Second Quarter 2023 Earnings Conference Call

Dentsply Sirona

August 3, 2023

Forward-Looking Statements and Associated Risks

This presentation contains statements that do not directly and exclusively relate to historical facts which constitute forward-looking statements, including, statements and projections concerning, among other things, the expected timing, benefits and costs associated with the Company's restructuring plan described in this presentation. The Company's forward-looking statements represent current expectations and beliefs and involve risks and uncertainties. Actual results may differ significantly from those projected or suggested in any forward-looking statements and no assurance can be given that the results described in such forward-looking statements will be achieved. Investors are cautioned not to place undue reliance on such forward-looking statements which speak only as of the date they are made. The forward-looking statements are subject to numerous assumptions, risks and uncertainties and other factors that could cause actual results to differ materially from those described in such statements, many of which are outside of our control. The Company does not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Any number of factors could cause the Company's actual results to differ materially from those contemplated by any forward-looking statements, including, but not limited to, the risks associated with the following: the Company's ability to remain profitable in a very competitive marketplace, which depends upon the Company's ability to differentiate its products and services from those of competitors; the Company's failure to realize assumptions and projections which may result in the need to record additional impairment charges; the effect of changes to the Company's distribution channels for its products and the failure of significant distributors of the Company to effectively manage their inventories; the Company's ability to control costs and failure to realize expected benefits of cost reduction and restructuring efforts and the Company's failure to anticipate and appropriately adapt to changes or trends within the rapidly changing dental industry. Investors should carefully consider these and other relevant factors, including those risk factors in Part I, Item 1A, ("Risk Factors") in the Company's most recent Form 10-K, including any amendments thereto, and any updating information which may be contained in the Company's other filings with the SEC, when reviewing any forward-looking statement. The Company notes these factors for investors as permitted under the Private Securities Litigation Reform Act of 1995. Investors should understand it is impossible to predict or identify all such factors or risks. As such, you should not consider either the foregoing lists, or the risks identified in the Company's SEC filings, to be a complete discussion of all potential risks or uncertainties.

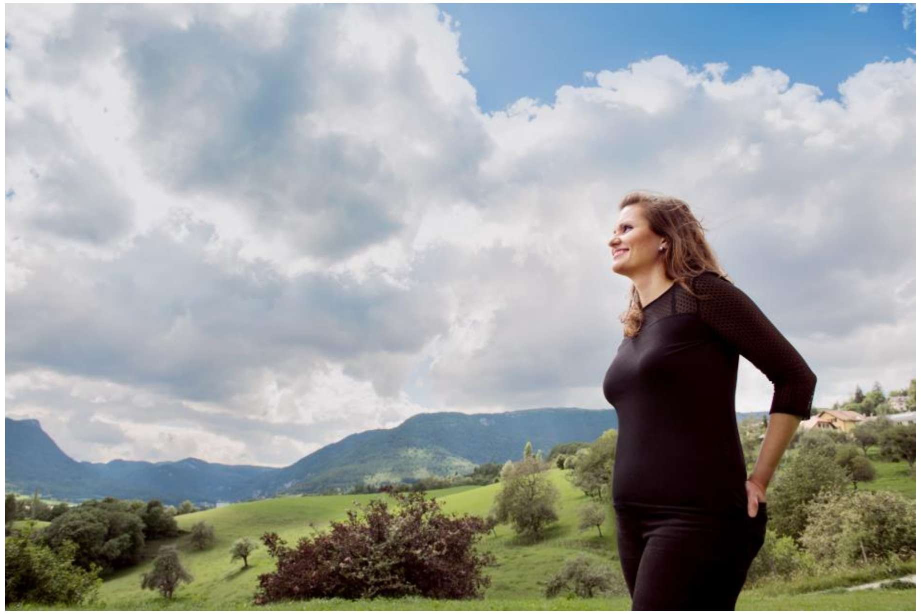
Non-GAAP Financial Measures

In addition to results determined in accordance with U.S. generally accepted accounting principles ("US GAAP") the Company provides certain measures in this presentation, described below, which are not calculated in accordance with US GAAP and therefore represent Non-GAAP measures. These Non-GAAP measures may differ from those used by other companies and should not be considered in isolation from, or as a substitute for, measures of financial performance prepared in accordance with US GAAP. These Non-GAAP measures are used by the Company to measure its performance and may differ from those used by other companies. Management believes that these Non-GAAP measures are helpful as they provide a measure of the results of operations, and are frequently used by investors and analysts to evaluate the Company's performance exclusive of certain items that impact the comparability of results from period to period, and which may not be indicative of past or future performance of the Company.

Note: Percentages are based on actual values and may not reconcile due to rounding.

