INTRODUCING THE WORLD’S MOST COMPREHENSIVE DIGITAL MANUFACTURING SERVICE

3D Hubs Overview
- Online manufacturing platform offering engineers on-demand access to a global network of ~240 manufacturing partners
- Has facilitated the production of over 6 million custom parts through its online platform, which incorporates machine learning
- Offers instant pricing and design feedback
- 3D printing, CNC machining, sheet metal fabrication, and injection molding
- Founded in 2013
- 200% revenue CAGR since 2017

Strategic Rationale
- Provides Protolabs with a network of mfg partners to fulfill a breadth of capabilities outside of our current envelope, as well as a broader offering of pricing and lead time options
- 3D Hubs brings a best-in-class team of employees, a strong platform, and a complementary manufacturing partner network
- Enhances Protolabs’ customer value proposition across prototyping and global production
- Expands total addressable market

Complementary Capabilities Enable a Better Customer Experience

PROTOLABS
- Rapid prototyping
- Best-in-class lead times within our current envelope
- Focus on reliability and quality
- Expert technical consultation
- World-class customer support

3D HUBS
- Broad services offer
  - Higher tolerances
  - More complex parts
  - Additional technologies
- More secondary operations
- Variety of lead time and pricing options
- Instant market-based pricing
Together Will Serve More of Custom Parts Market

Deal Terms and Financial Details

Transaction Consideration
- Closing consideration: $280 million ($130 million cash; $150 million stock)
- Contingent consideration: up to $50 million (50% cash; 50% stock); payable based on achievement of financial performance targets (2021 and 2022)

Financial Impact
- 3D Hubs generated $25 million of revenue in 2020 (~200% CAGR since 2017)
- Expected to increase Protolabs’ long-term growth rate
- Expected to be slightly dilutive to non-GAAP EPS in 2021
- Expected to be accretive to non-GAAP EPS in 2023

Financing
- Funding cash portion of closing consideration with cash on hand

Expected Closing
- By the end of January 2021
Safe Harbor

This fact sheet may contain forward-looking statements. These statements relate to future events or to future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," or "continue" or the negative of these terms or other comparable terminology. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond our control and that could materially affect actual results, levels of activity, performance, or achievements.

Other factors that could materially affect actual results, levels of activity, performance or achievements can be found in Protolabs' SEC filings, including the Form 10-K for the year ended December 31, 2019 and the quarterly Form 10-Q filings. If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. Any forward-looking statement you see or hear during this presentation reflects our current views with respect to future events and is subject to these and other risks, uncertainties, and assumptions relating to our operations, results of operations, growth strategy, and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise.

Non-GAAP Financial Measures: Protolabs management believes that presenting certain non-GAAP financial measures provides meaningful information to investors in understanding operating results and may enhance investors' ability to analyze financial and business trends. Non-GAAP measures are not a substitute for GAAP measures and should be considered together with the GAAP financial measures. As calculated, our non-GAAP measures may not be comparable to other similarly titled measures of other companies. In addition, Protolabs management believes that these non-GAAP financial measures allow investors to compare period to period more easily by excluding items that could have a disproportionately negative or positive impact on results in any particular period.