



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

Medacta Group SA reports 35.4% growth at constant currency of half-year revenue and revises upward the revenue target for 2021

- **1H 2021 revenue increased to Euro 177.5 million, or 35.4% at constant currency (31.7% reported) vs 1H 2020.**
- **The growth was driven by significant carry-over and customer acquisition, in addition to faster-than-expected normalization of surgery activities, with positive contributions from all business lines and geographies.**
- **Innovation continued with 50+ new products registered**, including CE-marking of the Knee, Shoulder and Spine Applications of the NextAR Augmented Reality Surgical Platform.
- **The positive performance and the business outlook allow to revise upward our revenue target for 2021 within a range of Euro 355 million to Euro 375 million at constant currency**, compared to the previous range of Euro 333 million to Euro 348 million, subject to any unforeseen events, specifically from the Covid-19 pandemic.

CASTEL SAN PIETRO, 20 July 2021 – Medacta Group SA (“Medacta”, SIX:MOVE) announces today first semester 2021 preliminary unaudited revenue.

Francesco Siccardi, CEO of Medacta, commented: *“I am really satisfied with the revenue performance achieved in the semester that was driven not only by surgery volumes, but also by the execution of our growth strategy, which continued in 2020 despite the challenging conditions, through the launch of new products, the hiring of salesforce and our continuous medical education programs. The positive semester performance and the business outlook in the remainder of the year allow us to revise upward our revenue guidance for 2021”* concluded Francesco Siccardi.

In the first semester 2021 innovation continued and over 50 new products across all our business lines were registered, including entry in new geographies. In June 2021, the first surgeries based on our **NextAR Augmented Reality (AR) Surgical Platform** were performed in Europe, following the CE-marking of the **Knee, Shoulder and Spine Applications**. Also, in May 2021, the NextAR Shoulder Application received FDA clearance, further expanding the U.S. NextAR offering, which already included the Knee Application, FDA-cleared in 2020. NextAR enhances our MySolutions Ecosystem, empowering our holistic approach to personalized medicine, and has the potential to improve surgical accuracy. Thanks to its limited upfront capital investment and reduced cost per case compared to other technologies, the platform enhances healthcare system sustainability

worldwide. The engineered design has the great advantage of utilizing a single platform for all procedures for both joint replacement and spine applications, allowing for a lean logistics and hardware management. These are key benefits in particular for US Ambulatory Surgery Centers (ASCs).

Our Marketing and Medical Education Programs continued, and since June, international travel and congresses have restarted. During the semester, the hiring of salesforce continued, as planned, across all geographies.

In the first semester 2021 we had a positive revenue contribution from all business lines and geographies.

Revenue from our **Hip** products increased to Euro 88.4 million, or 30.7% on a constant currency basis; the good momentum was generated by the acquisition of new customers through the AMIS strategy supported by the roll-out of new products.

Revenue from our **Knee** offerings were Euro 63.4 million, an increase of 38.4% on a constant currency basis, thanks to the continuous customer acquisition on personalized solutions and GMK Sphere platform.

Our **Extremities** business line reported an increase in revenue of 56.8% on a constant currency basis to Euro 9.1 million, mainly thanks to the completeness of the Medacta Shoulder System supported by personalized solutions and the expansion of the Sports Med product offer.

Revenue from our **Spine** offering increased by 39.5% on a constant currency basis to Euro 16.6 million, driven by newly launched products, innovative technologies, and salesforce expansion.

Below we report the first semester 2021 sales break-down by product line:

(Million Euro)	1H 2021	1H 2020	Reported Growth	Constant Currency Growth
Hip	88.4	68.9	28.3%	30.7%
Knee	63.4	47.3	34.0%	38.4%
Extremities*	9.1	6.1	50.7%	56.8%
Spine	16.6	12.5	32.1%	39.5%
TOTAL	177.5	134.8	31.7%	35.4%

* Extremities include Shoulder and Sportsmed revenue

In terms of geographic trend, revenue in **Europe** registered a growth of 29.4% on a constant currency basis to Euro 76.2 million. France, Italy and Belgium, the countries most affected by Covid-19 in the first semester 2020, recorded the strongest growth, followed by the “DACH” (Germany, Austria, and Switzerland).

Revenue in **North America** increased to Euro 52.5 million, or 44.3% on a constant currency basis, thanks to our customer acquisition, salesforce expansion and increased activity level in ASCs.

Revenue in **Asia Pacific** grew by 33.6% on a constant currency basis to Euro 43.0 million, mainly driven by the attainment of new customers through the expansion of our salesforce in 2020.

Revenue in **RoW** were Euro 5.7 million, an increase of 49.4% on a constant currency basis, thanks to restart of purchases from stocking distributors and the creation of new distributors in the Middle East and Eastern Europe.

Below we report the first semester 2021 sales break-down by geographic area:

(Million Euro)	1H 2021	1H 2020	Reported Growth	Constant Currency Growth
Europe	76.2	59.3	28.5%	29.4%
North America	52.5	39.7	32.5%	44.3%
Asia Pacific	43.0	31.9	35.1%	33.6%
RoW*	5.7	4.0	43.7%	49.4%
TOTAL	177.5	134.8	31.7%	35.4%

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

These preliminary sales figures are unaudited for the periods ending June 30 of 2021 and are therefore subject to change. The Company expects to announce its **2021 Half-Year Results on September 10, 2021**.

2021 Outlook

Our strong customer acquisition, together with the progressive normalization of surgery activities benefiting from vaccinations, resulted in a stronger than expected revenue performance in the first semester 2021.

The second semester 2021 growth is expected to normalize as the second semester of 2020 comparative period already benefited from previous pent-up demand in certain geographic areas. The positive first semester performance and the business outlook in the remainder of the year allow us to revise upward our revenue target for 2021 within a range of Euro 355 million to Euro 375 million at constant currency, compared to the previous range of Euro 333 million to Euro 348 million, subject to any unforeseen events, specifically from the Covid-19 pandemic. We confirm our target of an adjusted EBITDA margin largely in line with 2020.

Sustainability Report 2020

Today the Sustainability Report 2020 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 2021. Among such goals, we intend to further strengthen our qualification process regarding legal and environmentally responsible sourcing throughout our supply chain, to adopt a succession plan for key employees and key roles within the Group, to use 100% certificated renewable energy in our manufacturing plants, to begin the installation of photovoltaic panels on our buildings in Switzerland and resume support of international humanitarian initiatives as soon as the pandemic conditions will allow for it.

The Sustainability Report 2020 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/medacta20210720>

For participants to the conference call (slides only):

<https://www.webcast-egs.com/medacta20210720/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.

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.