	(3,289)
<b>Total Equity (Deficit)</b>		<b>(953)</b>	<b>(12)</b>	<b>711</b>
<b>Non-current liabilities</b>				
Loans & borrowings		—	15	—
Other non-current liabilities	9	1,096	773	—
<b>Total non-current liabilities</b>		<b>1,096</b>	<b>788</b>	<b>—</b>
<b>Current liabilities</b>				
Loans & borrowings		17	15	—
Trade payables and accruals	7	628	615	1,007
Deferred income and accrued expenses		83	11	41
Employee benefit liabilities		64	51	70
<b>Total current liabilities</b>		<b>792</b>	<b>692</b>	<b>1,118</b>
<b>Total equity and liabilities</b>		<b>935</b>	<b>1,468</b>	<b>1,829</b>

The accompanying notes form an integral part of these financial statements.

## FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

## Statements of changes in equity

in 000€	Notes	Share capital	Accumulated deficit	Total equity
<b>At January 1, 2018</b>		<b>4,000</b>	<b>(4,012)</b>	<b>(12)</b>
Total comprehensive loss for the year*		—	(941)	(941)
<b>At December 31, 2018*</b>	10	<b>4,000</b>	<b>(4,953)</b>	<b>(953)</b>
<b>At January 1, 2017</b>		<b>4,000</b>	<b>(3,289)</b>	<b>711</b>
Total comprehensive loss for the year		—	(723)	(723)
<b>At December 31, 2017</b>	10	<b>4,000</b>	<b>(4,012)</b>	<b>(12)</b>
<b>At January 1, 2016</b>		<b>4,000</b>	<b>(2,081)</b>	<b>1,919</b>
Total comprehensive loss for the year		—	(1,208)	(1,208)
<b>At December 31, 2016</b>	10	<b>4,000</b>	<b>(3,289)</b>	<b>711</b>

\* Unaudited

The accompanying notes form an integral part of these financial statements.

## FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

**Cash flow statements**

in 000€	Notes	For the year ended December 31,		
		2018 Unaudited	2017	2016
<b>Operating activities</b>				
Net loss for the year		(941)	(723)	(1,208)
<i>Non-cash and operational adjustments</i>				
Depreciation of property, plant & equipment	4	40	51	34
Loss (gain) on disposal of property, plant & equipment	15	(120)	—	—
Movement reserve for bad debt		38	—	—
Financial expense		1	2	—
<b>Working capital adjustment</b>				
Decrease (increase) in trade receivables and other (non) current assets	5/7	449	(499)	(401)
Decrease (increase) in inventories	6	(86)	(6)	(71)
Increase (decrease) in trade payables and accruals, employee benefit liabilities and deferred income	7	98	(441)	731
Increase in other non-current liabilities	9	323	773	—
<b>Net cash flow used in operating activities</b>		<b>(198)</b>	<b>(843)</b>	<b>(915)</b>
<b>Investing activities</b>				
Purchase of property, plant & equipment	4	(24)	(18)	(16)
Proceeds from the sale of property, plant & equipment (net)		202	—	—
<b>Net cash flow used in investing activities</b>		<b>178</b>	<b>(18)</b>	<b>(16)</b>
<b>Financing activities</b>				
Repayment of finance leases		(13)	(15)	—
Payment of issued capital	5/10	—	1,000	500
Interest paid		(1)	(1)	—
<b>Net cash flow from (used in) financing activities</b>		<b>(14)</b>	<b>984</b>	<b>500</b>
<b>Net increase or decrease of cash &amp; cash equivalents</b>				
Cash & cash equivalents at beginning of the year	8	209	86	517
Cash & cash equivalents at end of the year	8	175	209	86

The accompanying notes form an integral part of these financial statements.

## Notes to the financial statements

### 1 Corporate information

RSPRINT Powered by Materialise NV is a limited liability company with its registered office at De Weven 7, 3583 Paal, Belgium. The financial statements comprise only RSPRINT Powered by Materialise NV. Except as otherwise required by the context, references to “Company,” “we,” “us” and “our” are to RSPRINT Powered by Materialise NV.

The Company is a joint venture between Materialise NV and RSScan International NV (the “Shareholders”) and has as its commercial brand name “Phits”. The Company develops 3D printed insoles, which is the beginning of a revolution in footwear and orthopedics, a field where 3D printing offers limitless possibilities in the mass production of completely personalized products, and can enable a shift towards analysis and patient care.

The financial statements of the Company for the three years ended December 31, 2018 were approved and authorized for issue on June 28, 2019 in accordance with a resolution of the Board of Directors of the Company (the “Board of Directors”).

### 2 Basis of preparation

The financial statements of the Company for the years ended December 31, 2018, 2017 and 2016 are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (collectively “IFRS”).

These financial statements have been prepared on a historical cost basis.

The financial statements are presented in thousands of euros (K€ or thousands of €) and all “currency” values are rounded to the nearest thousand (€000), except when otherwise indicated.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires Company management to exercise judgment in applying the Company’s accounting policies. The areas where significant judgment and estimates have been made in preparing the financial statements and their effect are disclosed in Note 3.

#### *New standards, interpretations and amendments adopted by the Company*

The Company has adopted the following new and revised standards and interpretations issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) that are relevant to its operations and effective for accounting periods beginning on January 1, 2018:

- IFRS 9 Financial Instruments; and
- IFRS 15 Revenue from Contracts with Customers.

Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the consolidated financial statements of the Company. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The application of the above relevant new standards and interpretations are explained below.

#### *IFRS 9 Financial instruments*

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments (“IFRS 9”) that replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting.

We have adopted the new standard on the required effective date retrospectively, with an initial application date of January 1, 2018.

(a) Classification and measurement

Applying the classification and measurement requirements of IFRS 9 did not have a significant impact on the Company's consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position or consolidated statement of changes in equity. It continues to measure at fair value all financial assets currently measured at fair value.

