
Superior Proposal for 3D Systems to Combine with Stratasys

JUNE 2, 2023

An Unparalleled Alternative for Stratasys Shareholders

1

Creates Unmatched Global Player in a Rapidly Scaling Industry

2

Delivers Exceptional Cost Synergies that Drive Significant Value Creation

3

Secures Improved Certainty of Value Through Stronger Financial Profile and Proven Leadership Team

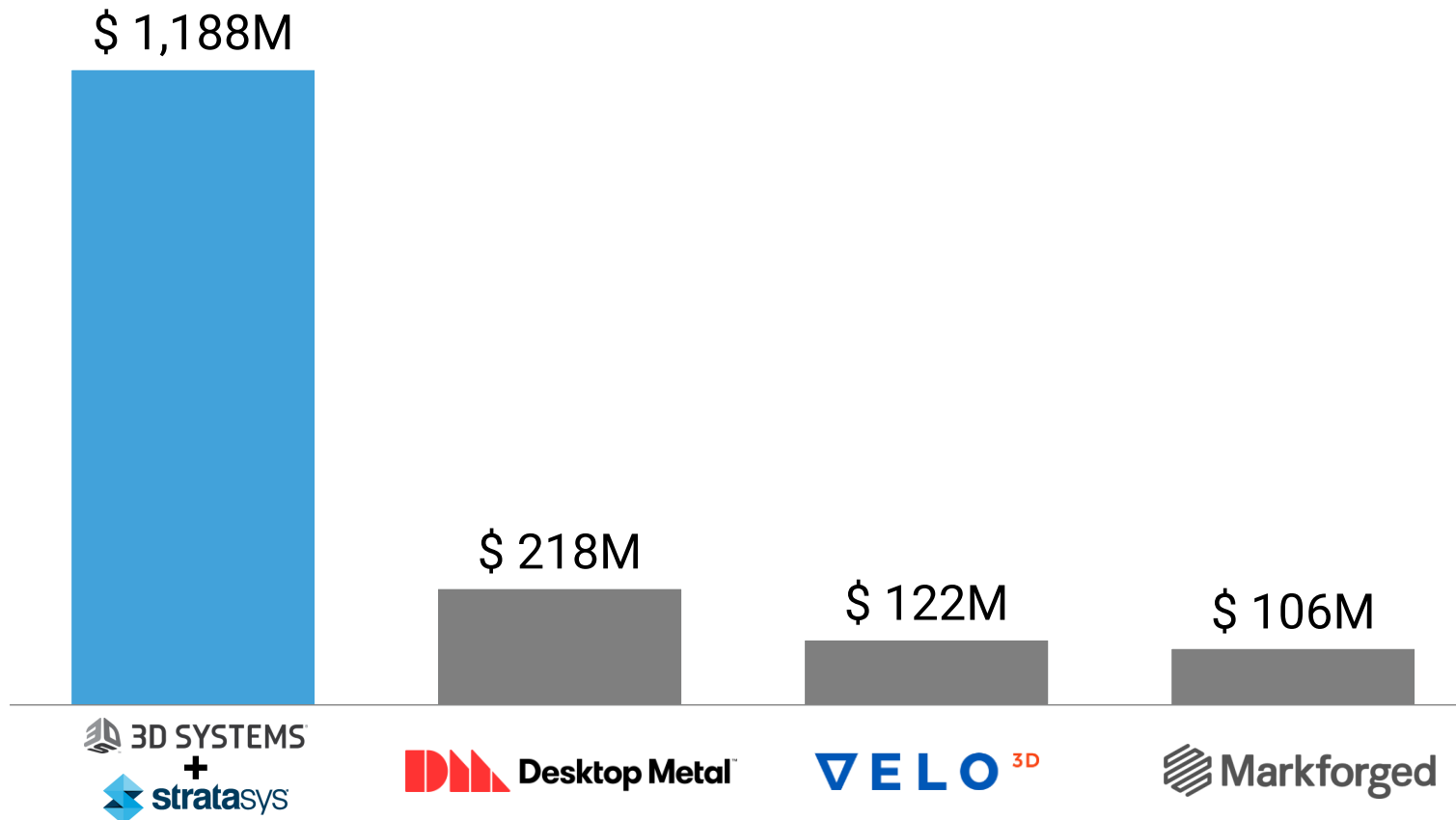
**More Value. Higher Certainty.
The Best Path Forward.**

