

Fourth Quarter 2023

Financial Results



March 15, 2024

Desktop Metal (NYSE: DM) | Q4 2023 Financial Results

Conference Call

Speakers

Ric Fulop, Founder & CEO

Jason Cole, CFO

Michael Jordan, VP Finance & Treasury

Webcast

Domestic callers: 1-877-407-4018

International callers: 1-201-689-8471

Audio webcast archive available at
<https://ir.desktopmetal.com>

Contacts

Website: <https://ir.desktopmetal.com>

Email: investors@desktopmetal.com

Tel: (857) 504-1084

Investor Communications:

- Michael Callahan
(203) 803-5156
Michael.Callahan@icrinc.com

Disclaimers

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Desktop Metal, Inc.'s third quarter 2023 financial results press release and schedules, financial results presentation, conference call webcast and related communications contain forward-looking statements within the meaning of Section 27 A of the Securities Act of 1933, as amended, and Section 21 E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts contained in these communications, including statements regarding Desktop Metal's future results of operations and financial position, financial targets, business strategy, and plans and objectives for future operations. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this communication are only predictions. Desktop Metal has based these forward-looking statements on current information and management's current expectations and beliefs. These forward-looking statements speak only as of the date of this communication and are subject to a number of significant risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this document, including but not limited to: risks associated with the integration of the business and operations of acquired businesses; Desktop Metals' ability to realize the benefits from cost saving measures; and supply and logistics disruptions, including shortages and delays. For additional information about other risks and uncertainties of Desktop Metal's business, financial condition, results of operations and prospects generally, please refer to Desktop Metal's reports filed with the Securities and Exchange Commission ("SEC"), including without limitation the "Risk Factors" and/or other information included in the Form 10-K filed and Form 10-Q filed with the SEC, and such other reports as Desktop Metal has filed or may file with the SEC from time to time. Although we believe that expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements. The events and circumstances reflected in our forward-looking statements may not be achieved or occur, and actual results could differ materially from those projected in the forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. As a result of these factors, we cannot assure you that the forward-looking statements in these communications will prove to be accurate. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances, or otherwise. We qualify all of our forward-looking statements by these cautionary statements.

Non-GAAP Financial Information

This presentation contains non-GAAP financial measures, including non-GAAP gross margin, non-GAAP operating expenses, EBITDA and Adjusted EBITDA. In addition to Desktop Metal's results determined in accordance with GAAP, Desktop Metal's management uses this non-GAAP financial information to evaluate the Company's ongoing operations and for internal planning and forecasting purposes. The presentation of these financial measures is not intended to be considered in isolation, or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. We believe that this non-GAAP financial information, when taken collectively, may be helpful to investors in assessing Desktop Metal's operating performance; however, investors are cautioned that there are material limitations associated with the use of non-GAAP measures as an analytical tool. Our computation of these measures, especially Adjusted EBITDA, may be different from computations used by other companies, limiting their usefulness for comparative purposes. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA on a supplemental basis. Investors should review the reconciliation of net loss to EBITDA and Adjusted EBITDA and not rely on any single financial measure to evaluate our business. Desktop Metal has not provided a reconciliation of its Adjusted EBITDA outlook to net income because estimates of all of the reconciling items cannot be provided without unreasonable efforts.

Executive Summary | Fourth Quarter 2023

Total Revenue

\$52.3M

Declined 13.6% y/y

Gross Margin (non-GAAP)

34.0%

Expanded 900+ bps y/y
Sustained progress in cost-cutting
initiatives across quarters

Adj. EBITDA

\$(9.2)M

Up \$11.8M y/y
Improved 56% y/y

Business Highlights

Re-prioritizing our focus for cashflow and EBITDA. Increased focus on higher margin high value solutions where we are the global share leader like direct printing of materials not producible in other approaches and the printed castings where we dominate and grew 27% YOY

We have the world's leading share and largest installed base in binder jet and restorative dental and these systems are now in many growing production applications

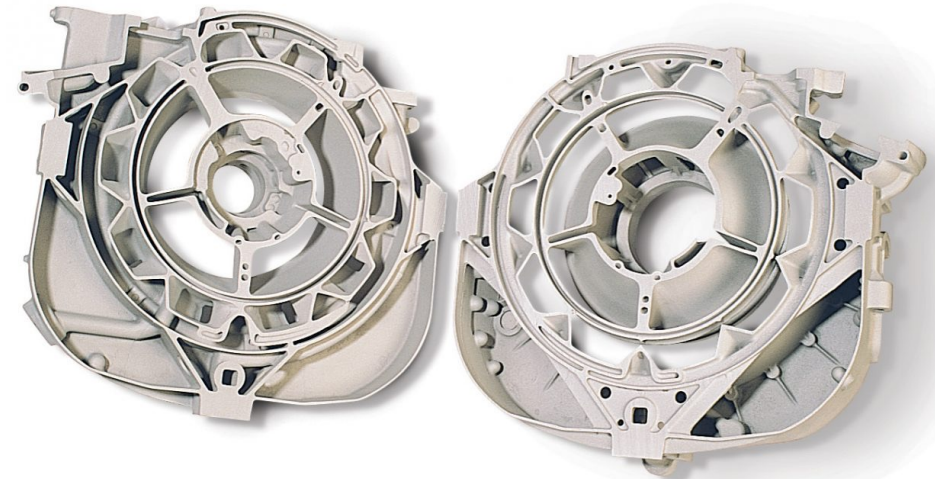
De-emphasizing lower margin products such as low-cost chairside printers where there is heavy low-cost competition from Asia and exploring options for industrial polymer

Opening up our high margin best-in-class healthcare resins to more platforms

Case study now in production: Aerospace housings, fan cases and gearboxes



- Engine mounted accessory (EMAD) gearbox
- Helicopter power transmission housings
- Auxiliary Power Unit (APU) inlet and gearbox
- Engine front inlet and intermediate cases
- Engine front frames and fan cases
- Pump and accessory drive housings
- Environmental control housings




Case study now in production: Flying in Jet Engine components



Multiple Pratt & Whitney aluminum castings for NGPF engines (power Airbus A320neo, Airbus A220, Embraer E2 series and Mitsubishi MRJ aircraft)





Rolls-Royce®



580 aircraft from 35 customers

Aircraft: A350-800, -900, & -1000
Engine: Rolls-Royce Trent XWB
Thrust Range: 75,000 to 93,000 lbs
Forecast: 2,781 Engines Through 2029

Trent XWB Dual Stage Gear Pump Model 850200-1



Multiple engine components in Rolls Royce Trent family

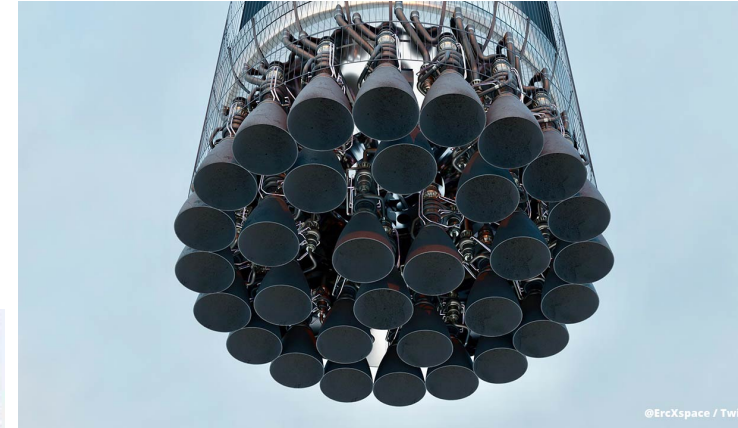
Case study now in production: Boeing 787 Dreamliner wing/winglet tooling



