

Letter to Our Stockholders

2026

Dear Stockholders,

As I reflect on fiscal 2025, I am proud of how Align navigated a year that demanded focus, resilience, and disciplined execution. The operating environment remained uneven across regions, consumer demand was pressured in parts of the world, and we made difficult organizational decisions to better position the company for the future. Yet through these challenges, our teams stayed anchored to what matters most—serving doctors and their patients—and delivered a strong finish to the year.

Across our customer base, we saw **continued strength from Orthodontists globally**, growing engagement from **GP Dentists adopting digital orthodontic and restorative workflows**, and sustained momentum from **Dental Service Organizations**, which continue to scale Invisalign® clear aligners, iTero™ scanners, and software adoption across large practice networks. From a regional perspective, **EMEA, Latin America, and APAC delivered the strongest growth**, while **North America showed improved stability**, supported by increased utilization, conversion initiatives, and DSO performance.

2025 was not defined by the obstacles we faced, but by how we responded. We sharpened execution, elevated quality, and improved the experience we deliver every day through the Align™ Digital Platform. As a result, we exited the year with increased momentum, improved profitability, and a stronger foundation to accelerate long-term growth.

Delivering Results While Building for the Future

For fiscal 2025, Align delivered **record total revenues of approximately \$4.0 billion** and **record Clear Aligner volumes of 2.6 million cases**, reflecting continued global adoption of the Invisalign system across orthodontists, general practitioners, and dental service organizations. While growth varied by region in a challenging macroeconomic environment, our focus on operating discipline translated into **meaningful profitability improvement**.

We delivered a **non-GAAP operating margin of 22.7%**, exceeding our outlook and representing our strongest full-year margin performance since 2021. This improvement reflects tighter execution across manufacturing, treatment planning, and commercial operations, as well as the benefits of scale across our global digital and 3D printing infrastructure.

We ended the year with a **strong balance sheet**, over **\$1 billion in cash and cash equivalents**, no debt, and continued to deploy capital in a disciplined manner. During 2025, we returned capital to stockholders through **approximately \$466 million in share repurchases**, while maintaining the flexibility to invest in innovation, global infrastructure, and long-term growth opportunities.

Invisalign Clear Aligners: Expanding Access and Clinical Applicability

Our **Invisalign Clear Aligner business**, which includes aligners and Vivera™ retainers, remains the cornerstone of Align's growth. In 2025, Clear Aligner revenues reached approximately **\$3.2 billion**, supported by record case volumes and continued adoption across adults, teens, and growing kids.

Orthodontists remain our largest and most engaged customer segment globally, while **GP Dentists continue to represent a meaningful growth opportunity** as they increasingly adopt Invisalign treatment as part of comprehensive digital dentistry. **DSOs continue to outperform other customer segments**, leveraging standardized digital workflows, patient financing, and consumer marketing to drive adoption and utilization at scale.

We saw particular strength internationally, with double-digit volume growth in EMEA, Latin America, and APAC, and improved stability in North America as we focused on utilization, conversion, and affordability. The teens and growing kids category remains a critical long-term growth driver, with nearly **one million teens and kids starting Invisalign treatment in 2025**, supported by products such as Invisalign First™, the Invisalign® Palatal Expander System, and the Invisalign® System with mandibular advancement solutions.

Our portfolio strategy continues to expand access to care. Programs such as Invisalign® Doctor Subscription Plans and more flexible treatment configurations maintain healthy margins, drive growth and give doctors additional options to meet patient needs. Vivera retainers play an increasingly important role in long-term retention, reinforcing ongoing doctor-patient relationships beyond active treatment.

Systems and Services: Powering the Digital Standard of Care

Our **Systems and Services segment**, which includes **iTero intraoral scanners, exocad CAD/CAM software, and related services**, continues to play a critical role in driving digital adoption and recurring revenue across orthodontic and restorative workflows.

In 2025, Systems and Services revenues approached **\$790 million**, reflecting continued growth in our active units and increased utilization of digital solutions globally. Adoption of the **iTero Lumina™ platform** accelerated across regions, supporting faster scanning, enhanced visualization, and improved chairside communication for doctors and patients.

exocad strengthened its leadership position in dental CAD/CAM software, expanding its footprint across **dental labs**, which remain a critical channel in restorative dentistry. Labs serve as an essential connection point between scanning, treatment planning, and fabrication, and exocad's flexible architecture enables efficient collaboration among orthodontists, GP dentists, and lab partners.

