

Henry Schein Signs Definitive Agreement to Acquire S.I.N. Implant System

May 4, 2023

Company expands presence in global implant market through Brazilian Acquisition to advance BOLD+1 Strategy

MELVILLE, N.Y.--(BUSINESS WIRE)--May 4, 2023-- Henry Schein, Inc. (Nasdaq: HSIC), the world's largest provider of health care products and services to office-based dental and medical practitioners, announced an agreement to acquire S.I.N. Implant System, one of Brazil's leading manufacturers of dental implants, pending regulatory approval.

With 2022 sales of approximately \$61 million, S.I.N. is a growing provider of dental implants in Brazil. Henry Schein has served dental practitioners in Brazil since 2014, and the acquisition of S.I.N. will mark the Company's entry into Brazil's dental implant market.

Henry Schein will acquire S.I.N. from the Southern Cross Group, one of the largest independent private equity fund managers focused on Latin America. The transaction is subject to approval by Brazil's Administrative Council for Economic Defense and is expected to close in the latter half of 2023. Henry Schein expects this transaction to be slightly dilutive to the Company's 2023 non-GAAP earnings per share, primarily due to non-cash acquisition accounting adjustments for inventory, and to be accretive thereafter. Financial terms were not disclosed.

"The acquisition of S.I.N. represents the natural progression of our BOLD+1 Strategy to expand our fast-growing dental specialties businesses, where we have a proven track record of successful acquisitions resulting in profitable growth in addition to our internal growth," said Stanley M. Bergman, Chairman of the Board and Chief Executive Officer of Henry Schein. "We are delighted to partner with S.I.N. and believe that through our combined resources, we will be well-positioned to address the growing demand for implants and bone regeneration products in both the developed and emerging markets. Brazil is one of the fastest-growing markets in the world for dental implants due to an increasing awareness of the importance of oral health, coupled with a large aging population."

Based in São Paulo and founded in 2003, S.I.N. manufactures an extensive line of products to perform dental implant procedures and is focused on advancing the development of value-priced dental implants. S.I.N. recently expanded the distribution of its products into the United States and other international markets.

"By joining forces with Henry Schein, a world leader in dental products and related services, we will accelerate our growth in Brazil as well as advance our global expansion," said Felipe Leonard, President of S.I.N., who will continue to lead the company once the acquisition is completed. "The S.I.N. team is inspired by the Henry Schein culture that we share and which supports sustainability and social responsibility. We look forward to a bright future together, full of opportunities to help our customers advance the practice of implant dentistry by delivering leading technology with a human touch."

Once the transaction closes, S.I.N. will become a part of Henry Schein's Global Oral Reconstruction Group. The group includes, among other businesses, BioHorizons, Camlog, Biotech Dental, and medentis medical, which collectively form a leading supplier of premium and value dental implant systems and restorative components with a comprehensive line of biologics products and digital solutions.

"S.I.N.'s portfolio of solutions is an excellent complement to our existing offering of oral reconstruction products and services," said René Willi, CEO of Henry Schein's Global Oral Reconstruction Group. "In addition, the Henry Schein and S.I.N. teams share a mutual commitment to offer customers tooth replacement solutions that are evidence-based and scientifically supported to help to improve the quality of life for patients. We look forward to welcoming the S.I.N. Implant System team to Henry Schein."

About Henry Schein, Inc.

Henry Schein, Inc. (Nasdaq: HSIC) is a solutions company for health care professionals powered by a network of people and technology. With more than 22,000 [Team Schein Members](#) worldwide, the Company's network of trusted advisors provides more than 1 million customers globally with more than 300 valued solutions that help improve operational success and clinical outcomes. Our Business, Clinical, Technology, and Supply Chain solutions help office-based [dental](#) and [medical](#) practitioners work more efficiently so they can provide quality care more effectively. These solutions also support [dental laboratories](#), [government and institutional health care clinics](#), as well as other alternate care sites.

Henry Schein operates through a centralized and automated distribution network, with a selection of more than 300,000 branded products and Henry Schein private-brand products in stock.

A FORTUNE 500 Company and a member of the S&P 500® index, Henry Schein is headquartered in Melville, N.Y., and has operations or affiliates in 32 countries and territories. The Company's sales reached \$12.6 billion in 2022, and have grown at a compound annual rate of approximately 12.1 percent since Henry Schein became a public company in 1995.