Case study now in production: Starship Raptor Engine Parts



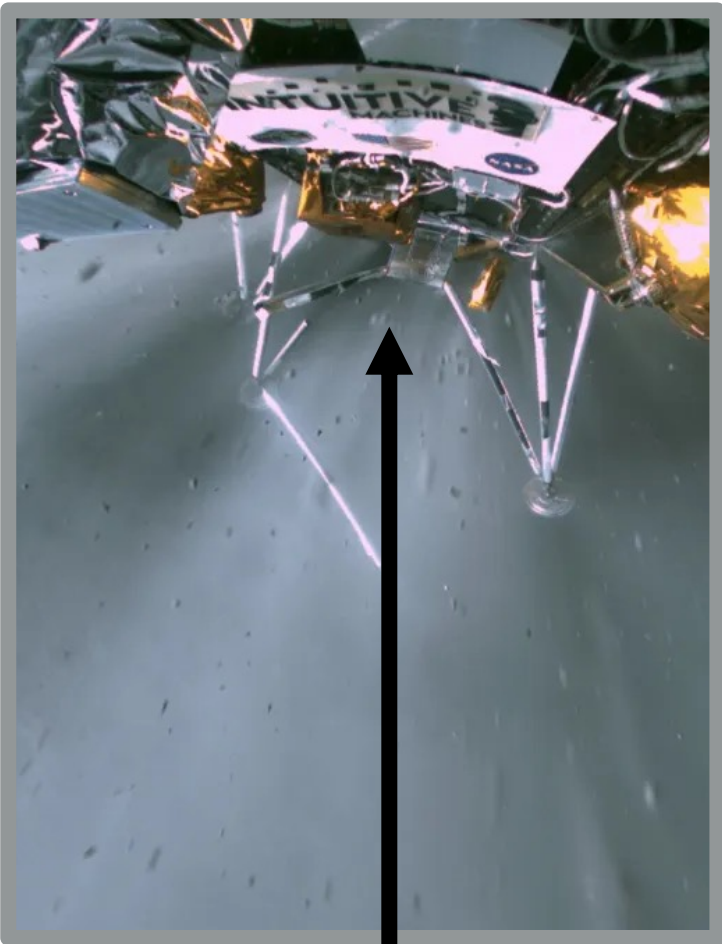
Used in parts like cryo-ducts, chamber ducts, ox crossover, single chamber manifolds and RVAC Castings



Case study now in production: Space qualified in ceramics to metals and in the future nuclear



Printed satellite and optics
for DOD applications



We have parts in the moon on
the Intuitive Lander



Fission surface power systems – depicted in this conceptual illustration – could provide reliable power for human exploration of the Moon under Artemis.

Future Artemis missions powered by TRISO
based printed binder jet nuclear fuel

Case study now in production: Joint Strike Fighter F35



End user: Lockheed Martin (Supplier – Argo-Tech/EATON)

Status: Variety of digital casted parts in production

Case study now in production: An enabling technology for gigacastings workflows

Binder Jet giga cast tooling



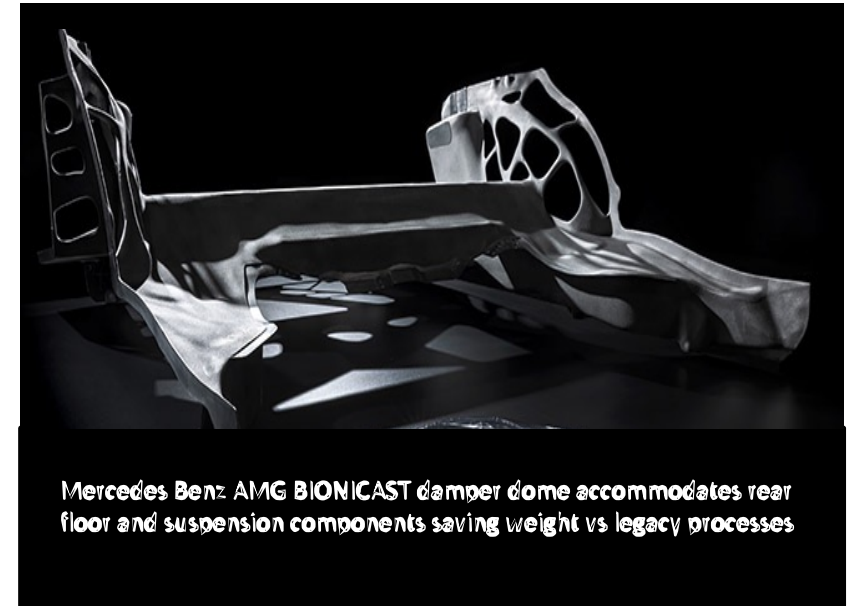
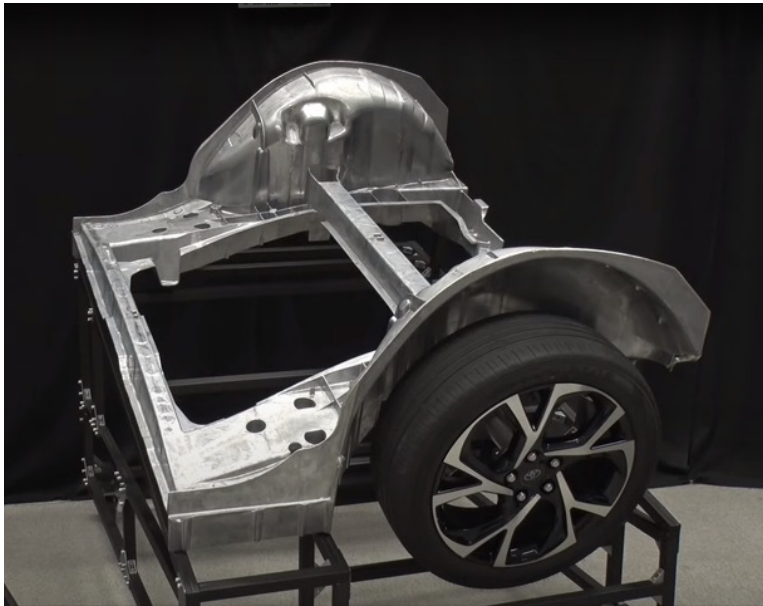
- Ea. change iteration in under <24h
- Greatest shape complexity via printed cores
- Very low cost per tool
- First few thousand cars through crash testing
- Series production of core inserts for die cast molds

Conventional giga cast tooling



- Ea. change iteration 30 week lead time
- 2.5D but can be hybridized with binder jet cores for 3D complexity
- Amortized over larger volume once design stops changing

Vehicle OEMs are now looking to catch up in Giga Casting



AI + Humanoid Robots are a killer app for AM 2.0

Aluminum and magnesium printed castings are a perfect technology to lower the cost robots smart limbs

- Printed castings are >80% lower cost vs alternatives and allow topology optimization for structural series elastic actuation for dramatic power, weight savings
- Enables internal routing of complex wiring or micro hydraulics (Aidro)
- Projected to [rapidly grow into a large, high volume market](#) ⁽¹⁾



Note: The following is a redacted version of the original report published 8 January 2024 [39 pgs].

Goldman Sachs 高盛

EQUITY RESEARCH | January 8, 2024 | 10:13PM CST

Global Automation Humanoid Robot: The AI accelerant



A year after we laid our initial expectations for global humanoid robot TAM of US\$6bn, we raise our 2035 TAM forecast to US\$38bn resulting from a 4-fold increase in our shipments estimate to 1.4mn units with a much faster path to profitability on a 40% reduction in bill of materials. We believe our revised shipment estimate would cover 10%-15% of hazardous, dangerous and auto manufacturing roles. AI acceleration, technology breakthroughs, greater capex investments are the key drivers of our forecast changes.

