SLM – Key Investment Highlights

SLM - a leader in the high growth and highly innovative AM technology sector
- Current market size ~$12bn with CAGR of 28% until 2025
- Accelerated demand for AM due to reshoring and the need for more flexible supply chains

Our sole focus: Superior Laser Powder Bed Fusion
- Technology addresses most innovative and most attractive segments of the AM market: High precision, high performance parts across key regulated and unregulated industries
- SLM features one of the strongest IP portfolios and R&D and engineering teams in the sector, consistently investing leading industry innovation (~20% of revenue in R&D (2020))

SLMs is at the very core of the Industry 4.0 disruptive manufacturing and production revolution
- Fast evolving ecosystem around SLM’s core metal printing technology: engineering capabilities, software, powder, process technology
- AM helps to significantly improve the ecological footprint of products and metal manufacturing process (energy and raw material savings)

SLM's NXG XII 600 machine is a game changer for the entire AM industry
- Worlds fastest and most efficient large platform PBLF printer launched in Nov 2020
- High precision, high performance, high value parts produced cost competitively compared to conventional processes (metal subtraction, casting)

Sizable service business opportunity
- Currently over 650 machines installed, containing over 1,000 lasers
- Machines in industrial processes generate significant constant revenue stream from service and powder

Strong international management team of growth and technology experts
- New management refocused company on growth and technology and manufacturing excellence

Poised for continuous growth
- > €30m backlog and NXG ramp up underpins SLM's growth trajectory
- Attractive and expanding gross margins
- Significant operating leverage. The business is set up for growth
- Core shareholder group supports growth trajectory with funding
SECTION 1

Why is Additive Manufacturing the future of metal manufacturing?
Advantages of AM to drive strong market growth

Today: Traditional manufacturing market

$300bn+

## AM delivers vast opportunities for customers

At the very core of the Industry 4.0 disruptive manufacturing and production revolution

### Conventional Casting vs. Additive Manufacturing

<table>
<thead>
<tr>
<th>Product Characteristics</th>
<th>Conventional Casting</th>
<th>Additive Manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✗ Overdesigned</td>
<td>✓ Higher performing products</td>
</tr>
<tr>
<td></td>
<td>✗ Poor material properties</td>
<td>✓ More complex geometries</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Reduced weight</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lead Time</th>
<th>Conventional Casting</th>
<th>Additive Manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✗ 18 – 24 months for product launches</td>
<td>✓ Prototype within days</td>
</tr>
<tr>
<td></td>
<td>✗ Prototypes expensive and slow</td>
<td>✓ 3 weeks for first parts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>✓ Easy modifications</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Process Efficiency</th>
<th>Conventional Casting</th>
<th>Additive Manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✗ Prototyping resource intensive</td>
<td>✓ Print part as needed</td>
</tr>
<tr>
<td></td>
<td>✗ Large batch processing</td>
<td>✓ Minimized waste and tooling</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supply Chain</th>
<th>Conventional Casting</th>
<th>Additive Manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✗ Global and complex supply chain</td>
<td>✓ 24 / 7 inhouse production</td>
</tr>
<tr>
<td></td>
<td>✗ Pollution from transportation from LCC sourcing</td>
<td>✓ Manufacturing cost largely independent of country with less transportation requirements</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Environmental Considerations</th>
<th>Conventional Casting</th>
<th>Additive Manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>✗ Significant pollution from effluents</td>
<td>✓ Near zero waste</td>
</tr>
<tr>
<td></td>
<td>✗ Very high energy consumption</td>
<td>✓ Low energy consumption</td>
</tr>
</tbody>
</table>

**Source:** SLM

- Improvement of performance without design limits
- Substantially shortened time to market
- Optimized working capital and cash conversion cycle
- Localization prevents supply chain disruptions
- Supports the transition to greener manufacturing
Advantages of AM

Significant weight reduction

<table>
<thead>
<tr>
<th></th>
<th>Traditional Manufacturing</th>
<th>Metal Additive Manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gooseneck bracket</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structural component</td>
<td></td>
<td></td>
</tr>
<tr>
<td>from Krueger flap</td>
<td></td>
<td></td>
</tr>
<tr>
<td>actuating mechanism</td>
<td></td>
<td></td>
</tr>
<tr>
<td>for airplanes</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Weight</strong></td>
<td>2.1 kg</td>
<td>1.4 kg <strong>-31%</strong></td>
</tr>
<tr>
<td><strong>Buy-to-fly</strong>&lt;sup&gt;1)&lt;/sup&gt;</td>
<td>17x</td>
<td>1.5x <strong>-91%</strong></td>
</tr>
<tr>
<td><strong># of parts</strong></td>
<td>3 parts</td>
<td>1 part <strong>-67%</strong></td>
</tr>
</tbody>
</table>

1) Ratio between weight of raw material purchased and weight of final part.

