

First Quarter 2019 Financial Results

May 17th, 2019

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Non-IFRS Measure

The Company uses Adjusted EBITDA as a supplemental financial measure of its financial performance. As calculated under International Financial Reporting Standards ("IFRS") accounting principles, Adjusted EBITDA is defined as net income (loss), interest (income) expense, provision (benefit) for income taxes, depreciation and amortization, and excluding other (income) expense resulting from foreign exchange gains or losses on the intercompany loans granted to the subsidiaries. Management believes Adjusted EBITDA to be an important financial measure because it excludes the effects of fluctuating foreign exchange gains or losses on the intercompany loans granted to its subsidiaries which are difficult to forecast for future periods. Management regularly uses both IFRS and non-IFRS results and expectations internally to assess its overall performance of the business, making operating decisions, and forecasting and planning for future periods. Management believes that Adjusted EBITDA is a useful financial measure to the Company's investors as it helps investors better understand and evaluate the projections our management board provides. The Company's calculation of Adjusted EBITDA may not be comparable to similarly titled financial measures reported by other peer companies. Adjusted EBITDA should not be considered as a substitute to financial measures prepared in accordance with IFRS.

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voxeljet IS A TECHNOLOGY COMPANY POWERING THE ESTABLISHMENT OF A NEW ADDITIVE MANUFACTURING STANDARD



