

The following letter was sent to shareholder employees of Stratasys Ltd. on September 5, 2023.



Stratasys Employee Shareholders,

Last week you received an e-mail from E\*TRADE regarding your participation at our upcoming Extraordinary General Meeting of Shareholders (the “EGM”) to vote on Stratasys’ proposals – including the vote to approve our proposed combination with Desktop Metal.

The Stratasys Board of Directors unanimously recommends that Stratasys shareholders vote “FOR” each of the proposals under consideration at the Stratasys EGM. You can voice your support for:

- 1) **Enabling the value-adding merger with Desktop Metal** to help ensure Stratasys and all stakeholders can realize the significant value creation opportunities of the proposed merger. Under the terms of the proposed transaction, the combined company will continue to be led by the Stratasys Executive Leadership team following the merger.
  - 2) **Extending the Stratasys Rights Plan**, which the Board believes will allow it to fulfill its fiduciary duties to Stratasys and its shareholders by encouraging anyone seeking to gain a significant interest in Stratasys to negotiate directly with the Stratasys Board prior to attempting to control or influence Stratasys.
  - 3) **The approval to increase the number of Stratasys ordinary shares reserved for issuance** under our 2022 share incentive plan to help us continue to attract, motivate and retain talent.
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## VOTING INSTRUCTIONS:

We urge you to VOTE “FOR” each of the 3 proposed agenda items, as follows:

### Proposal(s)

For holders as of Thursday, August 24, 2023. Votes can be changed until the voting deadline.

Make your selections below, using the options on the right side of the page. Shares available: 6,731

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1. Agreement & Plan of Merger, dated 5/25/23, by & among Stratasys, Tetris Sub Inc., a wholly-owned subsidiary of Stratasys, and Desktop Metal, Inc., & merger of Merger Sub with & into Desktop Metal, (i) issuance of Stratasys ordinary shares to stockholders of Desktop Metal, at a ratio of 0.123 Stratasys ordinary shares per share of Desktop Metal Class A common stock, (ii) adoption of amended & restated articles of association, (iii) election of a slate of 5 designees of Stratasys & 5 designees of Desktop Metal, combined company's CEO, as members of Stratasys' board.  For  Against  Abstain

Board Recommendation: **For**

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2. Subject to the approval of Proposal 1, approval of the extension of the expiration date of Stratasys' existing shareholder rights plan for a twelve (12) months period from its original expiration date, i.e., until July 24, 2024.  For  Against  Abstain

Board Recommendation: **For**

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3. Approval of an increase, by 2,075,625 upon completion of the Extraordinary Meeting, and by an additional 1,065,867, upon and subject to completion of the Merger, in the number of Stratasys ordinary shares available for issuance under Stratasys' 2022 Share Incentive Plan.  For  Against  Abstain

Board Recommendation: **For**

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## ADDITIONAL VOTING OPTIONS:

If you did not receive the e-mail above, you may vote by submitting a proxy in one of the following ways:

1. Returning a physical proxy card in the envelope mailed to your E\*TRADE registered home address;
2. Submitting a proxy vote online at [www.proxyvote.com](http://www.proxyvote.com); or
3. Submitting a proxy vote via telephone by calling the number listed on the proxy card or voting instruction form you received.

NOTE: In options 2&3 a control number will be needed, and it comes in either your e-mail or your regular mail package. If you did not receive an email or mail package, you should call E\*TRADE at US local number: 1-800-387-2331 (24 hours a day) OR 1-800-661-4587 (8 am 3 pm ET). From outside the US: +1 678 624 6210 (24 hours a day) and ask the representative for the 16-digit control number to vote your shares online at [www.proxyvote.com](http://www.proxyvote.com).

**With our Extraordinary General Meeting of Shareholders fast approaching on September 28th, Stratasys shareholders, including you, have the opportunity to help ensure Stratasys and all stakeholders can realize the value creation opportunity of the Desktop Metal combination and VOTE TODAY “FOR” the Merger-related proposal.**

**Please make your voice heard and vote today.**

If you have any questions regarding the vote, please reach out to Yonah Lloyd, CCO and Vice President, Investor Relations, at [Yonah.Lloyd@stratasys.com](mailto:Yonah.Lloyd@stratasys.com).

