Medacta International

ANNUAL REPORT 2025



SUSTAINABILITY OF PERSONALIZED MEDICINE IN ORTHOPAEDICS AND SPINE SURGERY



Sustainable innovation, world-class surgeon education, and an unwavering commitment to improving patient outcomes

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Medacta International

TRUST AND INTEGRITY

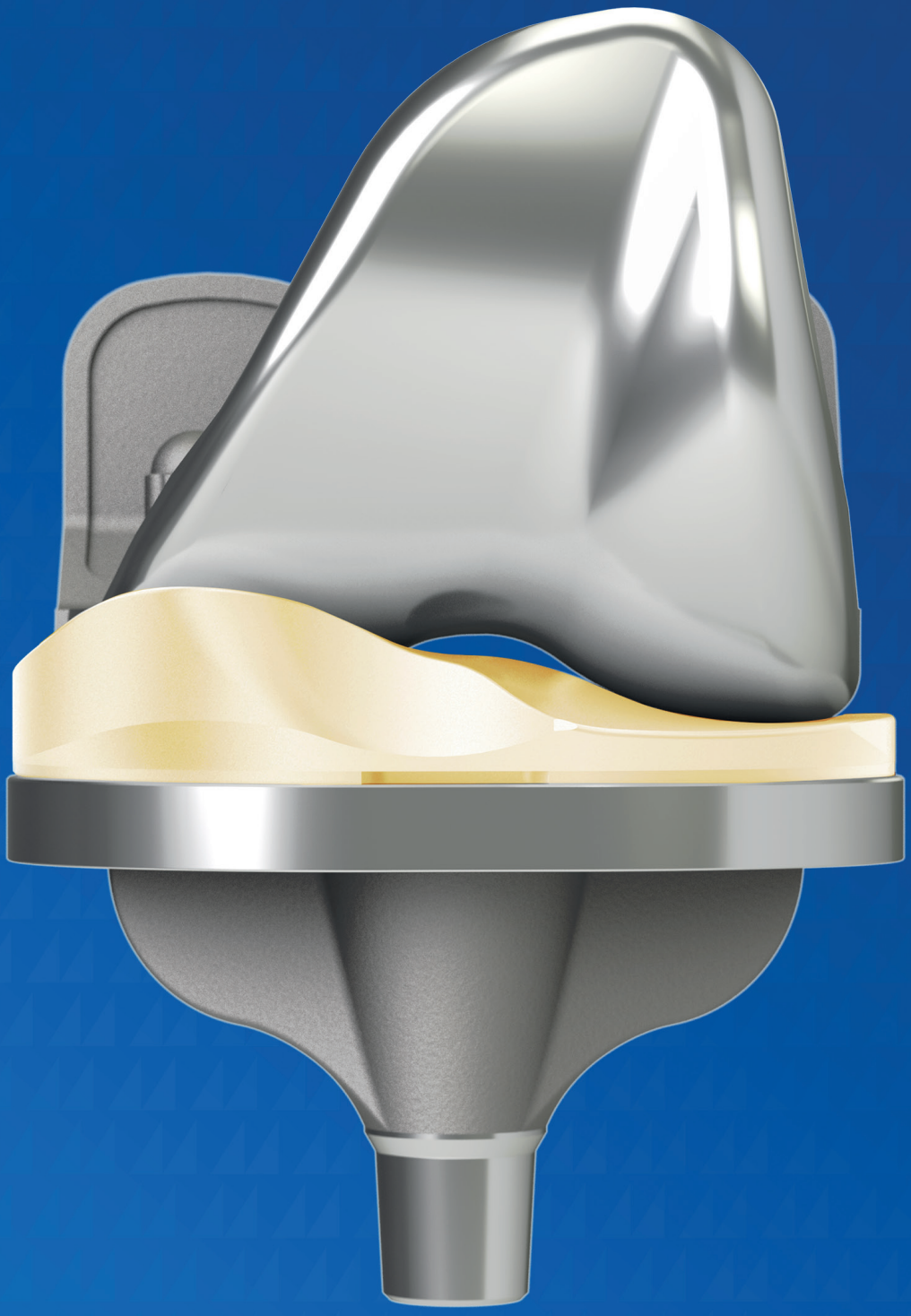
It's at the core of who we are and is **never negotiable**, all our interactions meet the highest professional & ethical standards.



#beMedacta CULTURE A KEY FOR SUSTAINABLE SUCCESS

Medacta International

Management Report



Medacta's GMK SpheriKA

Medacta at a glance

Medacta is a global key player specializing in the design, production, and distribution of innovative, personalized, and sustainable solutions for joint replacement, sports medicine, and spine surgery. Established in 1999 in Switzerland, Medacta is committed to improving the care and well-being of patients and maintains a strong focus on healthcare sustainability. Through close collaboration with expert surgeons globally, continuous investments in R&D, and the strategic adoption of cutting-edge technologies, Medacta's innovation prioritizes minimally invasive surgery and personalized solutions for every patient.

Our technology-driven approach combines advanced digital platforms, proprietary software, and state-of-the-art manufacturing capabilities to deliver clinical value and enhanced healthcare efficiency.

Our mission is to transform the patient experience by developing advanced surgical approaches, implants, and instruments through responsible innovation. With this goal in mind, we focus on expanding our collaboration with surgeons and universities worldwide, constantly investing in medical education, innovative technologies, and personalized solutions. 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.

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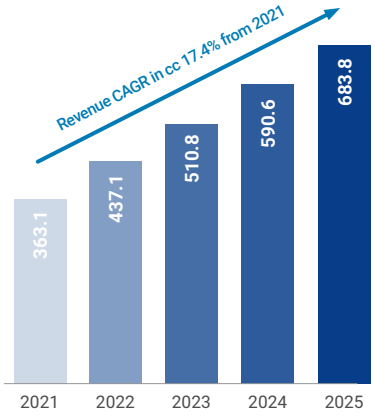
2025 Key Figures

FINANCIAL FIGURES

REVENUES

EUR 683.8m

18.5% growth in cc[1] (15.8% reported)

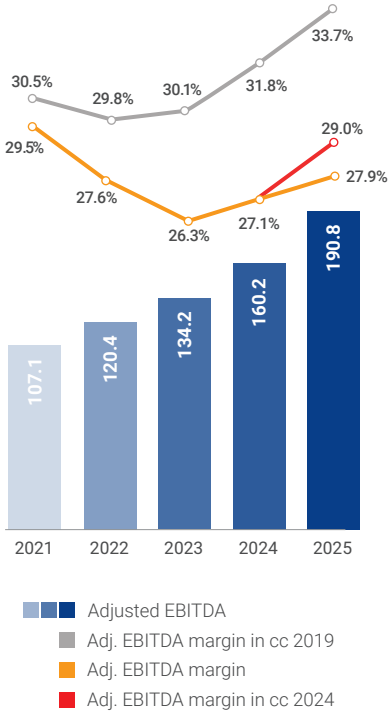


[1] Is calculated as the difference between the current and historical period results translated using the previous period exchange rates.

ADJUSTED EBITDA[2]

EUR 190.8m

27.9% Adjusted EBITDA margin[3]
29.0% Adjusted EBITDA margin in cc

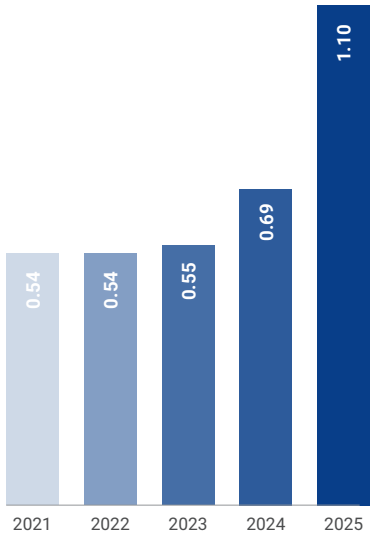


[2] Is calculated as EBITDA, adjusted for non-recurring items: business combinations due to the acquisition of Parcus, and MDR expenses.

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

DISTRIBUTION DECLARED PER SHARE[4]

CHF 1.10



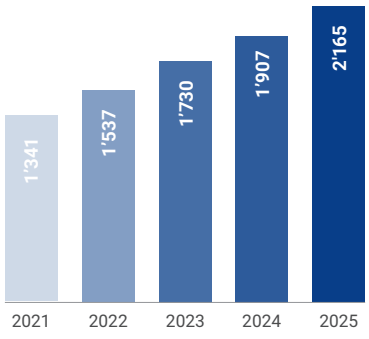
[4] Is calculated by dividing the total distribution declared equal to CHF 21.9m by the number of outstanding ordinary shares issued.

BUSINESS FIGURES

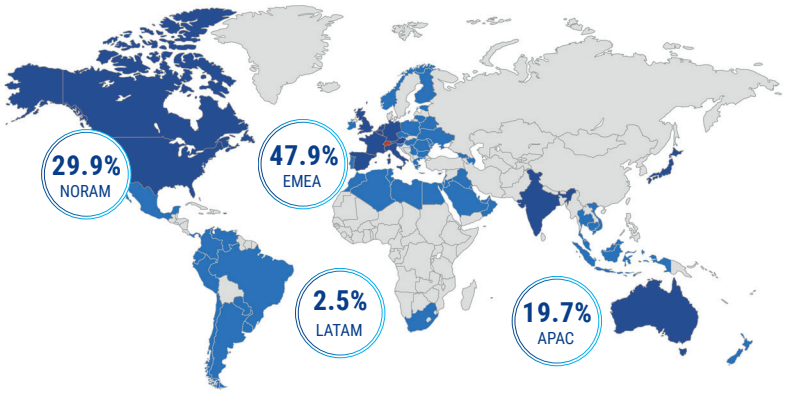
EMPLOYEES

2'165

258 new jobs added in 2025



COUNTRY PRESENCE & REVENUE BY GEOGRAPHIC AREA



2025 Highlights*

- FY 2025 revenue accelerated to Euro 683.8 million, up 18.5% in constant currency or 15.8% in Euro;
- Adjusted EBITDA grew by 19.1% to Euro 190.8 million (from Euro 160.2 million in 2024), corresponding to 27.9% margin (29.0% in in constant currency);
- Profit for the year was equal to Euro 95.5 million, 14.0% on revenue;
- Adjusted Free Cash Flow at Euro 46.4 million (Euro 25.9 million in 2024);
- The Board of Directors is proposing a distribution of CHF 1.10 per share (CHF 0.69 in 2024), an increase of approximately 60% yoy;
- Outlook FY 2026: Medacta is targeting a revenue growth in the range of 10% to 14% in constant currency and an expansion of the adjusted EBITDA margin of around 50bps vs. the prior year (27.9%), in constant currency, subject to unforeseen events;
- Mid-term outlook: revenue compound annual growth rate (CAGR) (2024–2027E) in constant currency is expected to range between 12% and 15%, with a gradual improvement of the adjusted EBITDA margin vs. 2025, in constant currency and subject to unforeseen events.

REPORTED PERFORMANCE MEASURES

(Million Euro)	31.12.2025	31.12.2024
Revenues	683.8	590.6
Gross Profit	458.7	399.4
Profit for the year	95.5	72.9
Earnings per share - basic (in Euro)	4.79	3.66

Alternative Performance Measures:

EBITDA	201.5	156.6
Adjusted EBITDA*	190.8	160.2
Adjusted EBITDA margin*	27.9%	27.1%
Operating cash Flow	152.7	107.1
Free cash Flow	15.7	8.3

(Million Euro)	31.12.2025	31.12.2024
Total Assets	917.6	792.2
Total Equity	456.6	379.7
Equity Ratio	49.8%	47.9%
Number of employees	2'165	1'907

* Adjusted in 2025 for business combinations (Euro -11.3 million) and MDR transition costs (Euro 0.6 million). The reconciliation is provided in the "Alternative Performance Measures" section of this Report.

* **Alternative Performance Measures:** This section and other sections of this Annual Report, contain certain financial measures of historical performance that are not defined or specified by IFRS, such as "constant currency", "EBITDA", "Adjusted EBITDA", "Free Cash Flow", "Adjusted Free Cash Flow", "Net Debt" and "Leverage". Reconciliation of these measures as well as "Adjusted" financial measures is provided in the "Alternative Performance Measures" (APM) section of this Annual Report. These Alternative Performance Measures should be regarded as complementary information to, and not as a substitute for the IFRS 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 this Annual report.

Share information

The registered shares of Medacta Group SA are traded on the International Reporting Standard of SIX Swiss Exchange and are part of the Swiss Performance Index.

NUMBER OF SHARES

Share capital (in CHF)	2'000'000
Number of registered shares outstanding *as of December 31, 2025*	19'911'383
Nominal value per registered share (in CHF)	0.10
Number of treasury shares *as of December 31, 2025*	88'617

2025 DATA PER SHARE

(Swiss Francs)	**31.12.2025**
2025 High (in CHF) *for the period January - December 2025*	157.80
2025 Low (in CHF) *for the period January - December 2025*	104.60
Closing price (in CHF)	156.40
Market capitalization (in CHF billion)	3.1

2025 Relative share price development

Index base 100 calculation
Source: Refinitiv



Letter to shareholders

Dear Shareholders,

In 2025, Medacta delivered another strong year, achieving double-digit organic sales growth in the high teens before foreign exchange effects and further expanding our adjusted EBITDA margin in constant currency. These industry-leading results reflect the strength of our differentiated positioning and the consistent execution of our strategy.

Our performance was supported by a clear focus on innovation in minimally invasive techniques and personalized solutions, a surgeon-focused and structured approach to medical education, and the continued expansion of our sales organization. We would like to thank the entire Medacta team for their commitment and dedication in delivering these excellent results and advancing our mission to improve patient outcomes and satisfaction.

This performance reinforces our confidence in Medacta's ability to continue gaining market share and to execute our long-term value creation strategy.

Our achievements

2025 marks Medacta's 10 years of success of Kinematic Alignment in combination with Medacta's Ball-in-Socket design for total knee replacement. This was a milestone that underscores our dedication to sustainable innovation



and improving patient outcome. Kinematic Alignment is a surgical technique designed to restore the natural knee function to its pre-arthritic state. This innovative approach has gained the attention and continues to find a growing consensus in the global orthopedic community.

At the beginning of March, Medacta announced the acquisition of Parcus Medical, a Florida based specialist provider of sports medicine and arthroscopy solutions. The acquisition excellently complements Medacta's portfolio in sports medicine. Parcus Medical is integrated in Medacta's Sportsmed within the Extremities business line. As part of the acquisition, Medacta also took over Parcus' Medical US manufacturing site in Sarasota (Florida), allowing Medacta to also be vertically integrated in Sportsmed and to have the first non-Swiss based manufacturing plants. The acquisition of Parcus Medical contributed approximately 1.5% to Group revenue in 2025.

In 2025, Medacta added 258 new jobs globally, reaching 2'165 employees in total.

Sustained above-market growth of 18.5% in constant currency*

In 2025, Medacta recorded Group revenue of Euro 683.8 million, an increase of 18.5% in constant currency and an increase of 15.8% in Euro.

Medacta reported another year of outstanding growth in all geographic markets and continued superior growth across all business lines. This was achieved



by the constant launch of our differentiating innovations across all business lines, our continued efforts in medical education and the attraction of new surgeons supported by our expanded sales force.

In 2025, Medacta progressed to further strengthen and optimize its supply chain. Medacta has almost finalized its new fully automated warehouse in Italy. This new setup will facilitate and reduce handling costs primarily in Europe, Middle East and Africa (EMEA).

Medacta achieved substantial growth rates across all geographies. The largest contributions to growth came from Asia Pacific and North America, growing 23.0% and 19.0% respectively, followed by EMEA increasing 15.2%, all in c.c.. Latin America, which is the smallest geographic area, advanced a superb 42.2% in c.c..

Hip revenues rose again in double-digits by 11.9% in c.c., to Euro 270.5 million, with particularly outstanding performance in Asia Pacific and North America. The growth was mainly the result of Medacta's excellent Anterior Minimally Invasive Surgery (AMIS) platform, which allows an easily reproducible technique that delivers significant benefits to patients, surgeons as well as healthcare systems [1,2,3].

Knee revenues advanced by another outstanding 20.7% in c.c. to Euro 284.1 million. All geographic regions contributed to this growth, but mainly attributable to North America as well as EMEA. Next to Medacta's personalized Kinematic Alignment platform MyKA, GMK SpheriKA, the first knee implant specifically designed for the Kinematic Alignment technique, promoted this excellent performance. In 2025, the global roll-out of GMK SpheriKA further advanced including the UK, Canada and Japan. 2025 saw an additional boost in the adoption of the NextAR Knee system as well as for cementless and SensiTiN, Medacta's low-ion-release, options.

Extremities, which include both, Shoulder and Sportsmed, delivered another notable revenue growth of 46.2% in c.c. to Euro 72.1 million with both sub-businesses contributing to this great progress. In particular, Medacta's Shoulder System, supported by advanced technologies such as Medacta's MyShoulder patient-specific cutting guides as well as NextAR Shoulder Augmented Reality surgical application delivered an excellent performance, achieving market leading position in key geographies.

Spine revenues increased by 12.2% in c.c. to Euro 57.0 million. The good acceleration was strongly sustained by Medacta's technologies, particularly by NextAR Spine, and the Rod Optimizer platform, which support surgeons in designing the optimal surgical strategy based on each patient's individual anatomy and helps to streamline the surgical workflow. An expansion was seen across all geographies but was primarily supported by EMEA as well as Asia Pacific.

Gross Profit

Gross profit advanced to Euro 458.7 million, compared to Euro 399.4 million in 2024. The corresponding gross profit margin was 67.1.% compared to 67.6% in the previous year. This decline was primarily driven by unfavourable foreign exchange movements, partially offset by scale benefits from higher volumes.

Adjusted EBITDA margin *

Adjusted EBITDA grew to Euro 190.8 million compared to Euro 160.2 million in FY 2024, representing a year-on-year increase of more than 19%. The corresponding FY 2025 adjusted EBITDA margin climbed to 29.0% in constant currency or 27.9% in Euro. This compares to an adjusted EBITDA margin of 27.1% in Euro in FY 2024. The margin expansion was the result of economies of scale, efficiency gains and lower costs, mainly in sales and marketing as compared to the same time period last year. Reported EBITDA was Euro 201.5 million compared to Euro 156.6 million in FY 2024, an increase of almost 28.7% year-on-year. The increase was driven by a higher operating profit and the bargain purchase gain realized with the Parcus Medical acquisition.

Adjusted EBIT*

Adjusted EBIT for the period rose to Euro 114.3 million compared to Euro 94.4 million in FY 2024 reflecting an increase of more than 21% against the previous year. The corresponding adjusted EBIT margin was 16.7% in FY 2025 compared to 16.0% in the prior year representing an improvement of 70 basis points year-on-year.

Net Profit for the year

In 2025, the net financial result was negative for Euro 9.8 million versus negative Euro 3.1 million in the previous year. The Group's effective tax rate was 17.2% in 2025 versus 17.0% in 2024.

[1] Vasina PG, Rossi R, Giudice GM, Palumbi P. Hip arthroposthesis through the anterior minimally invasive approach. Sphera 2010;6(12) - Speciale Ortopedia.
[2] Christofilopoulos P, Roussos C, Lädermann A, Lübbeke A, Hoffmeyer P. Socioeconomic aspects of total hip arthroplasty. A comparison between anterior minimally invasive surgery and standard lateral approach. Poster at the 12th EFORT Congress, Copenhagen, Denmark: 1-4 June 2011.
[3] Sebečić B, Starešinić M, Culjak V, Japjec M. Minimally invasive hip arthroplasty: advantages and disadvantages. Med Glas (Zenica). 2012 Feb;9(1):160-5. PMID: 22634930.

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Profit for the period increased by approx. 31% to Euro 95.5 million, compared to Euro 72.9 million in 2024. The increase was the result of a higher operating profit and the bargain purchase gain recognized on the Parcus acquisition. In 2025, the corresponding net profit margin was 14.0% compared to 12.3% in 2024.

Cash Flow

Medacta delivered a cash flow from operating activities of Euro 152.7 million in 2025, compared to Euro 107.1 million in 2024, representing an increase of 42.5% year-on-year.

Capital expenditures amounted to Euro 137.0 million in 2025 versus Euro 98.9 million, compared to 2024. About 80% of capital expenditures were investments in instruments and production expansions to sustain future growth.

Free cash flow was Euro 15.7 million, compared to Euro 8.3 million in 2024. Adjusted free cash flow increased to Euro 46.4 million from Euro 25.9 million in 2024.

Solid balance sheet

Medacta's balance sheet remained robust at the end of December 2025. Total assets increased to Euro 917.6 million vs. Euro 792.2 million at the end of 2024. The equity ratio was 49.8 % at the end of December 2025, compared to an equity ratio of 47.9% at the end of December 2024.

Net debt to adjusted EBITDA ratio was 0.88x at the end of 2025 compared to 0.99x at the end of 2024.

Dividend Proposal

At the Annual General Meeting on 5 May 2026, the Board of Directors will propose a dividend distribution of CHF 1.10 per share (CHF 0.69 in 2024), distributed as dividend out of available earnings.

Outlook 2026

Medacta is targeting a revenue growth in the range of 10% to 14% in constant currency and an expansion of the adjusted EBITDA margin of around 50bps vs. the prior year (27.9%), in constant currency, subject to unforeseen events.

Mid-term outlook

Revenue compound annual growth rate (CAGR) (2024–2027E) in constant currency is expected to range between 12% and 15%, with a gradual improvement of the adjusted EBITDA margin vs. 2025, in constant currency and subject to unforeseen events.

Thanks

I extend my heartfelt thanks to the entire Medacta team for their dedication and hard work throughout the year. With this strong foundation, we look forward to continuing our journey and advancing Medacta's success.

Sincerely,



Dr. Alberto Siccardi
Chairman of the Board of Directors

Francesco Siccardi
Chief Executive Officer



1. Management Commentary*

Corporate introduction

We are a global key player specializing in the design, production, and distribution of innovative, personalized, and sustainable solutions for joint replacement, sports medicine, and spine surgery. Established in 1999 in Switzerland, we have grown considerably from our origins as a manufacturer of hip and knee replacement products into a global business. We are currently active in targeted regions of countries that together represent the majority of global orthopedic revenue, according to Orthoworld.

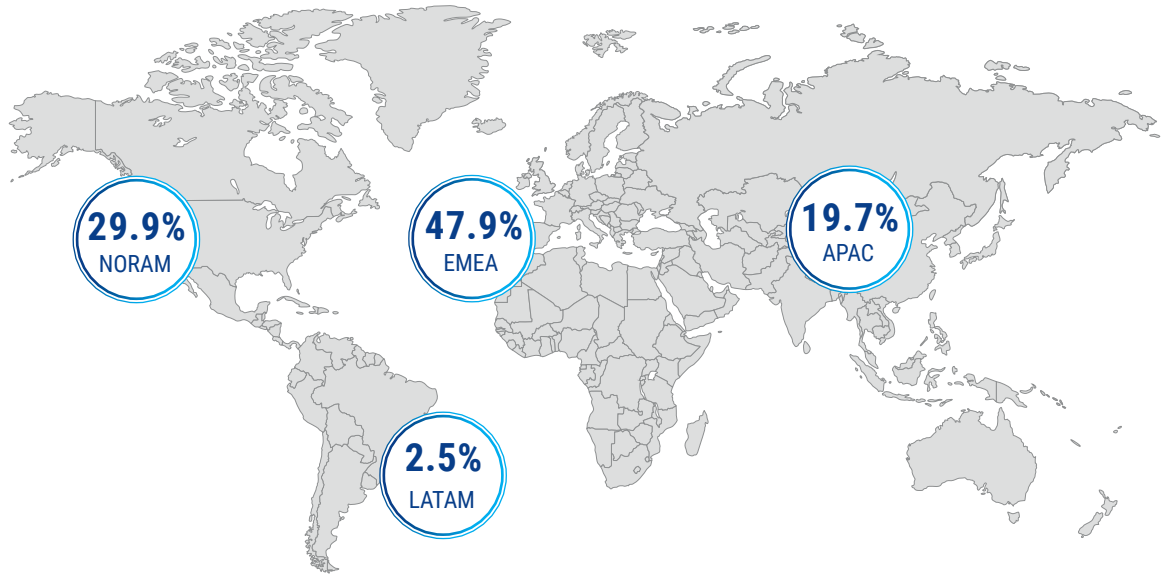
Today, our primary focus is on our high-volume Hip and Knee business lines (which generated 39.6% and 41.6%, respectively, of our reported revenue in 2025), complemented by our offerings in Shoulder, Spine and Sports Medicine ("Sportsmed") business lines. Our products and surgical techniques are supported by an extensive program of surgeon education and engagement initiatives, enabling our offerings to be used to the best advantage of both the patient and surgeon. All our products and surgical procedures are designed to improve patient well-being, facilitate the work of our surgeons and increase the sustainability of the healthcare system by improving efficiency while reducing healthcare costs. Our financial results confirm the validity of our business model and prove our success: in the year ending December 31, 2025 we achieved a 18.5% constant currency revenue growth from 2024, generating revenues amounting to Euro 683.8 million and an Adjusted EBITDA margin of 27.9%.

Our products and surgical techniques are characterized by innovation. We are a pioneer in developing new offerings on the basis of our minimally invasive surgical techniques, in particular our Anterior Minimally Invasive Surgery (AMIS) technique for hip replacements, which involves an anterior approach to the hip and has been carried out in over hundreds of thousand of cases worldwide since 2004.

We believe that education is an indispensable tool for transforming innovation into concrete benefits for patients, surgeons and healthcare systems. For our surgeon customers, we have introduced a range of training and technical support initiatives through our M.O.R.E. Institute. Since its founding in 2004, the M.O.R.E. Institute has become a global education platform tailored to the needs of the individual surgeon, with courses addressing each of our business lines and no limit on the number of interactions that customers can benefit from. Also, we relaunched the MyPractice Development Plan to further support surgeons in their patient education efforts and improve patient understanding and experience of our products and techniques.

Our headquarters and manufacturing facilities are in Castel San Pietro and Rancate, Switzerland, where we have 1'085 employees in the aggregate as of December 31, 2025.

Medacta achieved substantial growth rates across all geographies. The largest contributions to growth came from Asia Pacific and North America, growing 23.0% and 19.0% respectively, followed by EMEA increasing 15.2%, all in c.c.. Latin America, which is the smallest geographic area, advanced a superb 42.2% in c.c..



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Business performance

Executive overview

In 2025, Medacta witnessed a remarkable performance, with a significant revenue growth of 18.5% in constant currency, resulting in Euro 683.8 million in revenue. This accomplishment underscores how our commitment to improving patient outcomes and satisfaction paid off.

Profitability significantly improved in 2025, despite adverse currency exchange movements. Our adjusted EBITDA margin increased by 80 basis points, reaching 27.9% compared to 27.1% in 2024. In constant currency terms, profitability growth was even stronger, with the adjusted EBITDA margin up by 190 basis points to 29.0%. The 2025 Adjusted Free Cash Flow amounted to Euro 46.4 million, increasing by Euro 20.4 million from 2024 mainly due to the substantial increase in the Profit of the year equal to Euro 95.5 million in 2025, from Euro 72.9 million in 2024. Based on the performance achieved in 2025, the Board of Directors decided to propose to the Annual General Meeting a distribution of CHF 1.10 per share.

Reflecting on the past year, our Group's strategic initiatives have proven effective, establishing a robust platform for continued growth.

Sales volume, pricing and geographical mix

Our revenue increased by Euro 93.2 million, or 15.8%, from Euro 590.6 million in 2024 to Euro 683.8 million in 2025 on a reported currency basis (18.5% in constant currency), with positive contribution from all business lines and geographies. Geographic mix sales had a positive effect on our global selling price. In addition, our revenue growth experienced a 2.7% setback due to negative exchange rate headwinds. Specifically, in 2025, the EUR appreciated against the JPY, and AUD adversely affecting the Euro-translated revenue from operations in those countries. This impact was only partially offset by the EUR's depreciation against the CHF. We analyse sales by four geographies (EMEA, North America, Asia Pacific and Latin America) and by the following product categories: Hip, Knee, Spine and Extremities.

(Million Euro)	31.12.2025	% of total	31.12.2024	% of total	Reported Growth	Constant Currency Growth
Hip	270.5	39.6%	247.3	41.9%	9.4%	11.9%
Knee	284.1	41.6%	241.2	40.8%	17.8%	20.7%
Extremities*	72.1	10.5%	50.3	8.5%	43.4%	46.2%
Spine	57.0	8.3%	51.8	8.8%	10.2%	12.2%
TOTAL REVENUES	**683.8**		**590.6**		**15.8%**	**18.5%**

* Extremities include Shoulder and Sportsmed revenues.

Revenue from our Hip products increased by Euro 23.2 million, or 9.4%, from Euro 247.3 million in 2024 to Euro 270.5 million in 2025 on a reported currency basis (11.9% on a constant currency basis); the growth was mainly the result of Medacta's excellent Anterior Minimally Invasive Surgery (AMIS) platform, which allows an easily reproducible technique that delivers significant benefits to patients, surgeons as well as healthcare systems.

Revenue from our Knee offerings increased by Euro 42.9 million, or 17.8%, from Euro 241.2 million in 2024 to Euro 284.1 million in 2025 on a reported currency basis (20.7% on a constant currency basis). Next to Medacta's personalized Kinematic Alignment platform MyKA, GMK SpheriKA, the first knee implant specifically designed for the Kinematic Alignment technique, promoted this excellent performance.

Our Extremities business line, which includes Shoulder and Sportsmed, reported an increase in revenue by Euro 21.8 million, or 43.4%, from Euro 50.3 million in 2024 to Euro 72.1 million in 2025 on a reported currency basis (46.2% on a constant currency basis). The outstanding progress was the result of both, Shoulder and Sportsmed. In particular, Medacta's Shoulder System, supported by advanced technologies such as Medacta's MyShoulder patient-specific cutting guides as well as NextAR Shoulder Augmented Reality surgical application delivered an excellent performance, achieving market leading position in key geographies.

Revenue from our Spine offerings increased by Euro 5.3 million, or 10.2%, from Euro 51.8 million in 2024 to Euro 57.0 million in 2025 on a reported currency basis (12.2% on a constant currency basis). The good acceleration was strongly sustained by Medacta's technologies, particularly by NextAR Spine, and the Rod Optimizer platform, which support surgeons in designing the optimal surgical strategy based on each patient's individual anatomy and helps to streamline the surgical workflow.

All the business lines benefitted from significant salesforce and marketing expansion.

We also monitor the development of our revenue in key geographies based on the location of our customers invoiced, as set forth in the table below.

(Million Euro)	31.12.2025	% of total	31.12.2024	% of total	Reported Growth	Constant Currency Growth
EMEA	327.5	47.9%	283.7	48.0%	15.4%	15.2%
North America	204.5	29.9%	179.3	30.4%	14.1%	19.0%
Asia Pacific	134.8	19.7%	115.1	19.5%	17.1%	23.0%
Latin America	17.0	2.5%	12.4	2.1%	36.7%	42.2%
TOTAL REVENUES	**683.8**		**590.6**		**15.8%**	**18.5%**

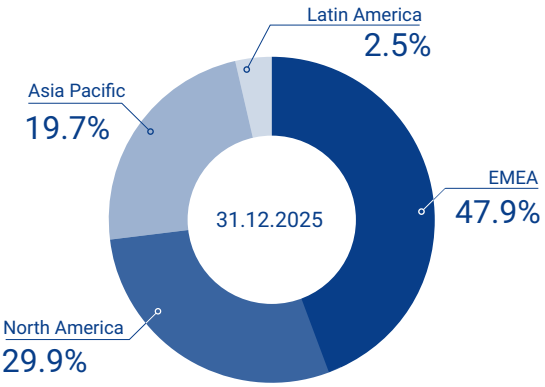
Revenue in EMEA increased by Euro 43.7 million, or 15.4%, from Euro 283.7 million in 2024 to Euro 327.5 million in 2025 on a reported currency basis (15.2% on a constant currency basis). The 2025 growth rate in EMEA is in line with our reported Group-wide average revenue growth rate. All our European countries registered a solid growth, mostly driven by customer acquisition in all of our business lines. As a percentage of our total revenue, sales generated in EMEA were in line with the prior year at 47.9% in 2025 (compared to 48.0% in 2024).

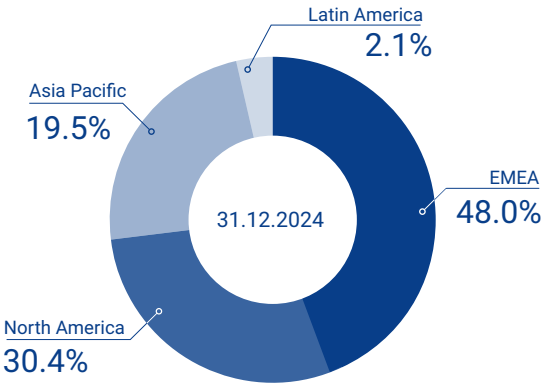
Revenue in North America increased by Euro 25.3 million, or 14.1%, from Euro 179.3 million in 2024 to Euro 204.5 million in 2025 on a reported currency basis (19.0% on a constant currency basis). North America's performance was strong thanks to our customer acquisition strategy. As a percentage of our total revenue, North America slightly decreased to 29.9% (compared to 30.4% in 2024).

Revenue in Asia Pacific increased by Euro 19.7 million, or 17.1%, from Euro 115.1 million in 2024 to Euro 134.8 million in 2025 on a reported currency basis (23.0% on a constant currency basis). This result was mainly driven by the attainment of new customers in Japan and Australia. Our reported revenue in Asia Pacific was heavily offset by a negative headwind from the exchange rate. Specifically, in the course of 2025, the EUR strengthened against the JPY by an average 2.9% (compared to the average 2024 exchange rate), negatively impacting revenue translated into Euro from our Japanese operation. This negative translation was also increased by the strengthening of the EUR against the AUD by an average of 6.3% (compared to the average 2024 exchange rate). As a percentage of our total revenue, Asia Pacific increased to 19.7% in 2025 (compared to 19.5% in 2024).

Revenue in LATAM increased by Euro 4.6 million, or 36.7%, from Euro 12.4 million in 2024 to Euro 17.0 million in 2025 on a reported currency basis (42.2% on a constant currency basis). The growth in LATAM is mainly sustained by the increase in purchases from stocking distributors. As a percentage of our total revenue, sales from LATAM increased to 2.5% in 2025 (compared to 2.1% in 2024).

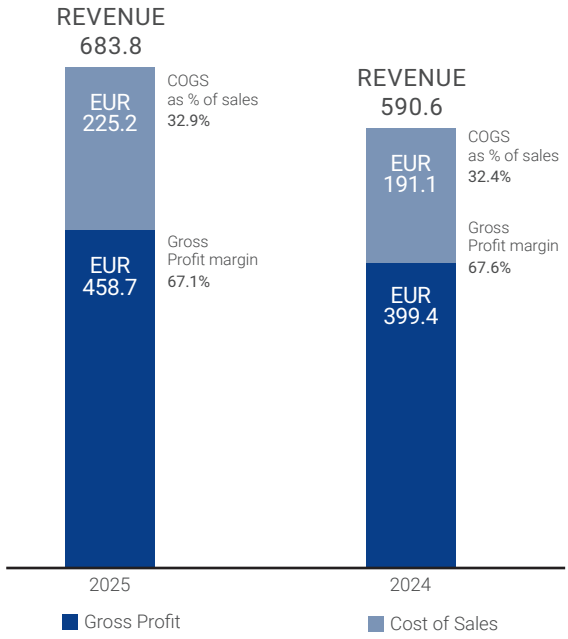
The graphics below provide an overview of our revenue by geography for the year December 31, 2025 and 2024.





