

The logo for Materialise, featuring the word "materialise" in a bold, lowercase sans-serif font, with the tagline "innovators you can count on" in a smaller, lowercase sans-serif font below it. The background consists of a white area on the left and a blue area on the right, separated by a diagonal line that curves upwards from left to right.

materialise
innovators you can count on

Q4 2021 Financial Results

Conference Call
March 3, 2022

www.materialise.com
NASDAQ: MTL

Safe Harbor Summary

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

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

Agenda

- Q4 and FY 2021 Highlights
- Key 2021 Operational Achievements
- Q4 2021 Financial Results
- Fiscal 2022 Financial Guidance
- Q&A



Fried Vancraen
Founder & CEO



Peter Leys
Executive Chairman



Johan Albrecht
CFO

Q4 2021 & Full Year Financial Highlights

Q4 2021

- Q4 2021 revenue increased 25.8% to 56,989 kEUR from last year
- Q4 2021 Adjusted EBITDA increased 42% to 10,490 kEUR or 18.4% of revenue
- Q4 2021 net result was 4,762 kEUR, or 8 EUR-ct. per share, compared to a net loss of (2,039) kEUR in Q4 2020

Full Year 2021

- Total annual revenue increased 20.5% to 205,450 kEUR
- Full year Adjusted EBITDA increased 59% to 32,497 kEUR from 20,378 kEUR in 2020
- Net profit was 13,145 kEUR compared to a net loss of (7,192) kEUR in 2020
- Cash position as of year end was 196,028 kEUR
- 23 EUR-ct. earnings per share

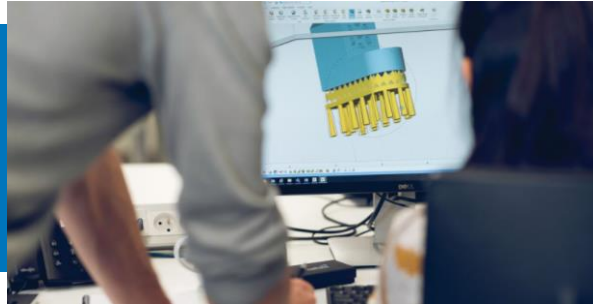
Record quarter and FY results. Materialise solidly on growth path.

Continued R&D Spending for Long-Term Sustainability and Short-Term Impact



Medical

AI behind the planning of surgeries, design of devices and in the Mimics Innovation Suite



Software

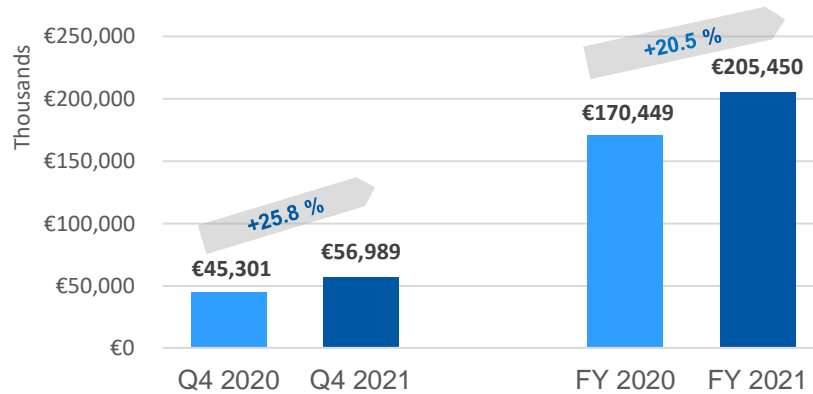
Magics, AM Software of the year 2021, extending with integrated CAD Kernel



