



YOUR SMILE. OUR VISION.

FY21 AGM

NOVEMBER 19, 2021



CEO'S ADDRESS

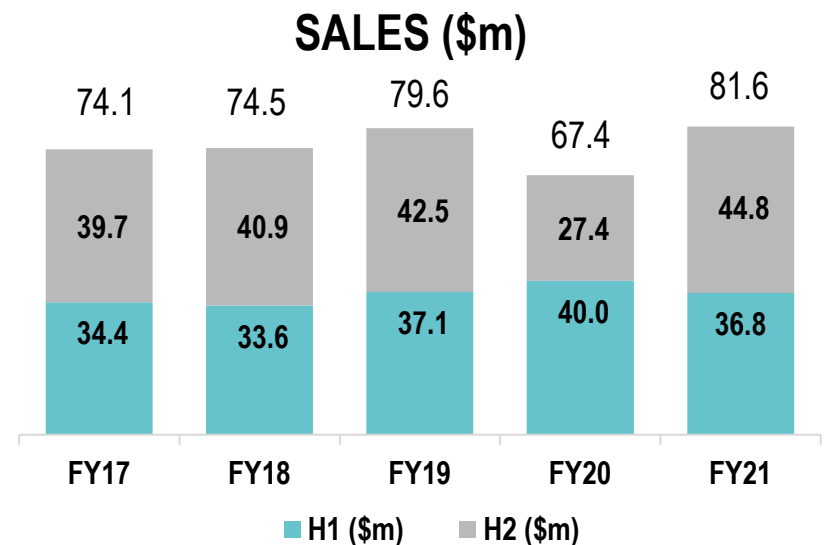
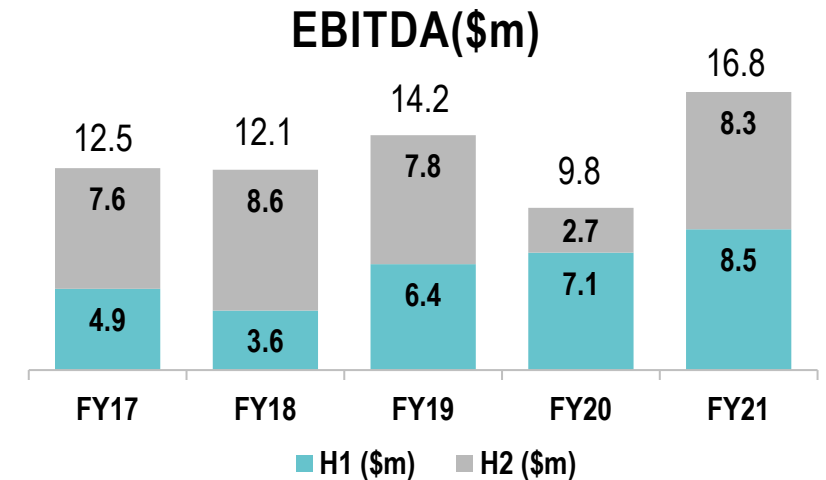
SAMANTHA CHEETHAM