Current and non-current trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Company continues to measure these at amortized cost under IFRS 9. Following the assessment of the contractual cash flow characteristics of its debt instruments, the Company concluded that the loans and trade receivables can be classified at amortized cost measurement under IFRS 9.

(b) Impairment

IFRS 9 requires us to record expected credit losses ("ECLs") on all of our debt securities, loans and trade receivables, either on a 12-month or lifetime basis. We have applied the simplified approach and record lifetime expected losses on all trade receivables. The lifetime expected losses are determined based on a provision matrix applied to each of the trade receivable aging buckets.

We have applied the transition exception as required in IFRS 9 whereby the application of IFRS 9 "impairment" does not need to be recorded retroactively for all reporting periods presented as we cannot avoid the use of hindsight. The application of IFRS 9 resulted in an additional expense/provision of K€13 in 2018 on our consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of changes in equity. The impact on the initial date of application was not material.

We refer to Note 3 for the accounting policy on the financial assets and liabilities.

(c) Hedge accounting

The Company does not apply hedge accounting for its derivatives. Derivatives are measured at fair value with changes through the consolidated income statement. Over the periods ending December 31, 2018, 2017 and 2016, the Company did not hold any derivatives.

*IFRS 15 Revenue from Contracts with Customers*

IFRS 15 Revenue from Contracts with Customers ("IFRS 15") was issued in May 2014 and establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard provides a single, principles-based five-step model to be applied to all contracts with customers as follows:

- Identify the contract(s) with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when (or as) the entity satisfies a performance obligation.

The new revenue standard has superseded all current revenue recognition requirements under IFRS. We have adopted the new standard on the required effective date of January 1, 2018 and have applied the modified retrospective transition method to those contracts that were not completed at January 1, 2018. When applying the modified retrospective transition method, the cumulative effect of initially applying IFRS 15 is recognized as an adjustment to the opening balance of our consolidated reserves in 2018.

IFRS 15 did not have a significant impact on the Company's revenue streams. For an overview of our different revenue streams and the recognition of revenue, we refer to Note 3.

#### *Going concern*

The Company has experienced net losses and significant cash used in operating activities since its inception. As of December 31, 2018, the Company had an accumulated deficit of K€(4,953), a loss for the year of K€(941) and net cash used in operating activities of K€(198).

Despite the Company having an accumulated deficit in the amount of K€(4,953) as of December 31, 2018, the Board of Directors, supported by the Shareholders, is of the opinion that the financial statements can be prepared assuming the Company will continue as a going concern.

The Company's business plan presents positive EBITDA (earnings before interest, tax depreciation and amortization) as from 2020. The business plan is supported by a contract with HP Inc. that was signed in 2018, and by advanced negotiations with a distributor for the U.S. market. Simultaneously, a term sheet between the Shareholders has been signed to increase the capital of the Company by K€1,750. Despite a certain number of assumptions and uncertainties in the business plan, we believe that these measures create a strong basis for the further development of our business model.

As at December 31, 2018, the Company had cash and cash equivalents in the amount of K€175. In the event that additional cash resources would be required for the Company to continue operating for the next 12 months, the Company expects to be able to benefit from the flexibility of the Shareholders in relation to the Company's obligations under its trade payables with the Shareholders. In particular, Materialise NV has agreed that an amount of K€1,096 should not be repaid on short term as disclosed in Note 9. In addition, the Company expects to be able to rely on the execution of research and development projects with the Shareholders as subcontractors to align outgoing cash flow of such projects with incoming cash flow from trade receivables payments.

The future viability of the Company is dependent on its ability to generate cash from operating activities and the flexibility of its Shareholders, as described above. However, we expect to be able to fund our operations for at least 12 months from the date of approval of these financial statements. As a result of this, the financial statements are prepared assuming the Company will continue as a going concern and do not include any adjustments related to any uncertainty regarding recoverability and classification of recorded asset amounts and classification of liabilities.

### **3 Summary of significant accounting policies**

#### **Foreign currency translation**

The Company's financial statements are presented in euros, which is also the Company's functional currency.

#### *Foreign currency transactions*

Transactions denominated in foreign currencies are translated into euros at the exchange rate at the end of the previous month-end. Monetary items in the statement of financial position are translated at the closing rate at each reporting date and the relevant translation adjustments are recognized in financial result.

#### **Property, plant & equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes borrowing costs directly attributable to construction projects if the asset necessarily takes a substantial period of time to get ready for its intended use, it is probable that they will result in future economic benefits to the Company and the cost can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the income statement as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Furniture, Plant & Equipment 5 years

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset or the lease term.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end and adjusted prospectively, if appropriate.

### **Leases**

The Company has operating and finance leases at December 31, 2018.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased item or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognized as financial expenses in the consolidated income statement.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Company (an "operating lease"), the total rentals payable under the lease are charged to the consolidated income statement on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognized as a reduction of the rental expense over the lease term on a straight-line basis.

### **Research and development**

Research and development includes the costs incurred by activities related to the development of software and foot sole products.

Development activities involve the application of research findings or other knowledge to a plan or a design of new or substantially improved software products before the start of the commercial use.

Development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

The Company has determined that the conditions for recognizing internally generated intangible assets from proprietary software and foot sole product development activities are not met until shortly before the products are available for sale. As such, development expenditures not satisfying the above criteria and expenditures on the research phase of internal projects are recognized in the income statement with services and other goods as incurred.

### **Impairment of non-financial assets (excluding inventories)**

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e., the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest Company of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units (“CGUs”).

The Company bases its impairment calculation on detailed budgets and forecast calculations. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to future cash flows projected after the fifth year.

Impairment charges are included in profit or loss, except, where applicable, to the extent they reverse gains previously recognized in other comprehensive income.

