



INVESTOR PRESENTATION

Samantha Cheetham CEO
March 2021

WHO IS SDI

- The only Australian dental manufacturer for its group of products (class 2 medical devices)
- Fully owned subsidiaries in Brazil, USA, Germany and the UK
- Registrations from the appropriate global authorities (TGA, FDA, ANVISA , Health Canada, etc)
- All R & D and manufacturing is done in Melbourne Australia
- Competes with large global companies
- Growth has been purely organic



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SDI

YOUR SMILE. OUR VISION.



Long successful operating history – founded in 1972 and listed on ASX in 1985 and Australia’s largest dental manufacturer



SDI conducts research and development of specialist dentist materials undertaking the development, manufacturing and marketing of dental restorative materials



SDI sells to 100+ countries on all continents, with sales teams and warehouses in Australia, Brazil, Europe and North America

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INVESTMENT SUMMARY

- Long established business with experienced management and operational teams focused on serving the dental profession globally
- Consistent above market growth leading to increased market shares in key Aesthetics and Whitening categories
- Cost effective distribution model using a combination of global distributors, exclusive agents and direct to market
- Diverse geographic exposure with largest markets Europe 37% and North America 25% of sales respectively
- In-house highly qualified leading-edge research and development team delivering 1 – 2 new products per year to drive growth
- Continued investment in highly sophisticated manufacturing equipment driving automation
- Significant capacity to fund growth, underpinned by strong balance sheet

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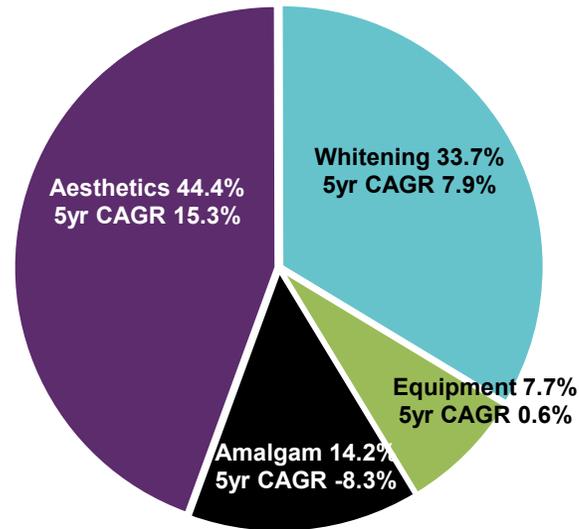


BUSINESS SUMMARY

Core Markets

- Europe
 - 37% of HY21 sales
- North America
 - 25% of sales
- Oceania & Asia
 - 24% of sales
- Middle East & Africa
 - 5% of sales
- South America
 - 9% of sales

Revenue by Product



- HY21 figures for % of sales total
- FY19 figures for CAGR (pre-Covid)

Sales channels

- Worldwide distribution via 800+ distributors and agents
- Direct to dentist (in Australia only)
- Offices and warehouses in Melbourne, Brazil, USA, Germany

Profit drivers

- Sales growth
- Continued focus on cost control in manufacturing, sales & corporate
- Sales mix improvements
- New product launches
- Automation of manufacturing processes

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PRODUCT CATEGORIES

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AESTHETICS



WHITENING



EQUIPMENT



AMALGAM



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KEY COMPETITORS

COMPETITORS	KEY PRODUCT CATEGORIES			
	Whitening	Aesthetics	Equipment	Amalgam
SDI LIMITED	✓	✓	✓	✓
3M (US)	✓	✓	✓	×
ULTRADENT (US)	✓	✓	✓	×
DENTSPLY (US)	✓	✓	✓	×
KERR KAVO (US)	×	✓	✓	✓
IVOCLAR VIVADENT (LI)	×	✓	✓	✓
COLTENE (CH)	×	✓	✓	×
VOCO (DE)	×	✓	✓	×
GC (JP)	×	✓	✓	×
KULZER (DE)	×	✓	✓	×

