

May 9, 2023

First Quarter 2023 Financial Results

Welcome and Participants

Dr. Jeffrey Graves

President & Chief Executive Officer

Michael Turner

Executive Vice President & Chief Financial Officer

Andrew Johnson

Executive Vice President, Chief Corporate
Development Officer & Chief Legal Officer

Mick McCloskey

Vice President, Treasury & Investor Relations



To participate via phone,
please dial:

1-201-689-8345



Forward Looking Statements

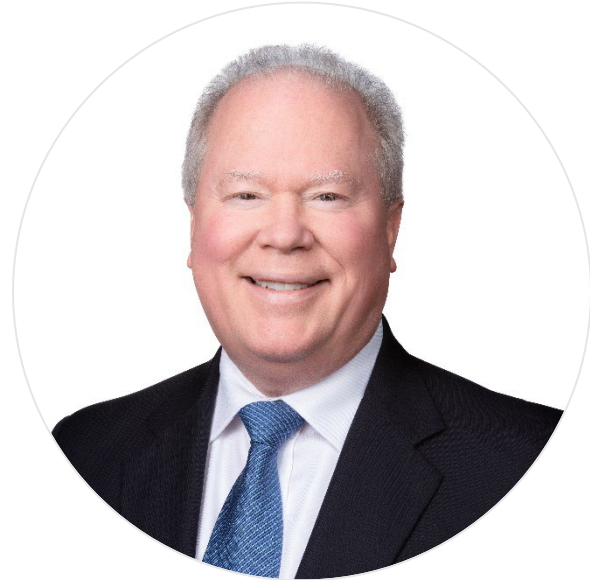
Certain statements made in this presentation that are not statements of historical or current facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the company to be materially different from historical results or from any future results or projections expressed or implied by such forward-looking statements. In many cases, forward looking statements can be identified by terms such as “believes,” “belief,” “expects,” “may,” “will,” “estimates,” “intends,” “anticipates” or “plans” or the negative of these terms or other comparable terminology. Forward-looking statements are based upon management’s beliefs, assumptions and current expectations and may include comments as to the company’s beliefs and expectations as to future events and trends affecting its business and are necessarily subject to uncertainties, many of which are outside the control of the company. The factors described under the headings “Forward-Looking Statements” and “Risk Factors” in the company’s periodic filings with the Securities and Exchange Commission, as well as other factors, could cause actual results to differ materially from those reflected or predicted in forward-looking statements. Although management believes that the expectations reflected in the forward-looking statements are reasonable, forward-looking statements are not, and should not be relied upon as a guarantee of future performance or results, nor will they necessarily prove to be accurate indications of the times at which such performance or results will be achieved. The forward-looking statements included are made only as the date of the statement. 3D Systems undertakes no obligation to update or revise any forward-looking statements made by management or on its behalf, whether as a result of future developments, subsequent events or circumstances or otherwise, except as required by law

Further, we encourage you to review “Risk Factors” in Part 1 of our Annual Report on Form 10-K and Part II of our Quarterly Reports on Form 10-Q filed with the SEC as well as other information about us in our filings with the SEC. These are available at www.SEC.gov.



