



FY 2022 FINANCIAL RESULTS

17 March 2023

Disclaimer

This presentation has been prepared by Medacta Group SA ("Medacta" and together with its subsidiaries, "we", "us" or the "Group"). The information contained in the presentation does not purport to be comprehensive. Please refer to the Medacta 2022 Annual Report available on our website at <https://www.medacta.com/EN/investors>.

Forward-looking information

This presentation has been prepared by Medacta and includes forward-looking information and statements concerning the outlook for our business. These statements are based on current expectations, estimates and projections about the factors that may affect our 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.

There are numerous risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this presentation. Important factors that could cause such differences include: changes in the global economic conditions and the economic conditions of the regions and markets in which the Group operates; changes in healthcare regulations (in particular with regard to medical devices); the development of our customer base; the competitive environment in which the Group operates; manufacturing or logistics disruptions; the impact of fluctuations in foreign exchange rates; and such other factors as may be discussed from time to time. Although we believe that our expectations reflected in any such forward-looking statement are based upon reasonable assumptions, we can give no assurance that those expectations will be achieved.

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 our 2022 Annual 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 2022 Annual Report.

The 2022 Annual Report is available at <https://www.medacta.com/EN/financial-reports>.

THIS PRESENTATION IS NOT AN INVITATION TO PURCHASE SECURITIES OF MEDACTA OR THE GROUP.





FRANCESCO SICCARDI

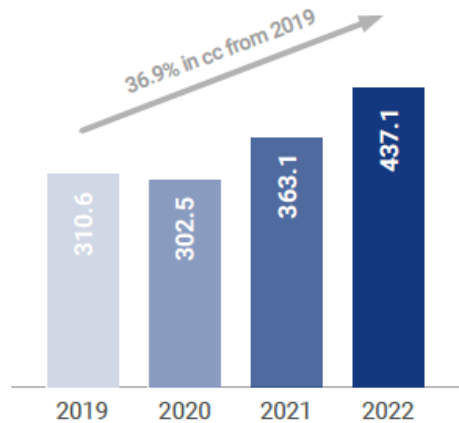
Chief Executive Officer

2022 Key Financial Figures*

REVENUES

EUR 437.1M

20.4% growth at reported currency (15.0% in cc¹)
36.9% growth in constant currency from 2019

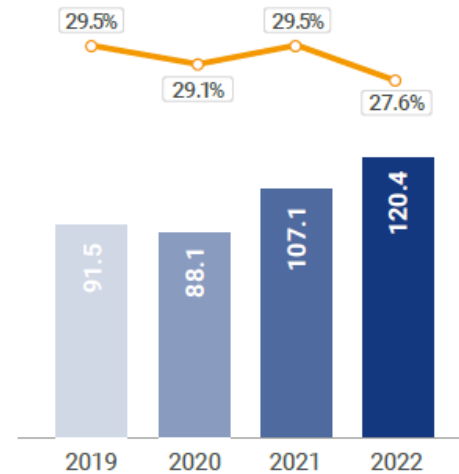


¹ Is calculated as the difference between the current and historical period results translated using the previous period exchange rates.

ADJUSTED EBITDA²

EUR 120.4M

27.6% Adjusted EBITDA margin³

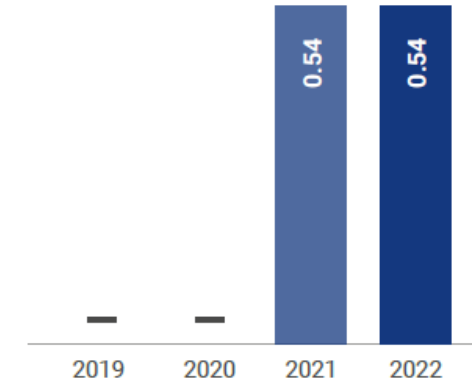


² Is calculated as EBITDA, adjusted for non-recurring items.

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

DISTRIBUTION DECLARED PER SHARE⁴

CHF 0.54



⁴ Is calculated by dividing the total distribution declared equal to CHF 10.8M by the number of outstanding ordinary shares.



