

Hello Solmetex!

I am excited to see Solmetex's first internal newsletter. I hope it provides you with valuable information about the company and activities.

As we emerge out of the Covid pandemic the outlook for Solmetex is extremely positive. I want to share with you a quick look back of what we have gone through and our achievements over the past 18 months.

The dental rule became effective in July of 2020, as most of you remember. Solmetex was dominating new systems sales for the first part of 2020 and then the pandemic hit in March. The whole world turned upside down, and nobody had any idea of what was going to happen or how to manage through this unprecedented situation. It was a scary time for all of us. Everyone had to manage their personal situations of staying safe and taking care of their families. Solmetex had to lay off 16 employees and sales in April and May plummeted to lowest levels in years.

What Solmetex was able to achieve over the next twelve months from that point was nothing short of remarkable. Following the Covid effected months of April and May, sales for June and July 2020 were the largest in company history. Sales growth for 2020 ended up over 25% higher than the previous year. I could not be prouder of how all the employees of Solmetex worked together to deal with all the challenges we faced in the Covid environment. Most of the administrative staff had to shift to working from home without missing a beat. Special thanks to the operations crew who all continued to come in to work through the entire pandemic and had to deal with the huge swings in product sales and shipments.

And if the pandemic were not enough to deal, with the executive team was notified by our private equity partners last summer that they wanted to sell Solmetex. Not because there was an issue with Solmetex, but because Solmetex was very successful, and they wanted to take advantage of that success.

During the last six months of 2020 the executive team made numerous presentations to potential suitors for Solmetex. A decision was made toward the end of the year to sell the company to a new private equity partner named Avista. The sale took place during this past January. We are very excited with this decision as Avista is a very successful private equity group with a great track record of helping companies grow. They are very bullish about Solmetex and expect to make investments to help Solmetex continue to grow. Over the next five years we expect to have product line extensions as well as potential product and/or company acquisitions.

The first five months of 2021 has seen continued sales growth of over 50% versus last year at this time. Some of this large increase is due to the Covid impact from low April and May sales from last year. However, by the end of the we still expect to have sales growth of over 20%

compared to 2020. Investment in the company continues as we have added 6 people already this year that include marketing staff, operations, international sales, DSO sales and purchasing.

I would be remiss if I did not acknowledge the exceptional efforts of the executive team during this unprecedented business environment. I cannot thank Kevin, Lauren and Bill for all the work and planning that went behind all the achievements over the past 18 months. Not only was the company managed extremely well during the pandemic, but they have it set up to be highly successful for the future.

As I said in my in my opening comments that the outlook for Solmetex is very positive and it is because I am confident in the excellent team of employees and products going forward.

Thank you all and hope you have a wonderful summer.

Nick Mozzicato

CEO