



Align Technology Virtual Investor Day 2020

November 23, 2020

Welcome and Reminder

- Meeting presentation is being webcast at <http://investor.aligntech.com/>
- Presentation soft copies will be on our website after today's meeting
- Meeting recording with Q&A will be posted on our website after today's meeting

Safe Harbor and Forward-Looking Statements

- This presentation and each of the presentations related to the 2020 Align Technology, Inc. (“Align”) Investor Day as well as the corresponding commentaries regarding the presentations do, or may, contain forward-looking statements, including statements that address activities, events, and developments that Align believes or anticipates will or may occur in the future. These statements may include estimates, predictions, beliefs and other expectations regarding Align’s business momentum, business strategies, market developments and trends, competition, anticipated costs and expenditures, the COVID-19 pandemic and its impacts on our business and results of operations, the development of new products and the timing for certifications and launches of new products or product enhancements, future opportunities for growth and expansion, marketing initiatives, doctor and employee training initiatives, as well as statements regarding Align’s anticipated GAAP and non-GAAP financial performance, results of operations and outlooks for 2021 and beyond. Any such forward-looking statements contained in this presentation and any corresponding commentary are based upon the Align’s experience and perception of conditions, trends, anticipated future developments and other factors it believes under the circumstances and information available to Align as of the date hereof. These forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. As a result, actual results may differ materially and adversely from those expressed in any forward-looking statement. Factors that may cause such a difference include, but are not limited to, the factors that are discussed in more detail in Align’s Annual Report on Form 10-K for the year ended December 31, 2019, which was filed with the Securities and Exchange Commission (SEC) on February 28, 2020 and its latest Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, which was filed with the SEC on October 30, 2020, as well as in other reports and documents filed from time to time with the SEC. Align does not guarantee any forward-looking statements and undertakes no obligation to revise or update any forward-looking statements for any reason.
- The presentations, including any financial reconciliations, have been made available on our website at investor.aligntech.com

About Non-GAAP Financial Measures

- To supplement all or any portion of our condensed consolidated financial statements included or referenced in the presentations, which are prepared and presented in accordance with generally accepted accounting principles in the United States ("GAAP"), we may provide investors with certain non-GAAP financial measures including, non-GAAP earnings per shares, free cash flow, gross margin, operating expenses, income from operations, operating margin, interest income and other income (expense), net, provision for (benefit from) income taxes, effective tax rate, net income and diluted net income per share, which exclude certain items that may not be indicative of our fundamental operating performance including discrete cash and non-cash charges or gains that are included in the most directly comparable GAAP measure. Non-GAAP measures will exclude the effects of stock-based compensation, amortization of acquired intangibles, non-cash deferred tax assets and associated amortization related to intra-entity transfer of non-inventory assets, acquisition related costs, impairments and other (gains) charges, and litigation settlement gains, and, if applicable, any associated tax impacts.
- We use non-GAAP financial measures for financial and operational decision-making and as a means to evaluate period-to-period comparisons. Our management believes that these non-GAAP financial measures provide meaningful supplemental information regarding our recurring core operating performance. We believe that both management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when planning, forecasting and analyzing future periods. These non-GAAP financial measures also facilitate management's internal evaluation of period-to-period comparisons. We believe these non-GAAP financial measures are useful to investors both because (1) they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making and (2) they will be provided to and used by our institutional investors and the analyst community to help them analyze the performance of our business.
- There are limitations to using non-GAAP financial measures, though, because they are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies. The non-GAAP financial measures are limited in value because they exclude certain items that may have a material impact upon our reported financial results. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which charges are excluded from the non-GAAP financial measures. We compensate for these limitations by analyzing current and future results on a GAAP as well as a non-GAAP basis and also by providing GAAP measures in our public disclosures. The presentation of non-GAAP financial information is meant to be considered in addition to, not as a substitute for or in isolation from, the directly comparable financial measures prepared in accordance with GAAP. We urge investors to review the reconciliation of our GAAP financial measures to the comparable Non-GAAP financial measures included in the presentations, and not to rely on any single financial measure to evaluate our business. For more information on these non-GAAP financial measures, please see the table captioned "Unaudited GAAP to Non-GAAP Reconciliation" and other historical reconciliations which are available in the presentations and/or at aligntechnology.com.

Agenda

Presentation	Speaker
Welcome/Safe Harbor	Shirley Stacy, VP Investor Relations and Corporate Communications
Accelerating Wave of Digital Orthodontics	Joe Hogan, CEO
Unlocking the 500M Potential	Zelko Relic, SVP CTO
Winning with the Align Digital Platform	Raj Pudipeddi, Chief Innovation, Product and Marketing Officer
It All Starts with the iTero Imaging System	Yuval Shaked, SVP and Managing Director iTero Scanner and Services Business
Integrated Digital Platform	Sree Kolli, SVP, Chief Digital Officer
Global Operations	Emory Wright, SVP Global Operations
Americas	Simon Beard, SVP and Managing Director Americas
EMEA	Markus Sebastian, SVP and Managing Director EMEA
APAC	Julie Tay, SVP and Managing Director Asia Pacific
Customer Success	Jen Olson, SVP and Managing Director Customer Success
Driving Shareholder Value	John Morici, CFO



Accelerating Wave of Digital Orthodontics

Bringing clear aligner treatment to the **masses**





Annual Ortho Starts
15M

© 2020 Align Technology, Inc.





11M
TEEN POTENTIAL

ADULT POTENTIAL

4M

15M

Invisalign share



Huge Underpenetrated Market = Not a Zero Sum Game

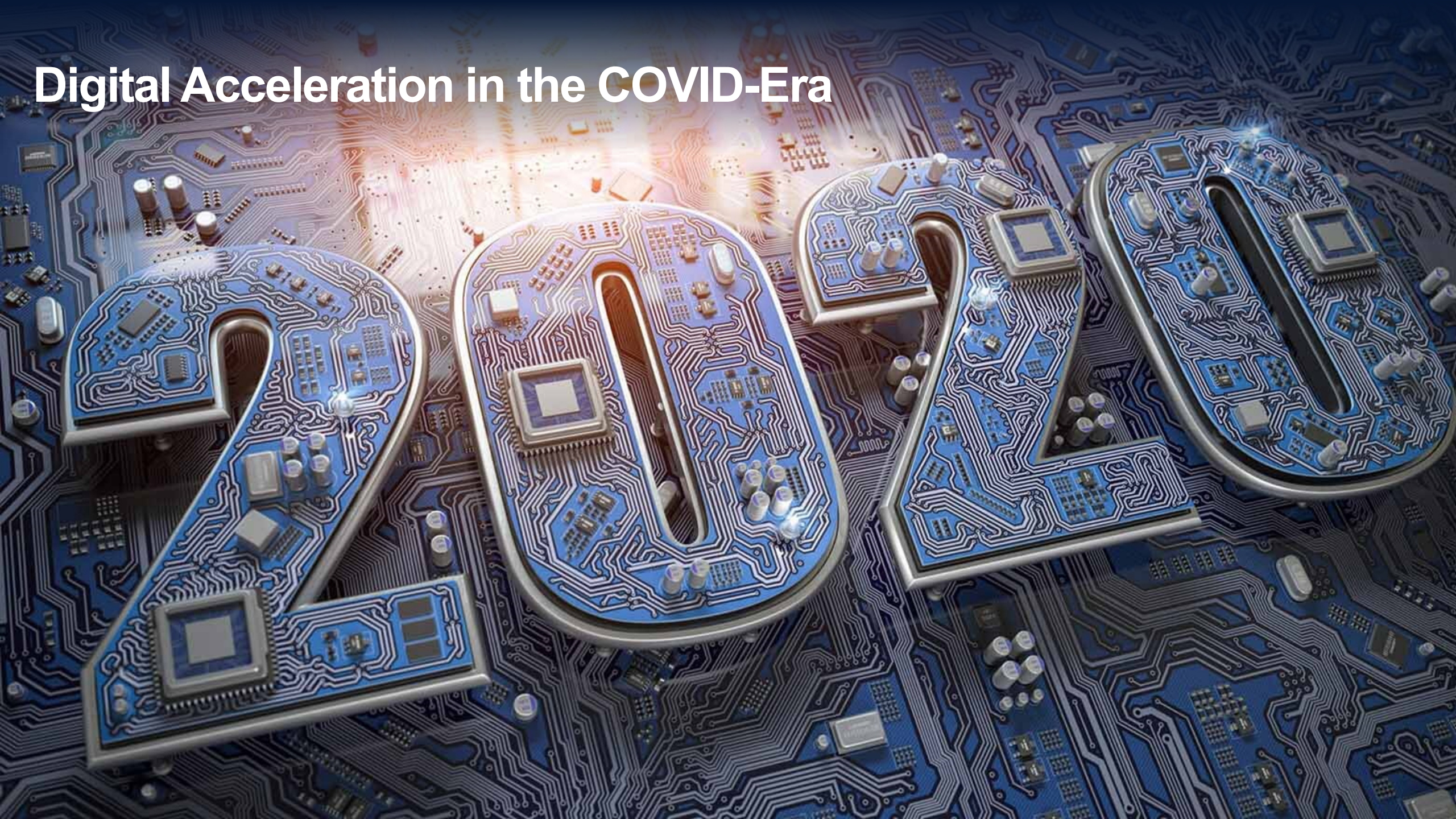
500M



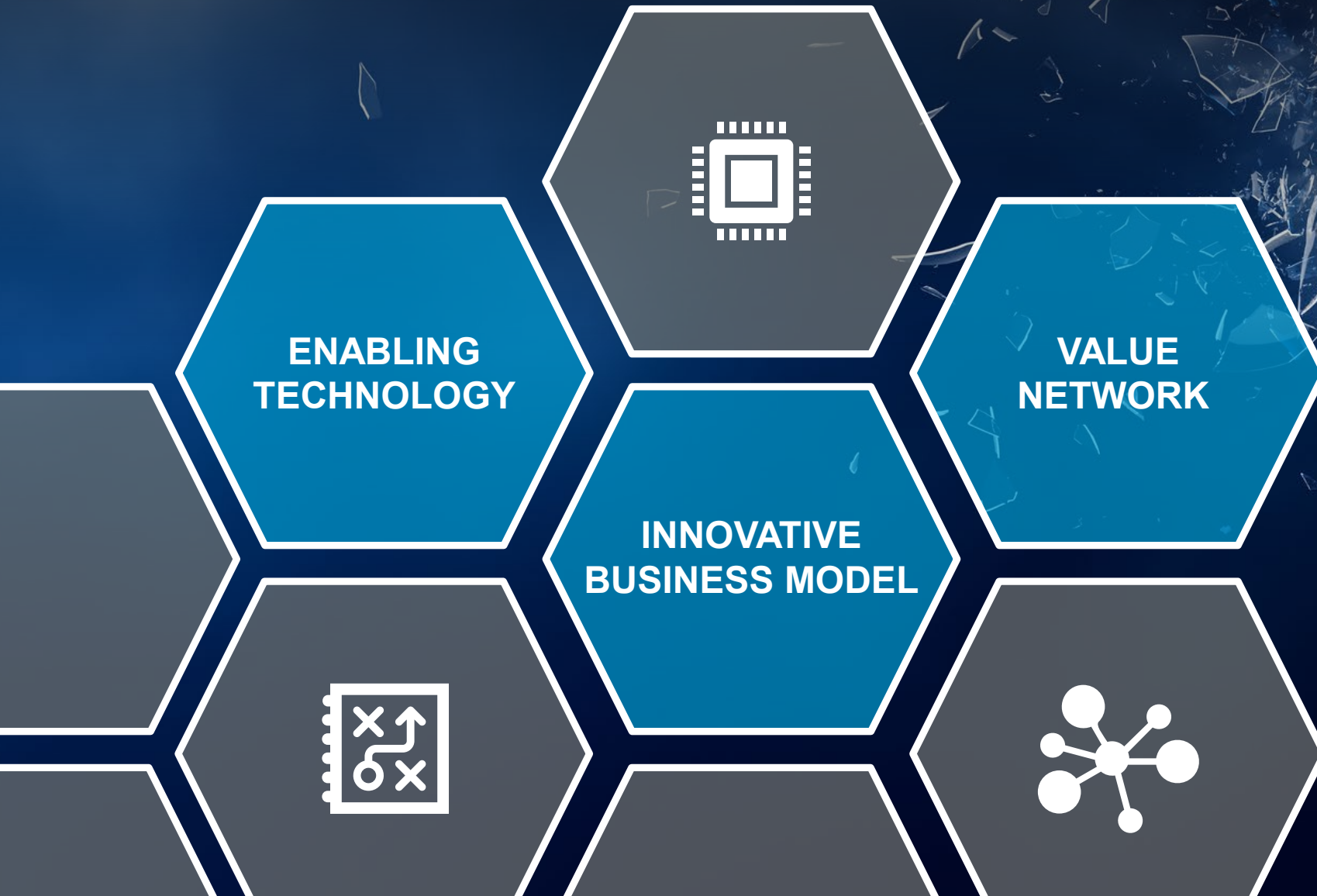
Decades of Disruptive Innovation and Digital Transformation



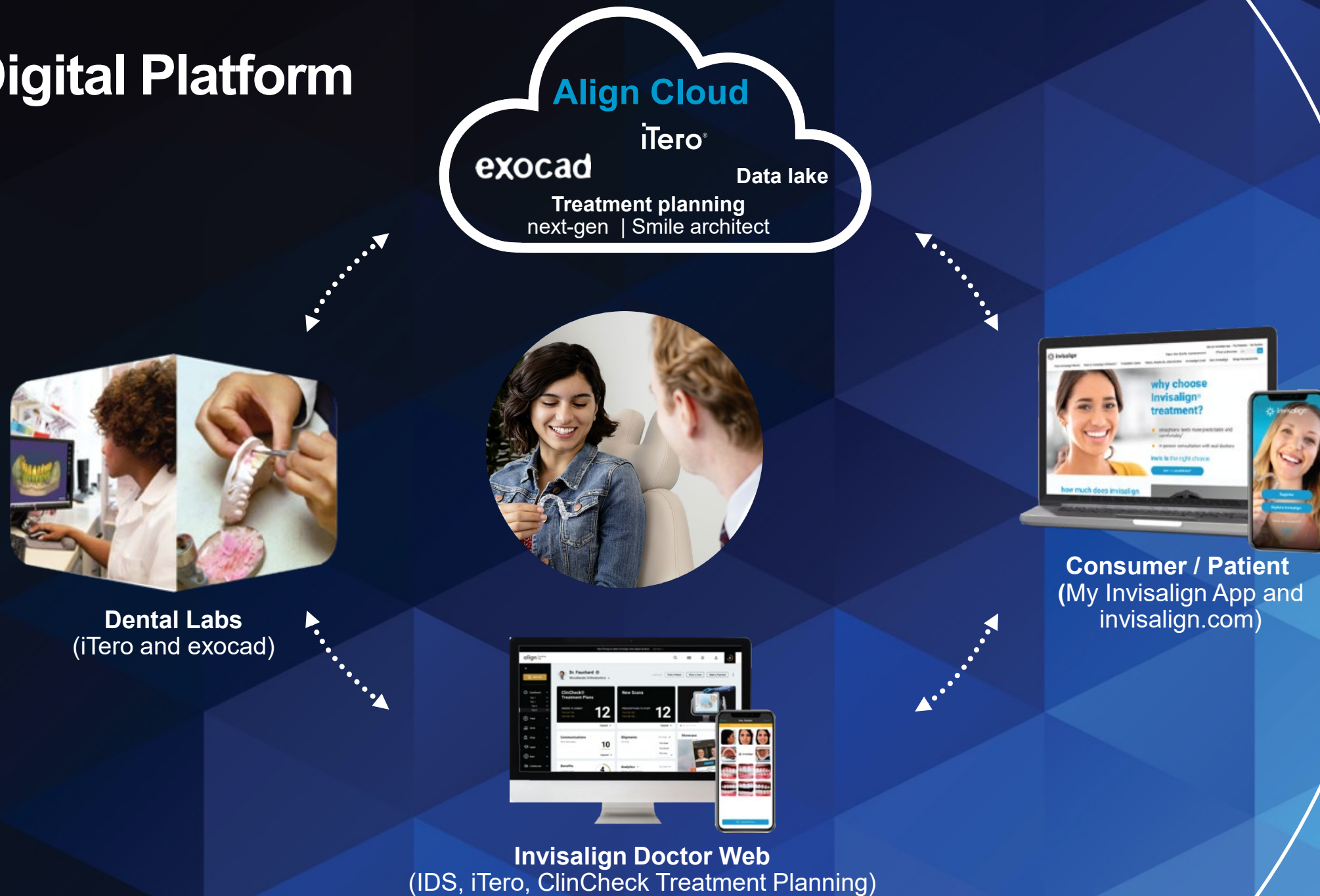
Digital Acceleration in the COVID-Era



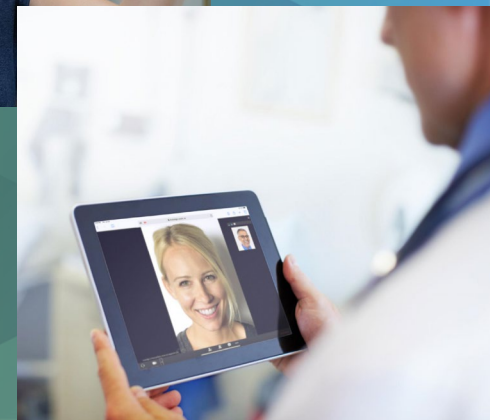
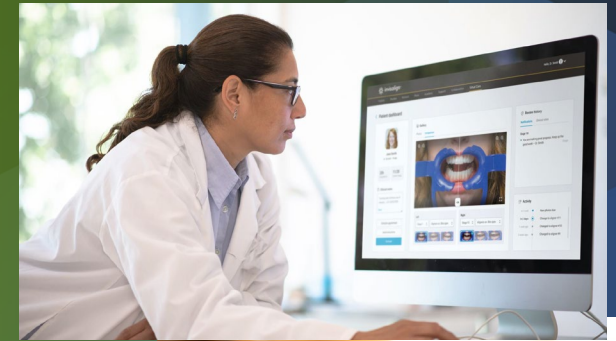
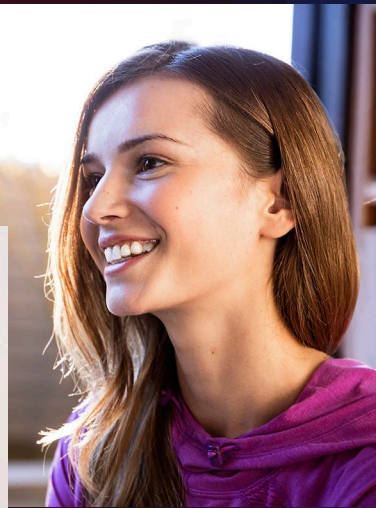
Disruptive Innovation Platforms



Align Digital Platform



Our Doctor Driven Model



Strategic Priorities

International
expansion



Patient demand
& conversion



Orthodontist
Utilization



GP dentist
treatment





**Strong Leadership
Position, Momentum
and Continued Growth**



Global Brand

**Clinical Training
Education**



Unlocking the 500M Potential



Huge Underpenetrated Market

500 M



**3 out of 4 people would benefit
from orthodontic treatment**

Fully Integrated End-to-End Digital Workflows

Digital
Patient Data



Digital
Analysis &
Diagnosis



Digital
Treatment
Planning



Digital
Orthodontic
Appliances

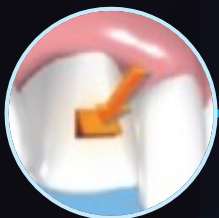


Digital Doctor/
Patient
Experience



Long History of Invisalign Innovations

2009-2010



1.5 Release

Optimized
Tooth Movements

2010-2011



Invisalign G3

Smartforce® Features
For Rotations &
Lingual Root Torque

2011



Invisalign G4

Anterior Open Bites
& Mesial Distal Root
Tip Control

2013



SmartTrack™

Improved Control
of Tooth Movements

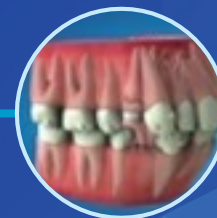
2014



Invisalign G5

Deep Bite Correction

2015



Invisalign G6

First Premolar Extraction
(Maximum Anchorage)

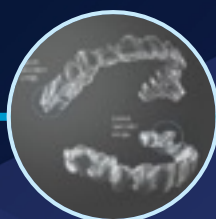
2016



Invisalign G7

Predictability &
1- Week Aligner Wear

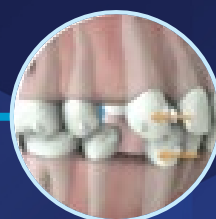
2017



Invisalign Teen

Mandibular Advancement
For Class II Correction

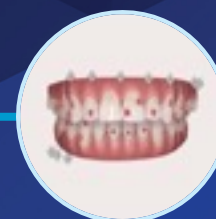
2018



Invisalign G+

G6 & G7
Enhancements

2018



Invisalign Go

Chairside Digital Platform
For New GP Dentists

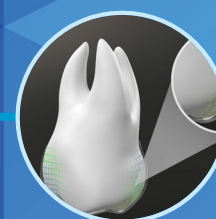
2018



Invisalign First

Invisalign For Phase I
Treatment

2020



Invisalign G8

SmartForce Aligner
Activation



invisalign® first

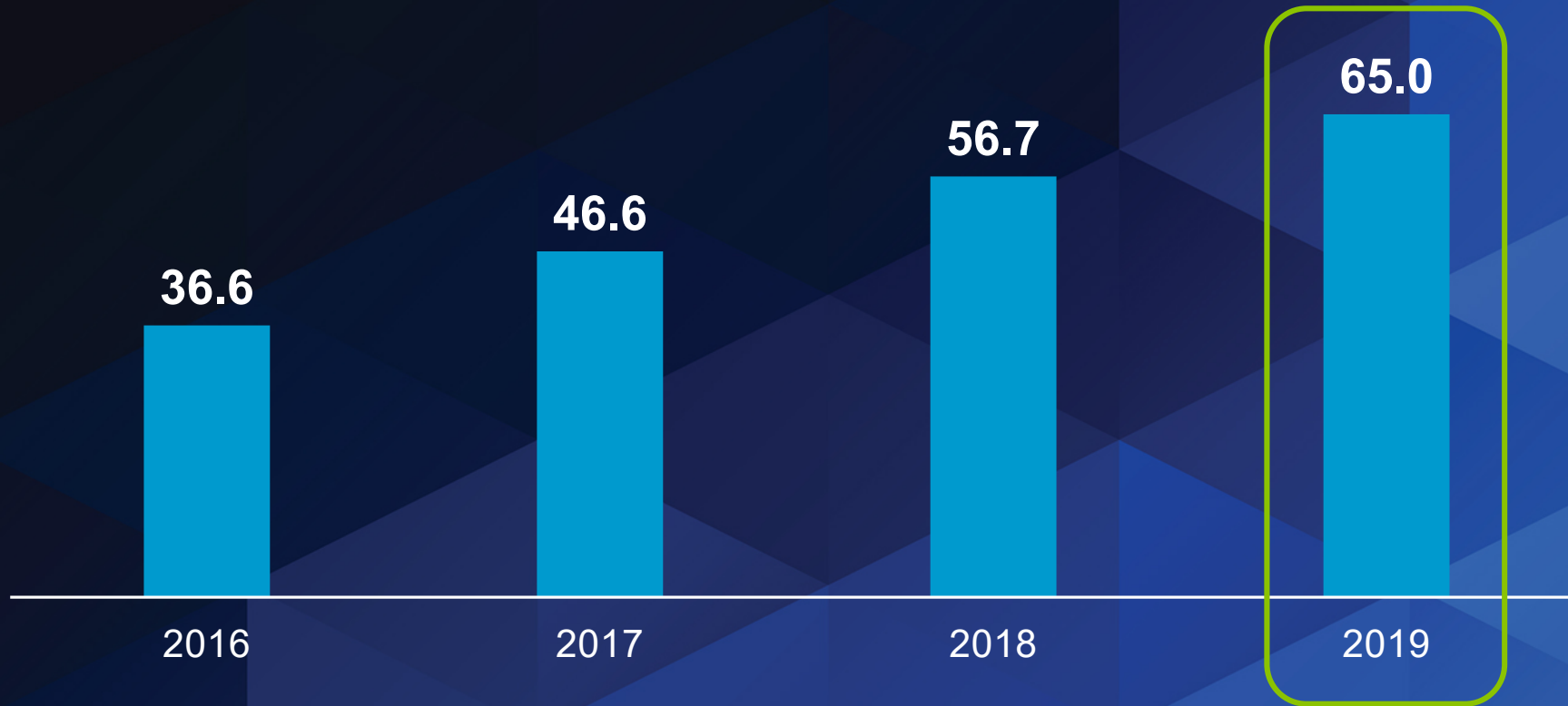
Hi, I'm
iTero
Element 5D.

iTero element



Invisalign Orthodontist Utilization Rates*

NA Ortho Utilization



* # of cases shipped / # of doctors to whom cases were shipped. LATAM utilization rate is not separately disclosed, but included in the total utilization rates. ** Reported externally

Driving ortho acceptance and utilization

COVID-19 accelerated the inevitable –
digital orthodontics and clear aligner orthodontics



Making orthodontics a pillar of dentistry



A close-up of a car's side-view mirror. The mirror's frame is black with a red accent on the top edge. The mirror reflects a scene of trees and a bright, low sun, creating a warm, golden glow. Overlaid on the reflection are the years 2019, 2018, and 2016 in large, white, sans-serif font.

2019

2018

2016



Align Investor Day 2019, Las Vegas





INITIAL



ORTHO



**ORTHO
RESTORATIVE**

BEFORE



Initial

ORTHO ONLY PLAN



ALIGN Final

ORTHO + RESTORATIVE PLAN



Restorative Final



Align Investor Day 2018, New York





INITIAL



AFTER ORTHO

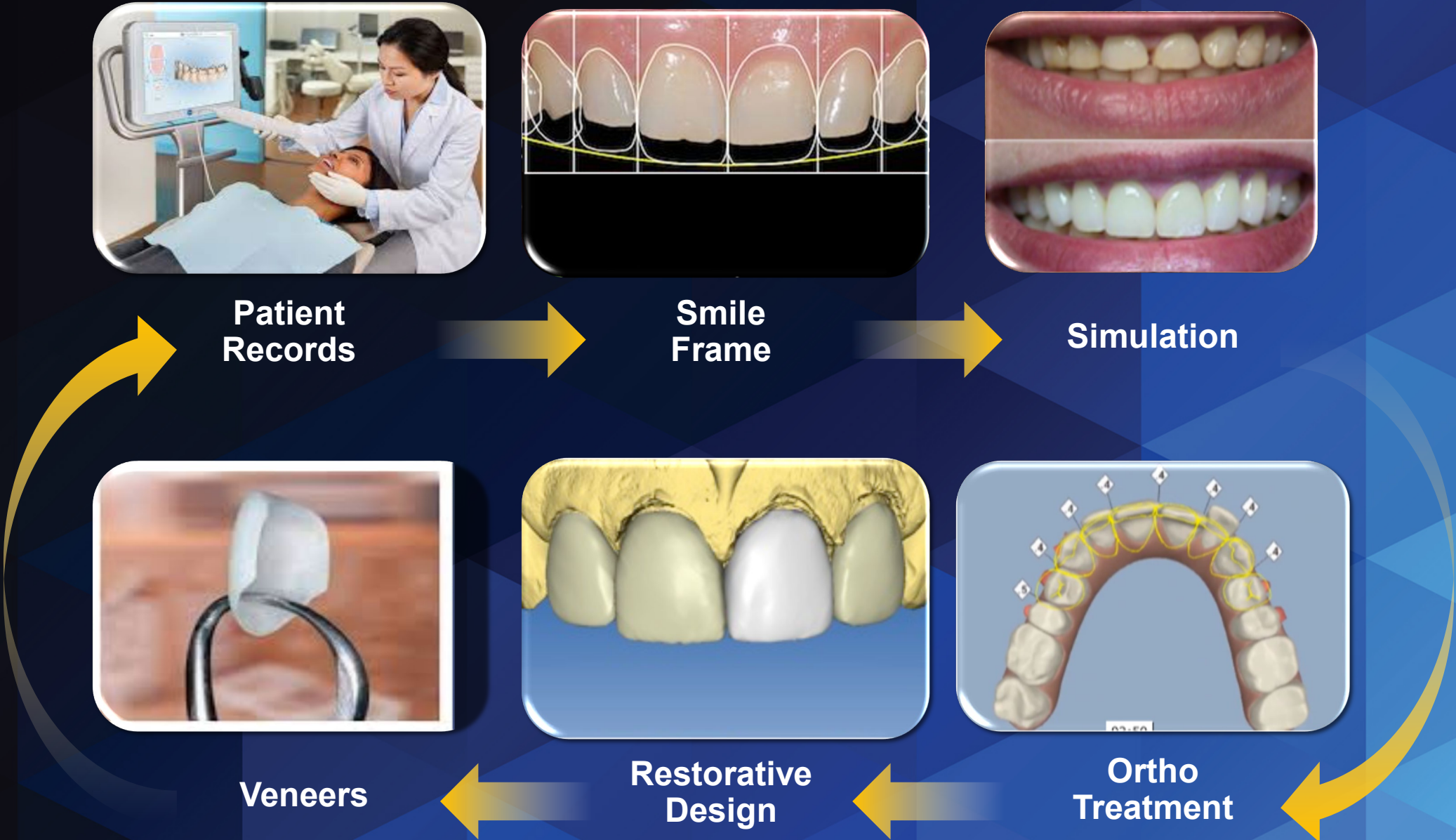


FINAL

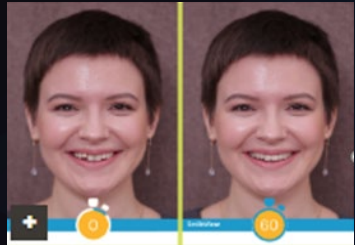


Align Investor Day 2016, New York

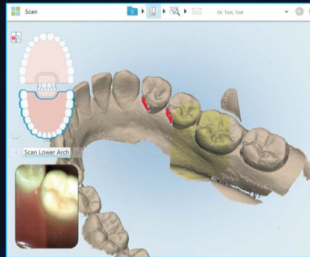
Smile Architect Workflow



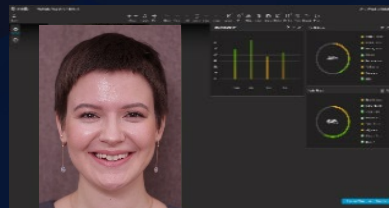
Smile Architect – E2E interdisciplinary treatment journey



Engage



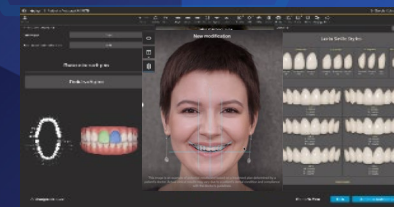
Records



Diagnose &
Educate



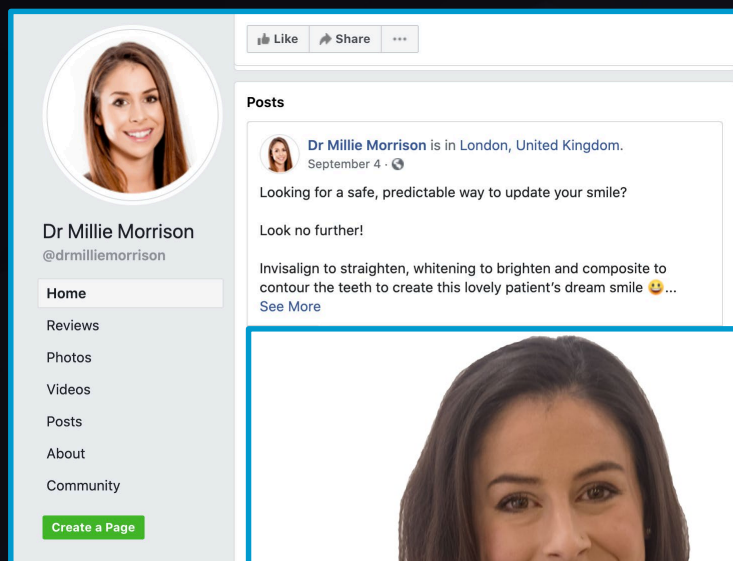
Visual Case
Acceptance



Treatment
Plan



Fabrication,
Delivery &
Treatment
Execution



“I am committed to providing top quality as well as ethical dental services to all of my patients.”

Dr. Millie Morrison, London, UK







INITIAL



INVISALIGN



RESTORATIVE



INITIAL



FINAL ORTHO-RESTORATIVE

“The Invisalign treatment completely changed my life.”