Facility II at HQs in Germany, 02/19

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voxeljet at a Glance

Established in **1999**

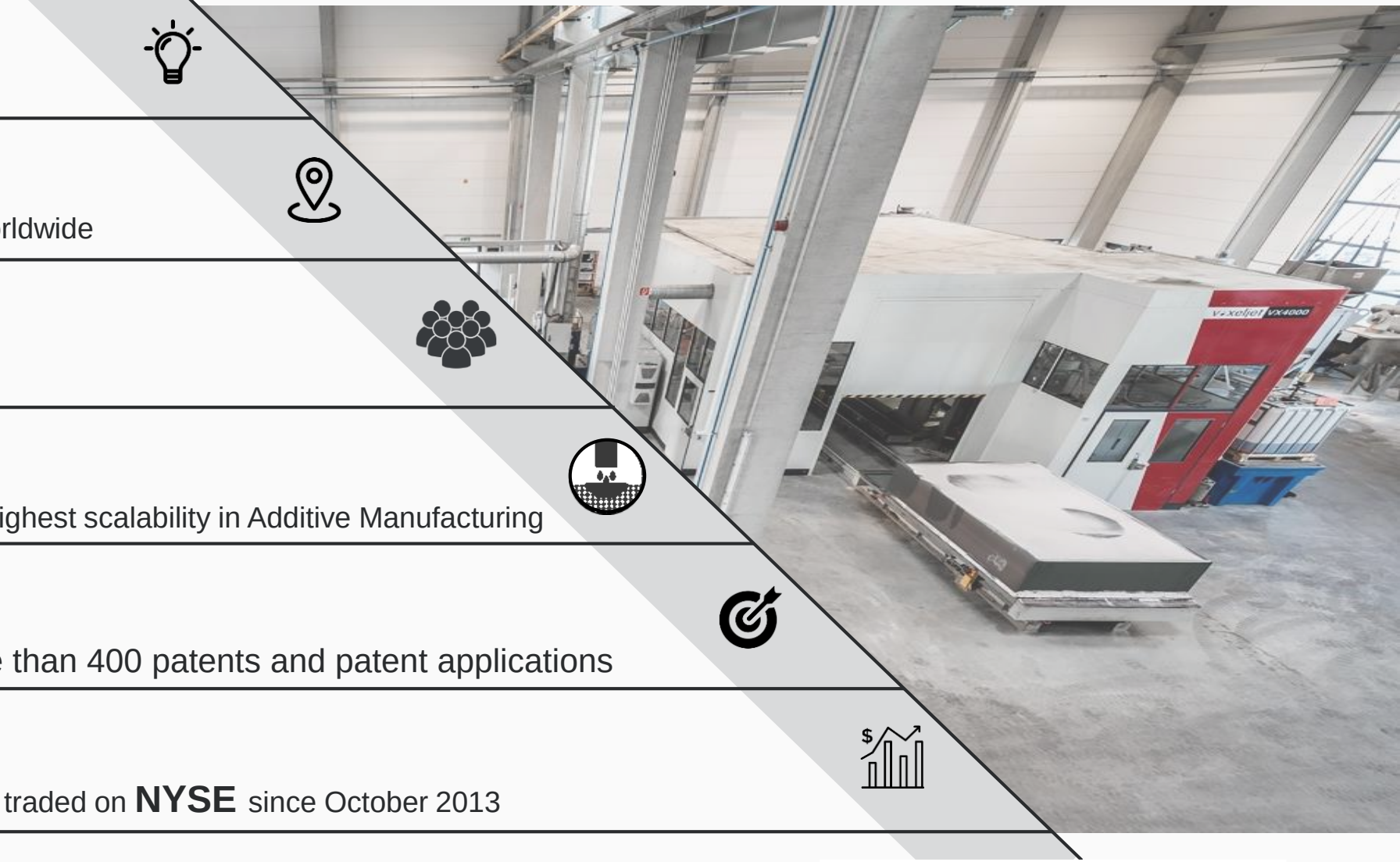
5 locations worldwide

327 employees

Binder Jetting Technology for highest scalability in Additive Manufacturing

Industrial 3D-Printing: more than 400 patents and patent applications

Public company traded on **NYSE** since October 2013



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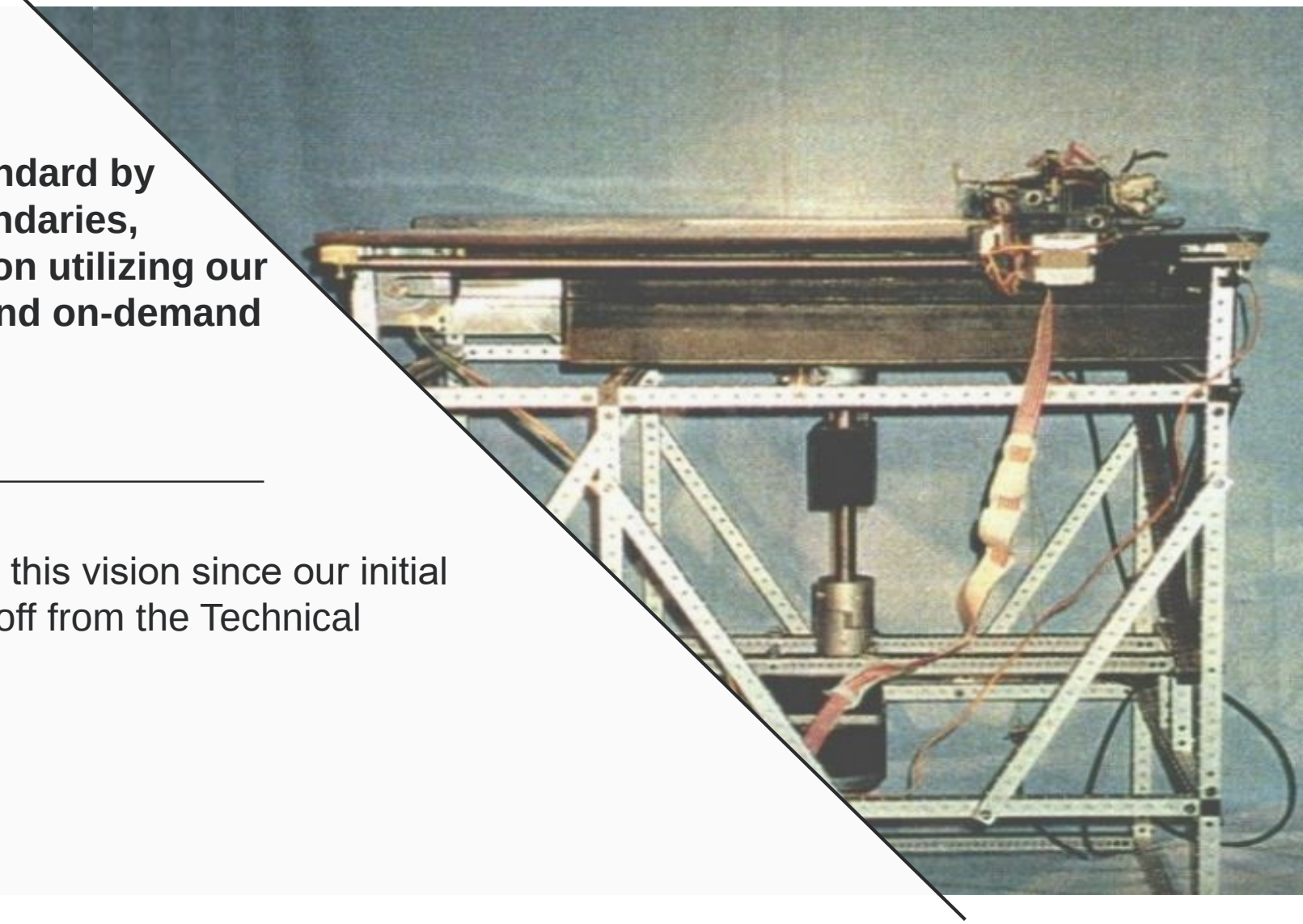
Our Vision

To establish a new manufacturing standard by constantly pushing technological boundaries, enabling cost-effective mass-production utilizing our high-speed, large-format 3D printers and on-demand parts services.



“We have been working towards realizing this vision since our initial days in 1999, when we started as a spin-off from the Technical University in Munich.”

Dr. Ingo Ederer, CEO of voxeljet

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Our Unique Selling Propositions

Material diversity
Various applications, processes and materials

Cost efficiency
Optimization of production and service **costs**



Size
Largest 3D printing systems in the market

Speed
High speed printing and fast availability

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Synergies built on integrated business model

Services (On-Demand Printing)

- 2018 Sales: EUR 13.8m
- Volume contracts
- Strong competitive position
- Optimized CAPEX and OPEX for own assets
- Low barriers to entry

Synergies

Risk balancing

- Capture business either as 3D-Printer sale or on-demand printing contract
- Balance long with short sales cycles

Customer

- Early awareness of new projects
- Strong customer relationships

Operations

- Long track record of executing large-scale projects
- High cost competitiveness and efficiency

Innovation

- Improvement of applications and solutions
- Insights into customer processes

Systems

- 2018 Sales: EUR 12.2m
- Multi-System Sales
- After Sales Activities
- Direct Parts Technology
- Indirect Metals Technology via Hybrid AM