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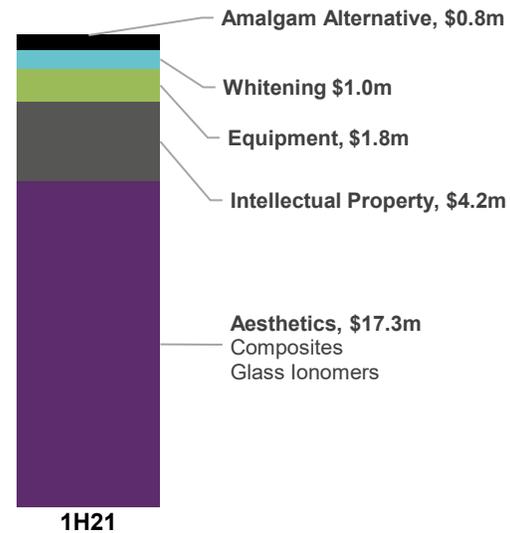


INVESTING FOR THE FUTURE

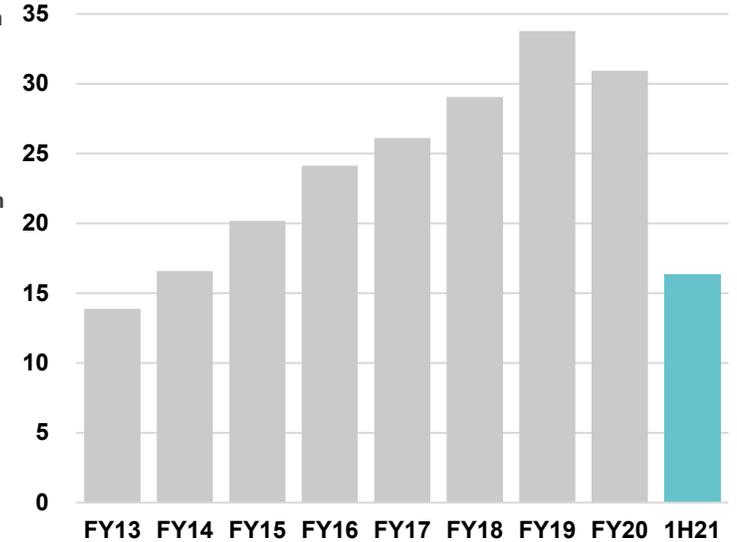
- Shifting industry trends identified more than 20 years ago
- Invested heavily in Research and Development
- R&D portfolio mostly relates to Aesthetics

- 83% of the research and development intangibles consist of Aesthetic products
- Aesthetics have grown from 22% of total sales in FY13 to 44% 1H21

R&D – Intangibles \$25.1m \$m



Aesthetics



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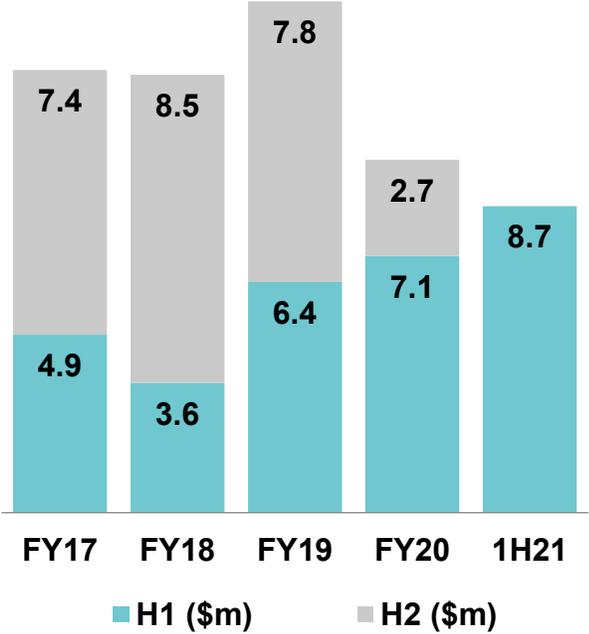
FINANCIAL HIGHLIGHTS