Source: SLM
Advantages of AM

Reduction of part count and assembly time

<table>
<thead>
<tr>
<th>Hybrid welding head</th>
<th>1 part</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-jet unit to protect laser optics from contamination during welding process</td>
<td>-94%</td>
</tr>
</tbody>
</table>

Traditional Manufacturing

| # of parts | 18 parts |

Source: SLM
## Advantages of AM

### Improving functionality

<table>
<thead>
<tr>
<th>Traditional Manufacturing</th>
<th>Metal Additive Manufacturing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monolithic Thrust Chamber</strong>&lt;br&gt;Core element of a liquid-propellant rocket engine</td>
<td><img src="image" alt="3D model of a monolithic thrust chamber" /></td>
</tr>
<tr>
<td><strong># of parts</strong></td>
<td>100+ parts</td>
</tr>
<tr>
<td><strong>Reliability</strong></td>
<td>Parts being assembled increases risk of failure</td>
</tr>
<tr>
<td><strong>Functionality</strong></td>
<td>Separate cooling structure required</td>
</tr>
<tr>
<td></td>
<td>Increased reliability</td>
</tr>
<tr>
<td></td>
<td>Integrated cooling function</td>
</tr>
</tbody>
</table>

SECTION 2

Why are we now at an inflection point for AM?
Disruptive technologies typically have a long lead up before reaching a demand inflection point.

**% of world population using the internet**

![Graph showing the percentage of world population using the internet over time. Internet first launched in 1990.](image)

**% of electric vehicle share in global passenger car stock**

![Graph showing the percentage of electric vehicle share in global passenger car stock over time. Forecasted increase from 2020 to 2030.](image)

**Notes:**
- **Internet first launched**: 1990
- **Forecast**: Projected increase in electric vehicle share from 2020 to 2030


- **AM is a disruptive technology that will completely turn industrial manufacturing as we know it on its head.**
- **As with most disruptive technology cycles, the time between invention and mass adoption is difficult to predict.**
- **Adoption of the AM technology is at the start of the inflection point where the launch of the NextGen machines will drive mass adoption.**
- **As this new tipping point for the technology emerges, this will be a revolution in the manufacturing industry and not an evolution.**
The additive industry has broken through as a mainstream force

Source: SLM
Key hurdles to industrialization are being cleared

Reliability of Machines
- Machine reliability not yet on required level for large scale production
- Customers often lacking sufficient skilled AM machine operators
- Specialized diplomas having only become available in the last few years

Number of Skilled Operators
- Recent graduates already well versed in AM and OEMs offer trainings and webinars on large scale

Certification of AM Parts
- Certification for new AM-produced parts taking longer than expected
- Business cases with beneficial economics especially in aerospace delayed due to missing certification of parts

Cost Per Part
- Productivity not yet competitive with conventional casting manufacturing for large scale production
- AM already with cost advantages on smaller scale production

Moving from niche market to serial production driving machine reliability improvements

Industries working on standards and certification processes, localization policies to accelerate adoption

NextGen machines with significant productivity increase making AM extremely cost competitive
Phase 1 and 2
- Proof of concept of technological capabilities
- Continued development of machines, qualification and selection of parts
- Initial use cases for R&D and small-scale production
- Limiting factors: productivity and reliability of machines; economics per part

Phase 3
- Full integration of AM in manufacturing chain
- Industrialized machines
- Competitive economics facilitating large scale production while retaining advantages of AM

Transition to Phase 3 has been delayed

Productivity increase driven by NextGen machine will be significant stepping stone for transition into Phase 3
Positive AM business cases to further increase

