

**ALIGN TECHNOLOGY, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands except per share data)

|  | Q4<br>2020        | Fiscal<br>2020      | Q1<br>2021        | Q2<br>2021        | Q3<br>2021        | Q4<br>2021        | Fiscal<br>2021    | Q1<br>2022        | Q2<br>2022        | Q3<br>2022       | Q4<br>2022       | Fiscal<br>2022    |
|--|-------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|-------------------|
| <b>Net Revenues:</b>   |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| <i>Clear Aligner Net Revenues <sup>(1)</sup></i>                   |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| Americas   | \$ 327,206        | \$ 1,010,212        | \$ 357,481        | \$ 400,467        | \$ 408,422        | \$ 378,382        | \$ 1,544,752      | \$ 376,240        | \$ 385,207        | \$ 352,010       | \$ 345,382       | \$ 1,458,839      |
| International  | 333,110           | 965,417             | 353,294           | 389,704           | 375,513           | 380,152           | 1,498,863         | 371,082           | 346,181           | 312,701          | 319,004          | 1,348,968         |
| Non-case <sup>(2)</sup>  | 40,427            | 125,830             | 42,494            | 50,788            | 53,658            | 56,725            | 203,865           | 62,374            | 67,010            | 68,126           | 67,268           | 264,778           |
| Total Clear Aligner Net Revenues                                   | 700,743           | 2,101,459           | 753,269           | 840,959           | 837,593           | 815,259           | 3,247,080         | 809,696           | 798,398           | 732,837          | 731,654          | 3,072,585         |
| <i>Imaging Systems and CAD/CAM Services Net Revenues</i>           | 133,777           | 370,482             | 141,502           | 169,849           | 178,313           | 215,840           | 705,504           | 163,523           | 171,155           | 157,511          | 169,861          | 662,050           |
| <b>Total Worldwide Net Revenues</b>                                | <b>834,520</b>    | <b>2,471,941</b>    | <b>894,771</b>    | <b>1,010,808</b>  | <b>1,015,906</b>  | <b>1,031,099</b>  | <b>3,952,584</b>  | <b>973,219</b>    | <b>969,553</b>    | <b>890,348</b>   | <b>901,515</b>   | <b>3,734,635</b>  |
| <b>Cost of Net Revenues:</b>                                       |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| Cost of net revenues Clear Aligner                                 | 176,218           | 569,329             | 168,735           | 194,294           | 199,424           | 210,254           | 772,707           | 204,000           | 213,153           | 213,450          | 213,812          | 844,415           |
| Cost of net revenues Imaging Systems and CAD/CAM Services          | 47,839            | 139,377             | 48,938            | 57,976            | 61,326            | 76,282            | 244,522           | 59,873            | 68,841            | 57,729           | 70,002           | 256,445           |
| Total cost of net revenues   | 224,057           | 708,706             | 217,673           | 252,270           | 260,750           | 286,536           | 1,017,229         | 263,873           | 281,994           | 271,179          | 283,814          | 1,100,860         |
| Gross profit   | 610,463           | 1,763,235           | 677,098           | 758,538           | 755,156           | 744,563           | 2,935,355         | 709,346           | 687,559           | 619,169          | 617,701          | 2,633,775         |
| <b>Operating Expenses:</b>   |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| Selling, general and administrative                                | 348,392           | 1,200,757           | 397,115           | 431,921           | 428,409           | 451,195           | 1,708,640         | 439,457           | 426,398           | 398,547          | 410,067          | 1,674,469         |
| Research and development   | 48,887            | 175,307             | 54,537            | 57,715            | 65,587            | 72,476            | 250,315           | 71,807            | 72,965            | 76,966           | 83,520           | 305,258           |
| Restructuring and other charges                                    | -                 | -                   | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                | 11,453           | 11,453            |
| Total operating expenses   | 397,279           | 1,376,064           | 451,652           | 489,636           | 493,996           | 523,671           | 1,958,955         | 511,264           | 499,363           | 475,513          | 505,040          | 1,991,180         |
| <b>Operating Income</b>  | <b>213,184</b>    | <b>387,171</b>      | <b>225,446</b>    | <b>268,902</b>    | <b>261,160</b>    | <b>220,892</b>    | <b>976,400</b>    | <b>198,082</b>    | <b>188,196</b>    | <b>143,656</b>   | <b>112,661</b>   | <b>642,595</b>    |