1

Necessary Scale to Lead the Additive Manufacturing Industry

Creates the Most Compelling
Additive Manufacturing Pure-Play Stock

In an Attractive and
Growing Industry











~21%

3D Printing Market
Expected Annual Growth
in the next 5 to 7 years¹

Source: Refinitiv Eikon as of 24-May-2023

¹ Based on Fortune Business Insights, Grand View Research, Markets and Markets, Modor Research, and Wohlers Report

Comprehensive Offering of Additive Technologies

	 Dental	 VSP & Anatomical Models	 Medical Devices	 Automotive	 Aerospace	 Durable Goods	 Bio Printing	 Desktop
Inkjet (Poly)	✓	✓				✓		
Inkjet (Wax)	✓			✓		✓		
CJP		✓				✓		
Small-Med Format FDM (Filament)				✓	✓	✓	✓	✓
Large Format FFF (Pellets)				✓	✓	✓		
DLP (Fig4 / Origin)	✓			✓		✓	✓	✓
SLA	✓	✓		✓	✓	✓		
SLS (Laser Based Fusion)		✓	✓	✓	✓	✓		
SAF (Powder Bed Fusion)		✓	✓	✓	✓	✓		
DMP Metals	✓		✓	✓	✓	✓		

Unique Regenerative Medicine Growth Engine

3D Systems Bioprinting Leadership



35+ Years of developing advanced 3D printing applications

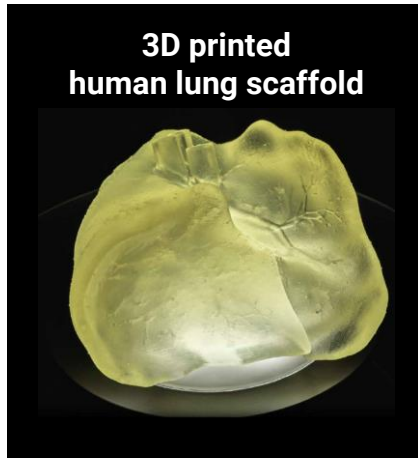


Organ development partnership since 2017



Acquired in 2021 to expand bioprinting capabilities

Human Organs (Lung, Kidney, and Liver)



Most Complex Object Ever 3D Printed:

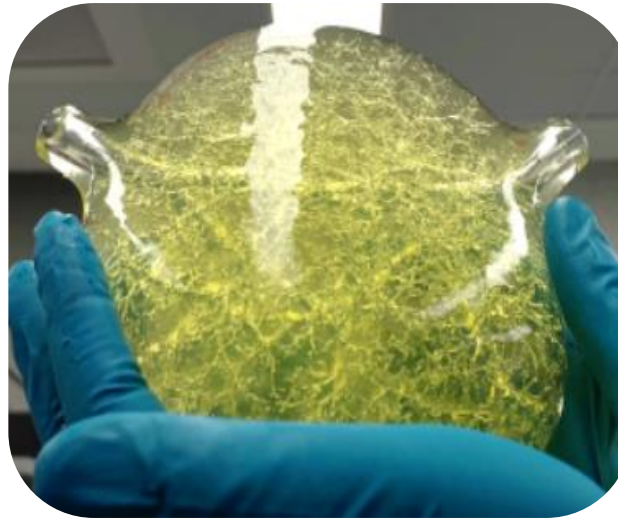
- 2 Lobes
- 5,000 kilometers of vasculature
- 213 Million Alveoli
- 44 Trillion Voxels

2026

Targeting First in Human Trials (Lungs)

Non-Organ Tissues

Vascularized Breast Tissue Scaffold for Implantation & Cellularization



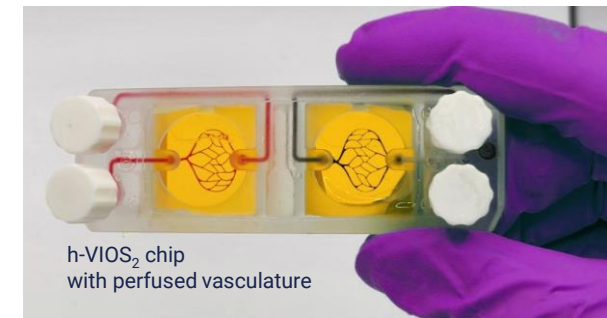
Drug Development



systemicBIO™
a 3D Systems company

Bioprinted "Organ-on-a-chip"