Market expansion with next generation of components specifically designed for AM

**Illustrative:** Break-even in Laser Powder Bed Fusion compared to conventional manufacturing (automotive example)

<table>
<thead>
<tr>
<th>Number of units of individual component required per year</th>
<th>Size of individual component (volume in cm³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-OFFs</td>
<td>1-10</td>
</tr>
<tr>
<td>Test mules</td>
<td>10-100</td>
</tr>
<tr>
<td>Race cars</td>
<td>100-1,000</td>
</tr>
<tr>
<td>High-end premium cars</td>
<td>1,000-10,000</td>
</tr>
<tr>
<td>Luxury cars</td>
<td>10,000-100,000</td>
</tr>
<tr>
<td>Mid-size cars</td>
<td>100,000+</td>
</tr>
</tbody>
</table>

Positive AM business cases:
- large parts with low quantity
- small parts with higher quantity

Market expansion and growth driven by several favorable developments

1. **Productivity increase of next generation of AM machines**
2. **New parts being specifically designed to make use of advantages of AM production**
3. **AM increasingly being integrated in industrialized production processes**
4. **Completion of ongoing certification processes of AM produced parts**

Source: SLM
AM industry growth driven by applications transitioning from prototyping to large scale production

Example: Metal additive manufacturing applications in the Aero Engine sector

<table>
<thead>
<tr>
<th>Component Category</th>
<th>Applications Description</th>
<th>Time to Transition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel Nozzles</td>
<td>In full-rate production. Units to double in 5 years</td>
<td>Prototyping</td>
</tr>
<tr>
<td>Casing Features</td>
<td>Prototyping. 2-3 years to production</td>
<td>MRO</td>
</tr>
<tr>
<td>Compressor Components</td>
<td>Prototyping. 2-3 years to production</td>
<td>MRO</td>
</tr>
<tr>
<td>MRO</td>
<td>Qualification. 2-4 years to production</td>
<td>MRO</td>
</tr>
<tr>
<td>Vanes</td>
<td>Prototyping. +3 years to production</td>
<td></td>
</tr>
<tr>
<td>Rakes</td>
<td>Some in production. 1-2 years to more production</td>
<td></td>
</tr>
<tr>
<td>Liners</td>
<td>Awaiting larger platforms. +4 years to production</td>
<td></td>
</tr>
<tr>
<td>Bearing Housings</td>
<td>Qualification. +2 years to production</td>
<td></td>
</tr>
</tbody>
</table>

Adoption of metal additive manufacturing is expanding and is being integrated into the design process of new engine programs, creating a growing number of applications for selective laser melting.

Source: SLM
AM key in transformation of global supply chains

COVID-19 has accelerated this transition

**Further accelerated by COVID-19**

**Megatrends**
- Decentralization & flexibilization of manufacturing
- Shifting manufacturing in-house
- Repatriation of manufacturing
- Focus on green manufacturing

**How AM will be part of the solution**
- Flexible production of various parts on same machine type relinquishes expensive retooling of traditional manufacturing equipment, allowing businesses to use AM to bridge supply gaps
- Production costs largely independent of location as labor costs of operating the machine are of minor importance; AM is becoming more and more cost competitive as machine productivity increases
- Next generation products already include AM in their design processes facilitating the transition

New AM manufacturing plants will bring a whole new eco system of surrounding suppliers and customers with them, which will result in new regional job opportunities
SLM enables greener manufacturing

Components produced with AM with substantially better environmental footprint

- Waste reduction
  - Near zero waste produced
  - Metal powder up to 95% recyclable

- Lower energy consumption
  - Requires less energy than traditional manufacturing methods

- Greener components
  - Design flexibility results in significant reduction of weight and assembly steps of components

- Leaner supply chains
  - Enables local-for-local production and reduces dependency on global supply chains
Why is Laser Powder Bed Fusion superior to other additive manufacturing technologies?
Our sole focus: Superior Laser Powder Bed Fusion (LPBF)

High mechanical properties combined with great degree of geometric freedom

Superior mechanical properties...