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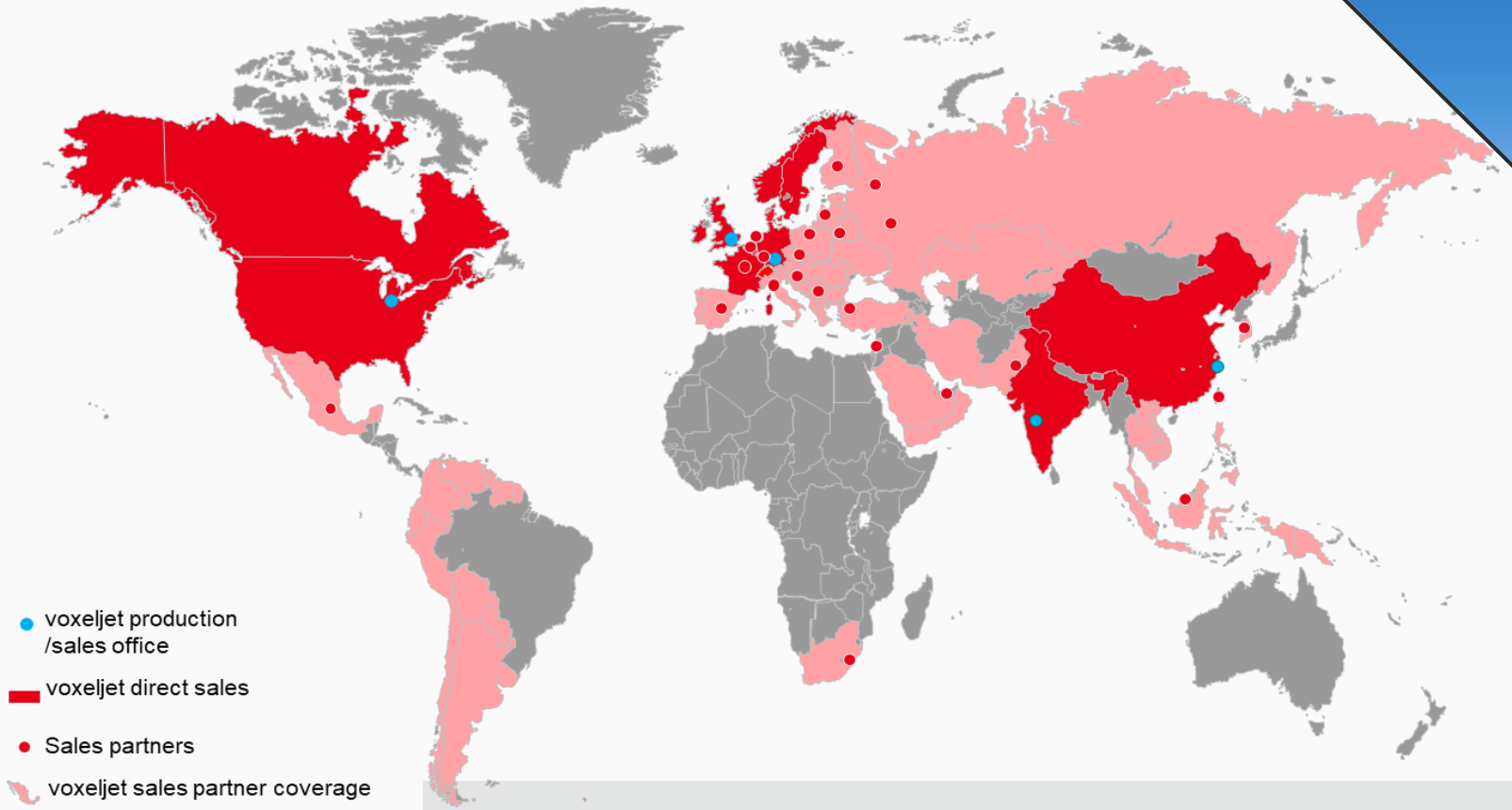
Powerful Global Sales Network and Production Footprint





50,000 Sq. Feet	*10,000 Sq. Feet*	*135,000 Sq. Feet*	*1,000 Sq. Feet*	*78,000 Sq. Feet*
USA *Service Center*	**UK** *Service Center*	**Germany** *Headquarters, R&D/Engineering, Service Center*	**India** *Office*	**China** *Service Center*

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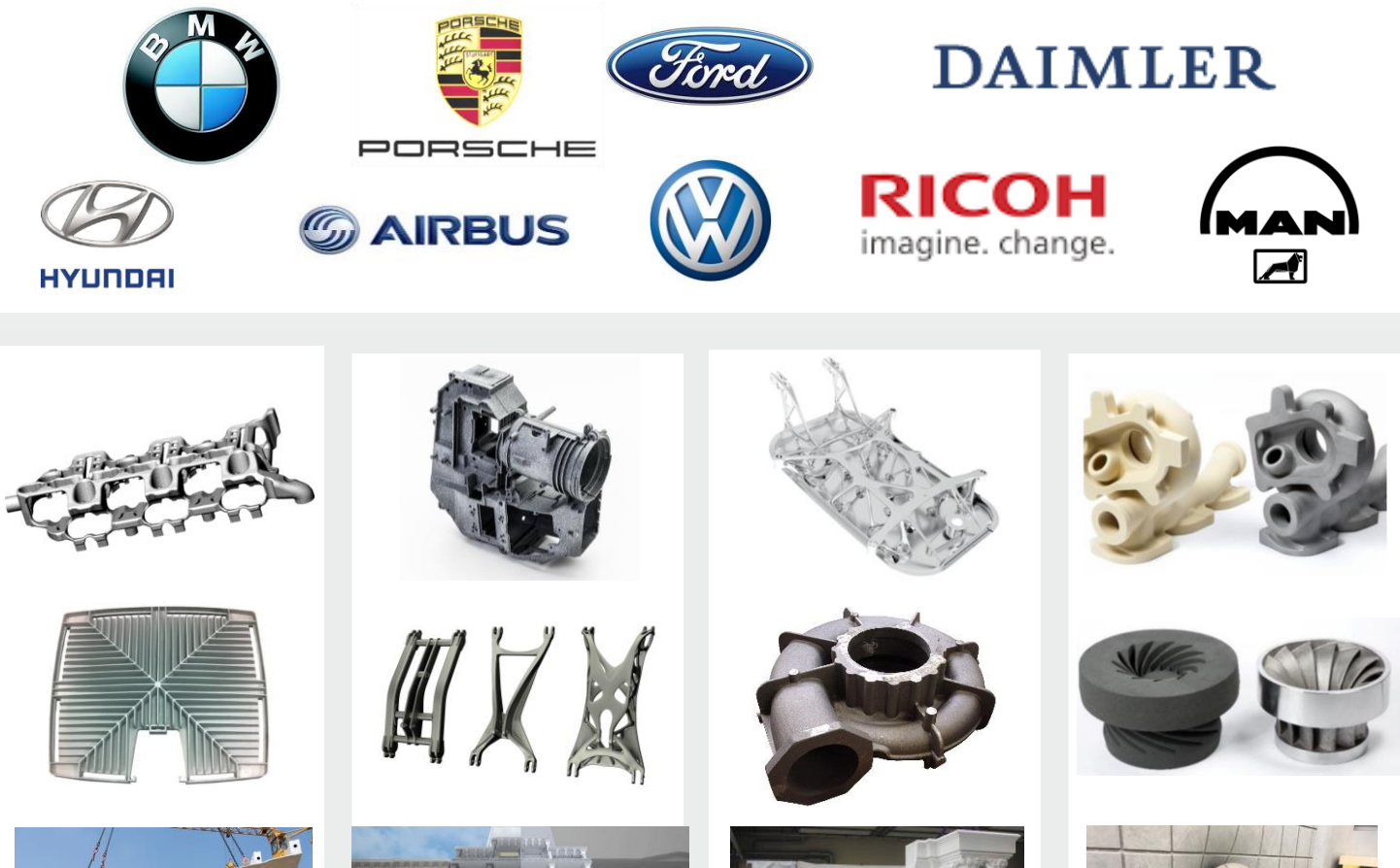
Selected Customers & Potential Applications