FY21 HIGHLIGHTS

RETURNS TO GROWTH AFTER RECORD YEAR

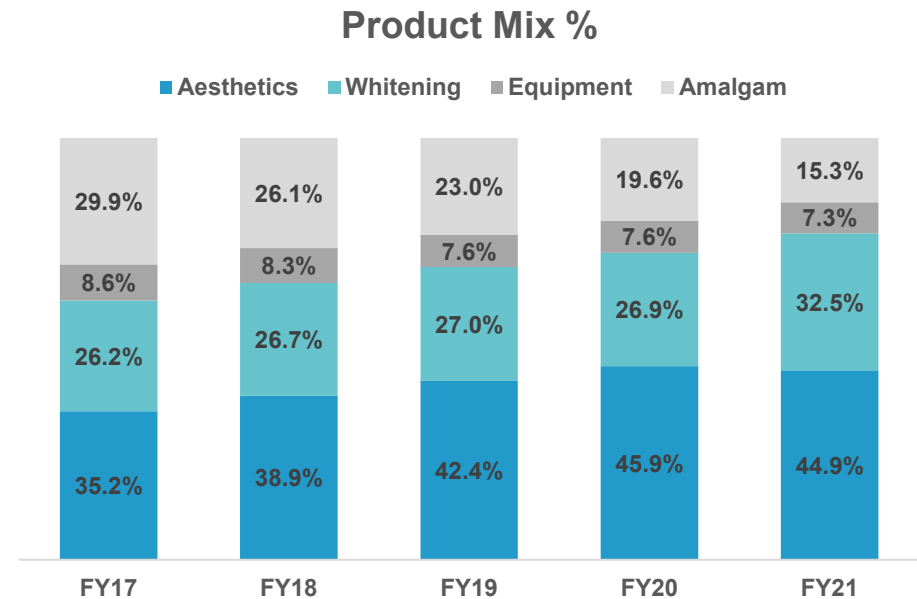
- Total sales of \$81.6 million, up 21.2%, driven by strong sales in key product categories, new product releases and the normalising of most dental markets.
- Total operating expenses increased by 1.2%, compared to the previous corresponding period.
- EBITDA up 71.9% to \$16.8m (FY20: \$9.8m)
- NPAT up 111.2% to \$8.9m (FY20: \$4.2m)
- Cashflow remains strong, with no net debt for the Group.
- Final fully franked dividend of 1.65cps up 230% on pcp with full year ordinary dividends of 3.15cps equating to a payout ratio of 41.9%.
- The Brazilian operations review was completed in the year, with the restructure expected to be fully implemented by January 2022.
- Study released showing that SDI's Riva Star product stops decay, reducing the number of children requiring general anaesthetics for tooth extraction*



CATEGORY OVERVIEW

DOUBLE DIGIT CAGR IN KEY FOCUS PRODUCTS

- Whitening showed the strongest increase, up 55.3% in local currency, due to a return of strong demand, the release of a new Pola Light and Pola Rapid products and the rebranding of the range.
- Aesthetics recovered strongly on the previous year, up 27.2% in local currency, assisted by the easing of restrictions on dentists.
- Equipment up 31.1% in local currency, driven primarily by the success of the Radii LED curing lights.
- Amalgam products stabilised, up 3.8% in local currency with the North American market offsetting declines in other regions.



FULL PRODUCT PIPELINE

PROMISING SIGNS FOR AMALGAM REPLACEMENT

- Amalgam replacement release in 2022/23:
 - Tooth coloured filling, showing strength stronger than amalgam
 - Stronger than any other tooth coloured filling material
 - Will be able to withstand high mastication forces
- New composite products upgrading Luna composite line scheduled for early 2022 release.
- Committed to 1-2 products per year.



OPERATIONAL UPDATE

MANUFACTURING SITE TO DOUBLE

- Additional Warehouse and manufacturing space needed, with the improved workflow efficiencies expected to drive higher margins.
- Currently have 8500sqm with plans to double it for future growth expectations.
- Searching for a greenfield site to develop in the South East of Melbourne.
- Have engaged specialised project managers.



TRADING UPDATE

AUD SALES JULY TO OCTOBER UP 25% ON PCP

- First 4 months of financial year sales up 27% in Local Currencies:
 - UK up 135%, redounding strongly with strong pent-up demand
 - Australian Export up 59% following the return of many markets
 - Europe (ex-UK) up 34%, continuing momentum see in FY21
 - North America up 5% following on from a period of strong sales
 - Brazil up 36% with further momentum continuing in FY22
 - Australian Domestic down 25%, from record comparable period and impacted by recent lockdowns in NSW and VIC
- Most countries have returned to normal trading conditions
- 1st 4 Months AUD gross product margin down 11%, with operational expenses well managed.



OUTLOOK

- Future years expected to show continued growth in Aesthetics and Whitening products, underpinned by improving market conditions and new product development.
- Logistics continue to be a challenge due to sea and air shipment constraints.
- Good start to the financial year and expect this momentum to continue, leading to another year of growth.



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Thank you



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