



**2020 first-quarter sales**  
Webcast for investors, analysts & media  
Basel, 30 April 2020

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# Agenda

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# Highlights

Guillaume Daniellot, CEO

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## Battling against coronavirus: #TogetherStrong

### Q1 REVENUE

CHF 357 million

-1% vs Q1 2019 (organic)  
NAM & LATAM partially offset sharp  
decline in APAC & flat EMEA

### COVID-19 IMPACT

Good start interrupted

Strong growth (except China) through  
to mid-March in most regions,  
suddenly disrupted as virus spreads

### FAST RESPONSE

Safety & continuity

Infection rate since outbreak <0.3%;  
Operations, services, & key functions  
all maintained; capacity matched to  
demand

### FINANCIAL IMPACT MITIGATION

Costs & liquidity

Non-critical projects & activities  
stopped; voluntary pay cuts, short-time  
working, liquidity ensured

### BOUNCING BACK

#TogetherStrong

Proximity to customers maintained;  
preparing to bounce back as countries  
begin to re-open

### OUTLOOK<sup>1</sup>

Uncertainty continues

Pandemic impact expected for rest of  
year. Original guidance withdrawn;  
business fundamentals intact, but no  
FY revenue/earnings guidance

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<sup>1</sup> Barring unforeseen events/circumstances

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## North & Latin America last to be hit

Organic revenue growth

### NAM

FY 2019	19.8%
Q1 2020	7.7%

### EMEA

FY 2019	13.4%
Q1 2020	0.1%

### APAC

FY 2019	21.5%
Q1 2020	- 22.1%

### LATAM

FY 2019	16.8%
Q1 2020	7.2%

### Group

FY 2019	17.1%
Q1 2020	- 1.4%

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# Business and regional review

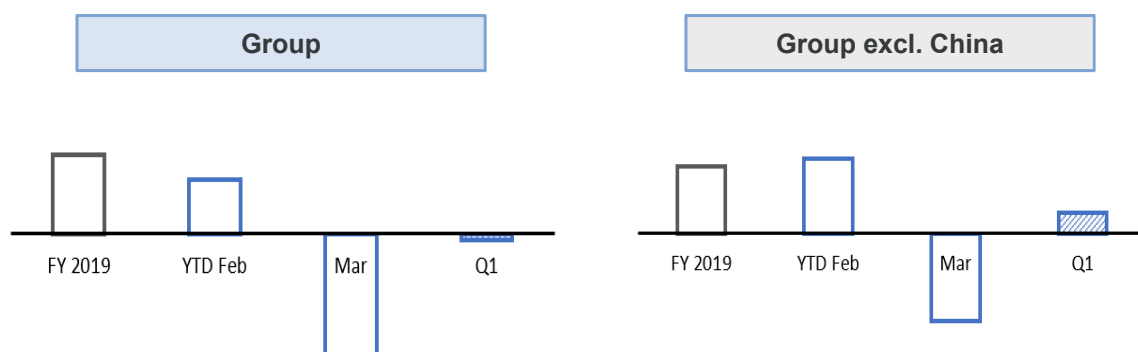
Peter Hackel, CFO

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## Strong momentum interrupted