Cost of Sales and Gross Profit

Our Gross Profit as a percentage of revenue decreased from 67.6% in 2024 to 67.1% in 2025. This decline was primarily driven by unfavorable foreign exchange movements, partially offset by scale benefits from higher volumes.



Adjusted EBIT Performance*

(Thousand Euro)	31.12.2025	31.12.2024	Delta	Delta %
Adjusted Research and Development expenses	(22'955)	(20'257)	(2'698)	13.3%
Adjusted Sales and Marketing expenses	(235'724)	(210'549)	(25'175)	12.0%
Adjusted General and Administrative expenses	(86'649)	(74'845)	(11'804)	15.8%
Adjusted Other income	1'955	2'635	(680)	-25.8%
Adjusted Other expenses	(1'729)	(2'055)	326	-15.8%
Adjusted OPERATING EXPENSES (OPEX)	**(345'102)**	**(305'071)**	**(40'031)**	**13.1%**
Adjusted OPERATING PROFIT (EBIT)	**114'311**	**94'368**	**19'943**	**21.1%**

Adjusted Research and Development expenses

Expensed research and development costs primarily relate to base research, maintenance projects, depreciation and amortization (including impairments), business expenses, and other non-capitalized items. In 2025, we continued to invest in research and development, particularly in selected long-term initiatives, to support our strategy of broadening our product portfolio. Adjusted expensed research and development costs increased by Euro 2.7 million, or 13.3%, from Euro 20.3 million in 2024 to Euro 23.0 million in 2025. Unfavorable currency movements had a modest negative impact on operating costs of 0.1%.

* For a reconciliation of our Adjusted results to our reported IFRS figures, please see the "Alternative Performance Measures" section of this report.

Adjusted Sales and Marketing expenses

Our Adjusted Sales and Marketing expenses increased by Euro 25.2 million, or 12.0%, from Euro (210.5) million in 2024 to Euro (235.7) million in 2025. In 2025, Adjusted Sales and Marketing expenses as a percentage of total revenue reduced to 34.5% from 35.7% in 2024.

This improvement was primarily driven by disciplined management of fixed costs. Fixed distribution and marketing expenses increased in absolute terms, but at a slower rate than revenue growth, thereby supporting our EBIT margin. In 2025, we continued to invest in medical education, providing surgeons with valuable resources to enhance their expertise and familiarity with our solutions. Currency fluctuations had a marginal positive impact of 0.1% on our operating costs.

Adjusted General and Administrative expenses

Our Adjusted General and Administrative expenses increased by Euro 11.8 million, or 15.8%, from Euro (74.8) million in 2024 to Euro (86.7) million in 2025. In 2025, Adjusted General and Administrative expenses, as a percentage of total revenue, are in line with the prior year at 12.7%. Currency fluctuations negatively impacted our operational costs by 0.2%.

Adjusted Other income and expenses

Our Adjusted Other income decreased by Euro 0.7 million, or 25.8%, from Euro 2.6 million in 2024 to Euro 2.0 million in 2025. Adjusted Other income as a percentage of total revenue slightly decreased to 0.3% from 0.4% in 2024. Our Adjusted Other expenses decreased by Euro 0.3 million, from Euro (2.1) million in 2024 to Euro (1.7) million in 2025.

Financial income and costs

Our financial income decreased by Euro 9.6 million, from Euro 17.3 million in 2024 to Euro 7.8 million in 2025, mainly due to the decrease of foreign exchange gain. In 2025, our financial costs decreased from Euro 20.4 million in 2024 to Euro 17.5 million. This improvement was primarily due to a Euro 3.3 million reduction in losses on revaluation of financial instruments at fair value through profit or loss and a reduction by Euro 0.7 million in interest expenses related to borrowings, leasing, and other bank charges.

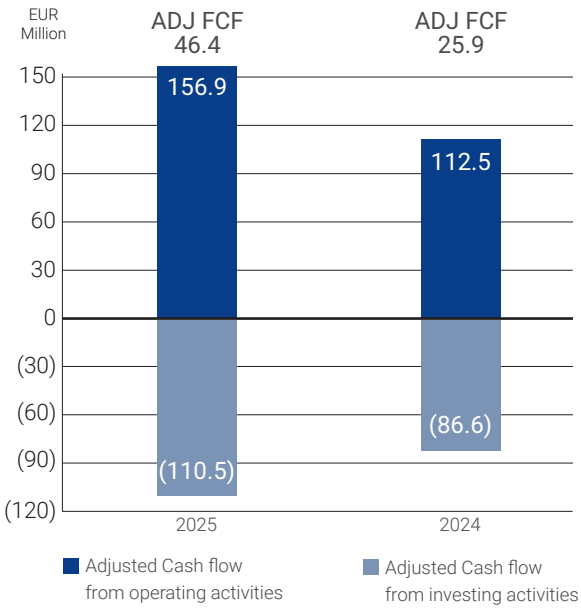
Income taxes

The Group effective tax rate slightly increased to 17.2% from 17.0% in 2024. The 2025 total reported tax is equal to Euro 19.8 million, increased by Euro 4.9 million from Euro 14.9 million in the previous year. The Group's average tax rate before deductions and one-off effects remained largely consistent with the prior year, decreasing slightly from 20.9% in 2024 to 20.0% in 2025, a change slightly positively affected by a shift in the profit mix. Medacta International SA benefits, since 2020, from a special tax deduction from taxable profits for qualifying profits arising from patent rights ("Patent Box deduction"), which has a positive impact in the full year 2025 amounting to around Euro 0.2 million (around Euro 0.3 million as of December 31, 2024), corresponding to a positive impact on the effective tax rate for 0.2% (0.4% as of December 31, 2024). The 2025 Profit Before Taxes includes Euro 13'653 thousand of non-taxable gain from the bargain purchase of Parcus Medical, LLC, resulting in a positive effect on the effective tax rate.

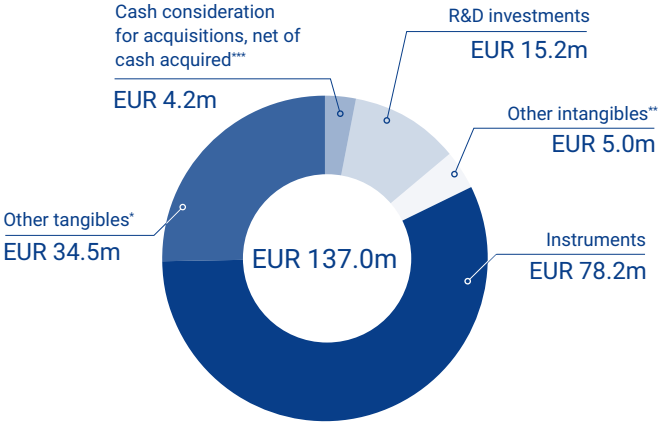
Adjusted Free Cash Flow

The Adjusted Free Cash Flow increased from Euro 25.9 million in 2024 to Euro 46.4 million in 2025 primarily as a result of the surge in Profit for the period which increased by Euro 22.6 million from Euro 72.9 million in 2024 to Euro 95.5 million in 2025. Adjusted for abnormal transactions, 2025 cash flow from operating activities was equal to around Euro 156.9 million, compared to Euro 112.5 million as of December 31, 2025. The reported cash flow from operating activities is equal to Euro 152.7 million and it is then adjusted to exclude non-recurring business combinations and legal costs related to the Parcus acquisition for Euro 1.6 million, MDR transition costs for Euro 0.6 million and payments relating the settlement agreements with MicroPort and the settlement of the Italian Payback in September 2025 for the years 2015-2018, amounting to Euro 2.0 million.

Reported cash flow from investing activities as of December 31, 2025 amounting to Euro 137.0 million mainly reflects net investments in surgical instruments, for Euro 78.2 million and in the research and development of new implants and instruments, for Euro 15.2 million. In 2025, cash flow from investing activities was adjusted for Euro 8.4 million in investments to finalize the expansion in Canton Ticino, for Euro 4.2 million for the cash consideration paid for Parcus acquisition as well as for Euro 13.9 million in investments in the distribution center in northern Italy.



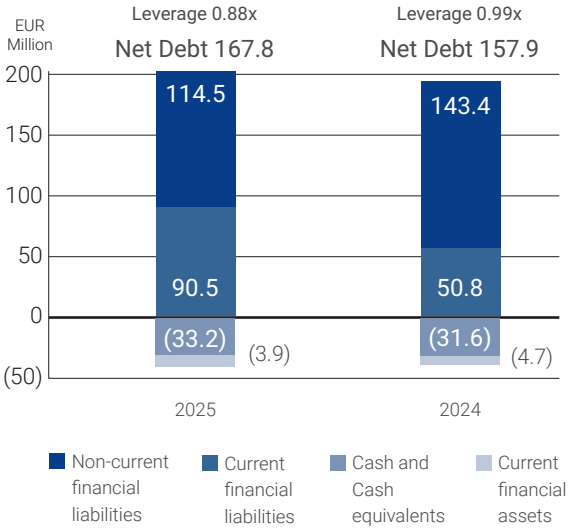
2025 cash flow from investing activities



* Other tangibles includes: land, buildings, plants & machinery, other fixture and fittings, tool and equipment, assets under construction, and financial investments (related to advances on deposits paid for the acquisition of Property, Plant and Equipment).
** Other intangibles includes customer lists, trademarks, softwares and other.
*** Cash consideration for acquisitions, net of cash acquired is related to the acquisition of Parcus.

Capital Structure

Group Net Debt in 2025 was equal to Euro 167.8 million, compared to Euro 157.9 million as of December 31, 2024. The reported Free Cash Flow in 2025 was positive for Euro 15.7 million compared to positive Euro 8.3 million in 2024. The increase in Free Cash Flow was largely driven by the rise in Profit for the year despite increased investments in surgical instruments aimed at meeting both current and anticipated demand for our products. Net debt to adjusted EBITDA ratio was 0.88 at the end of 2025 compared to 0.99 at the end of 2024.



1.1 Alternative Performance Measures

The financial information provided in the selected sections of the 2025 Annual Report, including "Highlights year 2025", "Letter to Shareholders", "Management Commentary" and elsewhere in this document, include certain Alternative Performance Measures (APMs) which are not accounting measures defined by IFRS. The Group believes that investor understanding of Medacta's performance is enhanced by disclosing adjusted measures of performance (i.e. Adjusted), since they exclude items which can vary significantly from year to year. Therefore, the Adjusted results exclude effects related, for example, to extraordinary legal expenses, release of prior-year provisions, one-time tax duty and other one-time items that may vary significantly over periods.

These APMs should not be considered as alternatives to the Group's consolidated financial results based on IFRS. These APMs may not be comparable to similarly titled measures disclosed by other companies. The definitions of the main KPI disclosed in the Annual Report are reported at the end of this section.

Adjusted results

The following tables provide the reconciliation of the Adjusted results with the Consolidated Financial Statements as of December 31, 2025 and 2024. In addition to the Adjusted ratios we did not identify any normalization for the December 31, 2025 results.

2025 ADJUSTED RESULTS RECONCILIATION

December 31, 2025 (Thousand Euro)	IFRS	Business combination[1]	MDR costs[2]	Adjusted
Revenues	683'827	-	-	683'827
Cost of Sales	(225'165)	751	-	(224'414)
GROSS PROFIT	**458'662**	**751**	**-**	**459'413**
Research and Development expenses	(23'524)	-	569	(22'955)
Sales and Marketing expenses	(235'724)	-	-	(235'724)
General and Administrative expenses	(88'243)	1'594	-	(86'649)
Bargain purchase gain	13'653	(13'653)	-	-
Other income	1'955	-	-	1'955
Other expenses	(1'729)	-	-	(1'729)
OPERATING PROFIT (EBIT)	**125'050**	**(11'308)**	**569**	**114'311**

OPERATING PROFIT (EBIT)	**125'050**	**(11'308)**	**569**	**114'311**
Depreciation, amortization and impairment	76'469	-	-	76'469
EBITDA	**201'519**	**(11'308)**	**569**	**190'780**
EBITDA MARGIN	**29.5%**			**27.9%**

[1] Business combination adjustments refer to the acquisition of Parcus (see Note 6.4 "Business combination" in the Financial Report): Euro 751 thousand in Cost of Sales line refers to reversal of the step-up trend on the inventory; Euro 1'594 thousand in General and Administrative expenses line refers to due diligence and legal expenses; Euro 13'653 thousand in Bargain purchase gain line refers to the bargain of Parcus acquisition.

[2] MDR costs in 2025 refer to the extraordinary expenses incurred by the Group on the transition to comply the EU Medical Devices Regulation (MDR).

2024 ADJUSTED RESULTS RECONCILIATION

December 31, 2024 (Thousand Euro)	IFRS	Provision on litigations[1]	Legal costs[2]	MDR costs[3]	Adjusted
Revenues	590'580	-	-	-	590'580
Cost of Sales	(191'141)	-	-	-	(191'141)
GROSS PROFIT	**399'439**	**-**	**-**	**-**	**399'439**
Research and Development expenses	(21'392)	-	-	1'135	(20'257)
Sales and Marketing expenses	(210'549)	-	-	-	(210'549)
General and Administrative expenses	(77'246)	2'003	398	-	(74'845)
Other income	2'635	-	-	-	2'635
Other expenses	(2'055)	-	-	-	(2'055)
OPERATING PROFIT (EBIT)	**90'832**	**2'003**	**398**	**1'135**	**94'368**

OPERATING PROFIT (EBIT)	**90'832**	**2'003**	**398**	**1'135**	**94'368**
Depreciation, amortization and impairment	65'803	-	-	-	65'803
EBITDA	**156'635**	**2'003**	**398**	**1'135**	**160'171**
EBITDA MARGIN	**26.5%**				**27.1%**

[1] Provision on litigations is related to the accrual for the patent matter with Mighty Oak Medical, settled in August 2024.

[2] Legal costs incurred in 2024 are related to the extraordinary expenses incurred by the Group on litigations.

[3] MDR costs in 2024 refer to the extraordinary expenses incurred by the Group on the transition to comply the EU Medical Devices Regulation (MDR).

Adjusted Free Cash Flow reconciliation

(Thousand Euro)	31.12.2025	31.12.2024
CASH FLOW FROM OPERATING ACTIVITIES (IFRS BASIS IN ACCORDANCE WITH IAS 7)	**152'653**	**107'141**
Adjustments for:		
Legal costs	-	398
Settlement of legal claims[1]	2'048	3'852
Extraordinary MDR Costs[2]	569	1'135
Business combinations - Due diligence and legal expenses[3]	1'594	-
ADJUSTED CASH FLOW FROM OPERATING ACTIVITIES	**156'864**	**112'525**
CASH FLOW FROM INVESTING ACTIVITIES (IFRS BASIS IN ACCORDANCE WITH IAS 7)	**(136'963)**	**(98'869)**
Adjustments for:		
International investments for future logistic expansion[4]	13'941	2'959
Corporate land acquisition and plant expansion[5]	8'374	9'307
Business combinations - Cash consideration, net of cash acquired	4'150	-
ADJUSTED CASH FLOW FROM INVESTING ACTIVITIES	**(110'498)**	**(86'603)**
FREE CASH FLOW	**15'690**	**8'272**
Total adjustments	30'676	17'651
ADJUSTED FREE CASH FLOW	**46'366**	**25'923**

[1] Settlement of legal claims is related to the payment for the settlement agreements with MicroPort, amounting to Euro 1'277 thousand (Euro 1'849 thousand in 2024) and the settlement of the Italian Payback in September 2025 for the years 2015-2018, for a total amount of Euro 771 thousand .

[2] EU Medical Devices Regulation (MDR).

[3] Business combination adjustment for a total amount of Euro 1'594 thousand related to due diligence and legal expenses.

[4] The Group in 2025 is continuing investing in the logistic expansion to establish a new distribution center in Italy.

[5] Corporate land acquisition and plant expansion include the investments for the strategic expansion of facilities and corporate offices in Rancate site.

KPI definitions

Adjusted

In accordance with the directives of the Swiss Stock Exchange, the Group adopted the reporting of Alternative Performance Measures (APM), which facilitates the assessment of the underlying business performance but may differ from IFRS reported figures. The 'Adjusted' figures used in this document exclude extraordinary legal expenses, legal provisions, release of prior-year provisions, one-time tax duty and other one-time items that may vary significantly over periods. A reconciliation table of the reported and Adjusted ratios with additional descriptions is provided in paragraph 1.1 "Alternative Performance Measures" of this report.

EBITDA

EBITDA is a non-IFRS measure that represents profit or loss for the year before finance costs, finance income, income taxes, depreciation and amortization. EBITDA margin is defined as EBITDA divided by revenues, expressed as a percentage. We define EBITDA as profit or loss for the year before net interest expense, income taxes, depreciation and amortization.

Adjusted EBITDA

Represents EBITDA before additional specific items that are considered to hinder comparison of the trading performance of the Group's businesses either year-on-year or with other businesses. Management considers adjusted EBITDA to be a key measure of financial performance and believes that this measure provides additional useful information for prospective investors on performance and is consistent with how the business performance is measured internally. Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue, expressed as a percentage.

Constant Currency

The Group has presented 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. In calculating constant currency figures, the current period amount is translated at the foreign currency exchange rate used for the previous period to get a more comparable amount.

Opex

Opex include the sum of Research and Development expenses, Sales and Marketing expenses, General and Administrative expenses, Other income and expenses. In the Management Report commentary, "Adjusted" operative expenses are adjusted for specific items (reconciled in the tables above) in order to enhance the understanding of the Group's performance.

Equity ratio

The equity ratio is calculated dividing Total Equity by Total Assets.

Net Trade Working Capital

Net Trade Working Capital is capital invested in the Group's operating activities. The variation in Net Trade Working Capital is an indicator of the operational efficiency of the Group. Net Trade Working Capital is the sum of trade receivables, trade payables and inventory.

Free Cash Flow

Free Cash Flow is used to assess the Group's ability to generate the cash needed to conduct and maintain our operations. It also provides an indication of the Group's ability to generate cash to fund dividend payments, repay debt and to undertake merger and acquisition activities. Free Cash Flow (post investing activities) is calculated as IFRS cash flow from operating activities plus IFRS cash flow from investing activities. The Adjusted Free Cash Flow is calculated as Free Cash Flow adjusted for certain non-recurring items that management believes are not indicative of operational performance.

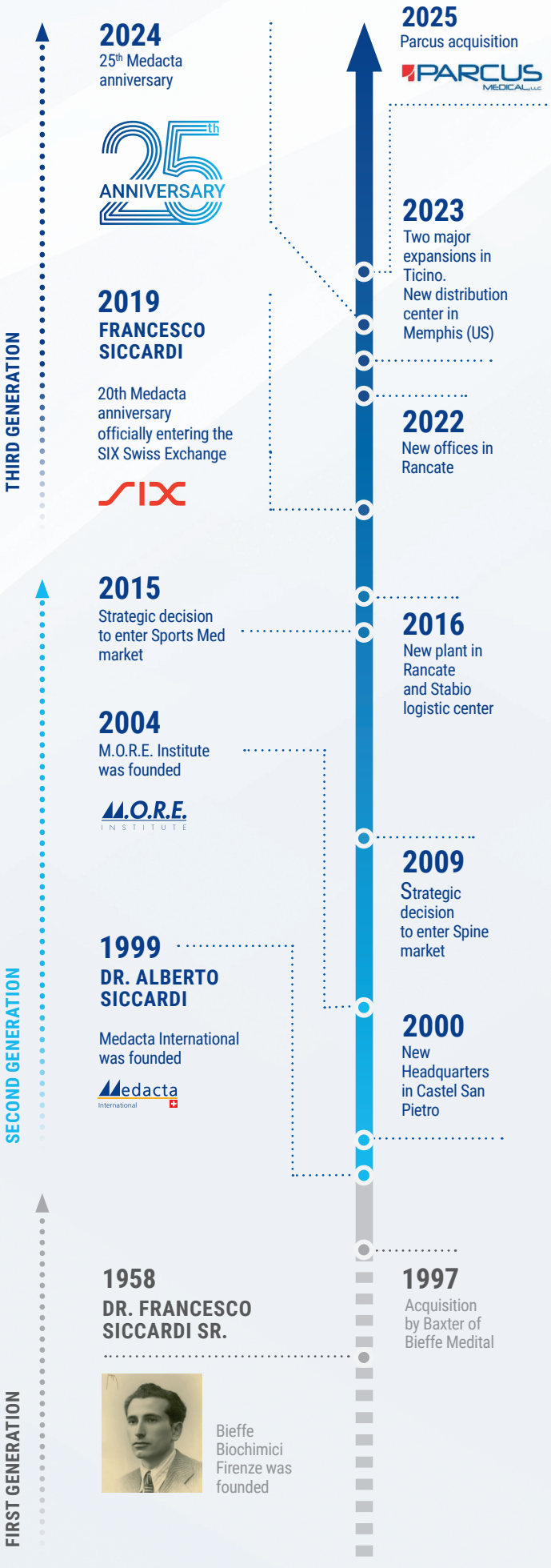
Net Debt

Net Debt is used as a metric to indicate the overall debt situation of the Group and is measured by netting the non-current and current financial liabilities with our cash and cash equivalents and current financial assets.

Leverage ratio

Leverage ratio is used to assess our ability to meet our financial obligations and is calculated as Net Debt divided by adjusted EBITDA.

ONE FAMILY, THREE GENERATIONS COMMITTED TO ADVANCING HEALTHCARE



2. A unique history: founded by a patient

Our journey centers on the Siccardi family's unwavering commitment to improving patient outcomes and healthcare sustainability. This dedication spans three generations, each bringing a unique perspective, experience, and passion.

It all began in the 1950s, when Francesco Siccardi Sr. acquired Bieffe Biochimici Firenze, a manufacturer of intravenous therapy and dialysis solutions. Over the following decades, the company grew steadily before being sold to Baxter, an American healthcare company, in 1997.

Soon after, Alberto Siccardi, our founder, chairman, and former CEO, transformed his own patient experience into a pioneering vision for a company built around innovation and personalization in joint replacement. This vision led to the creation of Medacta in 1999, marking the beginning of a new chapter in the family's commitment to advancing healthcare.

The following year, we inaugurated our headquarters, manufacturing facility, and research and development site in Castel San Pietro, Switzerland, laying the foundations for Medacta's future growth and innovation.

In 2004, we introduced AMIS (Anterior Minimally Invasive Surgery), Medacta's first minimally invasive hip surgical technique, and established the M.O.R.E. (Medacta Orthopedic Research and Education) Institute to support surgeons throughout their learning curve, helping them build confidence and achieve surgical proficiency. Initially focused on the AMIS technique, the Institute has since evolved into a global medical education platform, tailored to the individual needs of surgeons worldwide.

In 2019, we achieved another major milestone by becoming a publicly listed company on the SIX Swiss Exchange, marking the beginning of a new era as Francesco Siccardi assumed the role of CEO.

In 2024, we celebrated 25 years of innovation with a World Tour, a series of scientific events across Europe, the United States, Australia, and Japan, underscoring our long-standing commitment to improving patient outcomes.

2025 marks another important chapter in our story. With the strategic acquisition of Parcus Medical, a U.S.-based company specializing in sports medicine solutions, we have further strengthened our presence in this rapidly growing segment. During the year, we also inaugurated two new buildings in Ticino, in Rancate and Castel San Pietro, expanding our production capacity and supporting Medacta's continuous growth and long-term development.

The acquisition of Parcus Medical

On March 7, 2025, we announced the acquisition of Parcus Medical, a U.S.-based company specializing in sports medicine solutions for soft tissue repair and reconstruction. This strategic move marked a significant milestone in our growth journey, driving the expansion of our Sports Medicine business line and further consolidating our position as a leading global player in orthopedics. As part of the transaction, we also acquired Parcus Medical's manufacturing site in Florida, achieving vertical integration in sports medicine and strengthening our operational capabilities in the United States.

With a diverse and broad product portfolio designed for procedures involving the shoulder, knee, hip, and foot & ankle, Parcus Medical significantly enhanced and complemented Medacta's offering in sports medicine. The acquisition also created new opportunities to leverage our strong presence in the fast-growing U.S. Ambulatory Surgical Center (ASC) market.

This milestone reflects our philosophy and commitment to advancing patient care and promoting healthcare sustainability through continuous investment in personalized and technology-enabled sports medicine solutions, designed to adapt to each patient's unique anatomy and function.

> *" Parcus Medical is a great addition to Medacta's Sportsmed business with its complementary product portfolio and trusted brands. The acquisition is in line with our strategy to seize opportunities to further perfect our offerings to sustainably improve patient outcome and patient satisfaction. I warmly welcome all 50 employees to Medacta, all partners, sales agents, distributors and customers. "*
>
> ***Francesco Siccardi***
> *CEO of Medacta*



3. Growth Capex model

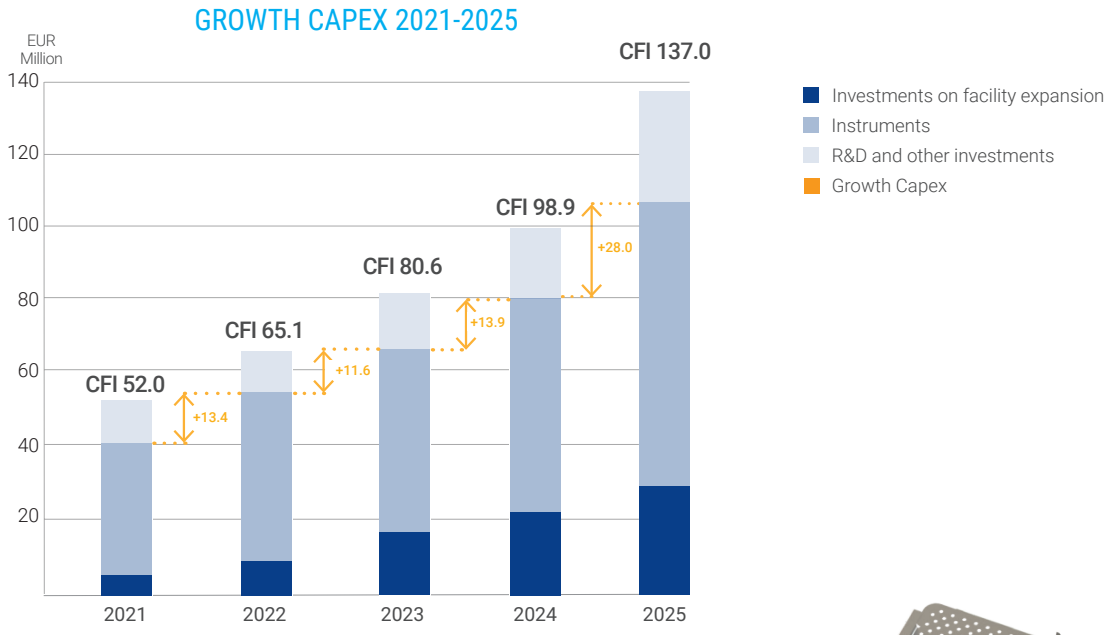
Growth Capex Model

Within our strategic planning process, we annually assess the amount of CAPEX needed to help foster the planned growth.

A secure and steadily improving supply chain is essential for a high level of customer service and quality performance. To facilitate this, two primary investment categories have been strategically utilized:

- **Instrument sets** – to serve new customers and achieve the planned sales volumes.
- **Plant expansions** – to increase manufacturing capacity aligned to the growth strategy.

The cash flow for investing activities (CFI) from 2021 to 2025, broken down by facility expansions (e.g. land & buildings, plants & machinery, assets under construction and leasehold improvement), instrument sets and R&D and other investments, showing the CAPEX change year-over-year, is reported below:



Instrument sets

Surgical instruments are key components of the orthopedic industry. They are reusable devices which represent major investments for orthopedic companies. Surgical instruments for orthopedic procedures, primarily made from medical-grade stainless steel, involve a wide array of configurations to support all clinical needs and surgeon preferences. The standard cost for an instrument set can range from Euro 30 to 50 thousand depending on the specific surgical requirements and level of procedural complexity.



The Medacta instrument distribution model is primarily a consignment program. To ensure that our instruments are optimally employed, the usage rate of each set is monitored on a monthly basis.

Our CAPEX model for instrument growth is funded by the following two elements:

- **Organic growth materially above market** - Medacta growth in volume is mostly due to a significant increase of our customer acquisition. Supplying new customers requires a flow of instrumentation that is significantly above the volumes needed to maintain the existing pipeline. On average, supplying new customers with at least one kit could require an investment ranging from Euro 30 to 50 thousand, based on the business lines involved and the specific needs of the new customers.
- **Timing difference** - from a supply chain perspective an up-front investment in instrument sets is essential to enable implant sales. The timing of the revenue generation ramp could range from 6 to 12 months, based on several factors which depend mainly on the respective surgical planning.



Rancate's plant
expansions project

Plant expansions

We continue to invest in the expansion of our industrial and logistics infrastructure to sustain Medacta's long-term growth and meet the increasing global demand for our products.

In 2025, we inaugurated new buildings at both the Castel San Pietro and Rancate sites and started the final phase of expansion in Rancate, marking a major milestone in our ongoing investment program in Ticino. These developments significantly increase our production and office space, enhancing operational efficiency and sustainability. Once completed, the combined sites in Ticino, Switzerland, will cover more than 36'800 square meters, effectively doubling our production capacity.

Alongside the major expansions in Ticino, we are strategically investing in our logistics and distribution infrastructure to ensure the efficient delivery of our products worldwide. In March 2023, we celebrated the opening of a new distribution facility in Memphis, Medacta Americas Operations, to serve the US market. With this expansion, we now occupy over 108'000 square meters and have implemented a new operating model to minimize costs while enabling more effective central distribution. This expanded footprint allows for greater stocking levels and on-hand inventory and features new offices, meeting spaces, and a demonstration room to accommodate tours and training. This site works in full synergy with the headquarters of Medacta USA in the greater Nashville area, providing cutting-edge medical devices to surgeons throughout the United States.

To further strengthen our global logistics network, we are completing the construction of a new highly automated facility in northern Italy, which will host the second Distribution Center, Medacta Europe Operations (MEO), serving the European market. Covering more than 10'000 square meters, the facility is scheduled to be inaugurated in 2026, marking an important step in our continuous expansion to support sustainable, long-term growth worldwide.

4. Value creation strategy

An overview of the orthopedic market

The orthopedic market is a large and growing industry that encompasses the development, manufacturing, and distribution of medical devices and implants used to treat musculoskeletal disorders. The market is driven by factors such as the aging global population, rising incidences of orthopedic diseases, and advancements in medical technology. This led to growth in procedural volumes, frequent new product introductions, and evolving industry standards resulting from innovation and scientific discoveries. Furthermore, orthopedic patients have direct and easier access to information online, which has empowered them to become more informed about their conditions and treatment options. This evolving situation is exerting pressure on healthcare systems worldwide, compelling them to grapple with various challenges. These include minimizing costs while simultaneously providing high-quality care, all in alignment with the heightened expectations of patients.

Currently, healthcare sustainability is garnering considerable attention globally, especially in the U.S. market. Ambulatory Surgery Centers (ASCs) play a crucial role in this landscape by offering same-day surgical care, including diagnostic and preventive procedures, without the need for hospital admission, representing a significant growth driver. These facilities can perform surgeries at a lower cost, with shorter waiting times and potentially better outcomes (e.g., early mobilization and lower risk of infection), which benefits both patients and the entire healthcare system. At Medacta, we focus on a differentiated approach to the opportunities within the ASC environment.

A differentiated approach

Our differentiated approach centers on responsible and sustainable innovation that provides significant benefits for surgeons, healthcare systems, and patients. We combine innovative, minimally invasive, and personalized treatment options with a comprehensive product portfolio and cutting-edge technologies to provide solutions that positively impact patient well-being and enhance healthcare efficiency.

To address any potential learning curves, the M.O.R.E. Institute provides our existing and new surgeons with ample educational opportunities to develop and refine their skills with our innovative products, surgical techniques, and technologies.

Integrated strategy

At Medacta, our value creation strategy is built on three fundamental and deeply integrated assets: responsible and sustainable innovation, medical education, and healthcare sustainability. By combining these assets with a holistic approach to personalized medicine, we foster long-lasting relationships with surgeons, hospitals, and healthcare providers, and achieve our vision of improving the care and well-being of orthopedic patients worldwide.

- SUSTAINABLE INNOVATION
  is the foundation of all our projects and the basis of our growth strategy. We drive our innovation by providing minimally invasive surgery and personalized solutions designed for every patient, with the aim to improve their care pathway and potentially enable better outcomes. We are convinced that innovation requires medical education.

- MEDICAL EDUCATION
  is an indispensable tool for transforming our innovation into concrete benefits for patient well-being and healthcare system efficiency. We provide surgeons with personalized, structured, and accessible education programs on our innovative technologies and procedures, to help them accelerate the learning curve to become proficient in the use of our products and solutions.

- HEALTHCARE SUSTAINABILITY
  is a key element in making our innovation and training programs as accessible as possible. It guides the design of our solutions to make them more efficient, reducing costs and complementing operative workflow efficiently.

Business model

Our business model embodies the way we generate value. We leverage different resources, defined as input capitals, and turn them into outcomes, defined as output capitals, through a series of processes with the aim of having a positive impact and enhancing value for all our stakeholders over the short, medium, and long term. The external environment, including economic conditions, technological change, and societal and environmental challenges, sets the context within which we operate. The vision, mission, and fundamental assets encompass the whole organization, identifying the complete scenario in which we operate.

INPUT CAPITAL
The input capital comprises diverse areas in continuous interaction.



OUTPUT VALUE
The input capital follows a transformational process, to generate tangible results as output value.

HUMAN

We can count on more than 1'800 specialized and talented employees worldwide. They are motivated and share strong identity, solid culture, and ethical values. The investments in training programs allow for the continuous updating of their knowledge, competencies, and expertise.

FINANCIAL

We have a healthy balance sheet which highlights the strength of our business and its ability to weather any economic storms and fund significant investments.

OPERATIONAL

We have full in-house capabilities, in our two production sites in Castel San Pietro and Rancate, designing and producing our products, assuring excellent quality, flexibility, continuity, and efficiency. The extensive use of advanced technology allows to minimize operational cost, increase control over the process, assure quality, and shorten production lead times.

INTELLECTUAL

In the orthopedic industry, legal compliance, agreements, and intellectual property rights are essential. New techniques, products and technology handled by the R&D department, as NextAR our proprietary Augmented Reality Surgical Platform, represent intellectual capital that we are committed to protecting.

COLLABORATIVE

We comply with certifications and registrations in all of the countries where we operate for each new product, partnering with various certification agencies, such as the Food and Drug Administration ("FDA") in the United States. We collaborate with top universities, technological consortiums, expert surgeons, and centers of excellence throughout the world.

