



1H 2023 Financial Results

22 September 2023

A thick, dark blue wave-like graphic that starts at the bottom left and curves upwards towards the right, spanning the width of the slide.

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Unaudited Financial Results

The financial information contained in this Presentation is unaudited.

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Alternative Performance Measures

This press release contains certain financial measures of historical performance that are not defined or specified by IFRS, such as "constant currency", "EBITDA", "Adjusted EBITDA" or "CORE EBITDA", "Free Cash Flow", "Adjusted Free Cash Flow", "Net Debt" and "Leverage". Reconciliation of these measures as well as "CORE" financial measures is provided in the "Alternative Performance Measures" of our 2023 Half-Year Report. These Alternative Performance Measures (APM) should be regarded as complementary information to, and not as a substitute for, the IFRS beginning performance measures. For definitions of APM, together with reconciliations to the most directly reconcilable IFRS line items, please refer section headed "Alternative Performance Measures" of the 2023 Half-Year Report. The 2023 Half-Year Report is available at <https://www.medacta.com/EN/investors>

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FRANCESCO SICCARDI

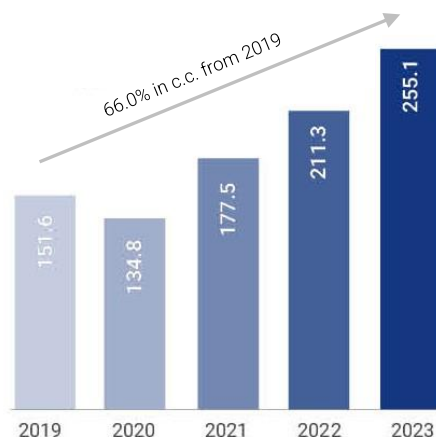
Chief Executive Officer

1H 2023 Key Financial Figures*

REVENUES

EUR 255.1M

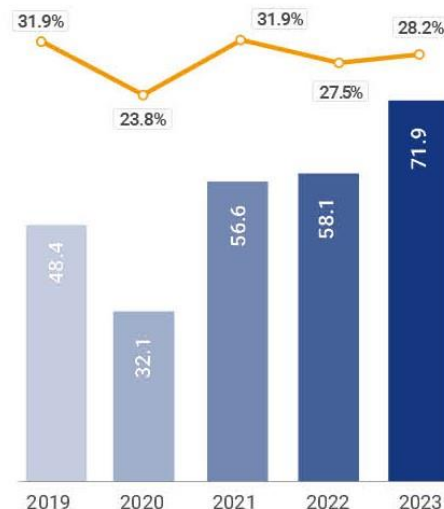
20.8% growth at reported currency (21.4% cc¹)
66.0% growth in constant currency¹ from 2019



ADJUSTED EBITDA²

EUR 71.9M

28.2% Adjusted EBITDA Margin³

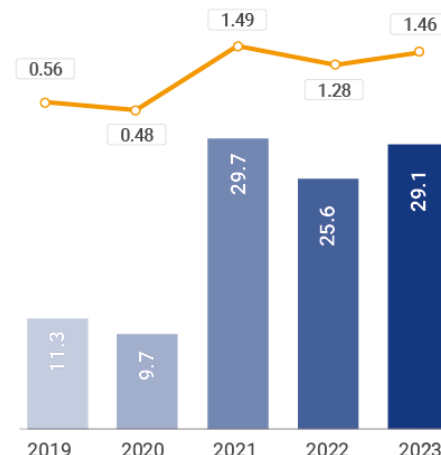


■ Adjusted EBITDA
■ Adjusted EBITDA margin

PROFIT FOR THE PERIOD

EUR 29.1M

EUR 1.46 Basic EPS⁴
EUR 1.46 Diluted EPS⁴

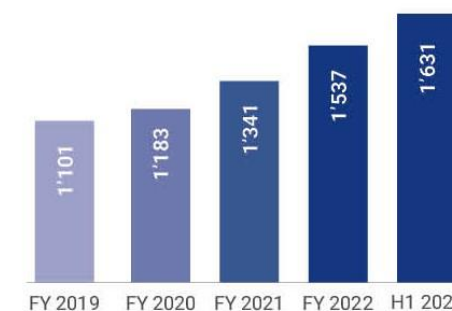


■ Profit for the period
■ EPS

PERIOD-END EMPLOYEES TOTAL

1'631

94 new jobs added in the first six months of 2023



¹ Is calculated as the difference between the current and historical period results translated using the previous period exchange rates.