Yours,  
Tamir Algranati  
VP, Global Compensation, Benefits, and HR Operations

## Forward-Looking Statements

This document contains forward-looking statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the actual results of Stratasys Ltd. and its consolidated subsidiaries (“Stratasys”) may differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements.

Such forward-looking statements include statements relating to the proposed transaction between Stratasys and Desktop Metal, Inc. (“Desktop Metal”), including statements regarding the benefits of the transaction and the anticipated timing of the transaction, and information regarding the businesses of Stratasys and Desktop Metal, including expectations regarding outlook and all underlying assumptions, Stratasys’ and Desktop Metal’s objectives, plans and strategies, information relating to operating trends in markets where Stratasys and Desktop Metal operate, statements that contain projections of results of operations or of financial condition and all other statements other than statements of historical fact that address activities, events or developments that Stratasys or Desktop Metal intends, expects, projects, believes or anticipates will or may occur in the future. Such statements are based on management’s beliefs and assumptions made based on information currently available to management. All statements in this communication, other than statements of historical fact, are forward-looking statements that may be identified by the use of the words “outlook,” “guidance,” “expects,” “believes,” “anticipates,” “should,” “estimates,” and similar expressions. These forward-looking statements involve known and unknown risks and uncertainties, which may cause Stratasys’ or Desktop Metal’s actual results and performance to be materially different from those expressed or implied in the forward-looking statements. Factors and risks that may impact future results and performance include, but are not limited to those factors and risks described in Item 3.D “Key Information - Risk Factors”, Item 4 “Information on the Company”, and Item 5 “Operating and Financial Review and Prospects” in Stratasys’ Annual Report on Form 20-F for the year ended December 31, 2022 and Part 1, Item 1A, “Risk Factors” in Desktop Metal’s Annual Report on Form 10-K for the year ended December 31, 2022, each filed with the Securities and Exchange Commission (the “SEC”), and in other filings by Stratasys and Desktop Metal with the SEC. These include, but are not limited to: factors relating to actions taken by or other developments involving Nano Dimension Ltd. (“Nano”), including any future unsolicited tender offer similar to its recently-expired partial tender offer for shares of Stratasys or Nano’s legal challenge to Stratasys’ shareholder rights plan, and actions taken by Stratasys or its shareholders with respect to such actions or developments, the ultimate outcome of the proposed transaction between Stratasys and Desktop Metal, including the possibility that Stratasys or Desktop Metal shareholders will reject the proposed transaction; the effect of the announcement of the proposed transaction on the ability of Stratasys and Desktop Metal to operate their respective businesses and retain and hire key personnel and to maintain favorable business relationships; the timing of the proposed transaction; the occurrence of any event, change or other circumstance that could give rise to the termination of the proposed transaction; the ability to satisfy closing conditions to the completion of the proposed transaction (including any necessary shareholder approvals); other risks related to the completion of the proposed transaction and actions related thereto; changes in demand for Stratasys’ or Desktop Metal’s products and services; global market, political and economic conditions, and in the countries in which Stratasys and Desktop Metal operate in particular; government regulations and approvals; the extent of growth of the 3D printing market generally; the global macro-economic environment, including headwinds caused by inflation, rising interest rates, unfavorable currency exchange rates and potential recessionary conditions; the impact of shifts in prices or margins of the products that Stratasys or Desktop Metal sells or services Stratasys or Desktop Metal provides, including due to a shift towards lower margin products or services; the potential adverse impact that recent global interruptions and delays involving freight carriers and other third parties may have on Stratasys’ or Desktop Metal’s supply chain and distribution network and consequently, Stratasys’ or Desktop Metal’s ability to successfully sell both existing and newly-launched 3D printing products; litigation and regulatory proceedings, including any proceedings that may be instituted against Stratasys or Desktop Metal related to the proposed transaction; impacts of rapid technological change in the additive manufacturing industry, which requires Stratasys and Desktop Metal to continue to develop new products and innovations to meet constantly evolving customer demands and which could adversely affect market adoption of Stratasys’ or Desktop Metal’s products; and disruptions of Stratasys’ or Desktop Metal’s information technology systems.