- Improved **technological viability** is supported by incorporation of end-to-end AI and multi-modal AI algorithms enabling much faster product iterations, leading players' sooner-than-expected progress (e.g., Tesla Optimus Gen 2), and better capabilities of the robots though possibility for a general purpose AI robot is still a question;
- **BOM cost trended down likely by 40% to \$150k per unit in 2023 from c. \$250k a year ago** for high spec robots mainly driven by availability of cheaper components with broader scope of domestic supply chain options from the best performance components used in labs previously, implying a likely acceleration in factory application viability timeline by one year and consumer applications timeline by 2-4 years vs our prior estimates;
- On **labor market implications**, the need for robots to handle dangerous jobs is already elevated by national policy. Our sensitivity analysis suggests humanoid robot demand could reach 1.1mn-3.5mn units globally assuming 5-15% substitution rate for special operations and auto manufacturing to support our base case assumptions. In our blue-sky scenario, we assume manufacturing labor shortage and household/elderly care demand to be addressed.

Jacqueline Du
+86(21)2401-8848
jacqueline.du@goldmansachs.cn
Goldman Sachs (China) Securities Company Limited

Yuichiro Isayama
+81(3)6437-9806
yuichiro.isayama@gs.com
Goldman Sachs Japan Co., Ltd.

Daniela Costa
+44(20)7774-8354
daniela.costa@gs.com
Goldman Sachs International

Mark Delaney, CFA
+1(212)957-0535
mark.delaney@gs.com
Goldman Sachs & Co. LLC

Nick Zheng, CFA
+852-2978-1405
nick.zheng@gs.com
Goldman Sachs (Asia) L.L.C.

Olivia Xu
+86(21)2411-8018
olivia.xu@goldmansachs.cn
Goldman Sachs (China) Securities Company Limited

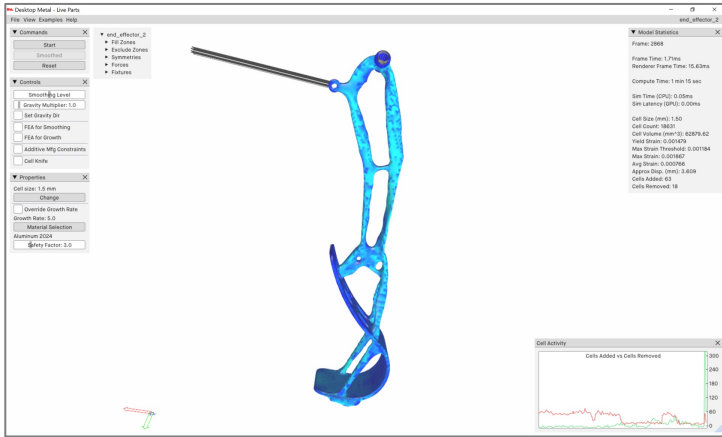
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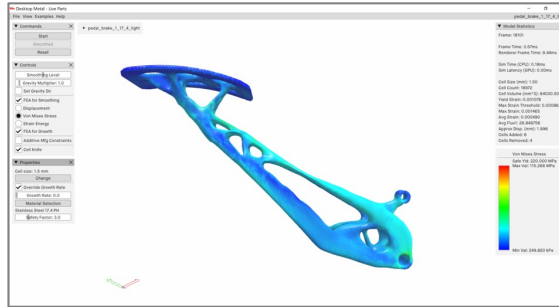
Robotic limbs at scale under \$10/kg and high volume production

Optimizing dynamics of rigid bodies enable cost effective humanoid robots that consume less power

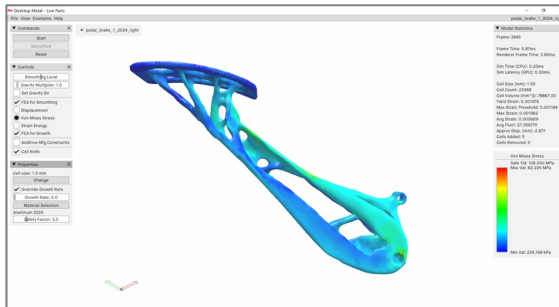


Generative design for limb based on a different kyno-dynamic model

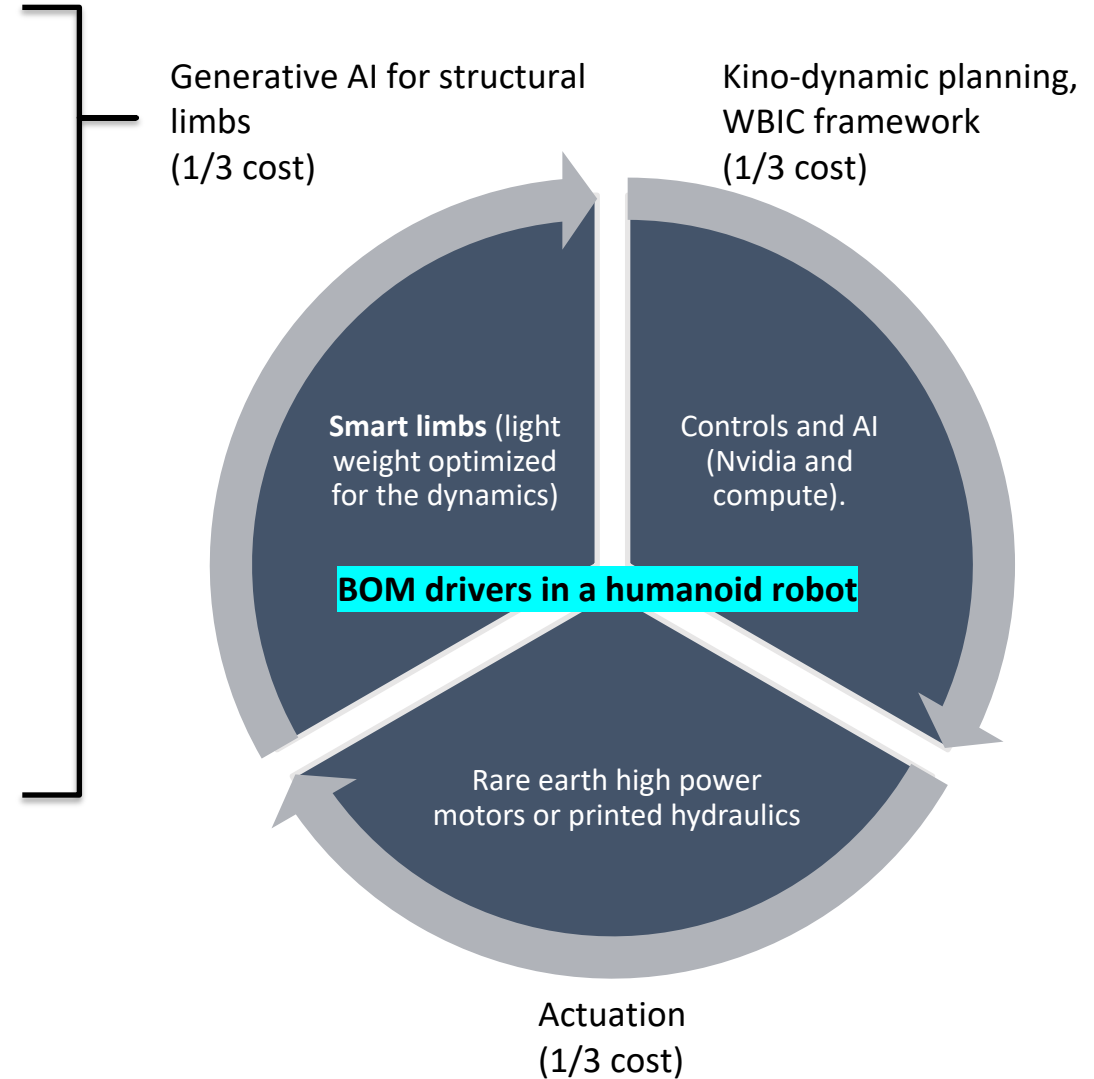
Generative design for Titanium



Generative design for Aluminum

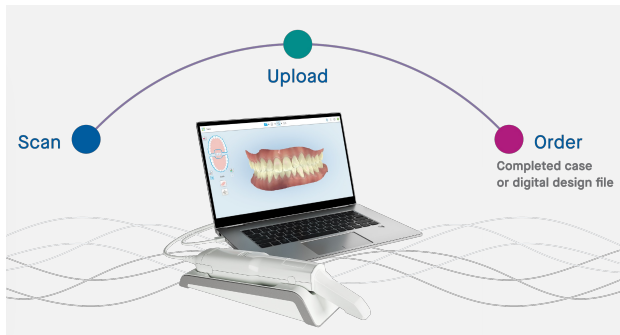


Smart limbs designed with Desktop Metal Live Parts AI Generative design tool (structural series elastic actuation can enable dramatic power savings)



Great progress in healthcare:

ScanUp.org launched Feb '24 in partnership with Align Technologies
Flexcera is now the leading solution for printed restorative dentistry

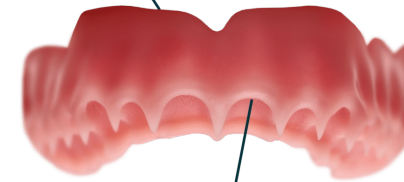


ScanUp™

Digital Dentistry Made Simple.

