Dentsply Sirona

May 2, 2024

First Quarter 2024 Earnings Conference Call

Forward-Looking Statements and Associated Risks

All statements in this presentation that do not directly and exclusively relate to historical facts constitute “forward-looking statements.” Such statements are subject to numerous assumptions, risks, 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, including those described in Part I, Item 1A, “Risk Factors” of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and other factors which may be described in the Company’s other filings with the Securities and Exchange Commission (the “SEC”). No assurance can be given that any expectation, belief, goal or plan set forth in any forward-looking statement can or will be achieved, and investors are cautioned not to place undue reliance on such statements which speak only as of the date they are made. We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events. Investors should understand it is not possible to predict or identify all such factors or risks. As such, you should not consider the risks identified in the Company’s SEC filings to be a complete discussion of all potential risks or uncertainties associated with an investment in the Company.

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, 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.

Key Messages

Q1 sales softer than anticipated due to lower demand for imaging and a challenging environment in Germany

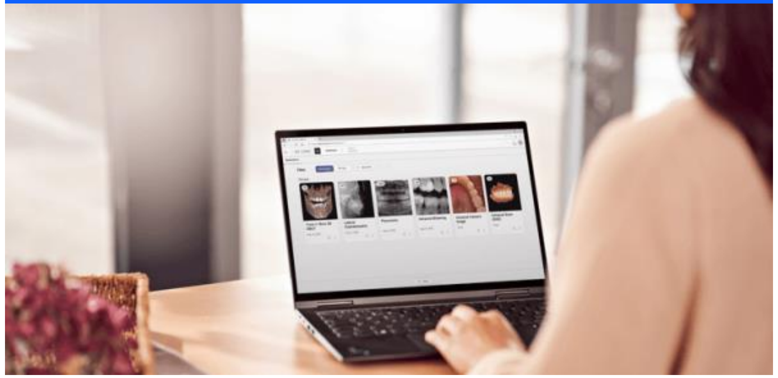
Q1 adjusted EPS of $0.42, up 7.9% year-over-year

Full year 2024 outlook: organic sales and adjusted EPS trending towards low-end of both ranges; lowering net sales for additional F/X headwind

Up to $150M of share repurchases planned for Q2

Select Highlights

DS Core



- Continued growth of unique accounts in Q1
- Expansion of DS Core Enterprise pilot with a large DSO in the U.S.

Product Launches

- Orthophos SL imaging line relaunch
- Axano Pure treatment center
- Midwest Energo handpieces portfolio
- X-Smart Pro+ continued rollout in additional markets

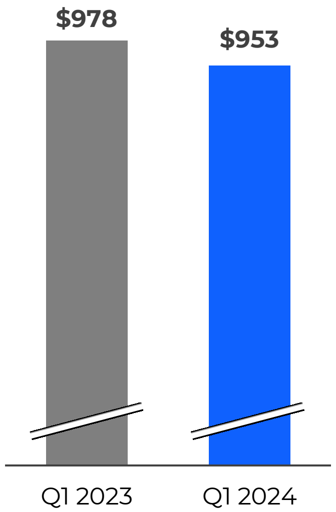
Sustainability

- Entered a partnership with iADH to increase dental care access for people with disabilities
- Validation of science-based targets for Wellspect Healthcare

Advancing Innovation and Progressing Initiatives Across our Business

First Quarter 2024 Financial Summary

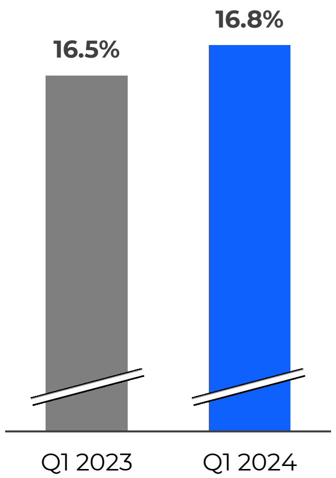
Revenue ($M)



(2.6%) Reported Sales,
(1.9%) Organic Sales

+ China >50% due to implants VBP
+ Global aligners +14%
+ CAD/CAM +9%
+ Wellspect +5%
- Essential Dental Solutions (6%)
- Equipment & Instruments (17%)