Dr. Jeffrey Graves

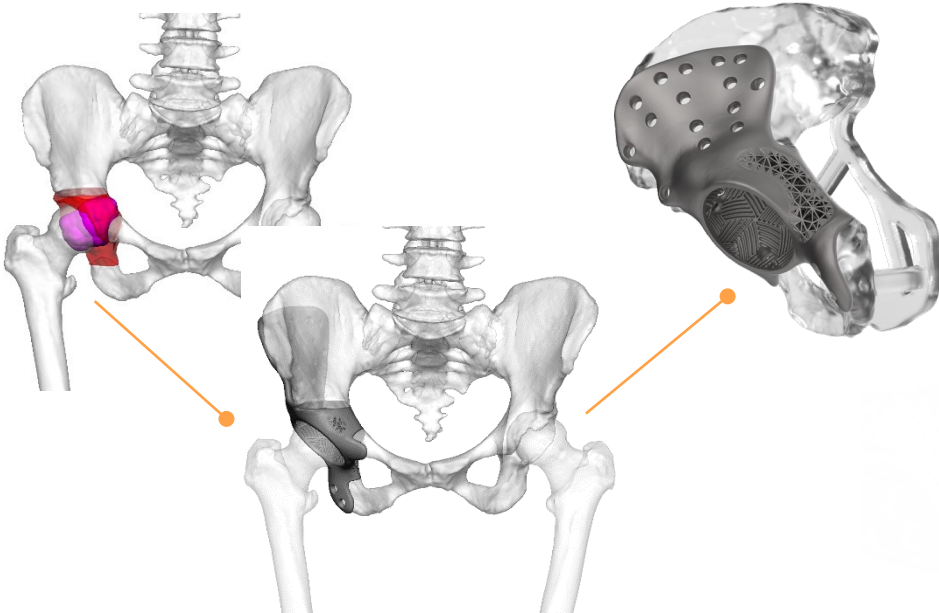
President & Chief Executive Officer



End-to-End Solutions for Major Markets

Healthcare

Patient-matched acetabular tri-flange, for complex tumor resection and reconstruction



Industrial

Collaboration with TE Connectivity to jointly develop an AM solution for electrical connectors

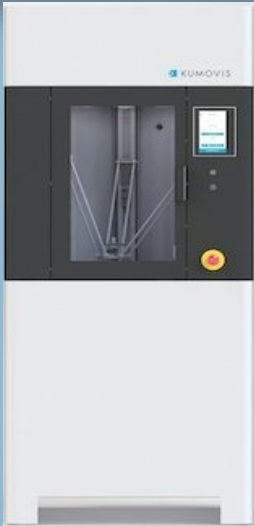


Cranial Surgery Success Story



University Hospital Salzburg
Salzburg, Austria - April 2023

1st clinical implantation of PEEK cranial device printed on a Kumovis printer



Oqton Software for Dental Applications

Advanced AI-enabled Manufacturing OS accelerates automation of digital production workflows in dental labs using additive manufacturing to improve efficiencies and reduce cost



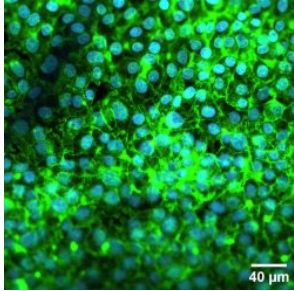
Powered by AI

- Several hundred dental labs now using the Oqton platform to manage their operations
- Overwhelmingly positive customer feedback; churn rates ranging from -20% to -30%
- **Production efficiency gains exceeded 50% in first year of implementation**
- **LTV / CAC > 5**



Progress in Regenerative Medicine

h-VIOS₁₆

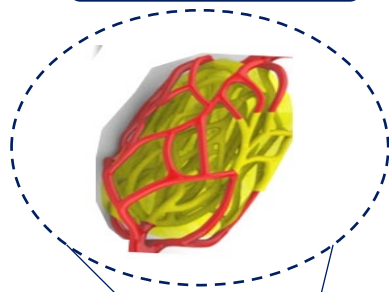


Cells on proprietary h-VIOS biomaterial show desired morphology and distribution.

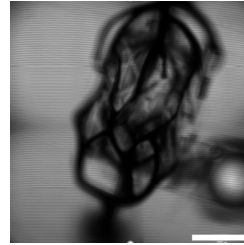
100+ scaffolds/week

Industry-leading capacity of sterile scaffold production in new state-of-the-art cleanroom facility