Align Technology Buys exocad to Expand Its Digital Platform



Zacks Equity Research

April 3, 2020 · 4 min read



Align Technology, Inc. ALGN announced the completion of its buyout of exocad Global Holdings GmbH, which is a privately-held key player in the dental computer-aided design/computer-aided manufacturing (CAD/CAM) software market. The buyout agreement was initially signed on Mar 4. The acquisition has expanded Align Technology's digital platform's reach by adding technology to enable ortho-restorative and comprehensive dentistry.

Notably, Align Technology and exocad have been collaborating since 2017. Per Align Technology's management, the acquisition is the next step to take forward the collaboration.



ALIGN TECHNOLOGY COMPLETES ACQUISITION OF EXOCAD, A GLOBAL DENTAL CAD/CAM SOFTWARE LEADER



Email



Print Friendly



Share

April 02, 2020 08:00 ET | Source: Align Technology, Inc.

SAN JOSE, Calif. and DARMSTADT, Germany, April 02, 2020 (GLOBE NEWSWIRE) -- Align Technology, Inc. (Align) (Nasdaq: ALGN) today announced that it has completed the acquisition of privately-held exocad Global Holdings GmbH (exocad), a global leader in the dental CAD/CAM software market that offers fully integrated workflows to dental labs and dental practices via a broad customer base of partners and resellers in over 150 countries.

The acquisition of exocad broadens Align's digital platform reach by adding technology that addresses restorative needs in an end-to-end digital platform workflow to facilitate ortho-restorative and comprehensive dentistry. The acquisition brings exocad's expertise in restorative dentistry, implantology, guided surgery, and smile design to the Align technology portfolio. It extends Align's Invisalign and iTero digital solutions, paving the way for new, seamless cross-disciplinary dentistry in the lab and at chairside. exocad also broadens Align's platform reach in the digital dentistry with close to 200 partners and more than 35,000 licenses installed worldwide.

Commenting on today's announcement, Joe Hogan, Align Technology president and CEO said, "The acquisition of exocad is a natural next step in the collaboration between our two companies that began in 2017. Now, we are excited for the next phase in our journey to continue driving the evolution of digital dentistry. exocad's visionary founders, Till Steinbrecher and Maik Gerth, and their experienced software team, will enhance our technology capabilities and enable future digital innovation. Together, we will extend exocad's position as a key technology provider for the dental CAD/CAM industry and drive continuous innovation with the open and integrated approach that is the foundation of the company."

exocad will continue to operate as it exists today, enabling it to support a broad ecosystem of partners and end-users and continue to deliver hardware-independent software solutions. exocad co-founders Tillmann Steinbrecher and Maik Gerth, along with their team, will remain with the Company and report into John Morici, Align Technology, senior vice president and CFO. Align plans to maintain all exocad products and services.

About Align Technology, Inc.

Align Technology designs and manufactures the Invisalign® system, the most advanced clear aligner system in the world, and iTero® intraoral scanners and services. Align's products help dental professionals achieve the clinical results they expect and deliver effective, cutting-edge dental options to their patients. Visit www.aligntech.com for more information.

For additional information about the Invisalign system, go to www.invisalign.com to find an Invisalign doctor in your area. Please visit www.invisalign.com. For additional information about iTero digital

MARKETS

Align Technology Buys exocad to Expand Its Digital Platform

CONTRIBUTOR

Zacks Equity Research — Zacks

PUBLISHED

APR 3, 2020 9:37AM

FEATURED IN SMART INVESTING

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Align Technology, Inc. ALGN announced the completion of its buyout of exocad Global Holdings GmbH, which is a privately-held key player in the dental computer-aided design/computer-aided manufacturing (CAD/CAM) software market. The buyout agreement was initially signed on Mar 4. The acquisition has expanded Align Technology's digital platform's reach by adding technology to enable ortho-restorative and comprehensive dentistry.

Notably, Align Technology and exocad have been collaborating since 2017. Per Align Technology's management, the acquisition is the next step to take forward the collaboration.

exocad

A world map with a dark blue background. The map is overlaid with a grid of lighter blue lines. Several circular logos are placed on the map, including the exocad logo (a stylized 'e' inside a circle) and various national flags. The text '40,000+ CAD installations' is centered over the map.

40,000+
CAD installations

30+ %

Lab market share globally

150+

Country presence

200+

Total number of partners

The most advanced dental CAD/CAM software platform with a largest global dental lab install base

Distribution partners



Equipment partners

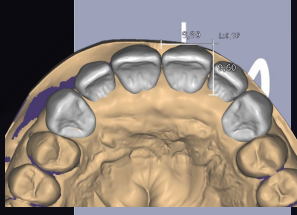


Consumables & teeth partners

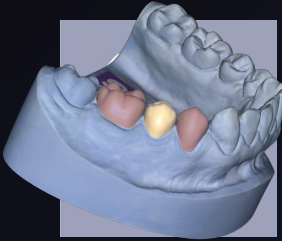


Implants & components partners

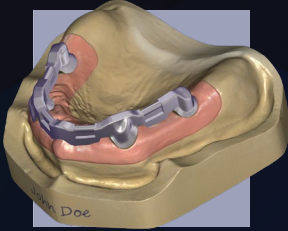




Smile Creator



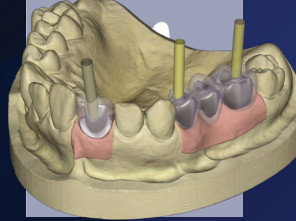
Provisional Module



Bar Module



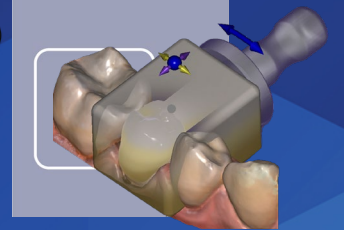
FullDenture Module



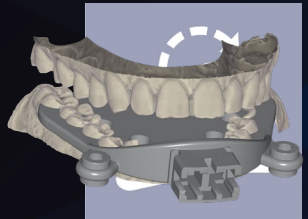
Implant Module



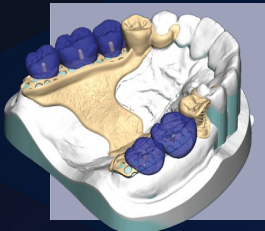
Tooth Library



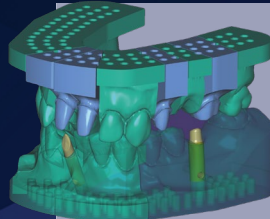
IN-CAD Nesting



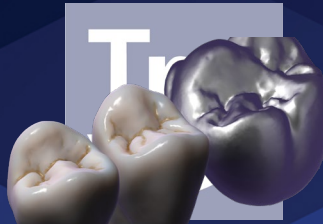
Jaw Motion Import



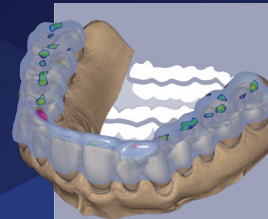
PartialCAD



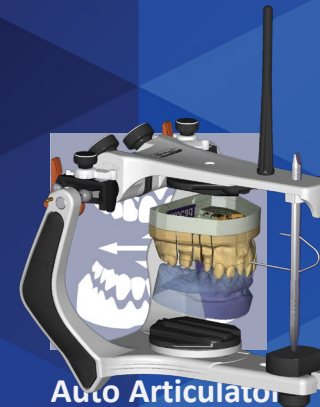
Model Creator



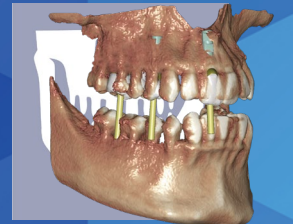
TruSmile Module



Bite Splint Module

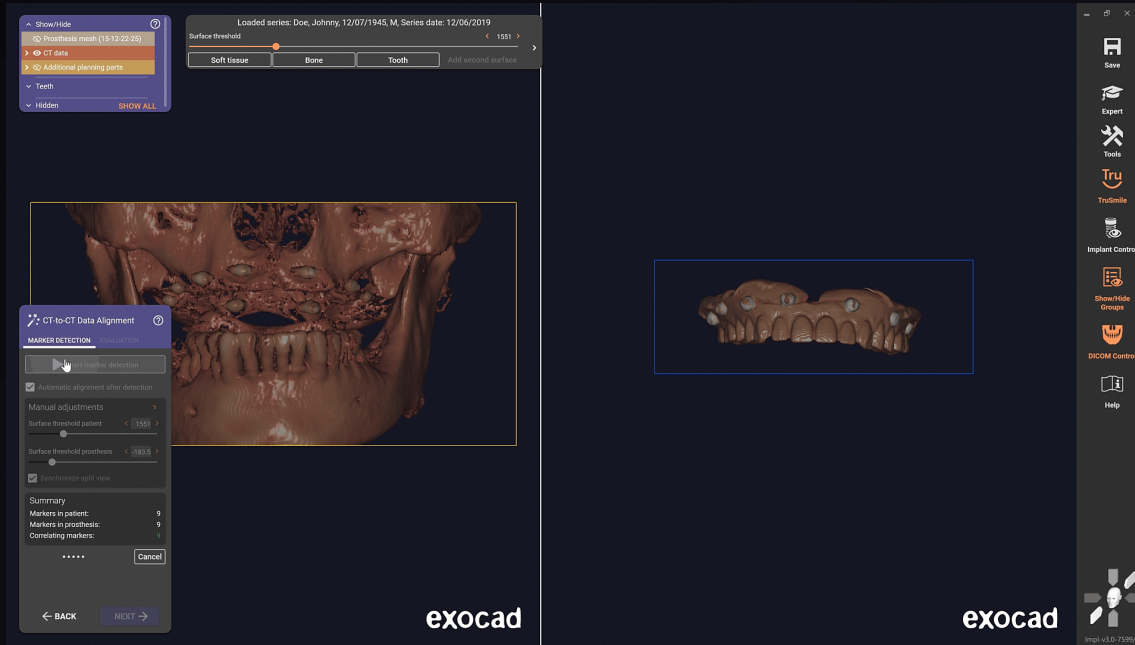


Auto Articulator

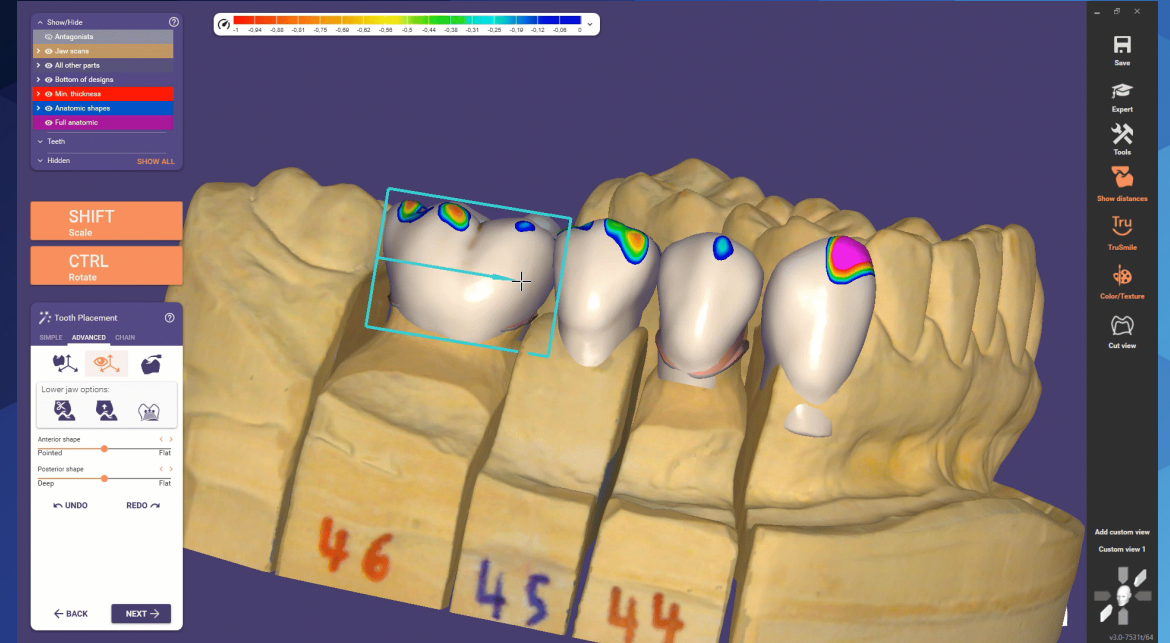
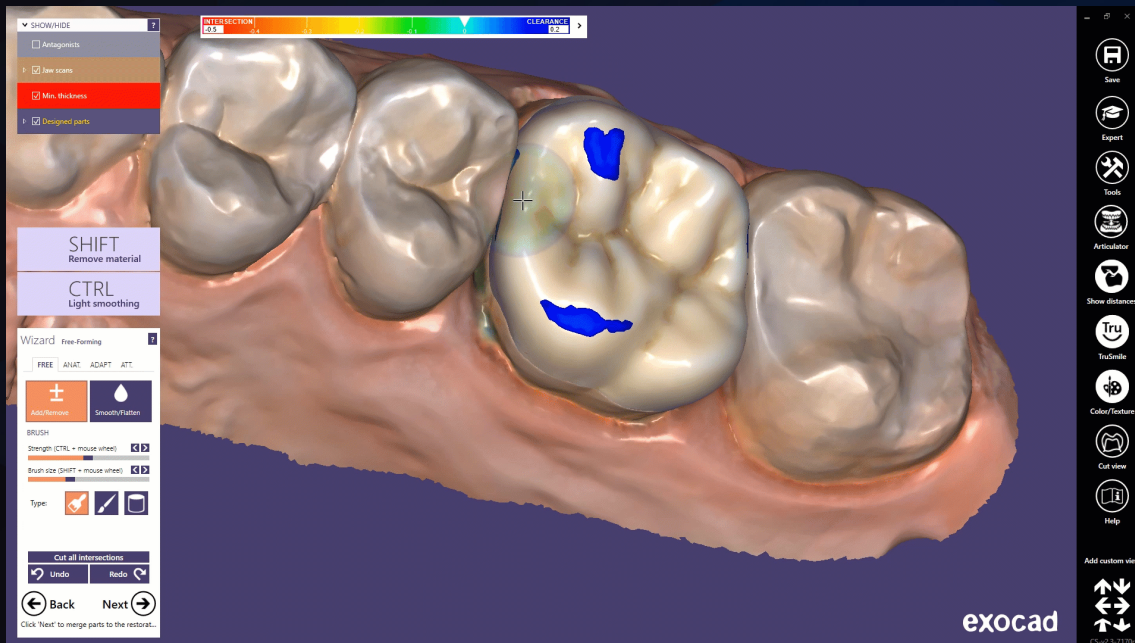
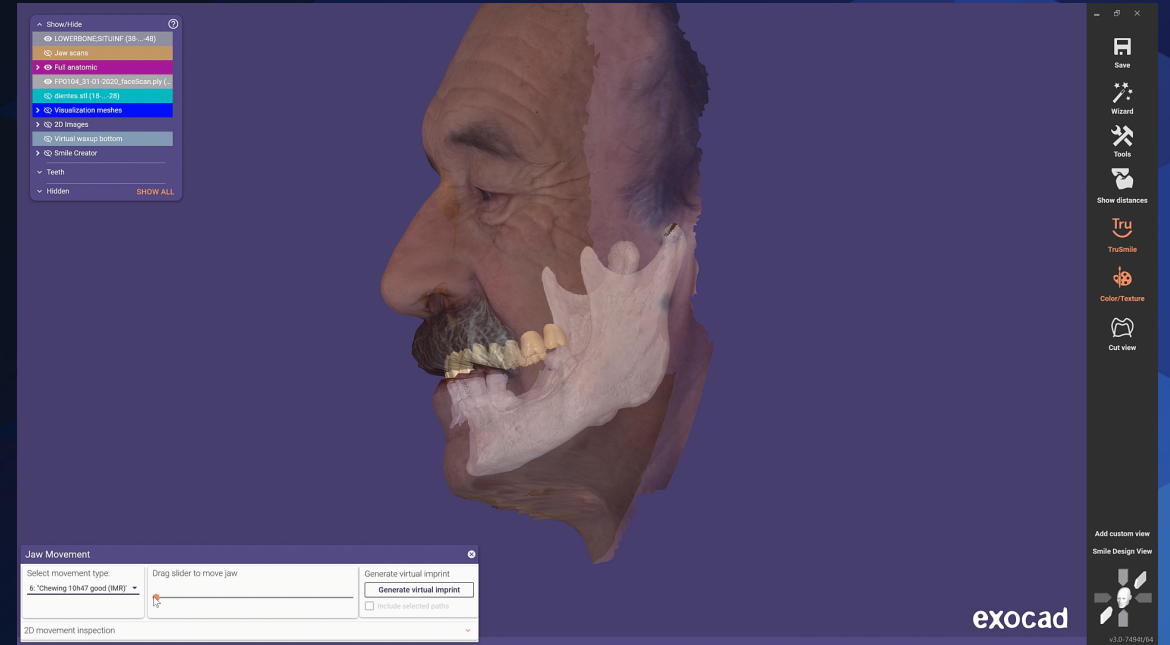


DICOM Viewer

exoplan



DentalCAD



ChairsideCAD

DentalCAD

align

SHOW/HIDE ?

- ☐ Antagonists
- ☐ Jaw scans
- ☐ Pre-op scans
- ☐ All other parts
- ☐ 2D Images
- ☐ Smile Creator
- ☒ Anatomic shapes

TEETH

HIDDEN Show all

Smile Creator MODELLING ? x

LIBRARY

ashortia

☐ Mirror movements

TOOLS

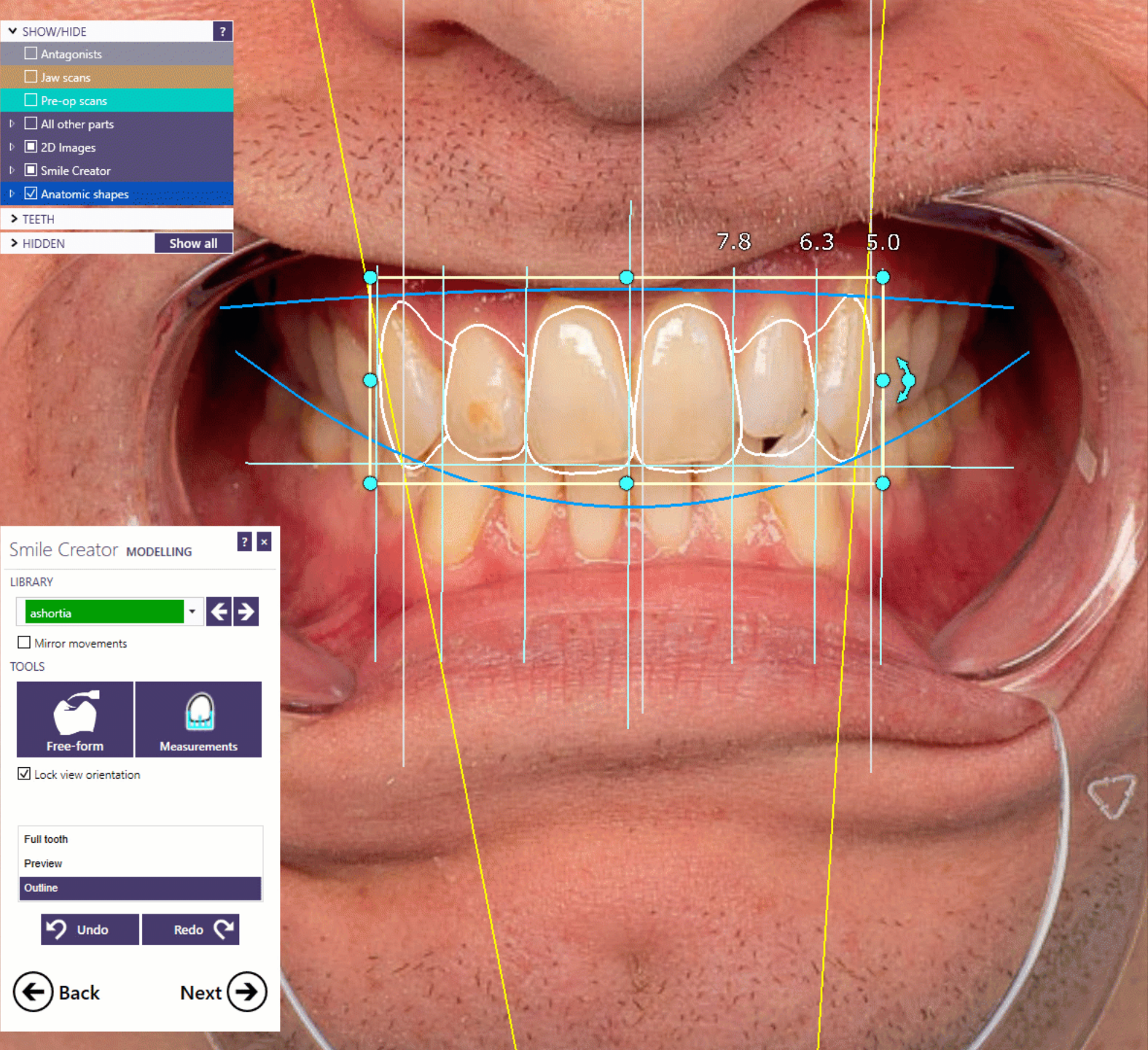
Free-form Measurements

☒ Lock view orientation

Full tooth
Preview
Outline

Undo Redo

Back Next



Navigation icons: Up, Down, Left, Right, Rotate, Zoom, Save, Expert, Tools, Show distances, Tru, TruSmile, Cut view, Add custom view, Smile Design View

Top view: 3D model of the maxilla with a white rectangular box and blue dots at the corners and midpoints. A blue double-headed arrow indicates a lateral movement of the right canine.

Middle view: 3D model of the maxilla with a white rectangular box and blue dots at the corners and midpoints. A blue double-headed arrow indicates a lateral movement of the right canine.

Bottom view: 3D model of the maxilla with a white rectangular box and blue dots at the corners and midpoints. A blue double-headed arrow indicates a lateral movement of the right canine.

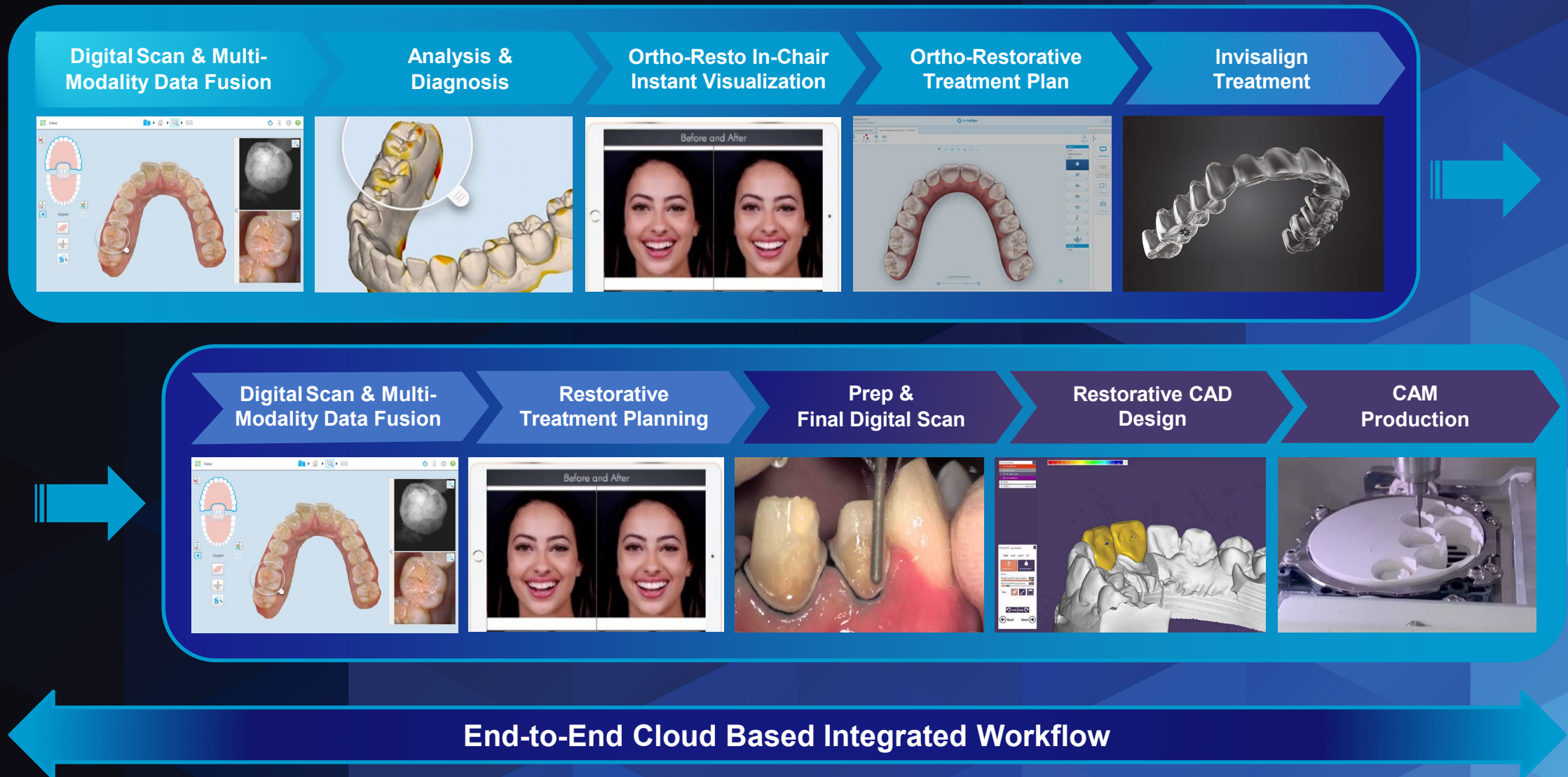
v2.3-6990/64

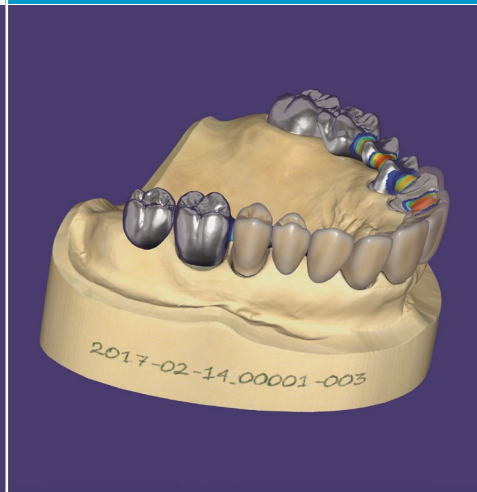
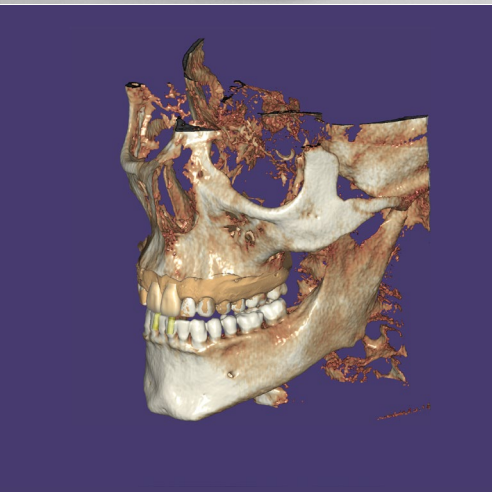
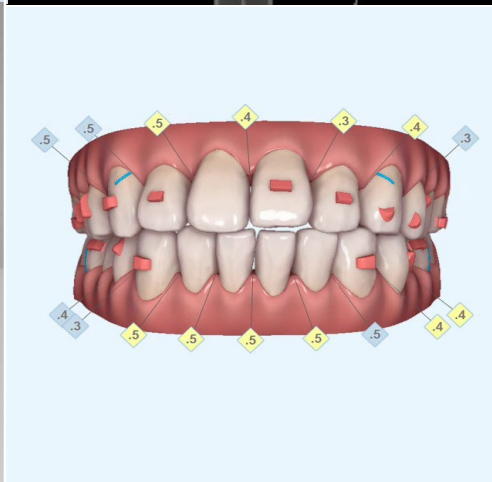
**GP Channel Key to Unlocking
500M Potential**

**10X doctors
10X patients**



Digital Ortho-Restorative Workflow: iTero + Invisalign + exocad





COMPREHENSIVE
DIGITAL DENTAL
PLATFORM

all digital dentistry
solutions

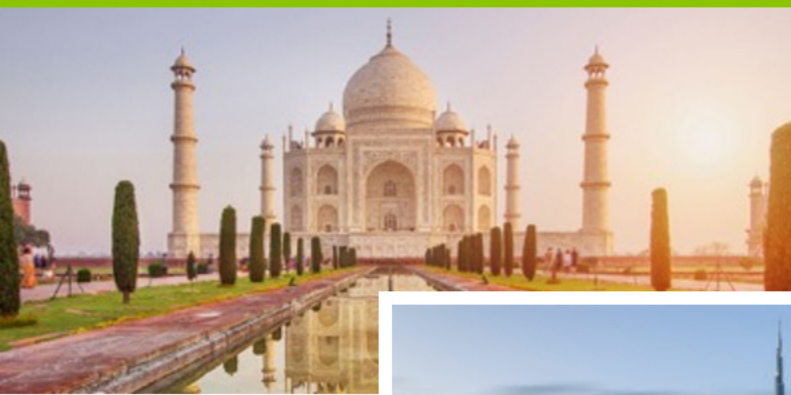


Winning with a Digital Platform

GLOBAL
500
MILLION



Transforming
smiles
changing lives



11M
TEEN POTENTIAL

15M

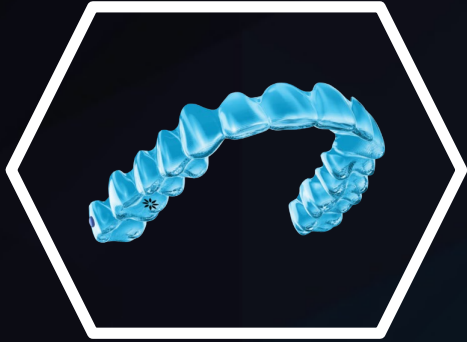
Invisalign share

ADULT POTENTIAL

4M

align

Align Technology



Invisalign System

The most advanced clear aligner system in the world



iTero Intraoral Scanners and Services

For orthodontic and restorative dentistry



exocad Dental CAD/CAM Software

One fully integrated platform for digital dentistry

\$2.3B Net Revenues (LTM)

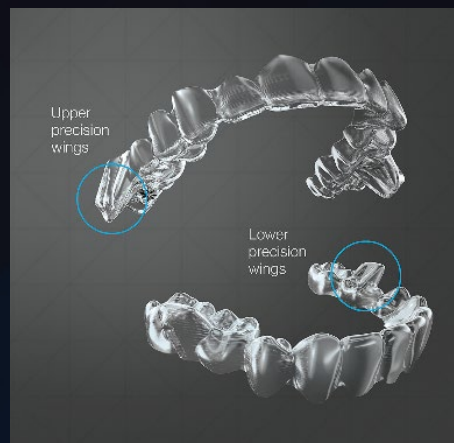
9.0M Invisalign Patients

189K Trained Invisalign Doctors

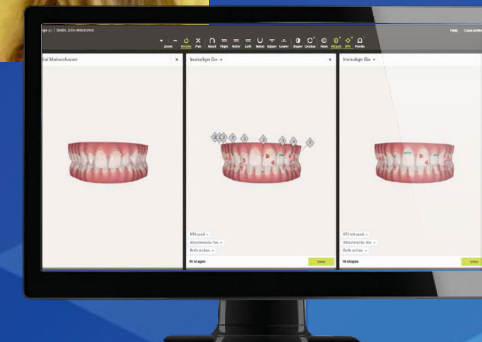
17,200 Employees Worldwide



iTero Element 5D
High Performance



iTero Element Flex
Transportability

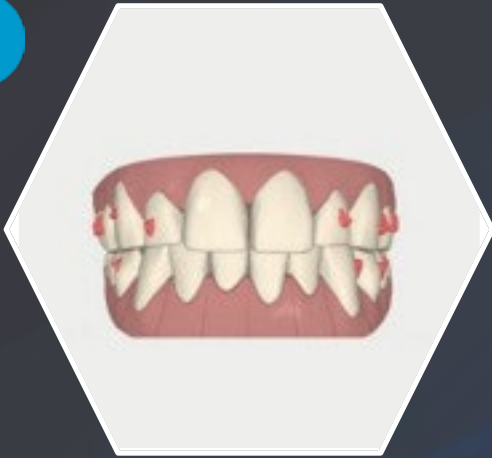


invisalign® go
Designed for Dentists.