PROFESSIONAL DEVELOPMENT

Through our Medacta Academy we contribute to consolidate and increase professional and personal skills through tailor-made training programs for each employee.

ADVANCED CARE AND PATIENT OUTCOMES

We are dedicated to improving patient well-being by constantly evolving and innovating our products and techniques by leveraging cutting-edge technologies, prioritizing minimally invasive and personalized solutions.

EMPOWERED SURGEON PRACTICES

We are completely committed to supporting surgeons in their practice by providing them with innovative solutions that enhance accuracy, efficiency, and sustainability throughout the whole patient journey, from preoperative to intraoperative to postoperative care.

EXPANDED MARKET SHARE

We continue expanding our market share in all of our business lines, focusing on meeting our customer's needs while investing in R&D, experienced sales force and personalized solutions.

INCREASED GEOGRAPHIC PRESENCE

As part of our growth strategy, we continue to make considerable investments to expand our geographic presence in significant markets, upscaling our operational opportunities.

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (ONU SDGS)

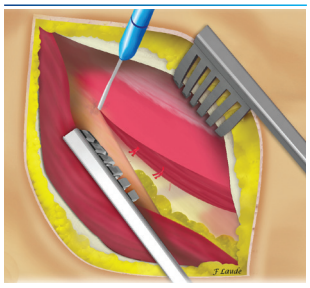
We constantly improve our contribution to innovative solutions, caring for people, for the environment and for our community, according to the "SDGs" defined by the United Nations. More details are available in our Sustainability Report.

5. Sustainable innovation

We are deeply committed to improving patient outcomes and satisfaction through sustainable innovation. For us, innovation is a precious asset, much like a diamond, capable of addressing unmet clinical needs and solving complex challenges, ultimately enhancing both patient well-being and healthcare sustainability.

Our dedication to innovation is reflected in our unique surgical techniques, products, and solutions. We prioritize minimally invasive techniques and personalized solutions to meet each patient's individual anatomy and clinical needs. Through our comprehensive, high-level medical education programs, we transform innovation into real-world value for patients, surgeons, and healthcare systems worldwide.

Our commitment to the highest standards of quality and compliance ensures the development and distribution of safe and effective products. The M.O.R.E. Excellence Clinical Program exemplifies this approach, guiding the market introduction of new products through a structured, evidence-based process that advances step by step after obtaining regulatory approvals.



Minimally invasive techniques

Since our founding, we have recognized that minimally invasive surgery brings significant benefits for patients, surgeons, and healthcare systems. These include shorter hospital stays, reduced postoperative pain, immediate muscle tone preservation, and shorter rehabilitation time. Hence, we have developed a range of solutions based on minimally invasive techniques such as AMIS, MIS MySpine MC, and NextAR Spine MIS LT.



Personalized solution

Each patient is unique, with specific anatomy, needs, and expectations.. For this reason, we are committed to improving the entire patient journey through personalized approaches tailored to each individual. Personalized techniques such as Kinematic Alignment and cutting-edge solutions within the MySolutions Personalized Ecosystem can help surgeons achieve better clinical outcomes and higher patient satisfaction.

Product quality

The importance of product quality in orthopedics links to the delicate nature of the musculoskeletal system and the critical role that orthopedic products play in supporting the restoration of function and mobility. Product quality is always a top priority, meticulously assured throughout the product life cycle. Our quality system ensures the safety and satisfaction of medical professionals and the patients who benefit from our products. Handling a variety of products and solutions entails the need to effectively manage diverse risks. As a result, we strictly follow the standards, fulfilling all the applicable requirements, with a commitment to reducing risk to the lowest possible level. We pursue this responsibility every day through proactive risk management, validation, robust quality controls, and the active participation of everyone in our organization. Our operations and procedures are in accordance with the requirements of ISO 13485 and the Medical Device Single Audit Program (MDSAP). For each product, we comply with the requirements of all countries in which we operate, collaborating with competent authorities, such as the Food and Drug Administration (FDA) in the United States, the Ministry of Health, Labour and Welfare (MHLW) in Japan, and the Therapeutic Goods Administration (TGA) in Australia, among many others.

Assessment of the health and safety impacts of product

We employ a cyclical process of clinical data evaluation, which applies throughout the full product life cycle, and is guided by international standards for state-of-the-art practices and full regulatory compliance. We orient all our end user information and guidance toward patient safety and efficacious outcomes, with ongoing vigilance to fuel a virtuous cycle of continuous improvement, learning, and adaptation to the developing needs of all the healthcare professions which we serve.

Incidents of non-compliance concerning the health and safety impacts of products and services

In 2025, we had no incidents of non-compliance concerning the health and safety of our products and services.

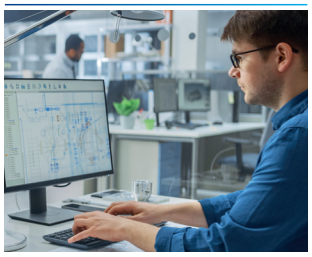
Innovation pillars

At Medacta, innovation is built on three pillars: a strong and continued collaboration with surgeons, continuous investments in long-term and short-term research and development (R&D), and the adoption of cutting-edge technologies.

Strong collaboration with surgeons

Listening to surgeons, identifying patient needs, and designing new solutions enables us to proactively address unmet clinical needs. We collaborate closely with expert surgeons worldwide, as well as leading universities and hospital research institutions, on the development of innovative surgical techniques and the evolution of our products and methodologies. A successful example of this collaboration is our GMK Sphere, a total knee implant designed to deliver maximum functional stability with the goal of increasing patient satisfaction. The development of this innovative device has been significantly supported by research on knee anatomy and kinematics conducted by Prof. Freeman and Prof. Pinskerova.





Research and Development

Research and Development (R&D) lies at the heart of our innovation strategy. We continuously invest in both long-term and short-term projects to explore new surgical approaches, technologies, and product enhancements aimed at improving patient outcomes and satisfaction. Our highly skilled and dynamic R&D team is dedicated to delivering high standards of quality, flexibility, and efficiency, ensuring continuous progress across all projects. We are supported by a robust infrastructure that includes MyBody, an extensive database containing more than 150,000 CT and MRI scans representing diverse demographic profiles, as well as in-house prototype development and advanced 3D printing capabilities.

Cutting-edge technologies

We continue to strengthen our innovation pipeline by strategically integrating the most advanced, cutting-edge technologies, including the use of big data and state-of-the-art manufacturing processes, as well as smart robotics and Augmented Reality (AR) solutions. By integrating these complementary technologies across our portfolio, we aim to address evolving market demands for greater precision, improved efficiency, and better patient outcomes.



M.O.R.E. Excellence Clinical Program

The M.O.R.E. Excellence Clinical Program ensures a structured approach to the introduction of innovation. Each new product follows a clearly defined path, with specific steps and milestones established before its full release to the market. Typically, new solutions are launched on a restricted basis to conduct voluntary clinical programs, in line with the recommendations of independent organizations such as the Orthopaedic Data Evaluation Panel (ODEP) and the Beyond Compliance Program.

M.O.R.E. Excellence CLINICAL PROGRAM

We continuously monitor and assess the clinical performance of all our products through an extensive post-market surveillance program. The data collected are analyzed by an internal team of experts to ensure the system's performance. In addition, we actively sponsor and participate in post-market clinical studies carried out by leading international specialists, contributing to the ongoing advancement of scientific knowledge and sharing the results with the medical community through peer-reviewed publications.

Intellectual Property (IP)

New techniques and products represent intellectual capital, which we commit to protecting as a differentiating factor. To advance new medical solutions, we have focused our development efforts on continually pursuing breakthrough advancements in the standard of care. At Medacta, we have a dedicated in-house structure to foster intellectual property (IP), including patents, trademarks, and copyrights, which forms part of our strategy to protect and promote innovation and progress in medical science. With hundreds of patents in our portfolio, we have long-standing expertise in bringing new technologies to the market, offering a wide range of benefits for patients, surgeons, and healthcare systems.

MySolutions Personalized Ecosystem

In a world where technology advances rapidly, MySolutions Personalized Ecosystem embodies our vision to continually improve the experience for patients, surgeons, and care facilities.

Leveraging the latest technological advances, we are committed to constantly developing innovative solutions to empower the surgeon's practice, enabling data-driven decisions to provide more personalized, accurate, and efficient procedures, aiming at better patient satisfaction and outcomes. This has led us to design a network of advanced digital solutions to improve patient outcomes and healthcare efficiency, the MySolutions Personalized Ecosystem. This constantly evolving platform has been designed around the patient's needs and expectations in collaboration with an international network of expert surgeons, with the aim of delivering value throughout the entire patient journey in joint replacement and spine surgery.

Advanced 3D planning is at the core of our platform, followed by highly accurate execution tools such as patient-matched surgical guides, as well as an augmented-reality-based surgical platform and verification software. To improve the patient experience and support them during the continuum of care, we developed a patient-optimized pathway tool. To let surgeons record and measure their clinical outcomes we offer a validated web-based archiving and analysis system. Together with our comprehensive implant portfolio and surgical techniques, MySolutions Personalized Ecosystem empowers our holistic approach to personalized medicine.

PATIENT ENGAGEMENT

PERSONALIZED 3D PLANNING

PRECISE EXECUTION

EFFICIENT CASE MANAGEMENT

PRE-OP

Engage and **educate** your patients, create **tailored plans** based on **advanced 3D analysis** and **collaborate** dynamically with medical teams.

INTRA-OP

Improve the **efficiency** and **accuracy** of surgery with **3D printed patient-matched** guides and unique **augmented reality real-time surgical guidance**.

POST-OP

Communicate and **stay connected** with your **patients** with advanced education and monitoring tools, and **record** and **analyze** clinical outcomes.



Augmented Reality

During computer-assisted surgery, surgeons traditionally face a key challenge: they must constantly shift their focus between the operative field and external display monitors showing navigation or planning data. This repeated change of visual focus introduces potential cognitive load and inefficiency, affecting overall precision and workflow continuity. Augmented Reality (AR) revolutionizes this process by projecting patient-specific, real-time information directly into the surgeon's field of view. Through this immersive visualization, the surgeon can maintain constant attention on the surgical site while simultaneously accessing essential guidance data, such as anatomical landmarks, implant alignment, and instrument trajectories.

NextAR

Medacta's NextAR Augmented Reality Surgical Platform exemplifies this advancement. By providing complete, precise, and real-time intraoperative guidance during bone preparation and implant placement, it enhances surgical accuracy while allowing for personalized adjustments based on each patient's anatomy and biomechanics. Clinical experience has already demonstrated improved precision of implant placement compared to conventional procedures, confirming AR's transformative role in the operating room. Since its introduction in 2021, NextAR has been designed as a personalized, proprietary, and sustainable solution, successfully used to treat thousands of patients worldwide, and is in high demand across all markets. The platform supports joint replacement and spine surgeries through dedicated software applications, NextAR Knee, NextAR Shoulder, and NextAR Spine. As one of the most advanced components within the MySolutions Personalized Ecosystem, NextAR continues to evolve, incorporating technological advancements and valuable feedback from surgeons to further refine its performance and clinical value.

A recent expansion of the NextAR Spine application is the NextAR Rod Optimizer, winner of the *2024 Orthopedics This Week Best Technology in Spine Award*. Launched in the U.S. and Japan in 2025, this personalized solution enhances intraoperative planning by providing pre-bent rods that allow for thousands of solutions in both minimally invasive and open procedures[1].



[1] Data on file at Medacta

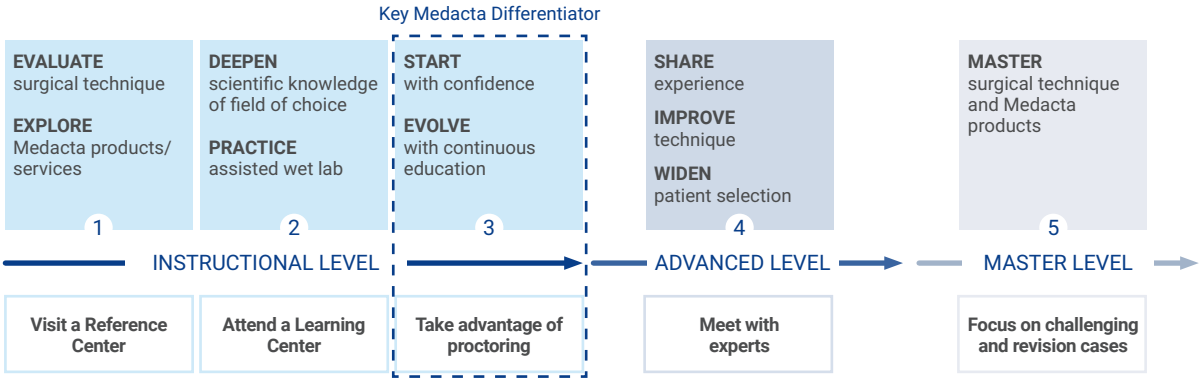
6. Medical education

The M.O.R.E. Institute: a platform designed to share experience

Aware of the importance of education, we established the M.O.R.E. (Medacta Orthopedic Research and Education) Institute in 2004. This global medical education platform offers surgeons personalized and structured education programs, along with continuous support, to help them become proficient with our innovative products, techniques, and technologies. The M.O.R.E. Institute relies on an international network of expert surgeons to create interactive networking opportunities and a variety of educational events, facilitating the learning and sharing of experiences through one-to-one visits, online webinars, Meet the Experts sessions, wet labs, scientific evenings, and international symposia. The M.O.R.E. Institute also supports fellowship programs worldwide, with a strong focus on young and promising surgeons. "With the M.O.R.E. Institute, the surgeon is never alone when discovering new technologies" is our educational motto.

The challenge of the learning process

Introducing new techniques, products, and technologies requires time to adapt and often involves a learning curve. This is why we believe that "innovation requires education" and offer our surgeons personalized and structured educational opportunities focused on improving patient outcomes through enhanced surgical proficiency. Through the M.O.R.E. education path, participants can visit experienced surgeons to learn more about our innovative portfolio, attend Learning Centers to practice during wet labs, and deepen their knowledge through discussions with our international surgeon experts, progressively advancing from instructional, to advanced, and finally to the master level. Surgeon-to-surgeon proctorship is a crucial part of this learning process, providing unparalleled support to surgeons during their first surgeries.



The value of our education programs

Our education journey began in 2004, when collaboration with an international team of expert surgeons led to the creation of the AMIS Education Program. This unique and comprehensive initiative was designed to accompany surgeons step by step as they embrace the AMIS technique, thereby reducing potential challenges in the early phase of the learning curve[1,2], fostering confidence, excellence, and continuous learning. This program has been extended to all Medacta business lines over the years, providing surgeons with tailored and comprehensive training paths that allow for proficiency in surgical techniques and encourage the sharing of knowledge and experiences. The AMIS Education Program has become a global platform with an education community including more than 260 AMIS Reference Centers worldwide to date.

A strong partnership with surgeons

Our education initiatives enable us to build robust and long-lasting partnerships with surgeons, fostering the widespread adoption of our innovative products and solutions while strengthening engagement, loyalty and a continuous exchange of knowledge and experience. This collaboration helps us continuously refine our products and techniques, keeping us aligned with the evolving needs of patients and the latest innovations in orthopedics. In 2025, we successfully established 675 reference centers, further solidifying our strong partnership with surgeons.

Educational activities and opportunities

In 2025, we further strengthened our commitment to medical education with more than 3'400 surgeons attending educational initiatives worldwide. Complementing our in-person scientific events, the M.O.R.E. Institute programs offer surgeons a wealth of digital resources to deepen their knowledge and explore our solutions, including eLearning Classes, webinars, and exclusive online "Meet the Expert" sessions. In addition, surgeons have access to extensive on-demand medical education content through Medacta TV, our dedicated streaming platform, as well as our comprehensive education library, available anytime and anywhere via the M.O.R.E. App, both online and offline on iOS and Android devices.

[1] Müller DA, Zingg PO, Dora C. Anterior minimally invasive approach for total hip replacement: five-year survivorship and learning curve. Hip Int 2014.
[2] Zing P. AMIS using Versafitcup and Quadra to overcome tissue response: 5-year results. Podium presentation at the 7th M.O.R.E. International Symposium, Lugano, Switzerland, April 11-12, 2014.

1st M.O.R.E. International Knee Symposium on Kinematic Alignment

In January 2025, Brussels hosted the 1st M.O.R.E. International Knee Symposium on Kinematic Alignment, bringing together more than 100 surgeons from across Europe for a two-day scientific exchange. Chaired by Prof. Bellemans and Prof. Victor, the event offered a comprehensive overview of Kinematic Alignment in total knee arthroplasty, addressing key topics such as postoperative kinematics, optimized stability, three-dimensional positioning, and implant selection.

The symposium explored the principles and clinical benefits of Kinematic Alignment, as well as the accuracy and reproducibility of related surgical techniques. Through case discussions, plenary sessions, and interactive debates, participants gained valuable insights and the opportunity to engage directly with leading experts and key opinion leaders in the field.



1st M.O.R.E. Instructional Course on Kinematic Alignment

In April 2025, Oxford hosted the 1st M.O.R.E. Instructional Course on Kinematic Alignment at the historic Keble College, offering participants a unique opportunity to deepen their knowledge of Kinematic Alignment (KA), the calipered KA surgical technique, and its synergy with the GMK SpheriKA—the first and only implant optimized for KA. Chaired by Prof. Price and Mr. Jackson, the course combined in-depth scientific sessions with practical workshops led by experienced MyKA proctors. Participants practiced each step of the KA surgical technique during a hands-on sawbones session and attended a live surgery demonstration, gaining valuable experience in applying KA principles in clinical practice.

The academic setting provided an inspiring environment, allowing attendees to experience Oxford's rich educational tradition while engaging in meaningful scientific exchange and networking with leading experts in the field.

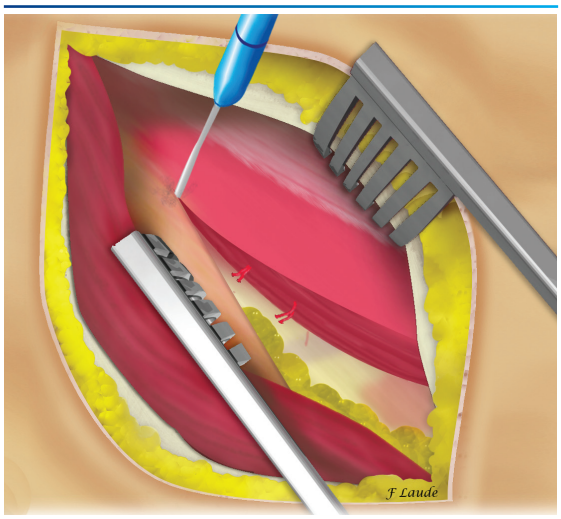


7. Healthcare sustainability

The growing and aging population continues to increase the demand for healthcare services, putting pressure on healthcare systems worldwide to reduce costs while maintaining high standards of care and patient satisfaction. We remain deeply committed to designing products, solutions, and surgical techniques that enhance patient well-being and facilitate the work of surgeons, while improving sustainability through greater efficiency and reduced surgical costs. Working closely with hospitals and surgeons worldwide, we continuously strive to address their needs and develop solutions that streamline workflows and optimize resource utilization. At the same time, we are committed to advancing our R&D processes to integrate sustainability across all our projects. Our key focus areas include minimally invasive techniques, single-use instruments, patient-matched solutions, and cutting-edge technologies that together advance both clinical outcomes and healthcare sustainability.

Minimally invasive techniques

Our AMIS technique represents a well-established and reproducible approach that delivers significant benefits for patients while optimizing costs and efficiency for hospitals and surgeons. Supported by a comprehensive ecosystem including dedicated implants, instruments, tailored services, and global educational initiatives led by expert surgeons, AMIS offers a complete solution to successfully perform minimally invasive hip procedures that promote faster recovery and shorter hospital stays.

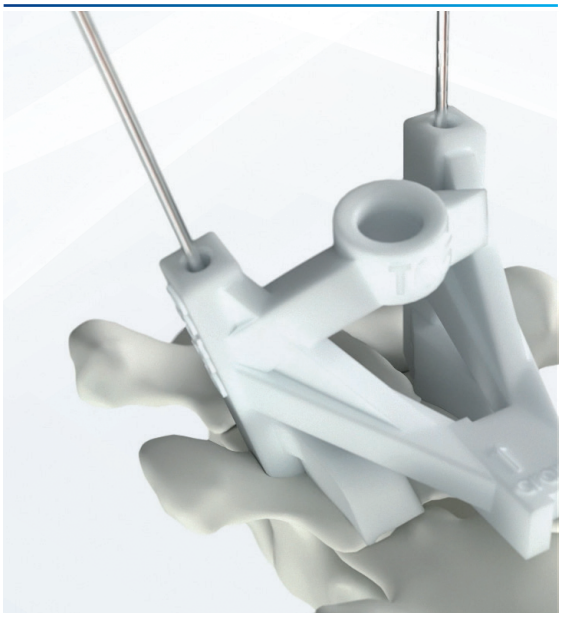




Single-use instruments

GMK Efficiency is a complete single-use instrument set developed to optimize instrument management and provide significant clinical, logistical, and economic benefits for hospitals and, in particular, outpatient surgical centers. Delivered terminally sterile, GMK Efficiency eliminates the need for preoperative sterilization, saves clean water, and potentially reduces infection risks due to its single-use nature. Since its introduction, we have offset the amount of CO_2 associated with its lifecycle through environmental sustainability projects certified by Swiss Climate. Procedures combining patient-specific instrumentation with single-use instrumentation have demonstrated time savings in the Operating Room (OR) and simplified scheduling .[3,4,5,6]

GMK Efficiency is also a component of the Efficiency KneePack, a comprehensive solution for Total Knee Replacement, that also includes the MyKnee patient-matched guides and the GMK Sphere medially stabilized total knee implant. Delivered terminally sterile in a single lightweight box, the system streamlines instrument management and reduces surgery time, providing tangible economic and logistical benefits to every healthcare stakeholder.



Patient-Matched solutions

Backed by more than 15 years of clinical evidence, our patient-matched technology enhances accurate implant positioning and OR efficiency. This solution combines a personalized 3D preoperative planning tool, based on CT or MRI scans of each patient's anatomy, with 3D-printed surgical guides that enable to accurately replicate intraoperatively the validated planning. Among these solutions, MIS MySpine MC is designed for spine surgeries using a minimally invasive, muscle-sparing midline cortical approach. It enables posterior lumbar fusion with shorter operating times and a marked reduction in radiation exposure and cost. The goal is to maximize fusion rate, ensure predictable outcomes, and enhance patient recovery. Our patient-matched solutions are available for knee, hip, shoulder, and spine procedures and are widely adopted by thousands of surgeons worldwide and form an integral part of our MySolutions Personalized Ecosystem.

Cutting-edge technologies

Harnessing the latest advances in Augmented Reality, the NextAR Platform leverages patient-specific, real-time data to seamlessly integrate into the operative workflow. Displayed directly through NextAR Smart Glasses, these data enhance the surgeon's visualization and control during the procedure, potentially improving precision and clinical outcomes. Aligned with Medacta's philosophy of healthcare sustainability, NextAR is offered through a cost-effective model that minimizes capital investment: a reusable hardware platform combined with single-use instrumentation and modular software applications for multiple surgical specialties.



[3] Dell'Osso G, Celli F, Bottai V, Bugelli G, Citarelli C, Agostini G, Guido G, Giannotti S Single-Use Instrumentation Technologies in Knee Arthroplasty: State of The Art, Surg Technol Int. 2016 Apr 27;XXVIII. pii: sti28/727

[4] Attard, Andre, Gwenllian Fflur Tawy, Michiel Simons, Philip Riches, Philip Rowe, and Leela C Biant. 2019. "Health Costs and Efficiencies of Patient-Specific and Single-Use Instrumentation in Total Knee Arthroplasty: A Randomised Controlled Trial." BMJ Open Quality 8 (2): e000493.

[5] Tawy, Gwenllian F, and Leela C Biant. 2020. "Improving Intra-Operative Efficiency of Total Knee Arthroplasty with Patient-Specific and Single-Use Instrumentation." Journal of Orthopaedic Experience & Innovation, September.

[6] Tyler D. Goldberg, MD, John A. Maltry, MD, "Logistical and Economic Advantages of Sterile-Packed, Single-Use Instruments for Total Knee Arthroplasty", The Journal of Arthroplasty 2019.

8. Business Lines

8.1 Our Hip strategy

Addressing market challenges with sustainable innovation

The hip replacement market continues to play a central role in restoring mobility and quality of life for patients worldwide, while facing evolving expectations around functional recovery, implant longevity, and value-based care. Total Hip Replacement (THR) is widely recognized as one of orthopedics' most successful procedures. Yet healthcare systems and patients increasingly seek solutions that combine durability, tissue preservation, faster recovery, and consistently high satisfaction levels across diverse patient profiles.

Our response to these challenges is comprehensive. We have developed an integrated hip platform built on three strategic pillars: a complete implant portfolio for both primary hip replacements and complex revision surgeries, minimally invasive surgical techniques, and personalized technologies that enhance preoperative planning and intraoperative execution. This comprehensive approach supports accurate implant positioning and procedural confidence while delivering consistent outcomes.

Our platform incorporates advanced materials such as our proprietary Highcross, highly crosslinked UHMWPE (Ultra-High Molecular Weight Polyethylene), SensiTiN, a Titanium Nitride ceramic-like coating, and 3D Metal, a state-of-the-art advanced biomaterial structure engineered for the bone, which enhance implant performance and enable surgeons to address a wide spectrum of clinical scenarios.

The Medacta P-Family Hip system: our core platform

The Medacta P-Family Hip System represents the foundation of our hip offering and provides a comprehensive set of tapered rectangular femoral stems designed to address today's clinical and surgical challenges. The P-Family builds on the proven legacy and long-term clinical heritage of Quadra-H and AMIStem-H, both of which demonstrate strong survivorship data[6] and solid independent evaluation ratings from the Orthopaedic Data Evaluation Panel (ODEP). While preserving the design principles that have contributed to the success of these established systems, the P-Family integrates innovative features to meet the evolving demands of total hip replacement. The system features MectaGrip, a state-of-the-art coating on the proximal portion of the stem designed to enhance initial stability through its high coefficient of friction and promote long-term fixation through its open and interconnected pores, which create a favorable environment for bone integration.

The system is further characterized by progressive neck lengths and a wide range of stem sizes, lengths, and canal-filling options. This versatility enables surgeons to accurately restore natural hip biomechanics across a broad patient population and adapt to varying bone structures, supporting personalized treatment approaches.

Minimally invasive technique

Since our founding, we have been a pioneer in advancing hip replacement through the development of minimally invasive and tissue-sparing surgical techniques, supported by a robust and structured surgeon education framework.

The AMIS technique

A cornerstone of this approach is the Anterior Minimally Invasive Surgery (AMIS) technique, which uses an anterior approach following an intermuscular and internervous path to minimize trauma to surrounding tissues. This tissue-sparing philosophy has been associated with reduced postoperative pain, lower dislocation rates, and a faster, more predictable functional recovery, ultimately contributing to high patient satisfaction levels[7,8,9,10].

The AMIS technique is supported by a comprehensive package of dedicated products, including specifically designed implants, specialized instruments, and the AMIS Mobile Leg Positioner, a patented surgical table extension that allows for a simpler and more reproducible procedure. This integrated offering is supported by a specifically trained sales force, ensuring consistent support to adopting surgeons.



Education as a strategic pillar

Education represents a central pillar of the AMIS strategy. The AMIS Education Program was developed to optimize and standardize the adoption of the technique from primary procedures to more complex cases, establishing AMIS as preferred and easily reproducible hip replacement surgical technique for surgeons worldwide. Since 2004, surgeons from around the world have been trained at our AMIS Learning Centers, fostering global dissemination and reproducibility of the technique through structured, hands-on educational pathways.

Our AMIS offering has been further enhanced by new packages that allow surgeons to take the anterior approach to the next level, such as the comprehensive AMIS Bikini offering. The bikini incision features a short, oblique skin incision within the inguinal skin fold, resulting in an aesthetically pleasing scar that can be narrower and lighter in color, and remains hidden when wearing a bikini.[11,12,13,14] This technique may also help lessen wound healing concerns in obese patients or patients with a large abdomen pannus. [11,12,13,14]

Advanced enabling technologies

Digital technologies play a critical role in addressing current market challenges by improving surgical accuracy, supporting reproducibility, and enabling a truly personalized approach to hip replacement. As part of our MySolutions Personalized Ecosystem, the MyHip platform guides surgeons from preoperative planning to postoperative evaluation, enabling more informed decision-making while contributing to consistent clinical outcomes and operational efficiency.

MyHip Planner: advanced preoperative planning

MyHip Planner is an intuitive and reliable 3D preoperative planning solution that supports surgical decision-making through advanced analytical and functional assessment features. Starting from a CT scan, the software generates a patient-specific 3D anatomical model, enabling implant selection and positioning based on individual anatomy and hip biomechanics. This personalized planning approach supports case-specific decision-making and may help anticipate potential risks such as instability, impingement, or reduced range of motion.

The software also integrates spinopelvic analysis, an increasingly important consideration for optimizing the relationship between hip and spine and improving overall patient outcomes. Based on the finalized planning, surgeons can request MyHip 3D-printed patient-matched guides, designed to support accurate implant positioning in line with the preoperative strategy.

MyHip Verifier: real-time intraoperative assessment

During surgery, MyHip Verifier provides a non-invasive, fluoroscopy-based solution for real-time assessment of implant positioning. Designed to integrate seamlessly into existing surgical workflows, it delivers numerical feedback on the impact of implant positioning on the patient's anatomy, supporting procedural evaluation while preserving operating room efficiency.

[6] Australian Orthopaedic Association National Joint Replacement Registry (AOANJRR). Hip, Knee & Shoulder Arthroplasty Annual Report 2024.
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[8] Dora C. Minimalinvasive Zugänge an der Hüfte. Orthopäedie Mitteilungen 6/07, 574-576.
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10 Jayankura M, Roty M, Potaznik A, Rooze M, Cermak K, Remy P, Gillard B, Biltiau N, Schuind F. Isokinetic and isometric muscle strength recovery after total hip arthroplasty implanted by direct anterior approach. Podium presentation at the 10th Annual Congress of the EFORT, Vienna, Austria, June 3-6, 2009.
[11] Menzies-Wilson, Richard & Mahalingham, Karuppiah & I, Tamimi & Field, Richard. (2019) "Retrospective cohort study comparing the functional outcomes of direct anterior approach hip arthroplasty. Oblique "bikini"vs longitudinal skin incision ".
[12] Menzies-Wilson, Richard & Mahalingham, Karuppiah & I, Tamimi & Field, Richard. (2019)." Functional Outcomes of direct anterior approach hip arthroplasty: Oblique 'bikini' versus longitudinal skin incision. 10.1177/2210491719890883.
[13] Leunig, Hutmacher, Ricchiardi, Impellizzeri, Rüdiger, Naal. (2018)" Skin crease 'bikini' incision for the direct anterior approach in total hip arthroplasty: a two- to four-year comparative study in 964 patients. Bone Joint J.
[14] Manrique, MD, Paskey, BS a, Tarabichi, MD, Restrepo, MD, Foltz, PhD Hozack, MD. (2019) "Tota l Hip Arthroplasty Through the Direct Anterior Approach Using a Bikini Incision Can Be Safely Performed in Obese Patients". J Arthroplasty

Complete implant portfolio

Primary Hip solutions

Femoral stems

Complementing the P-Family, our cementless femoral stem portfolio includes the MasterLoc Hip System. Featuring a tapered wedge design, MasterLoc is available in three configurations, standard, lateralized, and lateralized plus, allowing surgeons to independently manage offset and leg length while facilitating accurate restoration of hip joint biomechanics across a broad patient population. In addition to cementless solutions, we offer a comprehensive cemented portfolio of femoral implants. The Quadra-C stem represents a proven and reliable option with well-documented long-term effectiveness and survivorship. AMIStem-C, AMIS-K and X-ACTA stems expand the range of solutions available to address different clinical needs and surgeon preferences [15,16].



Acetabular components

On the acetabular side, our portfolio includes the Versafitcup and the Mpact System. Versafitcup is a comprehensive system of elliptical cementless acetabular cups that share common instrumentation and are designed to provide primary stability while optimizing load and stress distribution. The Mpact System consists of hemispherical cementless acetabular cups offering multiple configurations to address different patient anatomies and clinical needs, and is suitable for both primary and revision hip procedures. Clinical robustness is supported by strong registry data and published evidence. The acetabular platform is further enhanced by the SensiTiN Double Mobility (DM) Converter, a completely cobalt-free modular solution. Compatible with both Versafitcup and Mpact systems, this solution addresses the ongoing clinical challenge of instability and dislocation in hip replacement.



Revision Hip solutions

Hip revision surgeries are complex and often unpredictable, requiring solutions that can adapt to a wide range of clinical scenarios while maintaining procedural efficiency. To address these challenges, we have developed an innovative and comprehensive hip revision platform for both the femur and the acetabulum, with solutions designed to maximize the versatility of implants and instruments while minimizing the complexity of surgical workflows.

Acetabular revision

The acetabular revision portfolio includes a broad range of solutions such as Mpact Multi-Hole, Mpact Foam, Mpact Augments, Iliac Screw Mpact, and B-Cage. Across this portfolio, 3D Metal is a state-of-the-art advanced biomaterial structure, providing high initial stability and promoting bone integration, key requirements in revision hip procedures.

Femoral revision

On the femoral side, the M-Vizion Femoral Revision System is designed to deliver stability and versatility through a simplified and streamlined procedure. The system includes modular options as well as a monobloc solution, enabling surgeons to address a wide range of indications. The platform is further expanded with distal locking options to support fixation in complex cases.

[15] Rahm S, Tondelli T, Steinmetz S, Schenk P, Dora C, Zingg PO. Uncemented Total Hip Arthroplasty Through the Direct Anterior Approach: Analysis of a Consecutive Series of 275 Hips with a Minimum Follow-Up of 10 Years. J Arthroplasty. 2019;34(6):1132-1138. DOI: 10.1016/j.arth.2019.01.062

[16] Australian Orthopaedic Association National Joint Replacement Registry (AOANJRR), Automated Industry Report System (AIRS), ID No.9246 for Medacta Australia, Mpact Total Conventional Hip, (Procedures from 1 September 1999 - 20 February 2023), Accessed 21 February 202

MySolutions Personalized Ecosystem

Tailor-made tech to elevate the continuum of patient care

MyHip Planner enables surgeons to design the optimal surgical strategy based on each patient's unique anatomy and biomechanics. Intraoperatively, MyHip 3D-printed patient-specific guides are designed to accurately reproduce the surgeon's preoperative plan, while MyHip Verifier delivers real-time assessment of implant positioning through non-invasive fluoroscopy-based feedback. Together, these solutions guide surgeons from preoperative planning through surgical execution, contributing to consistent clinical outcomes and operational efficiency.