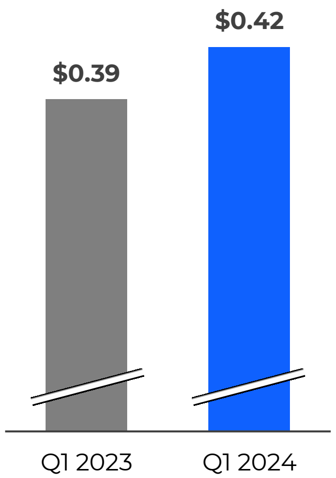
Adj. EBITDA Margin



+30 bps Adj. EBITDA Margin

- • Gross margin ~flat at 56.6%
- + Restructuring savings
- + Benefit from net investment hedges
- − Byte investments

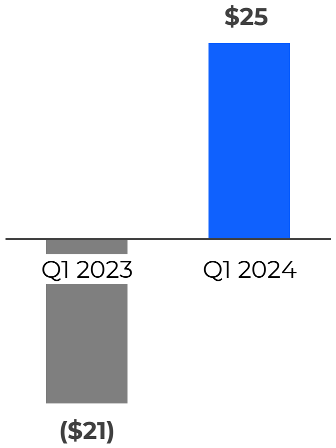
Adj. EPS



+7.9% Adj. EPS

+ Lower share count and tax rate

Operating Cash Flow ($M)



+$46M Op. Cash Flow

+ Lower inventory build and improved cash collections

Note: commentary and trends are year-over-year

First Quarter 2024 Segment Results

	Sales	Commentary
Essential Dental Solutions (EDS)	**$364M** *Reported: (5.9%)* *Organic: (5.5%)*	▪ Tough comparable (+11.5% YoY in 1Q23), partially offset by higher endodontics volume in Rest of World region
Orthodontic and Implant Solutions (OIS)	**$271M** *Reported: +4.4%* *Organic: +5.6%*	▪ Orthodontics **+DD**: continued growth in both Byte (+18%) and SureSmile (+9%) ▪ Implants & Prosthetics **+LSD**: strong implants growth in China and +DD growth for value implants globally, partially offset by lower lab sales
Connected Technology Solutions (CTS)	**$247M** *Reported: (6.9%)* *Organic: (5.7%)*	▪ Equipment & Instruments **(DD)**: softer demand for imaging equipment ▪ CAD/CAM **+HSD**: growth led by U.S. demand
Wellspect Healthcare	**$71M** *Reported: +5.4%* *Organic: +4.8%*	▪ Growth in all three regions and the impact of new product launches

Note: growth commentary and trends based on organic growth vs. Q1 2023
LSD = low-single digits, MSD = mid-single digits, HSD = high-single digits, DD = double digits

First Quarter 2024 Regional Results

U.S.

Organic Sales
+1.4%

Net Sales: 37% of total

+ Aligners growth in both SureSmile and Byte
+ Higher CAD/CAM demand
- Lower imaging equipment volume
- Lower EDS volume

Europe

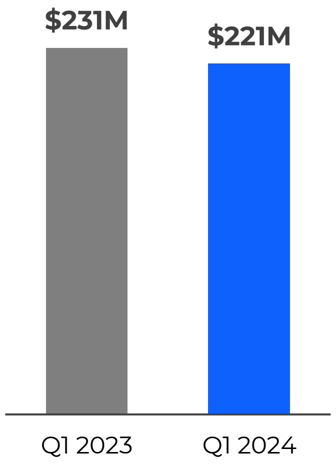
Organic Sales
(5.8%)

Net Sales: 40% of total

+ Strong SureSmile growth
+ Wellspect new product demand
- Lower imaging equipment volume
- Lower EDS volume
- Continued macro challenges in Germany

Rest of World

Organic Sales
(0.1%)



Net Sales: 23% of total

+ Significant implants growth driven by China
+ EDS growth driven by endo demand
- Lower CTS volumes in Japan and Canada