### **Inventories**

Inventories are valued at the lower of cost and net realizable value and mainly relate to raw materials and goods for resale. Costs incurred in bringing each of these products to its present location and condition are accounted for at purchase cost and on a first in, first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

A write-off of inventories is estimated based on an ageing analysis.

### **Financial assets**

Financial assets include loans and receivables measured at amortized cost. The Company currently does not have available for sale financial investments, held-to-maturity financial investments or financial assets held for trading.

#### *Financial assets measured at amortized cost*

The Company has loans and receivables that are measured at amortized cost.

The Company’s loans and receivables comprise trade receivables, other current assets and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less.

Financial assets that are classified as loans and receivables are initially measured at fair value plus transaction costs and subsequently at amortized cost using the effective interest rate method (“EIR”). Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included under financial income in the income statement. The losses arising from impairment are recognized in the income statement under other operating expenses or financial expenses.

#### *Impairment of financial assets*

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred “loss event”) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future ECLs that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of loss is recognized in the income statement.

In addition, for trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. A loss allowance is recognized at each reporting date based on lifetime ECLs. The Company established a provision matrix that is based on its historical loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other receivables, ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

### **Financial liabilities**

The Company has financial liabilities measured at amortized cost which include trade payables. The Company currently does not have financial liabilities held for trading.

#### *Financial liabilities at amortized cost*

Those financial liabilities are recognized initially at fair value plus directly attributable transaction costs and are measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method amortization process.

#### *Derecognition*

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

#### *Offsetting*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

#### *Interest income*

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included under financial income in the income statement.

### **Share capital**

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments.

### **Pension benefits**

The Company only accounts for the social charges related to the legal pension scheme applicable in Belgium. These charges are recognized as expenses in the period in which employees perform the corresponding services. The Company has no additional "extra-legal" pension plan.

### **Revenue recognition**

The Company's revenue, which is presented net of sales taxes, is primarily generated by the sale of customer starting pack (installation, training and five 3D printed insoles), 3D printed insoles and footscan plate. The footscan plate is sold together with a perpetual license for using the footscan software embedded. In addition, customers get access to the Phits Design module integrated in the footscan software.

The Company recognizes revenue for goods including software based on the five-step model as a result of the application of IFRS 15 since January 1, 2018:

1. Identify the contract(s) with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenue when (or as) the entity satisfies a performance obligation.

The impact of the application of IFRS 15 is discussed in Note 2.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company is expected to be entitled in exchange from those goods and services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Variable consideration is mainly related to quantities sold, volume (step-based) rebates and development time spend.

Revenue recognition over our different revenue streams can be summarized as follows:

#### *Starting packs*

The starting pack is a fixed fee pack including installation, training and the possibility to 3D print five insoles and thus in principle represents multiple distinct performance obligations. Since management assessed that no significant timing difference can occur between the allocated transaction prices of the different performance obligations, the fixed fee is recognized straight-line over a period of two months, which is typically the expiration date.

#### *3D printed insoles*

The Company recognizes revenue on the sale of 3D printed insoles to the customers at a point in time when control of the asset is transferred, generally upon shipment or delivery taking into account the shipment terms (usually Ex-works or FOB Time of Shipment Incoterms (International Commercial Terms)).

#### *Footscan plate and perpetual license footscan software*

The Company recognizes revenue on the sale of footscan plates to customers at a point in time when control of the asset is transferred, generally upon shipment or delivery taking into account the shipment terms (usually Ex-works or FOB Time of Shipment Incoterms (International Commercial Terms)). Installation of the footscan plate is plug-and-play.

The footscan plate and the footscan software are purchased from RSScan International NV, one of the Shareholders. They can be distributed as a bundle or separately by the Company. Maintenance and support related to the footscan software and footscan plate are provided directly by RSScan International NV to the Company's customers. The footscan software integrates the Phits Design module software developed by the Company.

#### *Order management software*

Agreements with customers can include a time-based license for an online order management system with or without the additional performance obligation to deliver 3D printed insoles. Under the currently existing agreements the software license is assessed as a distinct performance obligation and revenue is recognized over the contractual period on a straight-line basis.

*Contracts with multiple performance obligations*

The Company has entered into a number of contracts with multiple performance obligations whereby it sells the starting packs, the footscan plates and/or the footscan software as a bundle. The Company evaluates whether each performance obligation is distinct from each other, i.e., the customer can benefit from the good or service on its own, or with readily available resources.

Apart from the starting packs mentioned above, the Company has had no significant contracts with multiple performance obligations over the reported periods.

*Contract assets*

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. Contract assets are presented in the statement of financial position as trade receivables (invoices to be made).

*Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract. Contract liabilities are presented as deferred income in the statement of financial position.

*Contract costs*

The Company does not have significant costs to obtain contracts and those costs are expensed as incurred.

**Government grants**

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to development costs or another expense, it is recognized as income over the grant period necessary to match the income on a systematic basis to the costs that it is intended to compensate.

Such grants have been received in the forms of grants linked to certain of its research and development programs.

Where retention of a government grant related to assets or to income is dependent on the Company satisfying certain criteria, it is initially recognized as deferred income. When the criteria for retention have been satisfied, the deferred income balance is released to other operating income in the income statement on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate.

Any government grants recognized as income do not have any unfulfilled conditions or other contingencies attached to them, as otherwise we would not be recognizing income for such.

**Other financial income and expenses**

Other financial income and expenses include mainly foreign currency gains or losses on all foreign currency transactions.

**Taxes**

*Current income tax*

Income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items that are recognized directly in equity is recognized in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### *Deferred tax*

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### *Sales tax*

Revenue, expenses and assets are recognized net of the amount of value added tax ("VAT"), except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

#### **New and revised standards not yet adopted**

The standards and interpretations that are issued, but not yet effective, up to the closing date of the Company's financial statements are disclosed below. Of those standards that are not yet effective, none are expected to have a material impact on the Company's financial statements in the period of initial application.