PERSONALIZED 3D PLANNING



MyHip® PLANNER

PATIENT-MATCHED TECHNOLOGY



MyHip®

INTRAOPERATIVE VERIFICATION



MyHip® VERIFIER

8.2 Our knee strategy

Addressing market challenges with sustainable innovation

The knee replacement market faces persistent challenges that impact both patients and healthcare systems. Despite the proven durability of total knee replacement procedures and continuous technological progress, many patients still experience limitations in function, comfort, and overall satisfaction following surgery. At the same time, healthcare systems are under increasing pressure to deliver consistent, high-quality outcomes while managing costs effectively.

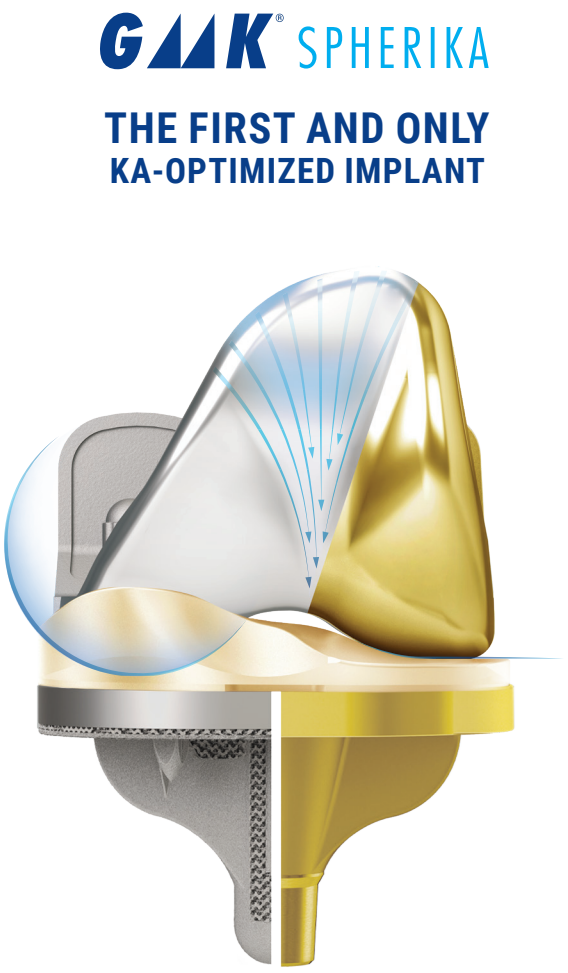
Our response to these challenges is comprehensive. We have developed an integrated knee platform built on three strategic pillars: personalized surgical techniques, advanced technologies, and a complete range of implant solutions. This portfolio provides a complete range of solutions for knee arthroplasty, ranging from partial replacements for isolated arthritis affecting only one compartment of the knee, to primary total knee replacements, through to complex revision surgeries when implants need to be replaced.

Our knee platform incorporates advanced materials such as SensiTiN, E-CROSS, and 3D Metal, which enhance implant durability and enable surgeons to address a wide spectrum of patient needs.

10 years of success of KA with Ball-in-Socket design

Historically, the standard of care in Total Knee Replacement (TKR) has not fully met all patient needs, resulting in many being dissatisfied with their post-surgery outcomes compared to those undergoing Total Hip Replacement[17,18,19], a benchmark for orthopedic patient satisfaction.

In response to these challenges, for over a decade, we have been pioneering Kinematic Alignment (KA), a personalized approach to TKR designed to restore each patient's natural anatomy, resurfacing the knee to its pre-arthritic state, rather than impose a standardized alignment. Over the years, the synergy between the KA technique and our Ball-in-Socket (B-i-S) implant design has demonstrated progress in improving patient satisfaction in TKR[20,21,22].



Today, the combination of this surgical technique with the innovative GMK SpheriKA, the first and only implant specifically optimized for Kinematic Alignment, represents a significant advancement in TKR. Clinical research led by recognized experts, including Dr. Stephen M. Howell[23], shows that patients treated with this approach report satisfaction levels comparable to those typically seen in Total Hip Replacement. This validates our leadership position in personalized knee solutions and our ability to deliver outcomes that truly meet patient expectations.

Built on more than 150,000 CT and MRI scans and over 10 years of clinical experience with GMK Sphere, GMK SpheriKA was officially launched in the United States in 2023 following a two-year closely monitored limited market release. The implant is now available worldwide.

[17] - Bourne RB et al. "Patients satisfaction after total knee arthroplasty: who is satisfied and who is not?" Clin Orthop Relat Res, 2010.
[18] - Tippett SR et al. "Collecting Data with Palm Technology: Comparing Preoperative Expectations and Postoperative Satisfaction in Patients Undergoing Total Knee Arthroplasty " J Bone Joint Surg Am. 2010.
[19] - Behrend et al." The "Forgotten Joint" as the Ultimate Goal in Joint Arthroplasty", The Journal of Arthroplasty vol 27, n 3, 2012.
[20] - SCOTT, David F.; GRAY, Celeste G. Outcomes are better with a medial-stabilized vs a posterior-stabilized total knee implanted with kinematic alignment. The Journal of Arthroplasty, 2022, 37.8: S852-S858.
[21] - Jeremić, Dragan V., et al. "Short-term follow-up of kinematically vs. mechanically aligned total knee arthroplasty with medial pivot components: a case-control study." Orthopaedics & Traumatology: Surgery & Research 106.5 (2020): 921-927.
[22] - Ziv, Yaron Bar, et al. "Patients undergoing staged bilateral knee arthroplasty are less aware of their kinematic aligned knee compared to their mechanical knee." Journal of Orthopaedics 23 (2021): 155-159.
[23] - Howell SM, Zabiba A, Nedopil AJ, Hull ML (2025) The Forgotten Joint Score after total knee arthroplasty with a kinematic alignment-optimized femoral component matches total hip arthroplasty. Knee Surg Sports Traumatol Arthrosc.

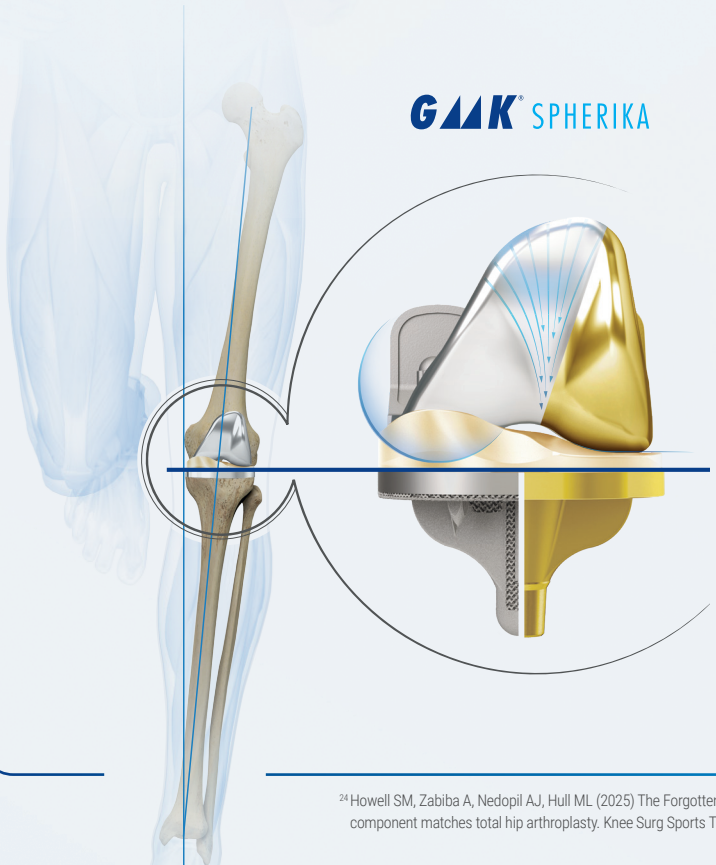
Knee replacement patient satisfaction now matches hip, thanks to Medacta innovation

In 2025, a breakthrough clinical study, led by Dr. Stephen M. Howell in California, confirmed that patients treated with our GMK SpheriKA implant using Kinematic Alignment achieved satisfaction levels comparable to those of hip replacement, marking a major milestone in our decade-long journey to improve knee arthroplasty outcomes.

The study demonstrated that patients undergoing Total Knee Replacement (TKR) with GMK SpheriKA using the Kinematic Alignment technique reported satisfaction levels comparable to those of Total Hip Replacement (THR), as measured by the Forgotten Joint Score (FJS), a key indicator of how naturally the joint feels during daily life. As we celebrate ten years of success of Kinematic Alignment with Ball-In-Socket design, this milestone represents the scientific validation of our long-term commitment to improving patient satisfaction and surgical outcomes.

10 YEARS OF SUCCESS OF KINEMATIC ALIGNMENT WITH BALL-IN-SOCKET DESIGN

CLOSING THE GAP IN PATIENT SATISFACTION[24]





DISCOVER MORE

[24] Howell SM, Zabiba A, Nedopil AJ, Hull ML (2025) The Forgotten Joint Score after total knee arthroplasty with a kinematic alignment-optimized femoral component matches total hip arthroplasty. Knee Surg Sports Traumatol Arthrosc.

A comprehensive platform for personalized surgery

MyKA, our comprehensive Kinematic Alignment platform, provides surgeons with an integrated solution to perform KA safely, reproducibly, and efficiently. The platform is built around GMK SpheriKA and GMK Sphere, implants particularly suited for KA, and is supported by dedicated instrumentation designed to enhance surgical efficiency and procedural consistency. MyKA also includes MyKnee KA, an advanced web-based 3D preoperative planning solution that enables precise and reproducible implementation of kinematic alignment through the use of MyKnee patient-specific, 3D-printed instruments. In addition, MyKA is supported by tailored surgeon education and training pathways delivered through an established international network of expert surgeons. The platform is continuously enriched with new options and tools to further streamline surgical workflows and support consistent adoption in clinical practice.

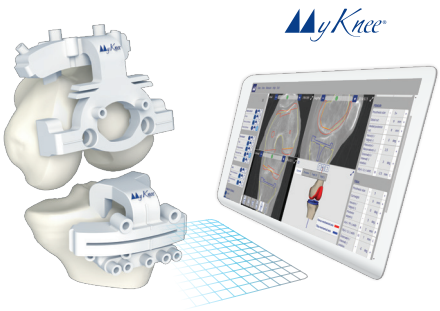
Growing clinical evidence and real-world data continue to support the effectiveness of Kinematic Alignment, driving increasing adoption within the scientific community and a rising number of surgeons and patients benefiting from this approach. Through close collaboration with leading global experts, we remain at the forefront of advancing Kinematic Alignment worldwide.

Advanced enabling technologies

Enabling technologies are essential to addressing current market challenges by improving surgical accuracy, supporting consistent outcomes, and enabling true personalization. As part of our MySolutions Personalized Ecosystem, we offer complementary technologies that guide surgeons throughout the entire treatment pathway.

MyKnee – Patient-matched technology

MyKnee is our platform for partial, primary, and revision knee procedures. It combines web-based 3D preoperative planning with 3D-printed, patient-matched surgical guides. The platform is versatile, supporting multiple surgical approaches including bone referencing, ligament balancing, and muscle-sparing techniques.





NextAR Knee - Augmented Reality (AR) surgical application

NextAR Knee is an augmented reality surgical application that projects real-time guidance directly into the surgeon's field of view, eliminating the need to shift attention to external monitors. By overlaying digital information onto the operative field, NextAR Knee enables surgeons to maintain constant focus on the surgical site while accessing essential guidance for implant positioning and alignment. This intuitive integration supports greater precision, reinforces surgeon confidence, and enables data-driven decision-making without disrupting workflow efficiency.

GMK Efficiency single-use instrumentation

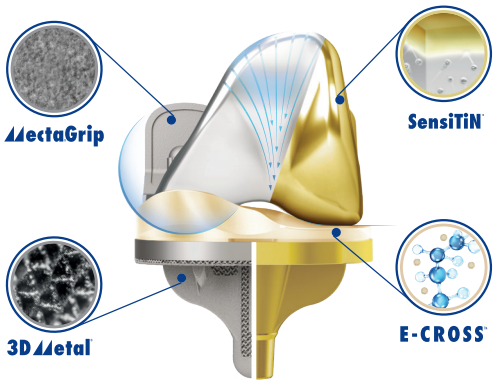
Both MyKnee and NextAR Knee integrate seamlessly with GMK Efficiency, a complete set of single-use instruments for Total Knee Replacement. By eliminating the need for pre-surgical instrument sterilization and complex instrument management, GMK Efficiency optimizes hospital logistics and simplifies workflows, making it particularly valuable for high-volume hospitals and ambulatory surgical centers. The system is also available as the Efficiency KneePack, an all-in-one sterile solution containing the MyKnee guides and Efficiency instruments needed for a specific case, as well as the planned implant components. This configuration reduces operating room time and simplifies surgical scheduling, delivering operational benefits for healthcare facilities.

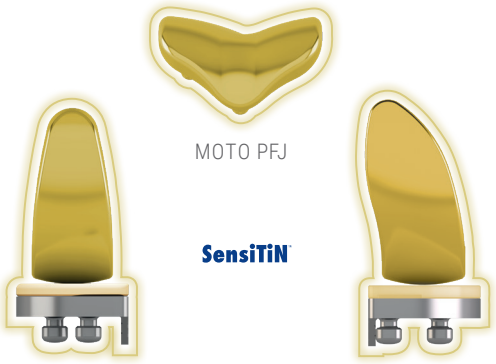


Complete implant portfolio

Total knee replacement solutions

Our primary total knee portfolio centers on GMK SpheriKA and GMK Sphere. We also offer GMK Primary as part of our comprehensive GMK System, which provides surgeons with a complete range of solutions across the treatment spectrum. A key advantage of our system design is the seamless pathway from primary to revision procedures. Surgeons can easily transition from GMK Sphere, GMK SpheriKA or GMK Primary to semi-constrained solutions such as GMK Revision or fully constrained solutions such as GMK Hinge when needed.





Partial knee solutions

For patients with arthritis limited to one compartment of the knee, we offer two partial knee replacement options: GMK UNI and the MOTO Partial Knee System. The MOTO System includes specific implants for the medial, lateral, and patellofemoral (kneecap) compartments. The MOTO System was designed to match individual patient anatomy for optimal fit and coverage, while providing correct balance and alignment throughout the procedure. This anatomical approach has the potential to reduce implant loosening and disease progression. Our advanced materials, SensiTiN and E-CROSS, are also available for MOTO, further enhancing our partial knee offering.

Revision solutions

Our GMK Revision System provides a modular approach designed to efficiently address knee revision surgery and complex primary cases. The system includes both semi-constrained and fully constrained implants, specifically GMK Revision and GMK Hinge, designed to preserve natural joint function even in cases of severe ligament damage or significant bone loss. A unique feature of our revision portfolio is MyKnee R, which consists of 3D-printed, patient-matched surgical guides specifically for revision procedures. Using CT scan data, our engineers create a 3D reconstruction of the patient's joint with the existing implant in place. This digital model enables precise preoperative planning and accurate selection and positioning of the new implant, bringing personalization to one of orthopedics' most challenging procedures.



8.3 Our Shoulder strategy

Addressing market challenges with sustainable innovation

Shoulder replacement is increasingly performed on patients with complex anatomies, advanced degenerative conditions, and high functional expectations. Surgeons face the challenge of restoring mobility and relieving pain while managing bone loss, ensuring implant longevity, and anticipating the potential need for future revision procedures. At the same time, healthcare systems demand efficiency, predictability, and sustainable outcomes that deliver lasting value.

Our response to these challenges is comprehensive. We have developed a clinically driven, surgeon-centered platform that integrates state-of-the-art implant design, advanced enabling technologies, and tailored medical education. Developed in close collaboration with international experts, our shoulder solutions are designed to simplify procedures, enhance surgical accuracy, and improve patient outcomes while supporting complete recovery.

The Medacta Shoulder System: complete, convertible, innovative

The Medacta Shoulder System represents the cornerstone of our shoulder offering, embodying our commitment to innovation through a complete and modular design. With a broad range of options, wide-ranging sizes, adjustable offsets, and innovative configurations in both anatomic and reverse platforms, the system provides surgeons with the flexibility to treat a wide spectrum of patient anatomies and pathologies.

A key advantage of the system is its modularity, which enables conversion from a total anatomic shoulder replacement into a reverse shoulder replacement without the need to revise all components. This design feature helps avoid full implant revisions if disease progression requires conversion to a reverse configuration, preserving bone stock and reducing surgical complexity for patients and healthcare systems alike.

In 2025, we introduced the Glenoid Reconstruction System (GRS), a significant addition to the Medacta Shoulder System family that addresses the clinical challenge of glenoid bone defects. The GRS portfolio includes the versatile GRS Flat and GRS Full Wedge options, specifically designed to fill defects resulting from glenoid bone wear and restore proper joint positioning. By offering enhanced stability and expanded treatment options, the GRS enables surgeons to effectively manage primary and revision complex cases.

The Medacta Shoulder System is further strengthened by a portfolio of differentiated material solutions designed to support reliable fixation and long-term performance. Proximal fixation in both standard and short stems, and glenoid reconstruction is achieved through our proprietary MectaGrip technology, a plasma-sprayed titanium coating combined with hydroxyapatite that enhances initial stability and promotes durable bone integration.

The addition of SensiTiN, a titanium nitride coating, expands material options and enables a comprehensive approach to addressing diverse patient and clinical needs. This combination of advanced materials provides surgeons with solutions optimized for different anatomical scenarios and patient requirements, supporting consistent outcomes across a range of clinical situations.

Advanced enabling technologies

We offer surgeons enabling technologies that support a personalized approach to shoulder replacement, improving accuracy, efficiency, and procedural confidence while contributing to healthcare sustainability. As part of our MySolutions Personalized Ecosystem, the shoulder portfolio includes complementary digital solutions that guide surgeons from preoperative planning through intraoperative execution.

MyShoulder – Patient-matched solution

MyShoulder combines patient-matched 3D preoperative planning with 3D-printed, patient-matched guides. Starting from a CT scan, the platform enables surgeons to plan implant selection and positioning based on individual patient anatomy. The resulting patient-specific guides support accurate execution of the preoperative plan, helping to improve procedural consistency and reduce variability in outcomes.

NextAR Shoulder - Augmented Reality (AR) surgical application

NextAR Shoulder is an augmented reality surgical application that projects real-time intraoperative guidance directly into the surgeon's field of view during total shoulder replacement. By overlaying digital information onto the operative field, NextAR Shoulder enables to maintain constant attention on the surgical site while simultaneously accessing critical data for implant positioning and anatomical landmarks. This seamless integration enhances precision, reinforces surgeon confidence, and supports data-informed decision-making without disrupting the natural flow of the procedure.

Medacta Shoulder System

Glenoid Reconstruction System

The Glenoid Reconstruction System introduces the versatile GRS Flat and GRS Full Wedge options, designed to effectively fill defects in glenoid bone wear conditions and restore proper glenoid lateralization. This addition further expands the Medacta Shoulder System family, offering enhanced stability and a broader range of solutions to address glenoid defects and improve patient outcomes.





8.4 Our Sportsmed strategy

Addressing market challenges with sustainable innovation

Sports medicine procedures increasingly serve active patients who expect rapid pain relief, predictable recovery, and a fast return to daily activities and sports. These function-preserving procedures address a dynamic market segment characterized by distinct clinical needs and evolving practice patterns, serving younger and more active patient populations than traditional joint replacement. At the same time, surgeons operate in a demanding environment characterized by complex anatomy, variable tissue quality, increasing efficiency requirements, and a growing shift toward minimally invasive outpatient care, particularly in U.S. ambulatory surgical centers (ASCs), which represent a key growth channel in the orthopedic market.

Our response to these challenges is comprehensive. Launched in 2016, our Sports Medicine business line represents a strategic extension beyond joint replacement into this high-growth market segment. We have developed a portfolio built on anatomically driven, minimally invasive solutions designed to restore natural joint motion and improve patient outcomes. Our solutions are designed to integrate seamlessly into established surgical workflows, enabling personalized treatment strategies that enhance procedural efficiency and clinical consistency.

Strategic expansion through acquisition

A major acceleration occurred in 2025 with the acquisition of Parcus Medical, which significantly expanded our Sports Medicine portfolio across knee, shoulder, hip, hand and wrist, and foot and ankle procedures. This strategic acquisition delivered multiple benefits beyond product portfolio expansion. It strengthened our vertical integration through U.S.-based manufacturing capabilities, broadened our global commercial footprint, and reinforced our competitiveness in the high-growth ASC environment where efficiency and cost-effectiveness are critical differentiators.

By combining continued investments in sustainable innovation, medical education, and commercial expansion, Sports Medicine is positioned as a core growth engine within our broader orthopedic portfolio, complementing our established joint replacement leadership with solutions that address earlier stages of joint disease and function preservation.



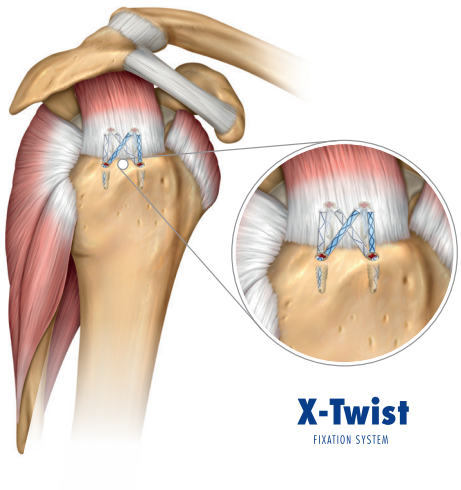
Knee solutions

Knee injuries are among the most common and complex challenges in sports medicine, particularly in active and athletic patient populations. Procedures such as ligament reconstruction and meniscal repair require precision, reproducibility, and adaptability to individual anatomy and surgeon technique.

Our knee sports medicine portfolio is developed through in-depth anatomical analysis and close collaboration with experienced surgeons, with the objective of supporting personalized surgical care while improving efficiency and delivering consistent clinical outcomes. The comprehensive portfolio of procedures, includes cruciate ligament reconstruction, meniscal repair, and peripheral ligament reconstruction. Among our solutions, in ACL procedures, MectaQTH is designed to facilitates a minimally invasive subcutaneous graft harvesting of the Quadriceps Tendon.

In 2025, the knee offering was further strengthened with the launch of QuickStitch, an intuitive device for meniscal Inside-Out repair. QuickStitch enables precise suture placement, supporting meniscus preservation, an increasingly important clinical goal, while enhancing surgical control and procedural consistency.





Shoulder solutions

Shoulder procedures in sports medicine are characterized by high anatomical complexity and functional demands, requiring reliable solutions that support precision and efficiency in the operating room. Our shoulder portfolio is based on detailed anatomical analysis and surgeon collaboration, ensuring consistency across a wide range of procedures while maintaining flexibility to accommodate individual surgical techniques.

The portfolio addresses key indications such as rotator cuff repair, instability management, and biceps pathology, combining intuitive instrumentation with advanced fixation options to support secure repairs and predictable outcomes. Following the Parcus Medical acquisition, the shoulder offering was further expanded, particularly in soft tissue repair capabilities.

Poor tissue and bone quality, often associated with degeneration or limited healing capacity, represents a common challenge in shoulder procedures, particularly in aging athletic populations. To address this, we integrate solutions such as X-Twist, a knotless fixation system designed to deliver strength, versatility, and reproducibility, even in demanding biological conditions. This focus on fixation reliability in compromised tissue differentiates our approach and supports consistent outcomes across diverse patient profiles.

Hip solutions

Hip procedures in sports medicine require a high degree of precision to restore stability and function in a complex joint environment. Our hip portfolio is developed through anatomical analysis and surgeon collaboration to support accurate execution while aligning with established surgical workflows.

The portfolio addresses indications such as labral repair and instability management, combining advanced technologies, comprehensive fixation options, and intuitive instrumentation to support secure fixation and consistent outcomes. Personalized treatment approaches aim to enhance joint stability and functional recovery, enabling patients to return to active lifestyles.

The portfolio also addresses complex structural conditions such as acetabular dysplasia, where the hip socket is abnormally shaped and requires surgical correction to prevent premature arthritis. Accurate correction in these cases is critical to long-term joint preservation. To support these challenging procedures, we developed MyPAO, a patient-specific platform within our MySolutions Personalized Ecosystem.

MyPAO is designed to support periacetabular osteotomy procedures, complex bone-cutting surgeries that reorient the hip socket, by enabling precise execution of the preoperative plan. This technology-enabled approach aims to optimize biomechanics, reduce complications, and improve patient outcomes in one of sports medicine's most demanding surgical procedures, demonstrating our commitment to bringing personalization to complex joint preservation cases.



Distal extremities solutions

Sports medicine procedures involving distal extremities—including the ankle, foot, wrist, and hand—are challenged by complex anatomy, small working spaces, and high functional demands. These areas require particularly precise and delicate surgical techniques, as patients depend on fine motor control and weight-bearing stability for daily activities and athletic performance.

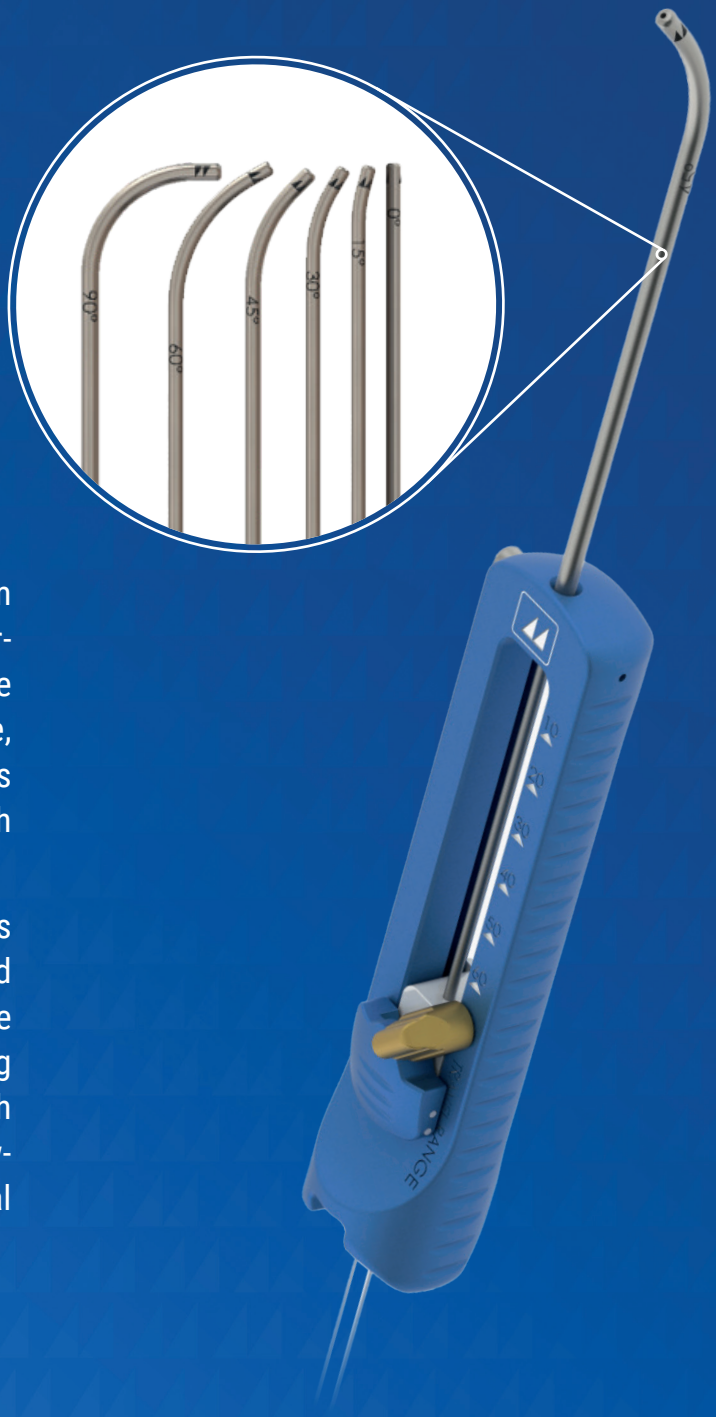
Our distal extremities portfolio is developed through an anatomy-driven approach and close surgeon collaboration, with solutions designed to replicate natural joint structures while respecting surrounding soft tissues. The portfolio supports a broad range of procedures through versatile, minimally invasive solutions that integrate seamlessly into surgeons' workflows, recognizing that efficiency and simplicity are particularly valued in these technically demanding procedures.

Intuitive instrumentation, advanced fixation options, and implants engineered for reliability contribute to secure fixation and reproducible outcomes, supporting joint stability and functional recovery. This comprehensive portfolio reinforces our commitment to helping patients return to daily activities and sports with confidence, extending our anatomical coverage across the full spectrum of sports medicine needs.

QuickStitch

INSIDE-OUT MENISCAL REPAIR

Simple, Versatile & Reliable Inside-Out Solution



The QuickStitch Inside-Out system is a reliable, ergonomic, and user-friendly device designed for precise suture placement in meniscal tissue, helping you preserve the meniscus and restore joint function with confidence.

The QuickStitch Inside-Out utilizes specialized cannulas and a targeted delivery handle to access the meniscus arthroscopically, enabling the placement of high-strength sutures. The result is a reliable, low-profile repair to preserve meniscal tissue and optimizes joint stability.

8.5 Our spine strategy

Addressing market challenges with sustainable innovation

Spine surgery is characterized by significant anatomical complexity and high procedural variability, spanning degenerative disease, trauma, deformity, and tumors, each requiring distinct surgical strategies. These procedures often involve multiple spinal segments and can be lengthy, increasing patient exposure to surgical risks. Together, these factors drive the need for extreme precision and greater efficiency, directly influencing clinical outcomes, patient recovery, and overall healthcare performance.

Since entering the spine market in 2009, we have addressed these challenges through an integrated, technology-driven approach centered on patient-specific solutions and augmented reality. By enhancing accuracy, reproducibility, and intraoperative control while reducing invasiveness and workflow inefficiencies, our solutions enable safer execution and more predictable procedures. In trauma cases, where preoperative planning is often limited or not feasible, advanced technologies provide real-time guidance that supports surgeons in operating with greater confidence and efficiency.

This comprehensive approach translates into improved patient outcomes, lower complication risk, and faster, more complete recovery, while delivering measurable value for surgeons and healthcare systems. Our spine platform addresses the full spectrum of spinal pathologies through procedure-specific solutions optimized for cervical, deformity, and degenerative cases.

Enabling technologies

Building on our proprietary MySolutions Personalized Ecosystem, our spine offering enhances both surgeon and patient experience through advanced, personalized intraoperative technologies. As part of this ecosystem, we have developed a portfolio that integrates augmented reality with patient-matched solutions designed to support accuracy and efficiency across a wide range of spine procedures.

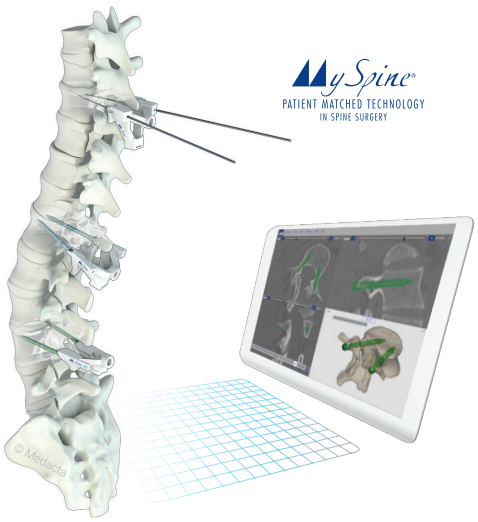
NextAR Spine - Augmented Reality (AR) surgical application

NextAR Spine is an augmented reality surgical application that projects real-time, data-driven navigation directly into the surgeon's field of view, eliminating the need to shift attention between the operative field and external monitors. By overlaying essential information, including anatomical landmarks, implant alignment, and instrument trajectories, onto the surgical site, surgeons can maintain constant focus while accessing critical guidance. This intuitive integration reduces cognitive load, supports informed intraoperative decision-making, and enhances precision throughout the procedure. The clinical value of this approach has been further demonstrated in studies led by recognized experts, including Prof. Dr. med. Bernhard Meyer[1], Dr. Umebayashi [2] and Dr. Kojima [3], validating its effectiveness in improving surgical outcomes.

Recently, NextAR Spine has been further expanded with the introduction of NextAR Rod Optimizer, a sustainable and personalized solution that enhances intraoperative planning by enabling real-time rod selection from a set of pre-bent rods. This technology allows thousands of possible configurations for both minimally invasive and open approaches, optimizing implant selection while reducing waste and improving procedural efficiency.

MySpine: Patient-matched solution

With over 15 years of clinical experience, MySpine offers a comprehensive and award-winning platform of patient-matched, 3D-printed screw placement guides that support surgeons during the most critical steps of pedicle screw placement. Thanks to comprehensive preoperative planning and intraoperative execution tools, MySpine contributes to safer and more efficient procedures by improving accuracy while reducing surgical time and intraoperative X-ray exposure. The platform is further enhanced by MySpine Optimizer, an advanced preoperative planning tool that supports personalized surgical strategy and decision-making through dedicated sagittal balance analysis and 3D planning of screws and cages The platform offers enabling solutions for cervical, thoracolumbar, and sacroiliac applications, reinforcing our technology-driven approach to improving outcomes across the full spectrum of spine surgery. Clinical evidence continues to demonstrate that MySpine achieves accuracy superior to both freehand techniques and navigation-assisted procedures, strengthening its position as a differentiated solution in spine surgery.



Complete procedures portfolio

Cervical procedures

Cervical spine procedures present specific challenges due to complex and delicate anatomy, proximity to critical neurovascular structures, and the need for high precision within a limited operative corridor. These factors demand accurate implant placement, stable fixation, and efficient workflows across both anterior and posterior approaches in order to minimize surgical risks, reduce operative time, and improve patient outcomes.



We address these challenges through a comprehensive, technology-driven 360° cervical platform designed to enhance precision, reproducibility, and procedural efficiency while supporting surgeon confidence and patient safety. The Medacta cervical platform is built around three core components: the Mecta-C Stand Alone and Mecta-C System for anterior cervical stabilization; the M.U.S.T. Mini system for posterior fixation; and MySpine Cervical, Medacta's enabling technology that provides a patient-specific surgical planning solution for cervical implants. MySpine Cervical is designed to guide surgeons through the critical steps of accurate screw placement in posterior cervical procedures, personalizing the preoperative planning, supporting reduced surgical time and minimizing intraoperative X-ray exposure. Available for both lateral mass and pedicle screw trajectories, it offers a high degree of customization tailored to the patient's anatomy and the surgeon's preferred approach. In 2025, two important scientific studies [4.5] were published demonstrating that the accuracy achieved with MySpine Cervical is superior to both freehand techniques and navigation-assisted procedures, further reinforcing its clinical value. MySpine Cervical operates in synergy with the M.U.S.T. Mini posterior cervical screw system, a comprehensive solution for fixation of the occipital-cervicothoracic spine. A wide range of screws, hooks, rods, and connectors allows surgeons to tailor constructs to specific anatomical and pathological requirements. This synergy enhances safety, stability, and accuracy in pedicle screw placement while reducing metal density and radiation exposure, without the need for initial capital investment.