Note: growth commentary and trends based on organic growth vs. Q1 2023

2024 Outlook

	Prior Outlook	Current Outlook	Comments
Organic Sales	**Flat to +1.5%**	**Flat to +1.5%**	**Trending to low-end of range**
Reported Sales	$3.96B - $4.02B	$3.91B - $3.97B	Additional ~$50M F/X headwind
R&D Expenses	>4% of Sales	>4% of Sales	No change
Adjusted EBITDA Margin	**>18%**	**>18%**	**No change**
Interest Expense, Net	~$75M	~$75M	No change
Other Expense (Income), Net	~($20M)	~($25M)	Higher income due to Q1 favorability
Adjusted ETR	~21%	~21%	No change
Diluted Share Count	~208M	~207M	Updated for timing of share repurchases
Adjusted EPS	**$2.00 - $2.10**	**$2.00 - $2.10**	**Trending to low-end of range**
Other Outlook Assumptions			
Capital Expenditures	$170M - $200M	$170M - $200M	Next-gen ERP investments and Wellspect expansion
Cash Returned to Shareholders	≥75% of FCF	≥75% of FCF	Dividends and share repurchases

Our Strategy

Transform oral health and continence care by driving product and service innovation and delivering an exceptional customer and patient experience through an engaged and diverse workforce

1. **ACHIEVE ANNUAL GROWTH & MARGIN COMMITMENTS**
2. **ENHANCE & SUSTAIN PROFITABILITY**
3. **ACCELERATE ENTERPRISE DIGITALIZATION**
4. **WIN IN HIGH GROWTH CATEGORIES**
5. **DRIVE HIGH PERFORMANCE CULTURE**

Enabled by the DS Operating Model

ONE TEAM | INNOVATION | DISCIPLINED EXECUTION

Summary

1

Q1 adjusted EPS growth of 7.9% despite lower top-line

2

Proactive steps to address macro and competitive dynamics

3

Strategic initiatives continue on-track

Appendix

Dentsply Sirona

Trailing Nine Quarters

In millions (except percentages)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24
Net Sales	$969	$1,023	$947	$983	$978	$1,028	$947	$1,012	$953
Adjusted EBITDA[(1)]	$190	$236	$169	$171	$162	$185	$171	$173	$160
Adj. EBITDA Margin %[(1)]	19.7%	23.1%	17.6%	17.5%	16.5%	17.8%	18.3%	17.1%	16.8%
<u>Cash Flow</u>									
Operating Cash Flow	$93	$173	$109	$142	($21)	$104	$134	$160	$25
Less: Capital Expenditures	$44	$41	$32	$32	$39	$33	$37	$40	$34
Adjusted Free Cash Flow	$49	$132	$77	$110	($60)	$71	$97	$120	($9)

[(1)] Adjusted EBITDA from Q1 2022 to Q3 2023 has been updated to reflect the reclassification of certain gains from hedging instruments from Interest expense to Other expense (income) in order to conform with current period presentation

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

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

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 and Margin

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 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 gains and losses on the sale of property, charges related to legal settlements, executive separation costs, write-offs of inventory as a result of product rationalization, and changes in accounting principles recorded within the period. This category also includes costs related to 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) Goodwill and intangible asset impairments. These adjustments include charges related to goodwill and intangible asset impairments.

(4) 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.

(5) 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 operating income margin is calculated by dividing adjusted operating income by net sales.

Adjusted Gross Profit

Adjusted gross profit is computed by excluding from gross profit the impact any of the above adjustments that affect either sales or cost of sales.

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, as well as the related income tax impacts of those items. Additionally, net income is adjusted for other tax-related 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 and 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

(unaudited)

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

(in millions, except percentages)	Three Months Ended March 31, 2024 U.S.	Europe	ROW	Total	Q1 2024 Change U.S.	Europe	ROW	Total	Three Months Ended March 31, 2023 U.S.	Europe	ROW	Total
Net sales	$ 356	$ 376	$ 221	$ 953	1.5%	(5.2%)	(4.4%)	(2.6%)	$ 351	$ 396	$ 231	$ 978
Foreign exchange impact					0.1%	0.6%	(4.3%)	(0.7%)				
Organic sales					**1.4%**	**(5.8%)**	**(0.1%)**	**(1.9%)**				

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:

(in millions, except percentages)	Three Months Ended March 31, 2024 Connected Technology Solutions	Essential Dental Solutions	Orthodontic and Implant Solutions	Wellspect Healthcare	Total	Q1 2024 Change Connected Technology Solutions	Essential Dental Solutions	Orthodontic and Implant Solutions	Wellspect Healthcare	Total	Three Months Ended March 31, 2023 Connected Technology Solutions	Essential Dental Solutions	Orthodontic and Implant Solutions	Wellspect Healthcare	Total
Net sales	$ 247	$ 364	$ 271	$ 71	$ 953	(6.9%)	(5.9%)	4.4%	5.4%	(2.6%)	$ 265	$ 386	$ 259	$ 68	$ 978
Foreign exchange impact						(1.2%)	(0.4%)	(1.2%)	0.6%	(0.7%)					
Organic sales						**(5.7%)**	**(5.5%)**	**5.6%**	**4.8%**	**(1.9%)**					

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

Reconciliation of Non-GAAP Financial Measures

Condensed Consolidated Statements of Operations Q1 24

(unaudited)

For the three months ended March 31, 2024, 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 percentages and per share data)	Gross Profit	Operating (Loss) Income	Net (Loss) Income Attributable to Dentsply Sirona (a)	Diluted EPS
GAAP	$ 506	$ 42	$ 18	$ 0.09
Non-GAAP Adjustments:				
Amortization of Purchased Intangible Assets	31	54	40	0.19
Restructuring Related Charges and Other Costs	3	17	13	0.06
Goodwill and Intangible Asset Impairments	—	6	4	0.02
Business Combination Related Costs and Fair Value Adjustments	—	1	1	—
Income Tax Related Adjustments	—	—	11	0.06
Adjusted Non-GAAP	$ 540	$ 120	$ 87	$ 0.42
GAAP Margin		4.4%		
Adjusted Non-GAAP Margin		12.6%		
Weighted average common shares outstanding used in calculating diluted GAAP net income per common share				208.5
Weighted average common shares outstanding used in calculating diluted Non-GAAP net income per common share				208.5

(a) The total tax expense associated with the Non-GAAP adjustments above was $9 million.

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

Reconciliation of Non-GAAP Financial Measures
Condensed Consolidated Statements of Operations Q1 23
(unaudited)

For the three months ended March 31, 2023, 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 percentages and per share data)	Gross Profit	Operating (Loss) Income	Net (Loss) Income Attributable to Dentsply Sirona (a)	Diluted EPS
GAAP	$ 519	$ (2)	$ (19)	$ (0.09)
Non-GAAP Adjustments:				
Amortization of Purchased Intangible Assets	30	53	39	0.18
Restructuring Related Charges and Other Costs	4	79	71	0.33
Business Combination Related Costs and Fair Value Adjustments	1	3	—	—
Income Tax Related Adjustments	—	—	(7)	(0.03)
Adjusted Non-GAAP	$ 554	$ 133	$ 84	$ 0.39
GAAP Margin		(0.3%)		
Adjusted Non-GAAP Margin		13.6%		

Weighted average common shares outstanding used in calculating diluted GAAP net loss per common share	214.5
Weighted average common shares outstanding used in calculating diluted Non-GAAP net income per common share	216.0
(a) The total tax expense associated with the Non-GAAP adjustments above was $33 million.	

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

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 March 31, 2024 and 2023 is as follows:

(in millions, except percentages)	Three Months Ended March 31, 2024		Three Months Ended March 31, 2023	
Net income (loss) attributable to Dentsply Sirona	$	18	$	(19)
Interest expense, net		18		20
Income tax expense		14		(5)
Depreciation[1]		32		30
Amortization of purchased intangible assets		54		53
Restructuring related charges and other costs		17		79
Goodwill and intangible asset impairments		6		—
Business combination related costs and fair value adjustments		1		4
Adjusted EBITDA[2]	$	160	$	162
Net sales	$	953	$	978
Adjusted EBITDA margin		16.8%		16.5%

(1) Excludes those depreciation related amounts which were included as part of the business combination related adjustments.
(2) Adjusted EBITDA for 2023 has been updated to reflect the reclassification of $1 million in certain gains from hedging instruments from Interest expense to Other expense (income) in order to conform with current year presentation.

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 March 31, 2024 and 2023 is as follows:

	Three Months Ended March 31,	
(in millions, except percentages)	2024	2023
Net cash provided by (used in) operating activities	$ 25	$ (21)
Capital expenditures	(34)	(39)
Adjusted free cash flow	$ (9)	$ (60)
Adjusted net income	$ 87	$ 84
Adjusted free cash flow conversion	(10%)	(71%)