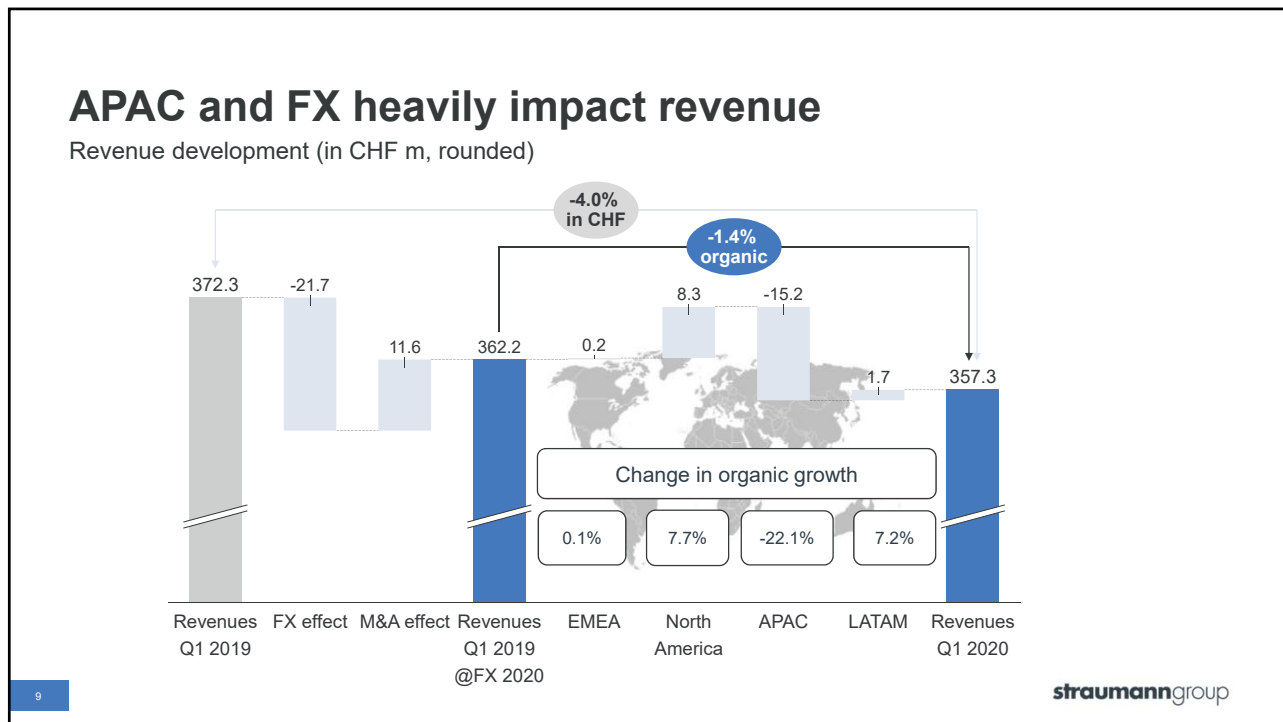
Organic growth



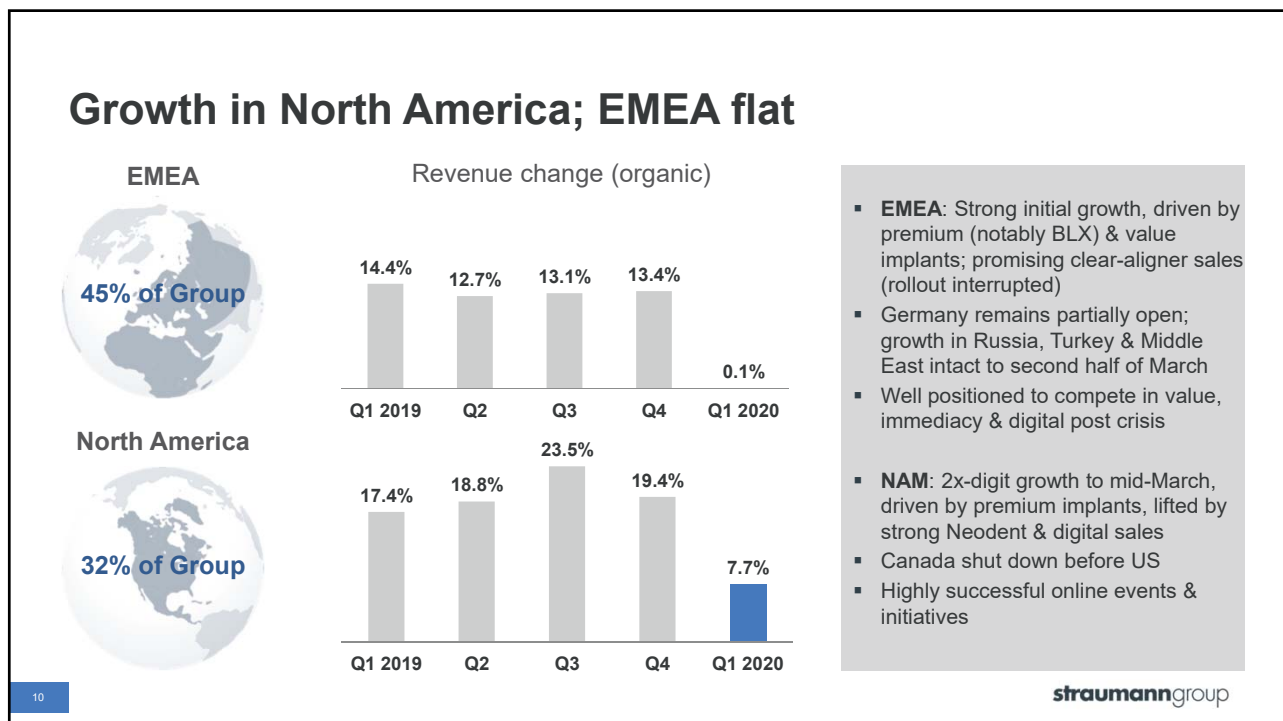
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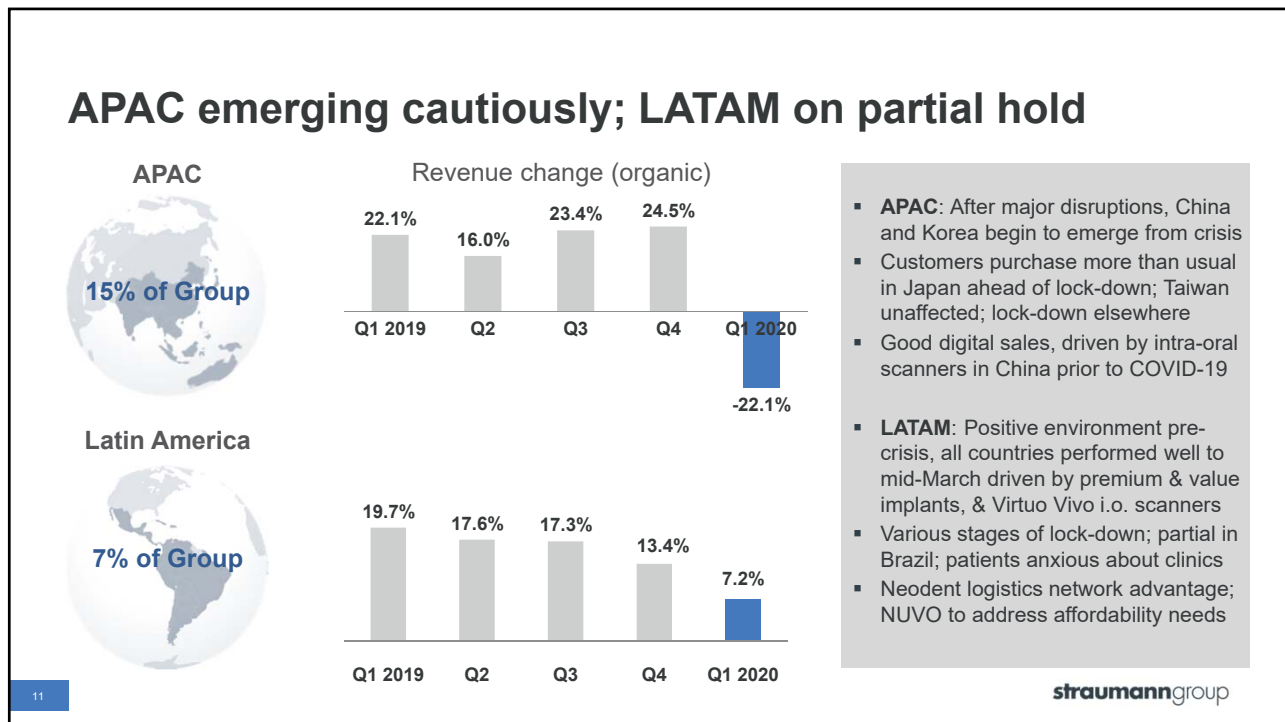