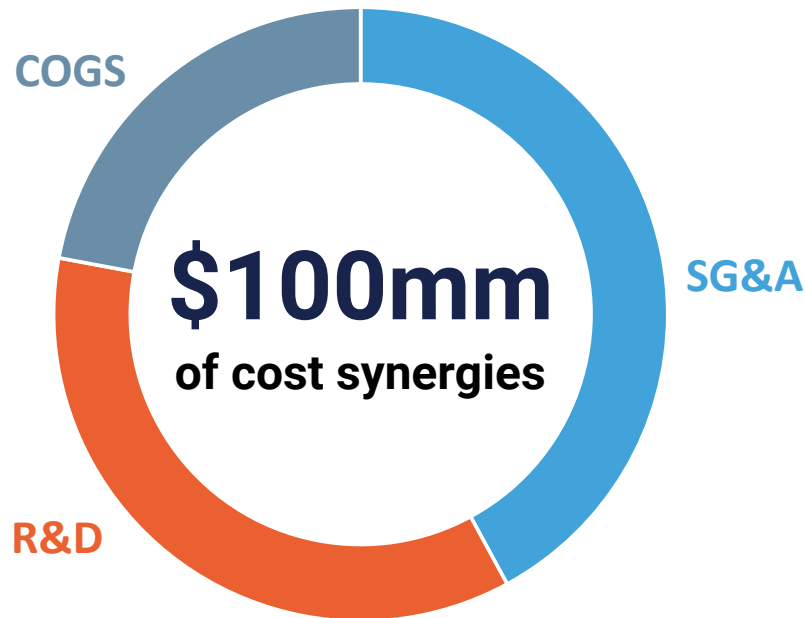
can accurately replicate organ-specific drug response in pre-clinical drug trials



h-VIOS₂ chip
with perfused vasculature

Significant Cost Synergies

Breakdown of Expected Synergies



SG&A savings

- Supply chain efficiencies
- Eliminate overlapping functions
- Effective global services support

R&D integration:

- Design-for-cost initiatives and complementary development opportunities
- Ability to leverage combined portfolio of R&D investments

