



YOUR
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OUR
VISION.

FY18 AGM

November 16, 2018
Sage Hotel, Ringwood



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Chairman's Address



CEO's Address



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FINANCIAL PERFORMANCE

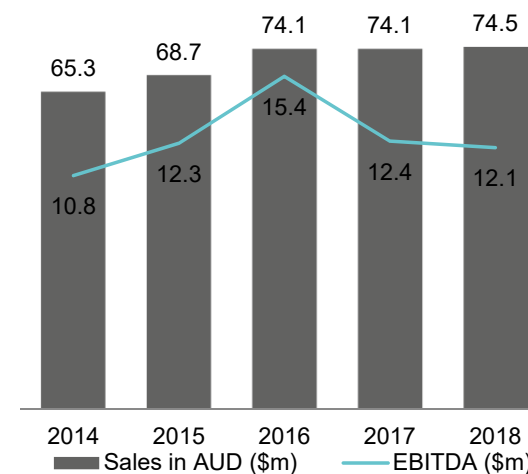


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FY18 HIGHLIGHTS

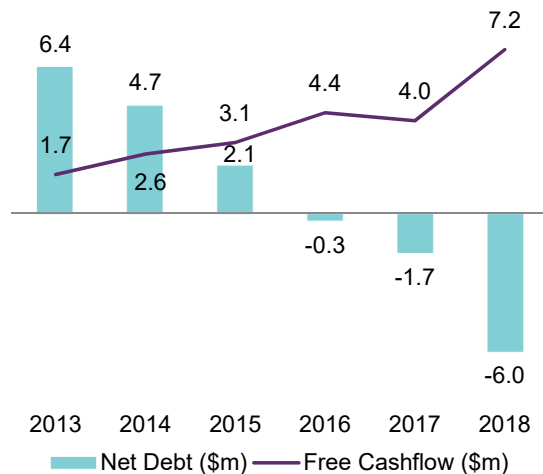
- NPAT up 1.5% to \$5.7m
- Strong second half result with 2H18 up 27% on pcp
- Sales increased 0.5% to \$74.5m with Non-amalgam sales rising 8.6% and offset by Amalgam sales down 12.9%
- Aesthetic sales up 9.3% in local currency (up 10.5% in AUD)
- Product margins increased by 1.1% to 61.1%, due to product and market sales mix, and Australian manufacturing efficiencies
- Full year fully franked dividends of 2.5 cents up 8.7%
- Debt reduction of \$1.9m
- FDA registration approval granted to market Riva Star in the USA as a dental desensitiser
- Health Canada approval to market Riva Star as an anti-caries agent

Sales v EBITDA

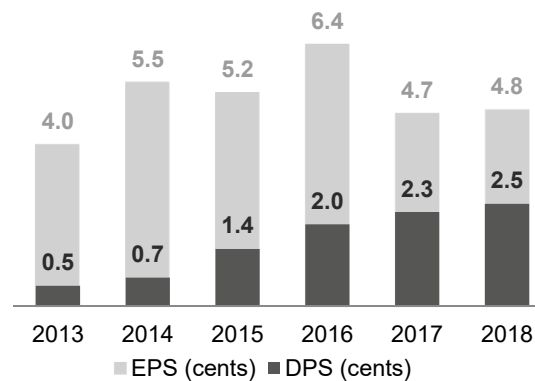


DIVIDENDS GROWTH AND NO DEBT

Net Debt & Free Cashflow



EPS & DPS



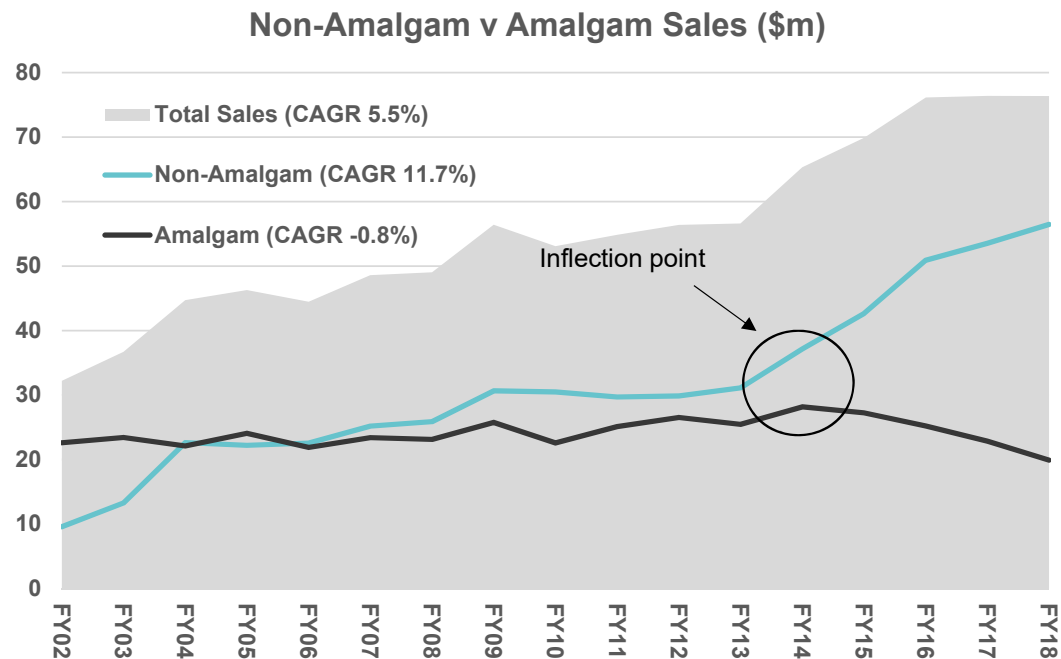
- Net cash position with strong free cashflow
- Increased dividend and payout ratio reflective of balance sheet strength and the board's confidence

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NO LONGER AN AMALGAM COMPANY

- Shifting industry trends identified more than 20 years ago
- Invested heavily in Research and Development
- Non-amalgam products, Whitening and Aesthetics, account for nearly 75% of all sales with CAGR 11.7%



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RESEARCH, INNOVATION, RESULTS

- 4 new products to be launched at the International Dental Show (IDS) – March 2019
- 1 – 2 new products per year to drive growth
- Concentrating on categories that deliver high sales margins
- Building on SDI's world-leading technical expertise, particularly in glass ionomers and tooth whitening
- Focused R+D teams collaborating closely with researchers, universities and innovation centres globally
- Regulatory approvals creating significant barriers to new entrants
- Dedicated teams in SDI managing the process



RIVA STAR - UPDATE

- Riva Star – focus on public health programs to minimise adverse restorative procedures
- “...if the trial is successful, it will change the way we manage tooth decay in young children and reduce oral healthy inequity for those that are most in need...” – Dr Yawary*
- Key study conducted by Dental Health Services Victoria (DHSV)
- 12 months trial now complete with encouraging findings
- 440 teeth treated with only 1 referred for general anaesthetic



**Lead scientist conducting trial for Dental Health Services Victoria*

STRATEGY & OUTLOOK

4 Strategic priorities:

1. Rationalise product portfolio
 2. Focus on key products - Pola, Riva and Composites
 3. Drive amalgam replacement
 4. Increase innovation and speed to market
- Sales have continued to grow in 1H19 with the first 4 months ahead of the pcp
 - Whitening and Aesthetics sales growing faster than market with amalgam declining as % of total sales
 - 4 new products to be launched at the IDS in Cologne next year



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