



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

## Medacta Group SA reports 19.0% growth of half-year revenue

- **1H 2022 revenue increased to Euro 211.3 million, or 19.0% reported (14.6% at constant currency<sup>1</sup>) from 1H 2021**
- **Significant customer acquisition, salesforce expansion and product introduction drove the growth** that was limited by pandemic restrictions and hospital staffing shortages in Australia and US
- **Compared to 1H 2019, revenue was up 36.5% at constant currency**, representing a CAGR of 10.9% c.c., **true growth beyond a mere recovery**
- **Milestone of 100 NextAR™ platforms in the market**, driven by the full market release of NextAR™ shoulder application
- **Outlook for 2022:** we expect revenue to reach the top end of the guidance range, and adjusted EBITDA to trend towards the lower end of the range, in the absence of unforeseen events

CASTEL SAN PIETRO, 29 July 2022 – Medacta Group SA (“Medacta”, SIX:MOVE) announces today the first semester 2022 preliminary unaudited revenue.

Francesco Siccardi, CEO of Medacta, commented: *“I am very pleased with the revenue performance delivered in the semester, despite the persistent challenging conditions in some geographies. We will continue to prioritize our future growth through the execution of our strategy, while adopting initiatives to mitigate impacts of macroeconomic and geopolitical developments.”*

In the first semester 2022, innovation continued through all business lines. Following 1,000 NextAR™ surgeries performed worldwide in the limited market release phase, we reached 100 NextAR™ platforms in the market. This milestone was driven by the full market release of the NextAR™ Shoulder application in May 2022. In June 2022, NextAR™ further enlarged its worldwide outreach with the approval in Japan. The NextAR™ platform is offered as a hardware system with limited capital investment and single-use instrumentation at a low cost per case and offers the ability to host software for multiple applications for both joint and spine. The platform represents an optimal solution worldwide and particularly for U.S. Ambulatory Surgery Centers (ASCs).

Our Marketing and Medical Education Programs continued, and we further expanded our network of expert surgeons with more than 500 reference centers active worldwide. In the first semester the release of Covid-related restrictions allowed for a re-establishment of national and international congressional activities.

In the first semester 2022, the expansion of our salesforce continued across all the geographies and business lines.

Revenue from our **Hip** products increased to Euro 101.4 million, or 11.1% on a constant currency basis; the good momentum was driven by the AMIS® strategy, supported by further adoption of the Bikini technique, and roll-out of new products.

Revenue from our **Knee** offerings were Euro 77.2 million, an increase of 16.1% on a constant currency basis, thanks to the continuous customer acquisition on Kinematic Alignment, Efficiency single-use instruments and GMK® Sphere implants.

Our **Extremities** business line reported an increase in revenue of 35.6% on a constant currency basis to Euro 12.9 million; the growth was driven by the acquisition of new customers through the completeness of the Medacta Shoulder System, supported by MyShoulder® and NextAR™ personalized solutions, and the expansion of the Sports Med product offering.

Revenue from our **Spine** offering increased by 16.0% on a constant currency basis to Euro 19.8 million, driven by the expansion of MIS Platform and MySpine® offering.

Below we report the first semester 2022 sales break-down by product line:

(Million Euro)	1H 2022	1H 2021	Reported Growth	Constant Currency Growth
Hip	101.4	88.4	14.7%	11.1%
Knee	77.2	63.4	21.8%	16.1%
Extremities*	12.9	9.1	40.9%	35.6%
Spine	19.8	16.6	19.4%	16.0%
<b>TOTAL</b>	<b>211.3</b>	<b>177.5</b>	<b>19.0%</b>	<b>14.6%</b>

\* Extremities include Shoulder and Sports Med revenues

In the first semester 2022, the geographic mix from prior period shows a shift from APAC to Europe mainly due to Covid-19 restrictions in Australia.

Revenue in **Europe** registered an increase of 22.0% on a constant currency basis to Euro 94.4 million. The growth was driven by customer acquisition, together with normalization of surgical activities.

Revenue in **North America** increased to Euro 64.2 million, or 10.8% on a constant currency basis, thanks to our customer acquisition, which was limited by the impact of Covid-19 and hospital staffing shortages especially in the first months of the year.

Revenue in **Asia Pacific** grew by 3.7% on a constant currency basis to Euro 44.8 million, mainly driven by the attainment of new customers in Japan, which was limited by significant pandemic restrictions in Australia in the first quarter of the semester. Japan faced government price reduction late in H1.

Revenue in **RoW** was Euro 7.9 million, an increase of 31.8% on a constant currency basis, thanks mainly to increased purchases from stocking distributors in Latin America.

Below we report the first semester 2022 sales break-down by geographic area:

(Million Euro)	1H 2022	1H 2021	Reported Growth	Constant Currency Growth
Europe	94.4	76.2	23.8%	22.0%
North America	64.2	52.5	22.2%	10.8%
Asia Pacific	44.8	43.0	4.1%	3.7%
RoW*	7.9	5.7	38.5%	31.8%
<b>TOTAL</b>	<b>211.3</b>	<b>177.5</b>	<b>19.0%</b>	<b>14.6%</b>

\* RoW includes all other geographic locations, including Middle East.

These preliminary sales figures are unaudited for the periods ending June 30, 2022 and are therefore subject to change. The Company expects to announce its **2022 Half-Year Results on September 9, 2022**.

### 2022 Outlook

Thanks to the positive business performance of the first semester, full-year revenue is expected in the top end of the original guidance range of Euro 400 million to Euro 414 million, at constant currency. In light of the current macroeconomic and geopolitical situation and initiatives taken to mitigate the impact, Adjusted EBITDA margin is expected to trend towards the lower end of the 29%  $\pm$ 100bp guidance range at constant currency, subject to any unforeseen events.

### 2021 Sustainability Report

Today the Sustainability Report 2021 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 2022.

Among the key initiatives in 2021 we signed a purchase agreement for 100% hydroelectric renewable energy in our manufacturing plants in Switzerland and resumed support of international humanitarian initiatives.

The 2021 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 results call will be headed by Francesco Siccardi (CEO) and Corrado Farsetta (CFO). The conference will be held in English.

Live-Link: <https://www.webcast-egs.com/medacta20220729>

For participants to the conference call (slides only):  
<https://www.webcast-egs.com/medacta20220729/no-audio>

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**About Medacta**

Medacta is an international company specializing in the design, production, and distribution of innovative orthopaedic 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 40 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.

**<sup>1</sup> Alternative Performance Measures**

This press release contains certain information that it refers to as "constant currency", 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/investors>.