



Press Release – Ad-hoc announcement pursuant to Art. 53 LR

Medacta Group SA revenues grew 21.4% at constant currency¹ in 1H 2023

- 1H 2023 revenue **increased to Euro 255.1 million**, or **21.4% c.c.¹** (20.8% reported) from 1H 2022;
- **Strong recovery in APAC and US;**
- Continued **excellent performance in EMEA;**
- Solid performance in every business line, with **stellar performance in Knee and Shoulder;**
- **Overall strong market demand**, sustained by recovery of some Covid-related backlogs;
- **Robust supply chain** able to support an accelerated growth;
- Focus on **Medical Education and Salesforce expansion** in all business lines and geographies;
- **Outlook for FY 2023:** we update our guidance based on 1H strong performance. **Revenue growth** in c.c. expected in the range of **15% to 18%** and adjusted **EBITDA** in c.c. is predicted to remain largely in line with 2022, in the absence of unforeseen events.

CASTEL SAN PIETRO, 28 July 2023 – Medacta Group SA (“Medacta”, SIX:MOVE) announces today the first semester 2023 preliminary unaudited revenue.

Francesco Siccardi, CEO of Medacta, commented: *“I am very pleased with the excellent sales performance recorded in the first part of the year, thanks to an improved geographic mix and a solid growth of all business lines. This performance underlines the robustness of our strategic choices and provide us the opportunity to update our full year guidance, leveraging the very positive trend of the first half.”*

In the first semester 2023 we delivered strong organic growth, with a significant gain of new customers across all geographies and business lines. This is a result of an effective commercial development, in a market that is progressively recovering the accumulated backlog in some key areas (mainly in Australia and US). The continued commitment to medical education, through in-person scientific dedicated events and our M.O.R.E. Institute programs for surgeons, is a key factor to deliver and maintain our good performance. Finally, a strong supply chain sustained the growth, being able to serve both existing and new customers, without disruptions.

Revenue By geography and product line

Every market recorded a positive performance thanks to an extremely positive trend in Europe, a progressive recovery in North America and the end of Covid-19 restrictions in Australia.

Revenue in **EMEA** grew c.c. **24.0%**, to **Euro 123.1 million**. Strong growth across all the different countries, with significant contribution from both existing and new customers.

Revenue in **North America** increased **17.9%** c.c. to **Euro 76.5 million**, thanks to a solid recovery of sales volume in existing customers and through new customer acquisition, especially in Knee and Shoulder.

Revenue in **Asia Pacific** grew by **22.0%** c.c. to **Euro 51.4 million**. In Australia, we had a positive contribution from the end of Covid-19 restrictions, the “Public in Private” Covid-19 recovery plan and an increase of new customers. Japan continues with a very positive growth trend across all business lines, partially offset by expected government price reductions (especially in Spine).

Revenue in **RoW** was **Euro 4.2 million** with an increase of **9.7%** c.c.

Below we report the first semester 2023 sales break-down by geographic area:

(Million Euro)	1H 2023	1H 2022	Reported Growth	Constant Currency Growth
EMEA*	123.1	98.5	25.0%	24.0%
North America	76.5	64.2	19.1%	17.9%
Asia Pacific	51.4	44.8	14.7%	22.0%
RoW**	4.2	3.8	10.7%	9.7%
TOTAL	255.1	211.3	20.8%	21.4%

* EMEA: In 2023 we reorganized the key geographic areas introducing the EMEA region. EMEA includes revenue from the former Europe region and certain countries originally included in the Rest of the World region (ROW). 1H 2022 figures have been restated accordingly.

** RoW includes all other geographic locations.

Hip products increased revenue by **15.7%** c.c., to **Euro 116.4 million**, with good performance in all geographies mainly driven by our Anterior Minimally Invasive Surgery Approach (AMIS).

Revenue from our **Knee** offerings grew by **27.7%** c.c. to **Euro 98.5 million**, with our personalized solutions and GMK Sphere - MyKA offer driving the strong performance in every market.

Our **Extremities** business line reported an increase in revenue of **38.7%** c.c., to **Euro 17.9 million**, primarily attributable to Shoulder supported by Medacta Shoulder System and Technologies (MyShoulder and NextAR). Sportsmed business continues to develop with expected acceleration in 2H.