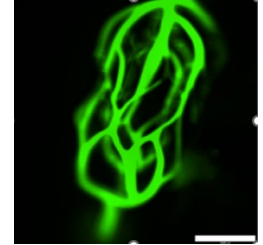
Algorithm-generated vasculature design



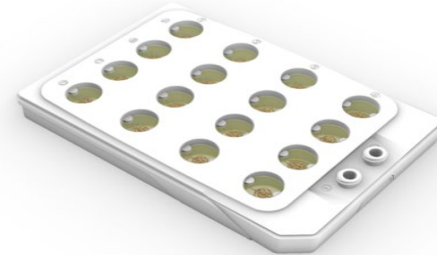
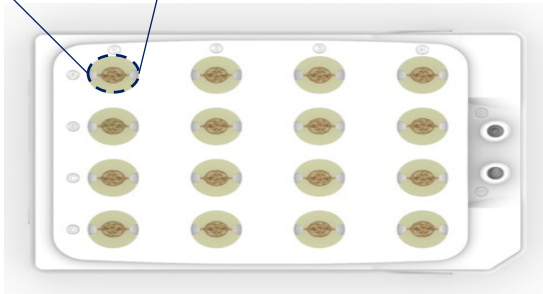
Microscope image of bioprinted scaffold



Microscope image of perfused scaffold



2000 μm scale bar
Vasculature perfused with green fluorescent beads



Systemic Bio secures its first multi-year contract with top pharmaceutical company for oncology drug discovery and development efforts



Expanding Our Portfolio Organically and Inorganically

Wematter SLS

April 2023 – 3D Systems agrees to acquire Wematter

- Gravity Essential, Essential+ and Enterprise line of SLS printers
- 20 Material types
- Affordable, turnkey, closed-loop solutions that make SLS accessible for smaller environments



SLA 750 Dual

- On track for Summer release
- 2x speed and 3x throughput improvements
- Industry leader in print size, speed, accuracy and resolution
- Unmatched finish and mechanical performance



Driving Profitability in 2023 and Beyond

- ✓ **Expanded restructuring effort**
- ✓ **Managing cost structure to align with uncertain macroeconomic environment**
- ✓ **Previous investments in productivity enabling us to harvest more cost efficiencies**
- ✓ **Increasing FY 2023 Non-GAAP adjusted EBITDA guidance to reflect impact of restructuring**



Michael Turner

Chief Financial Officer



Seasonality and FY'23 Revenue Expectations

Historic (2021) Revenue by Quarter*

Q1'21	Q2'21	Q3'21	Q4'21
22%	25%	25%	28%

- **FY'22 did not follow historical seasonality patterns**
- **Q1'23 in-line with normal seasonality**
- **Reiterating FY'23 guidance for revenue between \$545 million - \$575 million**

Expect quarterly distribution of revenue in 2023 to be similar to 2021

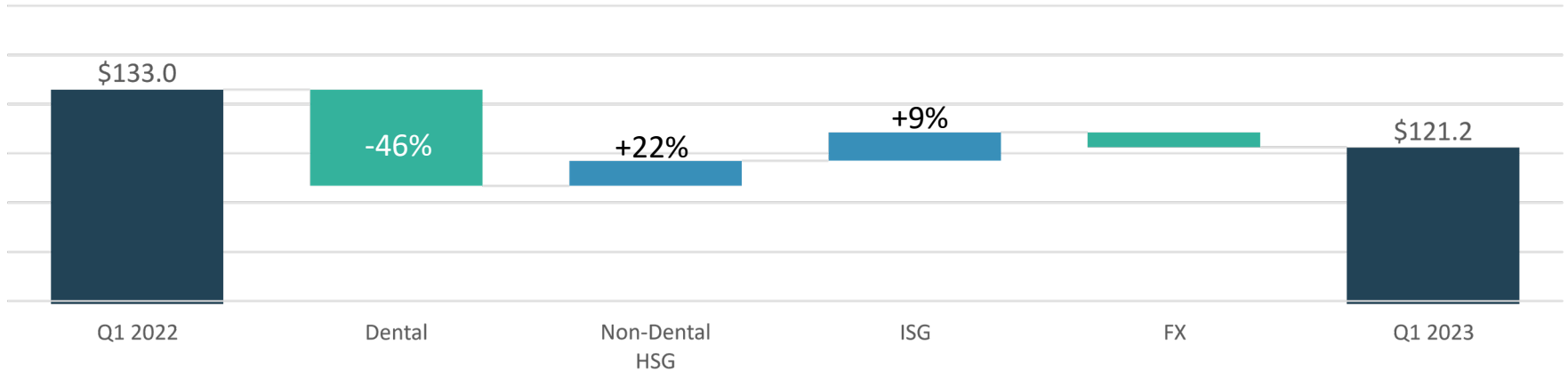
*Excludes revenue from divestitures



First Quarter Revenue Summary

(\$ in millions except percentages)