- **Size / Geometric Freedom**
  - Size of parts only limited by machine chamber size
  - Outperforming in terms of absolute size and variability of part thickness
  - Geometry complexity is for free, allowing for topology optimization that is without limits

- **Mechanical Properties**
  - Constantly high mechanical properties
  - Low porosity
  - High density

- **Wide Material Choice**
  - Compared to all other additive technologies, LPBF offering greatest number of input materials.
  - Any material that can be welded can be processed

- **One Step-Processing**
  - Little to no post-production increases “first time right potential”
  - Enabling thin wall sections
  - Consistently accurate geometrical output due to controlled and predictable part shrinkage and distortion

...make LPBF the leading AM technology today and tomorrow

- Installed base (units) by technology 2019
  - (Laser) Powder Bed Fusion: 88%
  - Direct Energy Deposition: 6%
  - Electron Beam Powder Bed Fusion: 2%
  - Directed Energy Deposition: 3%
  - Metal FDM: 1%
  - Binder Jet: 2%
  - Other: 9%

- Investment related to AM in next years?
  - Laser Powder Bed Fusion: 60%
  - Electron Beam Powder Bed Fusion: 9%
  - Directed Energy Deposition: 20%
  - Binder Jet: 22%

Notes: 1) AM Power. 2) Survey by Barnes Global Advisors: “What capital equipment related to metal AM does your company plan to purchase in the next 2-5 years?”
**LPBF shows superior properties vs. MBJ**

Better quality, material range and geometric freedom

- **High** mechanical properties and **extreme accuracy**
- **High** density and **low** porosity

- **Wide** range of materials

- **Size only constrained by machine chamber size**, suited for a wide range of thickness
- **Controlled** part shrinkage and part distortion possible

- Solid metal parts are produced directly, in a **single process**

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- **Lower** mechanical properties, **lower** density and **higher** porosity vs. LPBF
- Complex sintering process with **many unknown effects** and low first-time-right availability

- **Currently, material choice** limited

- **Limited** size and minimum thickness of parts
- **Shape limitations** due to debinding and sintering
- **Uncontrolled** creep deformation possible

- **Multi-step process** – solid metal parts are only created during last step of sintering
- **Build-up rate significantly lowered** by shrinkage – debinding and sintering required to turn “green part” into metal part

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Source: AM Power, SLM
NextGen LPBF at least as productive as MBJ...  
...while keeping its advantage in material properties

**Laser Power Bed Fusion (LPBF)** vs. **Metal Binder Jetting (MBJ)**

*Example based on illustrative metal AM component:*

- **Printing**
  - Current build rate of <200 cm³/h with potential of >1000 cm³/h for NextGen
  - Little to no post-production required

- **Post-Processing**
  - >1,000 cm³/h
  - N/A

- **Final metal part build-up rate**
  - >1,000 cm³/h

- **Powder build-up rate**
  - 12,000 cm³/h

- **Packing density**
  - 15%

- **(Green) part build-up rate**
  - c.1,800 cm³/h

- **Part volume shrinkage during post-processing**
  - 45%

- **Debinding**
  - Requires between 16 to 32h for both steps

- **Sintering**
  - “Green” part build-up rate: 1,200-2,400 cm³/h (depending on packing density)

- **Printing**
  - Does not include additional time required for debinding/sintering

Source: AM Power; Company disclosure; SLM; Wielage, B. et al. (2010). *Utilisation potential of water-atomised metal powders for thermal spraying.*  
Note: Compares NextGen LPBF technology with latest single pass MBJ machines. Packing density based on illustrative metal AM component.
SECTION 4

Why SLM will continue to lead
Serving a broad range of blue chip customers

Installed base by region

- EMEA: 55%
- NA: 24%
- APAC: 21%

Installed base by machine type

- SLM®125: >50% of IB multi laser
- SLM®280: >90% of Backlog multi laser
- SLM®500 & 800: 62%

Serving more than 150 blue chip customers

- including Fortune 500 companies, Dax30 companies, some of the largest OEMs as well as leaders in space exploration, aviation, electro mobility, motor racing, science, and many more...

Source: SLM
Note: Installed machine base as of end 2020
## Technology pioneer with history of product innovation

The superior efficiency level of the NXG XII 600 machine enables SLM to target a new market. Development cycle for NextGen machine is >5 years.