What We Will Cover Today

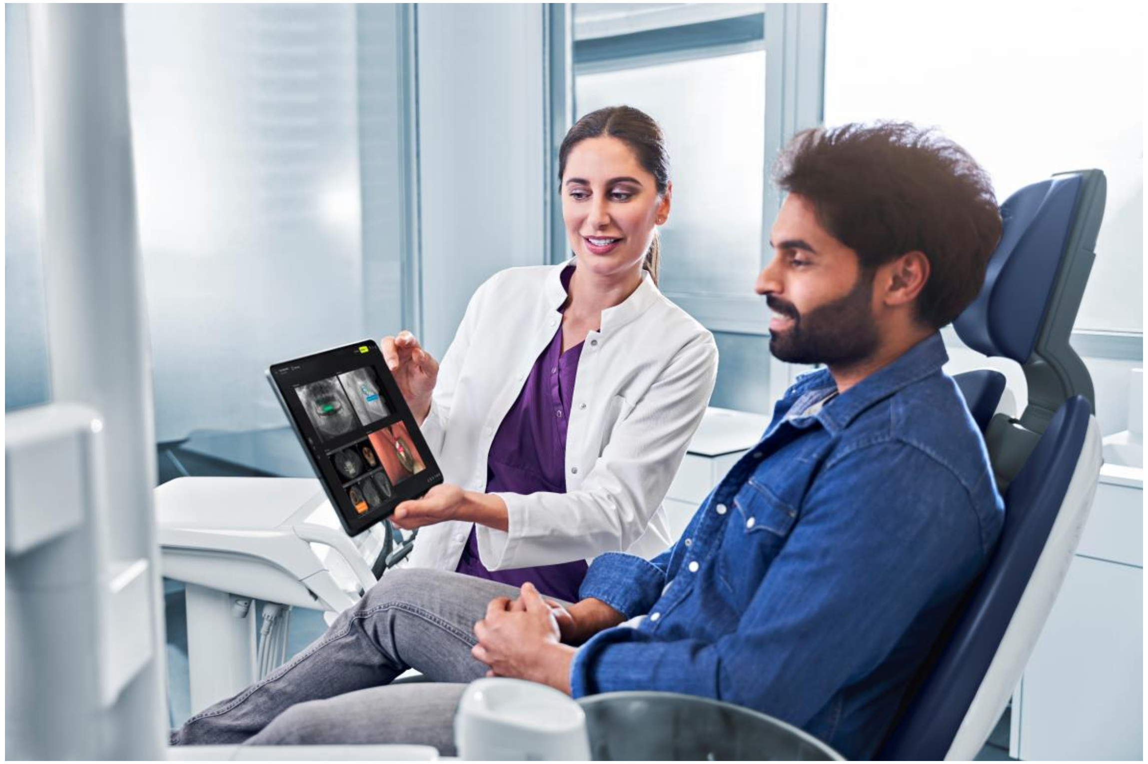
- Key Messages
- Second Quarter Results
- Outlook
- Strategic Update



To better support dental professionals in their journey towards more sustainable dental practices, Dentsply Sirona has released a Sustainability in Dentistry Resource Kit - available free of charge – that contains resources to guide dental professionals towards a better understanding of sustainability in dentistry, providing them the resources to adopt sustainable dentistry and information on specific actions they can take in their practices and labs.

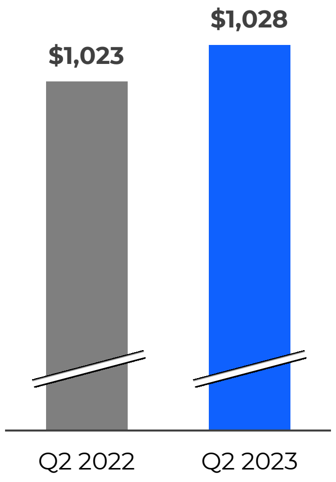
Key Messages

- Exceeded our Q2 and H1 commitments
- Strong Q2 performance driven by organic growth in all four segments
- Raising FY23 outlook for net sales, organic sales, and adjusted EPS
- Continuing to execute on our transformation, strategy, and operational discipline
- Wellspect update



Second Quarter 2023 Financial Summary

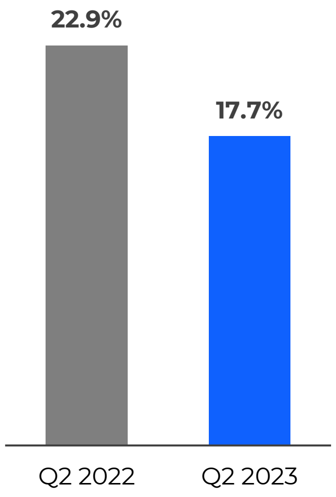
Revenue ($M)