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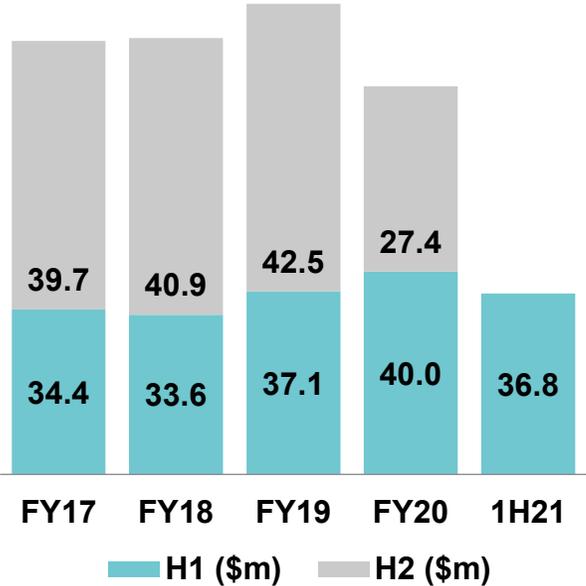
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POSITIVE TRENDS

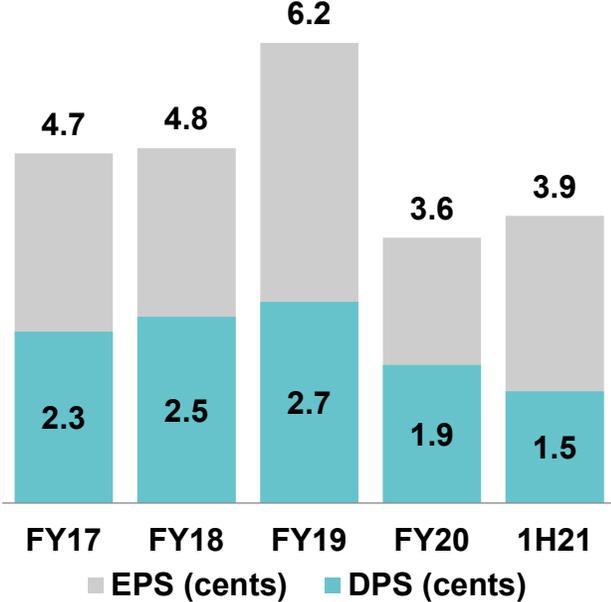
EBITDA



SALES v EBITDA margin



EPS & DPS



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SHAREHOLDER RETURNS



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Source: Iress, Market Eye



STRATEGY & OUTLOOK

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RESEARCH, INNOVATION RESULTS

- Product mix improving our margins with focus on high margin Aesthetics and Whitening products
- New products for 2021:

5 New Products	Category	Benefit to dentist
Riva Star Aqua	Aesthetics	Less irritation
Riva SC EA	Aesthetics	Easy to use; stronger
Riva LC EA	Aesthetics	Easy to use; stronger
Pola Rapid	Whitening	Super fast
Radiometer V2	Equipment	Accurate LED tester



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GLOBAL DENTAL INDUSTRY

- Dental market is recovering quickly after pandemic hit – dentistry is an essential business
- \$2bn industry in SDI's focus categories – aesthetics and whitening
- SDI has approximately 1.7% of the market. We need to double our market share. To gain more market share, we will invest in:
 - ✓ Sales force in key US, European and Export markets
 - ✓ Global CRM system almost implemented: salesforce.com
 - ✓ More KOL and research collaboration
 - ✓ Focused R+D initiatives
 - ✓ High speed automation throughout factory
 - ✓ Improved global distribution and supply chain

STRATEGY PRIORITIES

- Rationalise product portfolio – DONE; 1000 or 35% less SKUs
- Focus on key product categories – Whitening, Aesthetics - Glass Ionomers and Composites – 5 new products planned for 2021
- Drive Amalgam replacement – on track for 2023
- Drive innovation and speed to market – current full pipeline for next 5 years
- Undertaking a review of the manufacturing foot print to improve productivity
- Review of future growth plans including organic and through acquisition for product and market diversification





QUESTIONS

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