#### *IFRS 16 Leases*

The Company is required to adopt IFRS 16 Leases ("IFRS 16") from January 1, 2019. The Company has assessed the estimated impact that initial application of IFRS 16 will have on its consolidated financial statements. Currently, only one significant contract is in scope for IFRS 16. It concerns the new lease contract for the Company's building, effective since January 1, 2018. Since the contractual commitment is limited to six months and the Company will apply the recognition exemption for short-term leases, IFRS 16 is not expected to have a material impact on the Company's financial statements in the period of initial application.

#### *Other standards and interpretations:*

- IFRIC 23 Uncertainty over Tax Treatments;
- IFRS 17 Insurance Contracts;
- Amendments to IFRS 9: Prepayment Features with Negative Compensation;
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures;
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement;

- Annual Improvements to IFRS Standards 2015–2017 Cycle – various standards (IFRS 3 Business Combinations; IFRS 11 Joint Arrangements;
- IAS 12 Income Taxes; IAS 23 Borrowing Costs); and
- Amendments to References to Conceptual Framework in IFRS Standards.

### **Significant accounting judgments, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities for future periods.

On an ongoing basis, the Company evaluates its estimates, assumptions and judgments, including those related to revenue recognition, development expenses, income taxes and impairment of intangible assets and property, plant and equipment.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### *Revenue recognition*

Our revenue recognition policies require management to make significant estimates. Management analyzes various factors, including a review of specific transactions, historical experience, creditworthiness of customers and current market and economic conditions. Changes in judgments based upon these factors could impact the timing and amount of revenue and cost recognized and thus affect our results of operations and financial condition. The significant estimates and judgments relate to:

- The assessment of whether a performance obligation is distinct in a bundled sales transactions;
- Estimates of the variable considerations and the assessment of the revenue constraint limitation; and
- Estimates of the stand-alone selling prices for each distinct performance obligation.

The Company is making significant judgments when performing the assessment of whether a performance obligation is distinct from the other performance obligations in a contract, i.e., whether the good or service has a benefit for the customer on its own or together with readily available resources and/or whether the good or service is highly interrelated or a significant input with another good or service delivered, or whether it significantly modifies or customizes another good or service. The relevant judgments include whether the distinct performance obligations that are part of the starting packs sold to customers are individually significant enough. Currently, management has assessed that no significant timing difference can occur between the allocated transaction prices of the different performance obligations, and thus revenue is recognized simultaneously across all performance obligations.

For the stand-alone selling prices, the Company uses prices from a price list or historical prices for similar transactions. However, in certain cases, such information is not immediately available and, in such cases, the Company estimates the stand-alone selling price by using a cost-plus or another estimate.

Certain contracts include estimates of variable considerations within the transaction price and assessing the revenue constraint, such as:

- Quantities/volume sold for fixed prices in relation to 3D printed insoles;
- Contractual prices may be different based on volume purchased during a certain period; and
- Volume rebates.

The method applied to estimate the variable consideration is dependent on the number of possible scenarios and the probability of each scenario. In case there are many possible scenarios with a wide range of probabilities (each less than 50%), the Company will use the expected value method while the most likely method is used when there is a scenario with a higher probability (more than 50%).

Variable consideration is not constrained when based on historical experience and/or highly reliable business forecast and/or the timeframe of the estimates, the Company determines that there is a high probability that this will not result in a future revenue reversal.

*Development expenses*

The Company incurs development expenses through the outsourced development services performed by its Shareholders. Those internally generated intangible assets may only be recognized as intangible asset from the development phase if certain conditions are met. These conditions include the technical feasibility, intention to complete, the ability to use or sell the asset under development, and the demonstration of how the asset will generate probable future economic benefits. The cost of a recognized internally generated intangible asset comprises all directly attributable cost necessary to make the asset capable of being used as intended by management. In contrast, all expenditures arising from the research phase are expensed as incurred.

Determining whether internally generated intangible assets from development are to be recognized as intangible assets requires significant judgment, particularly in determining whether the activities are considered research activities or development activities, whether the product enhancement is substantial, whether the completion of the asset is technically feasible considering a company-specific approach, and the probability of future economic benefits from the sale or use.

Management has determined that the conditions for recognizing internally generated intangible assets from development activities are not met until shortly before the products are available for sale. As such, development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognized in the income statement as incurred. This assessment is monitored by the Company on a regular basis.

*Income taxes*

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

As at December 31, 2018 the Company had about K€5,258 (2017: K€ 3,930, 2016: K€2,431) of tax losses carried forward. These losses do not expire. With respect to the unused tax losses no deferred tax assets have been recognized at December 31, 2018, 2017 and 2016, given that there is an uncertainty to which extent these tax losses will be used in future years. If the Company was able to recognize all unrecognized deferred tax assets, net result would have increased by K€1,555 in 2018 (2017: K€1,336, 2016: K€826). Further details on taxes are disclosed in Note 12.7.

*Impairment of intangible assets and property, plant & equipment*

When events or changes in circumstances indicate that the carrying amount of the intangible assets and property, plant and equipment may not be recoverable, we estimate the value in use for the individual assets, or when not possible, at the level of CGUs to which the individual assets belong. The value in use is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes, of which the determination requires judgement from the Company.

No impairment charges have been recorded during 2018 (2017: nil, 2016: nil).

*Provision for expected credit losses of trade receivables and contract assets*

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year, which can lead to an increased number of defaults, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. Information about ECLs and the Company's trade receivables and contract assets is disclosed in Note 14.

*Going concern*

The Company has experienced significant net losses and cash used since its inception. Some important assumptions are made by management in preparing the financial statements under a going concern. We refer in this respect to Note 2 for further details.