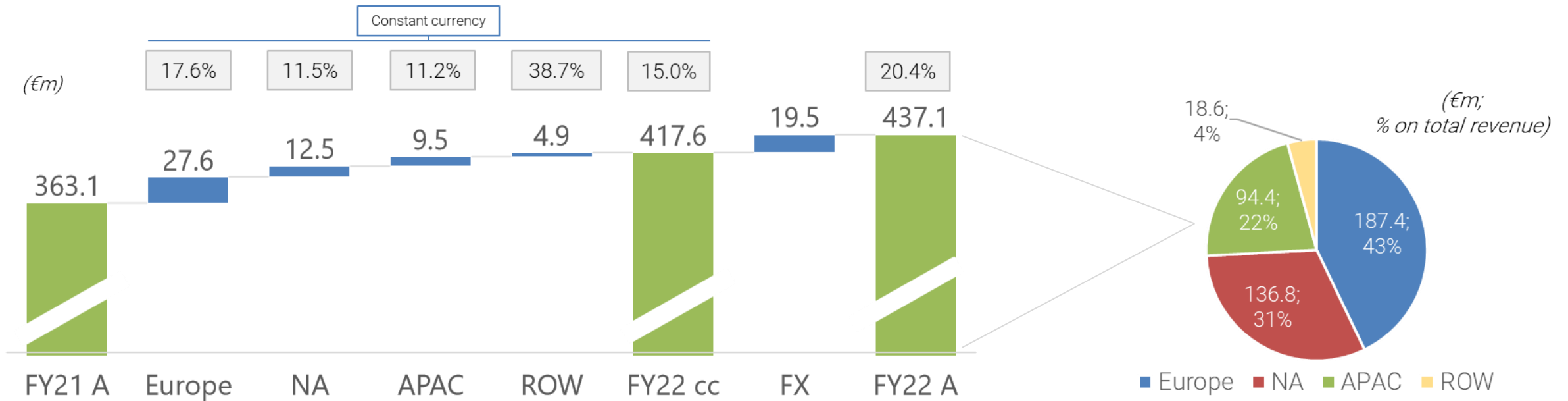
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FY 2022 Medacta's Achievements

- **Medacta's 2022 revenue amount to Euro 437.1 million, equal to 20.4% growth at reported currency, or 15.0% growth at constant currency from 2021**
- **Adjusted EBITDA** grew to **Euro 120.4 million, or 12.4%**, corresponding to **27.6% margin (28.1% in constant currency)**
- **Profit for the year** was equal to **Euro 46.2 million**, 10.6% on revenues
- **Adjusted Free Cash Flow at Euro 21.6 million**
- The Board of Directors is proposing to the Annual General Meeting a **distribution of CHF 0.54 per share**



FY 2022 REVENUE BRIDGE VS 2021 BY GEOGRAPHIC AREA¹

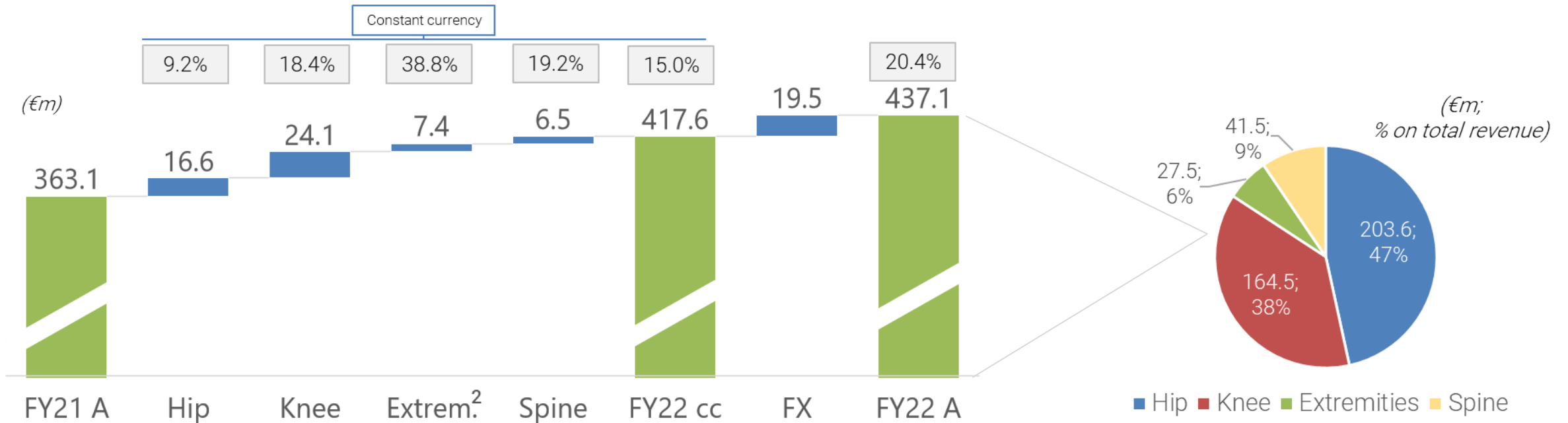


- Europe:** good performance in almost all the markets, based on new customer's acquisition, but also a high organic growth
- North America:** slow down in H1 due to Covid, staffing shortages and, slower than expected new customers growth throughout the year
- Asia Pacific:** longer than expected Covid impact in Australia, partially compensated by the good performance of Japan. Recovery started at the end of the year in Australia. The H2 strong results were not sufficient to compensate H1 but are a solid base for the expected growth in 2023
- RoW:** good results mainly driven by higher-than-expected performance in LatAm, compensating delayed activation of new stocking distributors in MEA