+0.5% Reported Sales Growth,
+2.3% Organic Sales Growth

+ Organic growth in all four segments
+ China +25%
+ Aligners +DD
+ Equipment & Instruments +HSD
- F/X headwinds of (180) bps or ($18M)
- Europe (LSD) - Russia/Germany

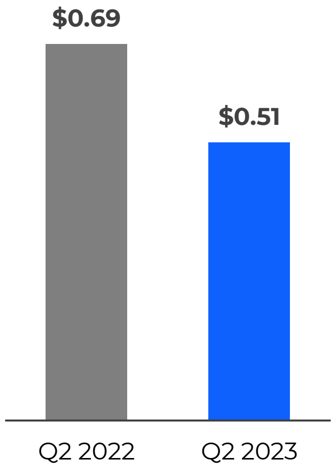
Adj. EBITDA Margin



(520) bps EBITDA Margin YoY

+ Pricing and new products
+ Restructuring savings
- Commercial / infrastructure investments
- Gross margin (300) bps to 56.8%
- SG&A as % of sales +150 bps

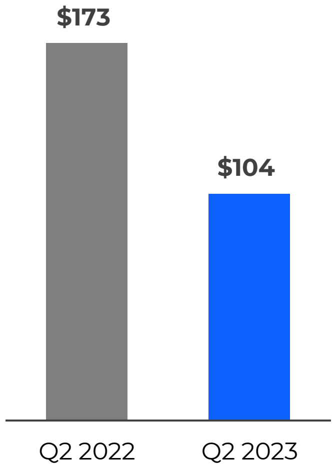
Adj. EPS



(26.2%) Adj. EPS YoY

+ Organic sales growth
+ Restructuring savings
+ Tax and share count
- Inflation and employee costs
- Commercial / infrastructure investments

Operating Cash Flow ($M)



(39.9%) Op. Cash Flow YoY

- Changes in working capital, primarily driven by AR and AP timing
- Commercial and infrastructure investments

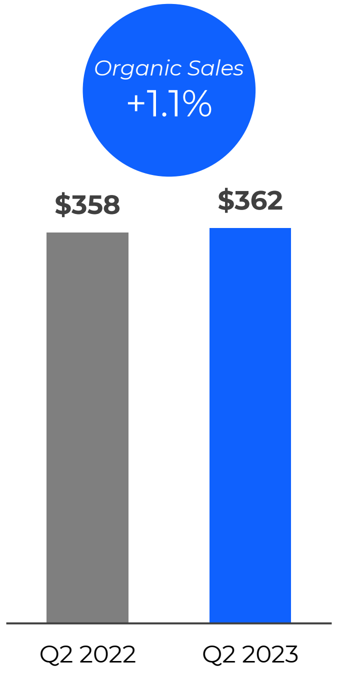
Second Quarter 2023 Segment Results

	Sales	Commentary
Connected Technology Solutions	**$309M** *Reported: +0.6%* *Organic: +2.8%*	▪ CAD/CAM **(MSD)**: softer demand environment in Europe due to recessionary concerns; U.S. retail demand improved sequentially from Q1 ▪ Equipment & Instruments **+HSD**: Imaging and Treatment Centers growth (supply recovery) and demand in the Rest of World region
Essential Dental Solutions	**$377M** *Reported: (0.8%)* *Organic: +0.7%*	▪ Organic sales growth of **+0.7%** driven by price increases and continued restorative and preventive consumables growth in the U.S., partially offset by lower orders in Europe
Orthodontic and Implant Solutions	**$270M** *Reported: +1.9%* *Organic: +3.7%*	▪ Orthodontics **+DD**: growth in both SureSmile and Byte ▪ Implants & Prosthetics **~flat**: implants growth highlighted by global value implants demand and growth in China (VBP volume and market share gains), offset by lower lab sales
Wellspect Healthcare	**$72M** *Reported: +1.1%* *Organic: +3.1%*	▪ Organic sales of **+3.1%** growth in all three regions

Note: growth commentary and trends based on organic growth vs. Q2 2022 except as noted
LSD = low-single digits, MSD = mid-single digits, HSD = high-single digits, DD = double digits

Second Quarter 2023 Regional Results

U.S.