<https://scanup.org>

2.5mm wall thickness



1mm socket thickness

70% more resistant to deformation

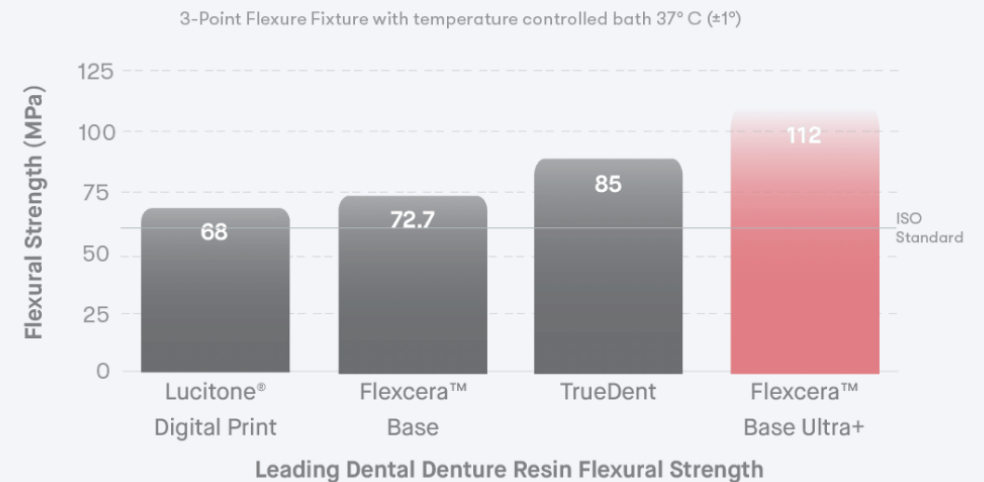
2X more resistant to moisture

3X more resistant to fracture

\$32M in contract value signed during beta period in '23

Our collaboration with Desktop Metal reflects our commitment to a relationship we expect will evolve and expand to being advanced restorative workflows to market. We see significant opportunities to enable dentists to use scan data directly order restorative services or printed ready digital files from Desktop Labs that can be used for 3D printing in their offices. In addition to iTero scanners, we're also excited about extending the benefits of the Align Digital Platform, including the Invisalign System and Exocad software to Desktop Labs' customers as well. **Joe Hogan, President and CEO Align**

+20 tons of Flexcera shipped: Enough for over 1M permanent denture restorations



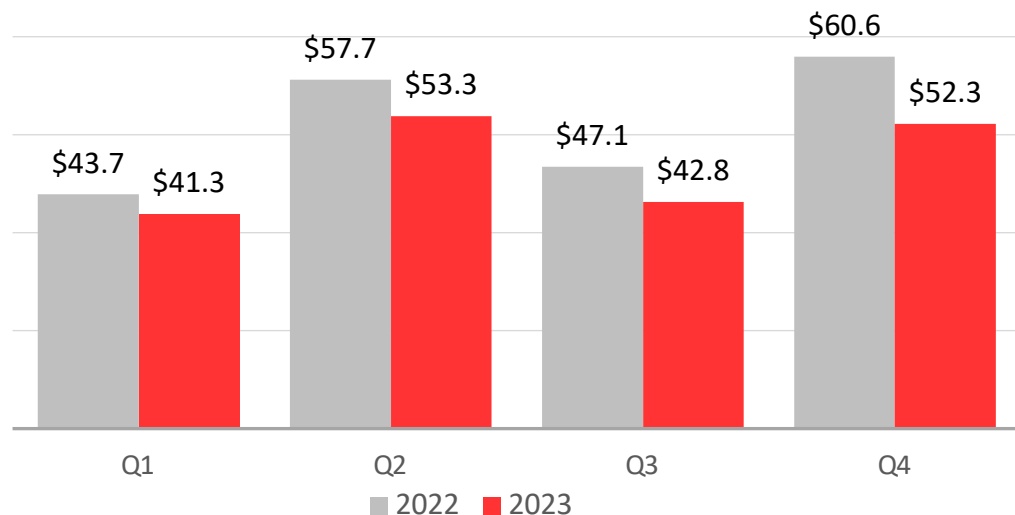
Financial Summary

Fourth Quarter 2023

Financial Review | Revenue & Gross Margin

Revenue

\$s in millions

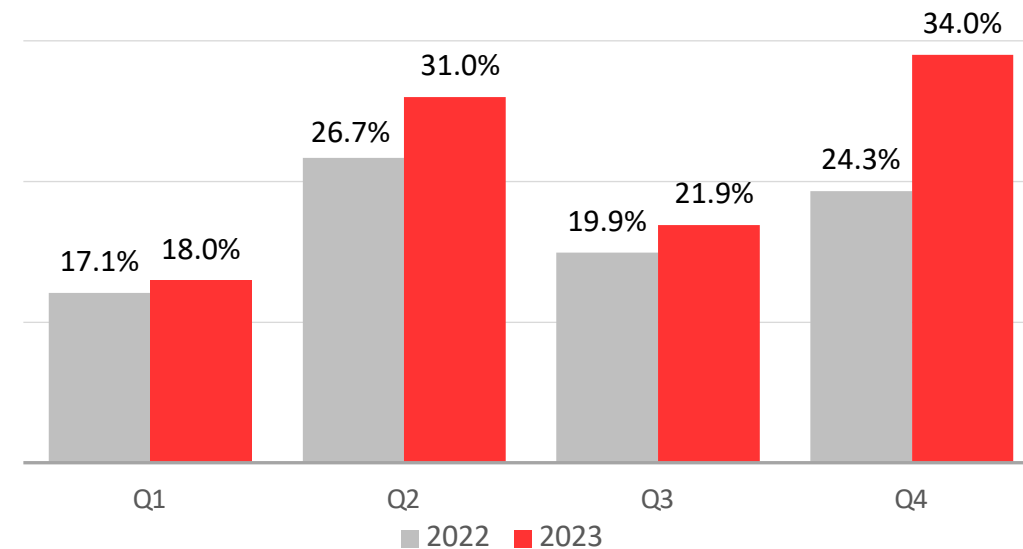


Q4'23 revenue of \$52.3 million

- Down 13.6% from Q4'22, led by challenging market conditions, weaker product sales and lengthening sales cycles
- Narrowed sales focus to products with stronger gross margin opportunities and those with the most growth potential