**4 Property, plant & equipment**

The changes in the carrying value of the property, plant and equipment can be presented as follows for December 31, 2018, 2017 and 2016:

in 000€	<u>Plant &amp; equipment</u>	<u>Furnitures</u>	<u>Leasing</u>	<u>Total</u>
<b>Acquisition value</b>				
<b>At January 1, 2016</b>	<b>149</b>	<b>11</b>	<b>—</b>	<b>160</b>
Additions	13	3	—	16
<b>At December 31, 2016</b>	<b>162</b>	<b>14</b>	<b>—</b>	<b>176</b>
Additions	15	3	44	62
<b>At December 31, 2017</b>	<b>177</b>	<b>17</b>	<b>44</b>	<b>238</b>
Additions*	17	7	—	24
Disposals*	(148)	(2)	—	(150)
Transfers*	2	(2)	—	—
Other*	—	(1)	—	(1)
<b>At December 31, 2018*</b>	<b>48</b>	<b>19</b>	<b>44</b>	<b>111</b>
<b>Depreciation</b>				
<b>At January 1, 2016</b>	<b>7</b>	<b>2</b>	<b>—</b>	<b>9</b>
Depreciation charge for the year	31	3	—	34
<b>At December 31, 2016</b>	<b>38</b>	<b>5</b>	<b>—</b>	<b>43</b>
Depreciation charge for the year	34	2	15	51
<b>At December 31, 2017</b>	<b>72</b>	<b>7</b>	<b>15</b>	<b>94</b>
Depreciation charge for the year*	21	4	15	40
Disposals*	(68)	(1)	—	(69)
Transfers*	1	(1)	—	—
<b>At December 31, 2018*</b>	<b>26</b>	<b>9</b>	<b>30</b>	<b>65</b>
<b>Net book value</b>				
At December 31, 2018*	22	10	14	46
At December 31, 2017	105	10	29	144
At December 31, 2016	124	9	—	133
At January 1, 2016	142	9	—	151

\* Unaudited

The investments in property, plant and equipment in 2018 amounted to K€24 (2017: K€62, 2016: K€16). No individually significant items were purchased in the period ending December 31, 2018. During the period ending December 31, 2017, the investments mainly related to leased vehicles for K€44 (2018: nil; 2016: nil).

In 2018, one 3D printer was sold to Materialise NV for the amount of K€200. A gain on disposal was realized for an amount of K€119, recorded under Other Income. We refer to Note 15 for more information. No disposals were recorded in 2017 and 2016.

No impairment of property, plant and equipment was recorded in the years ending December 31, 2018, 2017 and 2016.

## 5 Other assets

### Other non-current assets

Other non-current assets include the following:

in 000€	As of December 31,		
	2018 Unaudited	2017	2016
Tax credits	64	68	53
<b>Total non-current assets</b>	<b>64</b>	<b>68</b>	<b>53</b>

The non-current tax credits relate to tax credits that will be realized over more than one year.

### Other current assets

Other current assets include the following:

in 000€	As of December 31,		
	2018 Unaudited	2017	2016
VAT receivables	41	14	81
Accrued income from grants	—	165	68
Deferred charges	14	9	—
Other non-trade receivables	22	527	6
Unpaid capital	—	—	1,000
<b>Total other current assets</b>	<b>77</b>	<b>715</b>	<b>1,155</b>

The outstanding unpaid capital as of December 31, 2016 has been fully paid by the Shareholders in 2017. We refer to Note 10.

The other non-trade receivables fully relate to a current account with Materialise USA, LLC. We refer to Note 15.

## 6 Inventories

Inventories include the following:

in 000€	As of December 31,		
	2018 Unaudited	2017	2016
Raw materials	153	82	65
Goods for resale	15	—	11
<b>Total inventories (at cost or net realizable value)</b>	<b>168</b>	<b>82</b>	<b>76</b>

No inventory was written-off as an expense in 2018, 2017 and 2016.

## 7 Trade receivables and payables and accruals

### Trade receivables

The trade receivables include the following:

in 000€	As of December 31,		
	2018 Unaudited	2017	2016
Accounts receivables	443	250	326
Amortization receivables	(38)	—	—
<b>Total</b>	<b>405</b>	<b>250</b>	<b>326</b>

## FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

The accounts receivables include receivables with related parties, of which K€22 is with Materialise USA, LLC and K€43 is with RSScan International NV and some of its subsidiaries. We refer to Note 15.

Trade receivables are non-interest bearing and are generally on payment terms of 30 days.

No trade receivables were impaired in the course of 2017 and 2016. As from the period ending December 31, 2018 the Company applies IFRS 9 and recognizes an allowance for ECLs based on a provision matrix. As of December 31, 2018, the total allowance amounts to K€38, including an amount of K€13 resulting from the application of IFRS 9.

in 000€

<b>At January 1, 2016</b>	—
<b>At December 31, 2016</b>	—
<b>At December 31, 2017</b>	—
Addition*	38
<b>At December 31, 2018*</b>	<b>38</b>

\* Unaudited

*Trade payables and accruals*

The trade payables and accruals include the following:

in 000€	As of December 31,		
	2018 <u>Unaudited</u>	2017	2016
Trade payables	569	439	889
Invoices to be received	59	176	118
<b>Total</b>	<b>628</b>	<b>615</b>	<b>1,007</b>

The trade payables and accruals mainly include payables with related parties, of which K€224 is with Materialise NV and its subsidiaries and K€207 is with RSScan International NV. We refer to Note 15.

Trade payables are non-interest bearing and are generally on payment terms of 30 days.

## 8 Cash and cash equivalents

Cash and cash equivalents include the following:

in 000€	As of December 31,		
	2018 Unaudited	2017	2016
Cash at bank	175	209	86
Cash equivalents	—	—	—
<b>Total</b>	<b>175</b>	<b>209</b>	<b>86</b>

Cash at bank earns interest at floating rates based on daily bank deposit rates.

## 9 Other non-current liabilities

As of December 31, 2018, the other non-current liabilities amount to K€1,096 and relate to long-term trade liabilities towards Materialise NV (2017: K€773, 2016: nil) as Materialise NV allows the Company to repay this amount after 12 months.