These risks, as well as other risks related to the proposed transaction, are included in the registration statement on Form F-4 and joint proxy statement/prospectus that were filed with the Securities and Exchange Commission (“SEC”) in connection with the proposed transaction. While the list of factors presented here is, and the list of factors presented in the registration statement on Form F-4 are, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. For additional information about other factors that could cause actual results to differ materially from those described in the forward-looking statements, please refer to Stratasys’ and Desktop Metal’s respective periodic reports and other filings with the SEC, including the risk factors identified in Stratasys’ and Desktop Metal’s Annual Reports on Form 20-F and Form 10-K, respectively, and Stratasys’ Reports of Foreign Private Issuer on Form 6-K that published its results for the quarter and six months ended June 30, 2023, which it furnished to the SEC on August 9, 2023, and Desktop Metal’s most recent Quarterly Reports on Form 10-Q. The forward-looking statements included in this communication are made only as of the date hereof. Neither Stratasys nor Desktop Metal undertakes any obligation to update any forward-looking statements to reflect subsequent events or circumstances, except as required by law.

#### **No Offer or Solicitation**

This communication is not intended to and shall not constitute an offer to buy or sell or the solicitation of an offer to buy or sell any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the U.S. Securities Act of 1933, as amended.

#### **Important Additional Information**

In connection with the proposed transaction, Stratasys filed with the SEC a registration statement on Form F-4 that includes a joint proxy statement of Stratasys and Desktop Metal and that also constitutes a prospectus of Stratasys. Each of Stratasys and Desktop Metal may also file other relevant documents with the SEC regarding the proposed transaction. The registration statement was declared effective by the SEC on August 25, 2023. Stratasys filed the definitive proxy statement/prospectus with the SEC on August 28, 2023. The definitive proxy statement/prospectus was mailed to shareholders of Stratasys and Desktop Metal on or around August 28, 2023. Each of Stratasys and Desktop Metal may also file other relevant documents with the SEC regarding the proposed transaction. This letter is not a substitute for the joint proxy statement/prospectus or registration statement or any other document that Stratasys or Desktop Metal may file with the SEC. **INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT, THE JOINT PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT MAY BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.** Investors and security holders are able to obtain free copies of the registration statement and definitive joint proxy statement/prospectus and other documents containing important information about Stratasys, Desktop Metal and the proposed transaction through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed with, or furnished, to the SEC by Stratasys are available free of charge on Stratasys’ website at <https://investors.stratasys.com/sec-filings>. Copies of the documents filed with the SEC by Desktop Metal are available free of charge on Desktop Metal’s website at <https://ir.desktopmetal.com/sec-filings/all-sec-filings>.

#### **Participants in the Solicitation**

Stratasys, Desktop Metal and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about the directors and executive officers of Stratasys, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in Stratasys’ proxy statement for its 2023 Annual General Meeting of Shareholders, which was furnished to the SEC on July 12, 2023, and Stratasys’ Annual Report on Form 20-F for the fiscal year ended December 31, 2022, which was filed with the SEC on March 3, 2023. Information about the directors and executive officers of Desktop Metal, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in Desktop Metal’s proxy statement for its 2023 Annual Meeting of Stockholders, which was filed with the SEC on April 25, 2023 and Desktop Metal’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, which was filed with the SEC on March 1, 2023. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, is contained in the joint proxy statement/prospectus and other relevant materials filed with the SEC regarding the proposed transaction. Investors should read the joint proxy statement/prospectus carefully before making any voting or investment decisions. You may obtain free copies of these documents from Stratasys or Desktop Metal using the sources indicated above.