U.S. Net Sales: 35% of total

- Net sales +1.1%

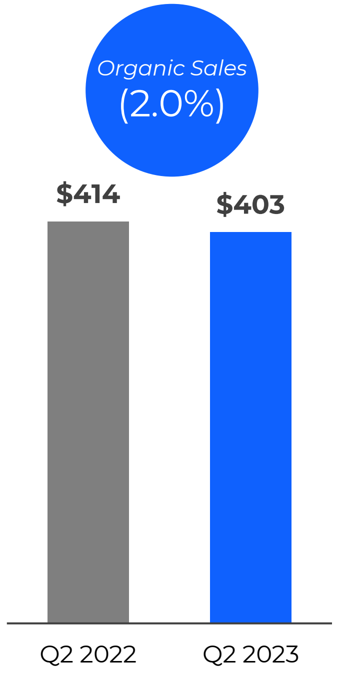
\+ Stable demand in Essential Dental Solutions

\+ Double-digit Orthodontic Aligner growth

\- Lower implants sales (H2 improvement expected)

\- Lower Imaging volume

Europe



Europe Net Sales: 39% of total

- Net sales (2.7%) includes F/X headwind of (70) bps

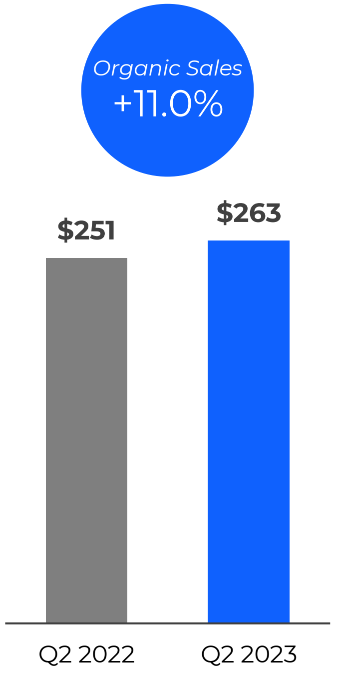
\+ Strong SureSmile growth

\- Softer implants and CAD/CAM demand due to macro

\- Unfavorable timing of Essential Dental Solutions orders

\- Russia and Germany macro challenges

Rest of World



Rest of World Net Sales: 26% of total

- Net sales +4.8% includes F/X headwind of (620) bps

\+ Growth in all four segments

\+ Strong quarter across APAC with notable growth in China and Australia

\+ Implants growth in China driven by market share gains and VBP volume

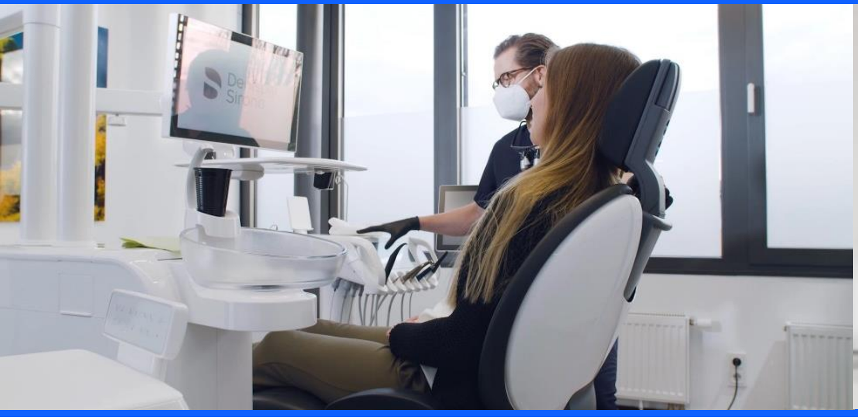
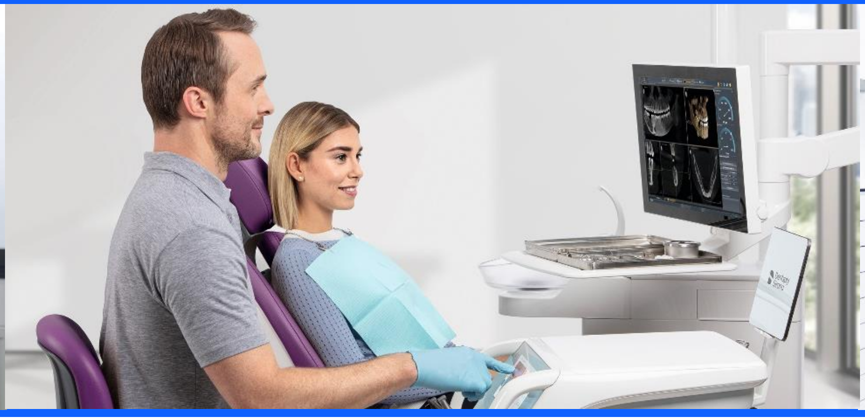
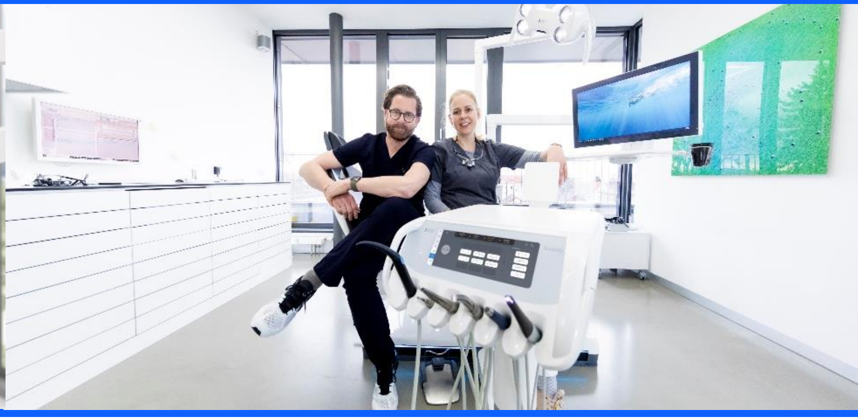
\+ Equipment demand