## 10 Equity

### Share capital

The share capital of the Company consists of 4,000 ordinary nominative shares at December 31, 2018, 2017 and 2016 with no nominal but par value of €1,000 for a total amount of K€4,000, of which a total amount of K€4,000 was fully paid at December 31, 2018 (2017: K€ 4,000, 2016: K€3,000).

in 000€, except per share data	Total number of ordinary shares	Total Shareholders' capital subscribed	Shareholders' capital paid	Shareholders' capital unpaid
<b>Outstanding on January 1, 2016</b>	<b>4,000</b>	<b>4,000</b>	<b>2,500</b>	<b>1,500</b>
Payment subscribed capital	—	—	500	(500)
<b>Outstanding on December 31, 2016</b>	<b>4,000</b>	<b>4,000</b>	<b>3,000</b>	<b>1,000</b>
Payment subscribed capital	—	—	1,000	(1,000)
<b>Outstanding on December 31, 2017</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	—
Payment subscribed capital*	—	—	—	—
<b>Outstanding on December 31, 2018*</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>	—

\* Unaudited

### Unpaid capital

At the end of 2016, the unpaid capital was presented under the other current assets. As from the end of 2017 no unpaid capital remains. We refer to Note 5.

### Accumulated deficit

The accumulated deficit increased by K€941 from K€(4,012) per end of December 31, 2017 to K€(4,953) as of December 31, 2018. The increase is due to the net loss of the year ended December 31, 2018.

## 11 Fair value

### Financial assets

The carrying value and fair value of the financial assets for December 31, 2018, 2017 and 2016 can be presented as follows:

in 000€	Carrying value			Fair value		
	As of December 31,			As of December 31,		
	2018 Unaudited	2017	2016	2018 Unaudited	2017	2016
<b>Financial assets</b>						
<b>Loans and receivables measured at amortized cost</b>						
Trade receivables (current)	405	250	326	405	250	326
Other non-trade receivables	22	527	—	22	527	—
Other current financial assets	—	—	1,000	—	—	1,000
Cash & cash equivalents	175	209	86	175	209	86
<b>Total loans and other receivables</b>	<b>602</b>	<b>986</b>	<b>1,412</b>	<b>602</b>	<b>986</b>	<b>1,412</b>

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The fair value of the financial assets has been determined on the basis of the following methods and assumptions:

- The carrying value of the cash and cash equivalents and the current receivables approximate their fair value due to their short-term character; and
- The other non-trade receivables relate to the current account with Materialise USA, LLC. The other current financial assets presented in the above table relate to the unpaid capital for 2016. Due to their short-term character their fair value is not different from their carrying value on December 31, 2018, 2017 and 2016.

*Financial liabilities:*

The carrying value and fair value of the financial liabilities for December 31, 2018, 2017 and 2016 can be presented as follows:

in 000€	Carrying value			Fair value		
	As of December 31,			As of December 31,		
	2018	2017	2016	2018	2017	2016
	Unaudited			Unaudited		
<b>Financial liabilities measured at amortized cost</b>						
Loans & borrowings	17	30	—	17	30	—
Other non-current liabilities	1,096	773	—	1,096	773	—
Trade payables and accruals	628	615	1,007	628	615	1,007
<b>Total financial liabilities measured at amortized cost</b>	<b>1,741</b>	<b>1,418</b>	<b>1,007</b>	<b>1,741</b>	<b>1,418</b>	<b>1,007</b>

The fair value of the financial liabilities has been determined on the basis of the following methods and assumptions:

- The carrying value of current liabilities approximates their fair value due to the short-term character of these instruments. The other non-current liabilities relate to trade payables due to Materialise NV, also valued at carrying value.

*Fair value hierarchy*

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Company has no financial instruments carried at fair value in the statement of financial position on December 31, 2018, 2017 and 2016.

## 12 Income and expenses

### 12.1 Revenue

The effect of initially applying IFRS 15 on the Company's revenue from contracts with customers is described in Note 2. Due to the transition method chosen in applying IFRS 15, comparative information has not been restated to reflect the new requirements.

Revenue by geographical area is presented as follows:

in 000€	For the year ended December 31,		
	2018 Unaudited	2017	2016
United States of America (USA)	420	357	303
Rest of Europe	344	131	43
Belgium	254	273	277
Asia	94	56	61
<b>Total</b>	<b>1,112</b>	<b>817</b>	<b>684</b>

In 2018, the Company had one customer with individual revenue larger than 10% of the total revenue, a third-party customer with revenue amounting to K€128. In 2017, the Company also had one customer with individual revenue larger than 10% of the total revenue, namely Runners Service NV, a subsidiary of RSScan International NV (K€95). In 2016, the Company had two customers with individual revenue larger than 10% of the total revenue, namely Runners Service NV (K€87), and one third party customer (K€91). We refer to Note 15 with respect to the revenue realized with related parties.

The revenue by category is presented as follows:

in 000€	For the year ended December 31,		
	2018 Unaudited	2017	2016
Revenue from soles	906	716	413
Revenue from footscanners and footscan software	78	46	250
Other revenue	128	55	21
<b>Total</b>	<b>1,112</b>	<b>817</b>	<b>684</b>

Revenue from soles and footscanners is recognized at a point in time. The portion of revenue recognized over time is not significant for the Company. We refer to Note 2 for more information. Other revenue mainly relates to the recharge of services to related parties and income from software licensing.

The following table provides information about receivables, invoices to be made (contract assets) and deferred income (contract liabilities) from contracts with customers:

in 000€	December 31,		
	2018 Unaudited	2017	2016
Trade receivables, excluding 'invoices to be made'	408	234	326
Contract assets / invoices to be made	35	16	—
Contract liabilities / deferred income	74	6	—
<b>Total</b>	<b>517</b>	<b>256</b>	<b>326</b>

The contract assets as of December 31, 2018 relate to invoices to be made or accrued revenue for income from software licenses not yet billed to the customer.

## FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

The contract liabilities as of December 31, 2018 relate to sales of insoles that were already billed to the customer whereby the revenue has been deferred in view of uncertainty regarding the collectability.

The relation between the timing of satisfaction of the performance obligations and the timing of billing resulting in contract assets and liabilities is as follows:

- *Starting packs: starting packs relate to a fixed fee pack including installation, training and the possibility to receive five pairs of 3D printed insoles valid over a limited amount of time. The starting packs are typically billed at the start of the period. Since management assessed that no significant timing difference can occur between the allocated transaction prices of the different performance obligations, the fixed fee is recognized straight-line over the limited time period between the billing date and the expiration date. No significant contract liabilities exist per end of the reporting period.*
- *3D printed insoles: usually no significant difference exists between the timing of the satisfaction of the performance obligation and the timing of the billing.*
- *Footscan plate and perpetual license footscan software: usually no significant difference exists between the timing of the satisfaction of the performance obligation and the timing of the billing.*
- *Order management software: certain software licenses may have been billed prior to or after the delivery of the software key resulting in either an accrued revenue balance (invoices to be made) or a deferred income balance.*

## 12.2 Services and other goods

Services and other goods expenses include the following selected information:

in 000€	For the year ended December 31,		
	2018 Unaudited	2017	2016
Research and development expenses	175	261	571
Leases, rent and building expenses	83	89	110
Office expenses	25	7	17
Service fees and commissions	521	591	512
Travel and transport expenses	71	68	62
Marketing expenses	35	20	50
Other	11	11	19
<b>Total</b>	<b>921</b>	<b>1,047</b>	<b>1,341</b>

The research and development expenses relate to services from Materialise NV. Furthermore, K€658 of the services and other goods of 2018 relate to support services from related parties. We refer to Note 15.

## 12.3 Other income

The other operating income can be detailed as follows:

in 000€	For the year ended December 31,		
	2018 Unaudited	2017	2016
Government grants	—	306	301
Tax credits	—	15	26
Other	10	89	7
Gain from sales of property, plant & equipment	120		
<b>Total</b>	<b>130</b>	<b>410</b>	<b>334</b>

During 2017 and 2016, the Company has received government grants linked to certain of its research and development programs. These programs allow the government to contribute a certain percentage of the costs incurred. Any government grants recognized as income do not have any unfulfilled conditions or other contingencies attached to them.

## FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

In the year ending December 31, 2018, the Company realized a gain of K€119 over the sale of a 3D printer to Materialise NV. The other items for the amount of K€ 89 in the year ended December 31, 2017 mainly relate to recharges to related parties. We refer to Note 15.

#### 12.4 Other operating expenses

The other operating expenses can be detailed as follows:

in 000€	For the year ended December 31,		
	2018 Unaudited	2017	2016
Taxes other than income tax	42	3	1
Allowance for doubtful debtors	38	—	—
<b>Total</b>	<b>80</b>	<b>3</b>	<b>1</b>

The taxes other than income taxes amounting to K€42 per end of 2018 mainly relate to import duties (K€39). As at December 31, 2018 the Company accounted for an allowance for doubtful debtors for the amount of K€38. We refer to Note 7 for more information.

#### 12.5 Employee benefits

The following table shows the breakdown of payroll expenses for 2018, 2017 and 2016:

in 000€	For the year ended December 31,		
	2018 Unaudited	2017	2016
Short-term employee benefits	335	310	293
Social security expenses	80	65	51
Other employee expenses	45	31	19
<b>Total</b>	<b>460</b>	<b>406</b>	<b>363</b>
Total registered employees at the end of the period	8	8	5

#### 12.6 Financial income and expenses

The financial income for the period ending December 31, 2018 mainly relates to foreign currency exchange gains amounting to K€25 (2017: K€53; 2016: K€6). Similarly, the financial expenses for the period ending December 31, 2018 mainly relate to foreign currency exchange losses amounting to K€75 (2017: K€15; 2016: nil).

#### 12.7 Income taxes

##### *Current income tax*

The Company has no income tax expenses in the statement of comprehensive income of 2018, 2017 and 2016.

##### *Deferred tax*

The Company did not account for any deferred tax asset or liability as at December 31, 2018, 2017 and 2016.

The Company has unused tax losses available for an amount of about K€5,258 per end of 2018 (2017: K€3,930, 2016: K€2,431). These tax losses have no expiration date. The Company has deductible temporary differences for the amount of K€598 per end of 2018 (2017: K€984, 2016: K€1,371).

## FINANCIAL STATEMENTS RSPRINT FOR THE YEARS ENDED DECEMBER 31, 2018, 2017 AND 2016

With respect to the net operating losses and temporary differences, no deferred tax assets have been recognized given the uncertainty of realizing a net profit in the near future.

*Relationship between Tax Expense and Accounting Loss*

in 000€	December 31,		
	2018 Unaudited	2017	2016
<b>Loss before taxes</b>	<b>(941)</b>	<b>(723)</b>	<b>(1,208)</b>
Income tax at statutory rate of 29.58% (2017, 2016: 33.99%)	278	245	410
Non-deductible expenses	(4)	(5)	(4)
Non-recognition of deferred tax asset	(274)	(373)	(494)
Non-taxable income	—	133	88
<b>Income tax expense as reported in the statement of comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>

**13 Commitments**

The Company has both operating and finance leases. Only operating leases are significant.

*Operating lease commitments*

The Company has operating lease commitments mainly related to cars and the Company's building as follows:

in 000€	As of December 31,		
	2018 Unaudited	2017	2016
Within one year	41	89	108
Between two and three years	—	176	37
Between four and five years	—	—	8
More than 5 years	—	—	—
<b>Total</b>	<b>41</b>	<b>265</b>	<b>153</b>

The total operating lease payments recognized in the income statement are K€83 in 2018, including non-deductible VAT (2017: K€89, 2016: K€110).