■ Increase ■ Decrease ■ Total



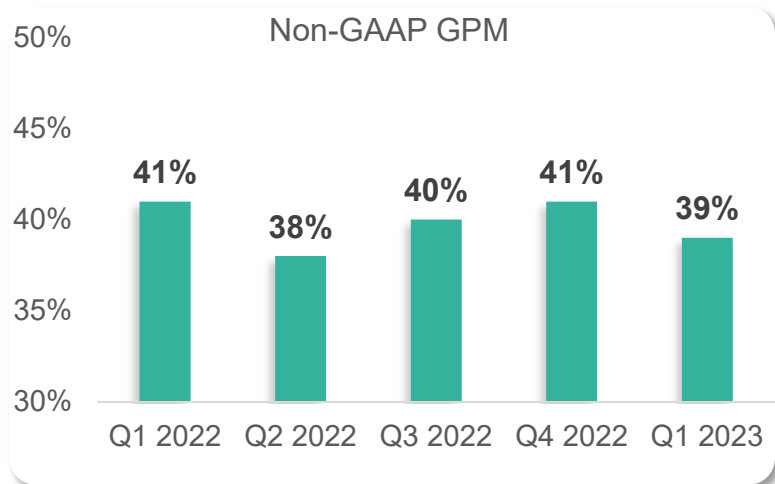
1Q'23 revenue ex. dental markets grew over 12% from prior year on a constant currency basis

Expect mid-teens revenue growth for FY'23 ex. dental markets on a constant currency basis

See Appendix for Reconciliation of Revenue adjusted for constant currency



Gross Profit Margin (Non-GAAP)



Q1 2023 vs. Q1 2022

- Input cost inflation
- Unfavorable product mix

Q1 2023 vs. Q4 2022

- Normal seasonal sales trends impact fixed cost leverage

Reiterate expectation for FY'23 Non-GAAP GP Margins between 40-42%

See Appendix for a reconciliation of Non-GAAP Gross Profit Margin



Earnings (non-GAAP)

- Adjusted EBITDA decreased to negative \$10 million dollars in Q1 2023 compared to Q1 2022
- Net loss of \$(29.4) million dollars
- Diluted loss per share of \$(0.23), and diluted non-GAAP loss per share of \$(0.09)
- Above results due to:
 - Lower sales volumes in dental orthodontics market
 - Inflationary impact on input costs
 - Continued investments in growth areas

Q1'23 performance in-line with internal expectations; remain committed to FY'23 EBITDA profitability

Adj. EBITDA Margin % is defined as Non-GAAP Operating Income plus Depreciation divided by Revenue
See Appendix for a reconciliation of Non-GAAP Operating Income and Adjusted EBITDA.
See Appendix for reconciliation of GAAP and Non-GAAP Net Loss per share.





Strong Balance Sheet

- Ended the quarter with \$530 million dollars of cash and short-term investments on hand
- Sufficient cash to support organic growth, including in regenerative medicine
- Continued focus on operational execution and integration of recent acquisitions

***Committed to achieving break even or better
free cash flow in FY'23***

Revising FY 2023 Outlook

Metric	Commentary	Guidance
Revenue	Reiterate	<i>\$545 million - \$575 million</i>
Non-GAAP Gross Margin %	Reiterate	<i>40% - 42%</i>
Non-GAAP Adjusted EBITDA	INCREASE	<i>\$2 million or better</i>
Free Cash Flow	Reiterate	<i>Break even or better</i>