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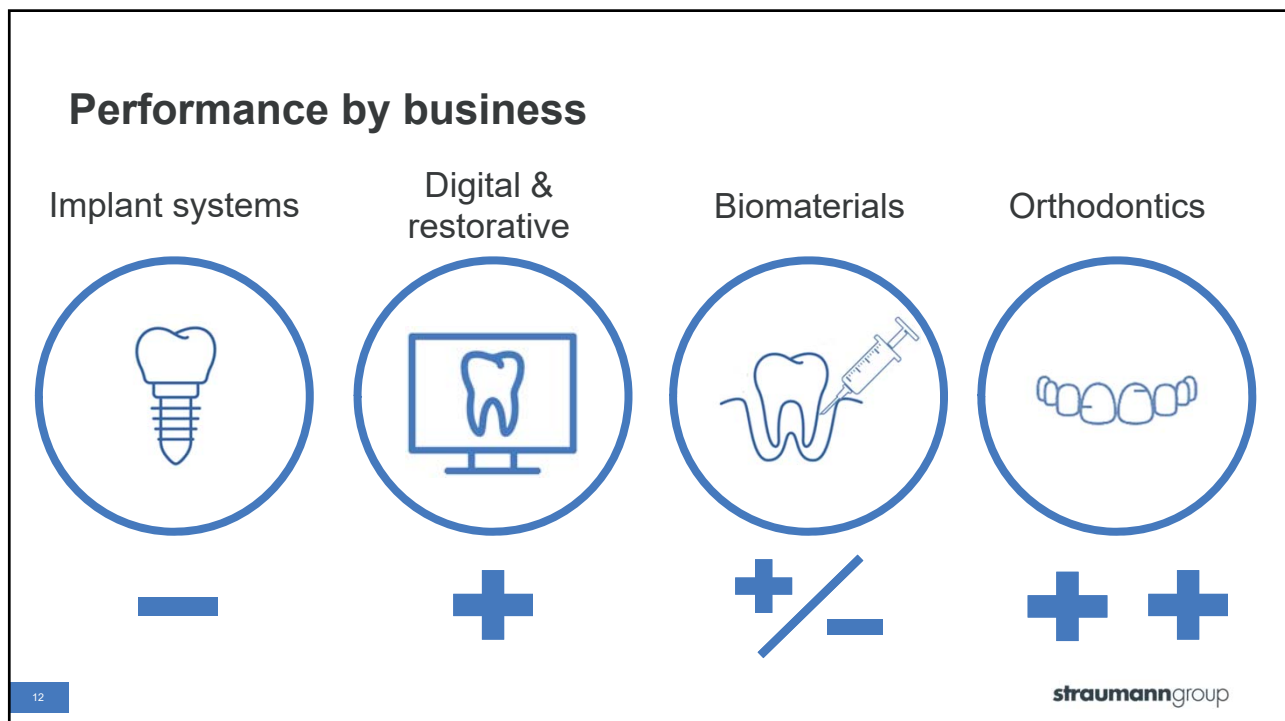
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## Recent achievements & strategy in action