² Is calculated as EBITDA, adjusted for non-recurring items: provisions on litigations and extraordinary legal expenses.

³ Adjusted EBITDA margin, is calculated as adjusted EBITDA as a percentage of Revenue for the period.

⁴ In the first six months of 2019 and 2020, there is no effect of dilution, and diluted earnings per share equals basic earnings per share.

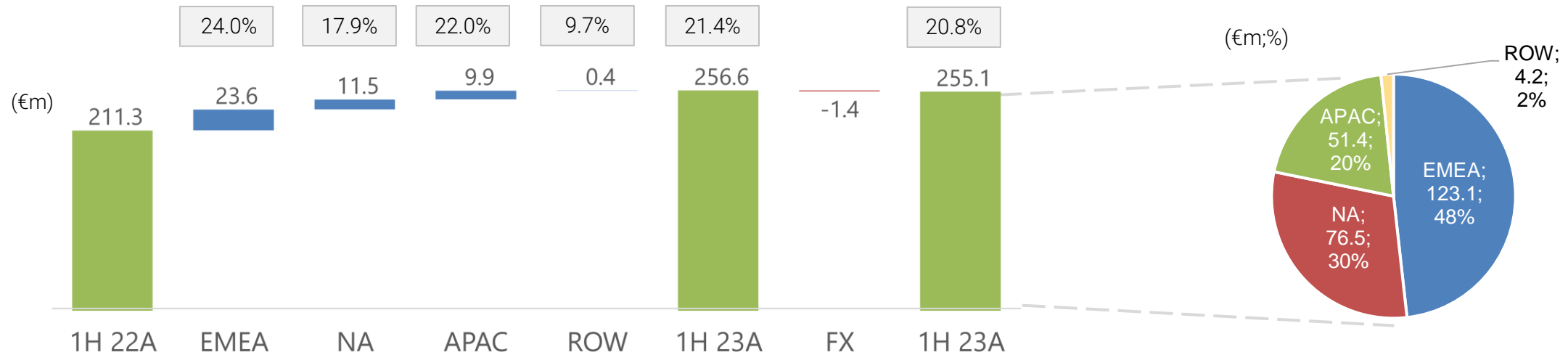
* **Alternative Performance Measures:** This presentation contains certain financial measures of historical performance that are not defined or specified by IFRS, such as "constant currency", "EBITDA", "Adjusted EBITDA" or "CORE EBITDA", "Free Cash Flow", "Adjusted Free Cash Flow", "Net Debt" and "Leverage". Reconciliation of these measures as well as "CORE" financial measures is provided in the "Alternative Performance Measures" (APM) section of the 2023 Half-Year Report. These Alternative Performance Measures (APM) should be regarded as complementary information to, and not as a substitute for the IFRS beginning performance measures. For definitions of APM, together with reconciliations to the most directly reconcilable IFRS line items, please refer section headed "Alternative Performance Measures" of the 2023 Half-Year Report. is available at <https://www.medacta.com/EN/financial-reports>.

1H 2023 Highlights

- **1H 2023 revenue** increased to **Euro 255.1 million**, or **21.4% c.c.** (20.8% reported) from 1H 2022
- **Adjusted EBITDA margin** of **28.2%**, reflecting primarily sales increase along with effective cost control. Headwind from negative currency development of approximately 1.6%
- **Robust supply chain** able to support the accelerated growth
- Continued execution of our **long-term value creation strategy** with a **focus on Medical Education, Personalized Solutions and Salesforce expansion** in all business lines and geographies
- Hiring plan and sales force expansion continued, with **+94 new jobs added**



1H 2023 Revenue¹ Bridge by Geographic Area



EMEA²: strong growth across all the different countries, with significant contribution from both existing and new customers.