| <b>Interest income and other income (expense), net:</b>            |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| Interest income  | 337               | 3,125               | 1,643             | 383               | 401               | 676               | 3,103             | 677               | 245               | 1,685            | 2,760            | 5,367             |
| Other income (expense), net  | 1,021             | (11,347)            | 34,532            | (483)             | 427               | (1,556)           | 32,920            | (11,273)          | (14,832)          | (22,700)         | (100)            | (48,905)          |
| Total interest income and other income (expense), net              | 1,358             | (8,222)             | 36,175            | (100)             | 828               | (880)             | 36,023            | (10,596)          | (14,587)          | (21,015)         | 2,660            | (43,538)          |
| <b>Net income before provision for (benefit from) income taxes</b> | <b>214,542</b>    | <b>378,949</b>      | <b>261,621</b>    | <b>268,802</b>    | <b>261,988</b>    | <b>220,012</b>    | <b>1,012,423</b>  | <b>187,486</b>    | <b>173,609</b>    | <b>122,641</b>   | <b>115,321</b>   | <b>599,057</b>    |
| Provision for (benefit from) income taxes                          | 55,554            | (1,396,939)         | 61,245            | 69,088            | 81,019            | 29,051            | 240,403           | 53,188            | 60,809            | 49,941           | 73,546           | 237,484           |
| <b>Net Income</b>  | <b>\$ 158,988</b> | <b>\$ 1,775,888</b> | <b>\$ 200,376</b> | <b>\$ 199,714</b> | <b>\$ 180,969</b> | <b>\$ 190,961</b> | <b>\$ 772,020</b> | <b>\$ 134,298</b> | <b>\$ 112,800</b> | <b>\$ 72,700</b> | <b>\$ 41,775</b> | <b>\$ 361,573</b> |
| Net Income per share   |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| - basic  | \$ 2.02           | \$ 22.55            | \$ 2.54           | \$ 2.53           | \$ 2.29           | \$ 2.42           | \$ 9.78           | \$ 1.71           | \$ 1.44           | \$ 0.93          | \$ 0.54          | \$ 4.62           |
| - diluted  | \$ 2.00           | \$ 22.41            | \$ 2.51           | \$ 2.51           | \$ 2.28           | \$ 2.40           | \$ 9.69           | \$ 1.70           | \$ 1.44           | \$ 0.93          | \$ 0.54          | \$ 4.61           |
| Shares used in computing net income per share                      |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| - basic  | 78,853            | 78,760              | 79,000            | 79,008            | 78,904            | 78,759            | 78,917            | 78,742            | 78,395            | 78,093           | 77,541           | 78,190            |
| - diluted  | 79,505            | 79,230              | 79,798            | 79,638            | 79,516            | 79,431            | 79,670            | 79,193            | 78,545            | 78,237           | 77,683           | 78,420            |
| <b>Margin Analysis:</b>  |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| Gross margin   | 73.2%             | 71.3%               | 75.7%             | 75.0%             | 74.3%             | 72.2%             | 74.3%             | 72.9%             | 70.9%             | 69.5%            | 68.5%            | 70.5%             |
| -Clear Aligner   | 74.9%             | 72.9%               | 77.6%             | 76.9%             | 76.2%             | 74.2%             | 76.2%             | 74.8%             | 73.3%             | 70.9%            | 70.8%            | 72.5%             |
| -Imaging Systems and CAD/CAM Services                              | 64.2%             | 62.4%               | 65.4%             | 65.9%             | 65.6%             | 64.7%             | 65.3%             | 63.4%             | 59.8%             | 63.3%            | 58.8%            | 61.3%             |
| Selling, general and administrative                                | 41.7%             | 48.6%               | 44.4%             | 42.7%             | 42.2%             | 43.8%             | 43.2%             | 45.2%             | 44.0%             | 44.8%            | 45.5%            | 44.8%             |
| Research and development   | 5.9%              | 7.1%                | 6.1%              | 5.7%              | 6.5%              | 7.0%              | 6.3%              | 7.4%              | 7.5%              | 8.6%             | 9.3%             | 8.2%              |
| Restructuring and other charges                                    | 0.0%              | 0.0%                | 0.0%              | 0.0%              | 0.0%              | 0.0%              | 0.0%              | 0.0%              | 0.0%              | 0.0%             | 1.3%             | 0.3%              |
| Operating margin   | 25.5%             | 15.7%               | 25.2%             | 26.6%             | 25.7%             | 21.4%             | 24.7%             | 20.4%             | 19.4%             | 16.1%            | 12.5%            | 17.2%             |