AUTOMOTIVE, AEROSPACE, GENERAL ENGINEERING

MECHANICAL ENGINEERING & DESIGN

ART & ARCHITECTURE



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Management Board



Dr. Ingo Ederer

CEO and Founder

20 years with voxeljet
26 years of industry experience

Resilient growth
Q1 2019 results

Rudolf Franz



CFO and Shareholder

16 years with voxeljet
24 years of industry experience

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1Q19 – Strong Execution

	1Q19 Highlights	Projected medium-term financial framework
Profitable Growth	▪ Collectively, our subsidiaries in China, UK, US and India were **EBITDA positive** in 1Q19; German Service Center **standalone is highly profitable** ▪ Investment into R&D with clear focus: **establish a new manufacturing standard** ▪ **Generating leverage**: +10% revenue / -4% selling expenses 1Q19 vs. 1Q18	**15-20% p.a.** **Comparable revenue growth**
New Product Revenue	▪ **Expanded total adressable market**: sold an upgraded VX200 HSS system to a large MNC, which operates in the sports equipment vertical market ▪ **Multi-Systems sale**: sold two VX200 HSS systems to another MNC ▪ Development of **VX1000 HSS** on track	**35%** **(% of FY19 Systems revenue)** **50%** **(% of FY20 Systems revenue)**
VJET X	▪ First process unit **successfully integrated** as a combination of multiple printing and recoating modules; believed to be **the most advanced piece of technology** in the whole additive manufacturing industry ▪ Allows for **unparalleled performance** in additive manufacturing ▪ First shipment of VJET X expected in the **next months**	

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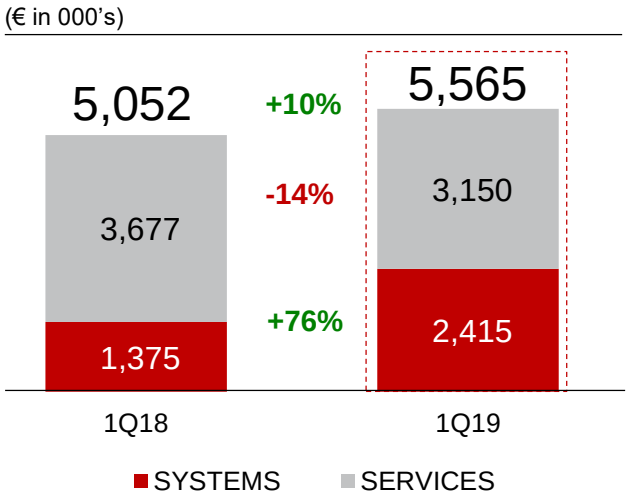
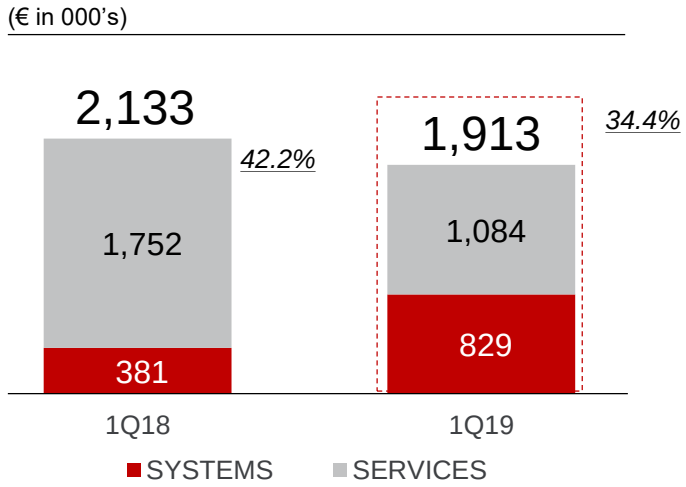
First Quarter Highlights

Revenue by Segment



- **Total revenue** increased 10.2% to kEUR 5,565 in 1Q19 from kEUR 5,052 in 1Q18
- **Systems revenue** increased 75.6% to kEUR 2,415 in 1Q19 from kEUR 1,375 in 1Q18
- **Services revenue** decreased 14.3% to kEUR 3,150 in 1Q19 from kEUR 3,677 in 1Q18