A new lease agreement for the building started as of January 1, 2018. The current agreement only includes a commitment over a six-month period. As of January 1, 2017, the Company has refinanced most of its operating car lease commitments into financial lease commitments. The operating car lease commitments still existing as of December 31, 2017 are included in the above table for a total amount of K€17 (2016: K€70). No operating car lease contracts remained during 2018.

**14 Risks**

The Company is mainly exposed to liquidity risk and credit risk.

*Foreign exchange risk*

The Company has primarily exposure to the USD as foreign currency because of its revenue realized in USD and purchases of services in USD mainly from Materialise USA, LLC. During 2018, 2017 and 2016 the changes in the USD did not have a significant impact on the operating result of the Company.

If the USD (rate for 1 EUR) would have appreciated by 10%, the net result would have been K€14 lower. If the USD (rate for 1 EUR) would have depreciated by 10%, the net result would have been K€13 higher.

*Liquidity risk*

The liquidity risk is that the Company may not have sufficient cash to meet its payment obligations. This risk is countered by day-by-day liquidity management. The Company has entered into some operational and financial lease agreements with financial institutions to finance its company cars. The Company has no credit arrangements or undrawn lines of credit. The short-term cash needs are also managed through the trade payables with the Shareholders.

All contracted obligations and related carrying amounts are short-term liabilities.

*Credit risk*

Credit risk is the risk that third parties may not meet their contractual obligations resulting in a loss for the Company. The Company is exposed to credit risk from its operating activities and from its financing activities, which are mainly current accounts with financial institutions. The Company limits this exposure by contracting with credit-worthy business partners or with financial institutions which meet high credit rating requirements. In addition, the portfolio of receivables is monitored on a continuous basis. Credit risk is limited to a specified amount with regard to individual receivables.

*Trade receivables and contracts in progress*

Customer credit risk is managed in accordance with the Company's established policy, procedures and controls relating to customer credit risk management.

An impairment analysis is performed at each reporting date and a provision matrix is used to measure ECLs. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns.

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Set out below is the information about the credit risk exposure on the Company's trade receivables:

in 000€	<u>Total</u>	<u>Non-due</u>	<u>&lt; 30 days</u>	<u>31-60 days</u>	<u>61-90 days</u>	<u>91-180 days</u>	<u>&gt; 181 days</u>
<b>December 31, 2018*</b>	405	162	66	36	31	80	30
<b>December 31, 2017</b>	250	138	28	22	3	32	27
<b>December 31, 2016</b>	326	134	39	28	58	48	19

\* Unaudited

*Capital management*

The primary objective of the Shareholders' capital management strategy is to ensure it maintains healthy capital ratios to support its business and maximize shareholder value. Capital is defined as the Company shareholders' equity.

The Company consistently reviews its capital structure and makes adjustments in light of changing economic conditions. The Company made no changes to its capital management objectives, policies or processes during the years ended December 31, 2018, 2017 and 2016.

**15 Related party transactions**

The compensation of key management personnel of the Company is as follows:

in 000€	For the year ended December 31,		
	2018 Unaudited	2017	2016
Short-term employee benefits	93	107	100
<b>Total</b>	<b>93</b>	<b>107</b>	<b>100</b>

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

in 000€	Sale of goods to	Purchases from	Interest expense	Receivables	Liabilities
<b>Shareholders</b>					
December 31, 2018*	505	1,527	—	65	1,528
December 31, 2017	246	1,339	—	580	1,298
December 31, 2016	103	1,433	—	46	799

\* Unaudited

*Related party – RSScan International NV*

As one of the Shareholders, RSScan International NV provides services, footscanners and footscan software to the Company, which is reflected in K€64 of purchases of raw materials and consumables for financial year 2018 (2017: K€65) and K€97 relating to services and other goods, mainly consisting of the rent for the building (2017: K€103). RSScan International NV and some of its subsidiaries are also customers of the Company, which is reflected in K€56 of revenue for financial year 2018 (2017: K€134) and K€10 of other income (2017: K€89).

The outstanding receivables with respect to RSScan International NV and its subsidiaries amount to K€43 as of December 31, 2018 (2017: K€17). Trade payables and accruals are outstanding as of December 31, 2018 relating to RSScan International NV and its subsidiaries for an amount of K€207 (2017: K€9).

*Related party – Materialise NV and Materialise USA, LLC*

As one of the Shareholders, Materialise NV provides research and development and other services to the Company. Research and development services provided by Materialise NV amount to K€175 for financial year 2018 (2017: K€261). Furthermore, the Company purchased 3D printed soles from Materialise NV and Materialise USA, LLC for a total amount of K€631 during financial year 2018 (2017: K€378), presented in raw materials and consumables. Support services, as presented with services and other goods, are also provided by Materialise NV and Materialise USA, LLC for a total amount of K€561 (2017: K€532).

In 2018 an amount of K€298 of sales is realized to Materialise NV (2017: K€23), as well as K€21 related to other revenue (2017: nil). Also, a gain on the sale of a 3D printer to Materialise NV is included in the above table for an amount of K€119 and recorded under other income (2017: nil).

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The above described services result in outstanding trade payables and accruals of K€224 as of December 31, 2018 (2017: K€516) and a long-term liability against Materialise NV of K€1,096 (2017: K€773), as presented with other non-current liabilities in the statement of financial position.

The current account with Materialise USA, LLC, presented with the other current assets, amounting to K€22 as of December 31, 2018 (2017: K€527), reflects the cash collected by Materialise USA, LLC for US-based customers of the Company.

**16 Events subsequent to the statement of financial position date**

On June 24, 2019, a term sheet between the Shareholders was signed to increase the capital of the Company by €1,750,000.

Apart from the above there are no other significant events subsequent to the statement of financial position date that would require adjustments or disclosures to the financial statements.