Gross Margin

non-GAAP

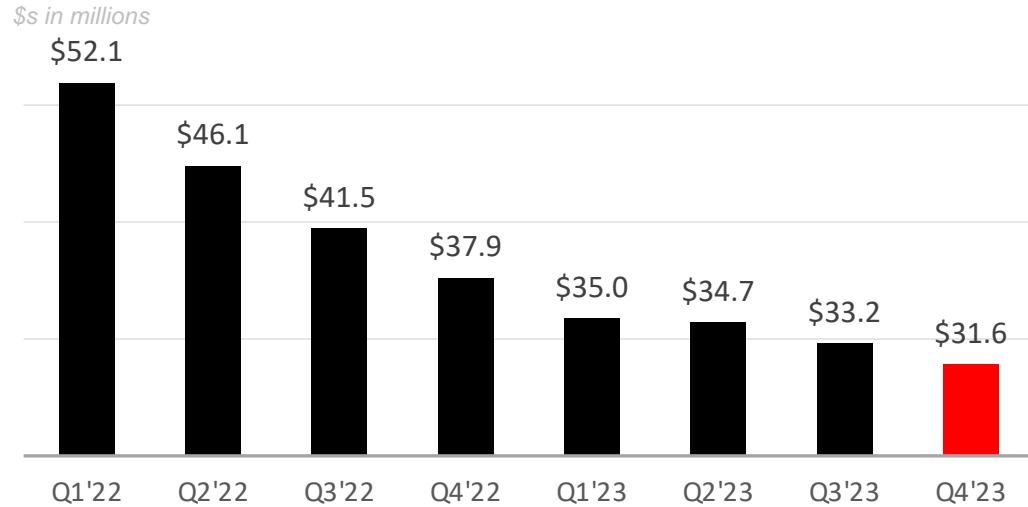


Q4'23 gross margin (non-GAAP) of 34.0%

- Increased more than 1,200 bps q/q from Q3'23
- Driven by ongoing cost-cutting initiatives across multiple quarters
- Confident in ability to achieve non-GAAP gross margins of 30% and above in 2024

Financial Review | Operating Expenses

Operating Expenses non-GAAP

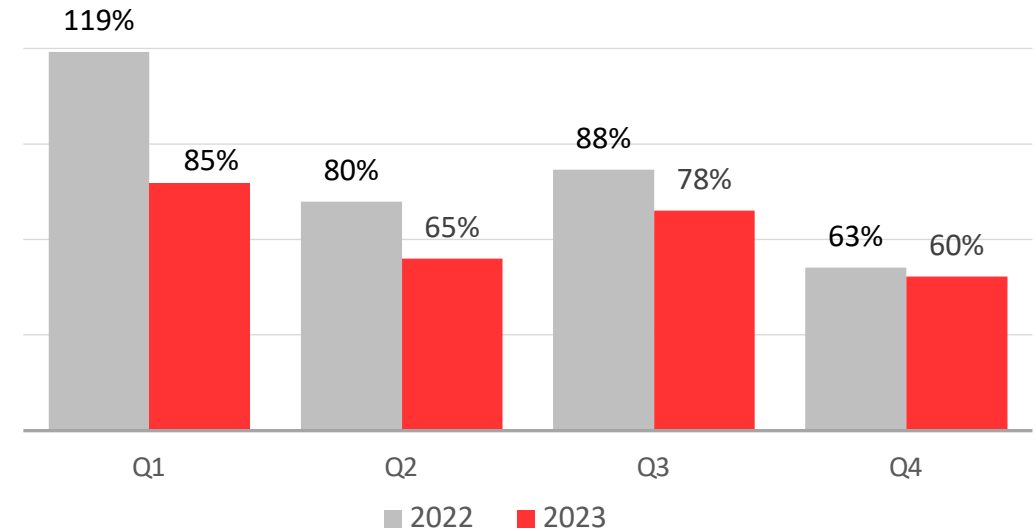


Q4'23 operating expenses (non-GAAP) declined 16.6% from Q4'22

Q4'23 operating expenses (non-GAAP) down 4.8% from Q3'23

- Meaningful reduction across all categories thru headcount reductions, site optimization, and cost control efforts

Operating Expenses (% of revenue) non-GAAP

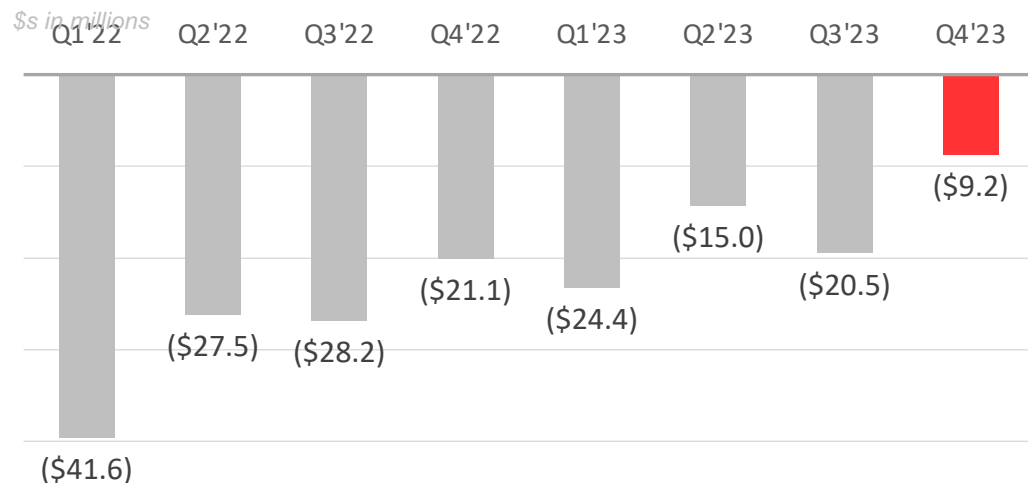


Operating expenses (non-GAAP) as a percentage of revenue were 60% in Q4'23 vs. 63% in Q4'22

- The downward trend will continue through 2024 via latest round of cost saving efforts announced in January '24

Financial Review | Adj. EBITDA

Adj. EBITDA



Q4'23 adj. EBITDA of \$(9.2) million, an improvement of 56% from \$(21.1) million in Q4'22

- Driven by improved gross profit through greater absorption of fixed costs, coupled with a 17% y/y reduction in OpEx
- Desktop Metal's reduced cost structure allows for greater insulation from varying quarterly revenue levels
- Improvement in 2023, with further expectation of strengthening in 2024

Balance Sheet

\$84.5 million in cash, cash equivalents, and short-term investments as of December 31, 2023

- Compared to \$108.2 million to close Q3'23, for net cash burn of \$23.8 million in Q4'23

Expect to reduce quarterly cash burn in future quarters

Operating cash outflow of \$23.1M in Q4'23, down 25% from \$30.7M during the fourth quarter of 2022, and down 62% when compared to \$56.3M of operating cash outflow in the first quarter of 2022, the final full quarter of operations prior to commencing cost reduction efforts, demonstrating continued progress in cash usage

Financial Outlook

Full Year 2023 Guidance

FY'24 Financial Outlook

Full Year '24 Guidance

Revenue	\$175 – \$215 million
Adj. EBITDA	\$(30) – \$(10) million

Key planning assumptions

Guidance weighed against backdrop of continued macro and industry-wide headwinds affecting Additive Manufacturing

Services and consumables continue to perform well

Completed and ongoing cost reductions workstreams

\$100 million completed by end of 2023

\$50M announced earlier in Q1'24

Today: \$20M announced via additional restructuring and strategic process to wind down loss-leading business subsets

Expecting Adjusted EBITDA break-even in second half of FY24

Outlook excludes potential impact of future acquisitions and divestitures

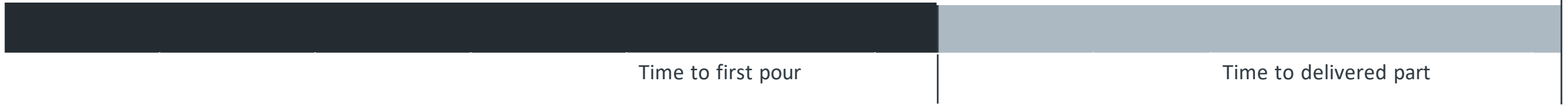
Appendix



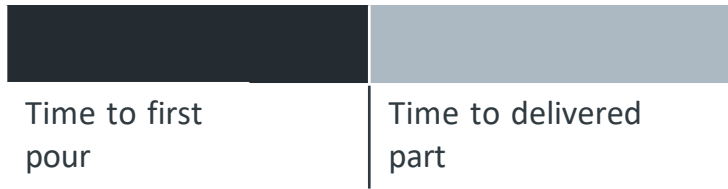
Desktop Metal Production System P-50 printer and auxiliary equipment