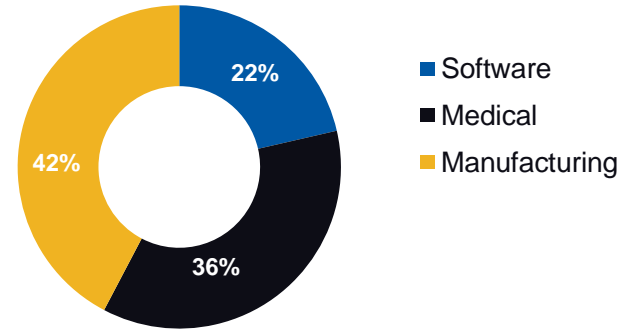
Manufacturing

New Metal Competence Centre in Bremen, Certified Manufacturing Stronghold

Q4 2021 & Full Year Consolidated Revenue

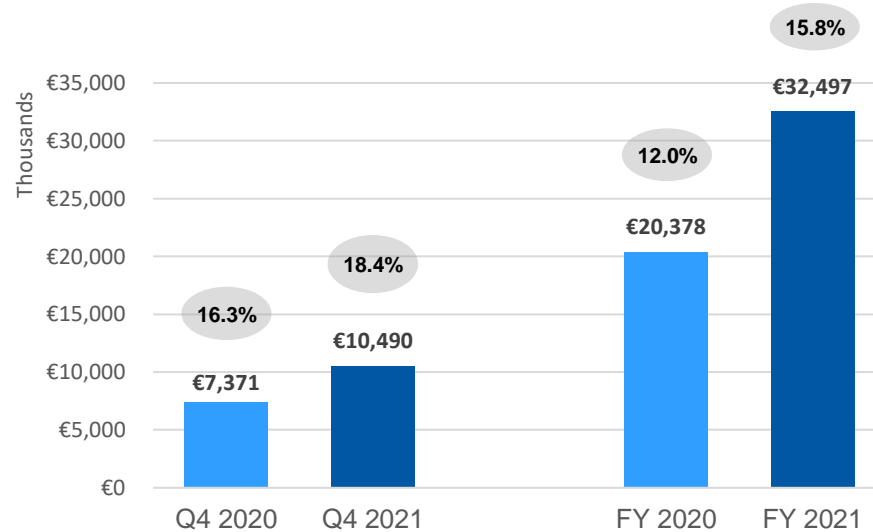


Q4 2021 Revenue by Segment



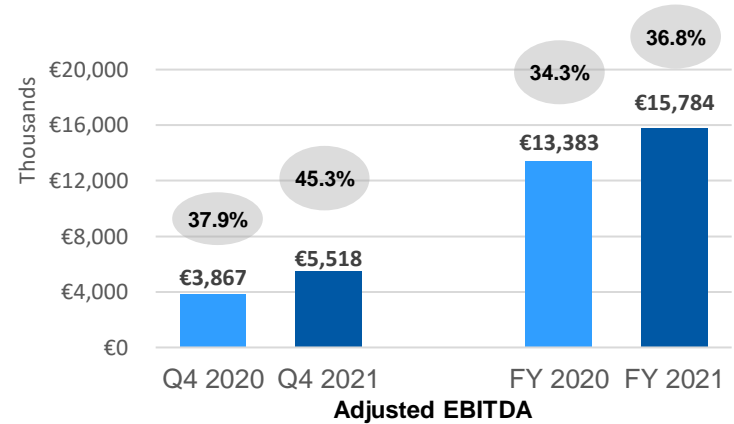
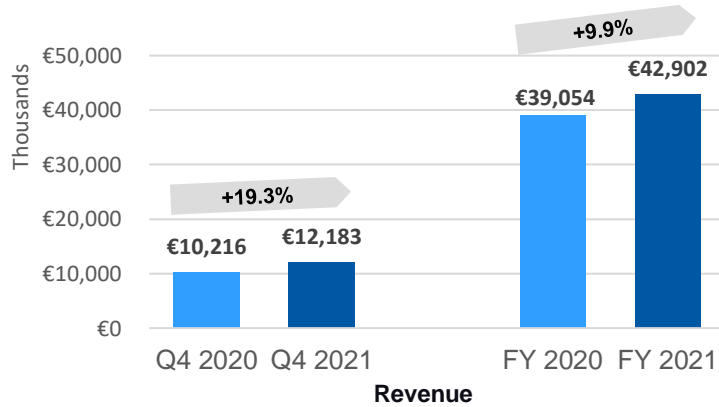
- Strong double-digit growth from all segments compared to Q4 2020, +26%
- Materialise Manufacturing revenue rose 35% compared to Q4 2020
- Deferred revenues from software license and maintenance fees grew by 4.0 million EUR from year end 2020
- Cross-segment revenue from software products amounted to 32%