Notes:

1. For a reconciliation of Alternative Performance Measures please refer to section headed "Alternative Performance Measures" of the annual report. The 2022 annual report is available at <https://www.medacta.com/EN/financial-reports>

FY 2022 REVENUE BRIDGE VS 2021 BY PRODUCT LINE¹

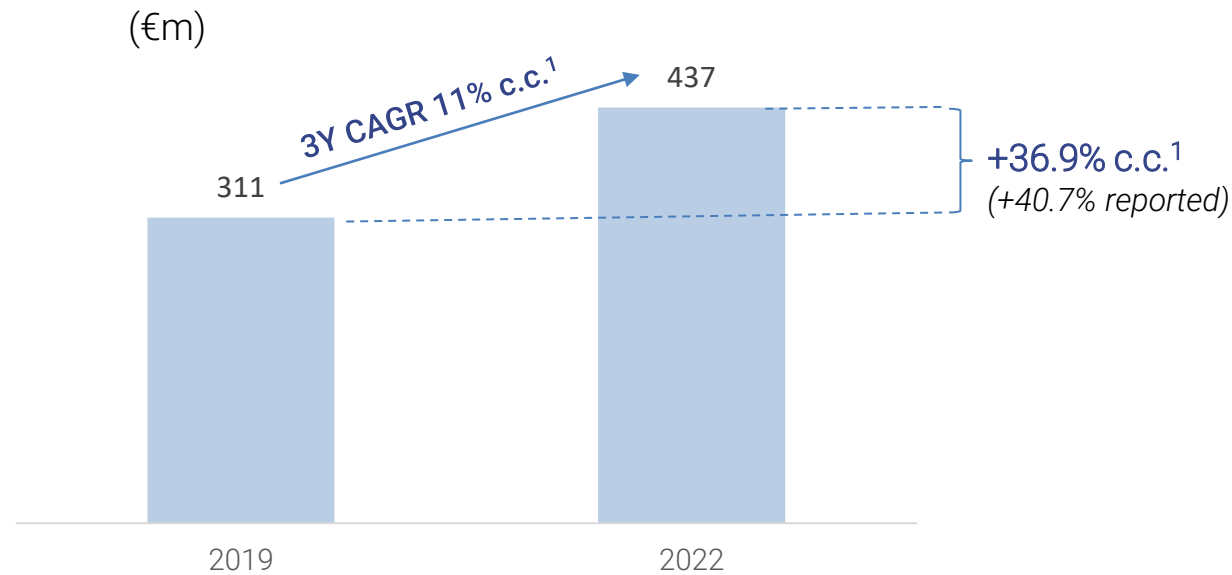


- Hip:** growth driven by the AMIS[®] strategy. Increasing contribution from the P-Family and product range extension (SMS Collared) and Bikini technique. Results geographically driven by Europe
- Knee:** overall good performance with Kinematic Alignment combined with Efficiency Single-use and GMK[®] Sphere platform. Growth geographically limited by the slowdown in the U.S. Limited contribution from NextAR platform
- Extremities:** results driven by Medacta Shoulder System, supported by MyShoulder[®] and NextAR launch in the second half. Expansion of the Sportsmed product offering and more focused sales force
- Spine:** business line that has been mainly impacted by restrictions and hospital staff shortage, with significant organic business attrition. The current growth has been driven by MIS Platform expansion, MySpine[®] offering enlarged to include new indications such as deformities. Contribution from NextAR Spine in H2

Notes:

- For a reconciliation of Alternative Performance Measures please refer to section headed "Alternative Performance Measures" of the annual report. The 2022 annual report is available at <https://www.medacta.com/EN/financial-reports>
- Extremities include Shoulder and Sportsmed revenue

FY 2019-2022: TRUE REVENUE GROWTH



Revenue in 2022 was up **36.9% c.c.** from FY 2019, representing a **CAGR² of 11%** c.c.



Notes:

1. Definitions of Alternative Performance Measures may be found on Annual Report, available on our website: <https://www.medacta.com/EN/investors>
2. CAGR, is calculated as the difference between the current and historical period results translated using the prior period currency exchange rates.