Dramatic improvements in cycle time

Analog Process



Digital Process



Main Gear Box Transmission
First Pour = No defects, part delivered

Utilized unique organic gating and risers only possible in 3D printing and better tolerances due to no tolerance stack in single piece cores

Blackhawk UH-60M Gearbox

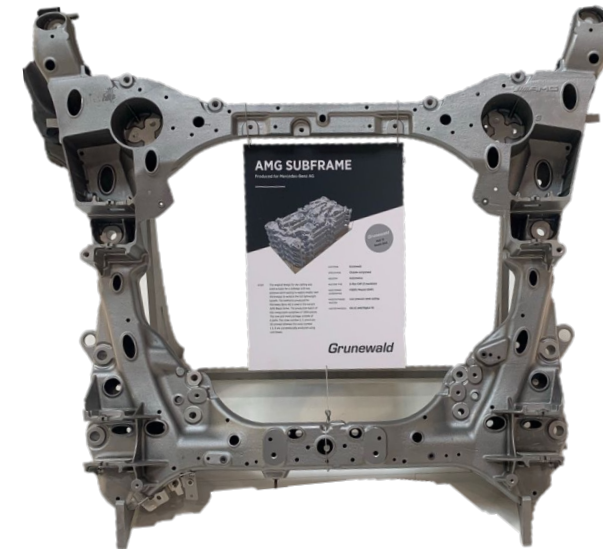


Desktop Metal binder jet is the first and only metal 3D printing technology currently used at scale in automotive

Today's cars are built with a process called Body in White (BIW) where sheet metal is stamped and eventually welded by robots in an assembly line. Many OEMs working with DM and our customers have started to use a new approach called Giga Casting where portions of the car are made as a complex casting replacing thousands of welds and hundreds stamped parts. DM is the leader in this segment with many OEM customers. 3D printed Giga Casting is enabled by binder jet and die casting. **DM believes it has more end use metal printed parts in cars today than any other AM manufacturer.** This process has a lower CO2 footprint than alternative metal printing processes¹ and delivers parts at lower cost with greater throughput.



BMW Landshut plant hosts one of the largest super fleets of DM's ExOne Exerial printers for mass production of metal parts. These complex parts have geometry that can only be made with 3D printing and are used in nearly every vehicle produced by BMW



Mercedes Benz AMG subframe manufactured by a DM customer who employs a super fleet of 11 S-Max printers. This single 3D printed digital casting reduces weight by consolidating multiple previously stamped and welded sheet metal parts into a single part

1. According to AM Power
2. <https://blog.gwcast.com/gw-celebrates...the-tesla-giga-casting>

SIMPLIFICATION OF VEHICLE STRUCTURE AND MANUFACTURING



Model 3 body structure
171 pieces of metal highlighted



Austin-made Model Y body structure
2 pieces of metal highlighted
>1,600 fewer welds

AM 2.0 Market Leadership In The Processes For Mass Production



Binder Jetting

TAM: \$70+ billion⁽¹⁾

Best-selling **metal** binder jet system (Shop System)⁽²⁾

Fastest binder jet printer (Production System P-50)⁽³⁾

Largest metal binder jet build envelope (X160 ProTM)

Best-selling digital casting binder jet portfolio



Photopolymers

TAM: \$200+ billion⁽⁴⁾

Best-in-class DLP photopolymer systems
(EinsteinTM and Xtreme 8K)

Leading Class II FDA-cleared materials
(FlexceraTM and SmileGuardTM)

Strategic partnership with Align Technology

1. Grand View Research: Metal 3D Printing Market Size, Share & Trends Analysis Report, 2022 – 2030. 2023 American Foundry Society Metalcasting forecast report (2020 – 2023).

2. Based on published figures of total units sold available as of August 3, 2023.

3. Calculated using NIST Additive Manufacturing Test Artifact and print times from competitor build preparation software, published print speed data, and mgmt. estimates.

4. Precedence Research: Medical Implants Market, (January 2022). Global Industry Analysts, Inc., Dental Laboratories – Global Market Trajectory & Analytics (July 2020).

Grand View Research: Industrial Plastic Market Size, Share & Trends Analysis Report, 2020 – 2027.

Incremental Growth Opportunities In Large Addressable Markets



Foams

TAM: \$170+ billion⁽¹⁾

FreeFoam™, a revolutionary, expandable 3D printable foam for mass production



Sheet Metal Forming

TAM: \$300+ billion⁽²⁾

Figur G15, first platform of its kind to digitally shape standard sheet metal forming on-demand



Printed Hydraulics

TAM: \$50+ billion⁽³⁾

Global market leader in 3D printed hydraulic parts

First company with DNV certification for printed hydraulics

1. Grand View Research Report: Polymer Foam Market Size, Share & Trends Analysis Report By Type (Polystyrene, Polyurethane, Polyolefin, Melamine, Phenolic, PVC), By Application, By Region, And Segment Forecasts, 2022 – 2030.
2. Sheet Metal Market Research Report Information By Material Type (Steel and Aluminum), By Process, By End Users, and By Region, 2023 – 2030.
3. Markets and Markets Research: Hydraulics Market by Components (Motors, Pumps, Cylinders, Valves, Filters, Accumulators, Transmissions), Type (Mobile Hydraulics, Industrial Hydraulics), End User (Construction, Agriculture, Material Handling), Sensors & Region - Global Forecast to 2027.

Non-GAAP reconciliations

(\$ in thousands)	Q4'23	Q3'23	Q2'23	Q1'23	FY 2023	Q4'22	Q3'22	Q2'22	Q1'22	FY 2022
GAAP gross margin	\$ (16,739)	\$ 1,924	\$ 6,089	\$ (1,364)	\$ (10,090)	\$ 8,311	\$ (309)	\$ 8,397	\$ (1,328)	\$ 15,071
Stock-based compensation in cost of sales	475	517	590	680	2,262	365	734	671	487	2,257
Amortization of acquired intangible assets in cost of sales	7,045	6,889	6,928	6,927	27,789	5,890	5,877	5,950	5,990	23,707
Restructuring expense in cost of sales	26,984	16	2,488	717	30,205	147	3,085	41	-	3,273
Acquisition-related and integration costs in cost of sales	45	-	434	479	958	-	-	10	1,138	1,148
Inventory step-up adjustment in cost of sales	-	-	-	-	-	-	-	315	1,181	1,496
Non-GAAP gross margin	\$ 17,810	\$ 9,346	\$ 16,529	\$ 7,439	\$ 51,124	\$ 14,713	\$ 9,387	\$ 15,384	\$ 7,468	\$ 46,952