### System Overview

<table>
<thead>
<tr>
<th>Year</th>
<th>Machine</th>
<th>Addressable Market</th>
<th>Chamber Size</th>
<th>Laser</th>
<th>Build Rate cm³/h</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>SLM®280</td>
<td>Prototyping, small series production</td>
<td>280x280x365</td>
<td>Single</td>
<td>Up to 88</td>
</tr>
<tr>
<td>2011</td>
<td>SLM®280</td>
<td></td>
<td>280x280x365</td>
<td>Twin</td>
<td>Up to 88</td>
</tr>
<tr>
<td>2013</td>
<td>SLM®500</td>
<td></td>
<td>500x280x365</td>
<td>Twin &amp; Quad</td>
<td>Up to 171</td>
</tr>
<tr>
<td>2017</td>
<td>SLM®800</td>
<td></td>
<td>500x280x850</td>
<td>Quad</td>
<td>Up to 171</td>
</tr>
<tr>
<td>2020</td>
<td>NXG XII 600</td>
<td>High volume, serial production</td>
<td>600x600x600</td>
<td>12</td>
<td>&gt;1,000</td>
</tr>
</tbody>
</table>

Larger building platform + higher build rate imply >500% productivity increase.

Source: SLM
SLM’s NXG XII 600 machine is a game changer for the entire AM industry

12 lasers designed for serial production

20x faster than a standard single laser system

5x faster than the SLM quad-laser machine

Designed for serial production

Optimized for large parts and high-volume production

12 Lasers
1000 Watts each

Zoom function
build up rate up to 1000 cm³/h

Capable of large layer thickness

Fine features and delicate patterns possible
NXG XII 600 is moving metal AM economics to a completely new level

SLM’s current generation of machines is already at the top level of productivity for Metal AM machines...

... but SLM’s NextGen machine will be a gamechanger

Source: Company information, SLM research
Current commitments cover a significant portion of the 2022 manufacturing capacity.
# SLM in Perspective

## SLM with superior technological capabilities

<table>
<thead>
<tr>
<th>Technology</th>
<th>Powder Bed Fusion</th>
<th>Powder Bed Fusion</th>
<th>Binder Jetting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support Free</td>
<td>Yes</td>
<td>Yes</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Applications</td>
<td>Production of high value / high complexity metal parts</td>
<td>Production of high value / high complexity metal parts</td>
<td>Mass production of low-cost / low complexity parts</td>
</tr>
<tr>
<td>Industry Diversification</td>
<td>Aerospace, auto, energy, medical, research</td>
<td>Aerospace, energy</td>
<td>Auto, consumer (non-regulated)</td>
</tr>
<tr>
<td>IP Portfolio</td>
<td>&gt;400 publications &gt;130 granted patents</td>
<td>&lt;50 granted patents</td>
<td>~120 publications</td>
</tr>
<tr>
<td>Technology Heritage</td>
<td>20 years</td>
<td>7 Years</td>
<td>6 Years</td>
</tr>
<tr>
<td>Machine Portfolio</td>
<td>5 (1 to 12 lasers)</td>
<td>2 (2 to 8 lasers)</td>
<td>3</td>
</tr>
<tr>
<td>Maximum Build Size</td>
<td>600 mm X 600 mm X 600 mm 40% Larger than Velo</td>
<td>Ø 600 mm x 550 mm</td>
<td>490 x 380 x 260 mm</td>
</tr>
<tr>
<td>Proven Productivity</td>
<td>&gt;1,000 cc/h</td>
<td>&lt;100 cc/h</td>
<td>~1,000 cc/h</td>
</tr>
</tbody>
</table>

Source: SLM, Velo3D disclosure, Desktop Metal disclosure

Note: 1) Focus on Desktop Metal’s binder jet printing segment.
## SLM in Perspective (cont.)

SLM with significantly more advanced fundamentals

<table>
<thead>
<tr>
<th></th>
<th>SLM Solutions</th>
<th>Velo3D</th>
<th>Desktop Metal¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installed Base (# machines)</td>
<td>&gt;650</td>
<td>&lt;50</td>
<td>Production System release H2 21</td>
</tr>
<tr>
<td>Market Share (%)</td>
<td>&gt;10%</td>
<td>&lt;3%</td>
<td>Not applicable, different market</td>
</tr>
<tr>
<td>Employees (#)</td>
<td>&gt;450</td>
<td>~100</td>
<td>~300</td>
</tr>
<tr>
<td>In-house Manufacturing</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Global Sites (#)</td>
<td>4</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Direct Global Sales</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Revenue 2020 (€m)</td>
<td>€62m</td>
<td>~€16m</td>
<td>~€14m</td>
</tr>
<tr>
<td>Revenue Growth 2020 (%)</td>
<td>26%</td>
<td>21%</td>
<td>-38%</td>
</tr>
</tbody>
</table>