For anterior cervical fusion, two complementary solutions are available to address different clinical needs and workflow preferences. The Mecta-C Stand Alone is a modular, all-in-one cage-and-plate solution that combines stability, procedural simplicity, intraoperative adaptability, and an optimal anatomical fit. The Mecta-C System provides a comprehensive and modular approach with broad configurability and fixation options for a wide range of cervical pathologies. Together, these solutions empower surgeons to select the most appropriate strategy based on indication, complexity, and surgical workflow.

Deformity procedures

Spinal deformity surgery represents one of the most complex areas of spine care, characterized by severe anatomical alterations, long constructs, multi-level fixation, and the need for precise three-dimensional correction. These procedures often involve lengthy operating times, high mechanical demands on implants, and increased risk of complications, making accuracy, stability, and efficient execution critical to achieving durable correction and favorable patient outcomes.

We address these challenges through a comprehensive, technology-driven deformity platform designed to support surgeons throughout every phase of complex spinal surgery. The platform integrates enabling technologies such as NextAR Spine, NextAR Rod Optimizer, and the MySpine patient-matched solutions supporting surgeons from preoperative planning through accurate screw placement, even in highly challenging anatomies. Intraoperatively, the M.U.S.T. instrumentation system offers multiple options for controlled rod reduction and correction maneuvers, enabling surgeons to achieve the desired alignment with greater precision and confidence. The MectaLIF anterior cages further complete the offering, supporting true 360° procedures that address both anterior and posterior approaches. To further address the demands of complex deformity cases and long constructs, we have expanded the MySpine platform by strengthening preoperative planning through the integration of the sagittal balance application, and by introducing MySpine Anchor, an innovative, patient-specific guide designed to reinforce posterior sacroiliac fixation in challenging anatomies and enhance construct stability. In parallel, the deformity portfolio has been strengthened with M.U.S.T. Uniplanar and M.U.S.T. S2AI screws, providing surgeons with both 5.5 and 6.0 mm rods options for addressing severe deformity cases.

Degenerative procedures

Degenerative spine conditions increasingly require surgical solutions that restore stability and relieve pain while minimizing tissue disruption and supporting faster recovery. Traditional open procedures, however, are often associated with significant muscle damage, longer operating times, higher radiation exposure, and prolonged rehabilitation. Addressing these challenges demands minimally invasive techniques that preserve anatomy while maintaining precision, fixation strength, and procedural efficiency.

We address these needs through a technology-enabled minimally invasive platform specifically designed around a muscle-sparing philosophy. The degenerative offering is built on two complementary approaches, midline cortical and percutaneous, both fully integrated with enabling technologies such as NextAR Spine and the MySpine platform to enhance accuracy, reproducibility, and workflow efficiency.

MIDLINE CORTICAL APPROACH

The midline cortical approach is enabled by the MySpine MIS MC procedure, which aims to maximize fusion rates and improve the predictability of clinical outcomes, positively impacting patient recovery and overall well-being. This approach leverages the synergy between MySpine MC and M.U.S.T. MC, and MectaLIF posterior cage system to deliver a comprehensive minimally invasive solution.

The MySpine MC patient-matched, 3D-printed guides are designed to support minimally invasive posterior lumbar fusion through a muscle-sparing technique. This approach enables shorter operating times and a substantial reduction in intraoperative radiation exposure while increasing efficiency compared with conventional freehand lumbar fusion.

The M.U.S.T. MC is a complete and flexible posterior fixation solution featuring cortical and cancellous screw threads designed to differentiate bone purchase, enhance fixation strength, and facilitate fusion of the thoracolumbar spine and sacrum. Dedicated retractors and distractor systems complete the offering, supporting effective muscle tissue management and controlled vertebral distraction and compression maneuvers.

The MectaLIF System is a comprehensive platform of posterior Ti-PEEK lumbar interbody fusion devices designed to provide strong initial fixation and long-term spine stabilization, with a wide range of anatomical shapes to address individual patient needs. Medacta's TiPEEK cages are PEEK implants fully coated with plasma-sprayed titanium, which provides enhanced osteoconductivity and stability. In fact, the micro-rough titanium coating increases friction at the bone–implant interface, improving primary stability and resistance to migration also thanks to our Mectaglass syntethic bone filling.

PERCUTANEOUS APPROACH

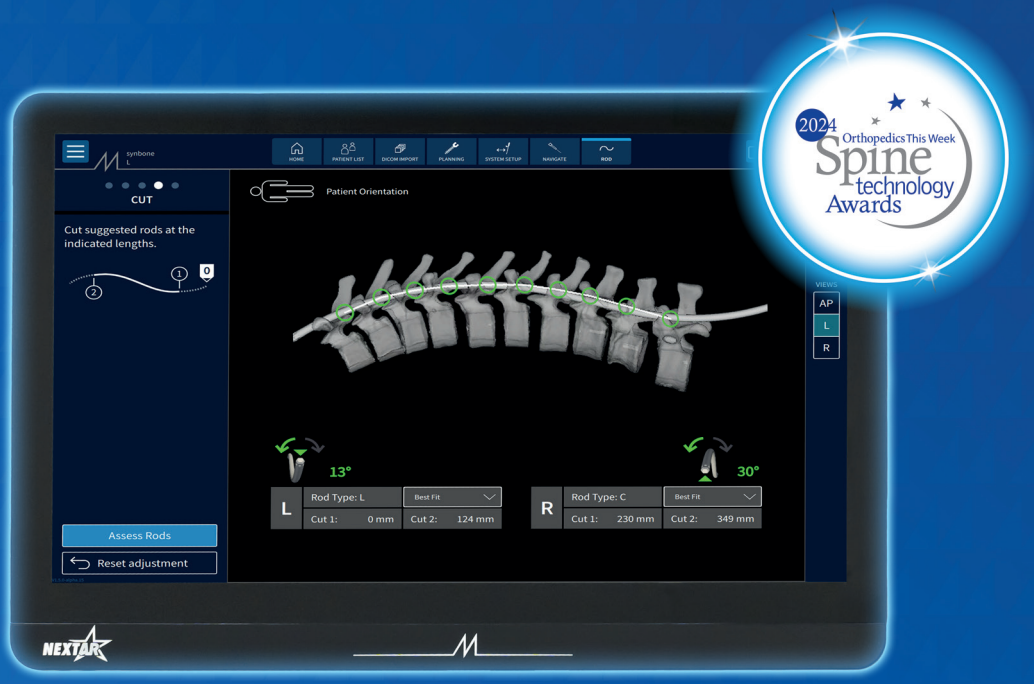
For percutaneous procedures, the NextAR Spine MIS LT approach combines the NextAR Spine augmented reality surgical application with the M.U.S.T. LT Long Tab Screw System, delivering a fully optimized minimally invasive solution for posterior spinal fixation. This integration enhances workflow efficiency, implant selection, and intraoperative control, while supporting precise execution through real-time guidance.

The M.U.S.T. LT system, supplied pre-assembled in sterile packaging, offers a wide range of fast-locking screws and extended reduction capabilities, addressing demanding indications such as lumbar spondylolisthesis (a condition where one vertebra slips forward over another) and thoracic kyphosis correction (correction of abnormal forward curvature of the upper spine). Made of 100% titanium alloy and free from nickel, cobalt, and chromium, M.U.S.T. LT represents a distinctive solution within the M.U.S.T. portfolio, supporting full-spine fixation with a minimally invasive approach.

NEXTAR ROD OPTIMIZER

Thousands of solutions* in surgeon's pocket

The unique NextAR Rod Optimizer is a sustainable and personalized solution designed to enhance intraoperative planning and provide real-time selection starting from a dozen pre-bent rods that allow thousands of solutions1 in both minimally invasive and open approaches. Spine surgeons can now benefit from an advanced solution that eliminates the need for manual rod-bending, potentially reducing the risk of breakage and subsequent revision surgeries.



* Data on file Medacta

what we do matters

Throughout the year, we have actively promoted the "What We Do Matters" campaign, which has become an integral part of our organizational culture and mission. This initiative highlights the significant impact our work has on the lives of our patients, reminding us all of the importance of our contributions.

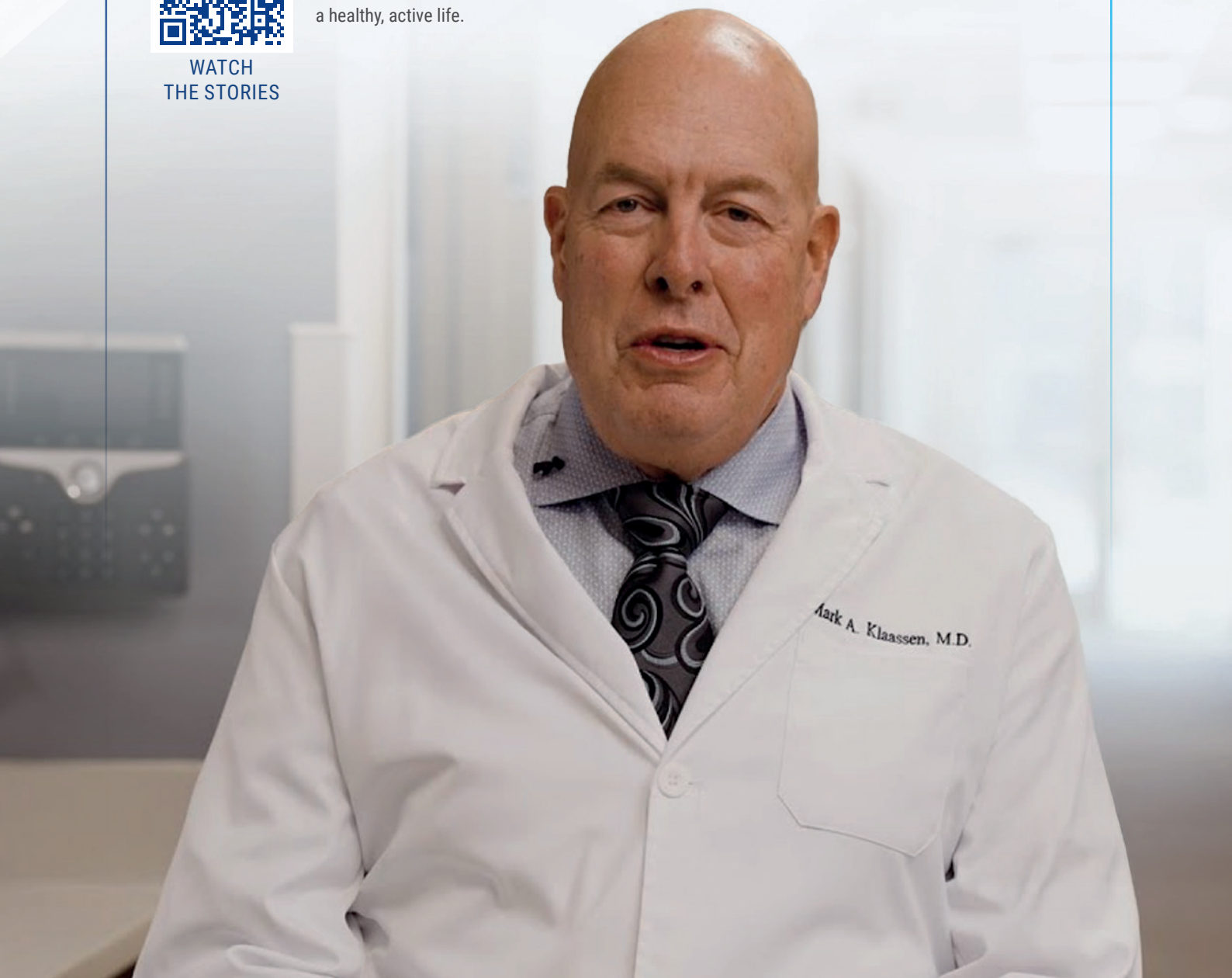
Central to this campaign are the compelling stories of our patients, which we have collected and shared across the organization. These narratives illustrate meaningful improvements in quality of life, underscoring the value of our solutions. To enhance employee engagement, we have shared these stories in our periodic newsletter, giving employees access to patient testimonials.

This focus serves to reinforce how our innovative products and services translate into real benefits for those we serve. A primary goal of the "What We Do Matters" campaign is to foster a strong connection between our employees' daily efforts and their impact on patients. By consistently emphasizing the significance of our work, we aim to motivate our teams to pursue innovation and excellence.

As we look ahead, the "What We Do Matters" campaign will continue to shape our identity and reinforce our dedication to improving lives through innovative healthcare solutions. It serves as a reminder that behind every product, research initiative, and business decision are individuals whose lives can be positively impacted by our efforts.

WATCH
THE STORIES

After surgery on both knees, Dr. Klaassen regained his freedom of movement and returned to living a healthy, active life.



Medacta International

Corporate Governance Report



Medacta's QuickStitch

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Medacta International

EFFICIENT EXECUTION

We take ownership and **accountability** in everything we do and **we deliver results** in the most efficient way!



#beMedacta CULTURE A KEY FOR SUSTAINABLE SUCCESS

Medacta is committed to build value and trust with all the stakeholders. Good corporate governance is an essential element of Medacta's values.

Medacta's corporate governance principles are set out in the Articles of Association[1], the Organizational Regulations[2], the Corporate Compliance System including Medacta's Code of Business Conduct and Ethics[3] and the MedTech Europe Industry Code of Conduct[4], the Charters of the Board Committees and internal policies on quality, IT, privacy as well as employee regulations. Further, we take into account the recommendations of the Swiss Code of Best Practice for Corporate Governance. The Group's corporate governance disclosures described in this report are in compliance with the Directive on Information relating to Corporate Governance[5] published by SIX Exchange Regulation.

1. Group structure and shareholders

1.1 Group structure

Organizational Group structure

Medacta Group SA ("Company"), Strada Regina 34, 6874 Castel San Pietro, Switzerland, the ultimate parent company of the Group, is a stock corporation under the laws of Switzerland and is listed on the SIX Swiss Exchange (valor number: 46852522, ISIN: CH0468525222, SIX ticker symbol: MOVE, LEI: 506700P2PFU3A3DROC14). The market capitalization of the Company as per December 31, 2025 was CHF 3.1 billion.

Our headquarters and production facilities are located in Castel San Pietro and Rancate, Switzerland, where we have 1'085 employees in the aggregate. The Group Executive Management is based at our headquarters in Castel San Pietro and Rancate, Switzerland and they are responsible for executing the decisions of the Board of Directors and implementing the strategy of the Group.

Medacta constitutes with only one segment which reflects the internal organizational and management structure used within the Group. The Chief Operating Decision Maker (CODM) for the segment is our Chief Executive Officer, Francesco Siccardi. Our CEO is supported by other members of our Group Executive Management. Upon the proposal of the Human Resources & Remuneration Committee, and in alignment with our vision for future growth, the Board of Directors decided on March 12, 2024, to expand our Group Executive Management team. Building on the existing GEM—composed of Francesco Siccardi (CEO), Corrado Farsetta (CFO), and Alessandro Siccardi (CSCO)—we welcomed Massimiliano Bernardoni (Chief Innovation Officer, CIO), Giovanni Niccolò Galli (Chief Commercial Officer, CCO), and Asif Hussain (Chief People Officer, CPO) to the team.

The Extended Group Management, which comprises our Global Marketing Director, Technical Director, Group Vice-President Spine and Group Vice-President Sportsmed and Group Senior Vice-President Joint are also based at our headquarters and under the supervision of the CEO, save for the Technical Director who reports directly to the Chief Supply Chain Officer. The Chief Commercial Officer is responsible for the regional Directors who oversee and manage our international branches. Our international branches are responsible for overseeing our salesforce, which consists of direct sales representatives and marketing employees, independent agents, and distributors.

Group Companies

No other company controlled by Medacta Group SA is listed on a stock exchange.

On December 31, 2025 Medacta Group SA directly or indirectly held 100% of the capital and voting rights in all unlisted consolidated Group companies disclosed in the Financial Report section of this Annual Report under Note 6.2 "Consolidation principles, composition of the Group and significant accounting policies" to the Financial Report.

1 Medacta's Articles of Association are available on Medacta's website at: https://aws-media.medacta.com/media/medacta-group-sa-aoa-statuti-new-2023-final-2023-04-27.pdf

2 Medacta's Organizational Regulations (including the charters of the Board Committees) are available on Medacta's website at: https://media.medacta.com/media/medacta-organizational-regulations-19-july-2021.pdf

3 Medacta's Group Code of Business Conduct and Ethics has been approved by the Board of Directors on 15th December 2021 and it is available at: https://www.medacta.com/EN/code-of-business-conduct

4 MedTech Europe Industry Code of Conduct is available at: code-september-2024.pdf

5 Directive on Information relating to Corporate Governance of SIX Exchange Regulation is available at: https://www.ser-ag.com/en/topics/corporate-reporting.html

Significant shareholders

To the best of our knowledge, the table below shows shareholders owning or representing more than 3% of the voting rights of Medacta as of December 31, 2025. The number of shares shown below and the holding percentages are based on the last disclosure of shareholding communicated by the shareholder to the Company and the Disclosure Office of SIX Swiss Exchange. The number of shares held by the relevant shareholder may have changed since the date of such shareholder's notification.

The individual reports that were published during the year ending December 31, 2025 as well as any reportable changes since the date thereof can also be found on the website of the Disclosure Office of the SIX Swiss Exchange, which also includes the individual reports of the significant shareholders: SIX Exchange Regulation.

Beneficial owner / persons that can exercise the voting rights at their own discretion	Domicile/ Registered Office	Country	Direct Shareholders	Number of shares	Percentage of shares and voting rights
Alberto Siccardi [1]	Sonvico - Lugano	Switzerland	-	13'889'928	69.45%
Maria Luisa Siccardi Tonolli [1]	Villa Luganese	Switzerland	-		
Francesco Siccardi [1]	Campione d'Italia	Italy	-		
Alessandro Siccardi [1]	Montagnola - Collina D'Oro	Switzerland	-		

[1] The Family shareholders (as defined in the "Shareholders' agreement" section here below) comprise a group acting in concert within the meaning of art. 120 et seq. FMIA and its implementing ordinances. See SIX shareholder notification dated February 19, 2025 in relation to the Shareholders' agreement. See also "Shareholders' agreement" (below). As a single person, Alberto Siccardi owns 10.2% of shares and voting rights, Francesco Siccardi owns 19.8% of shares and voting rights, Maria Luisa Siccardi Tonolli and Alessandro Siccardi own 19.7% of shares and voting rights each. Also, section 6 "Ownership of shares and options" of the Remuneration Report, reports the exact number of shares owned by members of the Board of Directors or GEM.

Shareholders' agreement

Alberto Siccardi, Maria Luisa Siccardi Tonolli, Francesco Siccardi and Alessandro Siccardi (collectively, the "Family shareholders") have entered into a shareholders' agreement regarding, inter alia, (i) the uniform exercise of voting rights in the shareholders' meeting of the Company, (ii) the right of representation on the Board of Directors of the Company, (iii) principles regarding dividends distributed by the Company, (iv) transfer restrictions applicable to Family shares (as defined in the Shareholders' Agreement) and (v) purchase options regarding the Family shares.

1.2 Cross-shareholdings

The Group does not have, and has not entered into, any cross-shareholdings with other companies relating to equity or voting rights.

2. Capital structure

2.1 Capital

The share capital of the Company as of December 31, 2025, as registered with the Commercial Register of the Canton Ticino, amounted to CHF 2'000'000 and is divided into 20'000'000 registered shares with a nominal value of CHF 0.10 each. The share capital is fully paid-up.

2.2 Conditional capital

Medacta Group SA has no category of shares other than registered shares.

Article 3A of the Articles of Association includes conditional share capital for equity-linked rights (employee benefit plans) and provides for the increase in the nominal share capital of the Company in the amount of CHF 50'000 through the issuance of up to 500'000 fully paid-up registered shares with a nominal value of CHF 0.10 each, which in total equates to 2.5 % of the existing share capital.

The conditional share capital can be issued with no limitation of time.

The terms and conditions for the allocation and exercise of the equity-linked rights to eligible officers and employees of the Group are to be determined by the Board of Directors. Pre-emptive rights and advance subscription rights of shareholders are excluded or restricted, respectively, if and to the extent the option rights are not allocated to existing shareholders. The shares may be issued at a price below the market price. The acquisition of registered shares based on article 3A and every subsequent transfer of these registered shares is subject to the transfer restrictions pursuant to article 5 of the Articles of Association.

2.3 Changes in capital

There have been no changes in the share capital in the past seven years. On December 31 of each year since 2019 the share capital was composed of 20'000'000 registered shares with a nominal value of CHF 0.10 each.

2.4 Shares and participation certificates

Medacta Group SA has no other categories of shares other than one category of registered shares entitled to one vote each. The share capital of the Company as of December 31, 2025 amounted to CHF 2'000'000 and is divided into 20'000'000 registered shares with a nominal value of CHF 0.10 each. The share capital is fully paid-up. The shares rank *pari passu* in all respects with each other, including, in respect of entitlements to dividends (if any), to a share in the liquidation proceeds in the case of a liquidation of the Company and to pre-emptive rights.

The Company issues its shares only as uncertificated securities, within the meaning of article 973c of the Swiss Code of Obligations and enters them into the main register of SIS and, consequently, constitutes them as intermediated securities within the meaning of the Swiss Federal Intermediated Securities Act (FISA). In accordance with article 973c CO, the Company maintains a register of uncertificated securities.

2.5 Dividend-right certificates

In 2025, Medacta Group SA did not issue any dividend-right certificates.

2.6 Limitations on transferability and nominee registrations

The Company keeps a Share Register of the registered shares in which the owners/usufructuaries are entered with their name (for legal entities the company name), domicile, address and citizenship (for legal entities the legal domicile). Any person registered in the Share Register changing their address must inform the Company accordingly.

According to article 5 para. 3 of the Articles of Association, persons not expressly providing the confirmations listed in article 5 para. 2 (i.e. acquisition of the shares in their own name and for their own account; no agreement to take back or return the shares concerned; bearing of the economic risk associated with the shares; to comply with the disclosure requirements stipulated by the Federal Act on Financial Market Infrastructure (FMIA) of 19 June 2015) in their application for entry in the Share Register or upon request by the Company ("Nominees") are entered in the Share Register with voting rights without further inquiry up to a maximum of 3.0% of the share capital outstanding at that

time. Above this limit, registered shares held by Nominees shall be entered in the Share Register with voting rights only if in its application for registration, or thereafter upon request by the Company, the Nominee discloses the names, addresses and shareholdings of the persons for whose account the Nominee is holding 0.5% or more of the share capital outstanding at that time and provided that the disclosure requirements stipulated by the Federal Act on Financial Market Infrastructure (FMIA) of June 19, 2015 are complied with. The Board of Directors has the right to conclude agreements with Nominees concerning their disclosure requirements.

According to article 5 para. 4 and para. 5 of the Articles of Association, and subject to article 652b para. 3 of the Swiss Code of Obligations, the described limit for registration also applies to the acquisition of registered shares, which are subscribed for or acquired by way of exercising any subscription, acquisition, option or convertible rights arising from shares or any other securities issued by the Company or third parties. For purposes of the aforementioned registration restrictions, legal entities or partnerships or other associations or joint ownership arrangements which are linked through capital ownership or voting rights, through common management or in a like manner, as well as individuals, legal entities or partnerships (especially syndicates) which act in concert with the intent to circumvent the entry restriction, are considered as one shareholder or Nominee.

The Company issues its registered shares only as uncertified securities (Wertrechte) and registers them as intermediated securities (in terms of FISA). Uncertified securities may only be transferred by way of assignment provided that they are not registered as intermediated securities. In order to be valid, the assignment must be reported to the Company, which may refuse the entry of the assignee in the Share Register in accordance with article 5 of the Articles of Association. The transfer restrictions according to article 5 are not affected by these regulations. For as long as the shares are in uncertificated form and registered as intermediated securities, any transfer and collateralization of shares has to be made in accordance with the FISA. The transfer of intermediated securities or the granting of security rights on intermediated securities by way of assignment is excluded.

The Company in special cases may on a discretionary basis decide to grant some exceptions to the above restrictions. In 2025, no such exemptions were granted.

The procedure and condition for the easement or abolition of the restrictions of the transferability of the registered shares in the Articles of Association require resolution of a shareholders' meeting passed by at least two thirds of the represented share votes and an absolute majority of the par value of represented shares is required to ease or abolish the restrictions on the transferability of registered shares (see article 13 of the Articles of Association).

The Company's Share Register is administered by SisWare AG, Militärstrasse 3, 6467 Schattdorf, Switzerland.

2.7 Convertible bonds and options

As of December 31, 2025, neither Medacta Group SA, nor any of its subsidiaries, had issued or outstanding any convertible bonds or options convertible into shares of the Company.

3. Board of Directors

The Board of Directors plays a central role in the strategic guidance of the Group as well as supervising the overall business activities and management.

Accordingly, Board candidates are carefully selected to ensure that they are qualified and committed members, characterized by diversity of backgrounds as well as experience and expertise relevant for the specific role they play on the Board of Directors. In addition, because the current Chairman formerly served as Chief Executive Officer of Medacta International SA until 2018, the Board of Directors also has a Lead Independent Director.

The description of the role of the Lead Independent Director is available into section 3.5 "Internal organizational structure" of this Corporate Governance Report.

3.1 Members of the Board of Directors

As of December 31, 2025, the Board of Directors consisted of five Members (including the Chairman and the Lead Independent Director), all of whom are Non-Executive Directors.

The table below outlines the name, year of birth, position, committee memberships and year of appointment of the Members of the Board.

Name	Year of birth	Position	Committee Membership	Year of Appointment
Alberto Siccardi [1]	1944	Chairman	None	2018
Maria Luisa Siccardi Tonolli [2]	1975	Member	ARC	2018
Victor Balli	1957	Member; Lead Independent Director	ARC (Chairman)	2019
Philippe Weber	1965	Independent Director	HR & RemCo (Chairman)	2019
Riccardo Braglia	1960	Independent Director	HR & RemCo	2020

HR & RemCo = Human resources & Remuneration Committee
ARC = Audit and Risk Committee
[1] Founder and Chairman of the Board of Directors of Medacta International since 1999.
[2] Member of the Board of Directors of Medacta International from 2003 until 2014.



Riccardo Braglia, Alberto Siccardi, Maria Luisa Siccardi Tonolli, Philippe Weber and Victor Balli (from left to right).



ALBERTO SICCARDI,

Swiss and Italian, Non-Executive, Chairman of the Board

Qualifications: Mr. Siccardi has a degree in Pharmacy from the University of Turin (1969) and a Master's degree in Business Administration (MBA) from SDA Bocconi School of Management in Milan (1979, with distinction).

Career Highlights: Mr. Siccardi served as CEO of Medacta International since founding Medacta in 1999 until November 2018 and as Chairman of the Company since March 2019. Prior to founding Medacta, the Siccardi's family owned Bieffe Medital SPA, an Italian company operating in the medical device industry. Mr. Siccardi successfully developed and expanded Bieffe Medital internationally, thanks to a new technology which improved the quality and the cost of sterile fluids and then subsequently sold the business developed by Bieffe in many countries to Baxter Group in 1997.

Other main activities: Mr. Siccardi further serves as Chairman of Surgical Practice Resource Group SA, Lugano since 2015 and as Chairman of the Medacta for Life Foundation, Castel San Pietro since 2011. Furthermore, he is Chairman of Verve SA, Castel San Pietro.

Key attributes for the Board: Mr. Siccardi represents continuity, solidity and credibility among the various stakeholders. As founder and major shareholder of Medacta, Mr. Siccardi chairs the Board of Directors with his expertise and in-depth knowledge of the orthopedic products.



MARIA LUISA SICCARDI TONOLLI,

Swiss and Italian, Non-Executive, Member of the Board

Qualifications: Mrs. Siccardi Tonolli holds a Master of Science (MSc) in Business Administration from Bocconi University, Milan (2000) and has completed various professional training courses.

Career Highlights: Mrs. Siccardi Tonolli joined Medacta International SA in 2002 and served as a Member of its Board of Directors from 2003 until 2014. In early 2018, Mrs. Siccardi Tonolli was elected as Member of the Board of Directors of Medacta Group SA to the Board of the Company upon its incorporation. Mrs. Siccardi Tonolli has served in various finance, controlling and treasury roles at the Group maintaining a constant balance between her work commitments and private life. She served as Head of Strategic and Corporate Finance from 2003 until 2014 and then as Vice-President Finance / Treasury Supervisor from 2011 until April 1, 2019. In this role she led the IPO process until the listing on the SIX Swiss exchange. Since the IPO, Mrs. Siccardi Tonolli has exclusively served as a Member of the Board of Directors with a key focus and passion on Group Corporate Sustainability. Mrs. Siccardi is founder and Vice President of Medacta for Life Foundation, centered around the realization of philanthropic initiatives and socially driven projects for the protection and assistance of children and young people. The initiatives of the Foundation can be grouped into three specific areas: development of new generation through My School Ticino (started in 2012), funding for medical missions and participation in social projects. Mrs. Siccardi Tonolli has been responsible for the Siccardi's Family Office for over 20 years, where she heads the wealth management and global real estate. She served as a Member of the Board of Verve SA since 2001, a real estate company domiciled in Switzerland.

Other main activities: Mrs. Siccardi Tonolli has served as the Head of the Siccardi Family Office since 2002. Mrs. Siccardi Tonolli also serves as a Member of the Board of Directors of Surgical Practice Resource Group SA, Lugano since 2015, as Sole Director of Machi Holding SA, Castel San Pietro since 2024, as Vice-President and Member of the Board of Directors of Medacta for Life Foundation, Castel San Pietro since 2011,as Member of the Board of Directors of Verve SA, Castel San Pietro since 2001, and Member of the Board of Directors of Alles Holding SA since 2024.

Key attributes for the Board: As a major shareholder of Medacta Group, Mrs. Siccardi Tonolli contributes with her experience in the field of ESG, finance, controlling, treasury and Real Estate.



VICTOR BALLI,

Swiss, Non-Executive, Member of the Board, Lead Independent Director

Qualifications: Mr. Balli holds a Master's degree in Economics from the University of St. Gallen (HSG) in St. Gallen (1984) and a Master of Science (MSc) in Chemical Engineering from the Swiss Federal Institute of Technology (ETH) in Zurich (1981). He has further completed various management courses at INSEAD, Fontainebleau France and INSEAD, Singapore.

Career Highlights: Mr. Balli was Chief Financial Officer of Barry Callebaut AG, Zurich, the largest global supplier of cocoa and chocolate products from 2007 to 2018. From 1996 to 2006, he was a director at Niantic Group, which represents the investment holding of Dr. Andreas Jacobs, and served in various executive and Board functions at subsidiaries of Niantic Group during that period. Mr. Balli served as Member of the Board of Directors and Chairman of the audit committee of Ceva Logistics AG, Baar from 2018 to 2019.

Other main activities: Member of the Board of Directors and Member of the compensation committee and Chairman of the audit committee of Givaudan SA, Vernier since 2016; Member of the Board of Directors and the Chairman of the audit committee of KWS Saat SE & Co. KGaA, Germany since 2017; since 2018 Member of the Board of Directors of the Swiss Federal Audit Oversight Authority in Bern (Revisionsaufsichtsbehörde, FAOA); since 2018, Member of the Board of Directors and Chairman of the audit committee of Louis Dreyfus Company International Holding B.V., Netherlands; since 2019, Member of the Board of Directors of Hemro AG, Bachenbülach; Member of the Board of Directors, of the audit and sustainability committees of SIKA AG, Baar since 2019.

Key attributes for the Board: In addition to his Board and executive experience in other companies, Mr. Balli has a strong track record in general management, finance and corporate finance.



PHILIPPE WEBER,

Swiss, Non-executive, Member of the Board, Independent Director

Qualifications: Mr. Weber holds a PhD in law (summa cum laude) from the University of Zurich (1995) and an LL.M. (with distinction) from the European University Institute (EUI) in Fiesole, Italy in 1995. He is an attorney-at-law admitted to the Swiss bar.

Career Highlights: Mr. Weber joined Niederer Kraft Frey AG (NKF) in 1994 and became a partner in 2002. In 2009 he became a member of the executive committee of NKF, which he chaired as managing partner from 2015 to March 2021. He continues to be a partner at NKF. From 1990 to 1992, he was a research assistant at the University of Zurich before joining the foreign affairs committees of the two chambers of the Swiss parliament as a legal clerk in 1992/1993.

Other main activities: Board of Directors member of Niederer Kraft Frey AG; Company Secretary of CLS Group Holdings AG, Lucerne (since 2002); Vice-chairman and Member of the Board of Directors of Leonteq AG and Leonteq Securities AG, Zurich (since 2020); Member of the Board of Directors of PolyPeptide Group AG, Zug (since 2021), NorthStar Holding AG, Roggwil (since 2018), Banca del Ceresio SA, Lugano (since 2017), EDAG Engineering Group AG, Arbon (since 2015), and Newron Suisse SA, Zurich (since 2007).

Key attributes for the Board: Mr. Weber has vast experience in corporate/ M&A, capital markets and banking law as well as corporate governance. He complements the Board with his extensive knowledge and experience with regards to legal and corporate matters as well as board member in various other listed and non-listed companies.



RICCARDO BRAGLIA,

Swiss, Non-executive, Member of the Board

Qualifications: Mr. Braglia holds a degree in Business Economics with specialization in Business Industrial Management from Bocconi University, Milan, Italy (1984).

Career Highlights: With a wealth of over 40 years of international experience in the pharmaceutical industry, Riccardo Braglia heads the family-run, privately-owned pharmaceutical company, the Helsinn Group, founded in 1976. Helsinn is a fully integrated, global biopharma company focused on addressing unmet needs in cancer and it has an innovative pipeline of cancer therapeutics, specializing in targeted therapies, and has a commercial portfolio of cancer therapeutic and supportive care products underpinning the business as it progresses its research and development of its fully integrated targeted therapies.

Other main activities: Helsinn Group's Executive Chairman holds various roles in other companies in the healthcare sector in Switzerland and abroad. He is Group Vice-Chairman, CEO and Board Member of 3B Future Holding SA, Chaiman of HAS Healthcare Advanced Synthesis Group and in its affiliate and Board Member of Fondazione Helmut Horten in Switzerland. He is Chairman, CEO and Managing Partner of 3B Future Health Ventures in Monaco (owned by 3B Future Holding SA) and Chairman and General Partner of 3B Future Health Fund I and II in Luxembourg. Moreover, Mr. Braglia is Member of the Board of the Conquer Cancer Foundation, USA, and Member of the CEO Roundtable on Cancer, USA. He is also Member of the Advisory Board of the SDA Bocconi School of Management, Italy.

Key attributes for the Board: Riccardo Braglia has a strong track record in the healthcare industry, general management, marketing, distribution and leadership gained from his successful career. In addition to his business endeavors, Riccardo Braglia is engaged in philanthropic initiatives, supporting cultural, social, artistic activities as well as international research against cancer. He is the Co-founder and Chairman of Fondazione Nuovo Fiore in Africa, Switzerland, a foundation which focuses on providing educational and training aid and promoting, encouraging and supporting basic education for children, reducing illiteracy and social injustice in Africa, and he is also Member of the Board of the Fondazione Gabriele and Anna Braglia, Switzerland, of modern art.