2023 Outlook

	Prior Outlook	Revised Outlook	Comments
Organic Sales	**~Flat to +2%**	**~3%**	**Raised midpoint +2%**
Reported Sales	$3.90B - $3.95B	$3.98B - $4.02B	Raised midpoint by $75M
R&D Expenses	>4% of Sales	>4% of Sales	Maintained; vital to business growth
Adjusted EBITDA Margin	**>18%**	**>18%**	**No Change**
Interest & Other	~$80M	~$90M	Higher other expense
Adjusted ETR	22% - 23%	~21%	Geographic mix and tax structure simplification
Diluted Share Count	~214M	~214M	Completed $150M ASR at end of April
Adjusted EPS	**$1.85 - $2.00**	**$1.92 - $2.02**	**Raised midpoint by $0.05 to $1.97, including a $0.03 F/X translation headwind**
Other Outlook Assumptions			
Capital Expenditures	~4% of Sales	~4% of Sales	Focused capital investments
Cash Returned to Shareholders	≥50% of FCF	≥50% of FCF	Dividends and share repurchases

Our Strategy

To transform dentistry by digitalizing dental workflows, driving product and service innovation, and delivering an exceptional customer and patient experience through an engaged and diverse workforce

Focused Strategic Objectives for 2023 and Beyond

1

Achieve Annual Growth & Margin Commitments

2

Enhance & Sustain Profitability

Define Winning Portfolio & Optimize SKUs

Drive Organization Efficiency

Optimize Network, DC & Legal Entity Structure

Modernize ERP Landscape

3

Accelerate Enterprise Digitalization

Rebalance Portfolio Investments

Embrace Cloud Computing

Enhance Customer Digital Experience

Improve Innovation Discipline

4

Win in Aligners & Implants

Accelerate Software Development

Reduce Customer Acquisition Costs

Expand Share of Wallet

5

Create High Performance Culture

Implement Operating Model

Focus on MBR/KPI Intensity

Emphasize P&L Ownership

Pay for Growth

Drive Enterprise Integration

Progress on Strategic Objectives

Strategic Objective	Year-to-Date Update
1 Achieve Annual Growth & Margin Commitments	▪ Exceeded Q2 commitments ▪ Raising full-year outlook for second consecutive quarter ▪ Continued progress with DSOs
2 Enhance & Sustain Profitability	▪ Advancing restructuring plan – productive engagement with works councils in applicable countries ▪ SKU and network rationalization strategy progressing
3 Accelerate Enterprise Digitalization	▪ Next generation ERP in design (blueprinting) phase ▪ Software harmonization, supported by DS Core, continues to drive digital dentistry ▪ Expanding DS Core capabilities with the introduction of the Communication Canvas (compiles digital files into one user-friendly view) and the Ordering function (simplifies lab workflow)
4 Win in Aligners & Implants	▪ Profitability improvement continuing at Byte - Q2 represented another quarter of above target conversion rates and lower customer acquisition costs vs. PY ▪ Differentiated SureSmile outcomes resonating with customers ▪ Actively investing in clinical education events; hosted Implants Summit with 400+ clinicians
5 Create High Performance Culture	▪ New executive team members: Quality & Regulatory Affairs and Human Resources ▪ Initiated annual top leaders summit ▪ Managing and measuring KPIs monthly across the organization to drive enhanced accountability

Summary

- Q2 represented another quarter of improved execution
- Increased confidence in full year 2023
- On the right path to deliver sustainable performance over time
- Continuing to prioritize and invest in customer engagement, clinical education, and return-focused innovation programs
- Save the date: Investor Day on November 9, 2023, in Charlotte

