



YOUR
SMILE.
OUR
VISION.

SDI LIMITED ACN 008 075 581 | ABN 27 008 075 581
HEAD OFFICE 3-15 BRUNSDON STREET, BAYSWATER. PO BOX 314, VICTORIA, 3153 AUSTRALIA.
TOLL FREE 1800 337 003 | TELEPHONE +61 3 8727 7111
FAX +61 3 8727 7222 | info@sdi.com.au | www.sdi.com.au

ASX and Media Release

28 August 2025

SDI Limited reports further improvement in gross margins

MELBOURNE, Australia – SDI Limited (ASX: SDI), a leading dental technology company that conducts research and development, manufacturing, and marketing of specialist dental materials today advised that for the twelve months ending 30 June 2025 Net profit after tax increased by 16.7% to \$12.2 million, compared to \$10.4 million for the previous corresponding period (pcp). After adjusting for a \$1.7 million tax expense benefit, relating to a capital loss from the Brazilian operations, normalised profit after tax increased by 0.1% to \$10.5 million.

Summary financials (AUD)	FY 2025	FY 2024	Change
Sales (\$'000)	110,384	111,206	-0.7%
Gross product margin (%)	62.9	62.1	+80 bps
EBITDA (\$'000)	21,321	21,909	-2.7%
Reported NPAT (\$'000)	12,160	10,421	+16.7%
Normalised NPAT (\$'000)	10,490	10,421	+0.1%
Reported EPS (cents)	10.23	8.77	16.6%
Normalised EPS (cents)	8.83	8.77	+0.1%
Final ordinary dividend (cents)	1.90	1.90	unchanged

FY 2025 Highlights

- Total sales of \$110.4 million, down 0.7% on pcp, with good growth in the European and Brazilian markets, offset by declines in Middle Eastern and Asian markets and the continual decline in Amalgam sales
- Gross margin of 62.9%, up 80 bps on pcp, reflecting operational efficiencies, plus geographical and product mix
- Operating expenses of \$53.9 million, up 3.5% on pcp
- EBITDA decreased by 2.7% to \$21.3 million (FY24 \$21.9 million)
- Reported ESP increase by 16.6% to 10.23 cents (FY24 8.77 cents)
- Normalised EPS increased by 0.1% to 8.83 cents (FY24 8.77 cents)
- Final fully franked ordinary dividend maintained at 1.9 cents per share

Commenting on the result, Chief Executive Officer Samantha Cheetham said: *"I am pleased with the results for the year. We saw continued sales growth in Aesthetic products, underpinned by ongoing new product development, and an improvement in Whitening sales. We managed our operating expenses well and saw further improvement on gross margins. We expect gross margins to continue to improve as the new production machinery installed during the year becomes fully operational. Offsetting some of these results were the continuing weakness in Amalgam sales. This is not unexpected, as this product gets closer to its end of life in many markets. During the year we also saw weakness in the Middle East, with some specific market related challenges due to the conflicts in this region, and Asia also underperformed in this period."*



YOUR
SMILE.
OUR
VISION.

SDI LIMITED ACN 008 075 581 | ABN 27 008 075 581
HEAD OFFICE 3-15 BRUNSDON STREET, BAYSWATER. PO BOX 314, VICTORIA, 3153 AUSTRALIA.
TOLL FREE 1800 337 003 | TELEPHONE +61 3 8727 7111
FAX +61 3 8727 7222 | info@sdi.com.au | www.sdi.com.au

Key product category sales

Category	\$'000 AUD	Change in local currency %	Change in AUD. %	Total AUD sales %
Aesthetics	57,785	4.0	4.5	52.4
Equipment	6,199	-2.2	-5.1	5.6
Whitening	31,995	2.0	3.2	29.0
Amalgam	14,405	-21.9	-21.5	13.0
Total	110,384	-1.2	-0.7	100.0