Allocation of tasks within the Board of Directors

Medacta aims to have a well-balanced Board of Directors with individuals who bring a variety of perspectives, backgrounds and skills. Accordingly, Board candidates have been carefully selected to ensure a collective set of important skills/traits. In addition, the Board of Directors carries out an annual self-assessment aimed at identifying strengths and areas of improvement.

The matrix below summarizes the updated set of skills/traits grouped into thirteen categories.

Board of Directors - Competence Matrix	Alberto Siccardi	Maria Luisa Siccardi Tonolli	Victor Balli	Philippe Weber	Riccardo Braglia
Executive experience	✔	✔	✔	✔	✔
Finance, audit, risk management	✔	✔	✔		
Compliance, regulatory, legal	✔		✔	✔	✔
Capital markets, M&A	✔	✔	✔	✔	✔
Core industry experience (medical device)	✔	✔			
Transferable expertise in related industries			✔		✔
Functional experience	✔	✔			✔
International business experience	✔	✔	✔		✔
Digitalization, Technology	✔	✔			✔
Strategy, business, transformation	✔	✔	✔	✔	✔
HR, Compensation	✔	✔		✔	✔
Board Governance	✔	✔	✔	✔	✔
Sustainability	✔	✔	✔	✔	✔

3.2 Other activities and vested interests

Except as disclosed in the biographies of the Members of the Board of Directors, and as outlined below, no further activities or interests are carried out outside of the Group.

The matrix below summarizes the mandates currently covered by the Board Members:

Member of the Board	Enterprise	No profit organization/ No commercial entities	Location	Function
Alberto Siccardi	Surgical Practice Resource Group SA		CH	Chairman
		Medacta For Life Foundation	CH	Chairman
	Verve SA		CH	Chairman
Maria Luisa Siccardi Tonolli	Surgical Practice Resource Group SA		CH	Board Member
	Verve SA		CH	Board Member
		Medacta For Life Foundation	CH	Vice-President and Board Member
	Machi Holding SA		CH	Sole Director
	ALLES Holding SA		CH	Board Member
Victor Balli	Givaudan SA		CH	Board Member
	KWS Saat SE & Co. KGaA		DE	Board Member
		Swiss Federal Audit Oversight Authority in Bern	CH	Board Member
	Louis Dreyfus Company International Holdings B.V.		NL	Board Member
	Hemro AG		CH	Board Member
	SIKA AG		CH	Board Member

Philippe Weber	Niederer Kraft Frey AG		CH	Board Member
	CLS Group Holdings AG		CH	Company Secretary
	EDAG Engineering Group AG		CH	Board Member
	PolyPeptide Group AG		CH	Board Member
	Newron Suisse SA		CH	Board Member
	NorthStar Holding AG		CH	Board Member
	Leonteq AG		CH	Vice-Chairman and Board Member
	Leonteq Securities AG		CH	Vice-Chairman and Board Member
	Banca del Ceresio SA		CH	Board Member
Riccardo Braglia	3B Future Holding SA Group (previously Helsinn Holding & Affiliates)		CH	Vice-Chairman and Board Member
	HAS Healthcare Advanced Synthesis SA & Affiliates		CH	Chairman
	Helsinn Healthcare SA & Affiliates		CH	Executive Chairman
	WS Fashion Group		CH	Board Member
	3G Future SAM		MC	Board Member
	3B Future Health Fund II S.C.A.-Raif SICAV		LU	Board Member
		Fondazione Helmut Horten	CH	Board Member
		Conquer Cancer The ASCO Foundation	USA	Board Member
		Fondazione Gabriele e Anna Braglia	CH	Board Member
		Fondazione Nuovo Fiore in Africa	CH	Board Member
		Fondazione per la ricerca sul cancro nel Ticino	CH	Board Member

3.3 Permitted additional activities pursuant to the Articles of Association

As required by the Swiss Code of Obligations art. 732 et seqq (entered into force on January 1, 2023), and in the interest of good governance, the Articles of Association limit the number of functions in superior management or administrative bodies of legal units other than the Company or its subsidiaries which Members of the Board are allowed to hold at one time.

According to article 23 of the Articles of Association, the Members of the Board of Directors may carry out the following activities in comparable positions in other undertakings with commercial objects (including their group) which are not controlled by the Company, do not control the Company or do not constitute pension funds insuring employees of the Group:

- up to 5 (respectively, the Chairman of the Board of Directors up to 4) mandates as Member of the Board of Directors or any other superior management or administrative body of publicly traded companies pursuant to article 727 para. 1 number 1 CO;
- up to 10 mandates as Member of the Board of Directors or any other superior management or administrative body of companies pursuant to article 727 para. 1 number 2 CO;
- up to 20 mandates as Member of the Board of Directors or any other superior management or administrative body of legal entities that do not meet the above-mentioned criteria;
- up to 20 mandates in associations, charity foundations and employee assistance foundations.

With respect to the additional activities of the Members of the Board of Directors, mandates in companies that are under uniform control or the same beneficial ownership are deemed one mandate.

All Members of the Board of Directors are within the limits of external mandates stipulated by the Articles of Association.

3.4 Elections and terms of office

In accordance with the Swiss Law, all Members of the Board of Directors, including the Chairman, are elected individually and may only be removed by a shareholders' resolution. The term of office for a Member of the Board of Directors is one year, subject to the possibility of re-election. In this context, a year means the time period between one annual shareholders' meeting and the next one or, if a Member is elected at an extraordinary shareholders' meeting, between such extraordinary shareholders' meeting and the next annual shareholders' meeting. The Board of Directors shall consist of a minimum of three members.

The Board of Directors appoints the Secretary who does not need to be a shareholder or Member of the Board of Directors.

If the office of the Chairman of the Board of Directors is vacant, the Board of Directors appoints a substitute for the time period until the conclusion of the next annual shareholders' meeting that must be a Member of the Board of Directors.

At the annual shareholders' meeting 2026, all Members of the Board of Directors will stand for re-election and no new Board Members will be proposed.

For information on the elections and terms of office of the Members of the Human Resources & Remuneration Committee and the Independent Proxy, see section 3.5 "Internal organizational structure" and section 10 "Independent Proxy", respectively.

3.5 Internal organizational structure

Allocation of tasks within the Board of Directors

The internal organizational structure of the Board of Directors is set forth in the Organizational Regulations of Medacta Group SA, that determines the executive bodies of the Company and the Group, defines their responsibilities and competences regarding the management of the Company and of the Group, and regulates the functioning and cooperation of the various bodies in the Group management. The current Chairman of the Board is Alberto Siccardi and the current Lead Independent Director is Victor Balli (see more detailed description below).

To operate effectively and allow in-depth focus in specific areas, the Board of Directors has two standing Board Committees (each, a "Committee"): an Audit and Risk Committee and a Human Resources & Remuneration Committee, described in greater detail below.

The Committees have no decision-making authority of their own and the Board remains ultimately responsible for the tasks delegated to the Committees by law, the Articles of Association, the Organizational Regulations or other internal regulations.

In addition, the Board of Directors has delegated the day-to-day and operational activities of the Company and the Group as a whole to the Group Executive Management under the leadership of the CEO, subject to the duties and powers reserved to the Board by Swiss law, the Articles of Association and the Organizational Regulations. The Group Executive Management is directly supervised by the Board of Directors and its Committees.

At least annually, the Board reviews its own performance, as well as the performance of each of the Committees and the Group Executive Management. Such assessment seeks to determine whether the Board, the Committees and the Group Executive Management function effectively and efficiently. This annual review will be finalized during the approval of the Consolidated Financial Statements 2025 in March 2026.

Tasks of the Lead Independent Director

The Board of Directors has also elected a Lead Independent Director that, among other things, chairs meetings of the Board or the annual/extraordinary shareholders' meeting if the Chairman is required to abstain from the deliberation and decision-taking in case the following items are on the agenda: (i) assessment of the work of the Chairman; (ii) decision of the Board on the request to the annual/extraordinary shareholders' meeting for the re-election or not of the Chairman; (iii) decision about the compensation of the Chairman; and (iv) any other matters in which the Chairman has a conflict of interest. The Lead Independent Director is entitled to call a meeting of the Board whenever he deems fit. If the Chairman is indisposed, the Lead Independent Director shall take the chair at the meetings of the Board and the General Meeting.

Victor Balli is currently serving as the Company's Lead Independent Director.

Working methods of the Board of Directors

Meetings of the Board are held as often as the business requires, but as a general rule at least four times per year and are convened by the Chairman if and when the need arises or whenever a Board Member or the CEO, indicating the reasons, so requests in writing. If the Chairman does not comply with such request within 14 days, the Lead Independent Director may be entitled to call the meeting.

Notice of meetings is given at least five business days prior to the meeting and it sets forth the time, place and agenda of the meeting so that Board Members may have a reasonable understanding of the business intended to be conducted at the meeting. Board Members are provided with all necessary supporting materials at least five business days prior to the meeting.

The Chairman, or in his absence the Lead Independent Director, or in the absence of both, a Board Member designated by the attending Board Members, chairs the meeting.

Each Board Member must disclose to the Chairman and the CEO, respectively, regarding any conflict of interest arising or relating to any matter to be discussed at the meeting of the Board as soon as the Board Member becomes aware of its potential existence. The Chairman (or, if applicable, the Lead Independent Director) and the CEO, respectively, may decide upon appropriate measures to avoid any interference of such conflict of interests with the decision-making of the Company.

In principle (and as set forth by the Organizational Regulations), the CEO and the other Members of the Group Executive Management attend the meetings of the Board as guests without the right to vote. Other members of the management of the Group are expected to participate at meetings of the Board if specific issues falling within the responsibility of that management member are on the agenda. The Chairman decides if and which persons outside the Board are entitled to attend meetings of the Board.

In order to pass resolutions, not less than a majority of the Board Members must be participating in the meeting (whether in person, by phone or videoconference). The Board may pass its resolutions with the majority of the votes cast (simple majority). Abstentions count as votes uncast. In case of a tie of votes, the Chairman has the casting vote.

The minutes are signed by the Chairman (or by other Board Member that chaired the meeting) and the Secretary. Board resolutions may also be passed by means of circular resolutions, by letter, facsimile or pdf-document (e-mail) provided that no Board Member requests within five days of receipt of the proposed resolution either by phone, facsimile or e-mail the deliberation to take place in a meeting. Board resolutions by means of circular resolutions require the affirmative vote of the majority of the Board Members.

The Secretary prepares the agenda for each Board meeting, keeps the Board minutes, and assists the Board, the Chairman and the Lead Independent Director to coordinate and fulfil their duties and assignments. The Secretary is responsible for keeping the Company's official corporate documents and records.

For more details about informational duties of the Committees, see sub-headings "Audit and Risk Committee" and "Human Resources & Remuneration Committee".

Board of Directors meetings 2025

In 2025, the Board of Directors met seven times, both in video conference and in presence, for an average duration of two hours. The CEO along with other members of the Group Executive Management attended each of the seven Board meetings in 2025.

The following table outlines the dates and the attendees of each meeting of the Board of Directors.

Date	Attendees	Other Attendees
03.02.2025	Maria Luisa Siccardi Tonolli (Board Member)	Francesco Siccardi (CEO)
	Victor Balli (Board Member)	Alessandro Siccardi (CSCO)
	Riccardo Braglia (Board Member)	Corrado Farsetta (CFO)
	Philippe Weber (Board Member)	Luigi Tonolli (Strategic Financial Advisor)
	Edoardo Buzzi (Secretary)	Anja Pomrehn (Group VP Sustainability and Investor & Media Relations)
24.03.2025	Board of Directors (All)	Francesco Siccardi (CEO)
	Edoardo Buzzi (Secretary)	Alessandro Siccardi (CSCO)
		Corrado Farsetta (CFO)
		Asif Hussain (CPO)
		Niccolò Galli (CCO)
		Massimiliano Bernardoni (CIO)
		Luigi Tonolli (Strategic Financial Advisor)
		Anja Pomrehn (Group VP Sustainability and Investor & Media Relations)
22.05.2025	Board of Directors (All)	Francesco Siccardi (CEO)
	Edoardo Buzzi (Secretary)	Alessandro Siccardi (CSCO)
		Corrado Farsetta (CFO)
		Asif Hussain (CPO)
		Niccolò Galli (CCO)
		Massimiliano Bernardoni (CIO)
		Luigi Tonolli (Strategic Financial Advisor)
		Anja Pomrehn (Group VP Sustainability and Investor & Media Relations)
30.07.2025	Alberto Siccardi (Chairman)	Francesco Siccardi (CEO)
	Maria Luisa Siccardi Tonolli (Board Member)	Alessandro Siccardi (CSCO)
	Riccardo Braglia (Board Member)	Corrado Farsetta (CFO)
	Philippe Weber (Board Member)	Asif Hussain (CPO)
	Edoardo Buzzi (Secretary)	Niccolò Galli (CCO)
		Luigi Tonolli (Strategic Financial Advisor)
		Anja Pomrehn (Group VP Sustainability and Investor & Media Relations)
05.09.2025	Board of Directors (All)	Francesco Siccardi (CEO)
	Edoardo Buzzi (Secretary)	Alessandro Siccardi (CSCO)
		Corrado Farsetta (CFO)
		Niccolò Galli (CCO)
		Asif Hussain (CPO)
		Massimiliano Bernardoni (CIO)
		Anja Pomrehn (Group VP Sustainability and Investor & Media Relations)
		Luigi Tonolli (Strategic Financial Advisor)
19.12.2025	Board of Directors (All)	Francesco Siccardi (CEO)
	Edoardo Buzzi (Secretary)	Alessandro Siccardi (CSCO)
		Corrado Farsetta (CFO)
		Niccolò Galli (CCO)
		Asif Hussain (CPO)
		Massimiliano Bernardoni (CIO)
		Luigi Tonolli (Strategic Financial Advisor)
		Anja Pomrehn (Group VP Sustainability and Investor & Media Relations)

The key topics of the Board of Directors in 2025 included, among other things:

- 2024 full-year unaudited top-line figures;
- 2025 top-line and unaudited figures and full year outlook;
- performance review 2024 and outlook 2025;
- approval of Management Report, Statutory Financial Statements and Consolidated Financial Statements and report on non-financial matters (Sustainability Report) for the financial year 2024 and proposal to AGM for approval;
- approval of the Remuneration Report 2024 and proposal to AGM for consultative vote;
- approval of proposal to AGM for appropriation of available retained earnings as of December 31, 2024, and proposal to AGM of distribution of ordinary dividend and of capital contribution reserves:
    - proposal of appropriation of available retained earnings and dividend distribution;
    - proposal of appropriation and distribution of reserves from capital contribution;
    - approval of Ex-date, Record date and Value (payment) date for distributions of dividend and capital reserves;
- approval of proposal to AGM for discharge to the Board of Directors and discharge to the Group Executive Management;
- approval of proposal to AGM for re-election of the members of the Board of Directors and of the President of the Board;
- approval of proposal to AGM for re-election of the members of the HR & Remuneration Committee;
- approval of proposal to AGM for re-election of the Independent Proxy Holder;
- approval of proposal to AGM for re-election of the Auditors;
- approval of proposal to AGM for remunerations to the members of the Board of Directors:
    - approval of proposal to AGM for the maximum aggregate amount of remuneration for the members of the Board of Directors for the period AGM May 2025 to AGM 2026;
    - approval of proposal to AGM for the remuneration of consulting services provided by the members of the Board of Directors for the period AGM May 2025 to AGM 2026.
- approval of proposal to AGM for the maximum aggregate amounts of remunerations to the members of the Group Executive Management:
    - approval of proposal to AGM for the maximum overall fixed compensation of the Executive Management that may be paid in 2026;
    - approval of proposal to AGM for the maximum overall variable short-term compensation for the Executive Management for the most recently concluded financial year (i.e. 2024);
    - approval of proposal to AGM for the maximum overall variable long-term compensation of the Executive Management that may be allocated in 2026;
- approval of Annual General Meeting procedures, invitation and organization;
- discussion and approval of the Group 3-years business plan (2025-2027);
- discussion on Parcus acquisition, and integration;
- performance targets approval and confirmation of eligible persons of the Group LTIP;
- adjustments to award cycle 2022-2025 and pre-approval vesting and settlement details for participants;
- approval of changes in GEM members remunerations;
- performance targets approval of the 2025 Group Executive Management short-term incentives;
- discussion and review of Board of Directors self-assessment and governance;
- updates on litigations;
- discussion about potential US tariffs, sensitivity and mitigating actions;
- discussion on possible changes to Financial Calendar 2026;
- proposal for Financial Calendar 2027;
- approval of press releases and investors presentations;
- approval of Half-Year Report;
- updates on Parcus status integration;
- discussion and approval of budget 2026;
- updates from ARC and HR&RemCo Committees;
- 2025 performance review quarterly results and full year forecast 3+9, 6+6 and 9+3;
- discussions on organization and presentation of Annual General Meeting;
- updates on business projects;
- discussion on contribution margin by country and product line;
- 3-year business plan 2026-2028 – Top-Down view and key financials;
- updates on expansion opportunity.

Committees and working methods of the Committees

Subject to the provisions of the Articles of Association, the Committees generally comprise at least two Members of the Board of Directors. Each Committee has its own charter governing its duties and responsibilities.

The Committees have no decision-making authority of their own and the Board remains ultimately responsible for the tasks delegated to the Committees by law, the Articles of Association, the Organizational Regulations or other internal regulations.

The Committees keep the Chairman informed at least at the occasion of each Board meeting about all important strategic issues, transactions as well as any business situations and/or developments within their scope of responsibilities and duties. The Chairman monitors such informational duty of the Committees. The Chairman reports to the Board on information received from the Committees. In addition, the Chairman immediately informs the other Board Members of any extraordinary situation regarding the Company or the Group of which the Chairman may become aware. The Chairman of each Committee provides the full Board of Directors at their meeting with an overview of key topics discussed at the most recent Committee meeting. In addition, the signed minutes from each Committee meeting are circulated to the full Board once available for their review.

Audit and Risk Committee

The Audit and Risk Committee assists the Board of Directors in fulfilling its responsibilities defined by applicable law, the Articles of Association, the Organizational Regulations and the Audit and Risk Committee Charter with respect to matters involving the financial and risk management aspects of governance of the Company and the Group.

The Audit and Risk Committee consists of at least two Members of the Board of Directors. The Members of the Audit and Risk Committee are appointed by the Board of Directors. At least one member, including the Chairman, of the Audit and Risk Committee is independent. Members of the Audit and Risk Committee must have the necessary qualifications and skills and possess financial literacy and keep themselves up to date regarding risk management best practices.

The Members of the Audit and Risk Committee are Victor Balli (Chairman) and Maria Luisa Siccardi Tonolli.

The Audit and Risk Committee meets at such frequency as it deems necessary to fulfil its duties, normally ahead of ordinary Board of Directors meetings and at least four times per year. Additional meetings may be held and may be convened at the request of either the Board of Directors or any Audit and Risk Committee member, or upon request of the Compliance Officer. For more details about the role of the Compliance Officer, see sub-heading 3.8 "Compliance and quality assurance" of this report.

The Board Secretary (or the Deputy Secretary of the Board) prepares the agenda for each meeting, keeps the minutes and assists the Audit and Risk Committee and the Chairman to coordinate and fulfil their duties and assignments.

The minutes are signed by the Chairman of the Audit and Risk Committee and the Secretary and are made available to the full Board thereafter. The resolutions may also be passed by means of circular resolutions, by letter, facsimile or pdf-document (e-mail) provided that no Member requests within five days of receipt of the proposed resolution either by phone, facsimile or e-mail the deliberation to take place in a meeting. Resolutions by means of circular resolutions require the affirmative vote of the majority of the members.

In particular, the Audit and Risk Committee has the following duties:

- assessing the adequacy and effectiveness of the Group's internal and prudential systems and controls in respect of both financial and non-financial risks, including the risk of fraud, the Company's and the Group's compliance with legal obligations, workplace health and safety, environmental, insurance and other regulatory requirements and relevant compliance matters, as well as with policies issued by the Company, including through discussions with and reviewing reports from the external auditor, internal officers (including, in particular, the Compliance Officer) and management and through the consideration of and adaptation to major legislative and regulatory developments with significant impact on the Group, local management's procedures to comply with local laws, and the Company's and the Group's system to handle external and internal complaints;
- evaluating the external auditors, regarding the fulfilment of the necessary qualifications and independence according to the applicable legal provisions, and making proposals to the Board concerning the choice of the external auditors;
- assessing the work performed by the external auditors and approving the budget for auditing fees;
- reviewing the external audit reports with the external auditors, and issuing the necessary applications and recommendations to the Board;
- pre-approving any necessary non-audit specific services provided by the external auditors;
- examining, reviewing and approving the Company's accounting policies and changes thereto, as well as monitoring compliance with such accounting policies;
- reviewing the interim financial statements and annual audited financial statements (including material items not shown on the annual balance sheet) of the Company and the Group with the external auditor and the relevant

Members of the Group Executive Management as well as issuing the necessary applications and recommendations to the Board prior to the publication of the financial statements; thereby the Audit and Risk Committee shall review (including the review from the external auditors): (A) the Company's selection or application of accounting principles and the adequacy and effectiveness of internal control over financial reporting, (B) significant financial reporting issues and judgments applied by management, (C) effects of significant regulatory and accounting initiatives, and (D) the completeness and clarity of the disclosures in the financial statements;
- reviewing and approving all related party transactions required to be disclosed;
- reviewing and discussing earnings press releases, as well as financial information and earnings guidance provided to analysts, the investment community and rating agencies;
- reviewing and discussing with management and the external auditor any deficiencies in internal control, including internal control over financial reporting, as well as management's respective remediation measures and their implementation;
- approving the Company's Group treasury policy, and reviewing the Company's funding strategy and position, as well as the Company's liquidity risk management, foreign exchange risk management, interest risk management and counterparty credit risk management processes;
- reviewing the Company's tax planning and tax compliance processes, including the design and implementation of transfer pricing guidelines;
- reviewing the status of material legal proceedings that the Company is party to, including measures taken by management to protect the interests of the Company;
- reviewing the Company's insurance programs;
- reviewing the Company's enterprise risk management system, management's assessment of the Company's major risks, as well as evaluating the respective measures taken by the Group;
- reviewing of the Group's short-term incentive and long-term incentive targets, calculations and adjustments; and
- generally assessing the yearly business expenses of the Members of the Group Executive Management.

The Audit and Risk Committee met four times, in presence meetings, for an average duration of two hours and a half in 2025. The key topics included, among other things:

- discussion on disclosure of year-end results 2024;
- performance review 2024, including review and proposal for approval of investors' presentation and press release;
- discussion on year-end forecast 2025;
- discussion on 2026 budget;
- approval of investors' presentation and press release;
- discussion and approval of currency risk coverage proposals;
- review and approval of the 2024 Consolidated Financial Statements, Statutory Financial Statements and related Annual Management Report;
- update on 1Q key financials and short forecast update;
- update on short financial and liquidity update 1H and full year outlook;
- discussion on the report of the external auditor including management letter for year 2024;
- review of the appropriation of earnings for 2024 and distribution of dividend and of capital contribution reserves;
- proposal to the Board for the approval of the annual accounts and appropriation of earnings;
- update on material legal proceedings;
- discussion on progress related compliance and reporting with ESG requirements 2024 and 2025 as well as company climate policy;
- review of the performance of external auditors and proposal for appointment for AGM;
- update on Internal Control Framework Matrix (e.g. AI);
- update risk management: cybersecurity update;
- situation and progresses regarding segregation and monitoring of ERP software developers;
- update on company current activities on Artificial Intelligence and discussion on the input from the Board;
- update by auditors on 1H results and on audit plan for financial statements 2025;
- update on the FX model;
- updates on Risk Assessment framework;
- Overview on technological developments in core business with focus on Capex and NWC;
- update on Finance, ESG, and IT projects;
- Approval of the updated Double Materiality Matrix;
- outlook Sustainability Report 2025;
- discussion on progress related to compliance and reporting with ESG requirements 2024 and 2025 as well as the company climate policy;
- update on audit plan and results 2025;
- proposal of extending the name of the HR RemCo to Nomination, HR & RemCo.

The following table outlines the dates and the attendees of each meeting:

Date	Attendees	Other Attendees
24.03.2025	Audit and Risk Committee (All) Edoardo Buzzi (Secretary)	Alberto Siccardi (President of the Board) Philippe Weber (Member of the Board) Riccardo Braglia (Member of the Board) Francesco Siccardi (CEO) Alessandro Siccardi (CSCO) Corrado Farsetta (CFO) Luigi Tonolli (Strategic Financial Advisor) Anja Pomrehn (Group VP Sustainability and Investor & Media Relations) Antonio Di Brino (VP Finance& Tax) Gregory Bussone (Quality Assurance Director) Deloitte SA - Fabien Lussu; Michele Castiglioni, Alessandro Miolo, Massimo Guanetti
22.05.2025	Audit and Risk Committee (All) Edoardo Buzzi (Secretary)	Alberto Siccardi (President of the Board) Riccardo Braglia (Member of the Board) Philippe Weber (Member of the Board) Francesco Siccardi (CEO) Alessandro Siccardi (CSCO) Corrado Farsetta (CFO) Luigi Tonolli (Strategic Financial Advisor) Gregory Bussone (Quality Assurance Director) Anja Pomrehn (Group VP Sustainability and Investor & Media Relations)
04.09.2025	Audit and Risk Committee (All) Edoardo Buzzi (Secretary)	Alberto Siccardi (President of the Board) Francesco Siccardi (CEO) Alessandro Siccardi (CSCO) Corrado Farsetta (CFO) Luigi Tonolli (Strategic Financial Advisor) Filippo Cappelli (Head of IT) Antonio Di Brino (Deputy CFO) Anja Pomrehn (Group VP Sustainability and Investor & Media Relations) Deloitte SA - Alessandro Miolo; Dominik Vögtli; Massimo Guanetti
19.12.2025	Audit and Risk Committee (All) Edoardo Buzzi (Secretary)	Alberto Siccardi (President of the Board) Riccardo Braglia (Member of the Board) Philippe Weber (Member of the Board) Francesco Siccardi (CEO) Alessandro Siccardi (CSCO) Corrado Farsetta (CFO) Luigi Tonolli (Strategic Financial Advisor) Antonio Di Brino (Deputy CFO) Anja Pomrehn (Group VP Sustainability and Investor & Media Relations) Deloitte SA - Alessandro Miolo; Massimo Guanetti

Human Resources & Remuneration Committee

The function of the Human Resources & Remuneration Committee is to support the Board of Directors in remuneration matters by exercising the duties assigned to it under the Articles of Association, the Organization Regulations and the Remuneration Committee Charter with respect to matters involving the compensation aspects of the Company and the Group.

The Human Resources & Remuneration Committee consists of at least two Members of the Board of Directors who are elected individually by the shareholders' meeting. The Chairman of the Human Resources & Remuneration Committee is independent and is appointed by the Board of Directors. The term of office of the Members of the Human Resources & Remuneration Committee is one year. In this context, a year means the time period between one annual shareholders' meeting and the next one or, if a Member is elected at an extraordinary shareholders' meeting, between such extraordinary shareholders' meeting and the next annual shareholders' meeting. Re-election is possible. If the Human Resources & Remuneration Committee is not complete the Board of Directors shall appoint a substitute from among the other Members of the Board of Directors for the period until the conclusion of the next annual shareholders' meeting.

The Human Resources & Remuneration Committee is composed by the independent directors Philippe Weber (Chairman) and by Riccardo Braglia.

The Human Resources & Remuneration Committee meets at such frequency as it deems necessary to fulfil its duties, normally ahead of ordinary Board meetings and at least four times per year. Additional meetings may be held and may be convened at the request of either the Board of Directors or any Remuneration Committee Member.

The Board Secretary (or the Deputy Secretary of the Board) prepares the agenda for each meeting, keeps the minutes, and assists the Remuneration Committee and the Chairman to coordinate and fulfil their duties and assignments.

The minutes are signed by the Chairman of the Human Resources & Remuneration Committee and the Secretary and are made available to the full Board thereafter. The resolutions may also be passed by means of circular resolutions, by letter, facsimile or pdf-document (e-mail) provided that no Member requests within five days of receipt of the proposed resolution either by phone, facsimile or e-mail the deliberation to take place in a meeting. Resolutions by means of circular resolutions require the affirmative vote of the majority of the members.

In particular, the Human Resources & Remuneration Committee has the following duties:

- making proposals to the full Board of Directors regarding the compensation scheme of the Group pursuant to the principles set forth in articles 25 and 26 of the Articles of Association;
- making proposals to the full Board of Directors regarding the determination of compensation-related targets for the Group Executive Management;
- making proposals to the full Board of Directors regarding the approval of the individual compensation of the Chairman of the Board of Directors, the other Members of the Board of Directors as well as the maximum aggregate compensation of the CEO;
- making proposals to the full Board of Directors regarding the individual compensation (fixed and variable compensation) of the other Members of the Group Executive Management as well as their further terms of employment and titles;
- making proposals to the full Board of Directors regarding amendments to the Articles of Association with respect to the compensation scheme for Members of the Group Executive Management;
- making proposals to the full Board of Directors regarding mandates pursuant to article 23 of the Articles of Association and further additional occupation of the Members of the Group Executive Management; and undertaking further duties and responsibilities as provided for in the Articles of Association, the Organization Regulations or law.

The Human Resources & Remuneration Committee met four times in presence meetings, for an average duration of one hour and a half in 2025.

The key topics included, among other things:

- discussion on feedback from proxy advisors;
- benchmark study on CEO's salary;
- presentation Group Executive Management members Compensation Plan (2026-2030);
- approval of the 2024 Remuneration Report and proposal to the Board for approval;
- approval of proposal to the Board of Directors for remunerations to the members of the Board of Directors:

  - proposal for the maximum aggregate amount of remuneration for the members of the Board of Directors for the period AGM May 2025 to AGM May 2026 including remuneration in shares;
  - proposal for the remuneration for consulting services provided by the members of the Board of Directors for the period AGM May 2025 to AGM May 2026.

- approval of proposal to the Board of Directors for the maximum aggregate amounts of remunerations to the members of the Group Executive Management:

  - proposal for the maximum overall fixed remuneration of the members of the Executive Management for the financial year 2026;
  - proposal for the maximum overall variable short-term remuneration of the Executive Management for the financial year 2026;
  - proposal for the maximum overall variable long-term remuneration of the Executive Management for the financial year 2026.

- review preliminary 2022 award cycle vesting (May 2025), timetable and settlement details for participants;
- 2025 LTI award cycle target setting proposal and 2025 LTI award cycle participants and final award proposals;
- proposed participants of 2026 LTI award cycle;
- HQ EVP progress & status update;
- performance targets approval of the 2025 Group Executive Management short-term incentives and proposal to the Board for approval;
- update on Key Leadership Succession Planning;
- update on organizational chart (CEO "Reporting Structure");
- HR employee metrics (including HC turnover and details on functions, seniority, etc);
- discussion on Employer Value Proposition initiatives;
- update on learning & development activities;
- discussion on the general HQ compensation data&metrics;
- HQ salary structure evolution&plan;
- discussion on the draft of the 2025 Remuneration Report;
- discussion on HQ #beMedacta Employee Survey;
- presentation of Country Employee Survey Action Plan and next steps;
- update on Organizational Values 2.0;
- cultural roadmap BeMedacta 2.0;
- process of integrating new employees ("#beMedacta and Company Culture Protection").

The Human Resources & Remuneration Committee provides the Board of Directors with:

- a yearly report on the activities of the Human Resources & Remuneration Committee;
- a report on individual remuneration amounts paid, including a breakdown of remuneration elements;
- a review of the remuneration process on an annual basis; and
- any other extraordinary remuneration related matters as deemed appropriate.

The following table reports the dates and the attendees of each meeting:

Date	Attendees	Other Attendees
24.03.2025	HR&Remuneration Committee (All)	Alberto Siccardi (President of the Board)
	Edoardo Buzzi (Secretary)	Maria Luisa Siccardi Tonolli (Member of the Board)
		Victor Balli (Member of the Board)
		Francesco Siccardi (CEO)
		Alessandro Siccardi (CSCO)
		Asif Hussain (CPO)
		Luigi Tonolli (Strategic Financial Advisor)
		Antonio Di Brino (VP of Finance and Tax)
22.05.2025	HR&Remuneration Committee (All)	Alberto Siccardi (President of the Board)
	Edoardo Buzzi (Secretary)	Maria Luisa Siccardi Tonolli (Member of the Board)
		Francesco Siccardi (CEO)
		Alessandro Siccardi (CSCO)
		Asif Hussain (CPO)
		Luigi Tonolli (Strategic Financial Advisor)
04.09.2025	HR&Remuneration Committee (All)	Alberto Siccardi (President of the Board)
	Edoardo Buzzi (Secretary)	Maria Luisa Siccardi Tonolli (Member of the Board)
		Francesco Siccardi (CEO)
		Alessandro Siccardi (CSCO)
		Asif Hussain (CPO)
		Luigi Tonolli (Strategic Financial Advisor)
19.12.2025	HR&Remuneration Committee (All)	Alberto Siccardi (President of The Board)
	Edoardo Buzzi (Secretary)	Maria Luisa Siccardi Tonolli (Member of the Board)
		Francesco Siccardi (CEO)
		Alessandro Siccardi (CSCO)
		Asif Hussain (CPO)
		Luigi Tonolli (Strategic Financial Advisor)

3.6 Areas of responsibility

The Board constitutes the highest executive body of Medacta with the ultimate strategic direction of the Company as well as the oversight of management. This includes determining the strategy of the Group as well as the appointment and dismissal of the Members of the Group Executive Management. Its responsibilities, duties and competencies and the procedural principles by which it is governed are specified by law, the Articles of Association and Organizational Regulations.

The Board may take decisions on all matters that are not expressly reserved to the shareholders' meeting or to another corporate body by law, by the Articles of Association or the Organizational Regulations.

Save to the extent expressly stated otherwise in the Organizational Regulations, the Articles of Association or mandatory law, the responsibility and authority necessary or appropriate to carry out the day-to-day and operational activities of the Company and the Group as a whole is delegated to the Group Executive Management under the leadership of the CEO.

Subject to mandatory law and the Articles of Association, the Board may delegate further responsibilities to the Audit and Risk Committee and the Human Resources & Remuneration Committee, single Board Members or the Group Executive Management from time to time.

The Board has the following non-transferable and inalienable rights and duties as set forth by law:

- overall management and issuing of related directives;
- determine the organization, in particular, to adopt, regularly revisit and amend the Organizational Regulations;
- organization of the accounting, financial control and financial planning systems as required for the overall management;
- appoint and dismiss the Members of the Group Executive Management and to grant all forms of signing authorities;
- overall supervision of the persons entrusted with management, in particular with regard to compliance with law, with the Articles of Association, with the Organizational Regulations and further directives;
- review and approve the Annual Report and the proposed dividend;
- preparation for the general meetings and implementation of related shareholder resolutions;
- notification of the court in the event that the Company is over-indebted;
- preparing the Remuneration Report (article 13 et. seqq. OaEC);
- pass resolutions regarding the increase of share capital to the extent that this is within the authority of the Board as well as the adoption of the capital increase and the amendments to the Articles of Association entailed therewith; and
- pass resolutions regarding agreements in respect of mergers, de-mergers, transformations or transfers of assets and liabilities in accordance with the Swiss Merger Act.