Continuous innovation increases applicability and drives Invisalign adoption

Invisalign “Smart” Technology Advantage

01



SmartForce® Features

SmartForce attachments and features designed into the aligners deliver the precise forces when needed to achieve more predictable tooth movements

02



SmartTrack™ Material

SmartTrack aligner material is designed for optimal control of tooth movements and on average enables faster treatment than braces

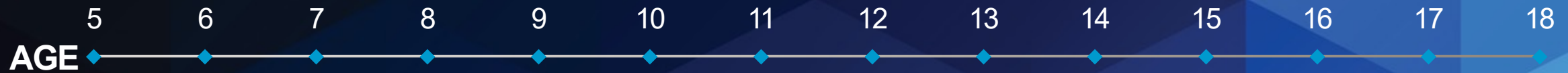
03



SmartStage Technology

SmartStage technology, programming each tooth movement in a certain sequence, at the right time to achieve optimal outcome

Treating patients of all ages: Kids, Teens and Adults



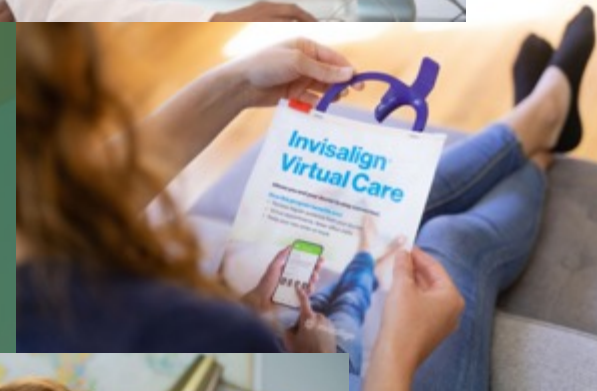
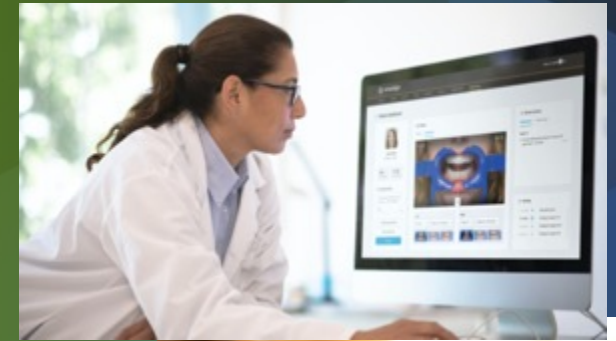
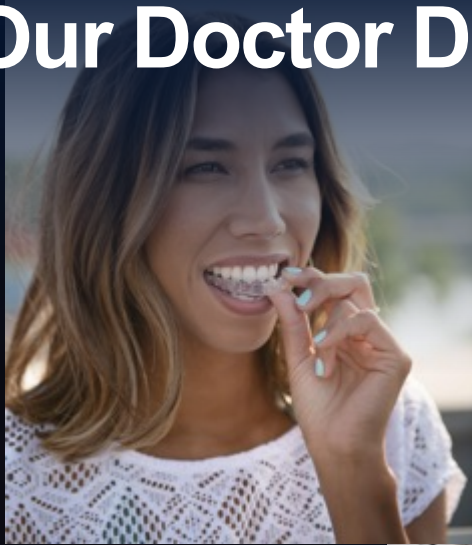
**Primary
Dentition**

**Mixed
Dentition**

**Permanent
Dentition**



Our Doctor Driven Model



Customer Segmentation: Driving Utilization

Approach

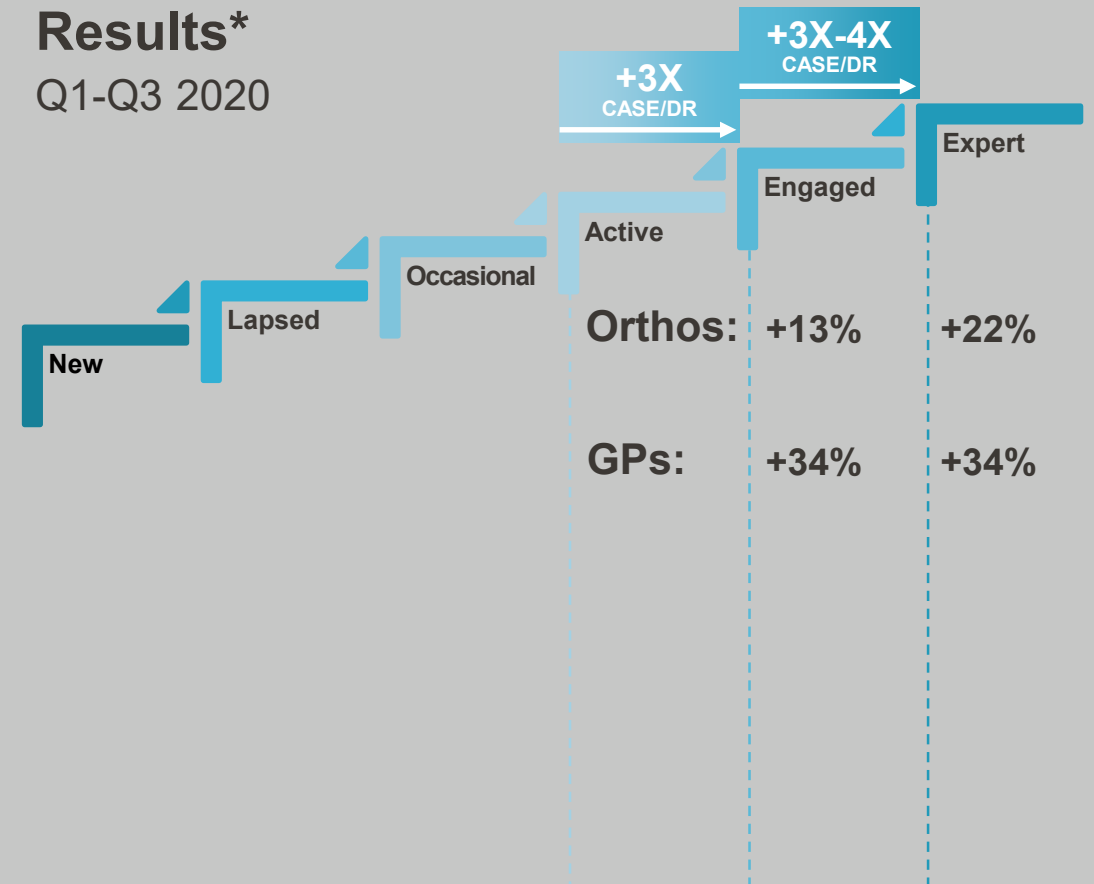
Ortho Journey:



GP Journey:



Results* Q1-Q3 2020



*excluding APAC GP

23 years of clear aligner leadership



Digital Acceleration in a COVID-Era

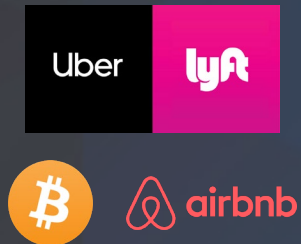


A Decade of Change Compressed into 1 Year...

Digital Platforms and Enterprise Value Creation



Transaction
(exchange)



Innovation
(co-creation)



Investment
(portfolio)



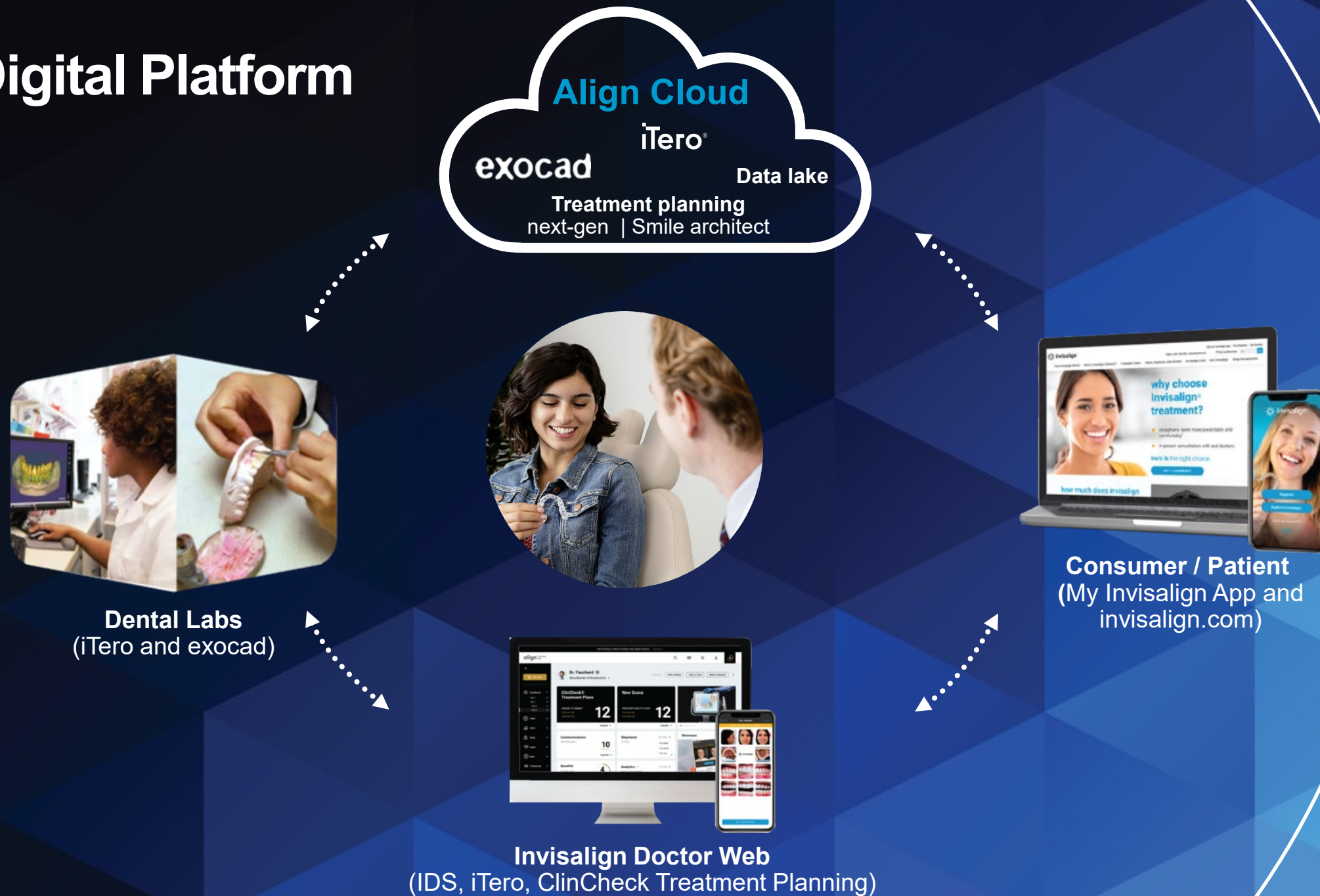
Integrated
(seamless suite)



Integrated Digital Platform

“An **integrated** suite of **unique**, **proprietary** technologies & services delivered as a **seamless**, end-to-end solution to transform smiles and change lives”

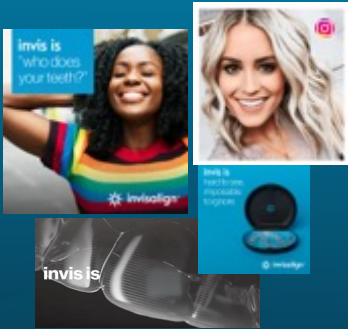
Align Digital Platform



Integrated Digital Consumer and Patient Invisalign Journey

Awareness

I'm thinking about teeth straightening



Consumer becomes aware of what Invisalign is

Explore

I'm evaluating options



Learns more about Invisalign – website and chatbot



Smile Concierge, SmileView, My Invisalign app and WeChat

Consultation

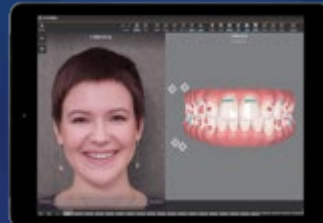
I'm discussing all of my options with my doctor



Provider assessment via Virtual Appointment



Scans with iTero intraoral scanners



Accepts treatment plan and begins Ortho-Restorative treatment

Onboarding

I'm starting my Invisalign treatment



Patient receives starter kit, aligners and onboarding material



Digital CRM, treatment tracking, treatment sharing from doctors via My Invisalign app. Treatment care from doctors via Virtual Care. Complete orthodontic and then restorative treatment.

Use

I'm in treatment and may have questions along the way

Recommend

I'm sharing my experience



Personalize with Invisalign Accessories and reminder for Vivera retainers



WOM, Referral programs
Sharing experiences on social media

Unique (Proprietary), Seamless, Interconnected Workflows

Consumer & Patient Experience	Capture & Convert	Monitor Care			
	Consumer Web/App	Align Cloud	Consumer Web/App	Align Cloud	
	<ul style="list-style-type: none"> My Invisalign App Invisalign SmileView Invisalign Virtual Appointment 	<ul style="list-style-type: none"> iTero scanner IO Sim TimeLapse 	<ul style="list-style-type: none"> My Invisalign App Invisalign SmileView Invisalign Virtual Care 	<ul style="list-style-type: none"> iTero scanner Progress Track 	

Orthodontist Treatment Planning & Management	Capture	Scan	Treat	Monitor Care	
	Doctor Web/App	Doctor Web/App	Align Cloud	Consumer Web/App	Align Cloud
	<ul style="list-style-type: none"> Invisalign Photo Uploader (IPU) Invisalign Doctor Site (IDS) 	<ul style="list-style-type: none"> iTero scanner 	<ul style="list-style-type: none"> ClinCheck Pro In-Face Visualization Appliances 	<ul style="list-style-type: none"> My Invisalign App Invisalign SmileView Invisalign Virtual Care 	<ul style="list-style-type: none"> iTero scanner Progress Track

GP Dentist Treatment Planning & Management	Capture	Scan	Treat	Monitor Care	
	Doctor Web/App	Doctor Web/App	Doctor Web/App	Consumer Web/App	Align Cloud
	<ul style="list-style-type: none"> Invisalign Photo Uploader (IPU) Invisalign Doctor Site (IDS) 	<ul style="list-style-type: none"> iTero scanner 	<ul style="list-style-type: none"> Invisalign Go/Plus In-Face Visualization Ortho-Restorative exocad, dental labs 	<ul style="list-style-type: none"> My Invisalign App Invisalign SmileView Invisalign Virtual Care 	<ul style="list-style-type: none"> iTero scanner Progress Track

Strategic Priorities – Focus and Execution

International
expansion



Patient demand
& conversion



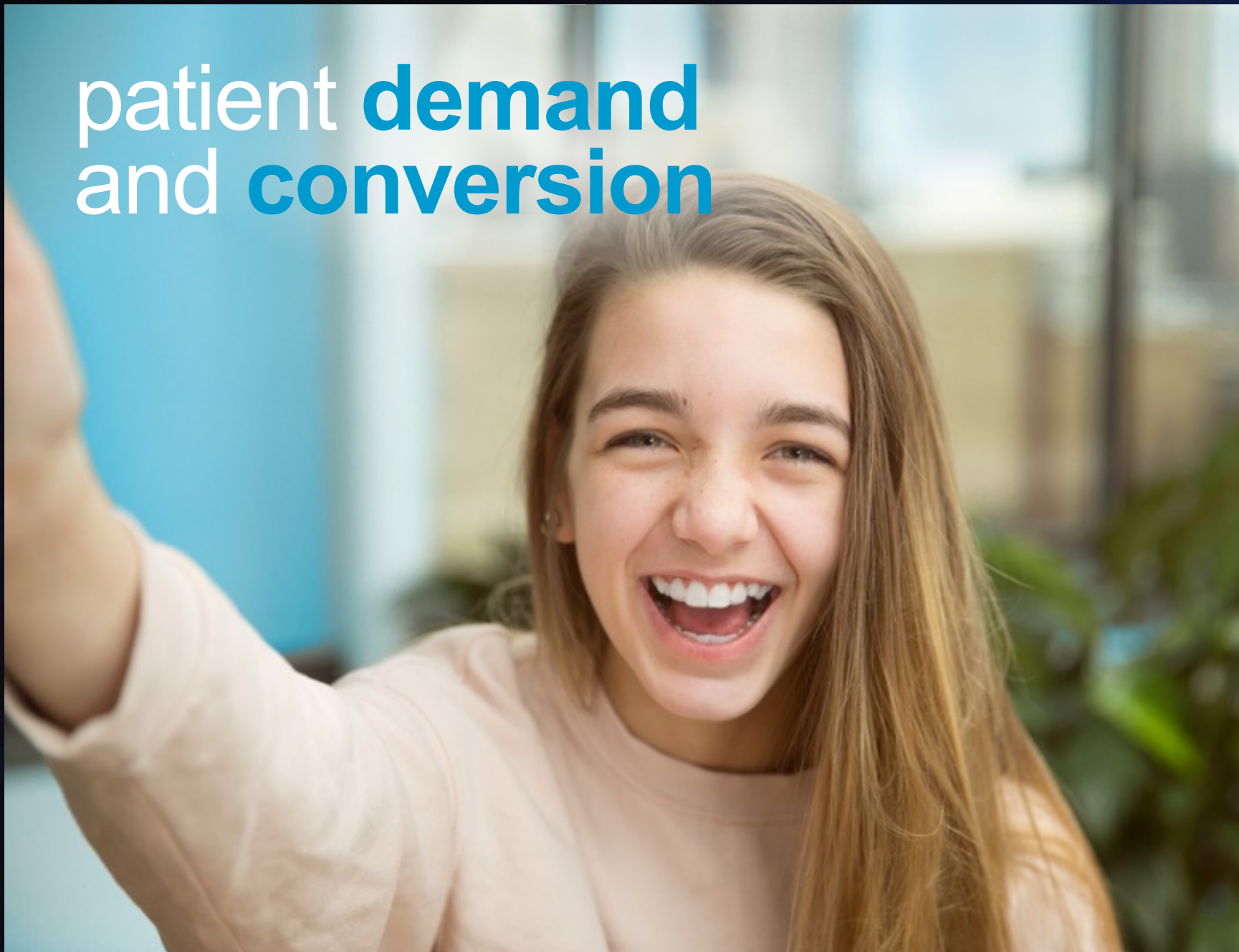
Orthodontist
Utilization



GP dentist
treatment



patient **demand**
and **conversion**



Ensuring teens and
adults get Invisalign
clear aligners
every time

Bringing Consumers to Doctors



Global Brand Building

- Compelling, consistent brand messaging
 - Proven science in media planning
 - **One** Global agency for Creative & Media
-

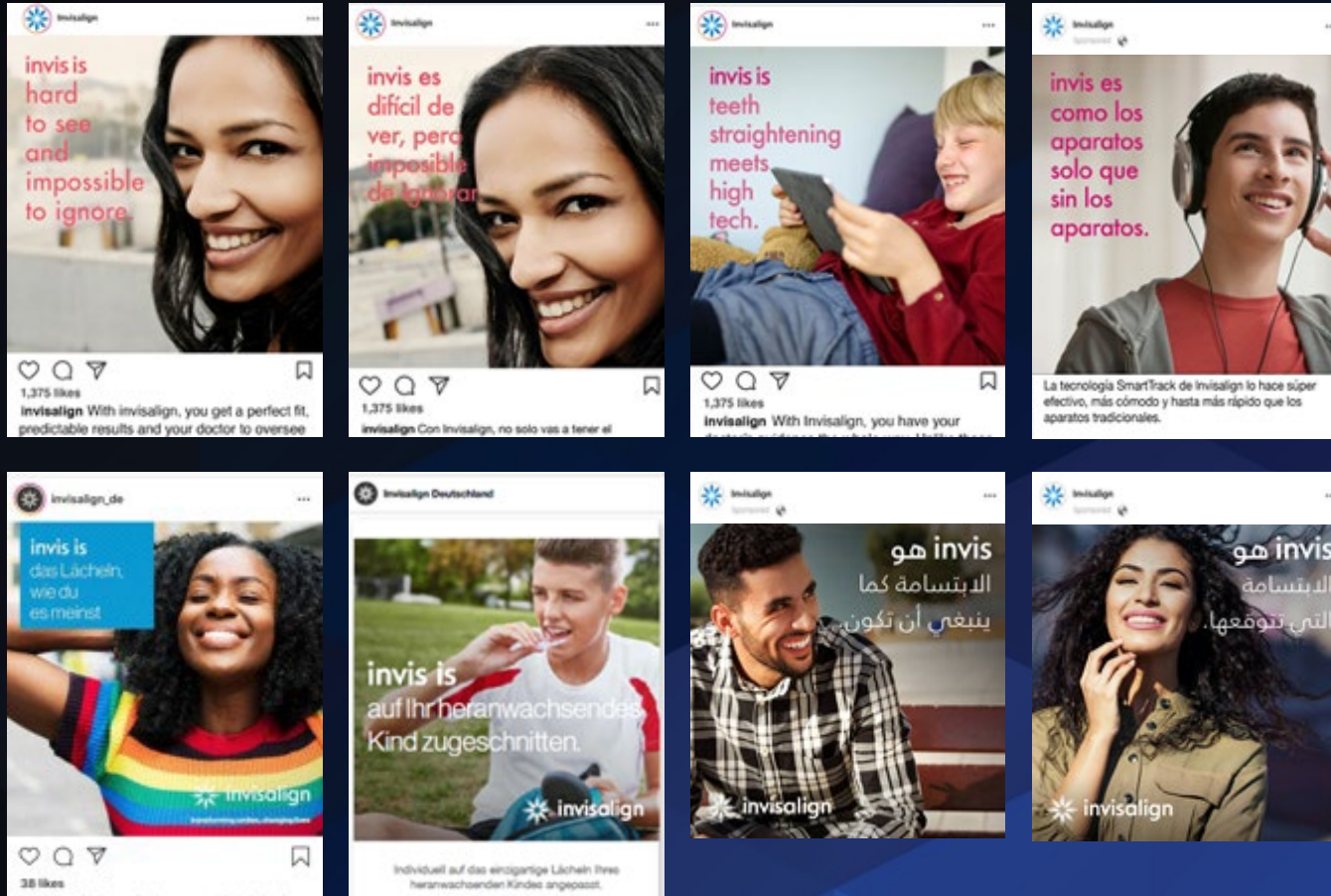


Consumer Concierge Team

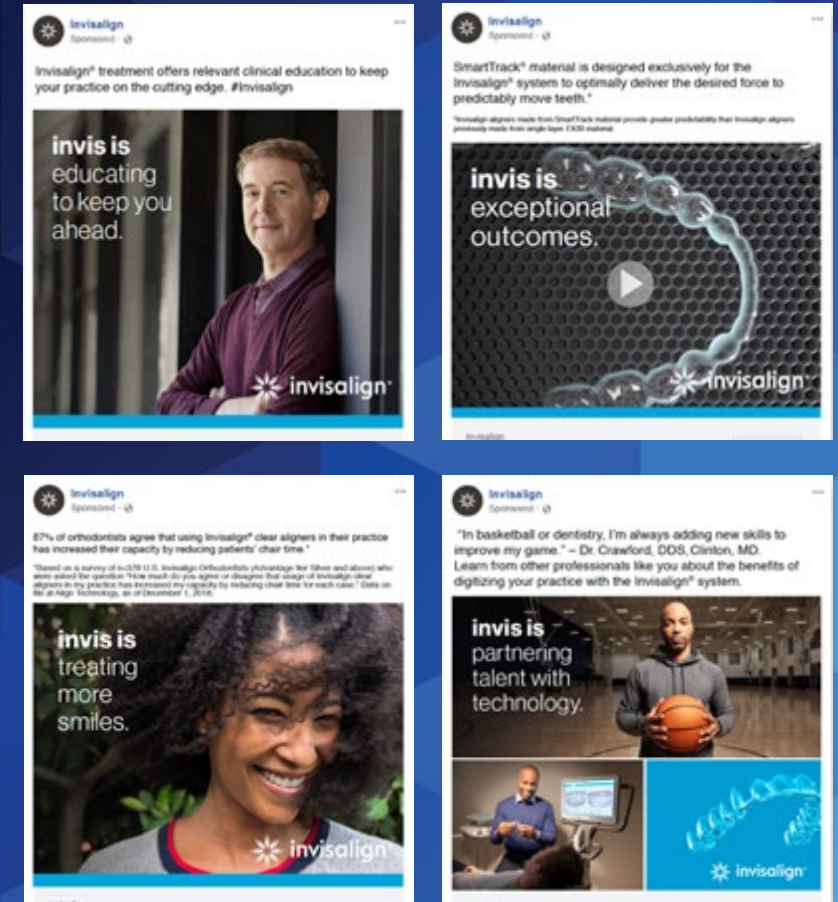
- External Concierge team
 - Capacity for 100% of consumer leads
 - Team located in Asia Pacific
-

'Invis is' Global Campaign

Connecting with Consumers

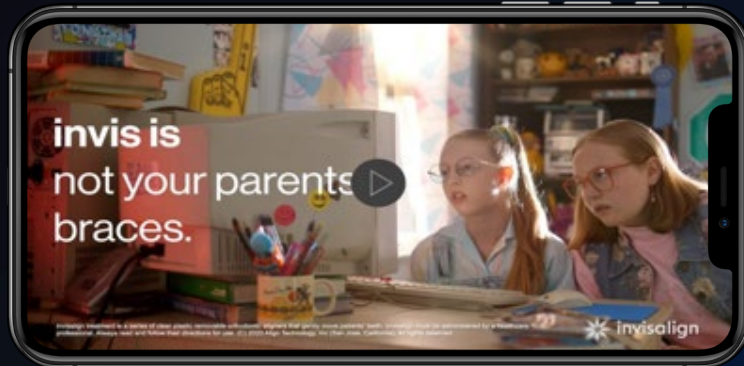


Connecting with Doctors




Bringing Consumers to Doctors globally

New Consumer Approach Globally: UK, Australia, Germany, Japan



Accelerated Consumer/Patient App & Web Global expansion

The My Invisalign App is now available in 49 markets!



Download on the **App Store** | GET IT ON **Google Play**

Americas

- US
- Brazil

APAC

- New Zealand
- Australia
- Hong Kong
- Taiwan
- India
- Japan

EMEA

- UK
- Norway
- Sweden
- Denmark
- Finland
- Iceland
- Netherlands
- Belgium
- Luxembourg
- Latvia

- Canada
- Colombia

- Singapore
- Malaysia
- Indonesia
- Vietnam
- Thailand
- Philippines
- Macau

- Estonia
- Lithuania
- Czech Republic
- Poland
- Hungary
- Slovakia
- Slovenia
- Croatia
- Israel
- Bulgaria
- Spain

- Romania
- Greece
- Malta
- Cyprus
- UAE
- Kuwait
- Qatar
- Bahrain
- Ireland
- Turkey

Consumer Website Global Rollout

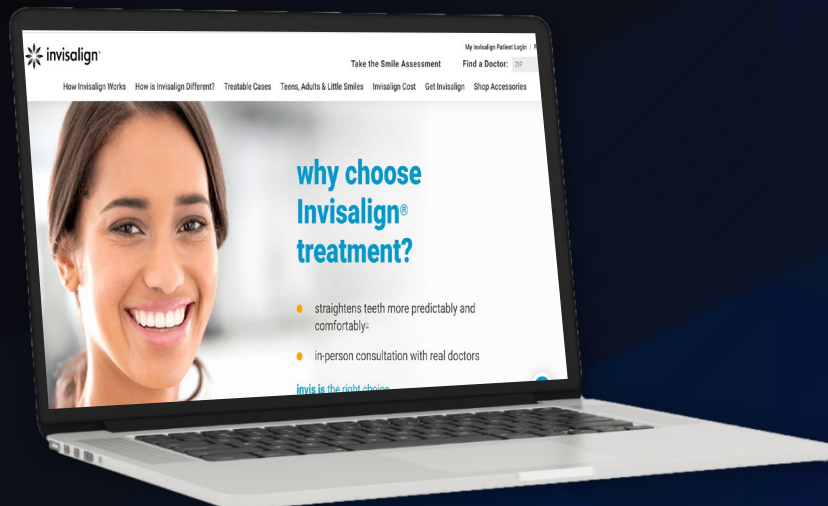
Launched the Global Consumer Website in 16 markets:



- USA
- Brazil
- Canada
- UK
- Germany
- Australia
- New Zealand
- KSA

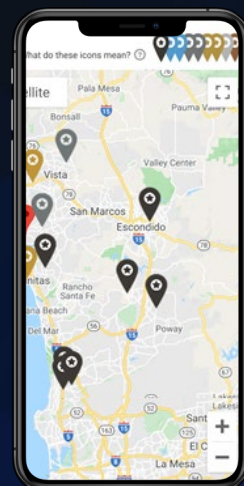
- Netherlands
- Poland
- Portugal
- Taiwan
- Hong Kong
- France
- Italy
- UAE

Bringing Consumers to Doctors



Website Visitors

+65% YOY



Doc Locator
Searches

+33% YOY



Leads

+109% YOY

*YOY is Q1-Q3 2020 vs Q1-Q3 2019

Total Concierge Appointments Scheduled - US

Metric	Q4-19	Q1-20	Q2-20	Q3-20
Y/Y Growth	67%	107%	59%	85%

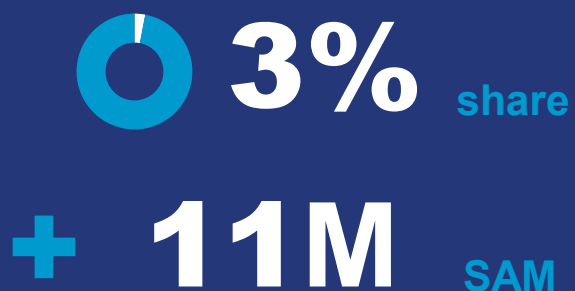
- Appointments scheduled grew 85% Y/Y in Q3'20

winning with
teens and
among orthos



Winning with Teens and Among Orthos

Opportunity



Progress

- ➔ **Become Better Partners**
 - ClinCheck 6.0
 - Scripting Doctor Preferences
 - Recovery Programs
- ➔ **Prove Platform Value**
 - Scale ADAPT
 - Drive iTero Usage
- ➔ **Become Standard of Care**
 - G8 Predictability Improvements
 - MA Occlusal Blocks
 - Pre-formed Attachments
- ➔ **Drive Younger Patients**
 - Education on Teen cases
 - Teen Awesomeness Centers
 - Stickables

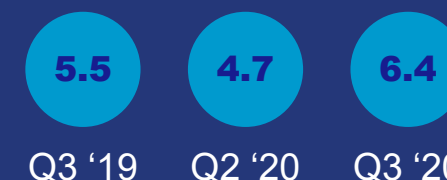
Results

North America Ortho Metrics*



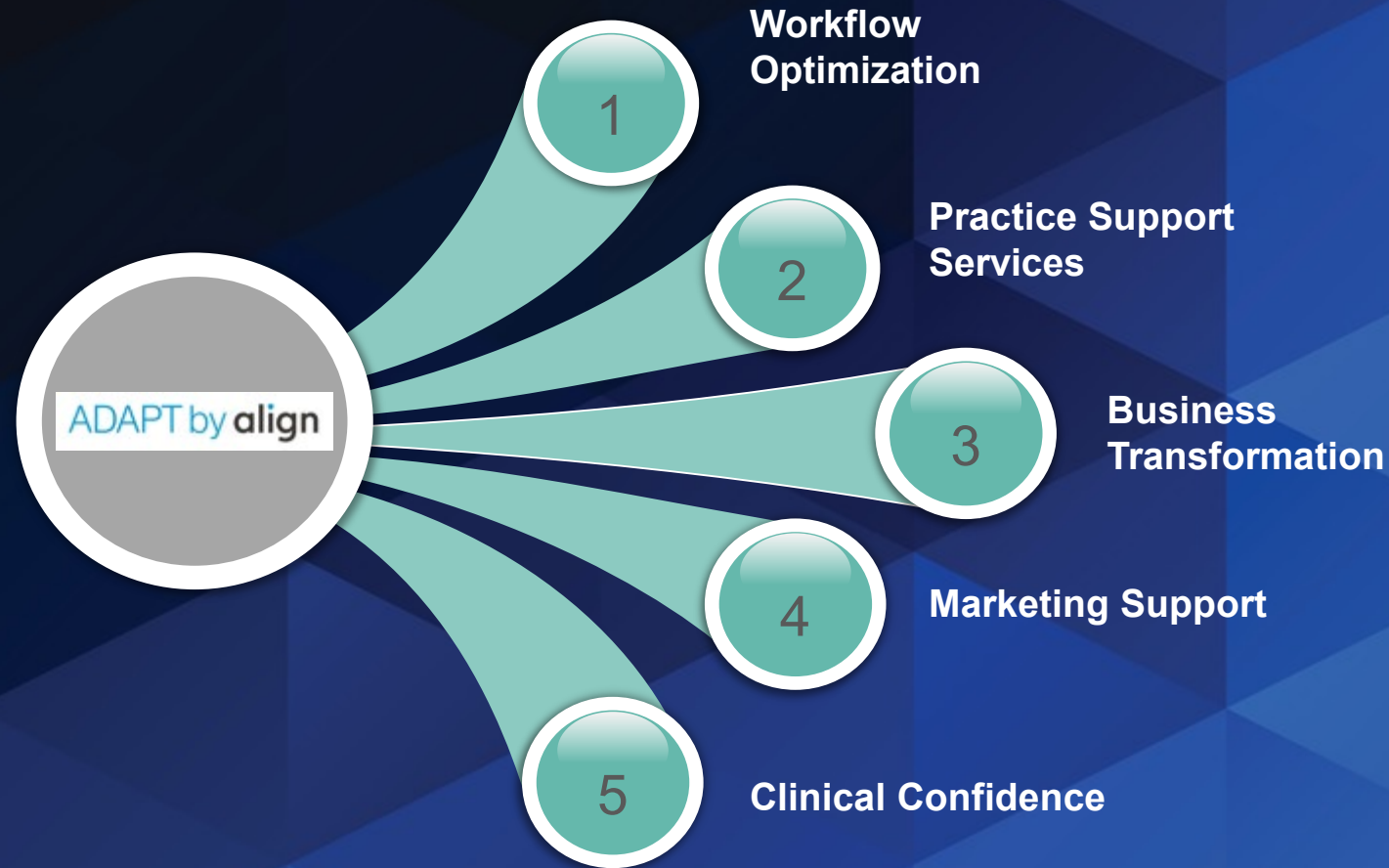
*number of cases shipped/
number of doctors to whom cases were shipped