Guillaume Daniellot, CEO

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### Implant systems

#### Premium

- Strong growth pre-crisis lifted by Straumann BLX, which gained further share
- New Straumann zygomatic implant system entered clinical program: proven implant design combined with BLX/BLT prosthetic system and CARES digital workflow complements Group's immediacy portfolio



#### Value

- Strong growth pre-crisis driven by Neodent, Anthogyr & Medentika
- NUVO launched in Brazil: rollout to continue after pandemic crisis; flexibility to address affordability in weak economy



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## Digital & restorative

- Digital business posts strong growth pre-crisis, driven by equipment sales (especially intra-oral scanners) and benefitting from low baseline in 2019
- TRIOS intra-oral scanners seamlessly connected to CARES chairside and CoDiagnostiX platforms; significantly enhanced connectivity with ClearCorrect
- Production capabilities re-established in Montreal (Dental Wings) including capacity for Virtuo Vivo intra-oral scanners
- CAD/CAM sales positive but soft; strong demand for materials



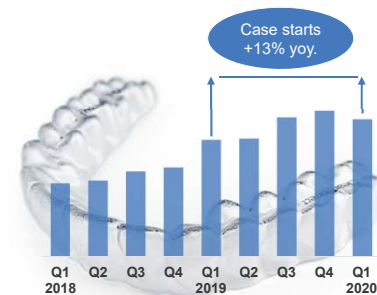
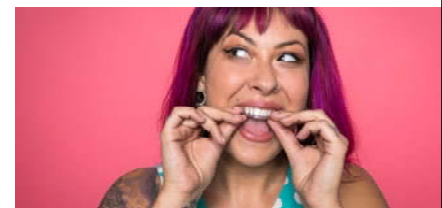
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## Orthodontics

- Double-digit growth year on year; additional contribution from new thermoplastics business
- Dip in clear-aligner cases due to COVID-19 and change in marketing approach by certain customers
- Rollouts in Europe (including DSO partners) and LATAM
- Development of new software and high-performance material expected to be ready by end of 2020



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# COVID-19 update

Guillaume Daniellot, CEO

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## Pandemic: typical chain of events

