



JPMorgan Healthcare Conference

JANUARY 14, 2025

Cautionary Note Regarding Forward-Looking Statements and Use of Non-GAAP Financial Information

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.

Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the documents we file with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K. Risk factors and uncertainties that could cause actual results to differ materially from current and historical results include, but are not limited to: 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, as well as significant demands on our operations, information systems, legal, regulatory, compliance, financial and human resources functions in connection 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; security risks associated with our information systems and technology products and services, such as cyberattacks or other privacy or data security breaches (including the October 2023 incident); effects of a highly competitive (including, without limitation, competition from third-party online commerce sites) and consolidating market; 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 macro-economic and political conditions, including inflation, deflation, recession, ongoing wars, 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; geopolitical wars; 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; risks associated with customs policies or legislative import restrictions; risks associated with disease outbreaks, epidemics, pandemics (such as the COVID-19 pandemic), or similar wide-spread public health concerns and other natural or man-made disasters; risks associated with our global operations; litigation risks; new or unanticipated litigation developments and the status of litigation matters; 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.

Included within this presentation are non-GAAP financial measures that supplement the Company’s Consolidated Statements of Income prepared under generally accepted accounting principles (GAAP). These non-GAAP financial measures adjust the Company’s actual results prepared under GAAP to exclude certain items. In the schedules attached to the presentation, the non-GAAP measures have been reconciled to and should be considered together with the Consolidated Statements of Income. Management believes that non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance and allow for greater transparency with respect to key metrics used by management in operating our business. The impact of certain items that are excluded include integration and restructuring costs, and amortization of acquisition-related assets, because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate and occur on an unpredictable basis. These non-GAAP financial measures are presented solely for informational and comparative purposes and should not be regarded as a replacement for corresponding, similarly captioned, GAAP measures.

Henry Schein Overview

#1 global provider of dental merchandise, specialty products, traditional and digital equipment, parts and services and a leading provider of medical products, equipment and services to the **alternate care market** with **\$3B+** in corporate and owned brands portfolio and related services (incl. technology)

~\$13 B

Global Net Sales

Serving more than
1 Million

Customers

~26,000

Team Schein Members

92

Years in business

Operations in

33

Countries

Component of
S&P 500® Index

7 Years

We focus on the success of healthcare practices: Our customers can rely on us to **generate** higher practice performance, **integrate** efficient proprietary workflows for an outstanding patient experience, and **elevate** clinical care.

Favorable Long Term Macro Trends

Should help stimulate Patient Traffic and Demand for Products and Services

Demographics

- Aging global population

Healthcare Developments

- Movement of procedures from hospital to physician offices and alternate care sites
- Growing awareness of correlation between good oral health and overall health
- Expanding healthcare coverage and access to care
- Increasing importance of wellness and prevention
- Untapped patient demand for healthcare services
- Consolidation of practitioners to multiple locations under common management

Increased Adoption of Digital Technology

- Advancements in practice management software and electronic medical records
- Improved clinical workflow driving better patient outcomes
- Utilization of AI to improve patient case acceptance and diagnosis
- Enhanced patient communications

Henry Schein benefits from:

- market leadership
- broad customer base
- large-customer relationships
- diversified business portfolio
- integrated solutions

2024 Highlights



Market Conditions

Stable market conditions

Dental volume growth offset by movement from higher price premium brands to lower price/higher margin corporate brands.

Medical market normalizing post-COVID pandemic



Business Highlights

Steadily regaining market share

Sales growth in our global dental equipment business, and **mid-single-digit growth** in implants, biomaterials and endodontic products

Acquisitions delivering strong financial results



New Restructuring Initiative

On target to achieve **\$75 – \$100M annual run-rate savings** by end of 2025



Capital Strength

Strong cashflow and continue to **return capital to shareholders** through share repurchase program



BOLD+1 Strategic Plan

Specialties products, technology and value-added services businesses **contributed over 40%** of total non-GAAP operating income

2022-2024 BOLD+1 Strategic Plan: Successful Execution

- **BOLD+1** has been adopted by the organization as a “brand” for our **transformation to a more agile, customer centric, digital, efficient and high growth, high margin company** with synergies generated by leveraging our portfolio of complementary businesses.
- Through execution of our 2022-2024 BOLD+1 strategic plan, we have **made significant progress transforming from a pure play distribution company**, with similar margin challenges as other distribution companies, **to a higher growth value-added products and services company**
 - **High-growth, high-margin (“HGHM”) businesses, including corporate and owned brands portfolio and related services, now account for approximately 25% of our sales (\$3B)**
 - **HGHM businesses now account for ~40% of operating income, with another ~10% contribution from private brand product offering**