Q4 2021 & Full Year Consolidated Adjusted EBITDA



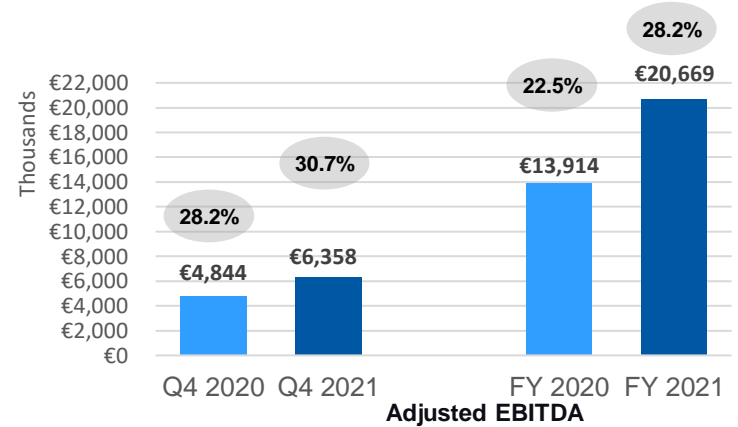
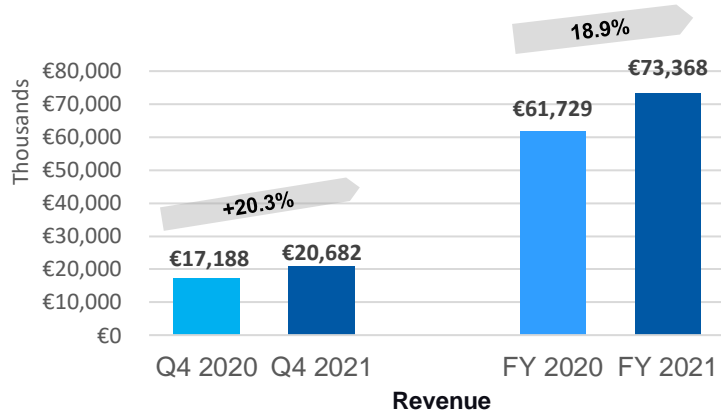
- Q4 2021 consolidated Adjusted EBITDA increased 42% from last year
- Full year Adjusted EBITDA increased 12,119 kEUR to 32,497 kEUR
- Improved gross margin, productivity improvements and operating cost containment

Q4 2021 & Full Year Software Segment



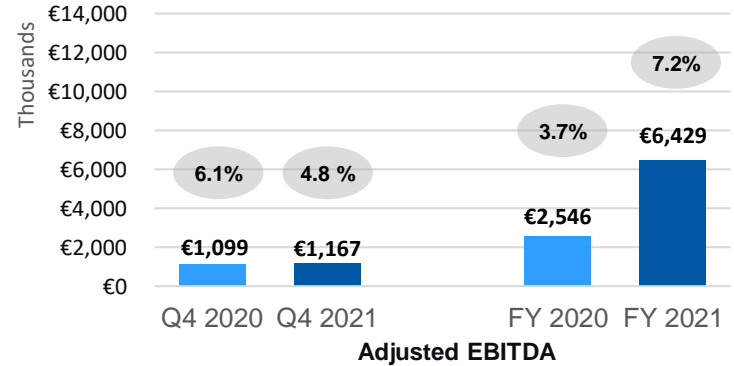
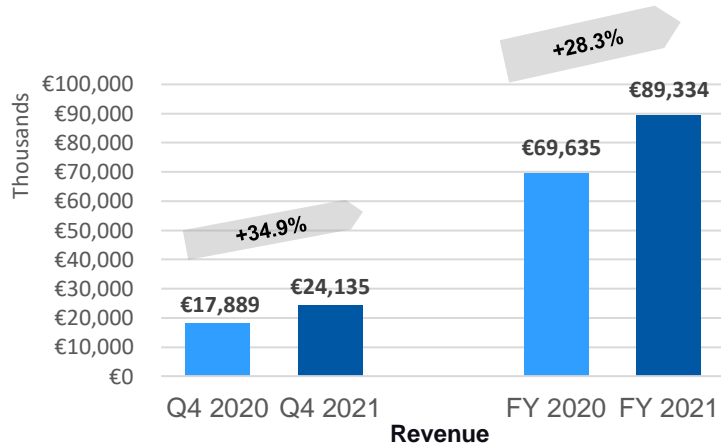
- Q4 2021 revenue increased to 12,183 kEUR, growth of 19.3% YOY
- Q4 2021 Adjusted EBITDA grew 42.7% to 5,518 kEUR, EBITDA margin of 45.3%