Gross Profit & Gross Profit Margin



- Gross profit margin in **Systems** increased to 34.3% in 1Q19 from 27.7% in 1Q18. This increase is primarily related to higher utilization rates
- Gross profit margin in **Services** decreased to 34.4% in 1Q19 from 47.6% in 1Q18. This decrease is mainly due to a lower utilization rate in the German Service Center, primarily as a result of lower demand from French customers; and higher depreciation expense at our US facility, as additional 3D-printers were added to meet growing demand

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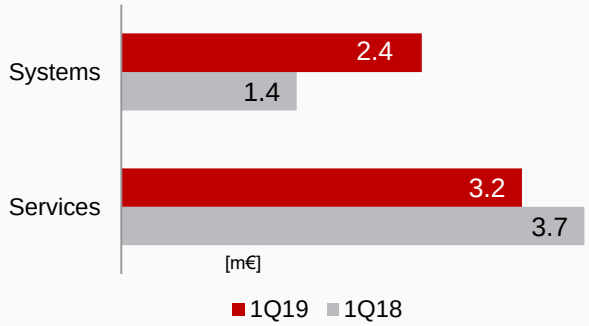
At a Glance – First Quarter 2019

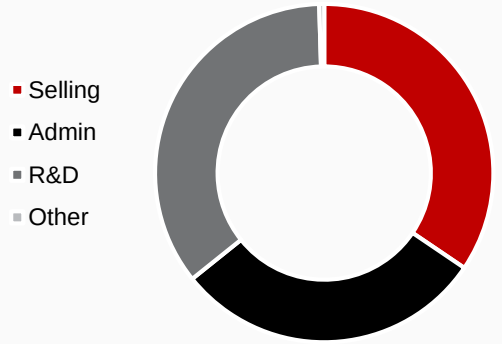
Revenue By business unit



Revenue By geographic region



Opex By function



	Systems	Services	Americas	EMEA	Asia	Selling	Admin	R&D	Other
% 1Q19 Revenue	43.4	56.6	35.7	49.4	14.9	30.1	25.9	30.6	0.2
% 1Q18 Revenue	27.2	72.8	22.8	62.0	15.2	34.4	24.4	31.6	7.1

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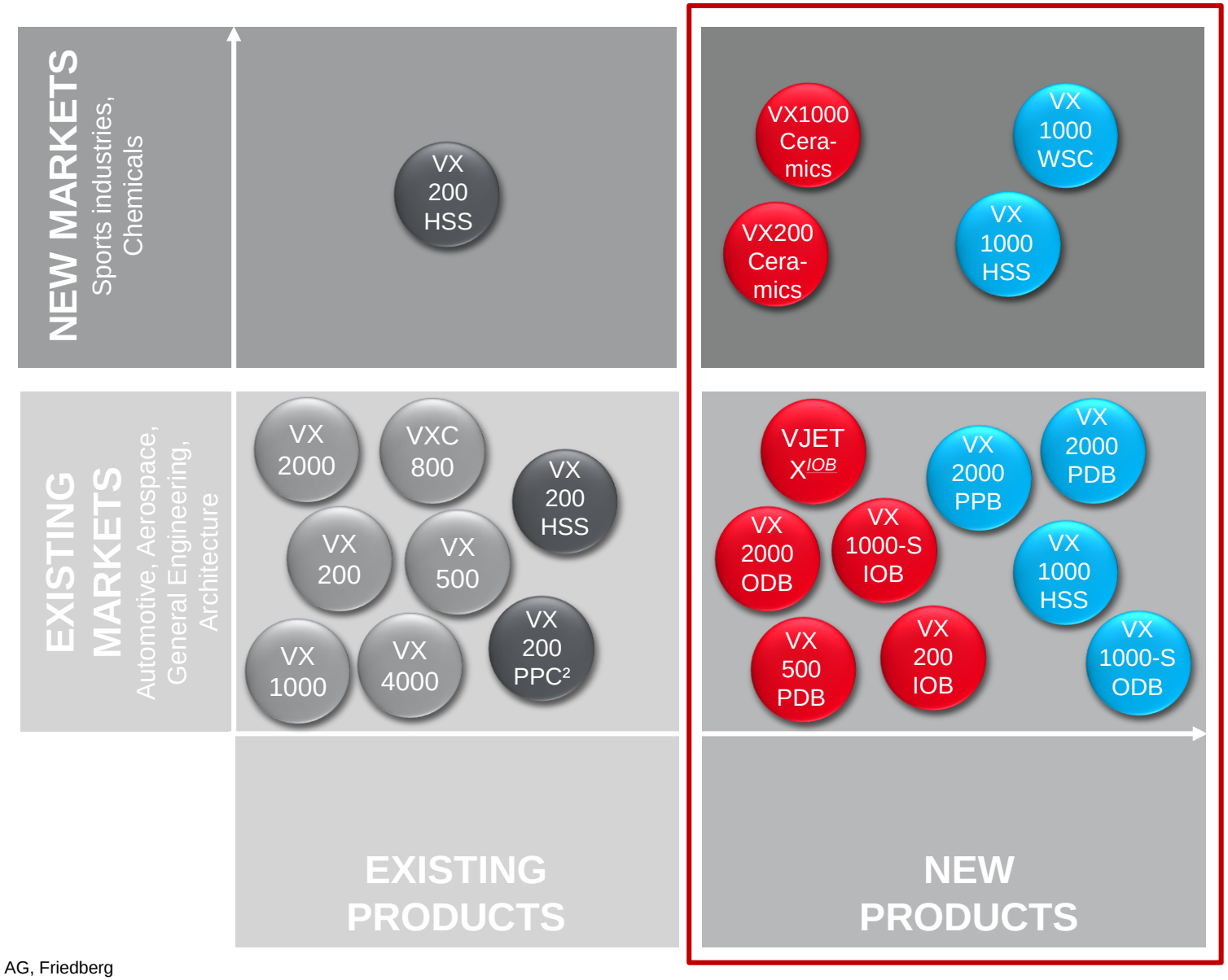
Long Term Growth Supported by a New Wave of Significant Products