3.7 Information and control instruments vis-à-vis the Group Executive Management

The Board of Directors has various process flows in place to oversee, monitor, and control the implementation of the Group's strategy as well as the execution of the responsibilities delegated to the Group Executive Management. The Group Executive Management reports regularly to the Board of Directors and its Committees. The CEO regularly informs the Board of Directors on the status of current business matters and financial results, presents relevant strategic initiatives as well as major business transactions. For extraordinary matters including significant unanticipated developments, the CEO is obliged to immediately report to the Board of Directors according to section 2.1.4 of the Organizational Regulations. During the course of 2025, at least three members of the Group Executive Management attended each meeting of the Board of Directors and provided comprehensive business updates.

According to section 6.6 of the Organizational Regulations, the CFO, in cooperation with the CEO, ensures good financial governance, overseeing all financial planning, budgeting (short- and mid-term), reporting and risk management activities. Furthermore, the CFO leads the implementation of systems and procedures to seek to ensure compliance with regulatory requirements for financial information, reporting, disclosure requirements, and internal control. On a quarterly basis, the Board of Directors receives a Financial Report with the profit and loss statement, the balance sheet, and the cash flow statement, as well as a summary of the business performance, updates on various initiatives and outlook. Routine communications are maintained, as required, between Board Members and the Group Executive Management. Furthermore, each Member of the Board of Directors may request information on all matters concerning the Group at any time. The Board of Directors is also responsible for the Group's internal control system, which provides the ultimate oversight for Medacta's strategy, operations, and finances. The internal control system of Medacta is structured to

ensure the correct disclosure and adequate coverage of control over all Group activities, with particular attention on areas considered potentially at risk, such as risk management processes throughout the entire lifecycle of Medacta medical devices and financial reporting risks associated to external requirements. Each Board Member is entitled to request information concerning all affairs of the Company and the Group reasonably necessary to fulfil their fiduciary duties. In 2025, the Board, and particularly the Audit and Risk Committee, have been updated regularly by members of the Group Executive Management and the Group VP QA on all key risks facing the Group, such as quality control, business continuity and sustainability, ESG developments, and other key risk areas defined by the Enterprise Risk Management framework, which has been approved by the Board of Directors in December 2025. Notable Enterprise Risk Management updates in 2024 have included significant risk mitigations activities, including the attainment of new certifications to ISO 14001 for environmental management systems and ISO 27001 for data protection and cybersecurity.

Enterprise Risk Management is also fully integrated in the Management Review process, with quarterly review meetings to evaluate performance metrics, emerging risks, and any factors which could impact business continuity. The Management Review process, which includes the Group Executive Management, Compliance Officer, and Group VP QA, drives a continuous closed-loop process to ensure proactive mitigation of risks and alignment of execution with strategy.

In addition, Medacta has developed, implemented and maintains quality management systems that meet all relevant medical device industry standards with certification according to ISO 13485 (the global standard for medical device quality systems), and MDSAP (Medical Device Single Audit Program), which certifies Medacta to the major global medical device quality regulations of the US FDA, Japan, Australia, Brazil, and Canada in combination with ISO 13485, ensuring high quality products, processes, and related customer support. As of December 31, 2025, our quality function comprised 21 quality assurance professionals, who are responsible for ensuring our corporate activities are conducted under compliant, effective, and well-documented processes, and 57 quality control professionals, who are responsible for ensuring all components and associated processes fully conform with the specified requirements.

3.8 Compliance and Quality Assurance

According to the Organizational Regulations, the CEO designated a Group Compliance Officer ("Compliance Officer") who is responsible to develop and maintain compliance policies, promote a culture of responsibility, conduct risk analyses, identify remediation needs, provide training, and take other steps to assist the Group in meeting its legal, regulatory, and ethical obligations. The Compliance Officer also acts as the Data Protection Officer of the Group. The Compliance Officer reports to the CEO. However, the Compliance Officer has direct access to the Audit and Risk Committee for elevation of any significant compliance issue, including those that may involve or implicate a member of the Group Executive Management which the Compliance Officer believes cannot be or has not been appropriately addressed by, or directly implicates, the CEO. The current Compliance Officer is Stefano Baj.

According to the Organizational Regulations, the CEO designated a head of quality assurance who reports to the CEO. This role is fulfilled by the Group VP QA, who is responsible for the Group's quality control and assurance functions, ensuring the Group's quality management and control systems and programs meet the relevant medical device industry standards and provide consistently high-quality products, processes, and related customer support services. The current Group VP QA is Gregory Bussone.

4. Group Executive Management

The Board of Directors has delegated the day-to-day and operational activities of the Company and the Group as a whole to the Group Executive Management under the leadership of the CEO, subject to the duties and powers reserved to the Board by Swiss law, the Articles of Association and the Organizational Regulations. Under the leadership of the CEO, the Group Executive Management is responsible to ensure the execution of the decisions of the Board and to implement the strategy of the Group in accordance with the law, the Articles of Association, the Organizational Regulations and the resolutions of the extraordinary/annual shareholders' meeting. The Group Executive Management is directly supervised by the Board of Directors and its Committees.

4.1 Members of the Group Executive Management

The Group Executive Management is headed by the CEO and currently comprises six Members, specifically the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Supply Chain Officer (CSCO), the Chief Commercial Officer (CCO), the Chief People Officer (CPO) and the Chief Innovation Officer (CIO).

Pursuant to the Organizational Regulations, the CEO may be appointed and removed by the Board of Directors. The other Group Executive Management Members are appointed and removed by the Board of Directors in consultation with the CEO (except in cases of appointment or removal of the CEO).

The table below outlines the name, year of birth, year of appointment and position of the Members of our Group Executive Management.

Name	Year of birth	Year of Appointment	Position
Francesco Siccardi	1977	2018	CEO
Corrado Farsetta	1968	2011	CFO
Alessandro Siccardi	1986	2016	CSCO
Massimiliano Bernardoni	1973	2024	CIO
Giovanni Niccolò Galli	1976	2024	CCO
Asif Hussain	1971	2024	CPO



Group Executive Management



FRANCESCO SICCARDI,

Swiss and Italian, CEO, Member of the Group Executive Management.

Qualifications: Mr. Siccardi holds a Master of Science (MSc) in Biomedical Engineering from the Polytechnic University of Milan (2002). He also completed the Executive Program for Growing Companies (EPGC) at Stanford Business School Executive Education in Stanford, California, USA (2009).

Career highlights: Mr. Siccardi joined Medacta International in 2002 and served as a Member of its Board of Directors since 2003. He then served on the Board of the Company from its incorporation until March 21, 2019. Following the retirement of the Company's Chairman, Mr. Siccardi was appointed Chief Executive Officer as of November 1, 2018. Prior to becoming CEO, he served as Executive Vice-President and Medical Affairs Manager (from 2013 to 2014) and as Executive Vice-President (from 2014 to 2018). He further served on the Board of various Medacta Group companies internationally.

Other main activities: Member of the Board of Directors of Surgical Practice Resource Group SA, Lugano since 2015, Member of Verve SA since 2004. He also served as Member of the Board of Medacta for Life Foundation from October 13, 2011 to December 31, 2023.



CORRADO FARSETTA,

Italian, CFO, Member of the Group Executive Management.

Qualifications: Mr. Farsetta holds a Master of Science (MSc) in Business Administration from Bocconi University, Milan (1993). He also completed post degree program on Value Based Management from SDA Bocconi School of Management, Milan.

Career highlights: Mr. Farsetta was appointed as Chief Financial Officer of Medacta International in 2011. Prior to becoming CFO, Mr. Farsetta served as Group Controller (from 2008–2011). From 2006 to 2007, Mr. Farsetta was Group Controller of Sympak Group and Senior Manager of TGrow Management Consulting from 1999 to 2005. He has further served as Controller of Air Liquide (from 1995 to 1999) and as Controller of Lamberti S.p.A. (from 1994 to 1995). He further serves on the Board of various Medacta Group companies internationally.



ALESSANDRO SICCARDI,

Swiss and Italian, Chief Supply Chain Officer, Member of the Group Executive Management.

Qualifications: In 2015 Mr. Siccardi completed the Program for Management Development (PSM) at the SDA Bocconi School of Management, Milan with a focus on general management, marketing and sales strategies. In 2020 he also completed a Supply Chain Course at the SDA Bocconi School of Management, Milan.

Career highlights: Mr. Siccardi joined Medacta International in 2011 and served as a Member of its Board of Directors since 2013. He then served on the Board of the Company from its incorporation until March 21, 2019. Mr. Siccardi was appointed Supply Chain Director of Medacta International in 2016. Prior to becoming SCD, Mr. Siccardi previously served as International Area Director (from 2012 to 2016) and as Marketing Assistant (from 2011 to 2012).

Other main activities: Mr. Siccardi is a Member of the Board of Directors of Surgical Practice Resource Group SA since 2015, Member of Verve SA since 2021 and he is President of 2A Holding SA since 2019. He further serves on the Board of Medacta International SA and Medacta Holding SA.



MASSIMILIANO BERNARDONI,

Swiss, Chief Innovation Officer, Member of the Group Executive Management.

Qualifications: Mr. Bernardoni holds a Master of Science (MSc) in Biomedical Engineering from the Polytechnic University of Milan (2000).

Career highlights: Mr. Bernardoni joined Medacta International in 2001 as Technical Director assistant. In 2002 he become R&D Manager for the technology Joint Division. Since 2005 as Head of R&D Joint and technology he leads all the development of Medacta international in Joint and extremities. Mr. Bernardoni was appointed Chief Innovation Officer as of April 1, 2024.



GIOVANNI NICCOLÒ GALLI,

Italian, Chief Commercial Officer, Member of the Group Executive Management.

Qualifications: Mr. Galli holds a Master of Science (MSc) in Biomedical Engineering from the Polytechnic University of Milan (2002).

Career highlights: following an experience as Product Manager in Neuro&Spine Division at SIAD Healthcare Spa, Mr. Galli joined Medacta International in 2005, where he served as International Knee Product Manager (2005-2009). He was then appointed as International Area Director (2009-2013) and later Vice President Joint Division (2013-2021). He then served as Vice President Joint and General Manager (2021-2024) and was appointed Chief Commercial Officer in 2024.



ASIF HUSSAIN,

British, Chief People Officer, Member of the Group Executive Management.

Qualifications: Mr. Hussain holds an HND in Business & Finance (1989) and has a Post Graduate Diploma in Human Resource Management, from the University of Salford (1998). He also has attended a variety of Executive and Leadership courses throughout his career. He held the status of Fellow of the Chartered Institute of Personnel & Development.

Career highlights: Mr. Hussain joined Medacta International in January 2022 and since then participates as permanent guest in the HR & Remuneration Committee. Prior to joining Medacta he held several senior and executive roles in the Medtech sector. At Zimmer Biomet, he held the position of Vice President Human Resources, Europe, Middle East & Africa, from 2009 until 2019. He has extensive experience of operating both regionally and globally with a strong track record of leading the Human Resources function and organizations through their growth and transformation journeys.

The employment agreements of the Members of the Group Executive Management are in principle concluded for an indefinite period. If the Board of Directors considers a fixed term appropriate, such fixed term shall not exceed one year. With respect to employment agreements entered into for an indefinite period, the maximum notice period must not exceed 12 months.

The Group Executive Management is supported by further Members of management who form part of the Extended Group Management.

4.2 Other activities and vested interests

Except as disclosed in the biographies of the Members of the Group Executive Management, no further activities or interests are carried out outside of Medacta.

4.3 Permitted additional activities pursuant to the Articles of Association

As required by Article 626 para. 2 cif. 1 CO, and in the interest of good governance, the Articles of Association, limit the number of functions in superior management or administrative bodies of legal units other than the Company or its subsidiaries which Members of the Group Executive Management are allowed to hold at one time.

According to article 23 of our Articles of Association, with the approval of the Human Resources & Remuneration Committee, the Members of the Group Executive Management may have the following comparable positions in other undertakings with commercial objects (including their group) which are not controlled by the Company, do not control the Company or do not constitute pension funds insuring employees of the Group:

- up to 1 mandate as Member of the Board of Directors or any other superior management or administrative body of a publicly traded company pursuant to article 727 para. 1 number 1 CO; and, in addition
- up to 10 mandates as Member of the Board of Directors or any other superior management or administrative body of other legal entities that do not meet the above-mentioned criteria.

With respect to the additional activities of the Members of the Group Executive Management, mandates in companies that are under uniform control or the same beneficial ownership are deemed one mandate.

All Members are within the limits of external mandates stipulated by the Articles of Association.

4.4 Management contracts

The Board of Directors and the Group Executive Management conduct business directly and have not delegated any management powers to persons or companies outside the Group.

5. Compensation, shareholdings and loans

Information related to compensation, shareholdings and loans are disclosed in the Remuneration Report of this Annual Report in section 4 “Remuneration framework for Board of Directors” and 5 “Remuneration framework for Group Executive Management”.

6. Shareholders' participation rights

6.1 Voting rights, restrictions and representation

Voting rights may be exercised only after a shareholder has been registered in the Share Register as a shareholder with voting rights up to a specific qualifying day designated by the Board of Directors.

Persons acquiring registered shares shall on application be entered in the Share Register without limitation as shareholders with voting rights, provided they expressly declare themselves (i) to have acquired the said shares in their own name and for their own account, (ii) that there is no agreement to take back or return the shares concerned, (iii) that they bear the economic risk associated with the shares and (iv) they comply with the disclosure requirements stipulated by the Federal Act on Financial Market Infrastructure (FMIA).

Entry in the Share Register as a shareholder with voting rights is subject to the approval of the Company. Entry into the Share Register of registered shares as shareholder with voting rights may be refused based on the grounds set forth in article 5 para. 3, 4 and 5 of the Articles of Association.

Until an acquirer becomes a shareholder with voting rights for the shares, she/he may neither exercise the voting rights connected with the shares nor other rights associated with the voting rights. If the Company does not refuse to register the acquirer as shareholder with voting rights within 20 calendar days upon receipt of the application, the acquirer is deemed to be a shareholder with voting rights. Non-recognized acquirers are entered in the Share Register as shareholders without voting rights. The corresponding shares will be considered as not represented in the shareholders' meeting.

The Company, at its own discretion, may in special cases approve exceptions to the above restrictions. In 2025, no such exemptions were granted. After due consultation with the persons concerned, the Company is further authorized to delete entries in the Share Register as shareholder with voting rights with retroactive effect if they were effected on the basis of false information or if the respective person does not provide the information pursuant to article 5 para. 3 of the Articles of Association. The concerned person has to be immediately informed about the deletion.

Each shareholder may be represented by the Independent Proxy or by means of a written proxy by any other person of such shareholder's choice. The Board of Directors determines the requirements regarding proxies and voting instructions. The Articles of Association do not contain any further specific requirements on the issue of instructions to the Independent Proxy or for the electronic participation at shareholders' meetings; thus, these topics are governed by Swiss law.

In shareholders' meetings, each shareholder has equal rights, including equal voting rights. According to the Articles of Association, each share is entitled to one vote (provided that its holder or usufructuary has been duly entered into the Share Register as a shareholder with voting rights on or before the relevant qualifying date).

Under Swiss laws, the procedure and condition for abolishing voting rights restrictions in the Articles of Association require resolution of a shareholders' meeting passed by at least two thirds of the represented share votes and an absolute majority of the par value of represented shares.

For information on certain limitations on transferability and nominee registrations, please refer to the information provided under the sub-heading 2.6 "Limitations on transferability and nominee registrations" of this report.

6.2 Quorums

Pursuant to article 11 of the Articles of Association, shareholders' resolutions generally require the approval of a simple majority of the votes cast at the shareholders' meeting (with abstentions, empty or invalid votes not being taken into account for the calculation of the required majority), to the extent neither the law nor the Articles of Association provide otherwise.

According to article 13 of the Articles of Association, a resolution passed by at least two thirds of the represented share votes and the absolute majority of the represented shares par value is required for (i) matters listed in article 704 of the Swiss Code of Obligations and in articles 18, 43 and 64 of the Federal Act on Merger, Demerger, Transformation and Transfer of Assets (Merger Act), (ii) the easement or abolition of the restriction of the transferability of the registered shares and (iii) any changes to or the removal of article 13 (i.e. qualified majority for important resolutions).

6.3 Convocation of the General Meeting of shareholders

Under Swiss law, an annual shareholders' meeting must be held within six months after the end of a company's preceding financial year. Shareholders' meetings may be convened by the Board of Directors or, if necessary, by company's statutory auditors or liquidators. According to article 7 para. 3 and 4 of the Articles of Association, the Board of Directors is further required to convene an extraordinary shareholders' meeting within 60 calendar days if requested in writing by shareholder(s) representing at least 5% of the share capital or the votes setting forth the items to be discussed and the proposals to be decided upon.

A shareholders' meeting is convened by publishing a notice of such meeting in the Swiss Official Gazette of Commerce at least 20 calendar days before the date of the meeting. To the extent the post and/or e-mail addresses of the shareholders are recorded in the share register, notice may be sent by post or e-mail. The notice shall state the date, starting time, the form and location of the meeting, the business to be discussed, the motions of the Board of Directors and a short explanation for these motions, the name and the address of the Independent Proxy.

6.4 Inclusion of items on the agenda

The Board of Directors sets the items on the agenda.

Registered shareholders with voting rights individually or jointly representing at least 0.5% of the share capital or the votes of the Company may demand items to be placed on the agenda or motions relating to items on the agenda be included in the notice convening the General Meeting. Such demands have to be submitted to the Chairman of the Board of Directors at least 45 calendar days before the date of the annual shareholders' meeting and shall be in writing, specifying the item and the proposals. Shareholders may submit a short explanation together with the agenda items or motions, which must be included in the notice convening the General Meeting.

No resolutions may be passed on motions concerning agenda items which have not been duly announced apart from those exceptions permitted by law.

6.5 Entries in the Share Register

Voting rights may be exercised only after a shareholder has been registered in the Share Register as a shareholder with voting rights up to a specific qualifying day designated by the Board of Directors (the "Record Date").

There are no statutory rules concerning deadlines for entry into the Share Register. However, for organizational reasons, the Share Register is closed several days before the annual shareholders' meeting. The respective Record Date for inscriptions in the Share Register is announced in the invitation to the Annual General Shareholders' Meeting.

For information on certain limitations on transferability and nominee registrations, please refer to the information provided under the sub-heading 2.6 "Limitations on transferability and nominee registrations" of this report. For information on share voting rights, please refer to the information under the sub-heading 6.1 "Voting rights restrictions and representation" of this report.

7. Change of control and defense measures

7.1 Mandatory bid rules

Pursuant to the applicable provisions of FMIA, any person that acquires shares of a company whose shares are listed on a Swiss stock exchange, whether directly or indirectly or acting in concert with third parties, and, as a result, exceeds the threshold of $33^{1}/_{3}$% of the voting rights (whether exercisable or not) of such company, must submit a public tender offer to acquire all of the listed shares of such company. A company's Articles of Association may either waive this requirement entirely ("opting-out") or raise the relevant threshold to up to 49% ("opting-up").

The Articles of Association (article 32) include an opting-out provision and thereby exempt shareholders from the duty to make a mandatory public tender offer pursuant to article 135 FMIA. As a result, anyone, who directly, indirectly or acting in concert with third parties acquires equity securities which, added to the equity securities already owned, exceed the threshold of $33^{1}/_{3}$% of the voting rights (whether exercisable or not) of the Company is/are not required to make a mandatory tender offer to the other shareholders. Differently from other companies listed in Switzerland which have no opting-out clause (and no opting-up clause), upon such shareholder or group of shareholders reaching or exceeding the threshold of $33^{1}/_{3}$% of the voting rights (whether exercisable or not) of the Company, the shareholders will neither benefit from the option to sell their shares in a mandatory tender offer nor from minority shareholder protection rules related to such mandatory tender offers.

7.2 Changes of control

There are no changes of control clauses included in agreements and schemes benefiting Members of the Board of Directors or the Group Executive Management or other management of the Group.

8. Auditors

The annual shareholders' meeting elects the Group's external auditors on annual basis. Deloitte SA, domiciled in via Ferruccio Pelli 1, 6901 Lugano Switzerland, has served as the Group's auditor since its foundation on November 28, 2018 and was previously the auditor of Medacta International SA since January 21, 2009. On May 7, 2025, Deloitte SA was reappointed as Group and statutory auditor of the Company at the annual shareholders' meeting. The auditor in charge is changed every seven years in accordance with Swiss law. The current auditor in charge is Alessandro Miolo, Swiss Certified Public Accountant, who has been carrying out this function since 2025.

The Board of Directors monitors compliance and proposes the election of the external auditor to the annual shareholders' meeting. In accordance to the Organizational Regulations, the Audit and Risk Committee oversees the integrity of the Company's and Group's financial statements, the effectiveness of the internal control over financial reporting of the Company and the Group, the compliance by the Company and the Group with legal and regulatory requirements, annually (or more often as required) reviews the independent auditor's qualification and independence, the performance of the Company's and Group's external auditors, and the effectiveness of the Company's and Group's risk management, compliance and quality assurance systems and processes. On March 24, 2025 the Audit and Risk Committee reviewed and confirmed the independent auditor's qualifications on the basis of the constructive collaboration and good communication and disclosure with the Audit and Risk Committee and the Group's finance department. Deloitte SA presents to the Audit and Risk Committee, on an annual basis, a detailed report on the results of the audit of the Consolidated Financial Statements, the findings on significant accounting and reporting matters, and findings on the internal control system; this deliverable was held at the Board meeting held on March 24, 2025. The results and findings of this report are also discussed in detail with the CFO approximately one week before the Auditor Committee meeting. During 2025, Audit and Risk Committee held three of its meetings with representatives of the external auditor. For more information regarding the Audit and Risk Committee and their meetings which included the auditors, please refer to sub-heading 3.5 "Internal Organizational Structure-Committees and working methods of the Committees - Audit and Risk Committee". Audit fees are ultimately approved by the Audit and Risk Committee.

The worldwide fees paid to the auditors are outlined in the table below:

(Thousand Euro)	31.12.2025	31.12.2024
Audit fees	**649**	**561**
Other fees	**102**	**108**
*Tax**	*102*	*92*
*Other Services***	*-*	*16*
TOTAL FEES	**751**	**669**

* The Tax fees are mostly related to transfer pricing services.
** The Other services fees in 2024 are mainly related to the Limited Assurance Engagement.

9. Information policy

The Company releases its financial results in the form of an Annual Report. Its Annual Report is published in print and electronic form within four months from December 31 balance sheet date. In addition, results for the first half of each fiscal year are released in electronic form within three months from the June 30 balance sheet date. The Company's Annual Report and half year results are announced via press releases and media and investor conferences, both in person and via telephone. Invitations and communications by the Company to the shareholders may, at the discretion of the Board of Directors, be validly made by publication in the Swiss Official Gazette of Commerce, by letter or e-mail to the shareholders' contact details last recorded in the share register. Copies of all information and documents pertaining to press releases, media conferences, investor updates and presentations at analyst and investor presentation conferences can be downloaded from the Company's website or obtained from the Company upon request at Medacta Group SA, Strada Regina 34, 6874 Castel San Pietro, Switzerland (phone: +41 91 696 6060; email: investor.relations@medacta.ch). Below are certain relevant weblinks:

The Company's website:	http://www.medacta.com
E-mail distribution list (push system):	https://www.medacta.com/EN/home-investors-global
Ad-hoc messages (pull system):	https://www.medacta.com/EN/home-investors-global
Financial Reports:	https://www.medacta.com/EN/financial-reports-and-presentations
Sustainability Report:	https://www.medacta.com/EN/sustainability
Corporate calendar:	https://www.medacta.com/EN/financial-calendar
Financial calendar:	https://www.medacta.com/EN/financial-calendar

MAY 5, 2026:	Annual General Meeting
JULY 31, 2026	Preliminary Unaudited Half-Year 2026 revenue
SEPTEMBER 9, 2026:	Publication of 2026 Half-Year results

10. Independent Proxy

Pursuant to the CO and the Articles of Association, the annual shareholders' meeting elects the Independent Proxy for a term ending at the conclusion of the next ordinary annual shareholders' meeting. Re-election is possible.

Fulvio Pelli, Lugano, was re-elected as the Independent Proxy of the Company on May 7, 2025.

11. Quiet Periods

The Ordinary Blocked Periods start from December 31 until the lapse of one SIX trading day following the public release of the Company's annual results and from June 30 until the lapse of one SIX trading day following the public release of the Company's semi-annual results.

During these Periods, the Blocked employees or persons, meaning the Members of the Board and the Group Executive Management as well as the Group Executive Management's assistants, secretaries and other personal staff of the Company and any other person who may be involved in preparing, analyzing, reviewing or communicating financial results of the Company or has access to such information, must not deal in Securities or make respective recommendations to any other person. No exceptions are provided by our policy and no exceptions were granted in the year under review.

The Chairman, the CEO, the CFO or the Responsible Officer (i.e. Compliance Director) may each impose "Extraordinary Blocked Periods" from time to time where they consider it necessary or appropriate, including without limitation where inside information exists or may arise or where restrictions are required or appropriate to comply with regulatory requirements.

Medacta International

Sustainability Report



Medacta's Revision System

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Medacta International



PATIENT AND CUSTOMER FOCUSED

Everything we do is always with our patients and customers in mind and always with the **highest sense of urgency and priority**.



#beMedacta CULTURE A KEY FOR SUSTAINABLE SUCCESS

1. Introduction: Our commitment to sustainability and note to methodology

This part of the Report highlights our commitment to sustainability through our ongoing development of sustainability-related information. We seek to monitor this development, which started as a journey aimed at defining a long-term strategy as well as our way of being and doing business. This has allowed us to express ourselves at our best and to create sustainable value. This section of the report has been prepared with reference to the GRI framework — the world's most recognized tool for organizations to communicate and demonstrate accountability for their impacts on the environment, the economy, and people.

At Medacta, we are committed to supporting a model that combines economic sustainability with generating social and environmental value; this approach relies on ethical and sustainable actions outlined in our Caring for the Environment and Caring for the Community chapters. By emphasizing innovation, we continuously aim to provide better solutions to improve patient outcomes and enhance healthcare system sustainability, as detailed in our Caring for Patients chapter. None of our achievements would have been possible without the full commitment and engagement of our employees: we work to support their personal and professional well-being while prioritizing their safety, as explained in our Caring for People chapter.

We present data on our impacts across the specified topics, which are integral to our strategic targets (Chapter 1.6).

This Report complies with the applicable elements of article 964 of the Swiss Code of Obligations (hereinafter "art. 964"), governing the disclosure/communication of non-financial information, including the Swiss Ordinance on Climate Disclosures. In compliance with current regulations and our commitment to transparency, we began reporting in accordance with the Global Reporting Initiative (GRI) framework in 2023. Furthermore, in 2024, we implemented the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The EU Corporate Sustainability Reporting Directive (CSRD) is not currently applicable to Medacta. However, we are continuously monitoring the compliance requirements and all relevant regulations.

The Report presents information with respect to human rights, anti-corruption, and bribery, also highlighting a description of due diligence and measures taken to implement the policies related to internal guidelines or strategies of Medacta regarding these topics.

Information contained in the Report includes the parent company Medacta Group SA and all its consolidated companies on a line-by-line basis. Data, unless otherwise indicated, are presented on a consolidated basis. Data and information presented in the Report refer to the period between 1 January 2025 and 31 December 2025.

1.1 Reporting and Application of the Reporting Standard Process

The Report was drawn up in accordance with art. 964 and with reference to the Sustainability Reporting Standards published by the Global Reporting Initiative (GRI), currently in force. The GRI Table, indicating the standards and the respective indicators applied, can be found in Annex, Chapter 7.

The Report was prepared based on a structured reporting process that included: the involvement of corporate facilities/departments that contributed to the identification and evaluation of the respective topics, as well as significant projects/initiatives to be described in the document, and the collection, consolidation, and validation of quantitative data, each insofar as its own area of purview.

The content of the Report has been supplemented, as warranted, by other information contained in the current Annual Report and on the company website, which can be consulted by following the specific references.

The Sustainability Report is available on the company website at: sustainability.medacta.com

The Investor Relations department is the point of contact for any questions about the report (investor.relations@medacta.ch).

This Report edition has not been subjected to external assurance.

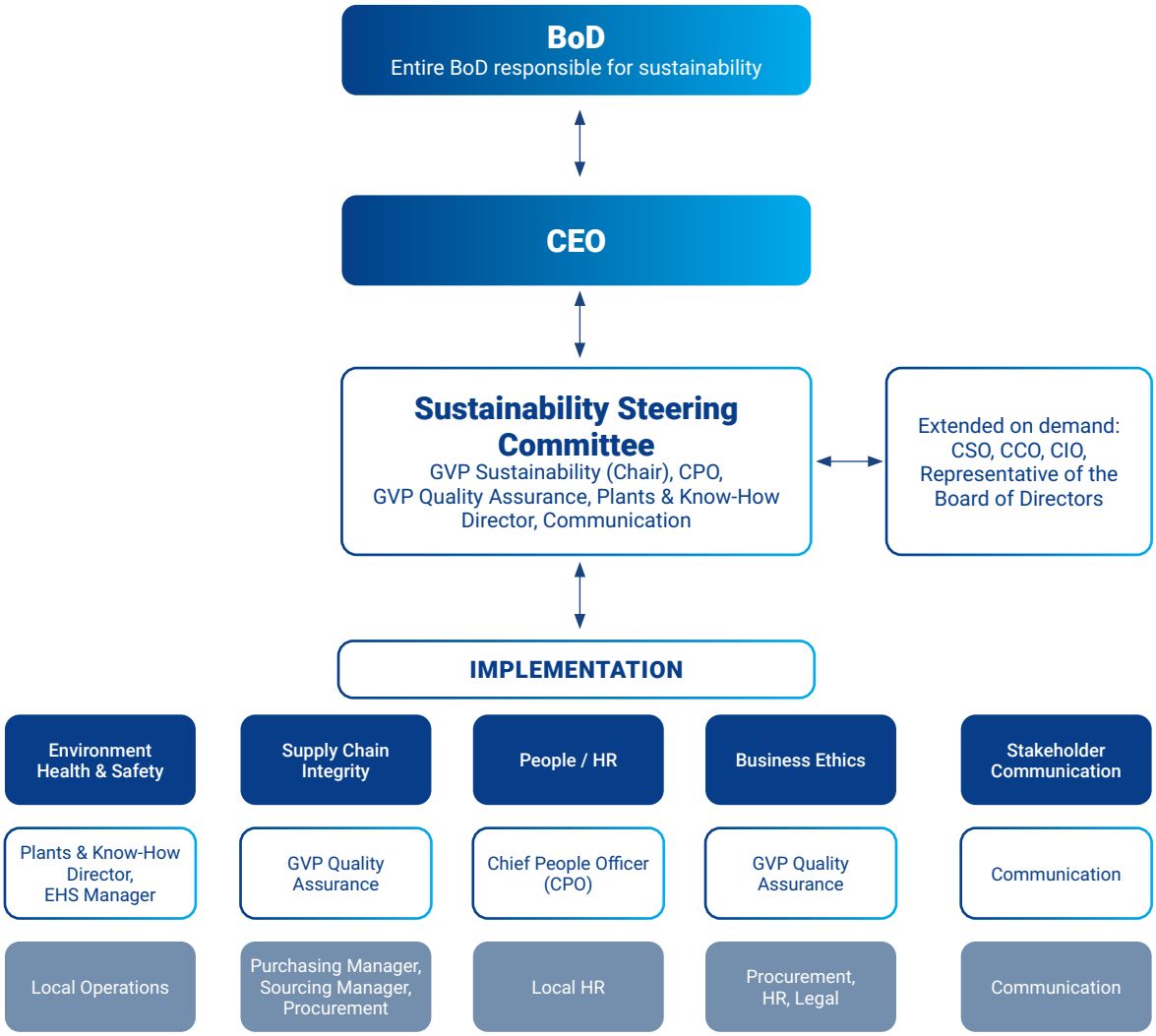
1.2 Our Sustainability Governance

Medacta has a clear governance structure as to the management and reporting of sustainability.

At Board level, the entire Board of Directors has the responsibility to oversee Medacta's corporate sustainability, which includes the definition of the strategy, governance, approval of key sustainability targets, and approval of the sustainability report. The sustainability topics discussed at the Board of Directors meetings are included in the agendas of the Board meetings.

At Corporate level, the Sustainability Steering Committee is responsible for the definition, oversight and management of all sustainability-related initiatives. The Sustainability Steering Committee is chaired by the Group Vice President of Sustainability and Investor & Media Relations and is furthermore composed of the Chief People Officer, the Group Vice President Quality Assurance, the Plants & Know-How Director, and Communication. Each member has a specific responsibility within the Group's sustainability governance structure. The Sustainability Steering Committee meets regularly to review performance and initiatives, and to share updates and knowledge.

The Group Vice President Sustainability and Investor & Media Relations reports to the CEO on and to the Board of Directors on operational and strategic and governance sustainability topics, respectively.



1.3 Sustainable Development Goals (SDGs)

Continuous improvement lies at the core of our organizational ethos, where we are dedicated to refining our activities in alignment with corporate responsibility and the globally recognized Sustainable Development Goals (SDGs) set by the United Nations. These SDGs represent a blueprint for a more sustainable future, embracing topics ranging from health and education to economic growth, environmental sustainability, climate action, and much more.

Our commitment to these goals is manifested in our sustainability approach, with a particular focus on contributing to SDGs 3 (Good Health and Well-Being), 4 (Quality Education), 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), 13 (Climate Action), and 16 (Peace, Justice, and Strong Institutions). These goals serve as a compass for our initiatives, ensuring that our endeavours have a significant and positive influence on society, the environment, and the economy. Additionally, we regularly review our approach, keeping abreast of any new challenges that may arise and incorporating fresh perspectives to encourage ongoing enhancement.



Goal 3 Good Health and Well-Being

We want to give back to our patients the joy of movement and the ability to return to a healthy and active life. The promotion of health and well-being of people is at the core of our vision.



Goal 9 Industry, Innovation and Infrastructure

Innovation is a fundamental part of our mission and Research & Development is an important asset of our business model.



Goal 4 Quality Education

Since our company's founding we have recognized education as one of our strategic pillars. We're dedicated to advancing knowledge for healthcare professionals, patients, and our employees.



Goal 13 Climate Action

We are fully committed to continuously reducing our environmental impact through the improvement of our operational energy efficiency, favoring the use of renewable energy and continuously improving environmental management systems at our manufacturing plants.



Goal 7 Affordable and Clean Energy

In line with our constant commitment, we promote and make investments in clean energy infrastructure and technology.



Goal 16 Peace, Justice, and Strong Institutions

We operate in compliance with the law through honesty, integrity, and good faith. We develop and respect high standards of conduct and choose business activities in line with our reputation for integrity and quality.



Goal 8 Decent Work and Economic Growth

We promote inclusive and sustainable economic growth, fulfilling employment, and excellent work conditions.