Revenue from our **Spine** offering increased by **15.0%** c.c. to **Euro 22.4 million**, thanks to EMEA and USA. Growth in APAC was partially offset by price cuts in Japan. Good acceleration on the NextAR Spine utilisation in the last months of the 1H.

Below we report the first semester 2023 sales break-down by product line:

(Million Euro)	1H 2023	1H 2022	Reported Growth	Constant Currency Growth
Hip	116.4	101.4	14.8%	15.7%
Knee	98.5	77.2	27.5%	27.7%
Extremities*	17.9	12.9	38.9%	38.7%
Spine	22.4	19.8	13.2%	15.0%
TOTAL	255.1	211.3	20.8%	21.4%

* Extremities include Shoulder and Sportsmed revenues

These preliminary sales figures are unaudited for the periods ending June 30, 2023 and are therefore subject to change. The Company will announce its **2023 Half-Year Results on September 22, 2023**.

2023 Outlook

Based on the positive business performance recorded in the first semester, we update our guidance of full-year revenue growth at constant currency in the range of 15% to 18% (previously “10% -13%”). Adjusted EBITDA margin at constant currency is expected to remain largely in line with 2022, subject to any unforeseen events.

2022 Sustainability Report

Today the Sustainability Report 2022 has been published. The document provides an overview of all initiatives taken in our four materiality areas: Innovative Solutions, Caring for People, Caring for the Environment, and Caring for the Community, in addition to targets set for 2023.

The 2022 Sustainability Report is available at <https://www.medacta.com/EN/sustainability>

Webcast Today at 3:00 pm (CEST)

Medacta Group SA will present its preliminary unaudited top-line figures during a webcast today at 3:00 pm (CEST). The call will be headed by Francesco Siccardi (CEO) and Corrado Farsetta (CFO) and will be held in English.

Live-Link:

<https://media.choruscall.eu/mediaframe/webcast.html?webcastid=XtMuzt3U>

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About Medacta

Medacta is an international company specializing in the design, production, and distribution of innovative orthopedic products, as well as in the development of accompanying surgical techniques. Established in 1999 in Switzerland, Medacta is active in joint replacement, spine surgery, and sports medicine. Medacta is committed to improving the care and well-being of patients and maintains a strong focus on healthcare sustainability. Medacta's innovation, forged by close collaboration with surgeon leaders globally, began with minimally invasive surgical techniques and has evolved into personalized solutions for every patient. Through the M.O.R.E. Institute, Medacta supports surgeons with a comprehensive and tailored program dedicated to the advancement of medical education. Medacta is headquartered in Castel San Pietro, Switzerland, and operates in over 50 countries.

Disclaimer

This press release has been prepared by Medacta Group SA ('Medacta' and together with its subsidiaries, 'we', 'us' or the 'Group'). The information contained in the press release does not purport to be comprehensive and is not to be taken as containing any securities advice, recommendation, offer or invitation to subscribe for, purchase or redeem any securities regarding Medacta.

Forward-looking information

This press release has been prepared by Medacta and includes forward-looking information and statements concerning the outlook for its business. These statements are based on current expectations, estimates and projections about the factors that may affect its future performance. These expectations, estimates and projections are generally identifiable by statements containing words such as 'expects', 'believes', 'estimates', 'targets', 'plans', 'outlook' or similar expressions. Although Medacta believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.

¹ Alternative Performance Measures

This press release contains certain information that it refers to as "constant currency" or c.c., which is a non-IFRS financial measure and represents the total change between periods excluding the effect of changes in foreign currency exchange rates. The Group believes that the reconciliations of changes in constant currency provide useful supplementary information to investors in light of fluctuations in foreign currency exchange rates. Furthermore, the Group believes that constant currency measures provide additional useful information on the Group's operational performance and is consistent with how the business performance is measured internally. Definitions of Alternative Performance Measures and reconciliations between such measures and their IFRS counterparts may be found on the financial reports available on our website at: <https://www.medacta.com/EN/financial-reports-and-presentations>

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