In local currencies, Aesthetics sales continued to show good growth, up 4.0% on pcp. Aesthetics sales increased across all regions partly offset by a decline in Australian direct export sales down 10.2%. Whitening sales increased by 2.0% with good increases in the North American and Australian domestic markets. Equipment sales, SDI's smallest product category and largely a complimentary product, fell by 2.2%, reflecting a decrease in all markets apart from Brazil and Europe which saw strong increases 4.4% and 18.3% respectively. Amalgam sales decreased by 21.9%, reflecting significant declines in most market

Sales by business unit

Business unit	\$'000 AUD	Growth/(decline) in local currency %	Growth/(decline) in AUD %	Total AUD sales %
Australian sales (incl direct exports)	32,820	-10.5	-9.7	29.7
North America	24,308	-3.0	-1.5	22.0
Europe	44,649	5.8	8.0	40.5
Brazil	8,607	9.7	-2.6	7.8
Total	110,384	-1.2	-0.7	100.0

Product sales by Business Unit	Amalgam FY25			Non – Amalgam FY25		
	\$'000	% Change	% of Total Sales	\$'000	% Change	% of Total Sales
Australia (including direct exports)	1,871	(49.8)	5.7	30,949	(5.9)	94.3
Brazil	1,119	29.4	13.0	7,488	7.3	87.0
Europe	5,135	(19.6)	11.5	39,514	10.3	88.5
North America	6,271	(16.6)	25.8	18,037	2.8	74.2
Total	14,396		100.0	95,988		100.0

The business unit performance reflects unfavourable currency movements and strong growth from the European and Brazilian business.

European sales were up 5.8% in local currencies, driven by demand for Aesthetic products in most European markets. North American sales decreased by 3.0% on pcp, primarily due to a 16.6% decline in Amalgam sales.



YOUR
SMILE.
OUR
VISION.

SDI LIMITED ACN 008 075 581 | ABN 27 008 075 581
HEAD OFFICE 3-15 BRUNSDON STREET, BAYSWATER. PO BOX 314, VICTORIA, 3153 AUSTRALIA.
TOLL FREE 1800 337 003 | TELEPHONE +61 3 8727 7111
FAX +61 3 8727 7222 | info@sdi.com.au | www.sdi.com.au

Australian sales, which include Australian domestic and direct export markets, were down by 10.5%, with Australian direct exports decreasing by 15.3% when adjusted for currency movements. These sales were impacted mainly by the reduction in sales from the Middle East and Asian regions.

Brazilian sales increased by 9.7% on pcp in local currencies due to Distributors returning to normal business after reducing their inventory in the pcp.

Sales by region

Region	FY 2025 (\$'000 AUD)	FY 2024 (\$'000 AUD)	% Change
APAC	18,664	19,759	-5.5
Middle East / Africa	7,956	11,251	-29.3
South America	11,780	12,573	-6.3
North America	24,308	24,686	-1.5
Europe	47,676	42,937	11.0

Sales by regions reflects strong growth in the European market which were aided by increased demand for Aesthetic products. Middle Eastern and African sales were predominately affected by deliberate delays in shipment due to short term issues around customer payments and the instability in some of the Middle Eastern markets. APAC sales were down reflecting lower ordering from the Asian market.

Gross profit margins

Product margins in Australian dollars increased by 80 bps to 62.9%, driven by operational efficiencies and strong growth in the Aesthetic products. Product and geographical sales mix also impacted gross margin, with sales growth in Aesthetics in the European market attracting higher product margins. Small delays in the implementation of planned new production machinery fell short the expected margin improvements in the year; however, it is expected that these benefits will flow through in the first half of the 2026 financial year.

Expenses

Operating expenses in Australian dollars up 3.5% on pcp. After adjusting for currency movements operating expenses increased by 3.2% compared to pcp, reflecting ongoing inflationary pressures, particularly relating to employment costs and increased marketing expenditure on new product releases.

Tax Expense

Tax expense of 19.5% compared to 31.6% for the pcp reflecting the non-deductibility of asset impairments in the pcp, and after adjusting for a \$1.7 million tax expense benefit in the current financial year which related to a capital loss from the Brazilian operations. Normalised tax expense was 30.5%.