(\$ in thousands)	Q4'23	Q3'23	Q2'23	Q1'23	FY 2023	Q4'22	Q3'22	Q2'22	Q1'22	FY 2022
GAAP operating expenses	\$ 160,527	\$ 47,044	\$ 54,607	\$ 50,953	\$ 313,131	\$ 320,206	\$ 57,510	\$ 300,967	\$ 68,151	\$ 746,834
Stock-based compensation in opex	(6,003)	(7,166)	(9,113)	(8,633)	(30,915)	(7,250)	(11,306)	(18,547)	(9,425)	(46,528)
Amortization of acquired intangible assets in opex	(3,275)	(3,509)	(3,529)	(3,515)	(13,828)	(4,250)	(3,192)	(3,719)	(3,794)	(14,955)
Restructuring expense in opex	(3,894)	(126)	(362)	(2,901)	(7,283)	(1,341)	-	(1,960)	-	(3,301)
Acquisition-related and integration costs in opex	(2,821)	5,452	(6,925)	(927)	(5,221)	(133)	(1,476)	(1,161)	(2,848)	(5,618)
Impairment charges	(2,456)	(6,062)	-	-	(8,518)	-	-	-	-	-
Goodwill impairment	(110,461)	(2,450)	-	-	(112,911)	(269,300)	-	(229,500)	-	(498,800)
Non-GAAP operating expenses	\$ 31,617	\$ 33,183	\$ 34,678	\$ 34,977	\$ 134,455	\$ 37,932	\$ 41,536	\$ 46,080	\$ 52,084	\$ 177,632

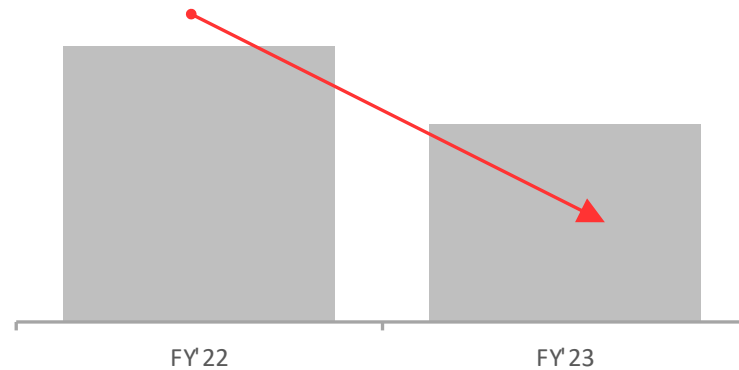
Adjusted EBITDA reconciliation

(\$ in thousands)	Q4'23	Q3'23	Q2'23	Q1'23	FY 2023	Q4'22	Q3'22	Q2'22	Q1'22	FY 2022
Net loss attributable to common stockholders	\$ (174,528)	\$ (46,373)	\$ (49,728)	\$ (52,642)	\$ (323,271)	\$ (312,353)	\$ (60,774)	\$ (297,272)	\$ (69,944)	\$ (740,343)
Interest (income) expense, net	1,134	1,045	1,109	811	4,099	462	680	633	(32)	1,743
Income tax expense (benefit)	(2,430)	(141)	23	(557)	(3,105)	104	598	(944)	(1,256)	(1,498)
Depreciation & amortization	13,312	13,357	13,530	13,433	53,632	12,473	12,692	12,719	12,883	50,767
EBITDA	\$ (162,512)	\$ (32,112)	\$ (35,066)	\$ (38,955)	\$ (268,645)	\$ (299,314)	\$ (46,804)	\$ (284,864)	\$ (58,349)	\$ (689,331)
Change in fair value of investments	178	775	107	179	1,239	(329)	2,052	4,741	1,700	8,164
Inventory step-up adjustment	-	-	-	-	-	-	-	315	1,181	1,496
Stock-based compensation	6,478	7,683	9,703	9,313	33,177	7,615	12,040	19,218	9,912	48,785
Restructuring expense	30,878	142	2,850	3,618	37,488	1,488	3,085	2,384	-	6,957
Goodwill impairment	110,461	2,450	-	-	112,911	269,300	-	229,500	-	498,800
Impairment charges	2,456	6,062	-	-	8,518	-	-	-	-	-
Acquisition-related and integration costs	2,866	(5,452)	7,359	1,406	6,179	133	1,476	1,171	3,986	6,766
Adjusted EBITDA	\$ (9,195)	\$ (20,452)	\$ (15,047)	\$ (24,439)	\$ (69,133)	\$ (21,107)	\$ (28,151)	\$ (27,535)	\$ (41,570)	\$ (118,363)

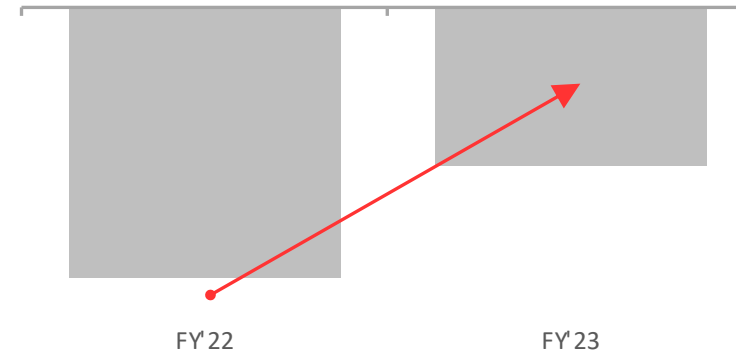
Adj. EBITDA Performance in FY'23

Completed \$100M in annual cost savings, with additional savings of \$50M to come

Operating Expenses (non-GAAP)



Adjusted EBITDA



Improvement in FY23 in adj. EBITDA due to improved gross margins and reduction in operating expenses (non-GAAP)

Announced in January 2024 an additional \$50M in cost savings

Decline of G&A and marketing expenses by around 30% y/y

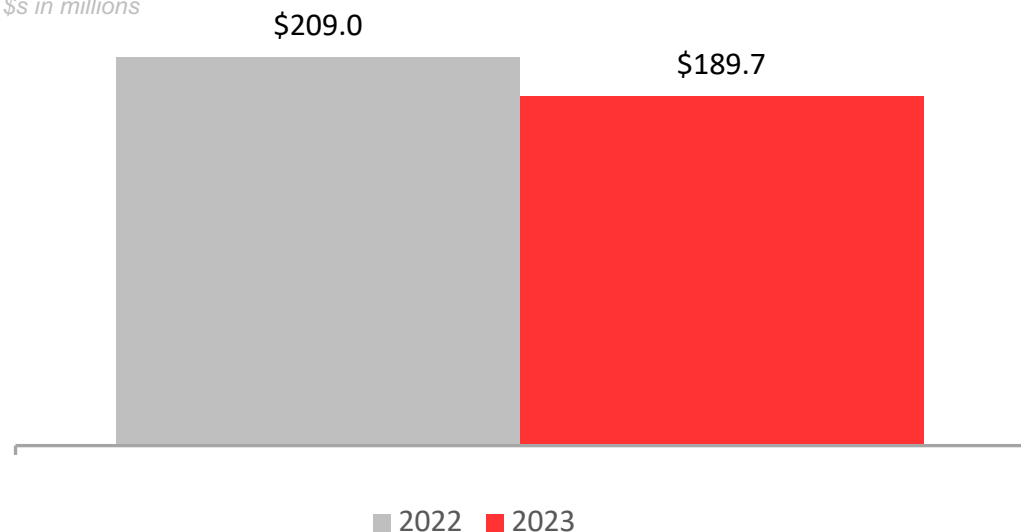
Achieved plan to reduce \$100M of annualized costs from business announced in 2022

- Closure of six production sites have improved cost absorption, stabilizing gross margins, particularly at lower revenue levels
- Continue to identify additional opportunities to refine portfolio and operations to enhance operating metrics