International Metrics*

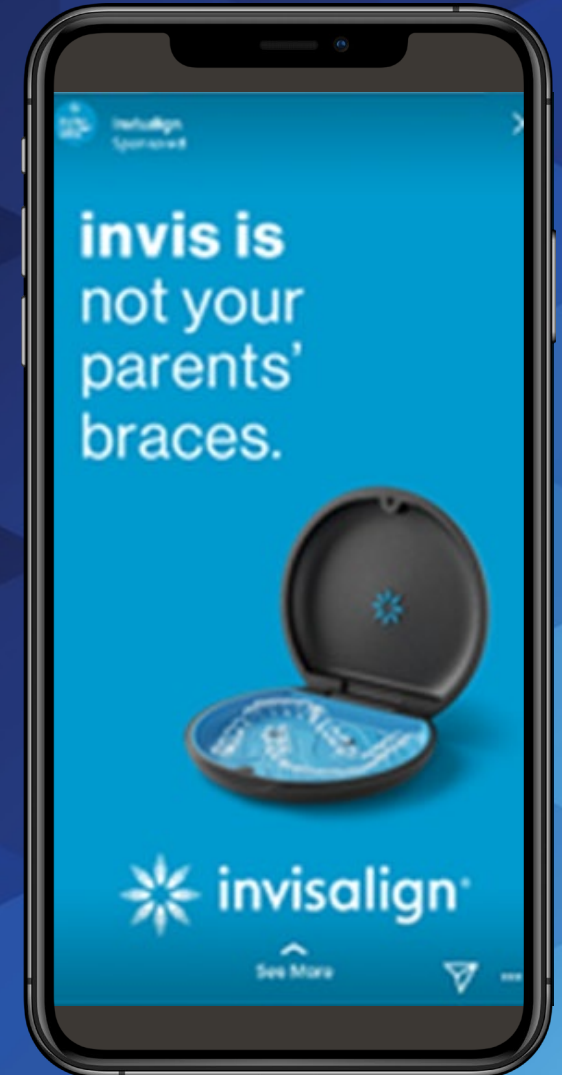
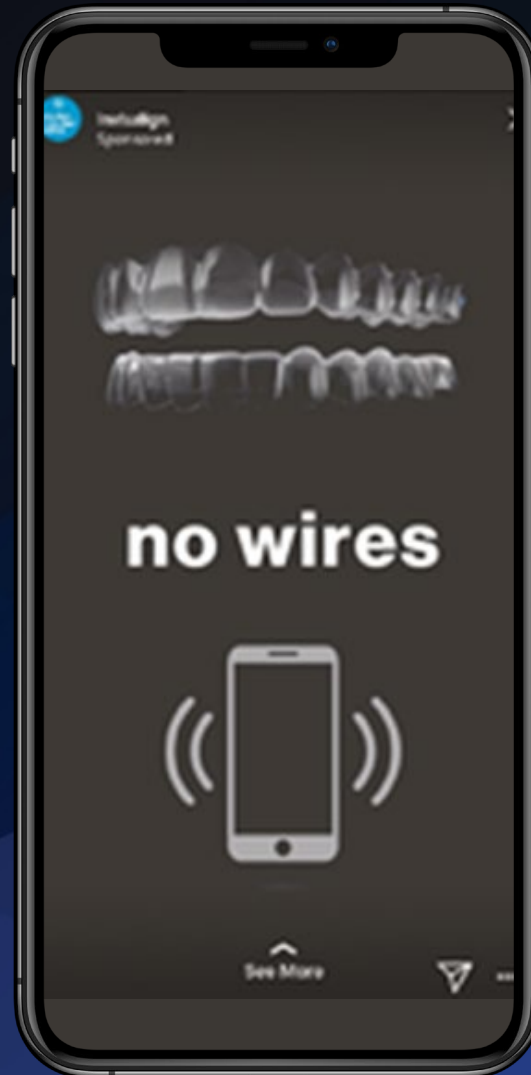


*number of cases shipped / number of Ortho and GP
to whom cases were shipped

ADAPT Launched globally – delivering strong growth

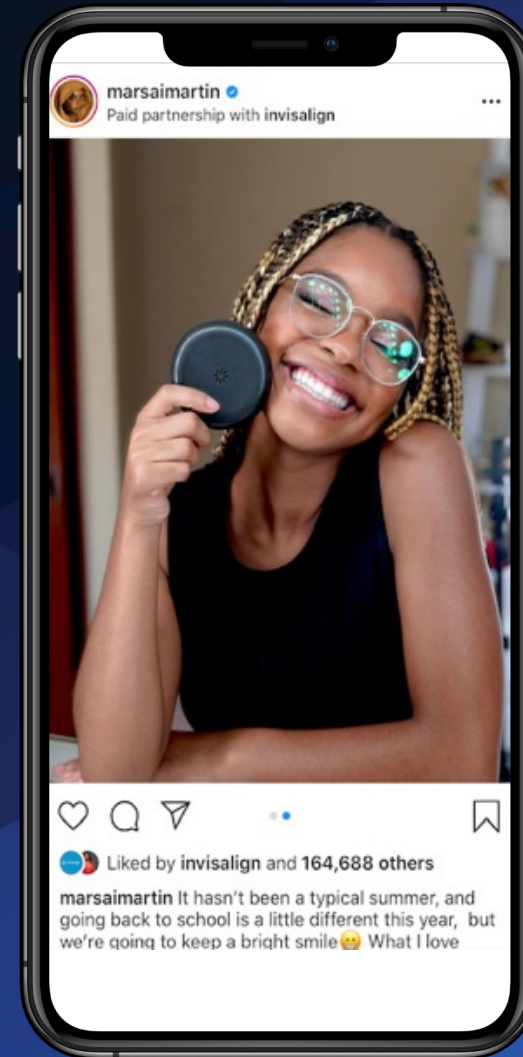
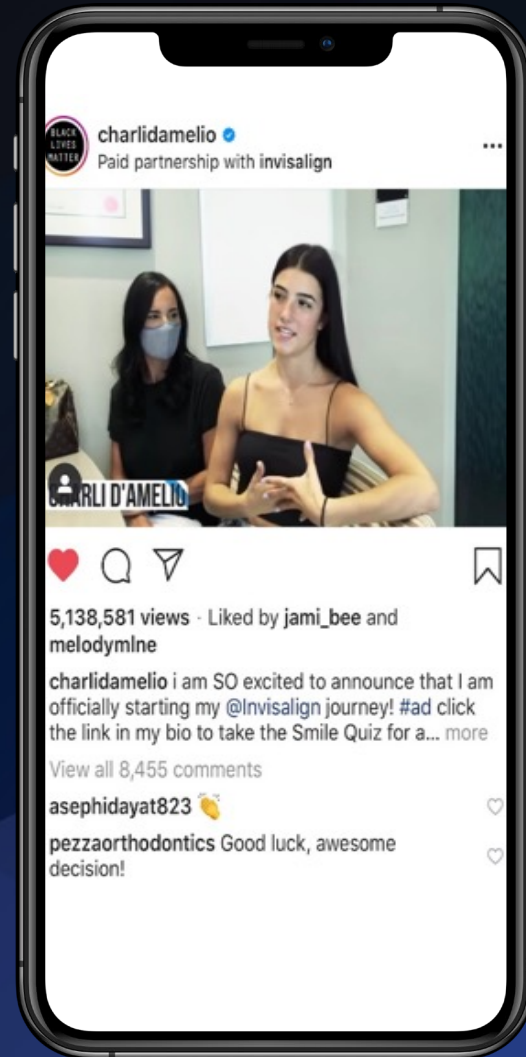


New Teen Launch



Winning with Teens through Influencers They Trust

Charli D'Amelio
31.7M Instagram followers
95.6M TikTok followers



Marsai Martin
2.6M Instagram followers

Connecting with Consumers

Global Invisalign SmileSquad Influencer Program

Influencers



Charli D'Amelio
100M reach



Marsai Martin
3M reach



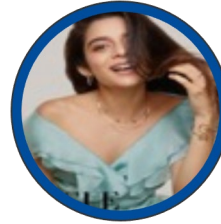
China McClain
13M reach



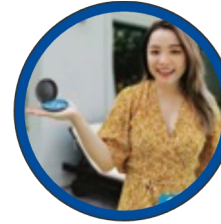
Chloe Lukasiak
11M reach



Ireland Boys
6M reach



Mithila Parker
3M Reach



Trinh Pham
2M Reach



Sania Mirza
7M Reach



Khanh Vy
3M Reach



Baby Ariel
46M reach



Jayden Bartels
12M reach



Johnny Orlando
8M reach



Carson Lueders
6M reach



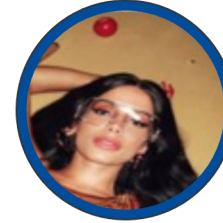
Lauren Orlando
6M reach



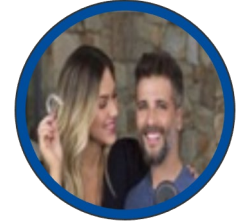
Danae Mercer
2M Reach



Maciej Dziegielewsk
2M Reach



Annita
50M Reach



Bruno & Giovanna
44M Reach

Connecting with Consumers

Global Invisalign SmileSquad Influencer Program

Partnerships



New Teen Launch

Demand Generation



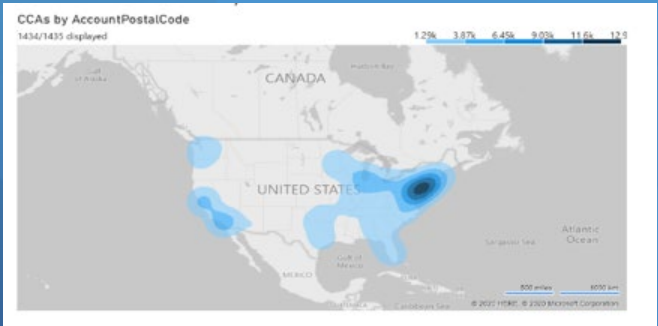
New Teen Campaign

Lead Capture



Enable a step-change in lead capture via simplified landing pages

Tighter Conversion



442 Teen Awesomeness centers

A close-up photograph of a young man and woman laughing heartily. The woman, on the left, has long brown hair and is wearing a dark blue top. The man, on the right, has short dark hair and a light beard, wearing a blue button-down shirt. They are both smiling broadly, showing their teeth. The background is a soft-focus green field.

winning with
young adults
and among
GP dentists

Winning with Young Adults and Among GPs

Opportunity

+ 1.7M doctors

+ 500M patients

Progress



Segmentation

- GP Focused Sales teams
- Growth Programs



Comprehensive Digital Dentistry

- Lead with iTero
- exocad
- Virtual Tools



Clinical Confidence

- Remote Education
- New Doctor Journey
- Invisalign Go



Critical Partnerships

- Labs
- DSD, Restorative KOLs

Results

North America GP Metrics*

3.5

Q3 '19

2.5

Q2 '20

4.2

Q3 '20

*number of cases shipped/
number of doctors to whom cases were shipped

International Metrics*

5.5

Q3 '19

4.7

Q2 '20

6.4

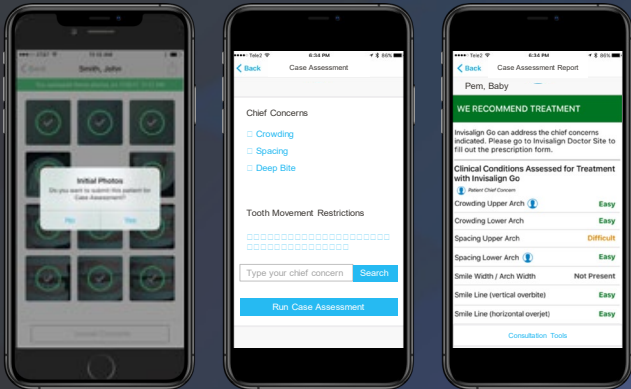
Q3 '20

*number of cases shipped / number of Ortho and GP
to whom cases were shipped

Invisalign Go – Key Building Blocks to Drive GP Adoption

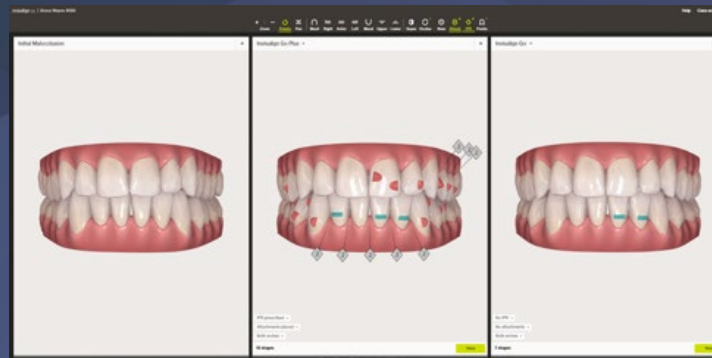
Rapid Chairside Case Selection & Tracking

- IPU or iTero based patient creation
- <5 min turnaround target for chairside case assessment based on chief concerns
- < 5 min turnaround on Outcome Simulation/Progress Assessment



Simple ClinCheck Experience – MTP with filters

- Multiple Treatment Plans to choose from
- Filters for IPR, attachments – “real-time CC mods”



Limited Movements – Enhanced Predictability

- New protocols with Minimal Root Movements (MRM) for predictable plan results (applies to Green movements)
- Blue movements on Go Plus to handle more complex cases

it starts with iTero®

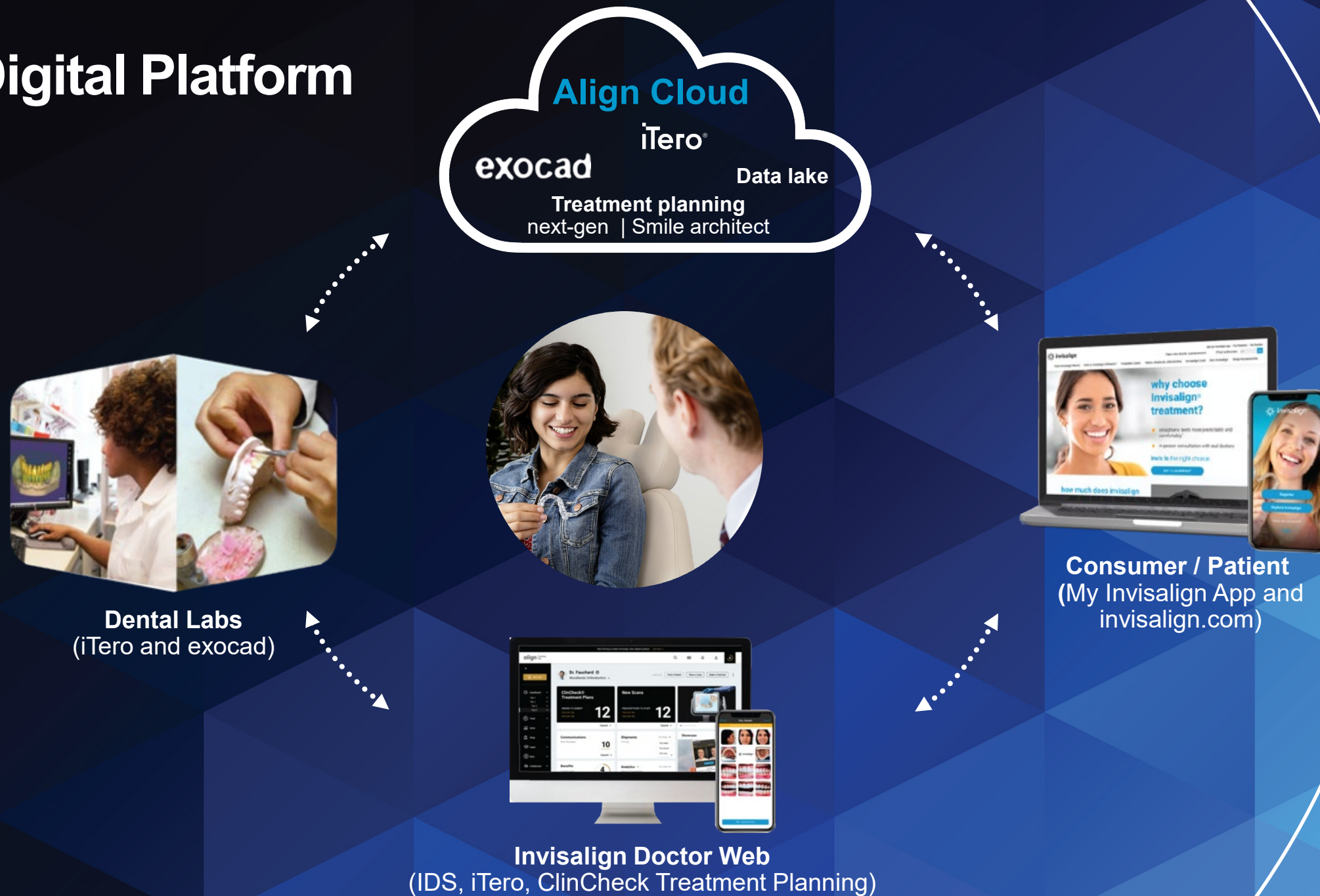


align

iTero

The Gateway to Align's Digital Platform

Align Digital Platform



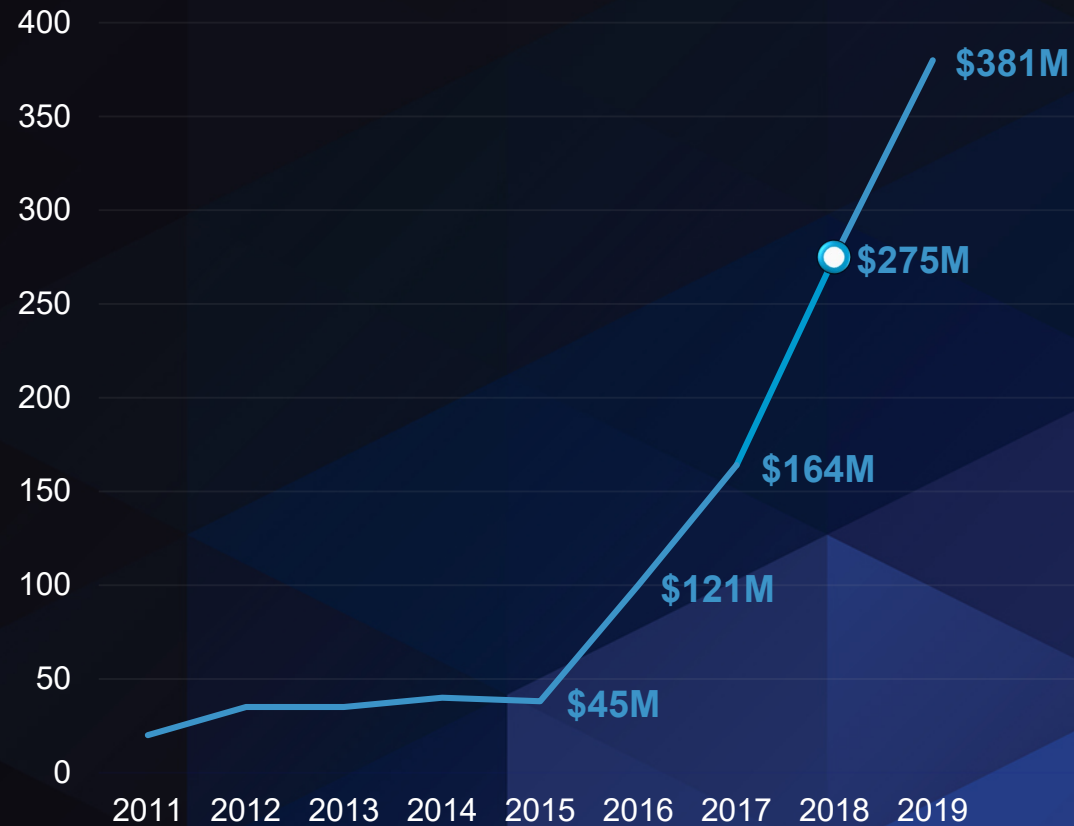
Acceleration of Digital

of scans growing exponentially



Leading the Digital Revolution

Scan every patient, every time



2020: Challenging H1. Strong Rebound and Record High Q3

Key recovery actions and market dynamics

Imaging Systems & CAD/CAM
Services Revenue

Q1 2020	Q2 2020	Q3 2020
\$69.4M	\$54.0M	\$113.4M



Leverage Direct Sales Force

- Kept entire sales force employed and engaged
- Training
- Sales Process Optimization



Learnings to Accelerate Penetration

- Adjust Selling Methods: VIRTUAL
- Business Models, Financing & Entry Level Scanner



Innovation & Expanded Portfolio

- Strong launch of iTero Element® 5D in US & Brazil

Our Competitive Advantage

Assets & Strategy

DIRECT SALES & SUPPORT

2,000+ strong
sales force
iTero & Invisalign

GLOBAL FOOTPRINT

Faster growth
internationally

INSTALLED BASE

Huge installed
base **+35K**

PLATFORM PLAY

Digital platform
with leading
brands:
Invisalign,
iTero +exocad

INNOVATION

20+ years of
innovation

20 Years of Innovation

Cadent
Founded

1994

1999



iTero
HD1

2004

2006



iTero
HDU

2007

2012



iTero Element®
&
Invisalign Outcome
Simulator

2015

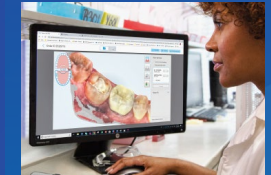
2017



iTero Element® 2
&
iTero Element®
Flex

2018

2019



myiTero
for Labs

2020

2021+

OrthoCAD
DSM

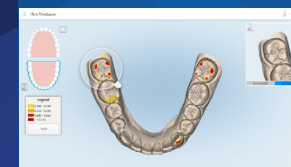
iTero
HD2



iTero
2.9



iTero
TimeLapse



iTero Element®
5D



The iTero Element 5D device is the first 3D scanner with NIRI technology*

More Reasons to Scan

- **Over 30%:** The increase of restorative cases that surveyed practitioners reported, when incorporating iTero Element® 5D scanner to their diagnostic protocol*
- When incorporating iTero Element® 5D scanner into their practice surveyed **Doctors reported that they increased:**
 - Interproximal caries detection by **56%***
 - Business revenue by **34%****
 - Patient acceptance by **71%*****

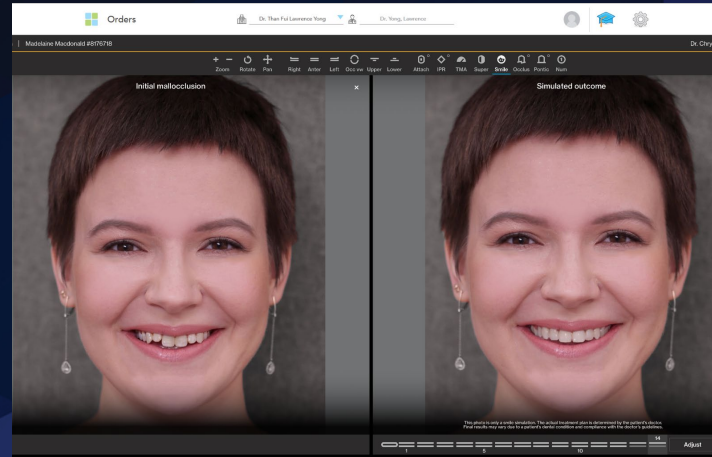


Innovation as a Driver for Future Growth

Data Acquisition



Patient Communication & Decision Support Tools



Seamless Workflows



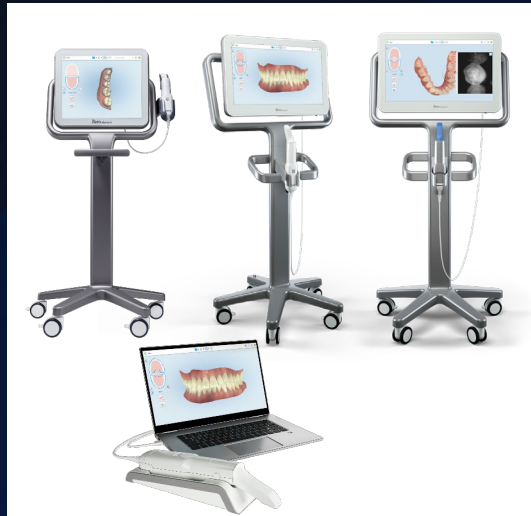
exocad

4 Main Growth Drivers

Invisalign Orthos/GPs



iTero Installed Base



Expanding GP Customers



Recurring Revenue



Invisalign + iTero: The one-two Punch

Opportunity for Align Existing Invisalign Doctors

- **50%+** Invisalign doctors not submitting with iTero® scanner
- Great opportunity with 2+ scanner
- 1,000s of new doctors every quarter

Driving Growth for Invisalign Doctors

Global Ortho Practices : 3-Year Data

MORE CASES
59.23



INCREASED REVENUE
\$325,765

3 YEAR

Global Low Volume GP Practices: 3-Year Data

MORE CASES
28.61



INCREASED REVENUE
\$157,355

3 YEAR

iTero Installed Base

- **35K+** iTero® scanners globally
- Committed to portfolio evolution & innovation
- Upgrade & replacement



Expanding GP Customers

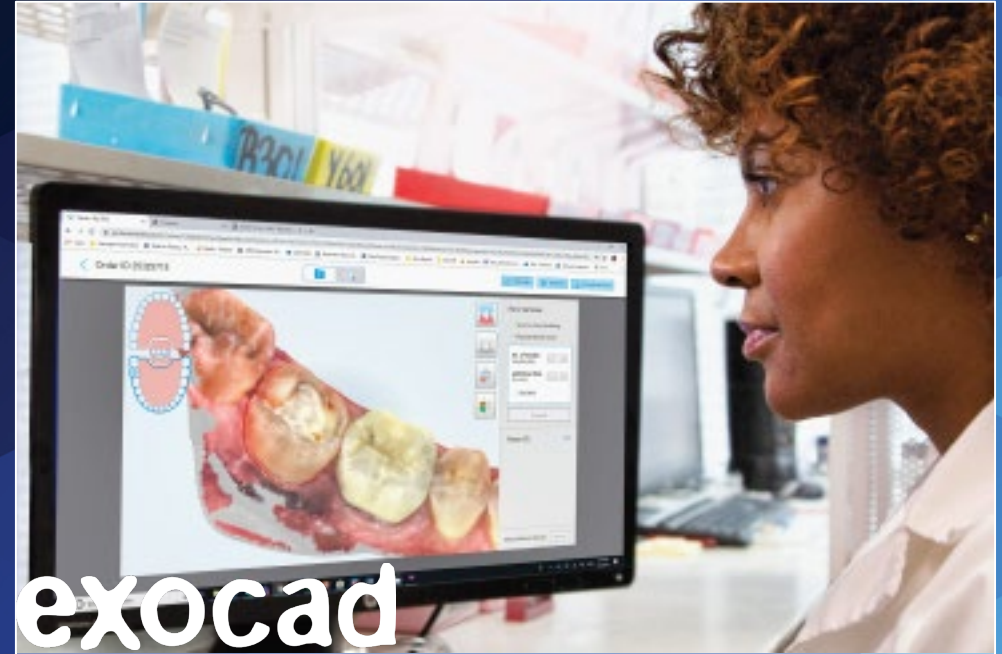
GP Market Opportunity

1M+ GPs globally without any scanner



Channels to Grow

Labs, Partners & Integration



Services/Recurring Revenue

Services: Consistent, Recurring Revenue Streams

- ~30% of iTero Business in 2019
- Subscription software model
- Disposables
- Pay per scan
- Rental



The Digital Dentistry Revolution

it starts with iTero®

- Huge, underpenetrated **MARKET**
- Consistent, clear **STRATEGY**
- Unique **COMPETITIVE ADVANTAGE** to continue growth long term
- The **ALIGN DIGITAL PLATFORM**: it starts with iTero



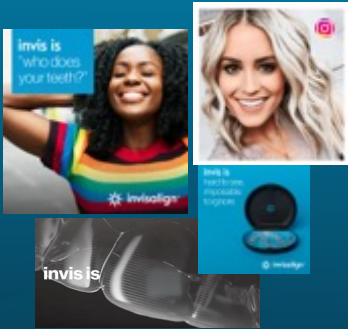


Integrated Seamless Experiences Enabled by Align Digital Platform

Integrated Digital Consumer and Patient Invisalign Journey

Awareness

I'm thinking about teeth straightening



Consumer becomes aware of what Invisalign is

Explore

I'm evaluating options



Learns more about Invisalign – website and chatbot



Smile Concierge, SmileView, My Invisalign app and WeChat

Consultation

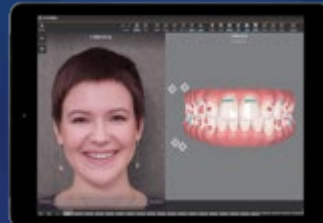
I'm discussing all of my options with my doctor



Provider assessment via Virtual Appointment



Scans with iTero intraoral scanners



Accepts treatment plan and begins Ortho-Restorative treatment

Onboarding

I'm starting my Invisalign treatment



Patient receives starter kit, aligners and onboarding material



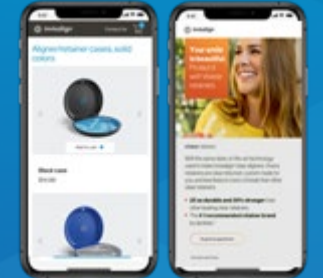
Digital CRM, treatment tracking, treatment sharing from doctors via My Invisalign app. Treatment care from doctors via Virtual Care. Complete orthodontic and then restorative treatment.