Existing Products

Launched in 2017

Launched in 2018

To be Launched in 2019

35% of FY19
Systems sales estimated to come from new products

50% of FY20
Systems sales estimated to come from new products

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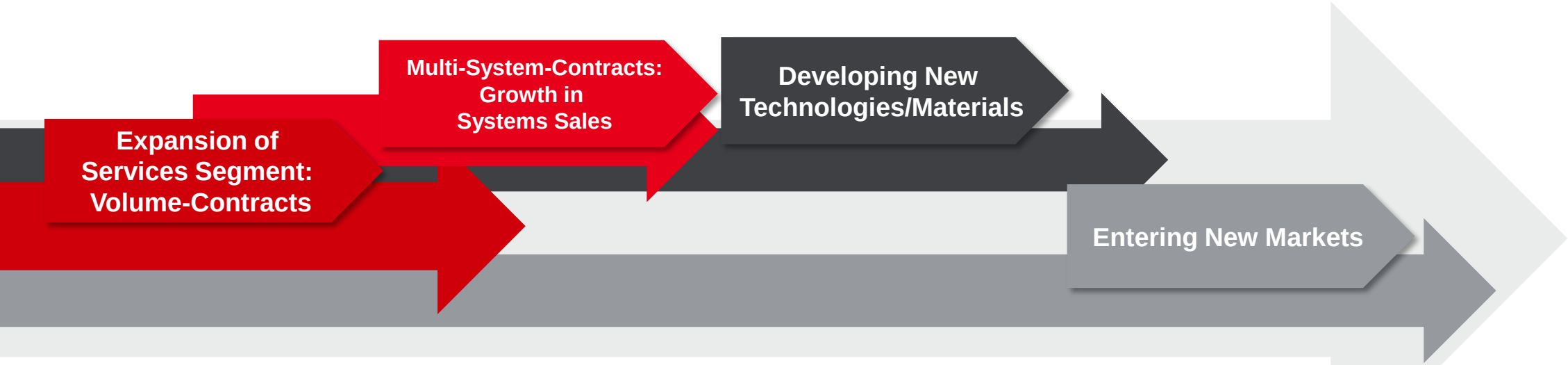
A Defined Roadmap for Profitable Growth



- Best-in-class customer value proposition driven by the ability to print more parts simultaneously on one printer
- Resulting in quick, cost-effective turnaround times for print jobs
- Expected to leverage recent investment in additional capacity in Europe and service centers in the United States, the United Kingdom and China to meet growing demand

- Capitalize on knowledge and market position to increase sales of 3D printers and consumables
- Introduce advanced and fully automated AM solutions that address key customer pain points
- Example: VJET X – as we believe the world's first 3D production solution, capable of replacing conventional manufacturing in automotive mass production

- Continued shift from solutions built for prototyping to solutions built for production
- Development of High Speed Sintering (HSS) printing process
- Continued innovation in materials portfolio, most recently developing Thermoplastic Polyurethane and Polypropylene-based print solutions for direct parts in HSS

Recently developed HSS technology and know-how supports new applications, including:

- Sporting goods and shoes
- Hydraulic seals and gaskets
- Household goods
- Automotive interiors

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Financial Overview



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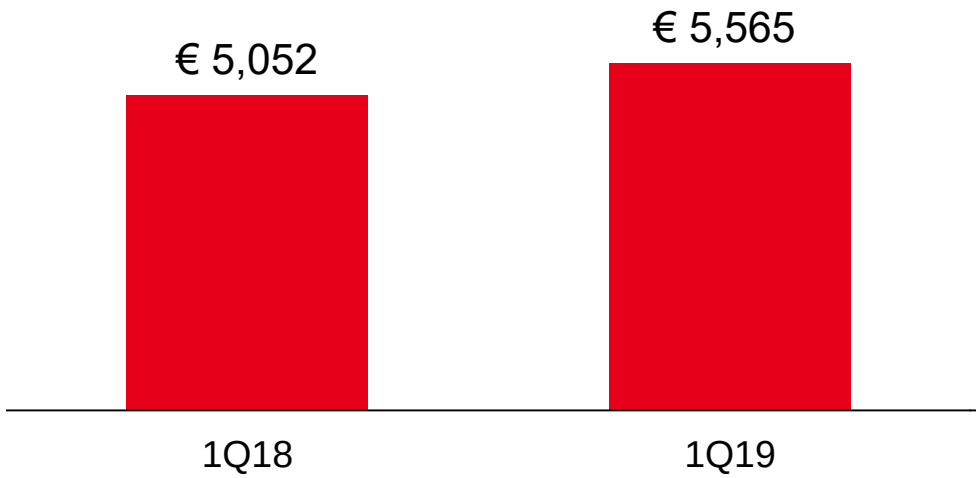
Revenue and Gross Profit: Three Months Ended 03/31/2019