For more information, visit Henry Schein at www.henryschein.com, Facebook.com/HenrySchein, Instagram.com/HenrySchein, and Twitter.com/HenrySchein.

Cautionary Note Regarding Forward-Looking Statements

In accordance with the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995, we provide the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the forward-looking statements, expectations and assumptions expressed or implied herein. All forward-looking statements made by us are subject to risks and uncertainties and are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These statements are generally identified by the use of such terms as "may," "could," "expect," "intend," "believe," "plan," "estimate," "forecast," "project," "anticipate," "to be," "to make" or other comparable terms. A fuller discussion of our operations,

financial condition and status of litigation matters, including factors that may affect our business and future prospects, is contained in documents we have filed with the United States Securities and Exchange Commission, or SEC, including our Annual Report on Form 10-K, and will be contained in all subsequent periodic filings we make with the SEC. These documents identify in detail important risk factors that could cause our actual performance to differ materially from current expectations. Forward looking statements include the overall impact of the Novel Coronavirus Disease 2019 (COVID-19) on the Company, its results of operations, liquidity and financial condition (including any estimates of the impact on these items), the rate and consistency with which dental and other practices resume or maintain normal operations in the United States and internationally, expectations regarding personal protective equipment ("PPE") products and COVID-19 related product sales and inventory levels, whether additional resurgences or variants of the virus will adversely impact the resumption of normal operations, whether supply chain disruptions will adversely impact our business, the impact of integration and restructuring programs as well as of any future acquisitions, general economic conditions including exchange rates, inflation and recession, and more generally current expectations regarding performance in current and future periods. Forward looking statements also include the (i) ability of the Company to have continued access to a variety of COVID-19 test types, expectations regarding COVID-19 test sales, demand and inventory levels, as well as the efficacy or relative efficacy of the test results given that the test efficacy has not been, or will not have been, independently verified under normal FDA procedures, and (ii) potential for the Company to distribute the COVID-19 vaccines and ancillary supplies.

Risk factors and uncertainties that could cause actual results to differ materially from current and historical results include, but are not limited to: risks associated with COVID-19 and any variants thereof, as well as other disease outbreaks, epidemics, pandemics, or similar wide-spread public health concerns and other natural disasters; our dependence on third parties for the manufacture and supply of our products; our ability to develop or acquire and maintain and protect new products (particularly technology products) and technologies that achieve market acceptance with acceptable margins; transitional challenges associated with acquisitions, dispositions and joint ventures, including the failure to achieve anticipated synergies/benefits; legal, regulatory, compliance, cybersecurity, financial and tax risks associated with acquisitions, dispositions and joint ventures; certain provisions in our governing documents that may discourage third-party acquisitions of us; adverse changes in supplier rebates or other purchasing incentives; risks related to the sale of corporate brand products; effects of a highly competitive (including, without limitation, competition from third-party online commerce sites) and consolidating market; the repeal or judicial prohibition on implementation of the Affordable Care Act; changes in the health care industry; risks from expansion of customer purchasing power and multi-tiered costing structures; increases in shipping costs for our products or other service issues with our third-party shippers; general global and domestic macroeconomic and political conditions, including inflation, deflation, recession, fluctuations in energy pricing and the value of the U.S. dollar as compared to foreign currencies and changes to other economic indicators, international trade agreements, potential trade barriers and terrorism; failure to comply with existing and future regulatory requirements; risks associated with the EU Medical Device Regulation; failure to comply with laws and regulations relating to health care fraud or other laws and regulations; failure to comply with laws and regulations relating to the collection, storage and processing of sensitive personal information or standards in electronic health records or transmissions; changes in tax legislation; risks related to product liability, intellectual property and other claims; litigation risks; new or unanticipated litigation developments and the status of litigation matters; risks associated with customs policies or legislative import restrictions; cyberattacks or other privacy or data security breaches; risks associated with our global operations; our dependence on our senior management, employee hiring and retention, and our relationships with customers, suppliers and manufacturers; and disruptions in financial markets. The order in which these factors appear should not be construed to indicate their relative importance or priority.

We caution that these factors may not be exhaustive and that many of these factors are beyond our ability to control or predict. Accordingly, any forward-looking statements contained herein should not be relied upon as a prediction of actual results. We undertake no duty and have no obligation to update forward-looking statements except as required by law.

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