| Net margin   | 19.1%             | 71.8%               | 22.4%             | 19.8%             | 17.8%             | 18.5%             | 19.5%             | 13.8%             | 11.6%             | 8.2%             | 4.6%             | 9.7%              |
| <b>Year Over Year Analysis:</b>                                    |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| Net Revenues   | 28.4%             | 2.7%                | 62.4%             | 186.9%            | 38.4%             | 23.6%             | 59.9%             | 8.8%              | -4.1%             | -12.4%           | -12.6%           | -5.5%             |
| -Clear Aligner   | 28.9%             | 3.7%                | 56.4%             | 181.9%            | 34.9%             | 16.3%             | 54.5%             | 7.5%              | -5.1%             | -12.5%           | -10.3%           | -5.4%             |
| -Imaging Systems and CAD/CAM Services                              | 26.0%             | -2.8%               | 104.0%            | 214.7%            | 57.3%             | 61.3%             | 90.4%             | 15.6%             | 0.8%              | -11.7%           | -21.3%           | -6.2%             |
| Gross profit   | 29.3%             | 1.1%                | 71.7%             | 238.1%            | 41.4%             | 22.0%             | 66.5%             | 4.8%              | -9.4%             | -18.0%           | -17.0%           | -10.3%            |
| Operating expense  | 23.8%             | 14.5%               | 39.2%             | 64.7%             | 38.4%             | 31.8%             | 42.4%             | 13.2%             | 2.0%              | -3.7%            | -3.6%            | 1.6%              |
| Operating income (loss)  | 41.0%             | -28.6%              | 222.4%            | -468.4%           | 47.5%             | 3.6%              | 152.2%            | -12.1%            | -30.0%            | -45.0%           | -49.0%           | -34.2%            |
| Net income (loss)  | 31.1%             | 301.1%              | -86.8%            | -591.9%           | 29.8%             | 20.1%             | -56.5%            | -33.0%            | -43.5%            | -59.8%           | -78.1%           | -53.2%            |
| <b>Quarter Over Quarter Analysis (Sequential):</b>                 |                   |                     |                   |                   |                   |                   |                   |                   |                   |                  |                  |                   |
| Net Revenues   | 13.7%             |                     | 7.2%              | 13.0%             | 0.5%              | 1.5%              |                   | -5.6%             | -0.4%             | -8.2%            | 1.3%             |                   |
| -Clear Aligner   | 12.9%             |                     | 7.5%              | 11.6%             | -0.4%             | -2.7%             |                   | -0.7%             | -1.4%             | -8.2%            | -0.2%            |                   |
| -Imaging Systems and CAD/CAM Services                              | 18.0%             |                     | 5.8%              | 20.0%             | 5.0%              | 21.0%             |                   | -24.2%            | 4.7%              | -8.0%            | 7.8%             |                   |
| Gross profit   | 14.3%             |                     | 10.9%             | 12.0%             | -0.4%             | -1.4%             |                   | -4.7%             | -3.1%             | -9.9%            | -0.2%            |                   |
| Operating expense  | 11.3%             |                     | 13.7%             | 8.4%              | 0.9%              | 6.0%              |                   | -2.4%             | -2.3%             | -4.8%            | 6.2%             |                   |
| Operating income   | 20.4%             |                     | 5.8%              | 19.3%             | -2.9%             | -15.4%            |                   | -10.3%            | -5.0%             | -23.7%           | -21.6%           |                   |
| Net income   | 14.1%             |                     | 26.0%             | -0.3%             | -9.4%             | 5.5%              |                   | -29.7%            | -16.0%            | -35.5%           | -42.5%           |                   |

(1) Americas region includes North America and LATAM. International region includes EMEA and APAC.

(2) Non-case net revenues include retention products, Invisalign training, adjusting tools used by dental professionals during the course of treatment and ancillary consumer products and other oral health products. We also offer in the U.S. and Canada, a Doctor Subscription Program which is a monthly subscription program based on the doctor's monthly need for retention or limited treatment.