North America: solid recovery of sales volume in existing customers and through new customer acquisition, especially in Knee and Shoulder.

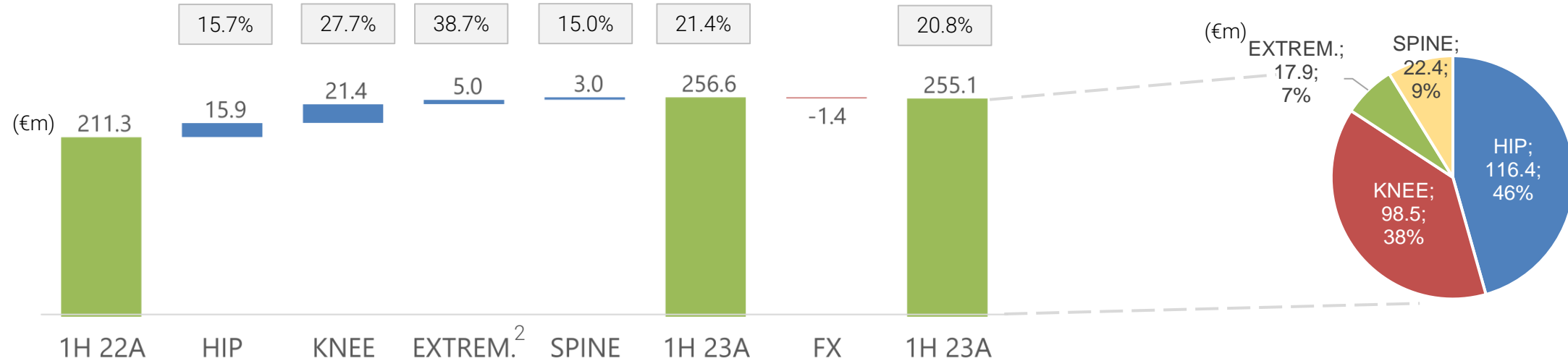
Asia Pacific: in Australia, positive contribution from the end of Covid-19 restrictions, the “Public in Private” Covid-19 recovery plan and an increase of new customers. Japan continues with a very positive growth trend across all business lines, partially offset by the expected government price reductions (especially in Spine).



Notes:

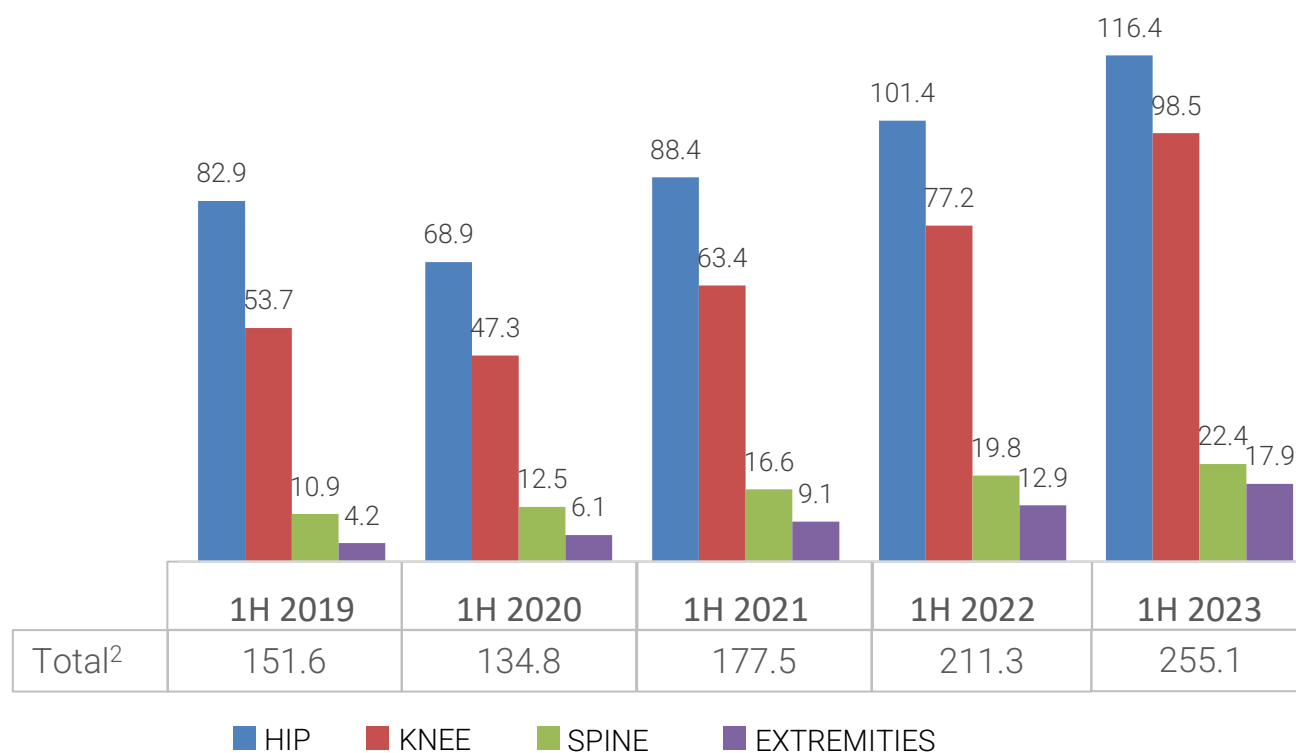
1. Unaudited
2. In 2023 we reorganized the key geographic areas introducing the EMEA region. EMEA includes revenue from the former Europe region and certain countries originally included in the Rest of the World region (ROW). 1H 2022 figures have been restated accordingly

1H 2023 Revenue¹ Bridge by Product Line



- Hip:** good performance in all geographies mainly driven by Anterior Minimally Invasive Surgery Approach (AMIS)
- Knee:** our personalized solutions and GMK Sphere - MyKA offer driving the strong performance in every market
- Extremities:** growth primarily attributable to Shoulder supported by Medacta Shoulder System and Technologies (MyShoulder and NextAR). Sportsmed business continues to develop with expected acceleration in 2H.
- Spine:** positive performance driven by EMEA and USA. Growth in APAC was partially offset by price cuts in Japan. Good acceleration on the NextAR Spine utilization in the last months of the 1H.

1H 2019-2023: Revenue¹ Trend by Product Line



	CAGR 1H 2019 – 1H 2023
HIP	8.6%
KNEE	15.7%
SPINE	20.2%
EXTREMITIES	43.1%
Total	13.5%

1H 2023 revenue was up 66.0% at constant currency from 1H 2019, representing a CAGR of 13.5% at constant currency

Notes:

1. Unaudited figures
2. Amount at reported currency

CORRADO FARSETTA

Chief Financial Officer

1H 2023 P&L¹

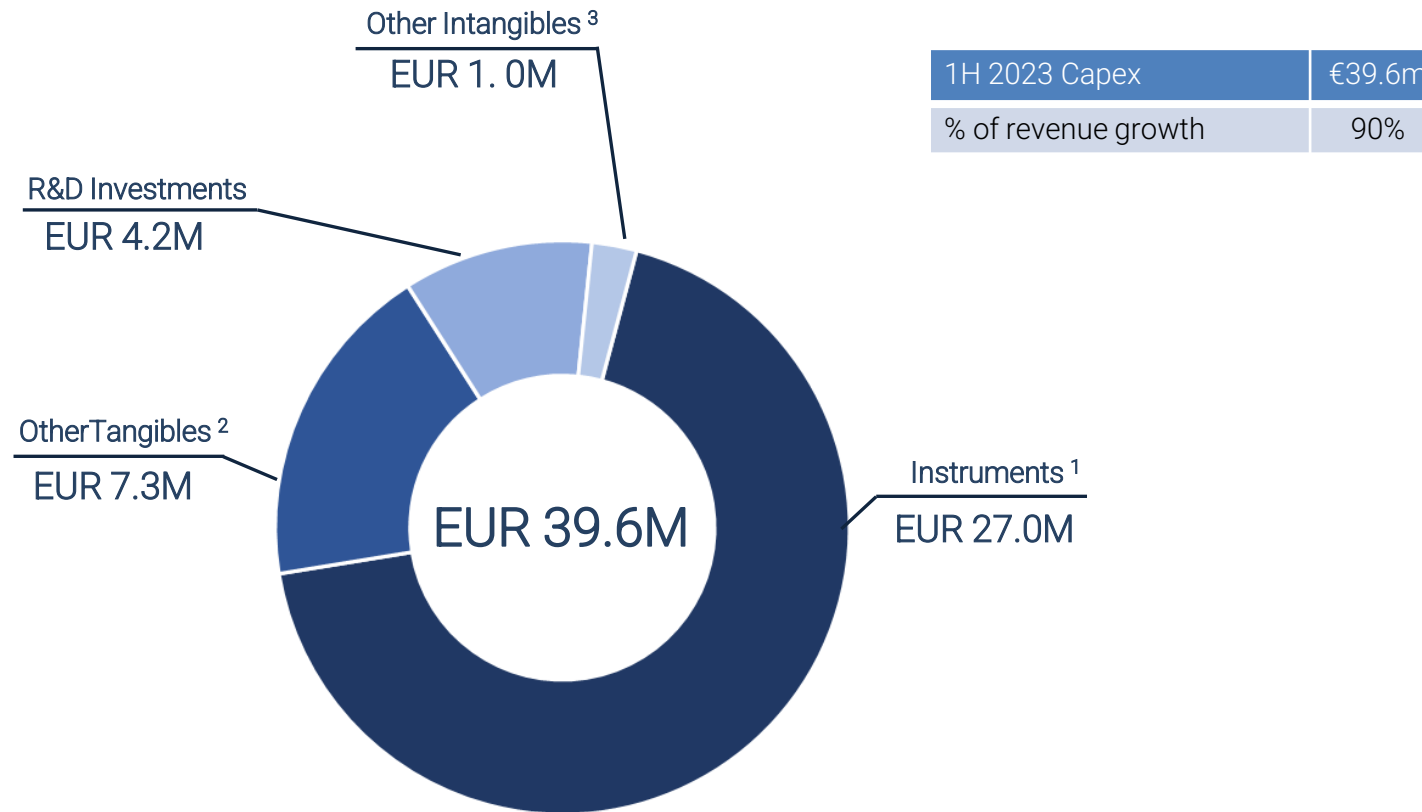
PROFIT & LOSS STATEMENT	(€/m)	1H 2022	%	1H 2023	%
Revenues		211.3	100.0%	255.1	100.0%
Cost of Sales		(62.9)	-29.8%	(79.3)	-31.1%
GROSS PROFIT		148.4	70.2%	175.9	68.9%
Core R&D expenses		(7.5)	-3.6%	(9.1)	-3.6%
Core S&M expenses		(77.1)	-36.5%	(89.5)	-35.1%
Core G&A and other income/expenses		(30.1)	-14.2%	(33.5)	-13.1%
TOTAL CORE OPEX, out of wich:		(114.7)	-54.3%	(132.1)	-51.8%
Depreciation and Amortisation		24.3	11.5%	28.1	11.0%
Adjusted EBITDA²		58.1	27.5%	71.9	28.2%³
Reported EBITDA		56.8	26.9%	71.1	27.9%
Adjusted EBIT		33.7	16.0%	43.8	17.2%
Financial Result		(1.9)	-0.9%	(6.8)	-2.6%
PROFIT BEFORE TAXES		30.5	14.5%	36.2	14.2%
Income taxes		(4.9)	-2.3%	(7.1)	-2.8%
PROFIT FOR THE PERIOD		25.6	12.1%	29.1	11.4%



Notes:

1. For a reconciliation of Alternative Performance Measures please refer to section headed "Alternative Performance Measures" of the 2023 Half-Year Report. The 2023 Half-Year Report is available at <https://www.medacta.com/EN/financial-reports>.
- 2 Adjusted EBITDA is calculated as EBITDA adjusted for non-recurring items: provisions on litigation, extraordinary MDR costs, legal expenses, etc.
3. Adjusted EBITDA margin is calculated as adjusted EBITDA as a percentage of Revenue for the period.