We continued piloting **exocad ART (Advanced Restorative Treatment)** solutions, which integrate orthodontic tooth movement with restorative planning, enabling less invasive, more predictable

outcomes. In parallel, we advanced **Invisalign ART pilots**, bringing orthodontic planning earlier into restorative cases. Together, these pilots reflect our long-term strategy to connect orthodontics, restorative dentistry, and lab workflows within a unified digital ecosystem.

iTero scanners, exocad CAD/CAM software, and our services portfolio elevate the value of the Align Digital Platform by driving recurring software revenue, strengthening customer retention, and enabling more integrated, efficient, and predictable workflows across the dental ecosystem.

Software and Treatment Planning: Intelligence at the Core

At the heart of the Align Digital Platform is our **software and treatment-planning technology**, which continues to evolve rapidly and represents one of our most innovative, differentiating and customer centric competitive advantages.

In 2025, we expanded adoption of **ClinCheck® signature experience**, our next-generation treatment-planning experience that integrates AI-driven automation with real-time doctor control. ClinCheck signature experience brings together capabilities such as **Live Plan and Live Update**, enabling doctors to review, modify, and finalize treatment plans dynamically—reducing planning cycles from days to minutes and moving closer to real-time treatment planning.

Tools such as **Invisalign® Personalized Plan (IPP)** further tailor treatment plans to individual doctor preferences and clinical protocols, increasing predictability, consistency, and confidence across cases. As automation continues to scale, these software capabilities improve efficiency for doctors while also strengthening Align’s operating excellence by reducing touchpoints and cycle time within our treatment-planning workflow.

Importantly, these capabilities extend beyond orthodontics. Along with iTero scanning, exocad software, and lab workflows, Align’s treatment-planning intelligence increasingly supports ortho-restorative cases, strengthening our role across the full continuum of care.

Advancing Oral Health Through Digital Diagnostics and AI

Increasingly, Align’s role extends beyond tooth alignment to **broader oral health**. With Align’s portfolio of technologies, doctors can identify conditions earlier, communicate more clearly with patients, and integrate orthodontic tooth movement as part of comprehensive oral care.

In 2025, we continued expanding capabilities such as the **Align™ Oral Health Suite** and **Align™ X-Ray Insights**, which harness AI-driven diagnostics to help doctors detect and visualize oral health issues using digital scans and radiographs. When combined with iTero scanning, ClinCheck treatment planning, exocad ART workflows, and Invisalign treatment, these tools help connect orthodontics, function, and restorative care—supporting better long-term oral health outcomes for patients.

This integrated approach reflects a broader shift in dentistry toward prevention, early intervention, and digitally enabled workflows that improve both clinical outcomes and patient experience.

Innovation, Discipline, and Long-Term Value Creation

Innovation remains the foundation of Align's strategy, complemented by disciplined execution. In 2025, we continued investing in AI-driven software, integrated treatment planning, ortho-restorative workflows, and **direct fabrication through 3D printing**, which represents the next evolution in orthodontic manufacturing. While still early, direct printing unlocks new design flexibility, improves sustainability, and strengthens our long-term cost structure, with initial limited market releases beginning in 2026.

Align operates in a large, underserved global market where the majority of people who could benefit from orthodontic and restorative treatment still do not receive care. Our strategy remains clear: expand international adoption, increase utilization—particularly among teens and kids—accelerate GP and lab engagement across restorative workflows, and improve consumer demand conversion through localized, data-driven marketing.

Looking Ahead

As we enter 2026, I am cautiously optimistic. Our **technology leadership, global scale, deep clinical data, and a doctor-centered model**—are strong. Realizing their full potential requires continued focus, consistent execution, and an unwavering commitment to our customers.

I want to thank our employees for their dedication and resilience, our doctor and lab partners for their trust, and our stockholders for their continued confidence in Align. Together, we are advancing the digital transformation of orthodontics and restorative dentistry, expanding access to care, improving oral health outcomes, and creating lasting value for patients, customers, and shareholders alike.

Sincerely,

Joe Hogan

President and Chief Executive Officer
Align Technology, Inc.