Q&A Session

1-201-689-8345



Dr. Jeffrey Graves

President & Chief Executive Officer



Thank You

Find out more at:

www.3dsystems.com



Appendix

Presentation of Information

3D Systems reports its financial results in accordance with GAAP. Management also reviews and reports certain non-GAAP measures, including: non-GAAP revenue excluding divestitures and on a constant currency basis (sometimes referred to as excluding divestitures and FX effects), non-GAAP Gross profit, non-GAAP Gross profit margin, non-GAAP Operating expenses, non-GAAP Operating (loss)/income, non-GAAP Interest and other income/(expense), net, non-GAAP Net income (loss), non-GAAP Basic and Diluted Income (Loss) per Share, adjusted EBITDA and adjusted EBITDA Margin. These non-GAAP measures exclude certain special items that management does not view as part of 3D Systems' underlying results as they may be highly variable, may be unusual or infrequent, are difficult to predict and can distort underlying business trends and results. Management believes that the non-GAAP measures provide useful additional insight into underlying business trends and results and provide a more meaningful comparison of period-over-period results. Additionally, management uses the non-GAAP measures for planning, forecasting and evaluating business and financial performance, including allocating resources and evaluating results relative to employee compensation targets. 3D Systems' non-GAAP measures are not calculated in accordance with or as required by GAAP and may not be calculated the same as similarly titled measures used by other companies. These non-GAAP measures should thus be considered as supplemental in nature and not considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP.

A reconciliation of GAAP to non-GAAP financial measures is provided in the accompanying schedules in the Appendix.

3D Systems does not provide forward-looking guidance for certain measures on a GAAP basis. The company is unable to provide a quantitative reconciliation of forward-looking non-GAAP gross profit margins, Adjusted EBITDA and free cash flow to the most directly comparable forward-looking GAAP measures without unreasonable effort because certain items, including litigation costs, acquisition expenses, stock-compensation expense, intangible amortization expense, restructuring expenses, and goodwill impairment, are difficult to predict and estimate. These items are inherently uncertain and depend on various factors, many of which are beyond the company's control, and as such, any associated estimate and its impact on GAAP performance could vary materially.

Balance Sheets

3D Systems Corporation
Unaudited Consolidated Balance Sheets
March 31, 2023 and December 31, 2022

<i>(in thousands, except par value)</i>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 525,898	\$ 388,134
Short-term investments	4,027	180,603
Accounts receivable, net of reserves — \$2,922 and \$3,114	94,677	93,886
Inventories	147,365	137,832
Prepaid expenses and other current assets	38,242	33,790
Total current assets	810,209	834,245
Property and equipment, net	62,150	58,072
Intangible assets, net	88,064	90,230
Goodwill	385,754	385,312
Right-of-use assets	57,090	42,746
Deferred income tax asset	7,214	7,038
Other assets	31,813	28,970
Total assets	<u>\$ 1,442,294</u>	<u>\$ 1,446,613</u>
LIABILITIES, REDEEMABLE NON-CONTROLLING INTEREST AND EQUITY		
Current liabilities:		
Current lease liabilities	\$ 10,542	\$ 9,036
Accounts payable	51,415	53,826
Accrued and other liabilities	54,159	55,571
Customer deposits	6,321	6,911
Deferred revenue	31,575	26,464
Total current liabilities	154,012	151,808
Long-term debt, net of deferred financing costs	450,179	449,510
Long-term lease liabilities	55,231	41,779
Deferred income tax liability	7,680	7,631
Other liabilities	43,744	44,181
Total liabilities	710,846	694,909
Redeemable non-controlling interest	1,762	1,760
Stockholders' equity:		
Common stock, \$0.001 par value, authorized 220,000 shares; shares issued 131,164 and 131,207 as of March 31, 2023 and December 31, 2022, respectively	131	131
Additional paid-in capital	1,553,038	1,547,597
Accumulated deficit	(773,383)	(743,962)
Accumulated other comprehensive loss	(50,100)	(53,822)
Total stockholders' equity	729,686	749,944
Total liabilities, redeemable non-controlling interest and stockholders' equity	<u>\$ 1,442,294</u>	<u>\$ 1,446,613</u>