Financial Review | Revenue & Gross Margin

Revenue

\$s in millions

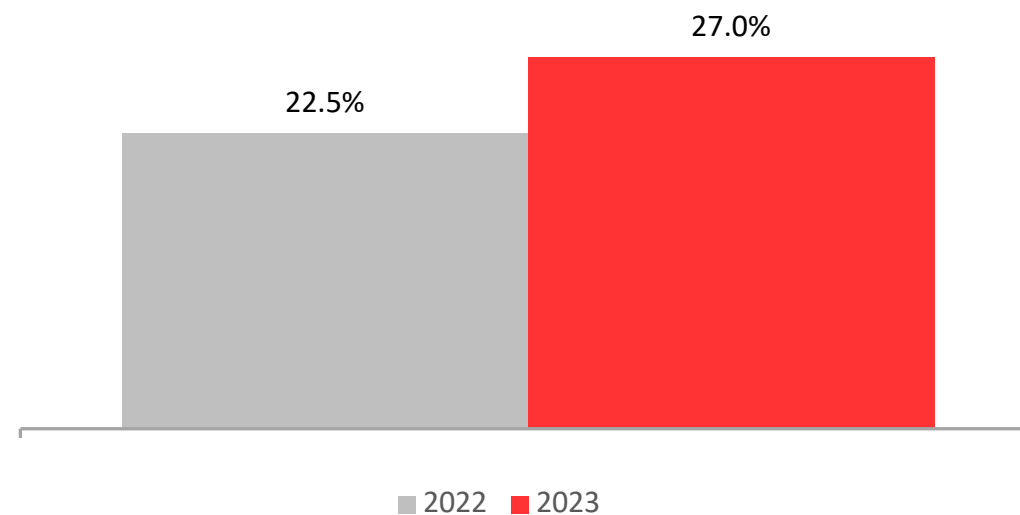


FY'23 revenue of \$189.7 million

- Down 9.2% from FY'22, led by challenging market conditions, weaker product sales and lengthening sales cycles
- Narrowed sales focus to products with stronger gross margin opportunities and those with the most growth potential

Gross Margin

non-GAAP



FY'23 gross margin (non-GAAP) of 27.0%

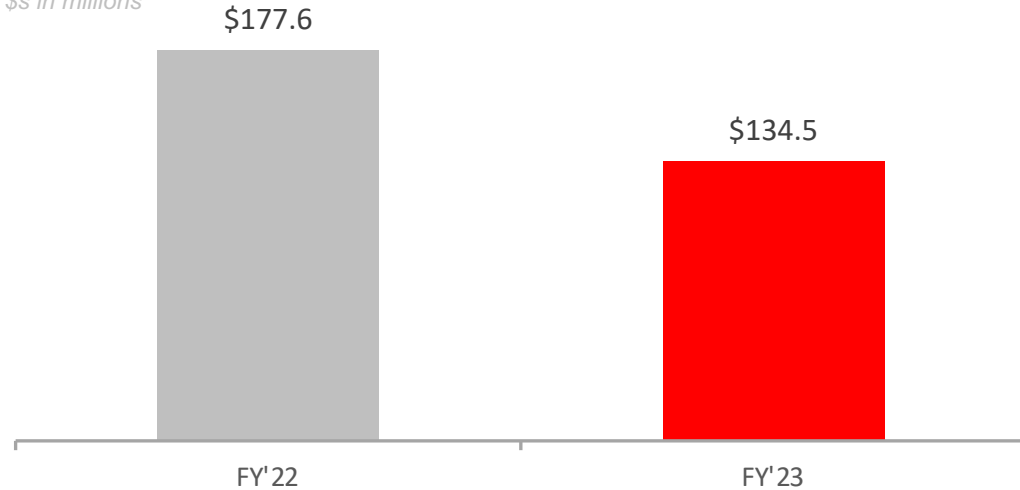
- Increased by 450 bps y/y from FY'22
- Driven by ongoing cost-cutting initiatives across multiple quarters
- Confident in ability to achieve non-GAAP gross margins of 30% and above in 2024

Financial Review | Operating Expenses

Operating Expenses

non-GAAP

\$s in millions

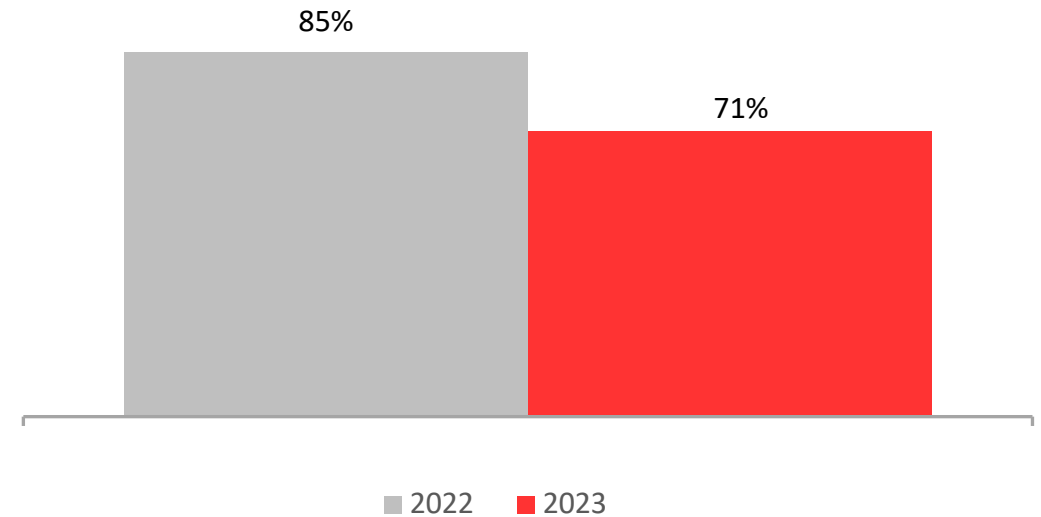


FY'23 operating expenses (non-GAAP) declined 24.3% from FY'22

- Meaningful reduction across all categories thru headcount reductions, site optimization, and cost control efforts

Operating Expenses (% of revenue)

non-GAAP

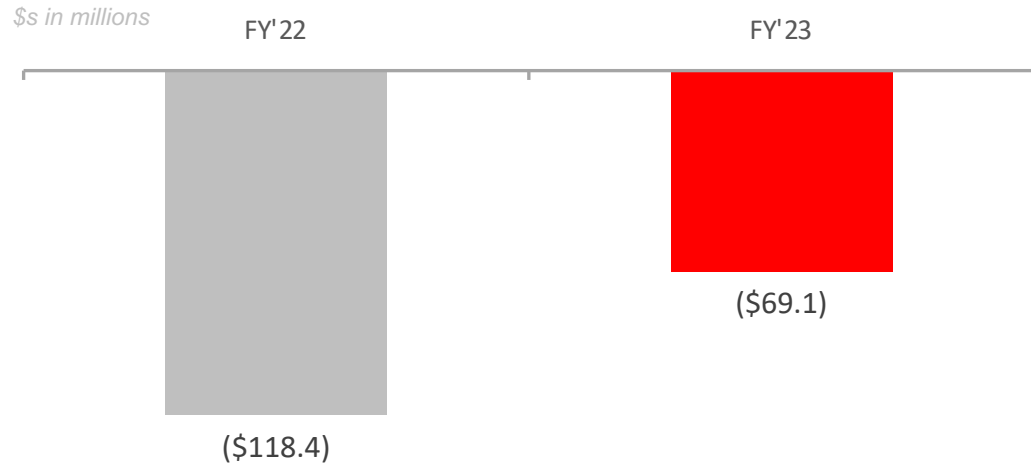


Operating expenses (non-GAAP) as a percentage of revenue was 85% in FY'23 vs. 71% in FY'22

- The downward trend will continue through 2024 via latest round of cost saving efforts announced in January '24

Financial Review | Adj. EBITDA

Adj. EBITDA



FY'23 adj. EBITDA of \$(69.1) million, an improvement of 42% from \$(118.4) million in FY'22

- Driven by improved gross profit through greater absorption of fixed costs, coupled with a 24% y/y reduction in OpEx
- Desktop Metal's reduced cost structure allows for greater insulation from varying quarterly revenue levels
- Improvement in 2023, with further expectation of strengthening in 2024

Balance Sheet

\$84.5 million in cash, cash equivalents, and short-term investments as of December 31, 2023

- Compared to \$184.5 million to close Q4'22, for net cash burn of \$100.0 million in FY'23

Expect to reduce quarterly cash burn in future quarters

Operating cash outflow of \$114.9M in FY'23, down 37% from \$181.5M in FY'22