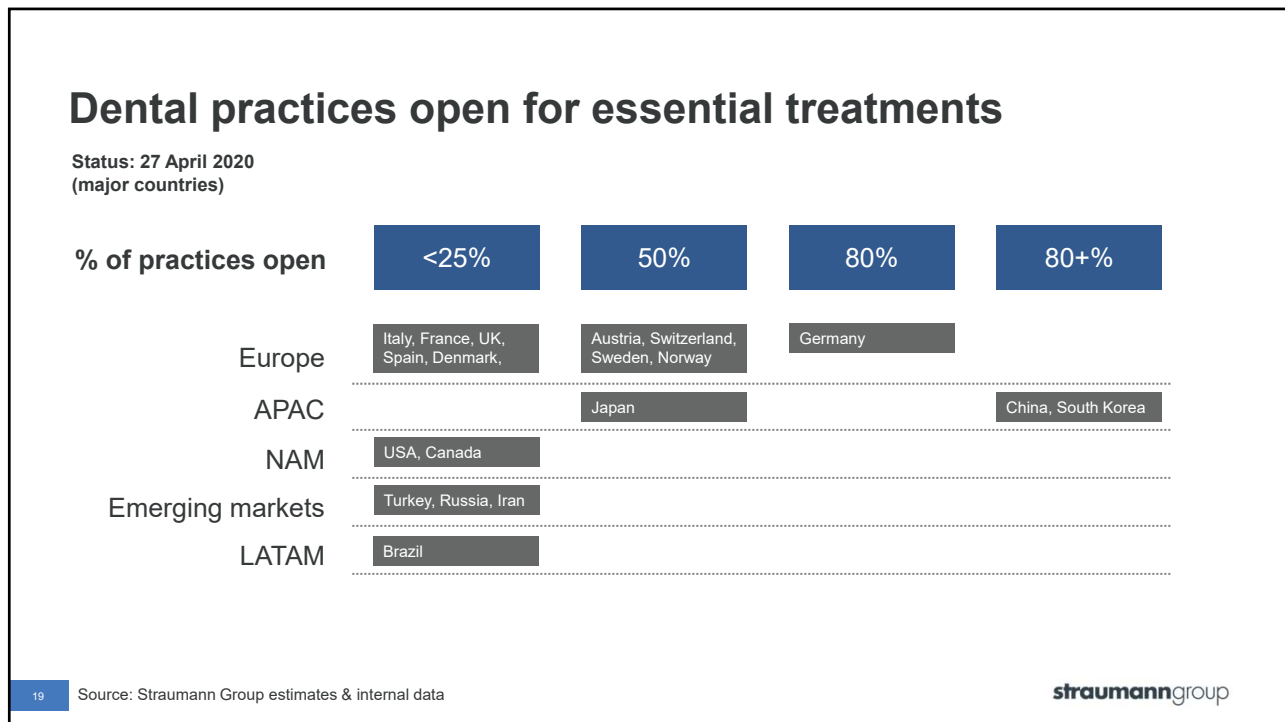
Status: 27 April 2020  
(major countries)

Limit public gatherings	State of Emergency	Partial lock-down	Full lock-down	Controlled unlocking	All restrictions lifted	'New norm'
<ul style="list-style-type: none"> <li>Many dental practices open</li> <li>Patient flow &amp; treatments limited due to fear of infection</li> </ul>			<ul style="list-style-type: none"> <li>Dental practices closed except for emergency procedures</li> </ul>	<ul style="list-style-type: none"> <li>Practices open on limited basis</li> <li>Establish patient trust in safety &amp; hygiene</li> </ul>	<ul style="list-style-type: none"> <li>Practices open</li> <li>Patients postpone elective procedures</li> </ul>	<ul style="list-style-type: none"> <li>Impact on out-of-pocket dental treatments?</li> </ul>
Sweden	Russia Turkey Iran Japan	Italy France UK Spain Canada USA Brazil	China South Korea Germany Norway Austria Switzerland Denmark			

18 Source: Straumann Group estimates & internal data

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## Leveraging the Group's culture to respond fast and control our destiny








	Focus on customers		Build trust
	Collaborate		Engage
	Take ownership		Communicate effectively
	Create opportunities		Be agile

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## Four priorities to weather the storm successfully




-  People safety
-  Business continuity
-  Financial impact mitigation
-  Strong rebound

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## People safety



- COVID-19 action plans implemented at all sites; quarantine, social distancing, hygiene and other measures have been effective; prepared for additional measures (e.g. masks)
- Large proportion of global team working from home for more than 6 weeks in most countries
- <0.3% confirmed infection rate Group-wide since disease outbreak; no serious cases



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## Business continuity



- Overall supply chain successfully operating
- Flexibility ensured for production, logistics, back and front office, customer support and customized products
- Production contingency plans in place; capacity adapted to demand
- IT infrastructure and other key functions operational
- Customer Services and e-Shop operating globally; subsidiaries stocked; high service level and support for customers maintained



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## Financial impact mitigation



- Immediate short-term cost reduction plan started in February (travel, hiring, consultancy, non-strategic projects, non-business-critical initiatives etc. – all on hold)
- Initial measures to reduce personnel costs, including:
  - Voluntary pay cuts: Board (-40%), Executive Management (-25% basic salary), Senior Management (-20% basic salary)
  - Reduced working hours globally with reduced pay and subsidies where possible
- Capex also reduced and will be resumed as demand picks up
- CHF 280m straight bond successfully placed; proceeds to refinance the maturing bond and further secure liquidity together with additional committed credit lines assured
- Evaluation of further measures to adjust the Group's cost structure based on scenario planning.