Appendix

Dentsply Sirona

Second Quarter 2023 Financial Summary – Non-GAAP

In Millions of USD (except EPS)	Q2 2023	Q2 2022	% chg.
Net Sales	$ 1,028	$ 1,023	*0.5%*
Organic Sales %			*2.3%*
Gross Profit	584	612	*(4.6%)*
Gross Profit %	*56.8%*	*59.8%*	*(300) bps*
Total SG&A Expenses	376	360	*4.7%*
SG&A %	*36.7%*	*35.2%*	*150 bps*
Total R&D Expenses	48	45	*3.7%*
R&D %	*4.6%*	*4.4%*	*20 bps*
Operating Income	160	207	*(22.7%)*
Operating Income %	*15.6%*	*20.2%*	*(460) bps*
EBITDA	184	235	*(22.4%)*
EBITDA %	*17.7%*	*22.9%*	*(520) bps*
Net Income	109	149	*(26.9%)*
Diluted EPS	$0.51	$0.69	*(26.2%)*

Trailing Nine Quarters

In millions (except percentages)	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23
Net Sales	$1,062	$1,040	$1,103	$969	$1,023	$947	$983	$978	$1,028
Adjusted EBITDA	$247	$215	$273	$189	$235	$167	$170	$161	$184
Adj. EBITDA Margin %	23.1%	20.6%	24.7%	19.6%	22.9%	17.5%	17.4%	16.4%	17.7%
Cash Flow									
OCF	$214	$172	$222	$93	$173	$109	$142	($21)	$104
Less: CapEx	$36	$35	$41	$44	$41	$32	$32	$39	$33
FCF	$178	$137	$181	$49	$132	$77	$110	($60)	$71

*Cash flow related quarterly results may be rounded to tie to year-to-date statement of cash flows

Non-GAAP Measures Definitions

Organic Sales

The Company defines "organic sales" as the reported net sales adjusted for: (1) net sales from acquired businesses recorded prior to the first anniversary of the acquisition; (2) net sales attributable to disposed businesses or discontinued product lines in both the current and prior year periods; and (3) the impact of foreign currency changes, which is calculated by translating current period net sales using the comparable prior period's foreign currency exchange rates..

Adjusted Operating Income

Adjusted operating income is computed by excluding the following items from operating income (loss) as reported in accordance with US GAAP:

(1) Business combination related costs and fair value adjustments. These adjustments include costs related to consummating and integrating acquired businesses, as well as net gains and losses related to the disposed businesses. In addition, this category includes the post-acquisition roll-off of fair value adjustments recorded related to business combinations, except for amortization expense of purchased intangible assets noted below. Although the Company is regularly engaged in activities to find and act on opportunities for strategic growth and enhancement of product offerings, the costs associated with these activities may vary significantly between periods based on the timing, size and complexity of acquisitions and as such may not be indicative of past and future performance of the Company.

(2) Restructuring related charges and other costs. These adjustments include costs related to the implementation of restructuring initiatives, including but not limited to, severance costs, facility closure costs, and lease and contract termination costs, as well as related professional service costs associated with these restructuring initiatives and global transformation activity. The Company is continually seeking to take actions that could enhance its efficiency; consequently, restructuring charges may recur but are subject to significant fluctuations from period to period due to the varying levels of restructuring activity, and as such may not be indicative of past and future performance of the Company. Other costs include charges related to goodwill and intangible asset impairments, legal settlements, executive separation costs, and changes in accounting principle recorded within the period. This category also includes costs related to the recent investigations, related ongoing legal matters and associated remediation activities which primarily include legal, accounting and other professional service fees, as well as turnover and other employee-related costs.

(3) Amortization of purchased intangible assets. This adjustment excludes the periodic amortization expense related to purchased intangible assets, which are recorded at fair value. Although these costs contribute to revenue generation and will recur in future periods, their amounts are significantly impacted by the timing and size of acquisitions, and as such may not be indicative of the future performance of the Company.

(4) Fair value and credit risk adjustments. These adjustments include the non-cash mark-to-market changes in fair value associated with pension assets and obligations, and equity-method investments. Although these adjustments are recurring in nature, they are subject to significant fluctuations from period to period due to changes in the underlying assumptions and market conditions. The non-service component of pension expense is a recurring item, however it is subject to significant fluctuations from period to period due to changes in actuarial assumptions, interest rates, plan changes, settlements, curtailments, and other changes in facts and circumstances. As such, these items may not be indicative of past and future performance of the Company.

Adjusted Net Income (Loss)

Adjusted net income (loss) consists of net income (loss) as reported in accordance with US GAAP, adjusted to exclude the items identified above. Additionally, income tax expense is adjusted for the related income tax impacts of the items named above, as well as other adjustments such as: discrete adjustments to valuation allowances and other uncertain tax positions, final settlement of income tax audits, discrete tax items resulting from the implementation of restructuring initiatives and the windfall or shortfall relating to exercise of employee share-based compensation, any difference between the interim and annual effective tax rate, and adjustments relating to prior periods.