Use

I'm in treatment and may have questions along the way

Recommend

I'm sharing my experience



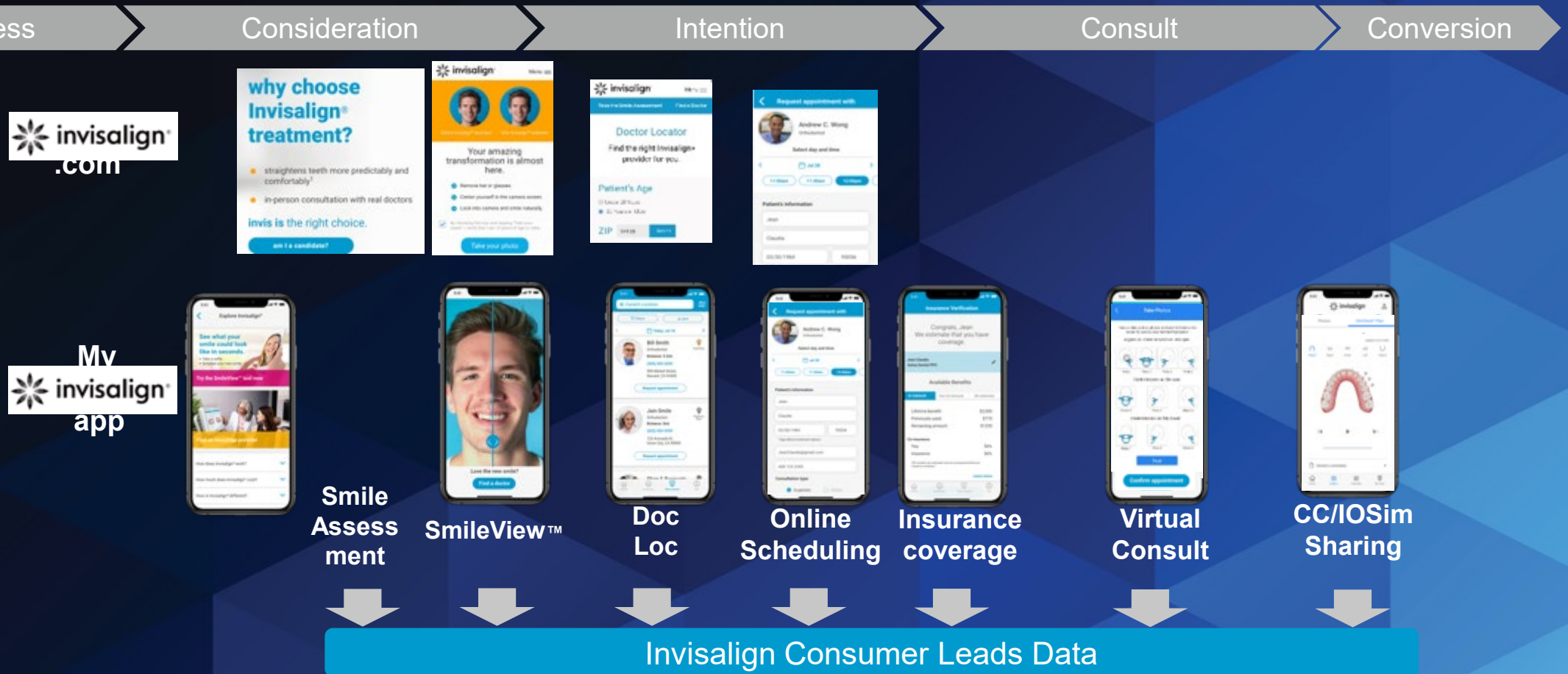
Personalize with Invisalign Accessories and reminder for Vivera retainers



WOM, Referral programs
Sharing experiences on social media

Consumer Demand Generation and Conversion

Turning consumers into patients with Invisalign.com and My Invisalign App



Doctor and Patient Experience: Invisalign Virtual Care

Enabling better patient care remotely and enabling practice scalability

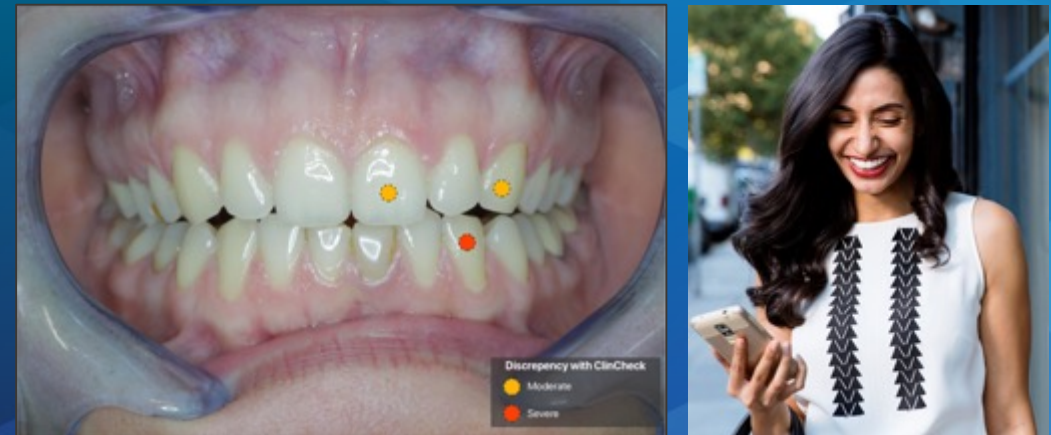
Onboarding

- Monitoring of photos
- Doctor-Patient communication
- Integrated with Invisalign app & Doctor site



Future

- AI powered Automated assessment
- Patient progress reports
- Integrated with Doctor app



Clincheck 6.0 - Treatment Planning and Visualization Platform



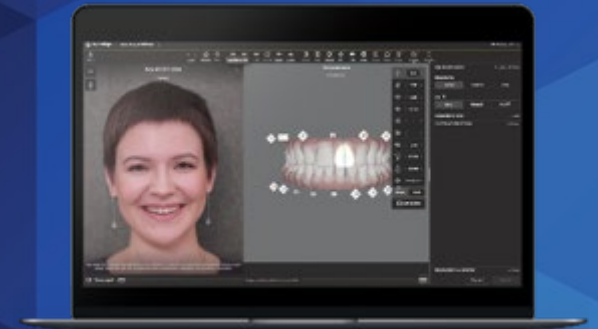
**Digital
Records
Capture**



**Digital
Impressions**



**Digital
Treatment
Planning**



**Powerful Visualization for
Planning and
Communication**

Patient record created.
Capture photos
required for treatment



Patient dentition scanned
and initial records
submitted digitally



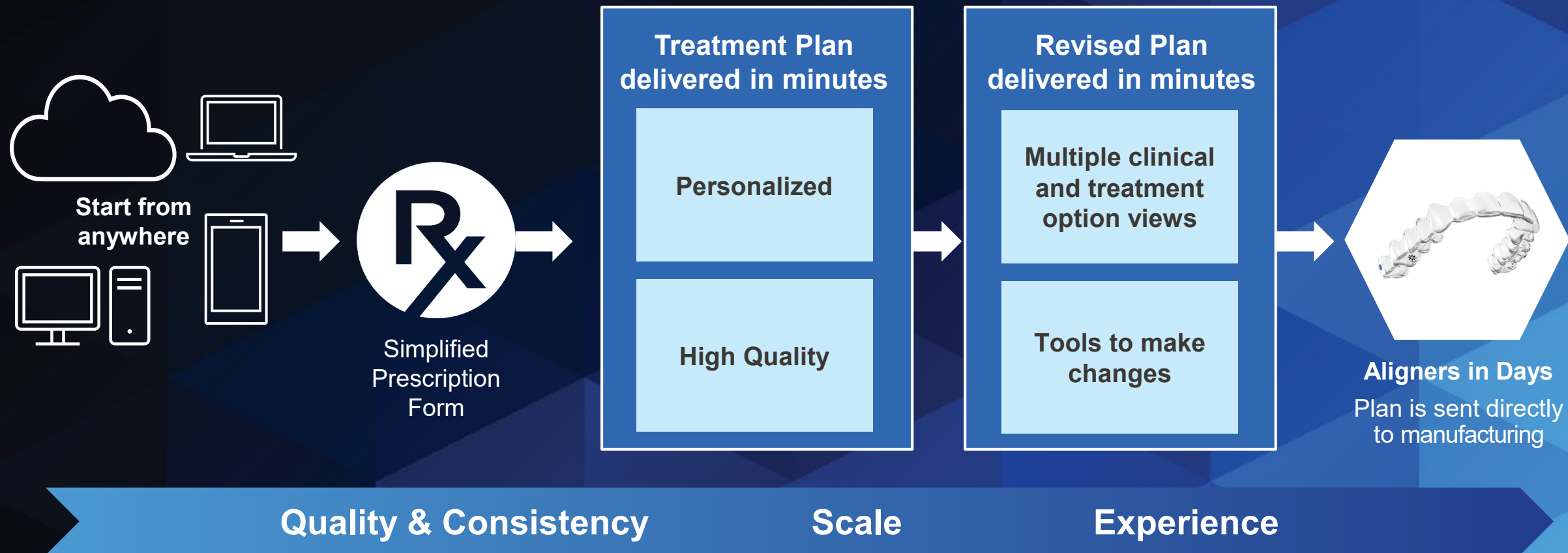
Doctor treatment plans
via cloud based
ClinCheck Pro 6.0 software



Doctor leverages
ClinCheck In-Face
Visualization Tool

Invisalign Treatment Planning

Transforming digital treatment planning



Align Digital Platform



align

Global Operations



Global Operations Strategic Importance

- **Scale to support**
 - Responsiveness, flexibility, control
- **Know-how / innovation**
 - Drive improvements
 - Meet customer demands
- **Efficiency**
 - Enable growth / investment





Scale, Flexibility, and Control

Scale for Global Market



● Existing Location

Scale for Global Market

support > **190K** customers in > **100** countries

> **10,000** employees

10 locations in **7** countries

> **47K** treatment plans/day

> **0.5M** unique aligners/day

● Existing Location

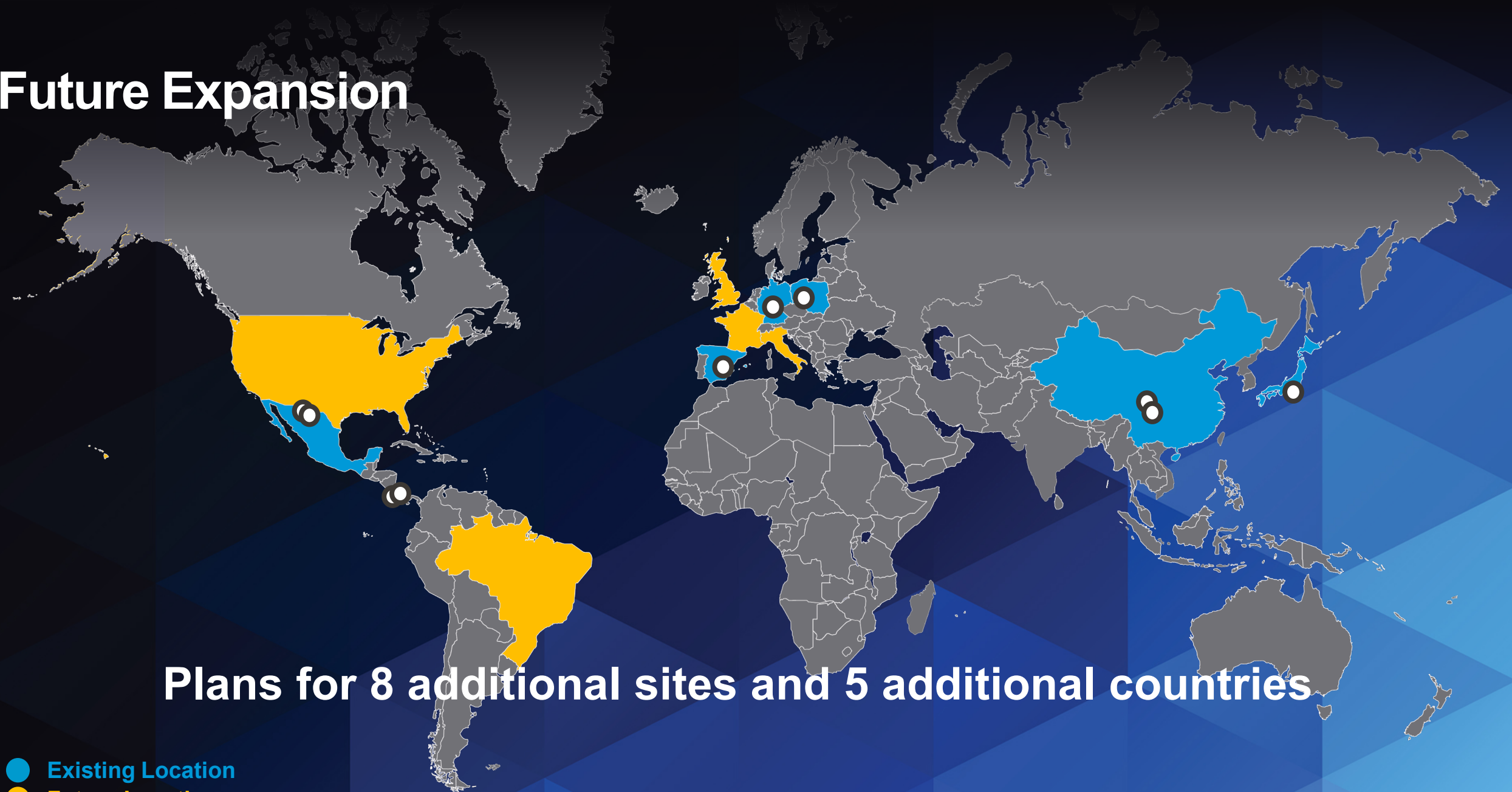


Scale with Built-In Flexibility In and Out of Crisis



● Existing Location

Future Expansion



Plans for 8 additional sites and 5 additional countries

● Existing Location
● Future Location

Flexibility Required to Address Complex Global Market

All customers are not the same

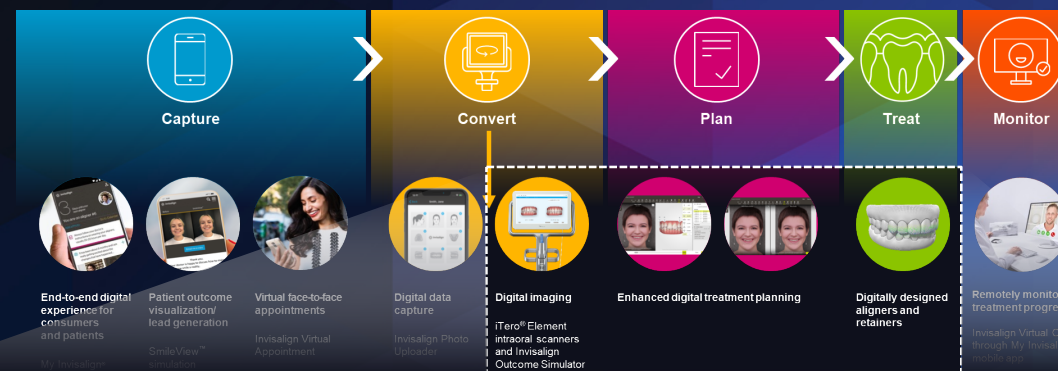
- Sell to >190K customers
- In over 100 countries
- Ortho, GP, group practices, DSO, Public, Private
- Experts, learners, beginners
- Desire for control & assistance
- Simple corrections to complex treatments



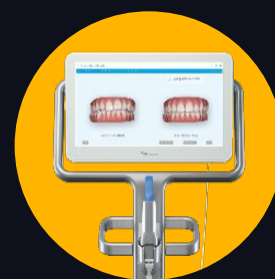
Scale Requires Significant Integration and Control

Systems integration and coordination required to meet daily demand

- 36 Terabytes of data
- 380 million transactions
- 2.1M Treatment Preferences
- >47K Treatment Plans
- 10T computations
- >0.5M aligners



End-to-End Digital MFG Ecosystem



Digital imaging

iTero® Element intraoral scanners and Invisalign Outcome Simulator

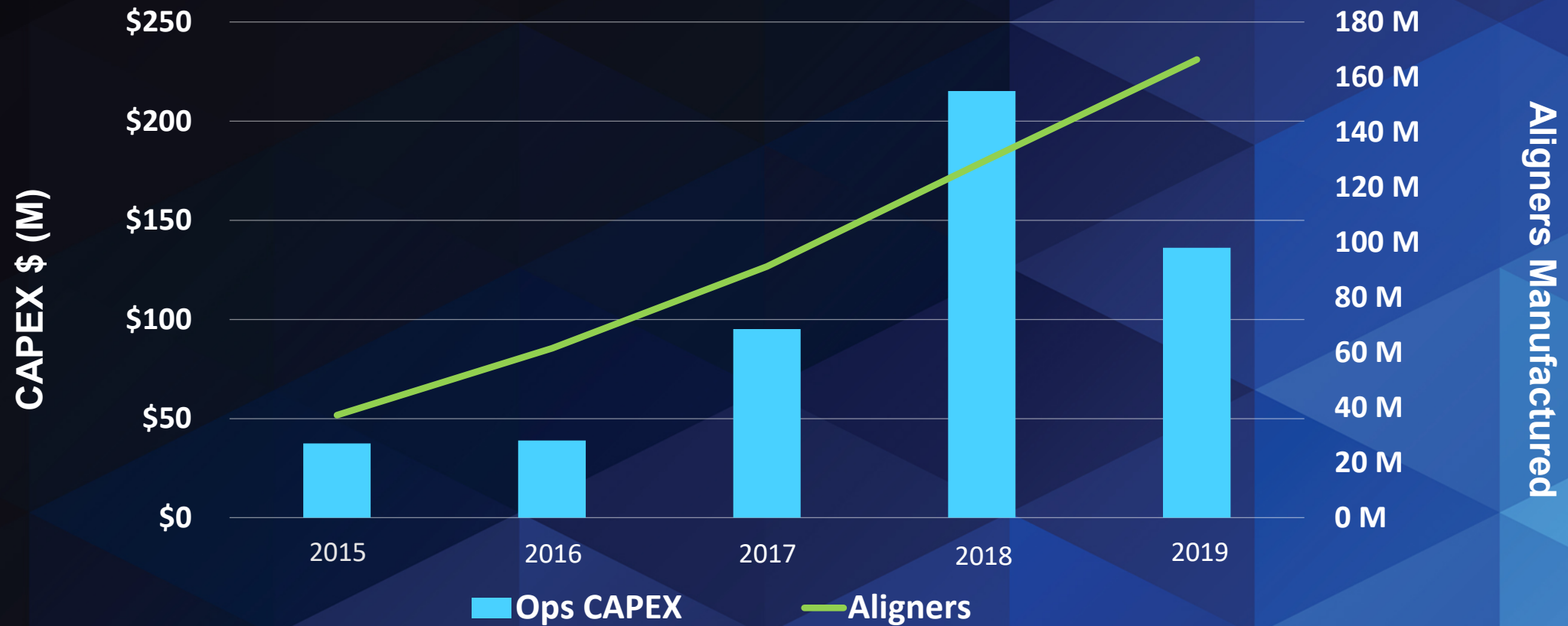


Enhanced digital treatment planning



Digitally designed aligners and retainers

Scale is Not Easy to Build



What it takes to be the **largest** mass-customized manufacturer **in the world**

Know-how / Technological Capability to Drive Continuous Improvements and Scale

Necessary to Scale

World Largest Mass Customized Manufacturing Operation

Discrete



Continuous



Need to be **great** at both to meet **global** demand in digital transformation

Expertise Needed to Build Scale

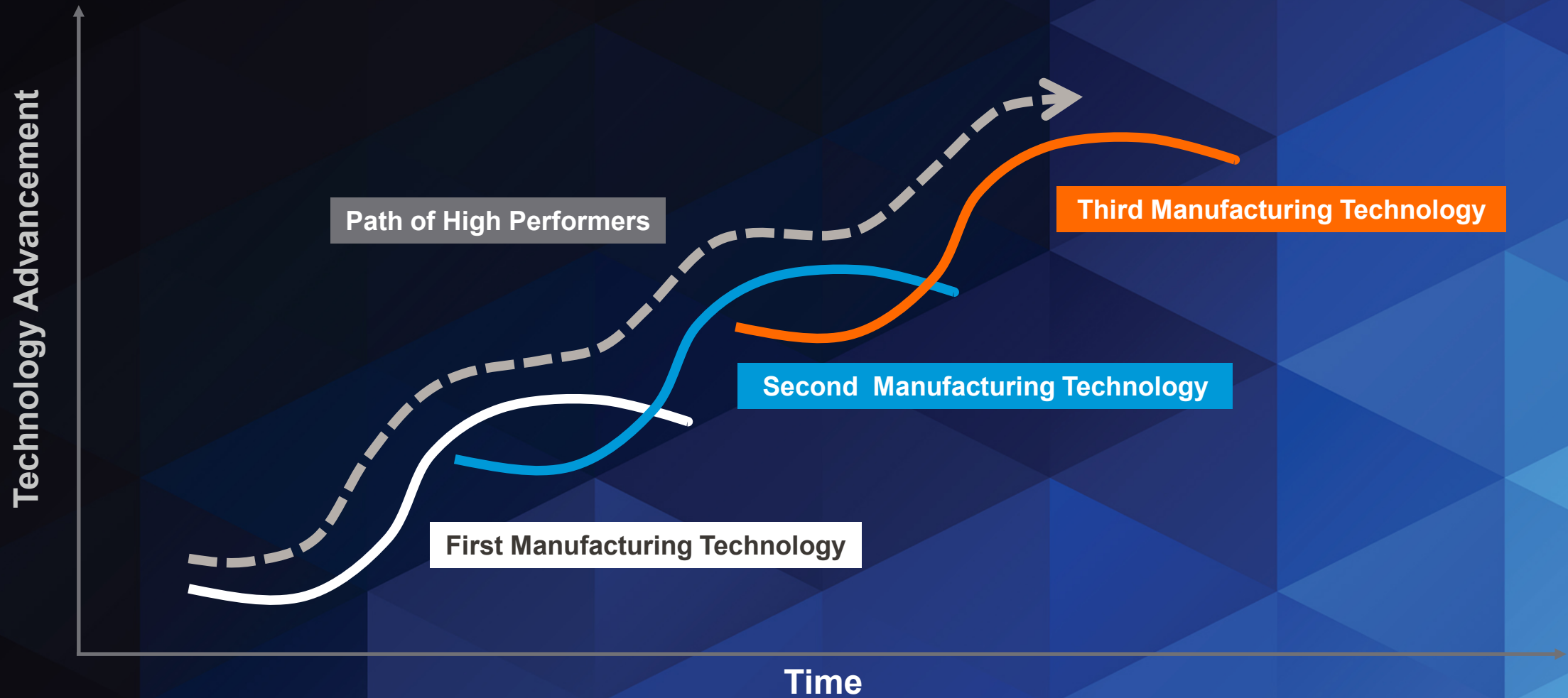
- Mechanical Engineering
- Electrical Engineering
- Machine Learning/Artificial Intelligence
- Automation/Robotics
- 3D Printing
- 3D Software Development
- Vision Systems
- Design for Manufacturability
- Statisticians
- IT/Enterprise Systems
- Orthodontist/Dentists
- Dental Assistant/Dental Technologists

Expertise Needed to Build Scale

~**700** clinical and technology employees across **17** disciplines

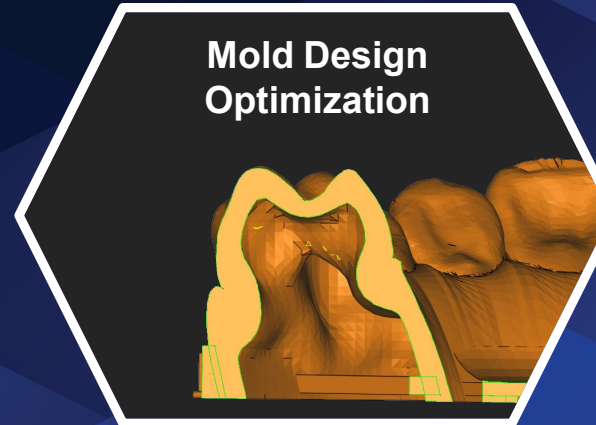
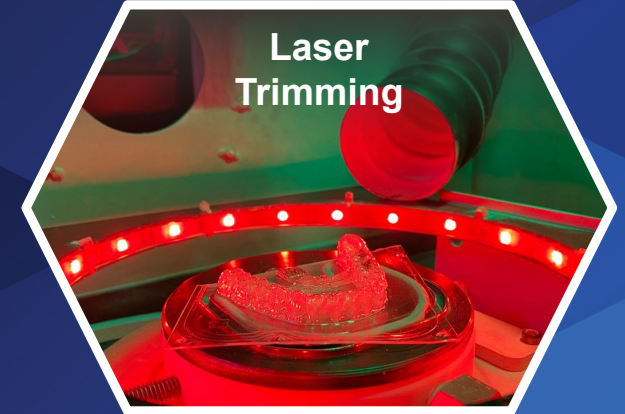
> **17,000** person years of experience innovating in clear aligner manufacturing

Ability to Jump Technology Performance Curves



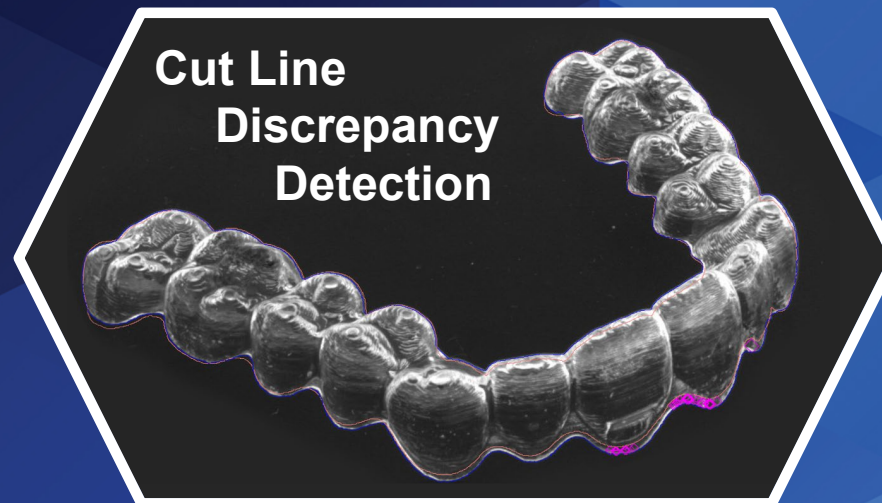
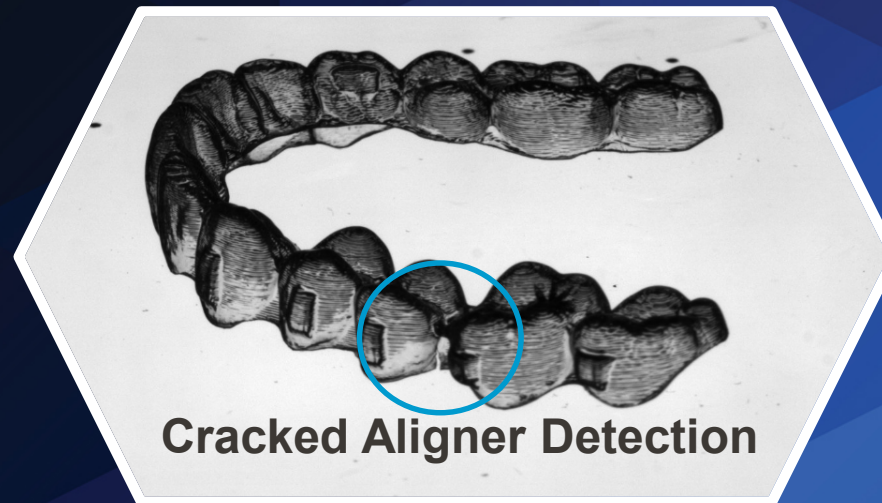
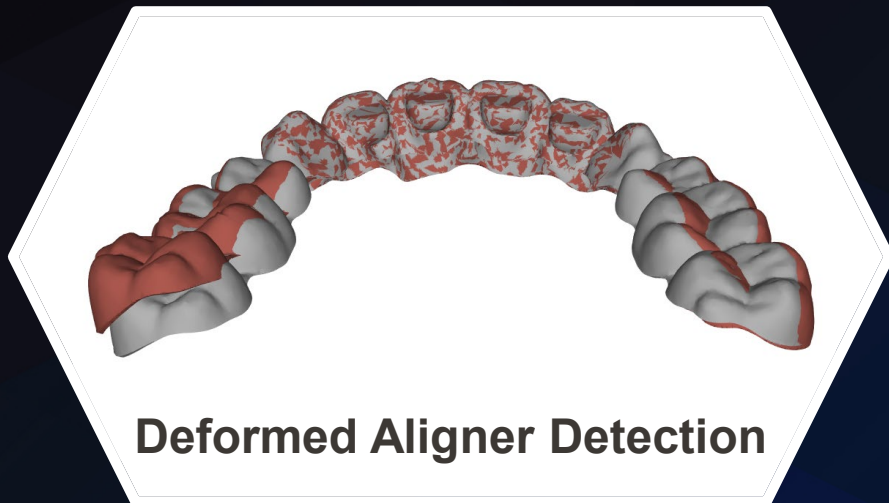
Know-how: Tech Advances Across Platform

- **Treat Automation**
 - 30% increase in throughput
 - 50% improvement in consistency
- **Laser Trimming**
 - 90% reduction in manual polishing
 - 40% increase in throughput
- **Material Heating Optimization**
 - 50% increase throughput
- **Mold Geometry Optimization**
 - 40% material reduction
- **Forming technology advancement**
 - 40% reduction in material
- **Vision System Implementation**
 - 60% reduction in scrap/defects



We have a **path** and **investments** to continue our **innovation trajectory**

Vision System Innovation





Know-how: Historical Innovation/Improvement at Scale

Continuously deliver innovation while
supporting **20-30%** growth Y/Y

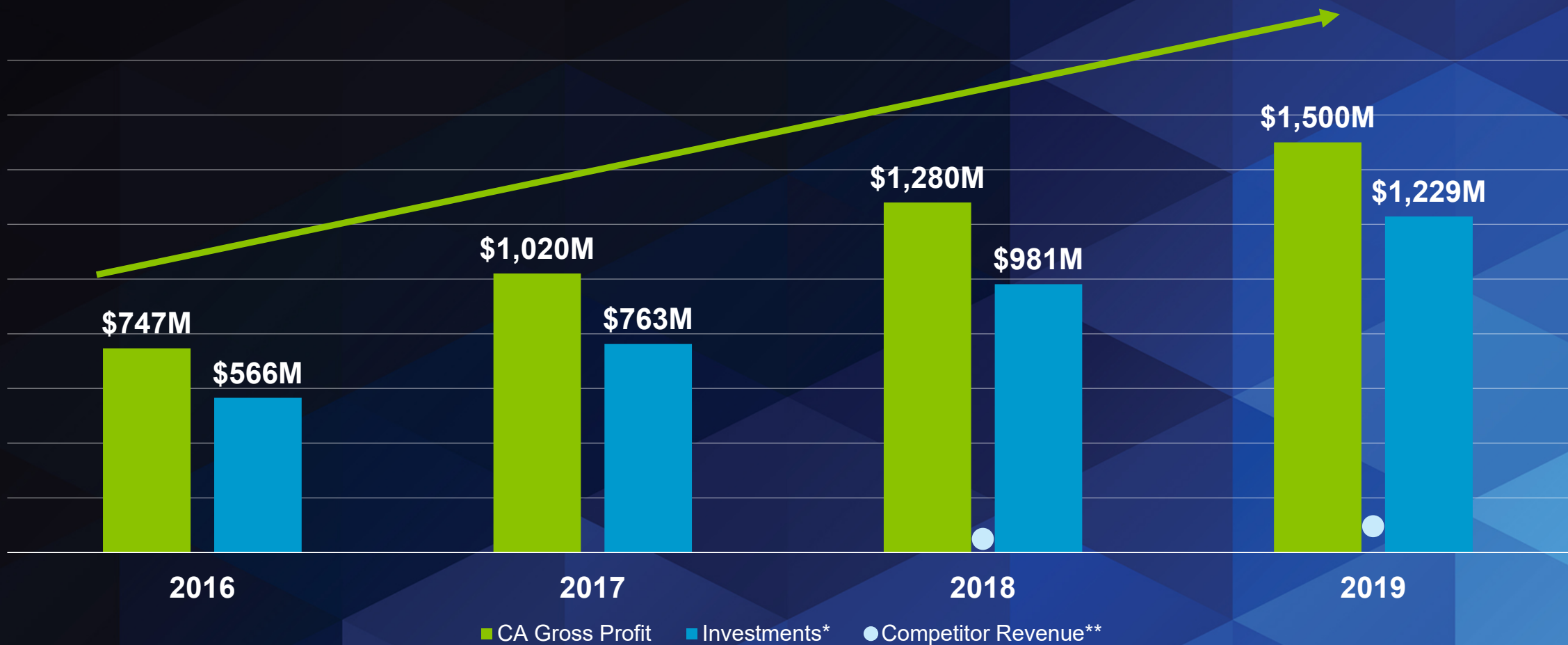
Enabling significant improvements in
performance, throughput and
savings

No competitor can do what we do **at
scale**



Enables Investment in Digital Transformation

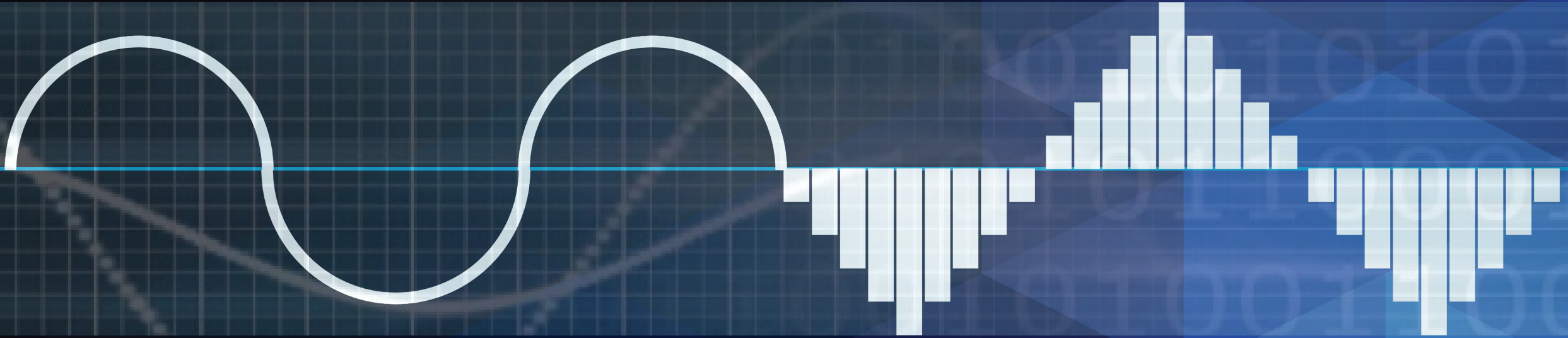
Enable Investment



Scale and Innovation enable significant investment...