Q4 2021 & Full Year Medical Segment



- Q4 2021 revenue rose 20.3% compared to Q4 2020
- Medical software revenue grew 24.8% compared to 2020
- Q4 2021 Adjusted EBITDA of 6,358 kEUR, 30.7% EBITDA margin

Q4 2021 & Full Year Manufacturing Segment



- Q4 revenue increased 34.9% YOY
- Q4 Adjusted EBITDA amounted to 1,167 kEUR

Income Statement Highlights

(in thousands of euros, except where indicated)	Q4		Full Year	
	2021	2020 (*)	2021	2020 (*)
Revenue	56,989	45,301	205,450	170,449
Cost of sales	(23,791)	(19,137)	(88,169)	(76,446)
Gross profit	33,198	26,165	117,281	94,003
Research & development expenses	(6,896)	(8,669)	(26,891)	(27,104)
Sales & marketing expenses	(13,421)	(10,938)	(49,151)	(44,636)
General & administrative expenses	(9,165)	(8,236)	(32,601)	(29,337)
Other income/(expenses), net	1,260	(296)	3,578	2,435
Operating profit/(loss)	4,976	(1,974)	12,217	(4,639)
Financial income/(expenses), net	275	(596)	1,519	(3,542)
Share in gain/(loss) of joint venture	0	0	0	(39)
Taxes	(490)	531	(591)	1,028
Net profit/(loss)	4,762	(2,039)	13,145	(7,192)
Diluted EPS (in €)	0.08	(0.04)	0.23	(0.13)
(Diluted) weighted average shares (thousands)	58,950	53,896	56,824	53,364

(*) 2020 has been restated to reflect the final accounting of the RS Print business combination (79 K€)

Other Financial Highlights

(in thousands of euros)	12/31/'21	12/31/'20(*)
Cash and equivalents	196,028	111,538
Receivables	41,541	30,871
Inventories	11,295	10,043
Payables	20,954	18,672
Deferred income	38,258	34,884
Borrowings	99,107	115,110
Equity	232,577	133,183
Total balance sheet	413,408	325,923

(in thousands of euros)	FY 2021	FY 2020
Capital expenditures	11,721	17,650
Cash flow from operations	25,843	29,979

(in thousands of euros)	Q4 2021	Q4 2020
Capital expenditures	4,455	3,670
Cash flow from operations	8,353	15,226

(*) 2020 has been restated to reflect the final accounting of the RS Print business combination (Equity +79 kEUR / Total Balance Sheet (1,743) kEUR)

Fiscal 2022 Financial Guidance

- Encouraged by outstanding 2H 2021 results
- Current strategy and outlook for FY 2022:
 - Continue scaling mature business lines
 - Potential for continued healthy margin
 - Increase spending, especially in R&D and S&M, to accelerate the development of new growth businesses, in particular Link3D product portfolio
- Expect consolidated revenue growth of at least 10%
- Expect consolidated Adjusted EBITDA to decrease by approximately 10%

APPENDIX

Adjusted EBITDA Reconciliation

	For the quarter ended December 31		For the year ended December 31	
(in thousands of euros)	2021	2020(*)	2021	2020(*)
Net profit/(loss)	4,762	(2,039)	13,145	(7,192)
Income taxes	490	(531)	591	(1,028)
Financial expenses	919	1,073	4,101	5,996
Financial income	(1,195)	(477)	(5,620)	(2,453)
Share of loss in a joint venture	0	0	0	39
Depreciation & amortization	5,277	5,160	20,516	19,775
EBITDA	10,253	3,185	32,733	15,136
Share-based compensation expenses	44	286	(834)	1,344
Acquisition-related expenses	8	63	413	63
Impairments	177	4,605	177	4,606
Re-valuation on 50% Rs Print	8	(770)	8	(770)
Adjusted EBITDA	10,490	7,371	32,497	20,378

(*) 2020 has been restated to reflect the final accounting of the RS Print business combination (79KE)