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## Preparing to rebound strongly – keeping close to customers online



- #TogetherStrong and #TimeForEducation web portals with free education and information offers
- Crisis information, education covering all brands/solutions, best-practices, guidelines, scientific reviews on COVID-19 in dentistry, business insights and recovery plans for practices
- ➔ >200'000 visits to dedicated pages
- ➔ >20'000 leads generated
- ➔ Highly successful online events – e.g. 3-week master class on immediacy draws 7000 attendees, >2000 participants in webinar on COVID-19 infection risk for dental professionals
- Large number of internal staff participate in online training



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## Helping in the fight



Initiative by recently-acquired Yllor Biomaterials in Brazil to make sanitizer gel; NeoGel production now underway



Yllor inspires and assists owners of 3D-printing equipment to produce clips for attaching face shields to spectacles/eyeshields



Straumann Germany produces protective face shields for dental professionals free of charge/at cost, with encouragement to make donations to COVID-19 relief

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## Outlook 2020

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### 2020 Outlook Barring unforeseen circumstances

#### Market

- Fundamentals intact
- China and Korea are now open and initial European markets are beginning to re-open
- Key countries elsewhere remain locked down; impact seen towards end of Q1 expected to continue in Q2
- Potential of weak macro-economic environment a concern

#### Our revenue and profitability

- Original FY guidance no longer in reach
- Initiatives underway to rebound strongly
- Group will have to adapt as an organization to the new realities without compromising its ability to innovate, manufacture, supply and sell winning solutions with service excellence.
- In view of current uncertainties due to pandemic, Group is withdrawing guidance for FY revenue/earnings for the time being



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Questions & answers

# Q & A

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Thank you

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## Calendar of upcoming reporting dates

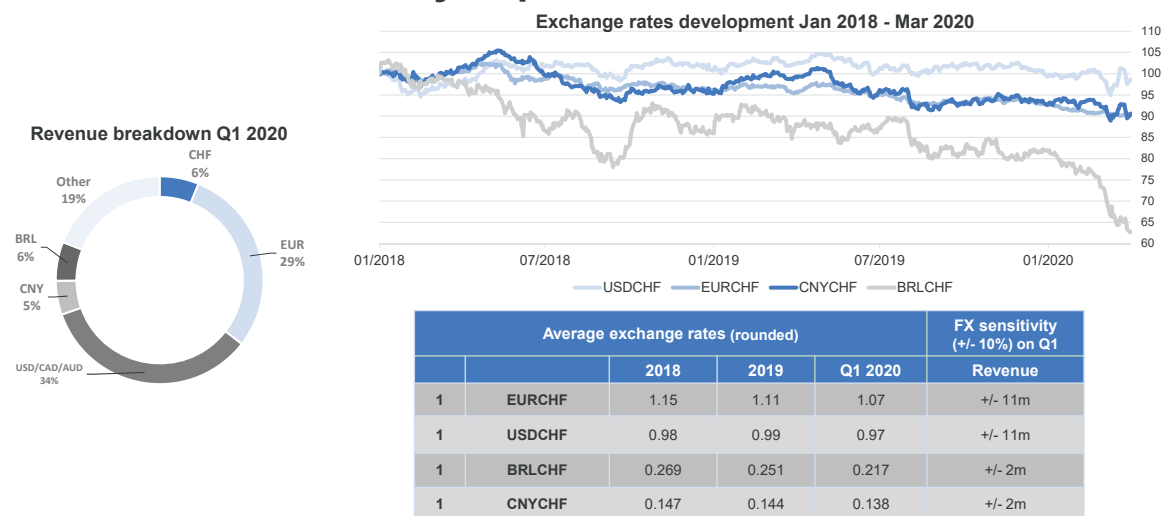
2020	Event	Location
13 August	H1 results publication	Basel HQ
28 October	Q3 results publication	Webcast

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## Straumann's currency exposure



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