Source: SLM, Velo3D disclosure, Desktop Metal disclosure

Note: ¹ Focus on Desktop Metal's Binder Jet segment.
Leadership with extensive industry track record

**Sam O’Leary**  
CEO  
Since Dec-2019  
(CEO since Jan-2021)

- GE Additive Director of Product Management
- Prior: GE Power Supply Chain Strategy Leader

**Dirk Ackermann**  
CFO  
Since Jun-2020

- Senior Finance Manager at GE
- Prior: Finance Manager in various segments and locations of GE

**André Witt**  
General Counsel & Interim management board member  
Since Sep-2020

- Senior Legal Manager at Siemens Gamesa
- Prior: Senior Legal Manager at Senvion GmbH

**VP Engineering & Technology**  
former GE since Jan-2020

**Product Management**  
former Trumpf since Sep-2020

**Service & Application**  
former Rockwell Collins since Sep-2020

**Global Supply Chain**  
former Airbus since Jan-2020

**CMO**  
former Draegerwerke since Apr-2020

**GM China and Singapore**  
former Norican since Dec-2018

**GM India**  
former GE since 2016

**GM North America**  
former GE since Oct-2019

**Quality Management**  
former Draegerwerke since Jan-2020

**Global HR**  
former Senvion since Oct-2019

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Experienced management team driving best in-class processes across the organization

*Refers to positions having been created by new management team.*
SECTION 5

Financial overview
Successful target delivery
Continued progress on turnaround path

**Revenue**
- Guidance: 49.0
- 2019: 49.0
- 2020: 61.8
- +26%

**EBITDA**
- Guidance: Between (13) to (18)
- 2019: (26.0)
- 2020: (14.8)

*In €m*
Strong operational performance
Solid foundation to continue growth story

Order In-take

<table>
<thead>
<tr>
<th>Year</th>
<th>In €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>46.1</td>
</tr>
<tr>
<td>1H20</td>
<td>13.7</td>
</tr>
</tbody>
</table>

- Order-Intake in 2H more than doubled vs 1H reflecting ongoing improvement in key markets & industries
- Backlog up YoY\(^2\) if €5.6m adjustment in 2Q20 considered

Backlog

<table>
<thead>
<tr>
<th>Year</th>
<th>In €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>30.2</td>
</tr>
<tr>
<td>2019</td>
<td>35.0</td>
</tr>
<tr>
<td>2019 Adj(^-1)</td>
<td>29.6</td>
</tr>
</tbody>
</table>

Selected Financials

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Machines Revenue</td>
<td>45.1</td>
<td>35.1</td>
<td>28%</td>
</tr>
<tr>
<td>After Sales Revenue</td>
<td>16.6</td>
<td>13.8</td>
<td>20%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>53%</td>
<td>53%</td>
<td>0pt</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>(35.6)</td>
<td>(31.9)</td>
<td>12%</td>
</tr>
<tr>
<td>Other Exp. &amp; Income</td>
<td>(13.0)</td>
<td>(17.6)</td>
<td>(26)%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(14.8)</td>
<td>(26.0)</td>
<td>(43)%</td>
</tr>
<tr>
<td>Op. Cash-flow</td>
<td>(3.4 )</td>
<td>3.5</td>
<td>U</td>
</tr>
<tr>
<td>Working Capital</td>
<td>24.4</td>
<td>36.8</td>
<td>(34)%</td>
</tr>
<tr>
<td>Cash</td>
<td>18.9</td>
<td>25.5</td>
<td>(26)%</td>
</tr>
</tbody>
</table>

- Personnel expense ↑ due to hiring of key talent
- Other expense ↓ due to more cautious spending
- Working Capital ↓ due to operational excellence initiatives, increase in 2021 due to NXG ramp-up
- Initiated 2nd tranche of convertible 2020/26 (€15m) to strengthen balance sheet

\(^{1}\) Includes €5.6m of backlog adjustments performed in 2Q20
\(^{2}\) Year-over-year
**Path to growth and profitability**