*WW Investments include Sales, Marketing, R&D and G&A and excludes Litigation settlement gain, Impairments and Other Charges
** Estimated totals based on publicly available information.

Summary



- Analog to digital transformation is hard
- Significant scale, know-how and huge investment necessary to do this well
- Align has lead in innovation, both on product side and manufacturing side
- We have a plan and investment required to continue our innovation

Align is best positioned to continue to **drive** and **lead** this **transformation**

align





AMERICAS

200M

AMERICAS

Transforming
smiles
changing lives





AMERICAS
5M



3M
TEEN POTENTIAL

ADULT POTENTIAL
2M

align

Looking back we said we would:

FOCUS ON DRIVING DOCTOR SUPPORT & PRACTICE GROWTH

**Consumer
INVESTMENT**

**Channel
FOCUS**

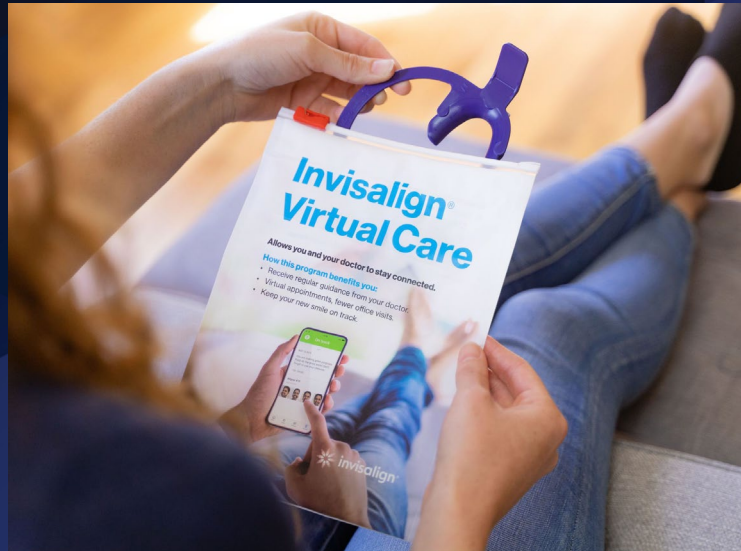
**LOCALIZED
Resources**

A Strong Foundation for Recovery

VIRTUAL TOOLS



COME BACK STRONGER




Come Back Stronger with Teen Forum : Virtual Edition.

This year we're bringing the popular Teen Forum program to you – wherever you are! With two date options to make it easier for you to participate.

Join us for discussions and resources to help your practice **come back stronger!**

[Discover more](#)

This event is exclusive to Invisalign® orthodontists only.

 invisalign | iTero



EDUCATION

AMERICAS at a Glance

3-Year Revenue CAGR: **23%**
3-Year Invisalign Shipment CAGR: **22%**
3-Year iTero Revenue CAGR: **31%**
3-Year Invisalign Trained Dr CAGR: **23%**
+1,900 employees across Americas region

200M
Consumer
Potential

5M
Annual
Case Starts

40%
(2M) Adults

60%
(3M) Teens

84K
Ortho Mkt

800K
GP Mkt

41
cases/ortho

10
cases/GP

40%
share adults +
% growth

10%
share teens +
% growth

10%
share +
% growth

~55%
Revenues



AMERICAS: A growth region

- Continued our investments in the business
- Accelerated digital tools



Providing doctors with the tools to transform smiles and change lives

AMERICAS: Large appetite for digital technology

- Record quarter +24.9% YoY, 166.3% Q/Q
- Strength across products, channels, and segments
- Channel strategy showing increased benefits of focus
- Strongest teen quarter in the last 6 quarters
- Utilization was up for NA Orthos and GPs both Q/Q and Y/Y
- GP channel with Invisalign Go and the adoption of Moderate
- DSO continues to be a strong growth driver led by Heartland and Aspen



Strategic Priorities

Patient demand
& conversion



Orthodontist
Utilization



GP dentist
treatment



International
expansion



US Strategic Focus

Influencer marketing,
sports sponsorships



Localized Infrastructure



PATIENT DEMAND & CONVERSION

US

US

Ortho, GP and DSO



Integrate
and
expand



BREADTH AND DEPTH

iTero

SEGMENTATION



Localized Infrastructure



Canada Strategic Focus

Invis is



Localized Infrastructure

PATIENT DEMAND & CONVERSION

CANADA

CANADA

Channel Focus



Expanded iTero Footprint

BREADTH AND DEPTH

iTero

Latin America Strategic Focus

Influencers, #smilesquad



Rapidly Growing Market

PATIENT DEMAND & CONVERSION

LATIN AMERICA

LATIN AMERICA

Orthodontist
Corporate
Partnership



Build
Imaging
Systems
Business



BREADTH AND DEPTH

iTero

Meeting Customer Needs

- Portfolio
- Promotions
- New and improved digital learning environment

invisalign® first



Choose the most
advanced clear
aligner system
in the world.



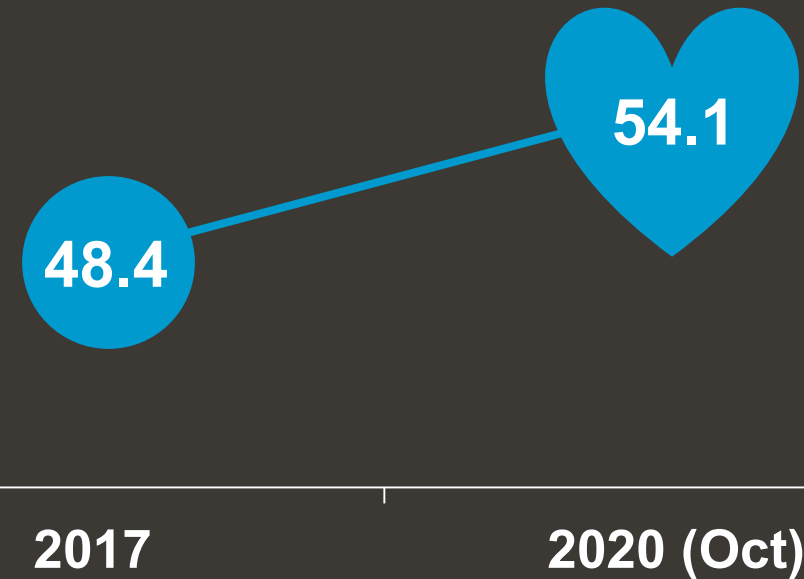
invisalign®



The Power of our Brand

- Digital platform
 - Doing clear aligners is not easy
- Unmatched support
 - Sales support
 - Education
 - Clinical
 - Treatment planning
 - Manufacturing

NPS by Year (2017 vs 2020)

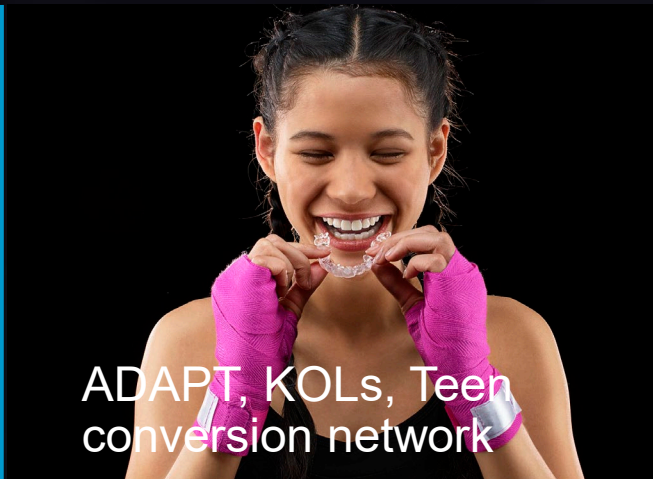


Focus for 2021...

AMERICA'S PRIORITIES



IMPROVE CONSUMER CAPTURE & CONVERSION



ADAPT, KOLs, Teen
conversion network

Choose the most
advanced clear
aligner system
in the world.



 invisalign

DRIVE ORTHO UTILIZATION IN TEENS



Increase GP Adoption
Invisalign and iTero

GP ADOPTION



Brazil, Mexico,
US, Canada

INTERNATIONAL EXPANSION



EMEA **(Europe, Middle East and Africa)**

EMEA
150
MILLION

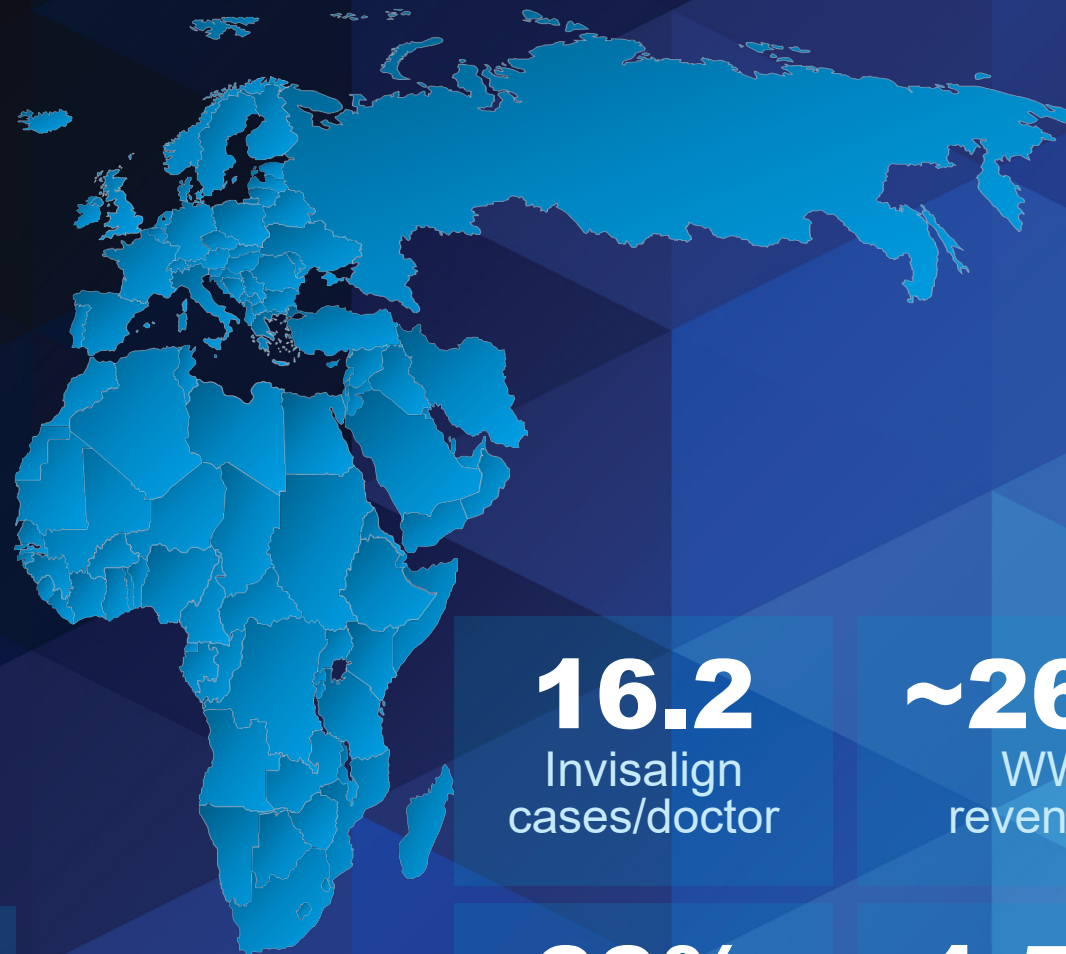


Transforming
smiles
changing lives



EMEA at a glance

3-Year EMEA Revenue CAGR: **40%**
3-Year Invisalign shipment CAGR : **37%**
3-Year iTero revenue CAGR: **62%**
+2,000 Employees EMEA



150M

Consumer
potential

5M

Orthodontic
case Starts

16.2

Invisalign
cases/doctor

~26%

WW
revenues

25K

Orthos
EMEA

600K

GPs
EMEA

>10%

Share ortho
case starts

60%

IOS scan
submission

1.5M

iTero
scans

Looking back, we said we would:

**FOCUS ON DRIVING
DOCTOR SUPPORT &
PRACTICE GROWTH**





Orthos

SEGMENTATION OF GP & ORTHO CHANNELS

- Dedicated organizations
- Separate leadership teams
- Focused sales, marketing, clinical & customer support

- First region to launch segmentation
- More structured implementation: aligned education, training & systems.
- Great learnings on Practice Development & digitization.



GPs

ADAPT by align

- Pilot launched in 2018 in the Benelux (Belgium, the Netherlands)
 - Great results – practice optimization services
 - Roll-out to all core markets: 2020
 - 12-month program for orthodontists; planned GP rollout
 - Dedicated team of consultants
 - 2021 goals: further rollout, more doctors enrolled
-

Keeping the Momentum

H2 2020

- Q3 2020: Strongest quarter in our history: Q/Q 103.5% and Y/Y 37.7% growth
- Strong digitization trend across EMEA w/iTero purchase
- Recovery Phase II ready as 2nd COVID-19 wave arrives



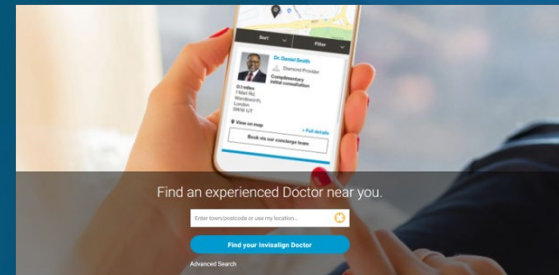
2020: Response to COVID-19



- 360 Recovery Program launched in Q2
- Over 7K doctors enrolled



- 50 Net Promoter Score ("NPS") among Orthos
- Good response from employee survey



- Digital Academy – Over 100 virtual e-learning events for doctors
- Over 80K touchpoints



- Leading digital transformation with iTero
- iTero Digital Excellence

Core Markets: Strategic Focus

Consumer Investment

- Launch TV Ads in select markets
- Digital & Influencer marketing

invis is
smiling like
you mean it.



Driving Digitization of Practices with iTero

- Align Digital Platform
- ADAPT services

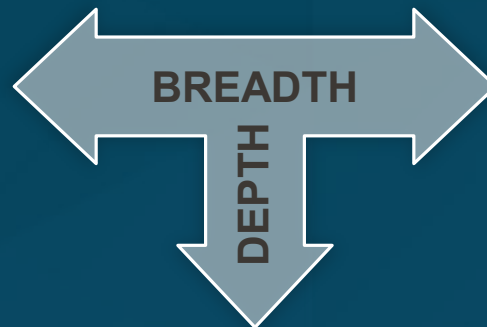
PATIENT DEMAND & CONVERSION

IOS ADOPT

CORE

Drive Growth in Germany

- Major investment
- Teen Expansion



BREADTH AND DEPTH



Successful GP Recruitment & Engagement

- Launch of Invisalign GO Plus

MARKET EXPANSION

invisalign® go

- Introduced to GPs in 2016
 - Used for aesthetic cases
 - Designed especially for GPs
 - Great utilization in the UK, Germany & France
 - 2020: Addition of Invisalign Go Plus – enhanced treatment options
 - 2021: Training more GPs across core EMEA
-

Expansion Markets: Strategic Focus

Establish Invisalign brand

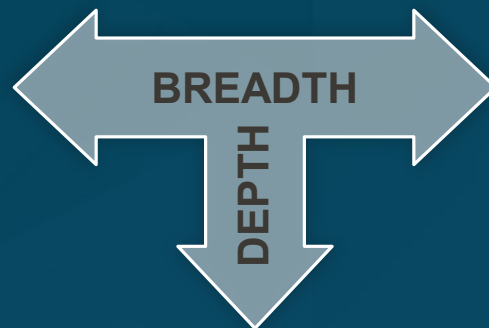
- First branded or category activities
- PR



PATIENT DEMAND & CONVERSION

Expand market outreach

Focus on Turkey, Russia & MEA



BREADTH AND DEPTH



Launch full iTero portfolio

- iTero 5D across all markets, esp. Russia

IOS ADOPT

Go Direct in Africa

- Launch direct distribution
- Build local capabilities



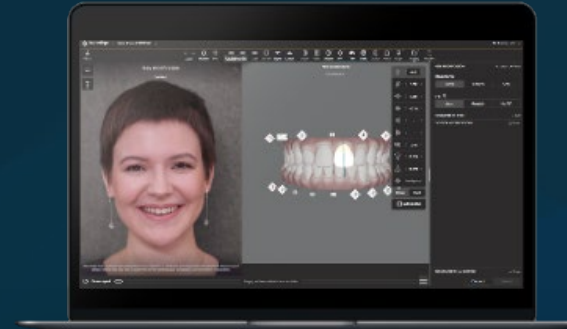
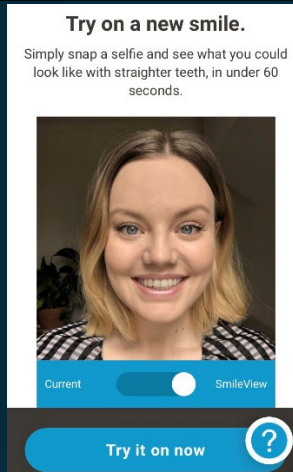
MARKET EXPANSION

EXPANSION MARKETS

Long-Term Commitment

Accelerate consumer demand

- Consumer push in the UK, DE
- Establish Invisalign brand in Expansion Markets



Continue to drive analog to digital adoption

- iTero
- ADAPT
- Virtual Education

PATIENT DEMAND & CONVERSION

IOS ADOPT

EMEA

Localization of services to support EMEA doctors

- AFAB EMEA
- TREAT: ES, DE, PL, FR



Scale business in key markets

- DE
- UK
- Turkey
- Russia

BREADTH AND DEPTH

MARKET EXPANSION

Opportunity in EMEA Remains Huge

- Advanced markets & economy
- Underpenetrated ortho & GP
- Consumer demand – stronger than ever
- Fast moving markets



align





ASIA PACIFIC

Julie Tay

Senior Vice President and Managing Director, Asia Pacific

Asia Pacific
150M

Transforming
smiles
changing lives





Asia Pacific
5M





4M
TEEN POTENTIAL

ADULT POTENTIAL

1M

align

Asia Pacific at a Glance

3 Year APAC Revenue CAGR 50%
3 Year Invisalign Shipment CAGR 47%
3 Year iTero Revenue CAGR 214%
3 Year Invisalign Trained Dr CAGR 31%

150M
Consumer
Potential

35K
Ortho Mkt

5M
Annual
Ortho Starts

571K
GP Mkt

<10%
Share
Ortho Starts



19%
WW Revenues

11.4
Cases/Doctor

64.7%
IO Scan
Submission

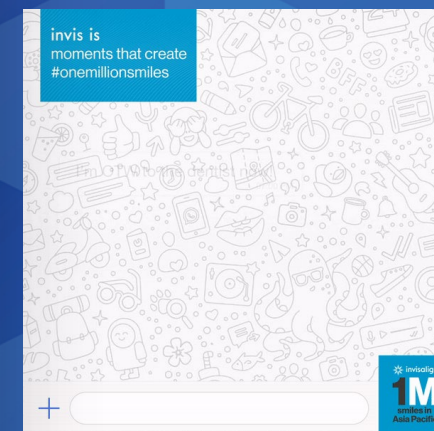
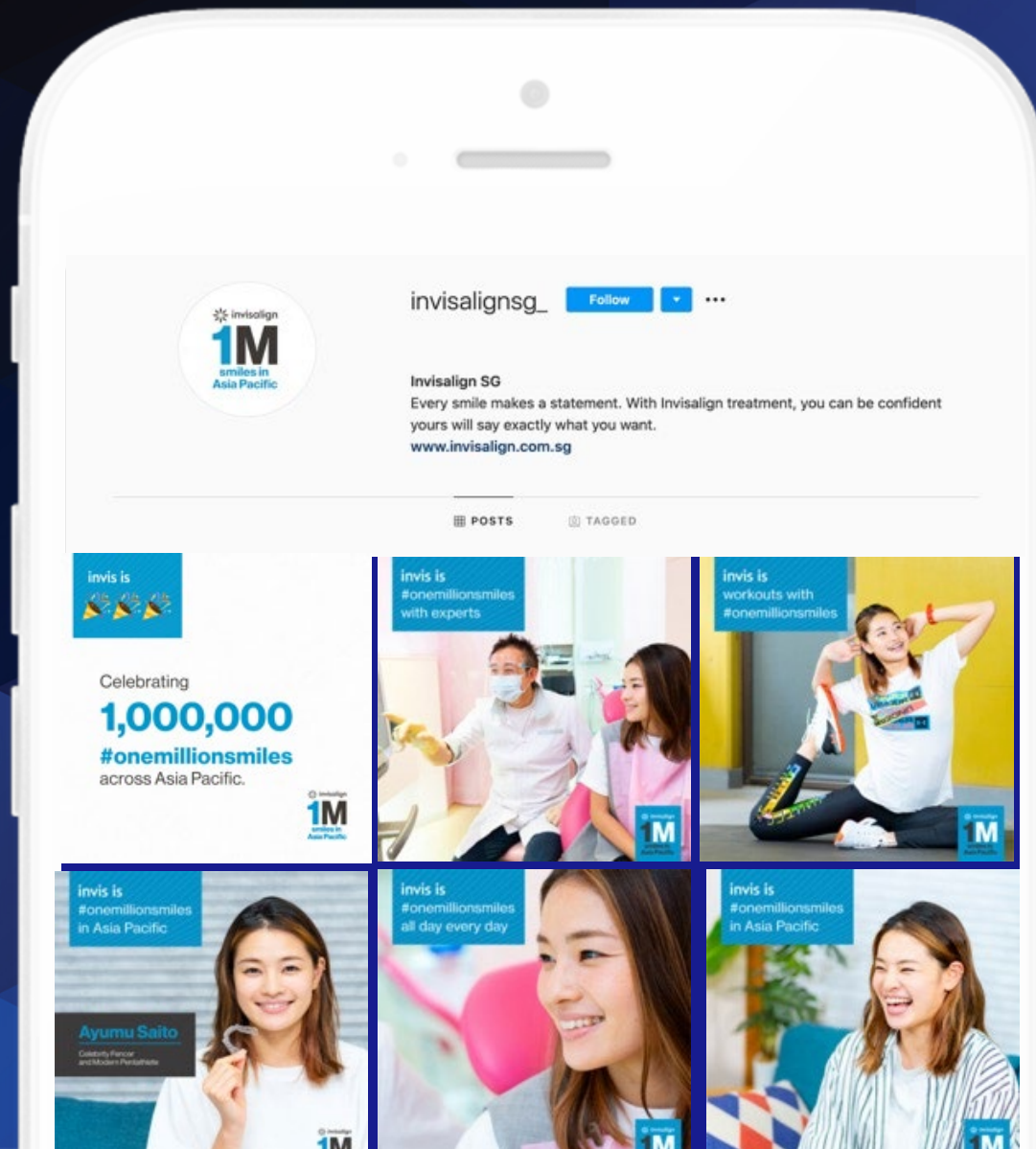
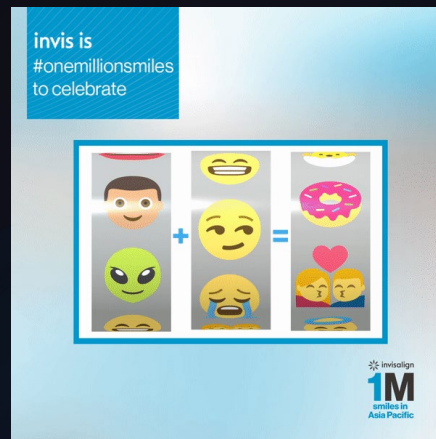
~1M
iTero Scans

Q3 Strong Results and Momentum

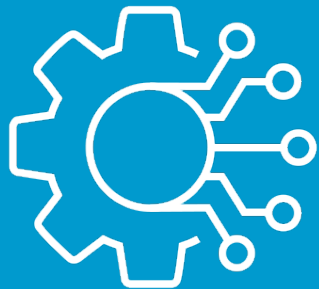
- Strength across region, channels, products
- Record doctors shipped to
- Record shipments to teens
- Utilization up 6.3 cases/doctor
- Accelerating above pre-pandemic level



1 Million Patients in Asia Pacific



Supporting Invisalign Doctors for Recovery



Digital solutions

Minimize treatment disruption, provide continuity of care, improve practice efficiency and create great patient experiences



Safe re-opening

Developed recovery resources to support doctors on re-opening and operating their practices safely in a way that patients trust



Educate consumers

Engaging and building brand awareness and practice use through social media



Looking Back

- Drive momentum in ANZ, China and Japan
- Accelerate growth in KIVT
- Continue to grow Teens
- iTero scanner as core enabler
- Continue momentum with GPs
- Employer of Choice



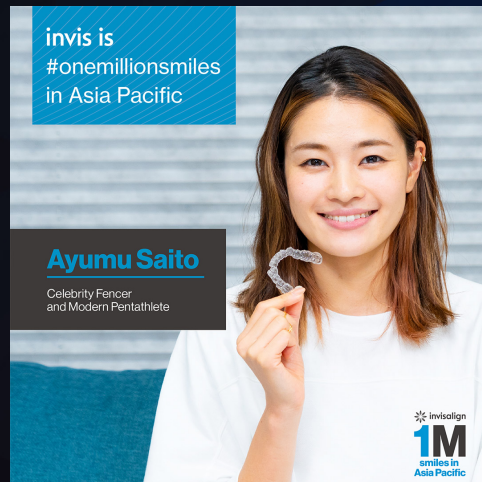
Strategic Priorities – Growth Drivers



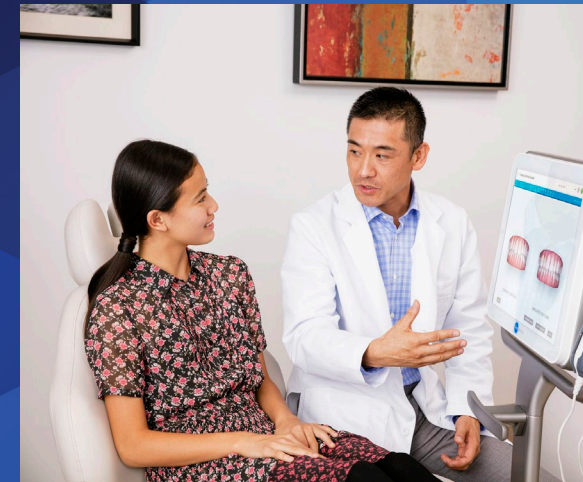
**International
expansion**



**Orthodontist
utilization**



**Patient demand
& conversion**

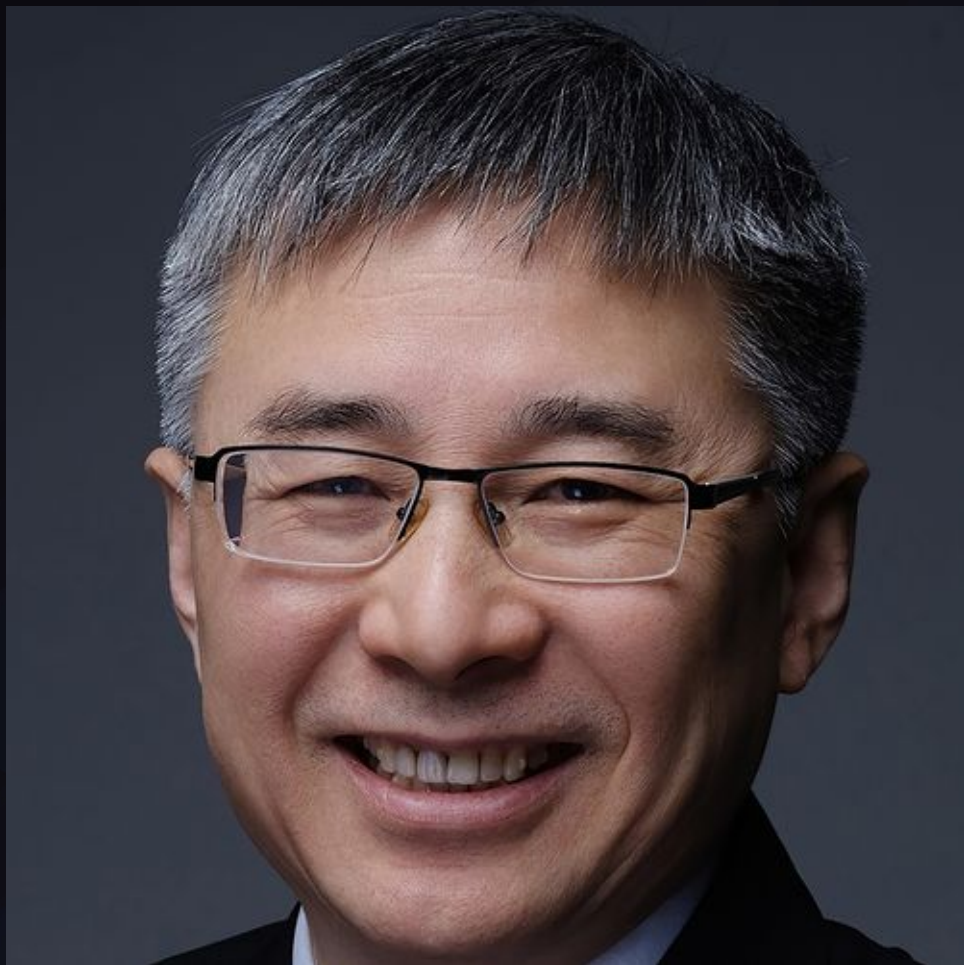


GP dentist treat

China

- #2 market globally, TAM 2.5M
- 3-year shipment CAGR 63%
- Fully resourced from 1st scan to manufacture
- Treatment planning and clinical education/training center
- Aligner Fabrication Facility and iTero Manufacturing – China's Tooth Valley
- Segmentation: Dedicated teams
- “Smiling Teenagers” - China Oral Health Foundation partnership





Prof. Zhou Yan Heng

Department of Orthodontics of Peking University Hospital of Stomatology
Chief Orthodontic Specialist at Sunny Dental

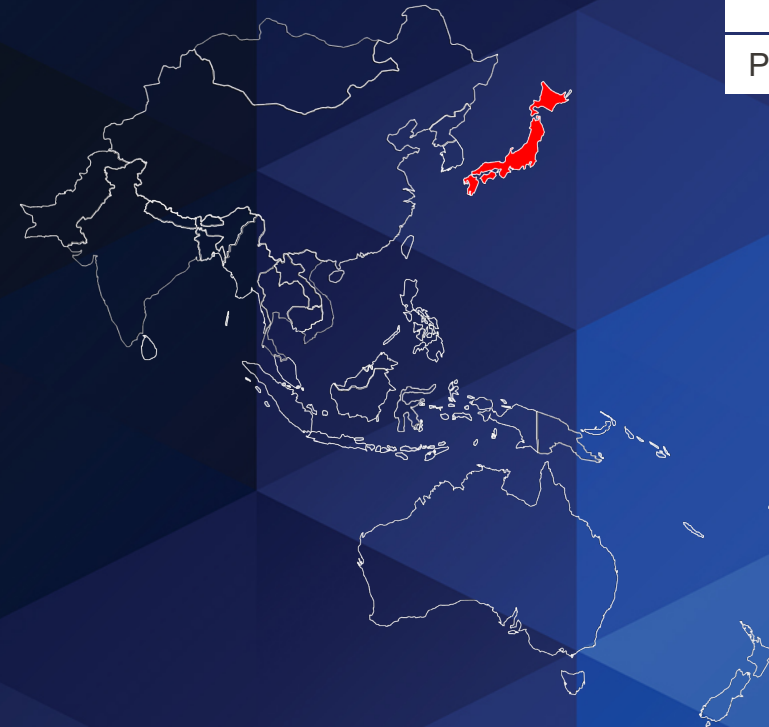


Prof. Lai Wen Li

Director of Orthodontics Department
West China School /Hospital of Stomatology Sichuan University