CORRADO FARSETTA

Chief Financial Officer

FY 2022 P&L: Remarkable Profitability¹

PROFIT & LOSS STATEMENT (€m)	FY 2021 A	%	FY 2022 A	%
Revenues	363.1	100.0%	437.1	100.0%
Cost of Sales	(101.9)	-28.1%	(131.9)	-30.2%
GROSS PROFIT	261.2	71.9%	305.3	69.8%
<i>CORE R&D expenses</i>	(11.3)	-3.1%	(15.6)	-3.6%
<i>CORE S&M expenses</i>	(132.6)	-36.5%	(159.6)	-36.5%
<i>CORE G&A and other expenses</i>	(50.7)	-14.0%	(61.1)	-14.0%
TOTAL CORE OPEX, out of which:	(194.6)	-53.6%	(236.3)	-54.1%
Depreciation and Amortization	40.4	11.1%	51.5	11.8%
Adjusted EBITDA²	107.1	29.5%	120.4	27.6% ³
Reported EBITDA	99.2	27.3%	113.0	25.8%
Adjusted EBIT	66.7	18.4%	68.9	15.8%
Financial Results	(3.3)	-0.9%	(6.7)	-1.5%
PROFIT BEFORE TAXES	55.5	15.3%	54.8	12.5%
Income Taxes	(3.9)	-1.1%	(8.5)	-2.0%
PROFIT FOR THE PERIOD	51.5	14.2%	46.2	10.6%

Notes:

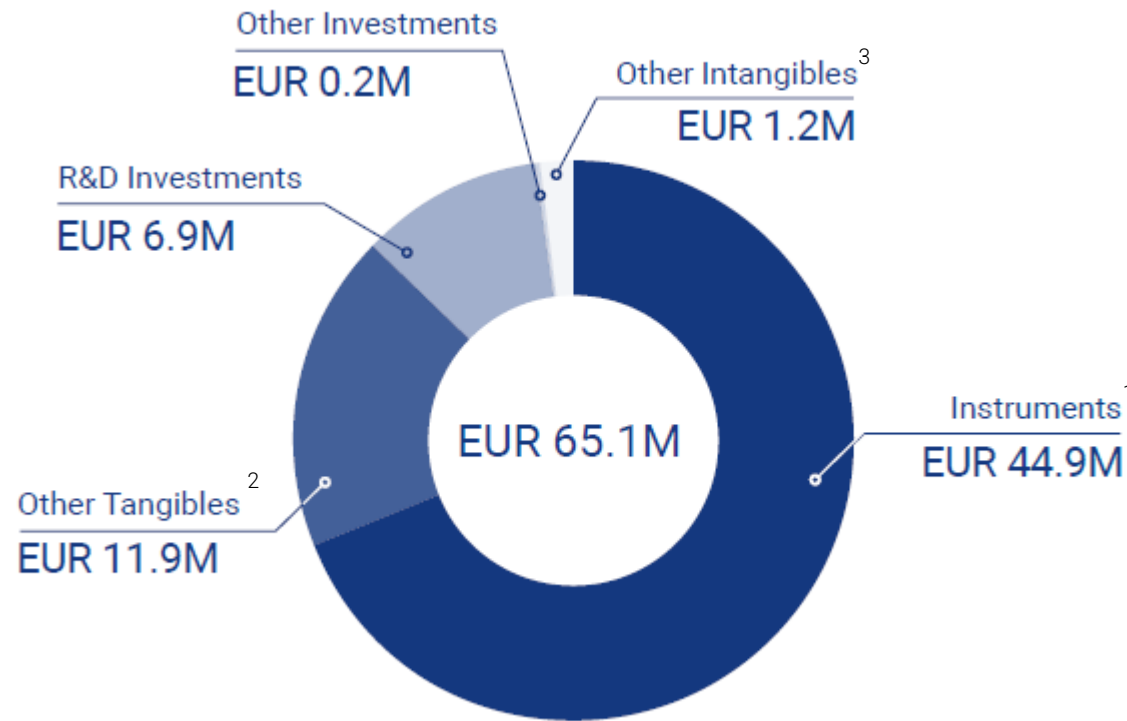
1. For a reconciliation of Alternative Performance Measures please refer to section headed "Alternative Performance Measures" of the annual report. The 2022 annual report is available at <https://www.medacta.com/EN/financial-reports>.

2. Adjusted EBITDA is calculated as EBITDA adjusted for non-recurring items: provisions on litigation, extraordinary legal expenses etc.