1Q Revenue

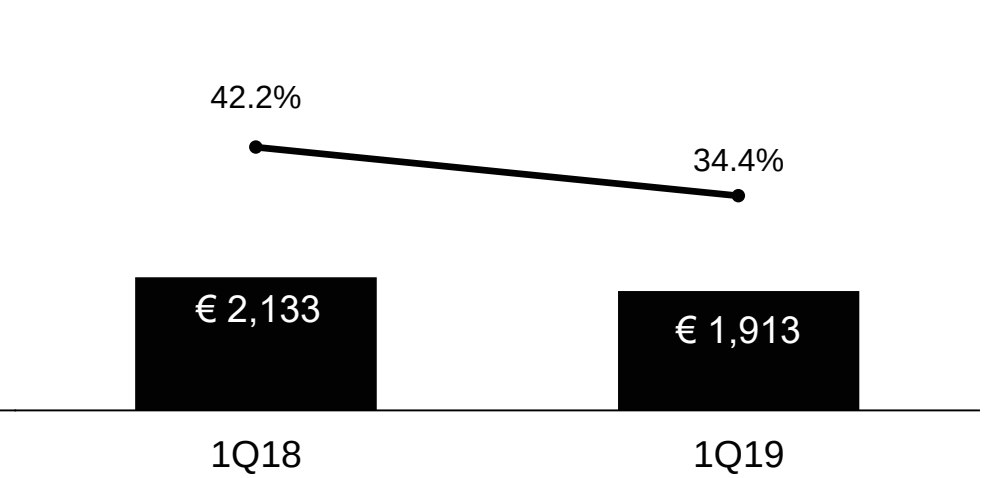
(€ in 000's)



- Revenue in 1Q19 increased by 10.2% to *kEUR* 5,565 compared to *kEUR* 5,052 in 1Q18

1Q Gross Profit

(€ in 000's)



- Gross profit and gross profit margin were *kEUR* 1,913 and 34.4% in 1Q19 compared to *kEUR* 2,133 and 42.2% in 1Q18

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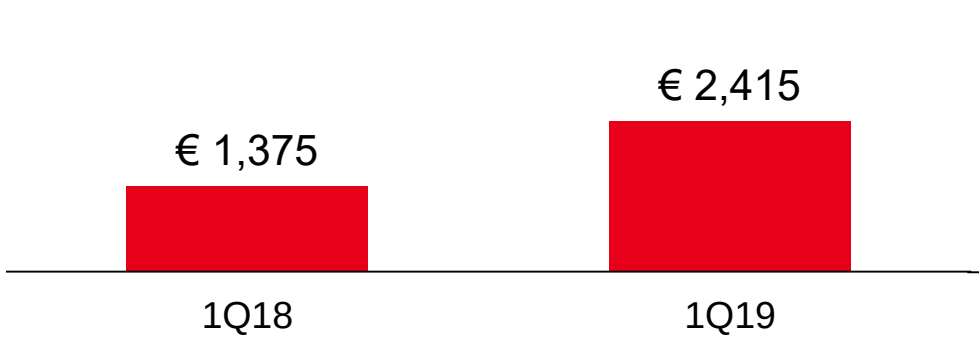
Segment Financials - Systems: Three Months Ended 03/31/2019

1Q Systems Revenue

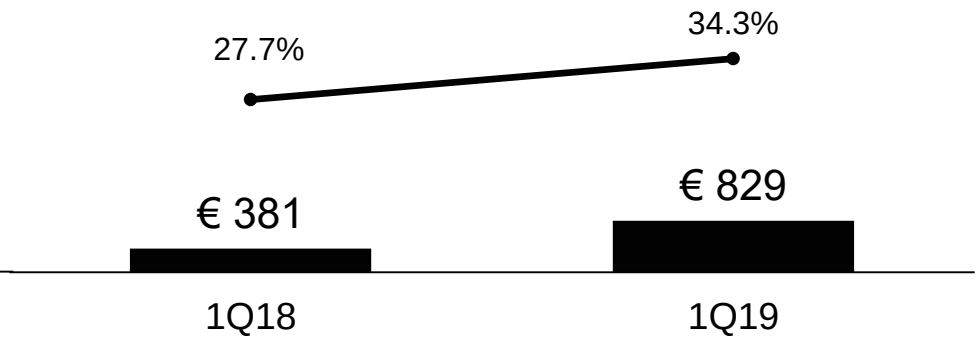
(€ in 000's)



- Systems revenue in 1Q19 increased 75.6% to *kEUR* 2,415 from *kEUR* 1,375 in 1Q18
- 2 new and 1 used and refurbished printers sold in 1Q19 compared to two used and refurbished printers in 1Q18
- Systems revenue accounted for 43.4% of total revenue in 1Q19 compared to 27.2% in 1Q18

1Q Systems Gross Profit

(€ in 000's)



- Gross profit and margin of *kEUR* 829 and 34.3% in 1Q19 compared to *kEUR* 381 and 27.7% in 1Q18
- This was mainly resulting from a more favorable ratio of revenue to fixed costs compared to last year's first quarter
- Gross margin of individual printers can be > 50%

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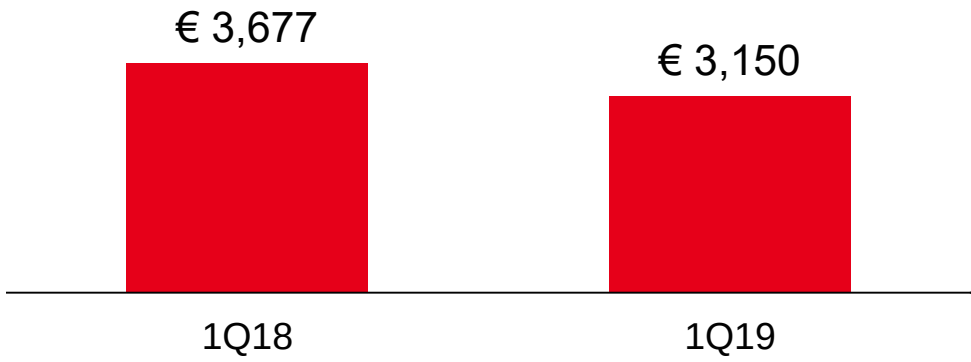
Segment Financials - Services: Three Months Ended 03/31/2019