These adjustments are irregular in timing, and the variability in amounts may not be indicative of past and future performance of the Company and therefore are excluded for comparability purposes.

Adjusted EBITDA and Margin

In addition to the adjustments described above in arriving at adjusted net income, adjusted EBITDA is computed by further excluding any remaining interest expense, net, income tax expense, depreciation and amortization.

Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by net sales..

Adjusted Earnings (Loss) Per Diluted Share

Adjusted earnings (loss) (EPS) per diluted share is computed by dividing adjusted earnings (loss) attributable to Dentsply Sirona shareholders by the diluted weighted average number of common shares outstanding.

Adjusted Free Cash Flow Conversion

The Company defines adjusted free cash flow as net cash provided by operating activities minus capital expenditures during the same period, and adjusted free cash flow conversion is defined as adjusted free cash flow divided by adjusted net income (loss). Management believes this Non-GAAP measure is important for use in evaluating the Company’s financial performance as it measures our ability to efficiently generate cash from our business operations relative to earnings. It should be considered in addition to, rather than as a substitute for, net income (loss) as a measure of our performance or net cash provided by operating activities as a measure of our liquidity.

Reconciliation of Non-GAAP Financial Measures
Net Sales to Organic Sales Q2 23
(unaudited)

A reconciliation of reported net sales to organic sales by geographic region is as follows:

	Three Months Ended June 30, 2023				Q2 2023 Change				Three Months Ended June 30, 2022			
(in millions, except percentages)	U.S.	Europe	ROW	Total	U.S.	Europe	ROW	Total	U.S.	Europe	ROW	Total
Net sales	$ 362	$ 403	$ 263	$ 1,028	1.1%	(2.7%)	4.8%	0.5%	$ 358	$ 414	$ 251	$ 1,023
Foreign exchange impact					—%	(0.7%)	(6.2%)	(1.8%)				
Organic sales					**1.1%**	**(2.0%)**	**11.0%**	**2.3%**				

Percentages are based on actual values and may not reconcile due to rounding.

A reconciliation of reported net sales to organic sales by segment is as follows:

	Three Months Ended June 30, 2023					Q2 2023 Change					Three Months Ended June 30, 2022				
(in millions, except percentages)	Connected Technology Solutions	Essential Dental Solutions	Implant & Orthodontic Solutions	Wellspect Healthcare	Total	Connected Technology Solutions	Essential Dental Solutions	Implant & Orthodontic Solutions	Wellspect Healthcare	Total	Connected Technology Solutions	Essential Dental Solutions	Implant & Orthodontic Solutions	Wellspect Healthcare	Total
Net sales	$ 309	$ 377	$ 270	$ 72	$1,028	0.6%	(0.8%)	1.9%	1.1%	0.5%	$ 307	$ 380	$ 264	$ 72	$ 1,023
Foreign exchange impact						(2.2%)	(1.5%)	(1.8%)	(2.0%)	(1.8%)					
Organic sales						**2.8%**	**0.7%**	**3.7%**	**3.1%**	**2.3%**					

Percentages are based on actual values and may not reconcile due to rounding.

Reconciliation of Non-GAAP Financial Measures

Condensed Consolidated Statements of Operations Q2 23

(unaudited)

For the three months ended June 30, 2023, a reconciliation of selected items as reported in the Condensed Consolidated Statements of Operations to adjusted Non-GAAP items is as follows:

	GAAP							ADJUSTED NON-GAAP
(in millions, except per share amounts and percentages)	Three Months Ended June 30, 2023	Amortization of Purchased Intangible Assets	Restructuring Related Charges and Other Costs (a)	Business Combination Related Costs and Fair Value Adjustments	Tax Impact of Non-GAAP Adjustments	Income Tax Related Adjustments	Total Non-GAAP Adjustments	Three Months Ended June 30, 2023
NET SALES	$ 1,028	—	—	—			$ —	$ 1,028
GROSS PROFIT	550	30	3	1			34	584
% OF NET SALES	*53.5%*							*56.8%*
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES	416	(23)	(11)	(6)			(40)	376
% OF NET SALES	*40.5%*							*36.7%*
RESEARCH AND DEVELOPMENT EXPENSES	49	—	(1)	—			(1)	48
% OF NET SALES	*4.7%*							*4.6%*
RESTRUCTURING AND OTHER COSTS	5	—	(5)	—			(5)	—
OPERATING INCOME	80	53	20	7	—	—	80	160
% OF NET SALES	*7.8%*							*15.6%*
OTHER INCOME AND EXPENSE	34	—	—	(3)			(3)	31
INCOME BEFORE INCOME TAXES	46	53	20	10	—	—	83	129
(BENEFIT) PROVISION FOR INCOME TAXES	(39)				31	29	60	21
% OF PRE-TAX INCOME	*(83.2%)*							*16.4%*
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	(1)						—	(1)
NET INCOME ATTRIBUTABLE TO DENTSPLY SIRONA	$ 86						$ 23	$ 109
% OF NET SALES	*8.4%*							*10.6%*
EARNINGS PER SHARE - DILUTED	$ 0.40						$ 0.11	$ 0.51