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

FY 2022 Investments for Future Growth

FY 2022 Investments	€65.1m
% of Revenues	14.9%



- Investments in instruments and in the development of new implants and surgical instruments to feed new customers started in 2022 and sustain the future growth.
- Other tangible investment includes EUR 4.8M for the land acquisition in Castel San Pietro to increase our production area by about 5'300 square meters.

Notes:

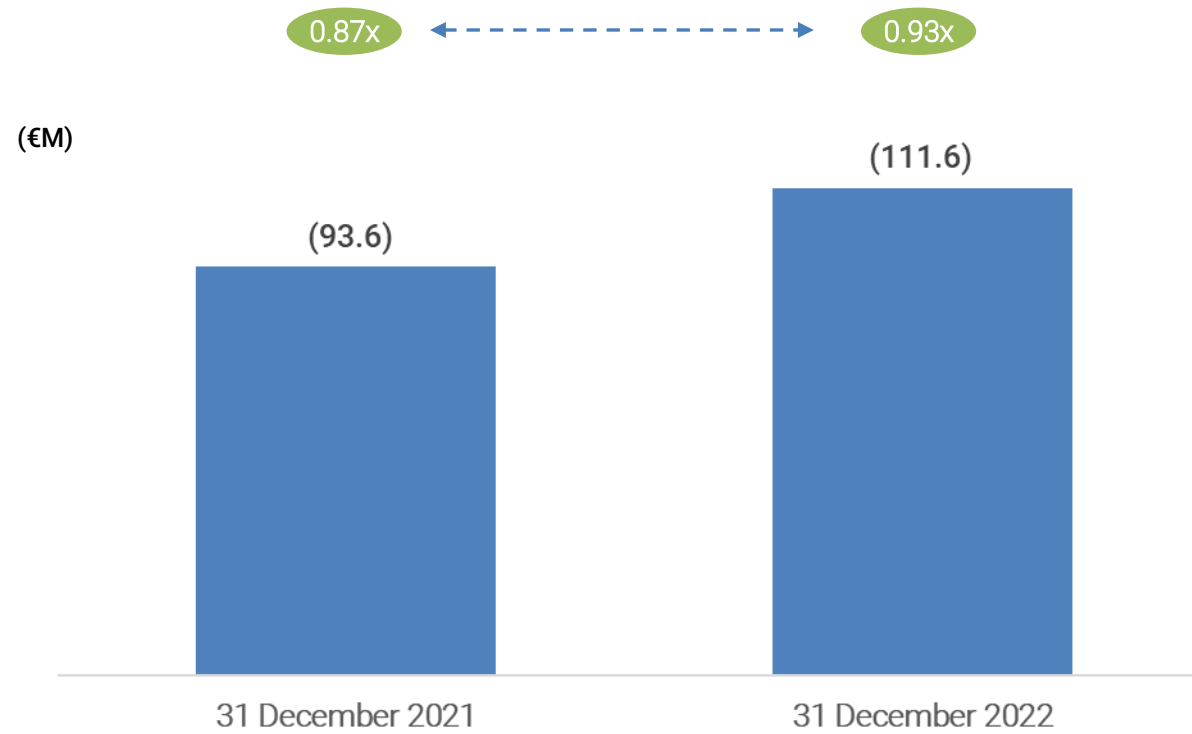
- Instruments are netted by proceeds from sale of tangible assets
- "Other Tangibles" includes: Land, Buildings, Plants & Machinery, Other fixture and fittings, tool and equipment and Assets under construction
- "Other Intangibles" includes: Customer lists, trademarks, software and others

FY 2022 Positive Free Cash Flow despite significant Investments to fund the Future Growth

FREE CASH FLOW (€m)	FY 2021 A	FY 2022 A
CASH FLOW FROM OPERATING ACTIVITIES	54.1	73.5
CASH FLOW FROM INVESTING ACTIVITIES	(52.0)	(65.1)
FREE CASH FLOW	2.0	8.4



Net Financial Debt ^{1,2}



Notes:

1. For a reconciliation of Alternative Performance Measures please refer to section headed "Alternative Performance Measures" of the annual report. The 2022 annual report is available at <https://www.medacta.com/EN/financial-reports>
2. Non-IFRS measure



FRANCESCO SICCARDI

Chief Executive Officer

2023 Outlook¹

- We are targeting at constant currency revenue in the range of EUR 480 million to EUR 495 million, and Adjusted EBITDA Margin largely in line with 2022, subject to any unforeseen events.



Notes:

1. All targets described in our outlook should be measured in constant currency. Please refer to section headed "Alternative Performance Measures" of the annual report. The 2022 annual report is available at <https://www.medacta.com/EN/financial-reports>



Q&A