1H 2023 Capex For Future Growth



Notes:

1. Instruments are netted by proceeds from sale of tangible assets
2. Other Tangibles include plant & machinery, land and building, fixture and fittings, tools & equipment (except instruments)
3. Other Intangibles include trademarks, license, software, patents and other intangible assets

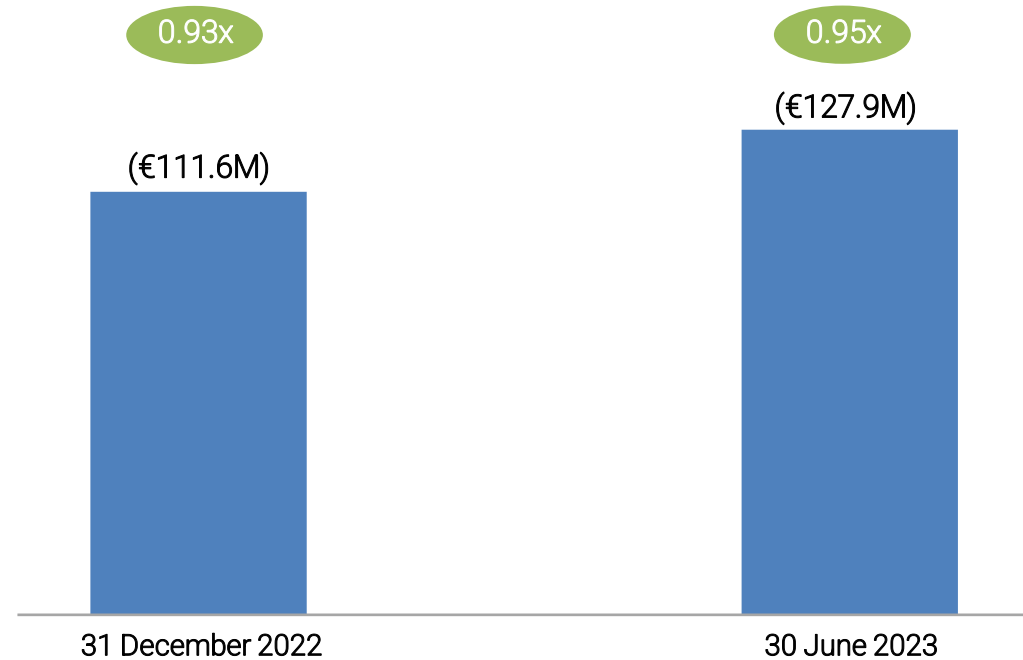
1H 2023 Free Cash Flow

FREE CASH FLOW (€m)	1H 2022	1H 2023
CASH FLOW FROM OPERATING ACTIVITIES	31.1	37.5
CASH FLOW FROM INVESTING ACTIVITIES	(36.2)	(42.8)
FREE CASH FLOW	(5.1)	(5.3)



Net Financial Debt^{1,2}

Leverage³



Notes:

1. For a reconciliation of Alternative Performance Measures please refer to section headed "Alternative Performance Measures" of the 2023 Half-Year Report. The 2023 Half-Year report is available at <https://www.medacta.com/EN/financial-reports>
2. Non-IFRS measure
3. Leverage calculated as Net Debt divided by EBITDA adjusted (rolling last 12 months)



FRANCESCO SICCARDI

Chief Executive Officer

2023 Outlook

Based on the positive business performance recorded in the first semester, we update our guidance to 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.



Q&A