Statement of Operations

3D Systems Corporation
 Unaudited Consolidated Statements of Operations
 Three Months Ended March 31, 2023, 2022

	Three Months Ended March 31,	
	2023	2022
<i>(in thousands, except per share amounts)</i>		
Revenue:		
Products	\$ 84,388	\$ 100,551
Services	36,848	32,450
Total revenue	121,236	133,001
Cost of sales:		
Products	49,880	58,472
Services	24,258	20,734
Total cost of sales	74,138	79,206
Gross profit	47,098	53,795
Operating expenses:		
Selling, general and administrative	58,285	55,415
Research and development	22,209	21,612
Total operating expenses	80,494	77,027
(Loss) from operations	(33,396)	(23,232)
Interest and other income (expense), net	3,875	(2,283)
(Loss) before income taxes	(29,521)	(25,515)
(Provision) benefit for income taxes	(8)	(1,284)
Net (loss) before redeemable non-controlling interest	(29,529)	(26,799)
Less: net (loss) attributable to redeemable non-controlling interest	(108)	—
Net (loss) attributable to 3D Systems Corporation	\$ (29,421)	\$ (26,799)
Net (loss) per common share		
Basic	\$ (0.23)	\$ (0.21)
Diluted	\$ (0.23)	\$ (0.21)
Weighted average shares outstanding:		
Basic	129,158	126,728
Diluted	129,158	126,728



Statement of Cash Flows

3D Systems Corporation
Unaudited Consolidated Statements of Cash Flows
Three Months Ended March 31, 2023, 2022

<i>(in thousands)</i>	Three Months Ended March 31,	
	2023	2022
Cash flows from operating activities:		
Net (loss) income before redeemable non-controlling interest	\$ (29,529)	\$ (26,799)
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Depreciation, amortization and accretion of debt discount	9,220	9,147
Stock-based compensation	10,292	12,658
Unrealized gain on exchange rate	—	(439)
Loss on short-term investments	29	—
Non-cash operating lease expense	1,903	1,709
Provision for inventory obsolescence and revaluation	2,926	(517)
Provision for bad debts	13	1,076
Loss (gain) on the disposition of businesses, property, equipment and other assets	423	137
Benefit for deferred income taxes and reserve adjustments	(259)	466
Asset impairment	—	40
Changes in operating accounts:		
Accounts receivable	(208)	3,173
Inventories	(12,327)	(8,822)
Prepaid expenses and other current assets	(4,146)	2,225
Accounts payable	(2,947)	277
Deferred revenue and customer deposits	3,120	1,901
Accrued and other liabilities	(6,994)	(8,679)
All other operating activities	762	(2,678)
Net cash (used in) provided by operating activities	(27,722)	(15,125)
Cash flows from investing activities:		
Purchases of property and equipment	(9,027)	(4,079)
Purchases of short-term investments	—	(366,005)
Sales and maturities of short-term investments	176,856	6,170
Acquisitions and other investments, net of cash acquired	—	(9,335)
Other investing activities	—	40
Net cash provided by (used in) investing activities	167,829	(373,209)
Cash flows from financing activities:		
Purchase of non-controlling interests	—	(2,300)
Taxes paid related to net-share settlement of equity awards	(2,115)	(10,052)
Other financing activities	(179)	(166)
Net cash (used in) provided by financing activities	(2,294)	(12,518)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	114	464
Net (decrease) increase in cash, cash equivalents and restricted cash	137,927	(400,388)
Cash, cash equivalents and restricted cash at the beginning of the year ^(a)	391,975	789,970
Cash, cash equivalents and restricted cash at the end of the period ^(a)	\$ 529,902	\$ 389,582

(a) The amounts for cash and cash equivalents shown above include restricted cash of \$115 and \$114 as of March 31, 2023 and December 31, 2022, respectively, which are included in prepaid expenses and other current assets. In addition, included in cash and cash equivalents above as of March 31, 2023 and December 31, 2022 is \$3,889 and \$3,727, respectively, of restricted cash, which, is included in other non-current assets. The amounts for cash and cash equivalents shown above include restricted cash of \$312 as of March 31, 2022, and December 31, 2021.