Successfully Advanced our 2022-2024 BOLD+1 Strategic Priorities – Henry Schein Products



We have made significant progress advancing our BOLD+1 strategic priorities, with the following highlights:

BUILD HGHM
BUSINESSES

OPERATIONALIZE
ONE DISTRIBUTION

LEVERAGE ONE
SCHEIN

DRIVE DIGITAL
TRANSFORMATION

Build

- **#2 global endodontics company with accelerating sales** - opportunity to further integrate businesses and create efficiencies
- **#3 global implant company (ex China), gaining market share**
- Entered the extremity niche of the orthopedic market through the acquisition of **TriMed**

Operationalize

- **Restructuring initiatives** to combine manufacturing businesses

Leverage

- **Implemented “blended distribution” go-to-market strategies** for Henry Schein corporate brand products and services to accelerate sales
- **Implemented sales channel through distribution business for HS Products (eg Edge Endo)** and leverage Henry Schein’s customer base

Digital

- **Nemotech case design software** acquired with the BioTech acquisition

Successfully Advanced our 2022-2024 BOLD+1 Strategic Priorities - Distribution



BUILD HGHM
BUSINESSES

OPERATIONALIZE
ONE DISTRIBUTION

LEVERAGE ONE
SCHEIN

DRIVE DIGITAL
TRANSFORMATION

Build

- **#1 global dental software company with accelerating sales of cloud and digital solutions** - accelerated cadence of new product development

Operationalize

- **Focus on customer segmentation, satisfaction and efficiency**
- **Retain and grow customer base following cyber incident**
- **Restructuring initiatives created significant efficiencies** throughout the distribution business, while advancing customer experience
- **Built a top 5 home health company** with annualized sales of over \$350M with high operating margin

Leverage

- **Implemented “blended distribution” go-to-market strategies** for Henry Schein corporate brand products and services

Digital

- **Global eCommerce platform (GEP)** launched in the UK and Ireland
- **Established Digital Revenue team**
- **Henry Schein LinkIT (3-Click Dentistry)** poised for growth
- **AI has started to become a driver** for revenue and efficiency, through AI based digital solutions, like **Detect AI** and **Eligibility Pro**

Long-Term Growth Strategy

Clear strategic framework to deliver sustainable value creation



Dental

- ✓ Increasing penetration with existing customers
- ✓ Grow further Henry Schein products
- ✓ Continued focus on large group practices
- ✓ Digitalization of prosthetic solutions
- ✓ Geographic expansion



Medical

- ✓ Increase active U.S. physician practice customers
- ✓ Increase penetration organically and through acquisitions
- ✓ Continued focus on large accounts, health systems and surgery centers
- ✓ Focus on specialty segments and home solutions
- ✓ Create unique offering with supply partners to represent third party brands



Technology & Value-Added Services

- ✓ Continue to generate synergies with broader distribution business
- ✓ Leverage R&D, marketing, and technology across business solutions
- ✓ Further development of new solutions
- ✓ With ~100,000 technology customers worldwide, opportunity to grow revenue per customer

Henry Schein — Resiliency of the Business



Long term track record of delivering double-digit earnings growth, with 13% non-GAAP EPS CaGR since IPO¹



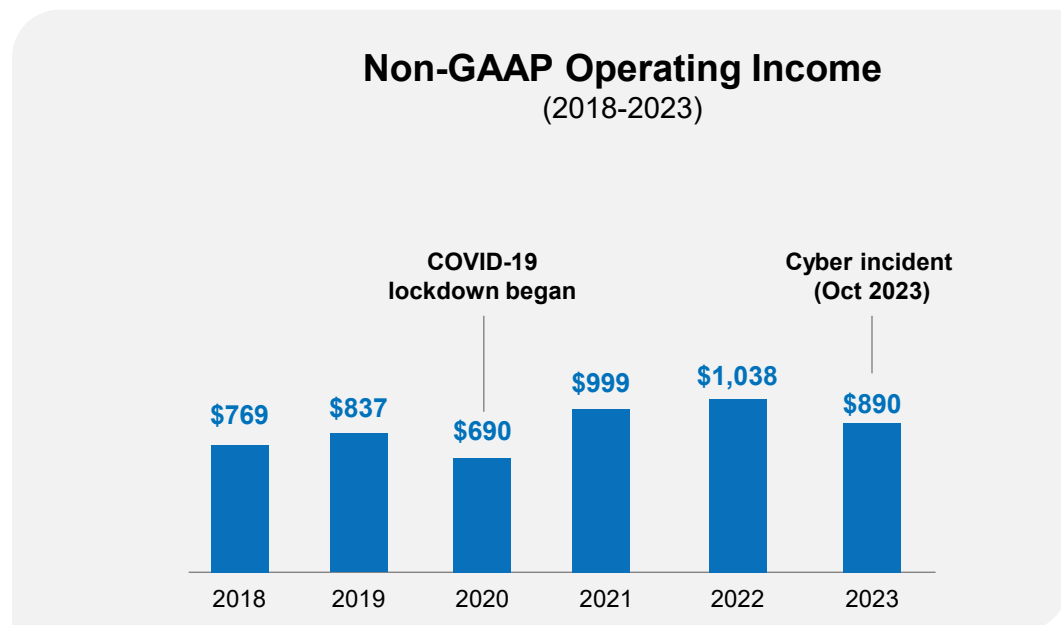
Some recent headwinds have impacted our business that we are working through, including the cyber incident, macro-economic conditions (specifically higher interest rates impacting equipment sales and high-end procedures) and PPE/Covid Tests volatility