Percentages are based on actual values and may not reconcile due to rounding.

(a) Other Costs includes $4 million in professional service costs related to the global transformation project, and $7 million in costs related to the recent investigation and remediation activities which are comprised of professional fees and other employee-related SG&A expenses.

Reconciliation of Non-GAAP Financial Measures

Condensed Consolidated Statements of Operations Q2 22

(unaudited)

For the three months ended June 30, 2022, a reconciliation of selected items as reported in the Condensed Consolidated Statements of Operations to adjusted Non-GAAP items is as follows:

(in millions, except per share amounts and percentages)	GAAP Three Months Ended June 30, 2022	Amortization of Purchased Intangible Assets	Restructuring Related Charges and Other Costs (a)	Business Combination Related Costs and Fair Value Adjustments	Fair Value and Credit Risk Adjustments	Tax Impact of Non-GAAP Adjustments	Income Tax Related Adjustments	Total Non-GAAP Adjustments	ADJUSTED NON-GAAP Three Months Ended June 30, 2022
NET SALES	$ 1,023	—	—	—	—			$ —	$ 1,023
GROSS PROFIT	581	31	—	—	—			31	612
% OF NET SALES	*56.7%*								*59.8%*
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES	410	(22)	(27)	(1)	—			(50)	360
% OF NET SALES	*40.0%*								*35.2%*
RESEARCH AND DEVELOPMENT EXPENSES	45	—	—	—	—			—	45
% OF NET SALES	*4.5%*								*4.4%*
RESTRUCTURING AND OTHER COSTS	7	—	(7)	—	—			(7)	—
OPERATING INCOME	119	53	34	1	—			88	207
% OF NET SALES	*11.6%*								*20.2%*
OTHER INCOME AND EXPENSE	28	—	—	—	(12)			(12)	16
INCOME BEFORE INCOME TAXES	91	53	34	1	12			100	191
PROVISION FOR INCOME TAXES	18					21	3	24	42
% OF PRE-TAX INCOME	*19.3%*								*22.2%*
LESS: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	—							—	—
NET INCOME ATTRIBUTABLE TO DENTSPLY SIRONA	$ 73							$ 76	$ 149
% OF NET SALES	*7.1%*								*14.5%*
EARNINGS PER SHARE - DILUTED	$ 0.34							$ 0.35	$ 0.69

Percentages are based on actual values and may not reconcile due to rounding.
(a) Other Costs include $25 million in expenses related to the internal investigation comprised of $6 million in professional service fees and $19 million in turnover and other employee-related SG&A expenses.

Reconciliation of Non-GAAP Financial Measures

Adjusted EBITDA

(unaudited)

A reconciliation of reported net income (loss) attributable to Dentsply Sirona to adjusted EBITDA and margin for the three months ended June 30, 2023 and 2022 is as follows:

	Three Months Ended June 30,	
(in millions, except percentages)	2023	2022
Net income attributable to Dentsply Sirona	$ 86	$ 73
Interest expense, net	21	15
Income tax expense	(39)	18
Depreciation[1]	33	29
Amortization of purchased intangible assets	53	53
Restructuring related charges and other costs	20	34
Business combination related costs and fair value adjustments	10	1
Fair value and credit risk adjustments	—	12
Adjusted EBITDA	$ 184	$ 235
Net sales	$ 1,028	$ 1,023
Adjusted EBITDA margin	17.7%	22.9%

(1) Excludes those depreciation related amounts which were included as part of the business combination related adjustments above.

Reconciliation of Non-GAAP Financial Measures
Adjusted Free Cash Flow Conversion
(unaudited)

A reconciliation of adjusted free cash flow conversion for the three months ended June 30, 2023 and 2022 is as follows:

(in millions, except percentages)	2023	2022
Net cash provided by operating activities	$ 104	$ 173
Capital expenditures	(33)	(41)
Adjusted free cash flow	$ 71	$ 132
Adjusted net income	$ 109	$ 149
Adjusted free cash flow conversion	65%	89%