Japan

- 3-year shipment CAGR at 48%, TAM .5M
- Strong utilization for Ortho & GP
- Regional expansion
- High iTero adoption, iTero Element 5D #2
- Japan Treat
- Invest in consumer marketing



GP dentist treat

Orthodontist utilization

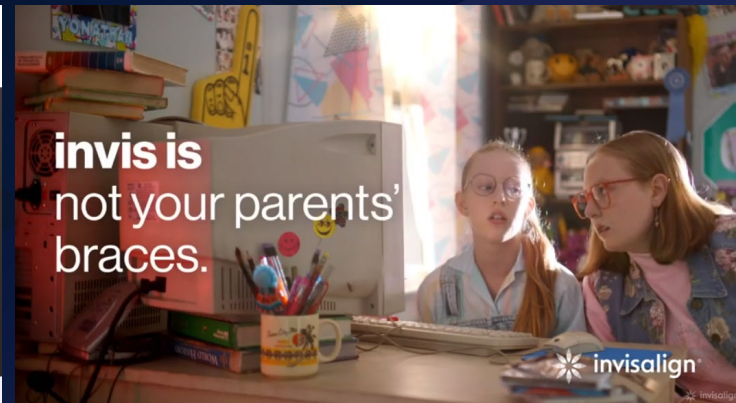
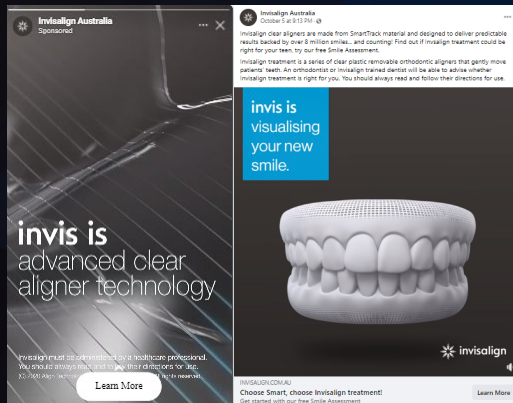
International expansion

Patient demand and conversion



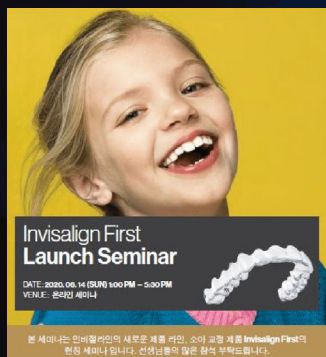
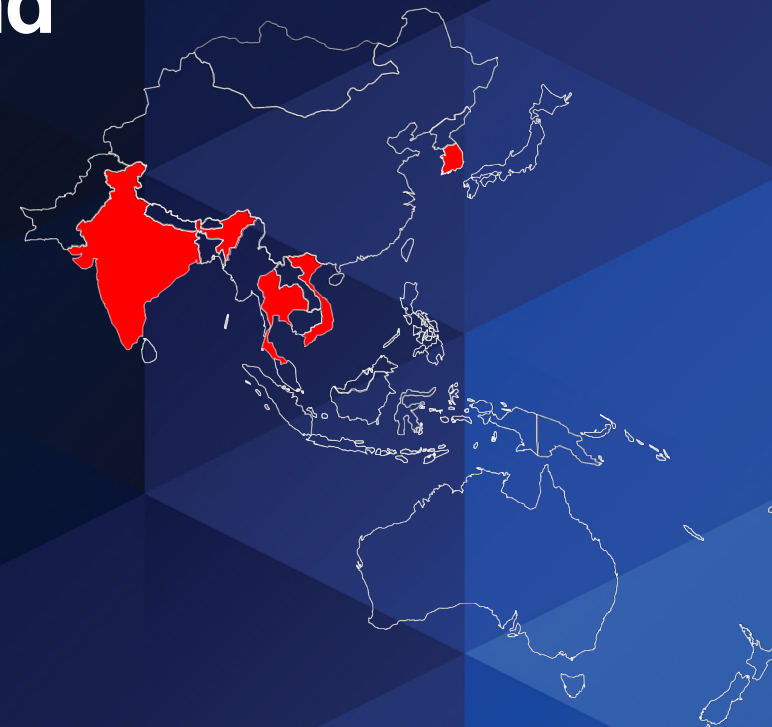
Australia / New Zealand

- 3-year shipment CAGR 30%, TAM .3M
- Established growth market
- Strong Teen demand
- Invest in consumer marketing - First TV ad
- Power Index Top Brands – Invisalign #6



KIVT – Korea, India, Vietnam, Thailand

- Accelerate geographic expansion, TAM .2M
- Korea: “Best Brand” by JoongAng Ilbo Consumer Choice
- India: High adoption of Invisalign Virtual Solutions
- Vietnam: Direct presence
- Thailand: Geographic expansion





align

APAC Virtual Symposium

Redefining best | October 16, 2020



>1,500

Participants
from APAC

25+

World class
speakers

"From this event, I loved seeing different ideas of digital workflow from other doctors because those ideas inspire me in many ways."

Dr Warasiri Pitakanond,
Thailand

"My learning from the Virtual Symposium is to go digital, which is now my future goal."

Dr Jeff Chow,
Hong Kong

Integrated Consumer and Patient Invisalign Journey

Awareness

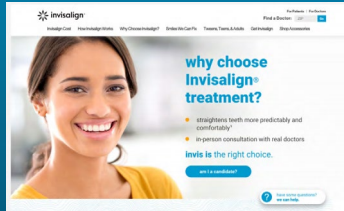
I'm thinking about teeth straightening



Consumer becomes aware of what Invisalign is

Explore

I'm evaluating options



Learns more about Invisalign – website and chatbot



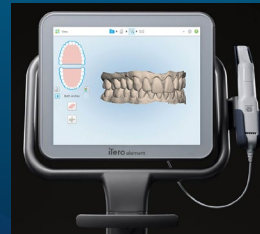
Smile Concierge, SmileView, My Invisalign app and WeChat

Consultation

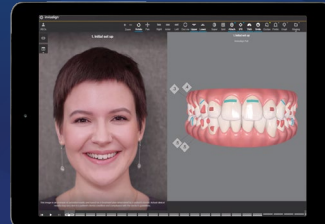
I'm discussing all of my options with my doctor



Provider assessment via Virtual Appointment



Scans with iTero intraoral scanners



Accepts treatment plan and begins treatment

Onboarding

I'm starting my Invisalign treatment



Patient receives starter kit, aligners and onboarding material



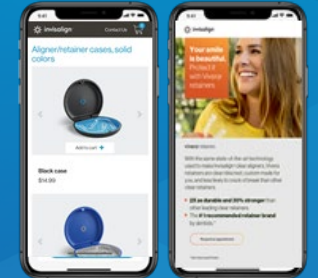
Digital CRM, treatment tracking, treatment sharing from doctors via My Invisalign app. Treatment care from doctors via Virtual Care.

Use

I'm in treatment and may have questions along the way

Recommend

I'm sharing my experience



Personalize with Invisalign Accessories and reminder for Vivera retainers



WOM, Referral programs
Sharing experiences on social media

Broad Invisalign Brand Engagement



align 隐适美

开启微笑闪耀之旅
隐适美矫正入门指引Tips

China



align | invisalign | i7ero



invisalign Japan
インビザライン・ジャパン株式会社

Japan

invisalign
1M
smiles in Asia Pacific
Celebrating
#onemillionsmiles



Japan Invisalign Teen Seminar 2020

2020年11月3日(祝・火) 9:00-12:45 オンライン開催
受講料: 10,000円(税別)



invisalign

The clear choice for a straighter smile.

Invisalign treatment is clear, comfortable and convenient, using the world's most advanced clear aligner technology. Give your teen the smile they deserve.



Australia / New Zealand

Photo 3
Smile without your Invisalign aligners

Photo 3 requires you to simply smile into the camera



真正護齒由「整齊」開始
7歲起為矯正黃金期

Hong Kong



我係隱適美微笑大師
那你呢? 快來加入我的行列!

隱適美
#隱適美

Taiwan



invisalign
Ready to make it
9 million+1?

South East Asia



invisalign Jr

EVENT
아이가 행복한 순간!
찰_락

키즈 모델 콘테스트
우리 아이가 가장 행복하게 웃는 순간을 사진에 담아주세요!
신청: 7/27(목) 14:00 - 2020.08.05

Korea



invis is uninterrupted learning.

invisalign

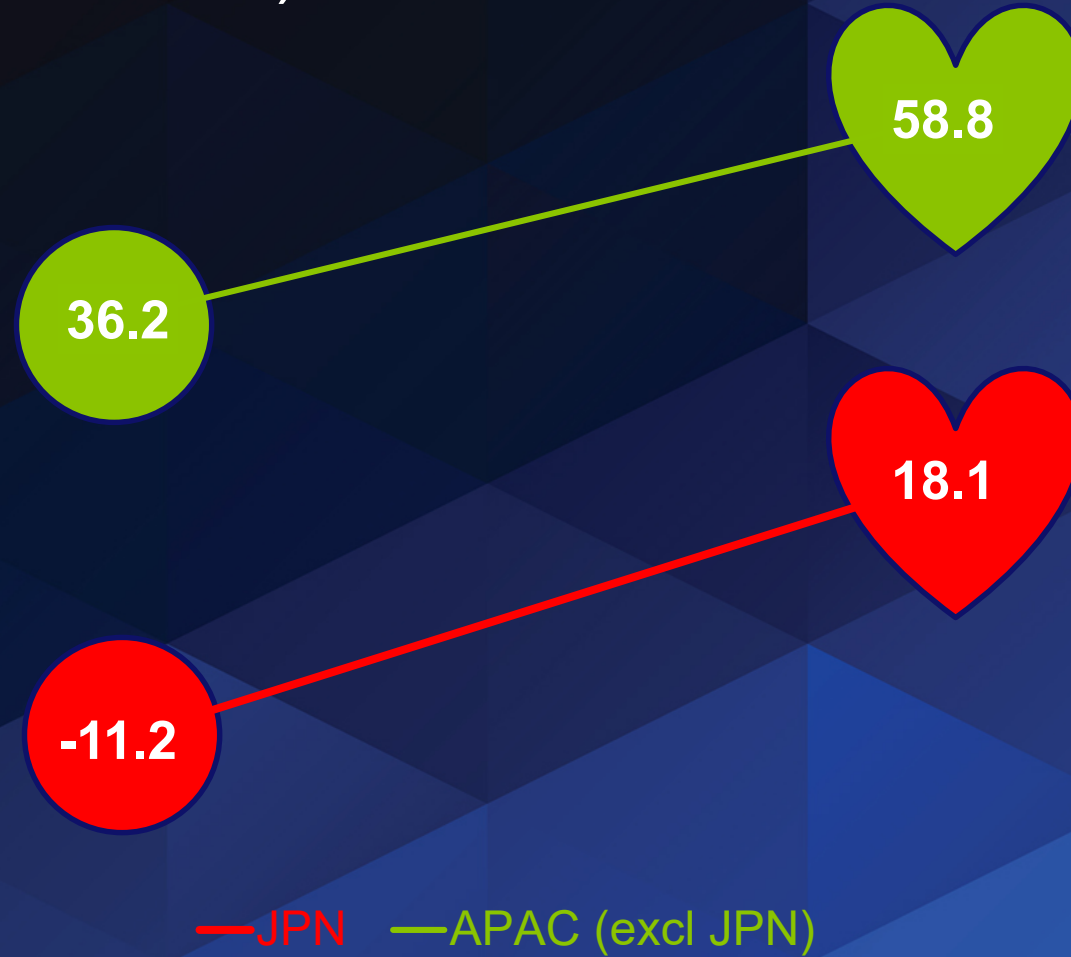
India

It's #TransformationMonday - which means it's time to smile and share yours. Tag us and share your Invisalign smile with us! Sign up for a free Smile Assessment here: <https://bit.ly/35tHyO3>
Picture Credits: Dr. Tapasya Kapoor @invisiblebraces smile
#InvisalignIndia #InvisalignSmile #InvisalignLife #TransformationMonday #SmileSquad #Smiletransformation

Before After

Delighting our Customers

NPS by Year (2017 vs 2020)



Focus for 2021



Continue to win with Orthos

Drive Teen growth, training and education

GP adoption

Comprehensive dentistry, dedicated GP teams



APAC Priorities



Geographical expansion

Closer to providers and their patients

Consumer education and conversion

Advertising, complete consumer journey ecosystem





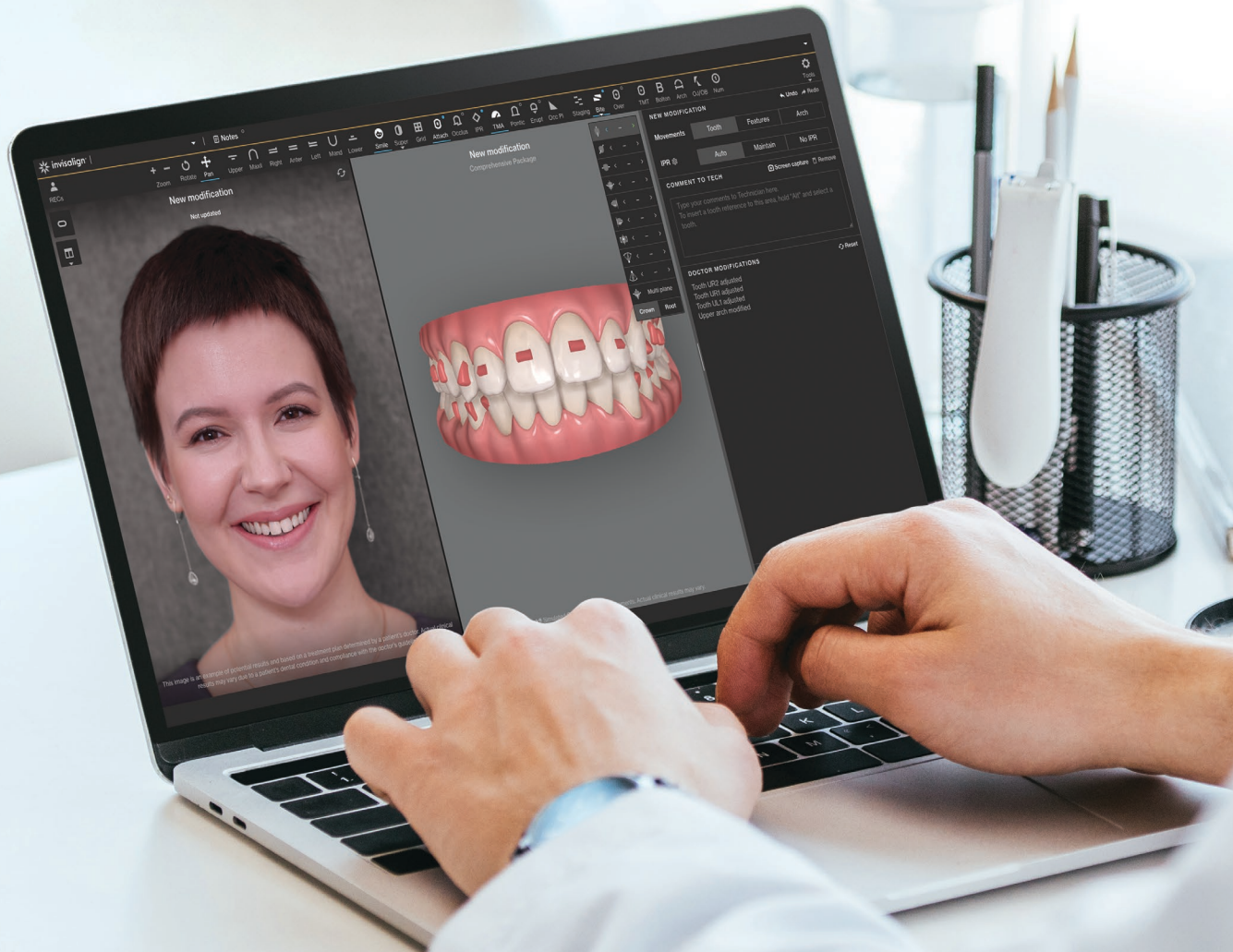
Customer Experience



customer expectations
have changed



**accelerating
digital
adoption**



being a good
partner in
product and
service



Digital Adoption Requires Seamless Customer Experiences



humanizing
data



personalizing
choices



connecting
with empathy

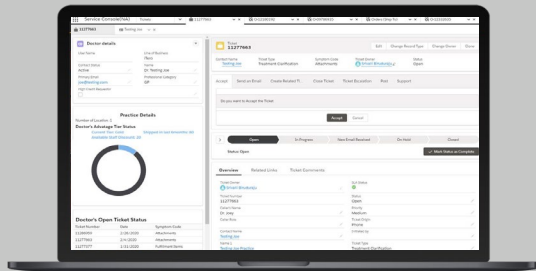


Reduced Friction Work

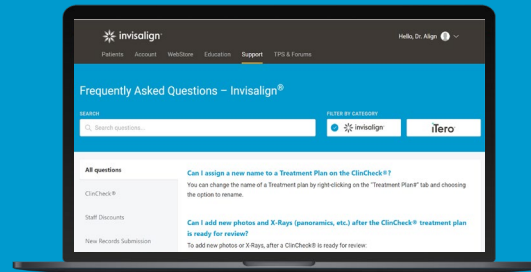
Scaling our support internally to ensure doctors have seamless experiences when they work with Align

SERVICE CONSOLE

- Empowering Customer Advocacy representatives
- Reducing agent time required to gather doctor and case information by 61%



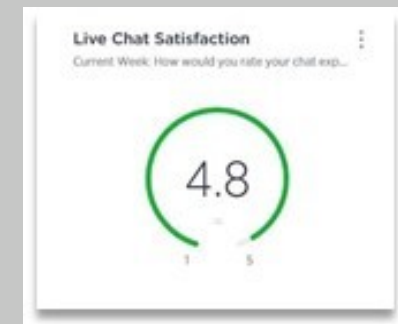
KNOWLEDGE BASE



- Empowering Doctors and their Staff
- Self-help resources to address doctors' most commonly asked questions

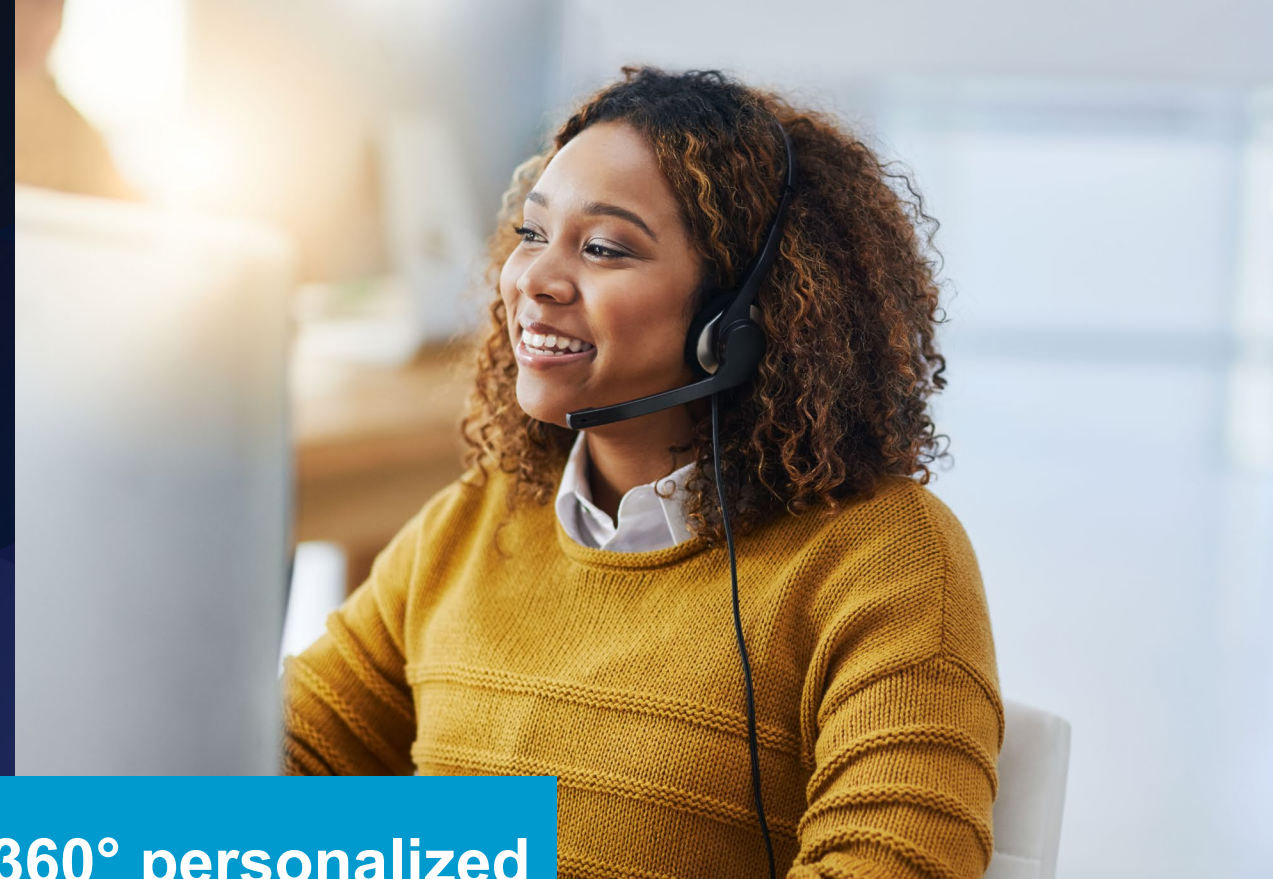
LIVE CHAT

- Creating a convenient service for our doctors and teams
 - Clinical
 - Customer Support
- 25K Doctor Pilot in the US, live in select EMEA and APAC markets

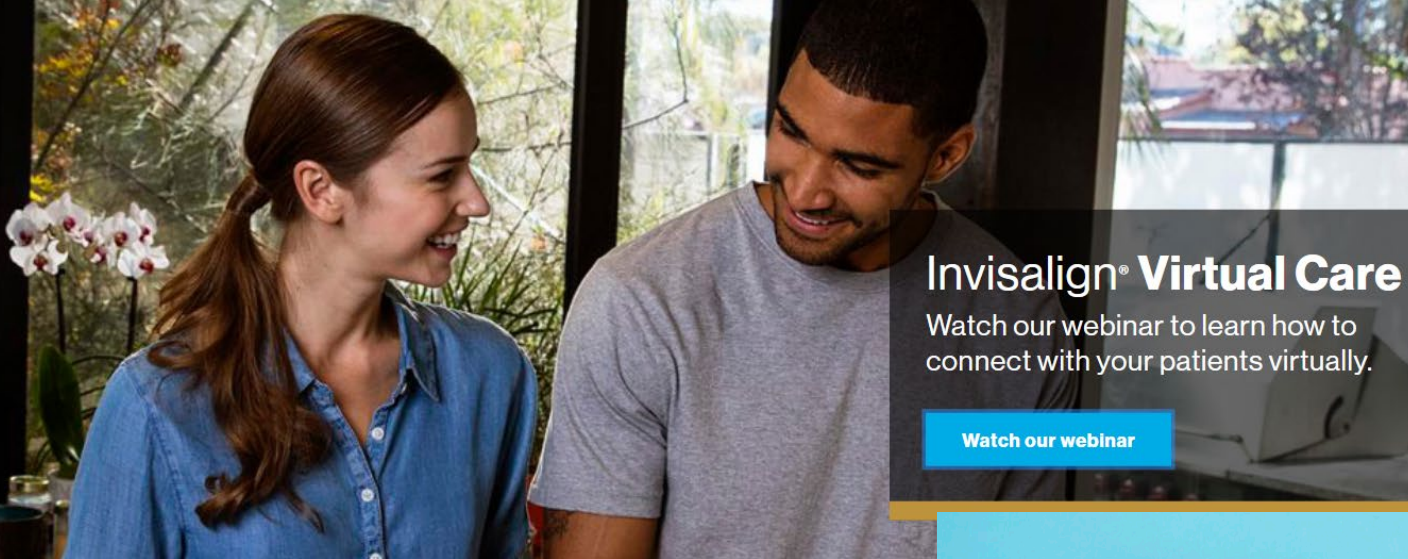


Service Culture Transformation

Smile Service



**360° personalized
support**



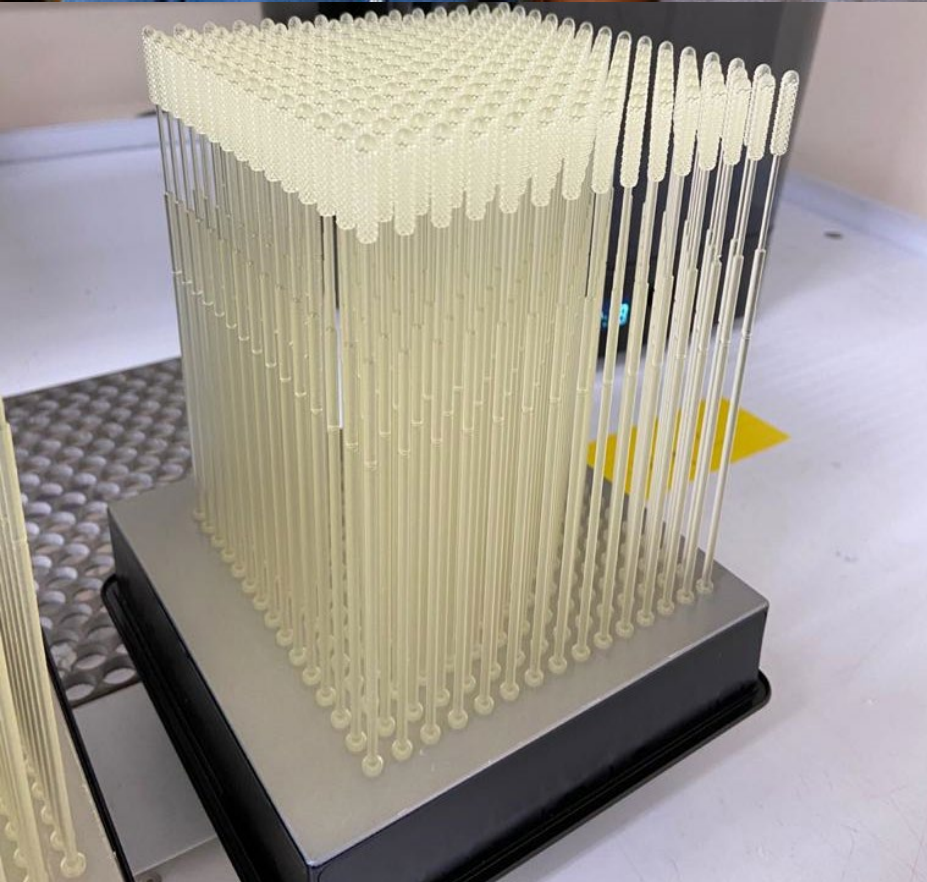
Invisalign® Virtual Care

Watch our webinar to learn how to connect with your patients virtually.

[Watch our webinar](#)

Community and Role of Empathy

COVID RESPONSE



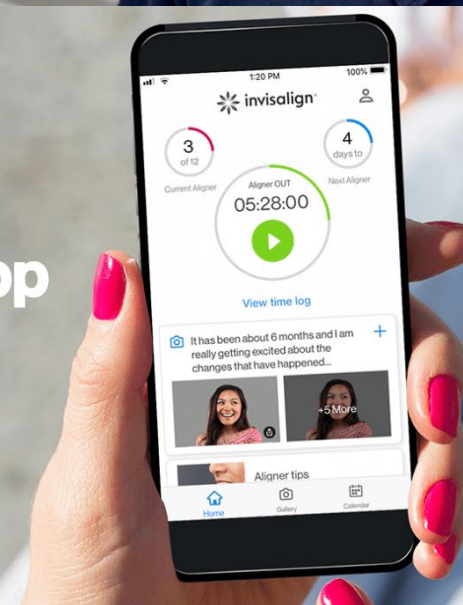
Introducing the all new My Invisalign mobile app



Download on the
App Store



GET IT ON
Google Play



Delighting our Customers

NPS by Year (2017 vs 2020)

42.5

49.7

2017

2020 (Oct)

Direct correlation between **NPS**, **Likely to Recommend** and **Revenue**

Our vision remains clear

Humanize data

Reduce complexity

Provide personalized choices

Connect with empathy



align





Driving Shareholder Value

AGENDA



Investment Allocation



Financial Strength



Long Term Model



Q4 Update



Annual Ortho Starts
15M

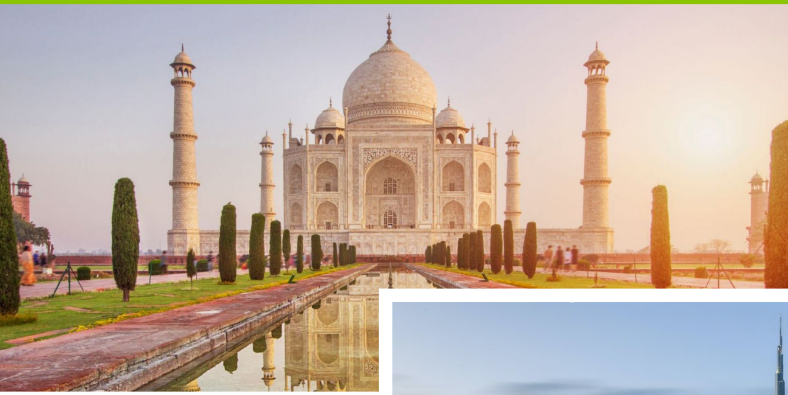


align

GLOBAL
500
MILLION

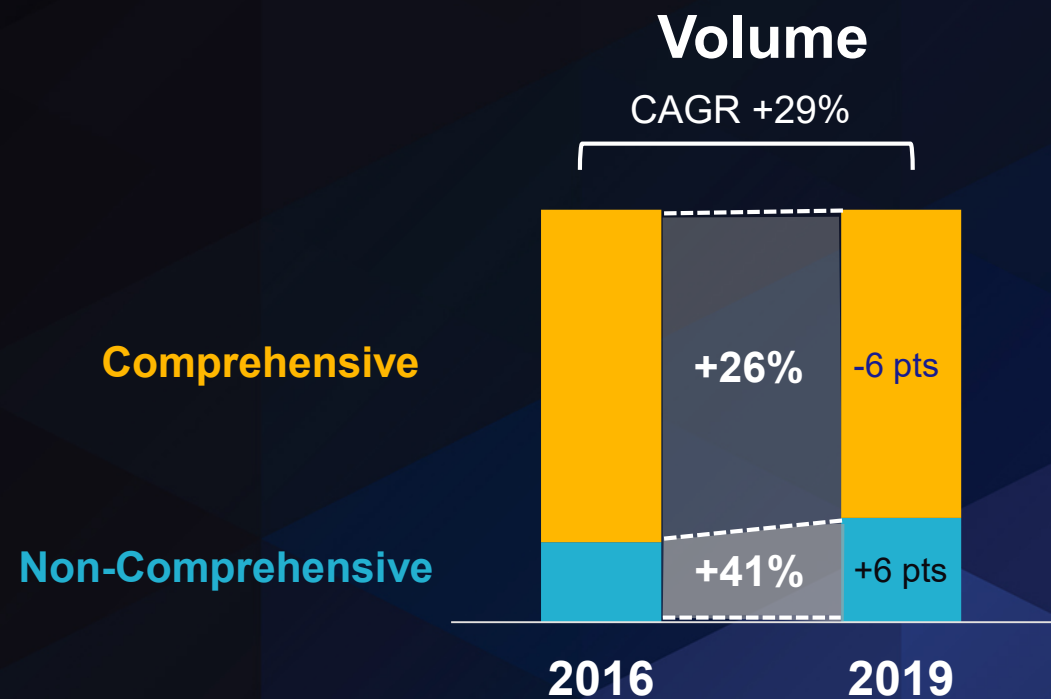


Transforming
smiles
changing lives

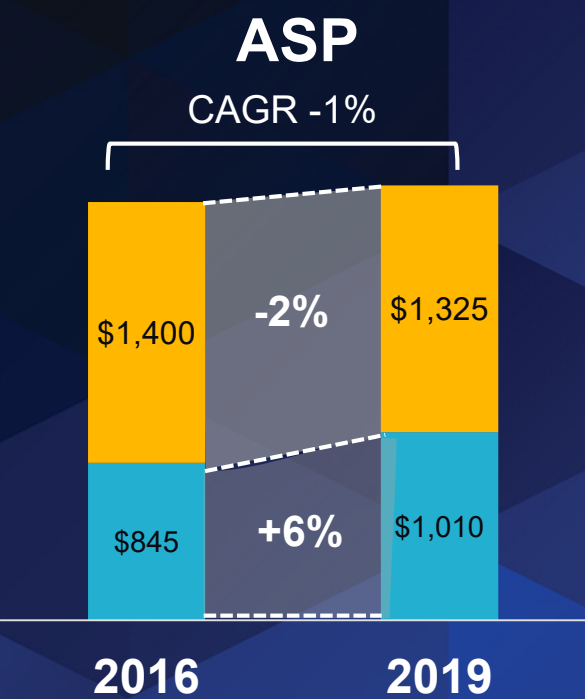


Broadening our Portfolio ...