Balance sheet

Cash increased by \$2.7 million after investing \$4.1 million in property, plant and equipment, and \$4.4 million in product development expenditure, reducing inventory by \$1.0 million and reducing debt by \$7.1 million (\$4.0 million were funds received from the sale of a property) twelve months ending 30 June 2025. The Company has unused working capital bank facility of \$10 million, \$23 million of unused building construction facility, and \$9.0 million cash in bank.



YOUR
SMILE.
OUR
VISION.

SDI LIMITED ACN 008 075 581 | ABN 27 008 075 581
HEAD OFFICE 3-15 BRUNSDON STREET, BAYSWATER. PO BOX 314, VICTORIA, 3153 AUSTRALIA.
TOLL FREE 1800 337 003 | TELEPHONE +61 3 8727 7111
FAX +61 3 8727 7222 | info@sdi.com.au | www.sdi.com.au

Strategy and outlook

The Company remains focused on its strategic priorities:

- **Aesthetics and Whitening products** continue to be the focus for new product development. The Company's Aesthetic product 'Stela', originally designed as an Amalgam replacement product, will compete in the wider Aesthetic categories due to its natural tooth colour and strength. It has been released in all key markets
- **Achieving manufacturing and logistic efficiencies.** In FY23 the Company purchased a six-acre property for \$19 million which has an existing 4,000 sqm warehouse and has relocated its current warehousing. Planning is currently in progress to redevelop the site to relocate its current manufacturing operations by December 2027, with a construction and refurbishing cost of \$26 million
- **Investment in production automation** and processes to achieve operating efficiencies and manage new and existing future product growth. The Company has recently purchased several high-speed production machines which will start showing returns in the next six months. Other machines are on order for delivery over the next 12 months which will result in further efficiencies and increase future production capacity
- **On-going investment in research and development** of new products. New product launches are planned to launch one to two new products every year. The team will continue to focus on ensuring European regulatory requirement deadlines are met. SDI embraces the stringent regulatory requirements as these provide high barriers to entry and a competitive advantage
- **ESG** – The Company has made a commitment, including the creation of an internal working group, to make significant progress in establishing a risk framework for sustainability and has appointed a consultant to assist in this process.

Dividends

Showing the Board's confidence in the future of the business, the Directors have maintained the final fully franked dividend payment at 1.90 cents per share (FY24 1.90 cents).

The Board has decided that the Company's Dividend Reinvestment Plan ('DRP') will not be offered to Shareholders for these dividend payments.

This announcement has been authorised by the Board of Directors of SDI Limited.

Investor Webinar

An investor webinar will be held on 28 August 2025 at 11:00am AEST.

To register for this webinar please use the following link below:

<https://s1.c-conf.com/diamondpass/10048940-yulm1q.html>

Please contact Adrian Mulcahy if you have any queries.

Investor Contact:

Adrian Mulcahy

Adrian.mulcahy@atomicgroup.com.au

P: +61 438 630 422



YOUR
SMILE.
OUR
VISION.

SDI LIMITED ACN 008 075 581 | ABN 27 008 075 581

HEAD OFFICE 3-15 BRUNSDON STREET, BAYSWATER. PO BOX 314, VICTORIA, 3153 AUSTRALIA.

TOLL FREE 1800 337 003 | TELEPHONE +61 3 8727 7111

FAX +61 3 8727 7222 | info@sdi.com.au | www.sdi.com.au

About SDI Limited

Founded in 1972 and publicly listed on the Australian Securities Exchange in 1985, SDI Limited is a leading dental technology company that conducts research and development, manufacturing, and marketing of specialist dental materials. SDI's products combine innovation and excellence to provide the ideal restorative materials for the dental profession.

All of SDI's products are manufactured in Victoria, Australia. SDI's products are distributed through distributors and retailers in over 100 countries throughout the world. SDI has offices and warehouses in Australia, USA, Germany, and Brazil.