COGS optimization

- Optimized supply chain
- Footprint rationalization

Potentially Meaningful Revenue Opportunities Not Yet Estimated

2

Scaled, Reliable and Financially Robust Partner for Our Customers



**FY24E
Revenue**

\$589mm



\$694mm



**Joint Revenue
Opportunities**



>\$1,280mm

**FY24E
Free Cash
Flow**

\$26mm



\$15mm



**~\$100mm
Cost Synergies¹**

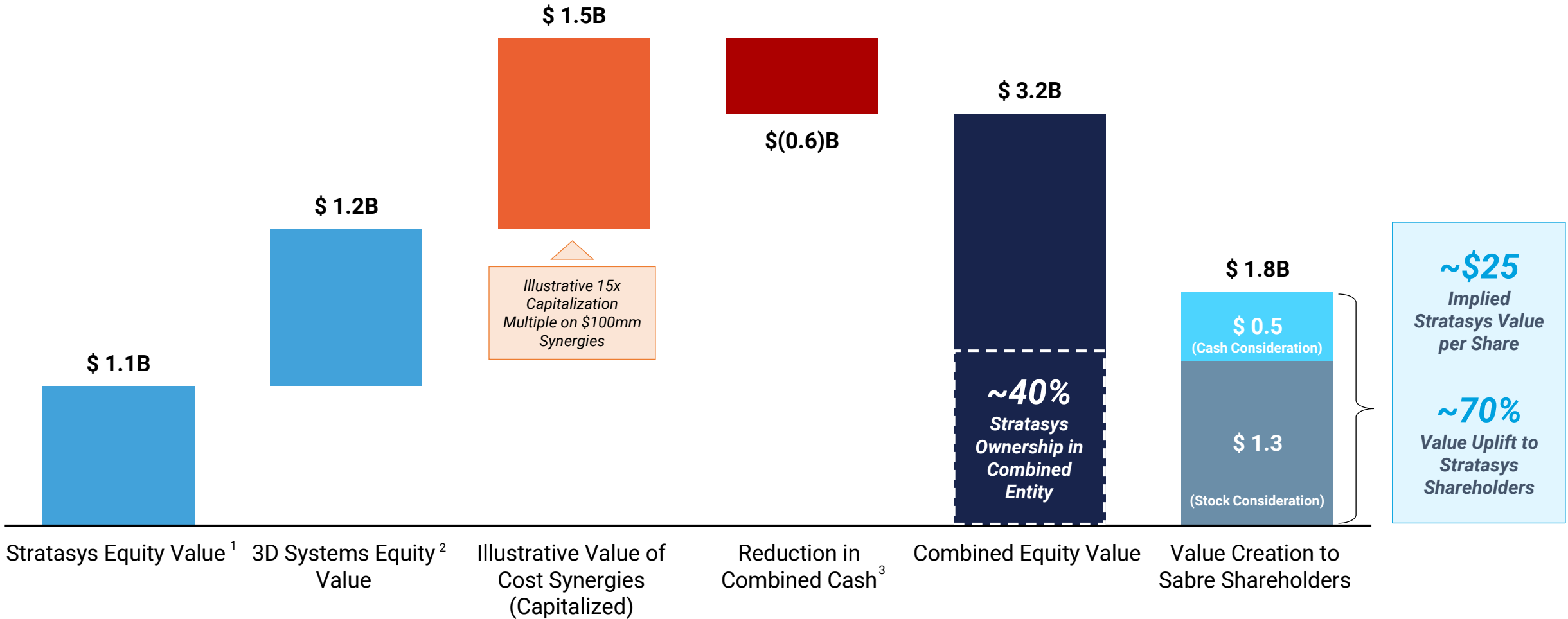


**~\$120mm
Combined Free
Cash Flow**

Source: All number from Refinitiv Eikon consensus estimates as of 24-May-2023 | ¹Pre-Tax, assumes 20% illustrative tax rate on synergies.

3

Significant Value Creation: 3D SYSTEMS + stratasys



Note: Equity values and value uplift calculated based on 60-day VWAPs for Stratasys and 3D Systems as of 24-May-2023. Excludes potential value of NOLs of the combined company.

¹Assumes basic shares outstanding of 68.1mm, stock options of 1.6mm at a weighted average exercise price of \$27.62, and restricted stock units of 4.0mm. ² Assumes basic shares outstanding of 131.2mm, stock options of 0.4mm at a weighted average exercise price of \$13.26, and restricted stock units of 4.2mm. ³ Including cash consideration paid to Stratasys shareholders, Desktop Metal termination fee, and illustrative transaction costs.

Industry Agrees that Driving Scale is Critical to Achieving Profitability

“The problem of this industry (...) no one has scale. So we want to scale. We want an inflection point. We want to be in manufacturing, but at the same time, we don't have the scale to do it. It's all about scale. And we can, as an industry, wait for this scale, but we need the power around in order to be able really to scale (...). And the scale is solving all those challenges that you mentioned, all of them **without the scale, we would never be in 10% to 12% EBITDA margin ever**”

- Yoav Zeif, Stratasys, CEO

“Scale is the most important thing in reaching a high level of profitability”

- Ric Fulop, Desktop Metal, Co-Founder & CEO

Forward-Looking Statements

Certain statements made in this document 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. In particular, we note that there is no assurance that a definitive agreement for the transaction referenced in this document will be entered into or consummated or that integration will be successful or synergies will be realized if such transaction were to be consummated. Business combination proposals, transactions and integrations are subject to numerous risks and uncertainties. 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 of 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.

Additional Information

This communication does not constitute an offer to buy or sell or the solicitation of an offer to sell or buy any securities. This communication relates to a proposal which 3D Systems has made for a business combination with Stratasys. In furtherance of this proposal and subject to future developments, 3D Systems (and, if a negotiated transaction is agreed, Stratasys) may file one or more registration statements, proxy statements or other documents with the SEC. This communication is not a substitute for any proxy statement, registration statement, prospectus or other document that 3D Systems and/or Stratasys may file with the SEC in connection with the proposed transaction.

Investors and security holders of 3D Systems and Stratasys are urged to read the proxy statement(s), registration statement, prospectus and/or other documents filed with the SEC carefully in their entirety if and when they become available as they will contain important information about the proposed transaction. Any definitive proxy statement(s) or prospectus(es) (if and when available) will be mailed to stockholders of 3D Systems and/or Stratasys, as applicable. Investors and security holders will be able to obtain free copies of these documents (if and when available) and other documents filed with the SEC by 3D Systems through the web site maintained by the SEC at <http://www.sec.gov>.

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