High operating leverage & NXG introduction

**Currently:** Negative EBITDA largely driven by high non-material costs (R&D, admin) relatively to revenue

**Illustrative:** Revenue increase resulting in significant operating leverage due to decoupling of non-material costs
Guidance & long-term view
Continued progress on turnaround path

2021 Guidance

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022 +</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>€61.8M</td>
<td>at least 15% YoY⁻¹ growth</td>
<td>Further acceleration</td>
</tr>
<tr>
<td>EBITDA</td>
<td>€(14.8)M</td>
<td>Further improvement</td>
<td></td>
</tr>
</tbody>
</table>

Assuming no drastic deterioration of the current COVID-19 situation.

2025E expected market size

- Total global Additive Manufacturing market in 25E
  - Expected to grow at 25% CAGR until 2030E
- Global Metal AM market
  - Expected to grow at 28% CAGR
- SLM market share

Source: SLM, Wohlers Report, AM Power Report 2020
1-) Year-over-year
SECTION 6

Industry Peer Comparison
## SLM in Perspective

### SLM with superior technological capabilities

<table>
<thead>
<tr>
<th>Technology</th>
<th>SLM Solutions</th>
<th>Velo3D</th>
<th>Desktop Metal¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>Powder Bed Fusion</td>
<td>Powder Bed Fusion</td>
<td>Binder Jetting</td>
</tr>
<tr>
<td>Support Free</td>
<td>Yes</td>
<td>Yes</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Applications</td>
<td>Production of high value / high complexity metal parts</td>
<td>Production of high value / high complexity metal parts</td>
<td>Mass production of low-cost / low complexity parts</td>
</tr>
<tr>
<td>Industry Diversification</td>
<td>Aerospace, auto, energy, medical, research</td>
<td>Aerospace, energy</td>
<td>Auto, general industry</td>
</tr>
<tr>
<td>IP Portfolio</td>
<td>&gt;400 publications &gt;130 granted patents</td>
<td>&lt;50 granted patents</td>
<td>~120 publications</td>
</tr>
<tr>
<td>Technology Heritage</td>
<td>20 years</td>
<td>7 Years</td>
<td>6 Years</td>
</tr>
<tr>
<td>Machine Portfolio</td>
<td>5 (1 to 12 lasers)</td>
<td>2 (2 to 8 lasers)</td>
<td>3</td>
</tr>
<tr>
<td>Maximum Build Size</td>
<td>600 mm X 600 mm X 600 mm 40% Larger than Velo</td>
<td>Ø 600 mm x 550 mm</td>
<td>490 x 380 x 260 mm</td>
</tr>
<tr>
<td>Proven Productivity</td>
<td>&gt;1,000 cc/h</td>
<td>&lt;100 cc/h</td>
<td>~1,000 cc/h</td>
</tr>
</tbody>
</table>

**Source:** SLM, Velo3D disclosure, Desktop Metal disclosure

**Note:** ¹Focus on Desktop Metal’s binder jet printing segment.
## SLM in Perspective (cont.)

SLM with significantly more advanced fundamentals

<table>
<thead>
<tr>
<th></th>
<th>SLM Solutions</th>
<th>Velo3D</th>
<th>Desktop Metal¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installed Base (# machines)</td>
<td>&gt;650</td>
<td>&lt;50</td>
<td>Production System release H2 21</td>
</tr>
<tr>
<td>Market Share (%)</td>
<td>&gt;10%</td>
<td>&lt;3%</td>
<td>Not applicable, different market</td>
</tr>
<tr>
<td>Employees (#)</td>
<td>&gt;450</td>
<td>~100</td>
<td>~300</td>
</tr>
<tr>
<td>In-house Manufacturing</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Global Sites (#)</td>
<td>4</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Direct Global Sales</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Revenue 2020 (€m)</td>
<td>€62m</td>
<td>~€16m</td>
<td>~€14m</td>
</tr>
<tr>
<td>Revenue Growth 2020 (%)</td>
<td>26%</td>
<td>21%</td>
<td>-38%</td>
</tr>
</tbody>
</table>

Source: SLM, Velo3D disclosure, Desktop Metal disclosure

Note: 1) Focus on Desktop Metal's Binder Jet segment.