1Q Services Revenue

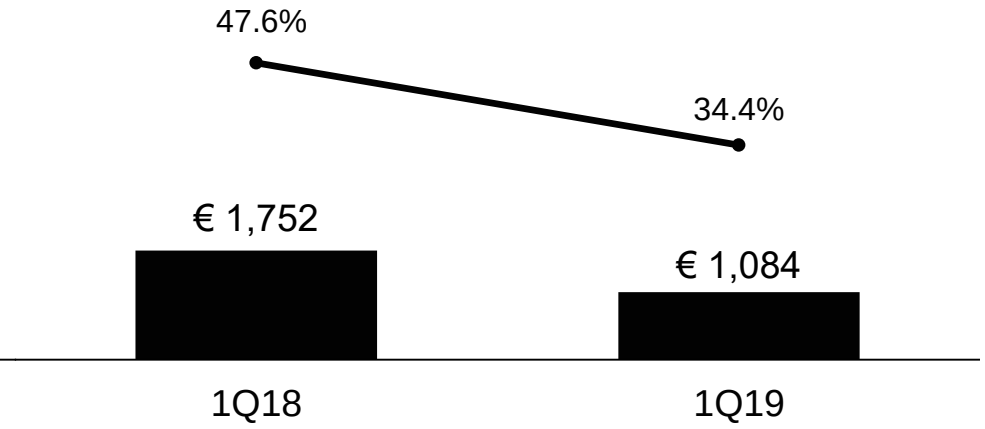
(€ in 000's)



- Services revenue for 1Q19 decreased 14.3% to *kEUR* 3,150 from *kEUR* 3,677 in 1Q18
- This decrease is mainly due to a lower utilization rate in the German Service Center, primarily as a result of lower demand from French customers; this was partially offset by higher demand in the US and China
- Services revenue accounted for 56.6% of total revenue in 1Q19 compared to 72.8% in 1Q18

1Q Services Gross Profit

(€ in 000's)



- Gross profit and margin of *kEUR* 1,084 and 34.4% in 1Q19 compared to *kEUR* 1,752 and 47.6% in 1Q18
- This decrease is mainly due to a lower utilization rate in the German Service Center, primarily as a result of lower demand from French customers; and higher depreciation expense at our US facility, as additional 3D-printers were added to meet growing demand

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Financial Highlights
Three Months Ended 03/31/2019

Thousands of EUR (except per share data)	1Q19	1Q18
Revenue	5,565	5,052
Cost of sales	(3,652)	(2,919)
Gross profit	1,913	2,133
Gross margin	34.4%	42.2%
SG&A	(3,115)	(2,968)
Research & Development	(1,705)	(1,597)
Other operating income (expense), net	0,965	0,044
Operating income (loss)	(1,942)	(2,388)
Financial result	(858)	678
Net income (loss)	(2,788)	(1,716)
Earnings (loss) per ordinary share	(0.58)	(0.46)
Weighted avg. ordinary shares outstanding	4,836,000	3,720,000
Earnings (loss) per ADS	(0.11)	(0.09)
Weighted avg. ADSs outstanding	24,180,000	18,600,000

Comments

- 1Q19 EPS significantly impacted by financial result, i.e. the non-cash expense from the revaluation of the derivative financial instrument related to the *Horizon2020* venture debt program from the European Investment Bank (EIB)
- Earnings (loss) per ADS prior to giving effect to the revaluation of this derivative
  - 1Q19: (0.09)
  - 1Q18: (0.14)

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Balance Sheet (Selected items)

Thousands of EUR (except per share data)	03/31/2019	12/31/2018
Cash and cash equivalents	8,482	7,402
Financial assets (bond funds)	10,177	12,905
Liquidity	18,659	20,307
Trade receivables	4,857	6,030
Inventories	11,156	10,064
Property, plant and equipment	32,255	27,675
Total debt and finance lease obligations	21,916	17,171
Equity	44,378	46,475
Weighted average shares outstanding	4,836,000	3,940,636
Weighted average ADSs outstanding	24,180,000	19,703,180

Comments

- Significant recent investment in infrastructure including the new Chinese service center requires little additional infrastructure investment in the near future
- Total debt of 21.9 million euros consists of 20.5 million euros of long-term debt, which includes 10 million euros from the EIB's *Horizon2020* venture debt program and 4.3 million euros of lease liabilities as a result of initially applying the IFRS 16 standard. These lease liabilities were previously classified as operating leases

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2019 Guidance

- Full year 2019 revenue is expected to be in the range of € 27.0 million and € 30.0 million
- Gross margin is expected to be above 40%
- SG&A expenses expected to be between € 12.0 and € 12.5 million
- R&D expenses expected to be between € 5.5 and € 6.0 million
- Depreciation and amortization expenses expected to be between € 3.75 and € 4.0 million
- Adjusted EBITDA for the second half of 2019 is expected to be neutral-to-positive; Adjusted EBITDA excludes the impact of foreign exchange valuations, which are not determinable at this time
- Capital expenditures projected to be between € 2.0 and € 2.5 million
- Second quarter revenue projected to be between € 5.0 and € 5.25 million

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Projected Long Term Operating Model 2025

- Expected revenue Growth **15-20% p.a.**
- Projected Gross Margin **> 40%**
- Projected Operating Expenses
  - R&D: 12.5% Revenue
  - Sales: 10.0% Revenue
  - Admin: 7.5% Revenue
- Expected EBITDA Margin **20-22.5%**
- Expected EBIT Margin **12.5-15.0%**

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#printthefuture



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