PRODUCT MIX

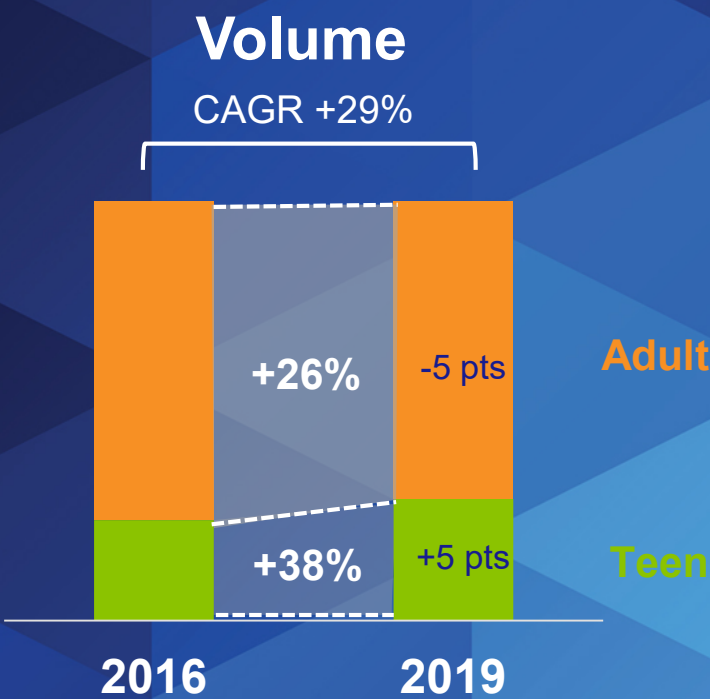


Moderate & Go Product drives mix



Accessing growth in Adults and Teens

TEEN & ADULT

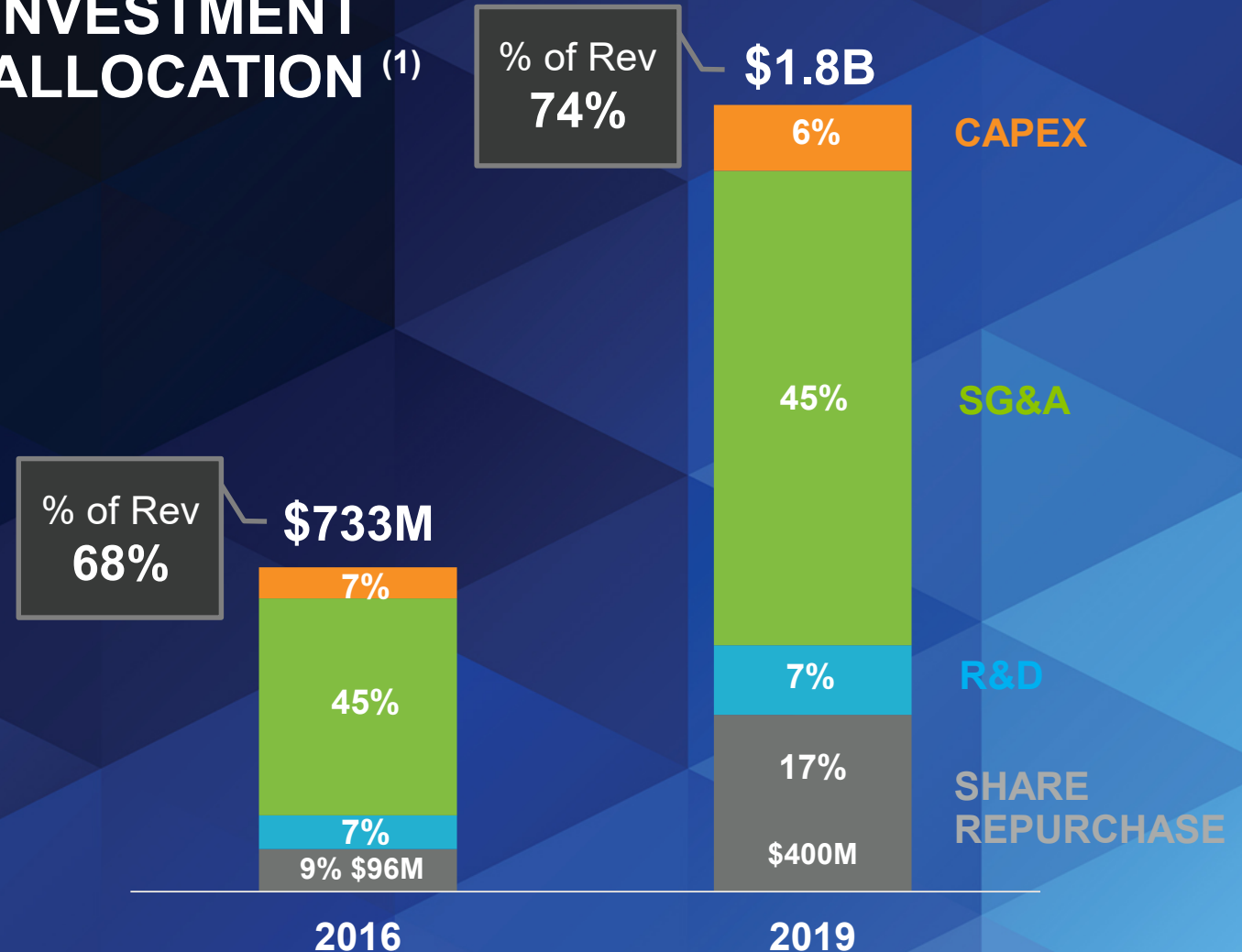


Continue to expand in Adults and Teens

Today's investments drive tomorrow's growth ...

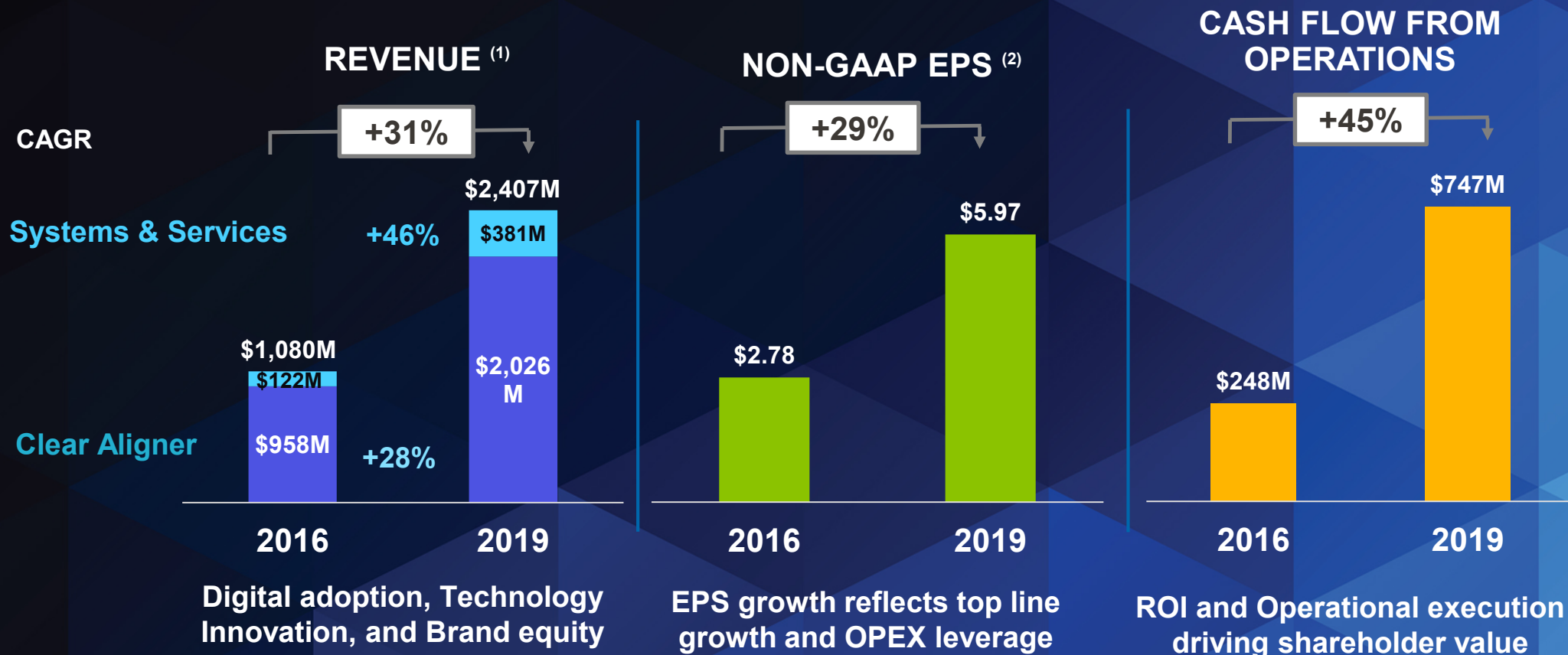
- Investing for growth
 - Focused on Customers
 - Operational Expansion
 - Strengthen the Sales force
 - Investments in R&D and Product Innovation
 - Strategic Investments
 - Deploy CAPEX as necessary
- Op. Margin leverage
- Return surplus cash to shareholders

INVESTMENT ALLOCATION ⁽¹⁾



1) All numbers are on a GAAP basis

Company growth translates to shareholder value



1) Revenue is on GAAP basis

2) 2016 and 2019 EPS excludes Stock Based Compensation and the related tax impact. In addition, 2019 EPS also excludes a benefit of \$0.36 net of tax, from the Straumann legal settlement gain offset by the charges as a result of Invisalign store closures.

Financial Strength and Shareholder Value



Strong growth driven by:

- Strategic Priorities
- Operational Execution
- Return On Investment

resulted in financial excellence and shareholder value.



REVENUE



NON-GAAP EPS ⁽¹⁾



FCF ⁽²⁾



MARKET CAP ⁽³⁾



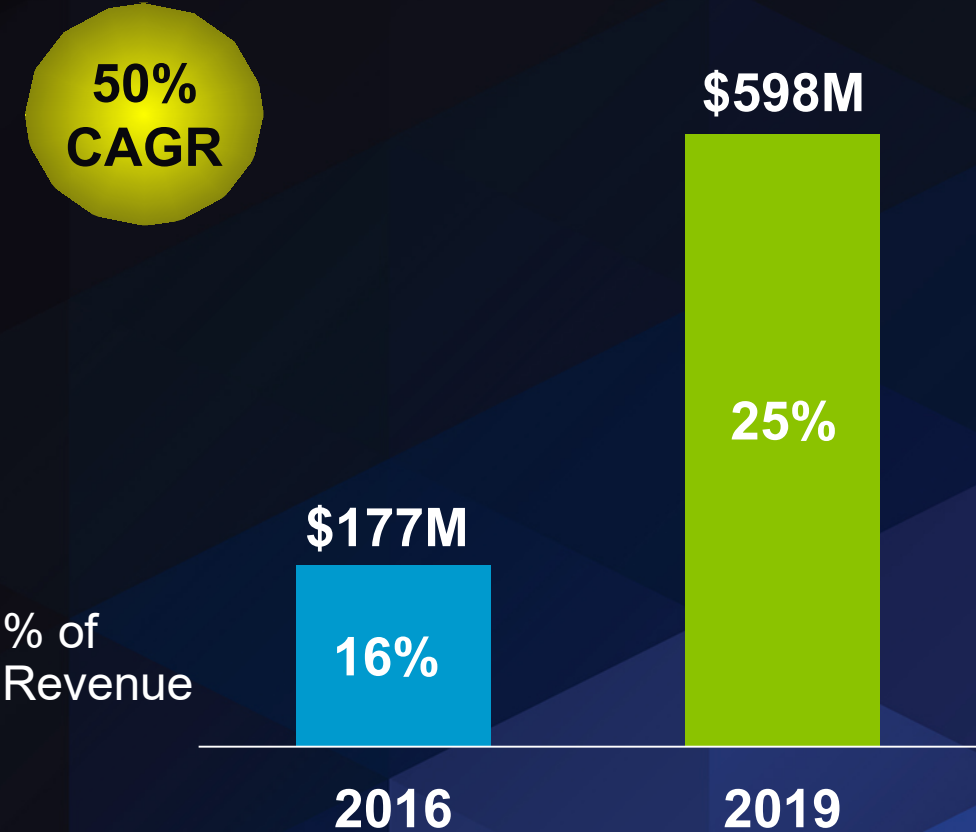
2016 2019

1) 2016 and 2019 EPS excludes Stock Based Compensation and the related tax impact. In addition, 2019 EPS also excludes a benefit of \$0.36 net of tax, from the Straumann legal settlement gain offset by the charges as a result of Invisalign store closures.
2) FCF is a non-GAAP number and is defined as cash flow from operations less purchase of property, plant and equipment
3) As of December 31, 2016 and December 31, 2019

See reconciliation of GAAP to Non-GAAP and Free Cash Flow

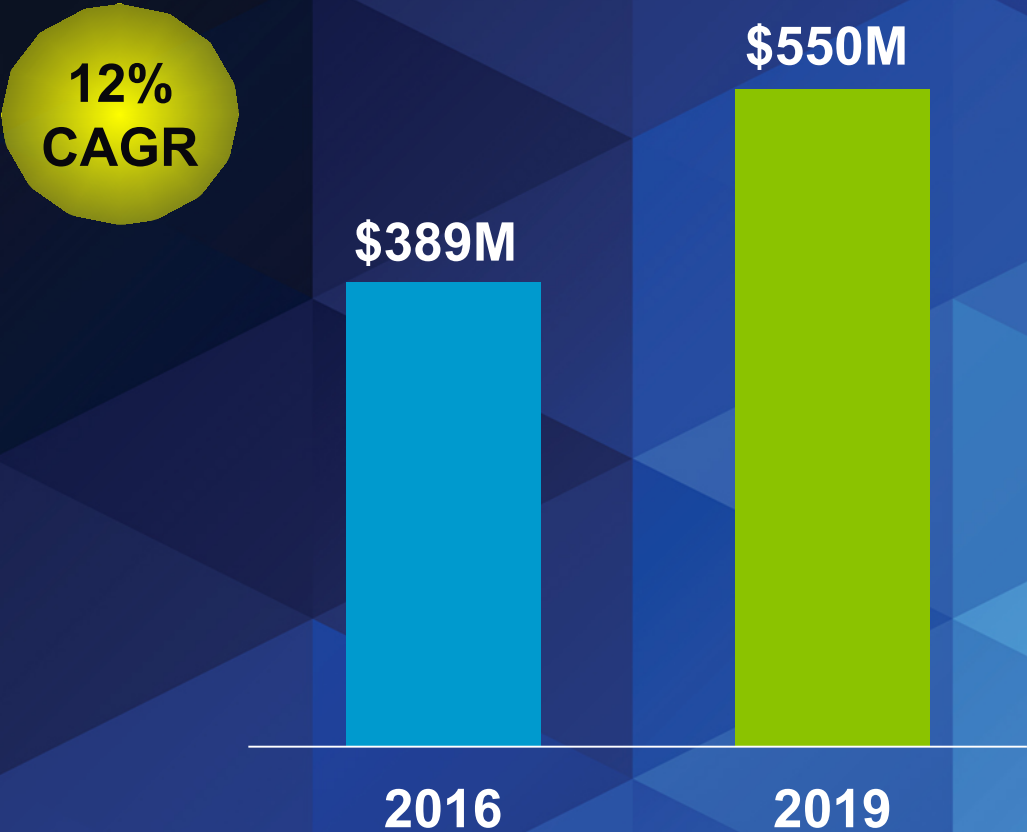
Free Cash Flow and Cash

FREE CASH FLOW



Superior cash flow generation allows investing for growth

CASH & CASH EQUIVALENTS



Cash position allows return to shareholders and flexibility in crisis

See reconciliation of GAAP to Non-GAAP and Free Cash Flow

Turning Balance Sheet Strength Into Business Advantage



Protect
Our
Employees

Meeting
Customer
Needs

Investing
For Growth
During
Pandemic

Operational
Expansion

Strategic
Investments

Stock
Buyback



Strong performance and growth even with COVID-19 impact

	Q3'19	Q3'20	Delta
Revenue Y/Y%	\$607M 20.2%	\$734M 20.9%	+\$127M
Non-GAAP Gross Margin% ⁽¹⁾	72.3%	73.3%	+1.0 pts
Non-GAAP Operating Margin% ⁽²⁾	23.8%	28.0%	+4.2 pts
Non-GAAP Diluted EPS ⁽³⁾	\$1.48	\$2.25	+\$0.77
Cash & Cash Equivalents	\$490M	\$616M	+\$125M

Rounding may affect totals.

**Strong Revenue
Growth**

**Operational
Execution**

**Return on
Investment**

**Continuing
Momentum...**

1) Q3'19 and Q3'20 Gross Margin% excludes Stock Based Compensation Expense. In addition, Q3'20 Gross Margin also excludes amortization of intangibles related to our exocad acquisition.

2) Q3'19 and Q3'20 Operating Margin% excludes Stock Based Compensation Expense. In addition, Q3'19 also excludes a gain from the early termination of our Invisalign store leases. Q3'20 excludes amortization of intangibles and certain incremental expenses related to our exocad acquisition.

3) Q3'20 Diluted EPS excludes non-GAAP adjustments in Operating Margin and the related tax impact. In addition, it also excludes the amortization of tax benefit from the transferred intangible assets.

See reconciliation of GAAP to Non-GAAP

Align Technology Sustainable Competitive Advantage

Manufacturing Excellence

- ✓ > 180M custom aligner / year
- ✓ > 50K treatment plans / day
- ✓ Proven & Scalable Technology

Geographical Expansion

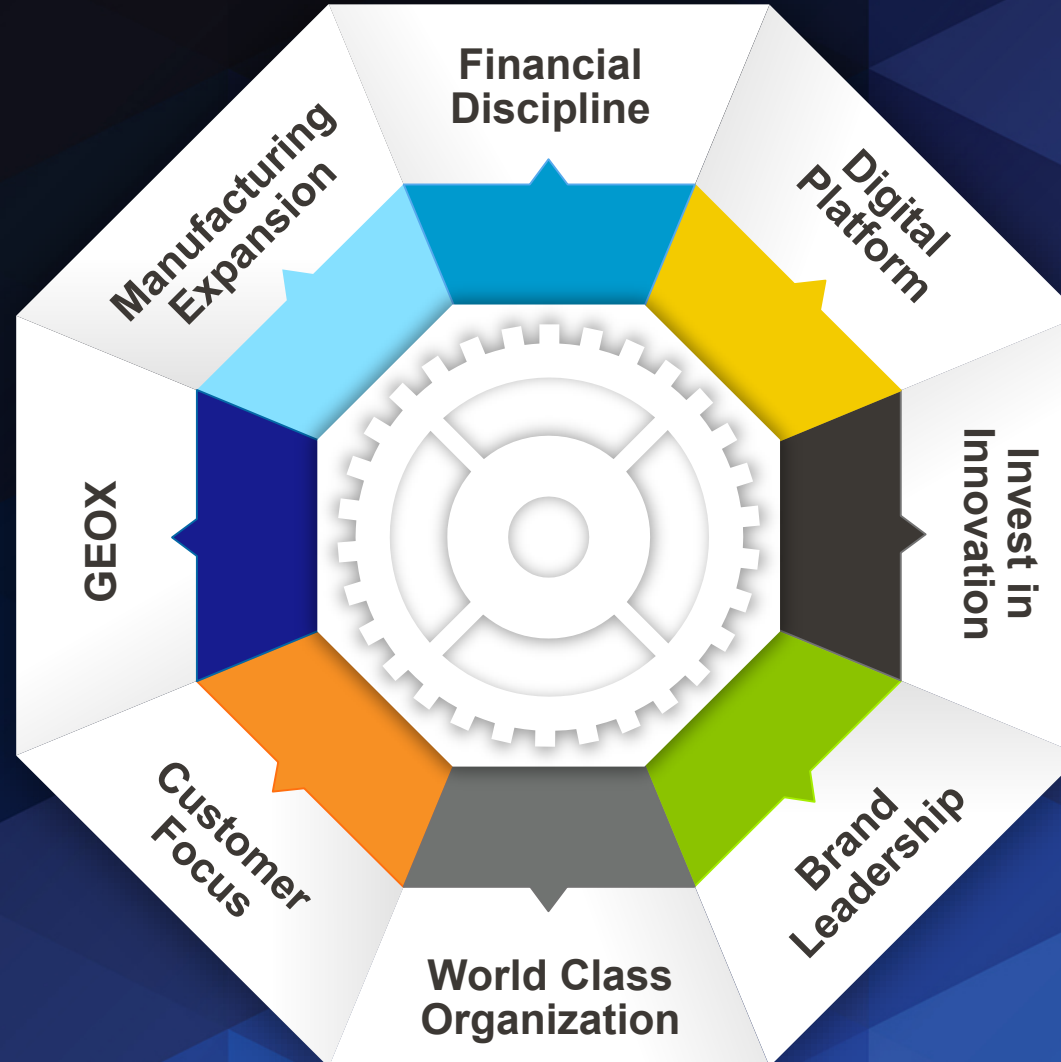
- ✓ > 100 Countries
- ✓ Fab & Treat in 7 countries

Diversified Customer Base

- ✓ 190,000 Orthos and GPs
- ✓ 40,000+ Labs

Strong Workforce

- ✓ 2,000+ Specialty Reps
- ✓ 1,000+ Engineers
- ✓ 10,000+ Manufacturing Experts



Strong Financial Profile

- ✓ Solid Top-line & profit growth
- ✓ Pristine Balance Sheet
- ✓ Investor Return via Buy-Back

Leading Digital Platform

- ✓ Strong Digital Technology in Clincheck & iTero
- ✓ Flexible design (integrate exocad)

Product, Technology, and IP

- ✓ Consistent product launch (G7,G8)
- ✓ Partnership with leading universities
- ✓ Healthy Product / Technology pipeline

Top Brand for Aligner & Scanner

- ✓ \$100M+ annual brand investment
- ✓ 9M+ satisfied patients
- ✓ 35K+ Scanner Install Base



9M+
Patients



Strong Leadership Position, Momentum and Continued Growth

100+
Countries

Financial Strength

End-End Digital Platform

Data, AI, IP

align

**20%+
5YR CAGR**



Global Brand

**2000+
Salesforce**

**Kids
Teens
Adults**

Global Scale/ Operations

Clinical Training Education

exocad

Technology +\$2B

190K
Invisalign Doctors

align

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Reiterating 3 - 5 Year Financial Model Targets

	LTM
REVENUE Y/Y %	20% - 30%
GROSS MARGIN %	73% - 78%
OPERATING EXPENSE %	45% - 50%
OPERATING MARGIN %	25% - 30%
FREE CASH FLOW % ⁽¹⁾	20% - 25%

1) FCF is a non-GAAP number and is defined as cash flow from operations less purchase of property, plant and equipment

Q4 Update



The **strong momentum** we experienced across the business in October has **continued into November.**

Similar to Q3, we are continuing to see a **higher mix of new cases vs additional aligner cases** as doctors continue to ramp up practices. We remain committed to supporting our doctors and their practices through this recovery and beyond.



Our prior investments have helped drive adoption and top line growth and we are encouraged by the return on our investments. Therefore, we are **adding significant investments** in sales, marketing, innovation and manufacturing capacity to continue to drive momentum and penetrate the huge market opportunity.



At the same time, there continues to be uncertainty around the pandemic and the global environment, and any additional lockdowns, change in consumer behavior or practice closures could impact our operations and financial results.

Unaudited GAAP to Non-GAAP Reconciliation

ALIGN TECHNOLOGY, INC.
UNAUDITED GAAP TO NON-GAAP RECONCILIATION
(in thousands except per share data)

	FY 2019	FY 2016
GAAP gross profit	\$ 1,743,897	\$ 815,294
Stock-based compensation	5,154	3,966
Non-GAAP gross profit	\$ 1,749,051	\$ 819,260
GAAP gross margin	72.5%	75.5%
Non-GAAP gross margin	72.7%	75.9%
GAAP operating expenses	\$ 1,201,404	\$ 566,373
Stock-based compensation	(83,030)	(50,182)
Impairments and other (gains) charges ⁽¹⁾	(22,990)	-
Litigation settlement gain ⁽²⁾	51,000	-
Non-GAAP operating expenses	\$ 1,146,384	\$ 516,191
GAAP income from operations	\$ 542,493	\$ 248,921
Stock-based compensation	88,184	54,148
Impairments and other (gains) charges ⁽¹⁾	22,990	-
Litigation settlement gain ⁽²⁾	(51,000)	-
Non-GAAP income from operations	\$ 602,667	\$ 303,069
GAAP operating margin	22.5%	23.1%
Non-GAAP operating margin	25.0%	28.1%
GAAP net income before provision for income taxes and equity in losses of investee	\$ 562,651	\$ 242,566
Stock-based compensation	88,184	54,148
Impairments and other (gains) charges ⁽¹⁾	22,990	-
Litigation settlement gain ⁽²⁾	(51,000)	-
Non-GAAP net income before provision for income taxes and equity in losses of investee	\$ 622,825	\$ 296,714
GAAP provision for income taxes	\$ 112,347	\$ 51,200
Tax impact on non-GAAP adjustments	24,635	17,247
Non-GAAP provision for income taxes	\$ 136,982	\$ 68,447
GAAP effective tax rate	20.0%	21.1%
Non-GAAP effective tax rate	22.0%	23.1%
GAAP net income	\$ 442,776	\$ 189,682
Stock-based compensation	88,184	54,148
Impairments and other (gains) charges ⁽¹⁾	22,990	-
Litigation settlement gain ⁽²⁾	(51,000)	-
Tax impact on non-GAAP adjustments	(24,635)	(17,247)
Non-GAAP net income	\$ 478,315	\$ 226,583
GAAP diluted net income per share	\$ 5.53	\$ 2.33
Non-GAAP diluted net income per share	\$ 5.97	\$ 2.78
Shares used in computing diluted net income per share	80,100	81,484

Notes:

⁽¹⁾ 2019 includes a \$23.0 million net impairment charge related to the Invisalign store closures

⁽²⁾ 2019 includes a \$51.0 million gain from settlement of Straumann litigation

Unaudited GAAP to Non-GAAP Reconciliation

ALIGN TECHNOLOGY, INC.
UNAUDITED GAAP TO NON-GAAP RECONCILIATION
(in thousands except per share data)

	Three Months Ended September 30,	
	2020	2019
GAAP gross profit	\$ 534,088	\$ 437,554
Stock-based compensation	1,247	1,354
Amortization of intangibles ⁽¹⁾	2,700	-
Non-GAAP gross profit	\$ 538,035	\$ 438,908
GAAP gross margin	72.7%	72.0%
Non-GAAP gross margin	73.3%	72.3%
GAAP operating expenses	\$ 357,019	\$ 310,402
Stock-based compensation	(23,982)	(22,822)
Amortization of intangibles ⁽¹⁾	(580)	-
Acquisition related costs ⁽²⁾	(314)	-
Impairments and other (gains) charges ⁽³⁾	-	6,792
Non-GAAP operating expenses	\$ 332,143	\$ 294,372
GAAP income from operations	\$ 177,069	\$ 127,152
Stock-based compensation	25,229	24,176
Amortization of intangibles ⁽¹⁾	3,280	-
Acquisition related costs ⁽²⁾	314	-
Impairments and other (gains) charges ⁽³⁾	-	(6,792)
Non-GAAP income from operations	\$ 205,892	\$ 144,536
GAAP operating margin	24.1%	20.9%
Non-GAAP operating margin	28.0%	23.8%
GAAP net income before provision for income taxes and equity in losses of investee	\$ 184,545	\$ 128,419
Stock-based compensation	25,229	24,176
Amortization of intangibles ⁽¹⁾	3,280	-
Acquisition related costs ⁽²⁾	314	-
Impairments and other (gains) charges ⁽³⁾	-	(6,792)
Non-GAAP net income before provision for income taxes and equity in losses of investee	\$ 213,368	\$ 145,803
GAAP provision for income taxes	\$ 45,174	\$ 25,895
Tax impact on non-GAAP adjustments	1,093	1,467
Tax related non-GAAP items ⁽⁴⁾	(10,763)	-
Non-GAAP provision for income taxes	\$ 35,504	\$ 27,362
GAAP effective tax rate	24.5%	20.2%
Non-GAAP effective tax rate	16.6%	18.8%
GAAP net income	\$ 139,371	\$ 102,524
Stock-based compensation	25,229	24,176
Amortization of intangibles ⁽¹⁾	3,280	-
Acquisition related costs ⁽²⁾	314	-
Impairments and other (gains) charges ⁽³⁾	-	(6,792)
Tax impact on non-GAAP adjustments	(1,093)	(1,467)
Tax related non-GAAP items ⁽⁴⁾	10,763	-
Non-GAAP net income	\$ 177,864	\$ 118,441
GAAP diluted net income per share	\$ 1.76	\$ 1.28
Non-GAAP diluted net income per share	\$ 2.25	\$ 1.48
Shares used in computing diluted net income per share	79,163	79,825

Notes:

⁽¹⁾ During the three months ended September 30, 2020, we recorded amortization of intangible assets related to our Q2'20 exocad acquisition.

⁽²⁾ During the three months ended September 30, 2020, we recorded certain incremental expenses related to our Q2'20 exocad acquisition including third party advisory, legal, tax, accounting, valuation, and other professional or consulting fees.

⁽³⁾ During the three months ended September 30, 2019, we negotiated early termination of our Invisalign store leases and recorded lease termination gains of \$6.8 million.

⁽⁴⁾ For the three months ended September 30, 2020, we recorded amortization of the tax benefit from intangible assets transferred during the three months ended March 31, 2020.

Free Cash Flow

(\$ in millions)	2016	2019
Cash Flow from Operations	\$248	\$747
Capital Expenditures	\$(71)	\$(150)
Free Cash Flow*	\$177	\$598

*Free cash flow is defined as cash flow from operations less purchase of property, plant and equipment and is a non-GAAP measure. Rounding may affect totals.

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 invisalign® | iTero®

Appendix

The Gateway to Align's Digital Platform, Yuval Shaked

Slide 97:

- *Based on a survey in May of 2019 of n = 15 practitioners who participated in a global limited market release, working with iTero Element 5D for an average period of 6 months, representing both GPs and Orthos in CAN, EU and APAC, who were presented with a level of agreement scale from strongly agree to strongly disagree with the following statement: "Incorporating the iTero Element 5D scanner into my current diagnostic protocol, I experienced an increase in restorative cases treated for my patients at my practice", and then asked to estimate the average increase in revenue for the practice. Data on file at Align Technology, as of November 15, 2019.
- ** Based on a survey in May of 2019 of n = 15 practitioners who participated in a global limited market release, working with iTero Element 5D for an average period of 6 months, representing both GPs and Orthos in CAN, EU and APAC, who were presented with a level of agreement scale from strongly agree to strongly disagree with the following statements: "Incorporating the iTero Element 5D scanner into my current diagnostic protocol, I experienced an increase in treated interproximal caries cases on my patients at my practice", and then asked to estimate the average increase in revenue for the practice. Data on file at Align Technology, as of November 15, 2019.
- *** Based on a survey in May of 2019 of n = 15 practitioners who participated in a global limited market release, working with iTero Element 5D for an average period of 6 months, representing both GPs and Orthos in CAN, EU and APAC, who were presented with a level of agreement scale from strongly agree to strongly disagree with the following statements: "Incorporating the iTero Element 5D scanner into my current diagnostic protocol,, I experienced an increase in the number of accepted caries treatments by my patients at my practice", and then asked to estimate the average increase. Data on file at Align Technology, as of November 15, 2019.

Slide 100:

- *Study sponsored by Align Technology.
- *Retrospective data evaluation and quantitative analysis completed by Dr. MacKay, University of Memphis, 2018.
616 orthodontists who use an iTero Element scanner (countries included: AU, AT, BM, CA, DE, DK, FR, IT, NZ, PR, RU, SG, ES, CH, GB, US). Study based on use of iTero Element scanner model only. Claim based on extrapolation of results to include iTero Element 2 and iTero Element Flex scanner models which utilize the same iTero Element Software. Accepted for publication online at [Dentalllearning.net](https://dentalllearning.net).

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