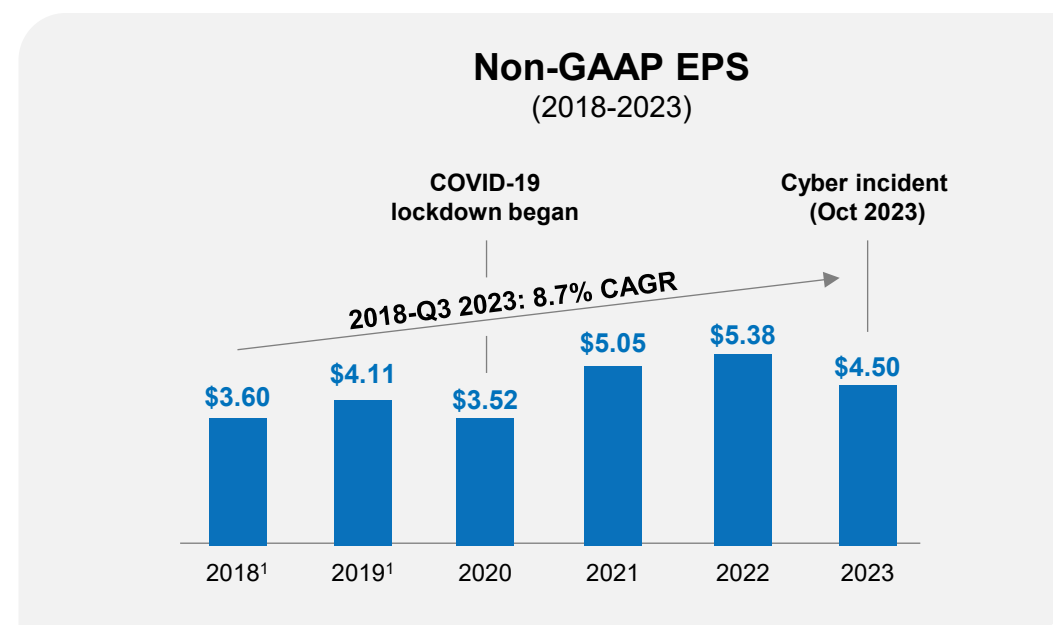
We have a **track record of transformation**, with **BOLD+1** representing the latest reinvention to become a **higher growth, higher margin company**

Henry Schein: Financial Overview

8.7% non-GAAP EPS CAGR from 2018 through Q3 2023



- Volatility of Operating Income as a result of significant headwinds from PPE / COVID-19 test kits, the 2023 cyber incident and macro-economic conditions



- EPS results in line with our track record until the cyber incident in Q3 2023

Mid to long-term, we expect to maintain our long-term corporate goals of high single digit / low double-digit earnings growth

Investment Merits

- Clear strategic plan to **create operating efficiencies and exceptional customer experience** while increasing growth in faster growing segments of the business
- Proven track record of transformation and **long-term, sustainable earnings growth**
- Leading positions in **attractive markets**
- **Scaled platform of highly complementary** products, services and technologies drives value by providing practitioners with comprehensive suite of solutions that create efficiencies and better patient outcomes
- Opportunities to leverage our existing customer base and gain **additional share of wallet**
- Deep and **experienced management team** supported by a highly motivated **Team Schein**



BOLD+1 Strategic Plan

Accelerating growth and realizing long-term sustainable mid to long-term high single-digit / low double-digit earnings growth, including through strategic acquisitions