Reconciliation of Revenue to Non-GAAP Revenue

(in thousands except percentages,
unaudited)

Constant Currency Revenue ⁽⁴⁾

<i>(in thousands)</i>	Three Months Ended March 31,				Constant Currency ⁽¹⁾	
	2023	2022	\$ Change	% Change	FX Effect ⁽²⁾	% Change ⁽³⁾
Healthcare Solutions	\$ 48,725	\$ 64,345	\$ (15,620)	(24.3)%	\$ (564)	(23.4)%
Industrial Solutions	72,511	68,656	3,855	5.6%	(2,496)	9.3%
Total revenue	<u>\$ 121,236</u>	<u>\$ 133,001</u>	<u>\$ (11,765)</u>	<u>(8.8)%</u>	<u>\$ (3,060)</u>	<u>(6.5)%</u>

⁽¹⁾ To assist in the analysis of the Company's revenue trends, the Company estimated the impact of foreign exchange on year-over-year revenue growth by recasting revenue for the three months ended March 31, 2023 by applying the foreign exchange rates used to translate 2022 non-US functional currency revenue to 2023 non-US functional currency revenue.

⁽²⁾ Represents the estimated impact on "as reported" revenue due to changes in foreign currency exchange rates

⁽³⁾ Represents the % increase or decrease in revenue excluding the estimated "FX effect"

⁽⁴⁾ Amounts in table may not foot due to rounding



Gross Profit and Gross Profit Margin Reconciliation

(in thousands except percentages,
unaudited)

Gross Profit and Gross Profit Margin ⁽¹⁾

<i>(in thousands)</i>	Three Months Ended March 31,			
	2023		2022	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
GAAP	\$ 47,098	38.8%	\$ 53,795	40.4%
Amortization expense included in Cost of sales	136		140	
Non-GAAP ⁽²⁾	<u>\$ 47,235</u>	39.0%	<u>\$ 53,935</u>	40.6%

⁽¹⁾ Amounts in table may not foot due to rounding

⁽²⁾ Calculated as non-GAAP gross profit as a percentage of total revenue.

Adjust EBITDA reconciliation

(in thousands except percentages, unaudited)

Net (Loss) Income to Adjusted EBITDA ⁽¹⁾

<i>(in thousands)</i>	Three Months Ended March 31,	
	2023	2022
Net (loss) income attributable to 3D Systems Corporation	\$ (29,421)	\$ (26,799)
Interest (income) expense, net	(3,805)	(165)
Provision for income taxes	8	1,284
Depreciation expense	5,312	5,818
Amortization expense	3,239	2,678
EBITDA	(24,667)	(17,184)
Stock-based compensation expense	10,292	12,658
Acquisition and divestiture-related expense	2,677	3,682
Legal expense	79	—
Restructuring expense	1,703	319
Redeemable non-controlling interest	(108)	—
Other (income) expense, net	(70)	2,448
Adjusted EBITDA	\$ (10,094)	\$ 1,923

¹⁾ Amounts in table may not foot due to rounding

Earnings per Share Reconciliation

(in dollars, unaudited)

Diluted (Loss) Income per Share ⁽¹⁾

<i>(in dollars)</i>	Three Months Ended March 31,	
	2023	2022
Diluted (loss) income per share	\$ (0.23)	\$ (0.21)
Stock-based compensation expense	0.08	0.10
Amortization expense	0.03	0.02
Acquisition and divestiture-related expense	0.02	0.03
Restructuring expense	0.01	—
Non-GAAP diluted (loss) income per share	\$ (0.09)	\$ (0.06)

⁽¹⁾Amounts in table may not foot due to rounding