1.4 Promoting Sustainability Awareness

As part of our continued dedication to Environmental, Social, and Governance (ESG) efforts, we understand the importance of cultivating and fostering a culture of sustainability within our organization. To effectively engage our global team and raise awareness about environmental sustainability, we launched a dedicated course on our Academy "Guidelines for environmental sustainability". Among the topics presented, the course highlights the six environmental "Rs": a set of principles that promote sustainability and reduction of environmental impact through conscious practices of resource management and reduction of waste and pollution: Reduce, Reuse, Recycle, Repair, Refuse and Rethink.



1.5 Stakeholder Engagement

We believe that open dialogue and meaningful connections are essential for success. That's why we actively engage with our stakeholders worldwide through honest and transparent discussions, which serve as the foundation of our collaborative efforts. To ensure comprehensive engagement, we have identified and actively involved nine distinct stakeholder groups, recognizing their unique perspectives and contributions to our shared goals: patients, healthcare professionals, employees, shareholders and investors, local communities, scientific communities, institutions and industry associations, suppliers, and media. Through this approach, we aim to deepen understanding, foster mutual growth, and achieve sustainable results.

Topics	Engagement initiatives and channels
PATIENTS	Patient website, patient educational material, sponsoring and educational activities, social media
HEALTHCARE PROFESSIONALS	Scientific congresses, learning centers, clinical trials, headquarter visits, fellowship programs, surgeon-to-surgeon interactions, meetings with experts, patient-specific platform (MySolutions), social media, streaming platform, support of humanitarian initiatives
EMPLOYEES	Engagement events, global and country-based meetings, internal communications, training, annual performance review, social media, award program, Medacta Family Open Day
SHAREHOLDERS AND INVESTORS	Investors and analysts communications, Annual Report, ad hoc and media releases, presentations, annual shareholders meeting, investor conferences, investor meetings, roadshows, reverse roadshows, site visits
LOCAL COMMUNITIES	Bilingual school years 0-10, sponsoring various entities and local organizations, philanthropic contributions
SCIENTIFIC COMMUNITY	Innovative projects, research activities, clinical studies, collaboration with universities, company international symposia
INSTITUTIONS, INDUSTRY ASSOCIATIONS	Periodical meetings
SUPPLIERS	Continuous collaboration, meetings, audits
MEDIA	Communications to media including media releases, interviews, social media, site visits

1.6 Double Materiality

The Double Materiality Matrix (DMM) is an essential tool for advancing Environmental, Social, and Governance (ESG) practices by recognizing the mutual impacts between a company and its external environment. Our activities have an impact that extend well beyond economic results. To succeed in the long term, we aim to align our business performance with the expectations of our stakeholders and society as a whole. To identify the most relevant material topics for Medacta, we conducted a materiality analysis using a double materiality perspective, which considers both the financial impact on the Group (financial materiality) and the Group's impact on broader environmental and social issues (impact materiality). By adopting a double-materiality approach, we increase transparency and accountability while positioning ourselves to thrive in a rapidly changing global landscape, as ESG factors support long-term value creation. The double materiality matrix provides a more comprehensive understanding of risks and opportunities, enabling a proactive and strategic response to emerging sustainability challenges.

In 2023, with the support of an external consultant, we compiled an initial list of 68 material topics by reviewing peer practices and national regulations. The corporate sustainability team then reduced this list to 29 topics by evaluating their relevance and merging similar topics. These topics were further reviewed during workshops with key people of the main organizational functions. The assessment used the concept of double materiality, examining the topics from different perspectives: positive and negative, current and future, as well as short-term and long-term impacts. Workshop participants were asked to rate the significance of the company's impacts on the environment and people on a scale from 1 to 4. For financial materiality, this was evaluated by ranking the significance of sustainability-related impacts on Medacta's profitability, especially considering the company's ability to produce and deliver products and services.

In 2024, Medacta adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework and the launch of a global initiative aimed at refreshing our core values.

In 2025, Medacta revisited and streamlined its Double Materiality Matrix. Thereby Medacta took into account updates, new insights and timeliness, while adhering to Swiss legal requirements for non-financial reporting. In this process we started by benchmarking against Medacta's sector (Healthcare). We further included and followed the methodology laid out by the European Sustainability Reporting Standards (ESRS). Based on these analyses we made some adjustments to our materiality topics, thereby regrouping, streamlining and renaming some of them, while also re-allocating them into material topics and other strategic / non-material topics. However, our commitment to topics which no longer meet our materiality threshold remains unchanged and therefore are still included in this report.

Several internal interviews were held with Business and Service Heads and Chief Executives to determine the most critical impacts, risks and opportunities in relation to financial, environmental, social or governance matters. The results were discussed and refocused following several discussions within the Sustainability Steering Committee and business leaders. The updated list of material topics was presented for approval to the CEO and following to the Board of Directors.

In alignment with the Swiss Ordinance on Climate Disclosures, Medacta continues to evaluate a transition plan aligned with the long-term goal defined by the Federal Council: Switzerland should achieve balanced greenhouse gas performance by 2050 at the latest (net zero).

Material topics (in alphabetical order) include:

- Business ethics, corruption & bribery
- Climate change
- Corporate culture
- Customer satisfaction
- Data protection & cybersecurity
- Economic performance
- Intellectual property
- Product quality
- Responsible supply chain
- Working conditions – own workforce

1.7 Targets

In line with our continuous improvement approach, we initially defined key performance indicators (KPIs) with targets set for 2025. In 2025, upon reaching this milestone, we reviewed our performance and, building on our previous commitments, revised and redefined new targets to guide the next phase of our sustainability journey. Most of them are based on GRI standards and cover basic topics related to the environment, as well as people and governance. In alignment with the Swiss Ordinance on Climate Disclosures, we are evaluating a long-term climate transition plan according to goals defined by the Federal Council: Switzerland should achieve balanced greenhouse gas performance by 2050 at the latest (net zero)[1].

	GRI	ESRS n.	ESRS Topic	Target Description	31.12.2025	31.12.2024	31.12.2023
Topics							
Climate	305-4	E1	Climate change - Energy	We aim to reduce emission intensity to < 0.5 tCO2eq/€M FY 2035 for scope 1 and 2, measured in GHG / revenue (*)	0.88	1.17	1.25
Responsible Supply Chain	308-1 414-1			We want to maintain the number of new suppliers evaluated according to internal ESG criteria above 90% by 2030	99%	97%	36%
Employee Health & Safety	403-5	S1	Working conditions - Health & safety	We want to maintain the number of employees trained on H&S matters above 95% by 2030	95%	98%	92%
Business conduct and ethics	205-2	G1	Corruption and bribery - Prevention and detection incl training	We aim that at least 85% of our employees are trained according to the Code of Ethics (including bribery & corruption matters) by 2030	94%	77%	75%
Training and skills development (professional development)	404-1	S1	Equal treatment and opportunities - Training and skills development	We want to continue to support our employees to additional training and skills development	27h(**)	27h(**)	23h(**)
Company culture		G1	Business Conduct - corporate culture	We want to continue to reinforce a good corporate #beMedacta culture, which is also embodied in the global performance review process, targeting an overall global completion rate of at least 90%	95%	94%	92%
Economic performance	201-1			We aim to outperform the global orthopaedic market (***) measured in revenue growth rate	18.5% in c.c. or 15.8% in Euro	16.2% in c.c. or 15.6% in Euro	19.5% in c.c. or 16.8% in Euro

(*)GHG emissions (scope 1 Fuel Combustion + Scope 2 purchased electricity on market base) only for headquarters and facilities in Castel San Pietro and Rancate

(**)Average number of training hours provided to each employee per year

(***) The Orthopaedic Industry Annual Report® published by ORTHOWORLD® Inc., published May 2025

Abbreviations: c.c.: constant currency

[1] Federal Council press release of 28.8.2019, can be viewed at: https://www.bafu.admin.ch/bafu/en/home/topics/climate/news-releases.msg-id-76206.html

2. Governance

2.1 Corporate Governance

Medacta Group SA is a stock corporation under the laws of Switzerland and is listed on the SIX Swiss Exchange (ISIN: CH0468525222, SIX ticker symbol: MOVE). The Group structure, shareholders, capital structure, Board of Directors, Board of Directors meetings, and Group Executive Management are illustrated in the dedicated Corporate Governance Report in this Annual Report.

During 2025, the Board was regularly updated by Management on developing regulations and reporting requirements related to sustainability reporting, and discussed in several meetings proposed changes to 2025 reporting activities. This year, Medacta revisited and streamlined its Double Materiality Matrix. Thereby, Medacta considered updates, new insights, and timeliness while adhering to Swiss legal requirements for non-financial reporting (Chapter 1). The results were discussed and refocused following several discussions within the Sustainability Steering Committee and business leaders. The updated list of material topics was presented for approval to the CEO and subsequently to the Board of Directors.

2.2 Human Rights

Human rights are universal, inalienable, and indivisible principles that safeguard the inherent dignity and worth of every individual. In the realm of corporate ESG management, the acknowledgment and protection of these rights are vital not only for ethical reasons but also for mitigating risks, enhancing stakeholder relationships, and ensuring long-term business resilience. The focus on human rights is a cornerstone in shaping responsible business practices.

At Medacta, we are strongly dedicated to respecting human rights through appropriate due diligence and the execution of all our business practices. We identify with the principles outlined in the UN Guiding Principles for Business and Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

In our materiality analysis, the protection of human rights is included in the "Business conduct and ethics" material topic, and it is also highlighted in the Enterprise Risk Management paragraph and in the Caring for People chapter (health and safety and training matters). These topics are mainly treated in our Code of Business Conduct and Ethics (the "Code")2. Through it, we repudiate any discrimination based on sex, gender identity, sexual orientation, geographical origin, race, language, personal and social conditions, religious and political beliefs, membership of minorities, marital status, pregnancy, age, health conditions, or disability. We favor a working environment that nurtures the involvement and empowerment of employees and collaborators with regard to the specific objectives to be achieved and the ways to pursue them. All employees shall comply with the Group's Code. Our focus on the protection of human rights also extends to the supply chain and third parties. Contractors, subcontractors, and business partners that act on behalf of the Group shall comply with the principles and indications contained in the Code.

Employees are continuously trained on the principles contained in these documents and promptly informed about any updates that occur, as highlighted in the Caring for People chapter of this report. In 2025, 94% of all employees worldwide completed a dedicated course to ensure comprehension and alignment.

Medacta operations are subject to a structured audit process that is conducted by the central Quality Assurance function. A standard and fundamental aspect of this audit process is compliance with the Medacta Quality Manual, which links to the enterprise risk management framework and stipulates the requirement to be in compliance with all local laws and regulations. Each year, including 2025, 100% of our operations are subject to an Audit Plan Risk Analysis to determine a risk-based audit priority to execute throughout the year, with all results shared with Executive Management and zero instances of human rights violations detected within the year.

	GRI	UM	31.12.2025	31.12.2024
Operations that have been subject to human rights reviews or impact assessment				
Operations that have been subject to human rights reviews or human rights impact assessment	412-1	n.	14	13
		%	100	92
Operations that have been subject to human rights reviews or impact assessments by region				
EMEA	412-1	n.	9	8
North America	412-1	n.	3	3
APAC	412-1	n.	2	2
EMEA	412-1	%	64	62
North America	412-1	%	22	31
APAC	412-1	%	14	15

[2] https://www.medacta.com/EN/code-of-business-conduct

2.3 Policy Commitments

Medacta's policy commitments to responsible business conduct, including a commitment to respecting human rights, are supported by the adoption of the Code of Business Conduct and Ethics (the "Code"), formally approved by the Board of Directors on 15 December 2021. The Group Code of Business Conduct and Ethics (the "Code") reflects the company vision and mission and sets out the values and guiding principles that underpin our policies and procedures. The Code defines and formalizes the set of principles and ethical values in which Medacta recognizes itself and which form the basis of the company culture, as well as the standard of behavior required by anyone interacting with Medacta. The extent to which the Code is applied covers the entire activities and business relationship of Medacta, and it's communicated to all employees through training courses on an annual basis.

The Code and the principles set out in it indicate to all our stakeholders the standards for defining appropriate and inappropriate conduct, and it also provides a point of reference whenever guidance may be needed. It is clearly stated that Medacta ensures respect for the individual, promoting equal treatment and combating all forms of discrimination. The company's employees operate worldwide and represent a wide array of experiences and backgrounds. Medacta believes that this diversity supports innovation and strong collaboration with surgeons, stakeholders, and business partners worldwide.

2.4 Fight against Corruption

Medacta maintains business integrity as a fundamental value and considers corruption a serious threat to the development of economic and social stability. Our approach is "zero tolerance" towards all forms of corruption in our relations with both public and private entities. This implies that all actions, operations, negotiations, and behaviors associated with business practices must be based on the utmost fairness, exclude any corruption, and ensure transparency of information, with respect given to all applicable anti-corruption laws and regulations of the countries in which Medacta operates.

In 2025, there were no identified cases of corruption or violation of our code of business conduct and ethics. The main rules of conduct for the purposes of preventing corruption are contained in our Code of Business Conduct and Ethics mentioned above: it is clearly stated that "All the actions and operations carried out and the behavior of employees, collaborators and partners in the performance of their duties or functions are inspired by transparency, correctness, and mutual respect, as well as legitimacy in both form and substance, according to the regulations in force and Medacta's internal procedures, also in order to protect the company's assets and image". For a complete reading of the paragraph, please refer to the Code of Business Conduct on Medacta's website. Medacta provides annual courses about anti-corruption matters and, in 2025, 94% of employees successfully completed the training session.

	GRI	UM	31.12.2025	31.12.2024
Operations assessed for risks related to corruption				
Operations assessed for risks related to corruption	205-1	n.	14	13
		%	100	92
Communication and training about anti-corruption policies and procedures				
Employees that have received training on anticorruption	205-2e	n.	2'280	1'642
		%	94	77
Communication and training about anti-corruption policies and procedures - by region				
EMEA	205-2e	n.	1'658	1'192
North America	205-2e	n.	313	202
APAC	205-2e	n.	309	248
EMEA	205-2e	%	84	79
North America	205-2e	%	91	87
APAC	205-2e	%	84	81
Confirmed incidents of corruption and actions taken				
Confirmed incidents of corruption	205-3a	n.	0	0
Employees who received disciplinary action (including dismissal) for incidents of corruption	205-3a	n.	0	0
Measures taken against business partners following confirmed incidents of corruption	205-3a	n.	0	0
Proceedings against the organisation or employees for incidents of corruption	205-3a	n.	0	0

2.5 Corporate Compliance Program

Medacta complies with a Corporate Compliance Program that is aimed at meeting the global principles of compliance in the countries where Medacta is present. A Group Compliance Officer is responsible for developing and maintaining compliance policies, promoting a culture of responsibility, conducting risk analyses and periodical assessments, identifying remediation needs, providing training, and taking additional steps to assist the Group in meeting its legal, regulatory, and ethical obligations. Any compliance concern, question, or potential violation of our Code can be submitted anonymously through a specific form, available in the compliance section of our company website: www.medacta.com/compliance.

Membership and Industry association

Medacta is a member of some key medical associations in the main markets:

MedTech Europe from diagnosis to cure

SWISS MEDTECH

MTAA Medical Technology ASSOCIATION OF AUSTRALIA

2.6 Data Privacy and Cybersecurity

Data Privacy

At Medacta, we recognize that protecting data privacy is fundamental to maintaining the trust of our stakeholders and continuing to support the growth of our business.

More in detail, as a member of MedTech Europe, we are regularly informed about legislative updates, including the General Data Protection Regulation (GDPR) and national privacy laws, to ensure compliance with the most stringent legal requirements and national standards (CNIL for example). In addition, being associated with Federprivacy, the leading trade association in Italy concerning Privacy, we continuously monitor the main activities and decisions of the Italian Data Protection Authority. In the US, we act in compliance with the HIPAA (Health Insurance Portability and Accountability Act) Privacy Rules. A dedicated legal and compliance team makes this possible and always remains connected to the Swiss headquarters, promptly sharing the most up-to-date national standards and guidelines to be followed.

We maintain solid governance of data privacy, reviewing our technical and organizational measures on a standard basis and ensuring adequate employee training through our quality system, which covers all principles of privacy and the practical rules that apply. Data protection is under the governance of the Audit & Risk Committee of the Board of Directors, to which the Data Protection Officer (DPO) maintains direct access to raise issues of concern whenever necessary. At Medacta, we maintain several procedures (privacy manual, data management, data breach management) and dedicated courses on our training platform.

In 2025, we didn't receive any substantiated complaints concerning a breach of customers' privacy, considering all potential sources, including outside parties and regulatory bodies. In addition, we didn't experience any leak, theft, or loss of customer data.

Cybersecurity

Malware, viruses, and phishing attempts are continuously more sophisticated and represent a major risk to all corporate systems. The increase in cyber threats motivates Medacta to maintain a fully robust security strategy. In our security operation center, we are equipped with an active 24/7 monitoring system, receiving timely reports on the status of incidents detected. In addition, we have introduced awareness campaigns advising our employees on how to reduce risks, and we monitor effectiveness metrics through our management review process.

Furthermore, Medacta has achieved ISO 27001 certification, a globally recognized standard for information security. This milestone demonstrates our commitment to safeguarding data, implementing rigorous security controls, and continuously improving our cybersecurity posture.

In 2025 we made significant progress in implementing new software, policies and training courses, including but not limited to the following:

- Implementation of a specific software for data governance and protection;
- Implementation of a dedicated software solution to ensure strict control and management of privileged access to IT infrastructure.

2.7 Enterprise Risk Management

In 2025, Medacta continued the consistent advancement of our integrated Enterprise Risk Management (ERM) function. The Board, and particularly the Audit & Risk Committee, have been consistently engaged in managing the risk profile of the Group, ensuring pragmatic solutions to safeguard the interests of all stakeholders and, above all, the safety of patients treated with Medacta devices. The ERM framework is a cyclical and iterative process that is subject to annual review and approval by the full Board of Directors.

Notable risk updates in 2025 have included attainment of certifications to ISO 14001 and 27001, continued execution to plan for all defined risk controls, and proactive risk avoidance respective to our globally expanding operational presence designed for organizational resilience and business continuity.

The ERM process is directly incorporated into the management review process of the quality management system, providing appropriate documentation, audit trails, and management team involvement. This process involves a regimented quarterly review cycle with balanced metrics to ensure performance goals are achieved in alignment with the strategy, and emerging risks are evaluated and managed proactively to prevent material impact to the organization and associated stakeholders.

In 2025, Medacta engaged a dedicated independent assessment of the Enterprise Risk Management program through the expertise of AXA Risk Engineering which affirmed excellent risk management and quality assurance processes implemented by Medacta. With positive independent verification, risk management at Medacta continues to be regarded as both highly effective and continuously improving.

Human rights and child labor risks

Human rights and child labor risks have been evaluated for the full supply chain, utilizing the UNICEF Child Rights in the Workplace Index[3] as a guiding input. The results of the diligence concluded that no areas of concern were present in the Medacta supply chain. This evaluation continues to be clearly set within the supplier qualification process and on an annual basis the global due diligence analysis is conducted to ensure ongoing effectiveness of the controls implemented.

Corruption risks

Corruption risks have been evaluated with due diligence conducted for the full distribution network, utilizing the Transparency International Corruption Performance Indicator (CPI) scoring system as a guiding input. The due diligence outputs have been utilized to define our ongoing risk-based audit and on an annual basis the global due diligence analysis is conducted to ensure ongoing effectiveness of the controls implemented.

Conflict mineral risks

Conflict mineral risks were evaluated, and our certificate of analysis has been updated, with the confirmation that Medacta continues to operate below the applicability thresholds with no present risks identified. This certificate of analysis process is systematically integrated into our annual audit plan risk analysis to ensure ongoing vigilance with escalation and reporting completed if/when applicable.

For continuous improvement, a routine internal audit was conducted as per our quality management system with a dedicated checklist for "continuous improvement for anti-corruption and human rights". This audit evaluates the effectiveness of current controls and seeks to identify ways to optimize and strengthen the Medacta program for combating these prevailing risks.

The management review process, conducted quarterly, ensures full vigilance of all relevant KPIs, including those applicable to ESG topics, and performance monitoring, ensuring active management for compliance, effectiveness, and full risk mitigation.

[3] The Children's Rights in the Workplace Index measures the extent to which countries eliminate child labour and provide decent work for young workers, parents and caregiver.

2.8 Responsible Supply Chain

Throughout the history of Medacta, supplier screening has always been a vital aspect of our business and has included ethical and compliance-related considerations. The Medacta supplier evaluation process begins with consideration of all third parties to which Medacta can issue a payment or conduct a business transaction. This list is filtered to identify the suppliers that may impact the Medacta quality system. Suppliers with no impact on the quality system include those with no material impact on environmental or social criteria. Suppliers that are determined to have a potential impact on the quality system, and thus potentially also on environmental or social matters, are then subject to a more intensive phase of the screening process. The screening process involves a questionnaire to support documented evidence, but the screening further involves a comprehensive evaluation by Quality Assurance to confirm all relevant information to make an informed and responsible decision regarding approval for qualification. The outcome of this process is a determination that the supplier is aligned with Medacta in all relevant respects, particularly including our Code of Business Conduct and Ethics, which delineates our commitments and standards for environmental and social impacts.

	GRI	UM	31.12.2025	31.12.2024
New suppliers that were screened using environmental criteria				
New suppliers that were screened using environmental criteria	308-1	%	99	97
New suppliers that were screened using social criteria				
New suppliers that were screened using social criteria	414-1	%	99	97

3. Caring for Patients

3.1 PATIENT WELL-BEING

Explanation of the topic

In today's rapidly evolving technological landscape, the concept of responsible and sustainable innovation has emerged as a crucial principle to navigate the complexities of scientific and technological advancements. It encompasses a holistic approach that integrates stakeholder engagement, research and development, cutting-edge technologies, healthcare sustainability, and ethical principles throughout the innovation process.

Medacta's approach

With an unwavering dedication to enhancing patient outcomes and satisfaction, we believe embracing innovation is essential. Innovation forms the foundation of all our projects and is reflected in the originality of our surgical techniques, products, and solutions. We see innovation as a valuable asset, like a diamond, capable of addressing unmet clinical needs and solving challenges, thereby positively impacting patient well-being and healthcare sustainability.

We drive our innovation by offering minimally invasive techniques and personalized solutions tailored to each patient's unique needs. Through high-level, personalized medical education programs, we are dedicated to transforming cutting-edge innovations into tangible benefits for patient well-being and healthcare sustainability. Our approach goes beyond traditional cost-focused measures, adopting a comprehensive, patient-centered philosophy that integrates efficiency with quality, safety, and the overall patient experience, ultimately enhancing patient satisfaction.

We are strong advocates for responsible and sustainable innovation. Our commitment to maintaining the highest standards of quality and compliance in the production and distribution of safe, effective products is supported by the M.O.R.E. Excellence Clinical Program. This program allows us to introduce innovative products responsibly into the market, progressing gradually toward full release following regulatory approvals.

For more details on how we conduct our business with a constant focus on enhancing patient outcomes, please read the Management Report included in the Annual Report.

4. Caring for People

4.1 Corporate Culture

Explanation of the topic

The definition of "corporate culture" includes shared values, attitudes, behaviors, and standards that make up a work environment. It is about the experience people have at work and how that experience aligns with the external image and messaging of the company. Culture is what creates day-to-day experience at a company and contributes to strengthening the sense of belonging to an organization.

Medacta's approach

One of our most valuable assets is human capital. To fully harness its potential, we adopted a people-centered strategy and cultivated an engaging, productive, and rewarding work environment. At Medacta, human capital is made up of an ecosystem of talented people who actively collaborate and rely on each other's strengths and contributions to sustain the authenticity and competitiveness of our company.

We are committed to protecting and managing our human capital by maintaining a solid identity, supported by a strong culture. Throughout 2025, we launched multiple initiatives to further reinforce and embed our corporate culture across the organization. As Medacta continues to expand, particular attention has been given to ensuring that both existing and new employees develop a clear and comprehensive understanding of our cultural principles. The five values are Trust and Integrity, Efficient Execution, Sustainable Innovation, Patient and Customer Focused, and Teamwork. These form the overarching concept we describe #beMedacta, which we strive to strengthen as it represents a key to sustainable success, actively contributing to our growth.

As the company expands and hires more people, it is of the utmost importance that these values are kept alive and, above all, transferred to new employees. For this reason, the #beMedacta concept is integrated into our talent acquisition process, as well as our onboarding activities, Code of Business Conduct and Ethics, and our performance review process. This also forms an essential foundation for the effectiveness of our ESG risk management program (Chapter 2.7).

The values of #beMedacta are included in the performance review system, enhanced to support the optimal performance of our employees worldwide. This pathway includes a structured process within which we conduct performance appraisals and feedback processes, at least bi-annually, and is supported by routine interaction between management and staff throughout the year.

This process provides the opportunity to gather information about employee engagement as well as discuss and agree on objectives for the year, so as to ensure continued alignment between actual performance and expectations. It also provides the opportunity to assess and provide feedback on how an employee is demonstrating or living up to our culture and values. We monitor the completion of the performance review process for eligible employees through defined coverage percentages, with the objective of involving the largest possible share of the workforce. While the population of eligible employees continues to evolve as a result of the company's rapid growth and development, sustained efforts are made to maintain coverage levels consistently above 90%, reflecting the ongoing integration of the process across the organization.

The #beMedacta Award has evolved into a well-established global recognition program. It is designed to acknowledge employees who have demonstrated outstanding commitment by going beyond expected responsibilities and embodying one or more of Medacta's five values. As a sign of the importance placed on this initiative, each award recipient is personally recognized by the Chief Executive Officer.

In parallel with the reinforcement of internal culture initiatives, Medacta launched a dedicated section on the corporate website focused on the #beMedacta culture and the values that define it. The page features direct testimonials from the Chief Executive Officer and members of the Siccardi family, as well as from the Chief People Officer, offering insight into the cultural principles guiding the organization. It also includes a dedicated section titled #beMedacta Stories, which highlights employee video interviews and reflects the belief that Medacta's strength lies in its people. Through these stories, the values, passion, and collaborative spirit that characterize the organization are shared in an authentic and accessible way.



#beMedacta CULTURE
A KEY FOR SUSTAINABLE SUCCESS

During 2024 we launched a global project to refresh our values so that they better reflect our original core values and our purpose. A key outcome of this project was to engage and re-engage new and existing team members and have ensured these refreshed values are integrated into our talent acquisition process, as well as our onboarding activities, Code of Business Conduct and Ethics, and within our performance and talent management processes.

We always strive to strengthen our #beMedacta culture, which is key to sustainable success and actively contributes to our growth. We want to ensure that our people understand and live our culture and values. We believe it is of the utmost importance that our values are kept alive.

TRUST AND INTEGRITY
It's at the core of who we are and is **never negotiable**, all our interactions meet the highest professional & ethical standards.

EFFICIENT EXECUTION
We take ownership and **accountability** in everything we do and **we deliver results** in the most efficient way!

PATIENT AND CUSTOMER FOCUSED
Everything we do is always with our patients and customers in mind and always with the **highest sense of urgency and priority**.

SUSTAINABLE INNOVATION
Our ideation and passion drive us **continuously to improve** our Products, Processes and Technologies in a sustainable way.

TEAMWORK
We work as a TEAM, **always respectfully** and ensure we work together for the greater good of Medacta **#beONE**.

4.2 Employee Safety

Explanation of the topic

The protection of the physical and psychological well-being of people is a value that distinguishes a corporate culture.

Medacta's approach

The health and safety of our employees, customers, and patients have always been our number one priority. In 2025, we continued our efforts to assess and mitigate any risks in accordance with our safety procedures and training activities.

In line with our commitment, we are among the signatories of Charta, a Safety Charter launched by Suva (the Swiss National Accident Insurance Fund) to ensure that safety rules are observed on working sites. The goal is to preserve the lives and physical integrity of all persons who work in Switzerland.

Additionally, Medacta is a founding member of Forum GSA Ticino, a regional network committed to overseeing well-being and health in the workplace, and Maria Luisa Siccardi Tonolli is a member of the Board of Directors. The Forum's primary objective is to foster the sharing of experiences among companies in Ticino, promoting and spreading best practices that enhance the quality of life for their employees and encouraging a positive, healthy, and proactive work environment.

As a MedTech company compliant with government requirements, our facilities located in Ticino, Switzerland, have always remained operational due to the implementation of specific business continuity measures. We will continue to adapt and evolve our approach in line with the industry's best practices whenever it relates to the health and safety of our employees, customers, and patients.

For employees and other workers actively involved in Medacta's activities at our facilities, we have implemented an occupational health and safety management system through our quality management system. The system is based on the legal requirements of the countries within which we work and is governed by our ISO 13485 certification. The system has been implemented based on risk management following ISO 31000 and the COSO Enterprise Risk Management framework. The following is a description of the scope of workers, activities, and workplaces covered by the occupational health and safety management system: "There are no Medacta-related workers, activities, or workplaces that are not covered. We are committed to supporting our employees through several safety and well-being measures, including training programs. Beyond offering a package of benefits aimed at reconciling their work-life management, for us, safety is a top priority."

In 2025, employees in Switzerland at our headquarters and manufacturing facilities in Castel San Pietro and Rancate were trained on generic health and safety matters, reaching 95% of the workforce.

	GRI	UM	31.12.2025	31.12.2024
Number of employees trained on H&S matters* / Total number of employees*	403-5	%	95	98

* Related to Castel San Pietro and Rancate headquarters and facilities

4.3 Professional Development

Explanation of the topic

Professional development includes all types of learning opportunities like academic degrees, conferences, and non-formal learning opportunities. There are a number of ways to support professional development, including teaching, sessions, communities of practice, guidance, technical assistance, study lessons, and supervision.

Medacta's approach

Professional development is integral to Medacta's Quality Policy and ESG Policy: we promote the professional growth and motivation of our people through the delivery of training courses on a variety of topics and the creation of opportunities for mutual exchange of knowledge and information on their respective work experiences.

For us, continuous professional training represents a fundamental element of a conscious and responsible approach to work. Through the Medacta Academy, we provide structured learning pathways designed to support the ongoing development of both professional and personal skills, with training programs tailored to the evolving needs of our employees. In parallel, we continue to invest in leadership development by designing dedicated initiatives, including customized programs developed in collaboration with leading academic institutions.

A dedicated procedure, Training Requirements Definition and Activities Management, is part of our quality management system. The procedure applies to all the employees of our Group and independent agents. We determine the necessary competencies for our personnel and provide education and training activities to ensure that they are trained to adequately perform their responsibilities.

Training needs for new employees are determined at the beginning of their engagement. For established personnel, training needs are defined continuously based on the evaluation of effectiveness and developing job responsibilities. Our branch employees and independent agents require dedicated training regarding specific Medacta product lines. Product training for our salesforce is organized by Medacta Academy in collaboration with our Human Resources (HR) department.

Language courses are an important asset to success for international businesses in order to favor diversity in Medacta. Medacta Academy promotes courses in English, French, and German to facilitate communication between different countries and to consolidate the professional skills of our employees. Employees can benefit from private lessons with teachers from all over the world.

Create a leading-edge learning & development culture

The development of our learning agenda has led to the creation of a blended learning approach. Including partnering with a world-renowned academic institution with the launch of two distinctive learning pathways. As well as the launch of a personal development plan process, which was has been deployed globally since 2024.

Increase in average hours of training per employee

In 2025, 67'367 hours of training have been provided to 2'425 employees, including leavers during the year. This indicator increased from 2022, our baseline, primarily thanks to new courses for Leadership and Management held by Politecnico di Milano and an increased number of language courses (MyLanguages). As a practical result, there has been an increase in average training hours per trained employee, from 23 to 27.

	GRI	UM	31.12.2025	31.12.2024
Total hours	404-1 a	n.	67'367	59'260
Employees who participated on at least one training course	404-1 a	n.	2'425	2'143
Average hours of training per trained employee	404-1 a	n.	27.78	27.65
Average hours of training per employee	404-1 a	n.	30.39	31.08

Employee training on human rights policies or procedures

Basic human rights aspects have been consistently covered as part of our Code of Business Conduct and Ethics training, which is mandatory for all our employees worldwide. As stated in our Code of Business Conduct and Ethics, "the supreme value of the human being is recognized by Medacta, which is committed not only to guaranteeing but also to developing his or her inviolable rights. We operate within the general framework of the Universal Declaration of Human Rights of the United Nations and the fundamental Conventions of the International Labour Organisation (ILO)". To promote greater awareness of the main issues related to human rights covered in the Code of Business Conduct and Ethics, we annually carry out online training for all Group employees.

Employees receiving regular performance and career development review

A significant portion of our employees receive annual goals tailored to their areas of growth as part of our performance review process. This has enabled us to establish ongoing conversations through one-on-one meetings between managers and each direct report. These meetings provide an excellent opportunity to gather information about employees' progress toward their goals and their overall engagement.

	UM	31.12.2025	31.12.2024
Percentage of eligible employees	%	95	94



4.4 Employee engagement, satisfaction and retention

Explanation of the topic

Employee engagement refers to the emotional connection, commitment, and involvement an employee has toward their work and the organization. Employee engagement has a significant impact on retention within an organization. When employees are engaged, they develop a strong connection to their work and feel valued and appreciated. Employee retention is influenced by various factors such as job satisfaction, growth opportunities, work-life balance, compensation, and corporate culture.

Medacta's approach

Our corporate HR department is responsible for the centralized control of all global HR policy and process formulation and has developed an HR framework setting out the strategic priorities that will support the business needs today and in the future. Below are some of the key focus areas:

Employee value proposition

Developing our identity and values as an employer and increasing the overall employee experience will enable us to attract and retain our people.

Talent acquisition

Enhancing the hiring processes and systems that will enable us to improve the speed, quality, and effectiveness of attracting and hiring people.

Total rewards

Developing comprehensive and competitive compensation strategies and recognition schemes enabling us to hire and retain.

Talent & performance management

Building meaningful, robust processes and tools that will manage our human capital effectively today and in the future.

Learning & development

Establishing a culture of learning and growth for our people that is aligned with our employees and organizational needs.

Working life management

From the start, we have constantly supported and valued the personal and professional well-being of our employees by offering a package of benefits aimed at reconciling their work-life management. As an effective example, benefits dedicated to our employees in Ticino, Switzerland, are aimed at favoring the management of both personal and work commitments, and supporting their well-being, and include:

- flexible working hours for office employees extending the duration for office-based employees, up to 120 minutes of break, managing the 8 working hours accordingly;
- employees' children have priority access to My School Ticino, a company school 0-10 years managed by Medacta for Life Foundation (see page 68), with special agreements;
- hours of paid leave for medical visits;
- wedding bonus;
- a range of company benefits as well as discounted services with local organizations (including Fitness Centers, Restaurants, etc.);
- 100% pay for both maternity and paternity above the statutory requirements.

Company benefits and discounted services with local organizations:

- regulation and supplementary pension fund;
- insurance coverage in case of disability;
- work permits for foreigners;
- banking packages;
- agreements with medical centers;
- presence of an infirmary, when feasible;
- availability of a company doctor;
- free check-ups for specific health conditions.

In 2025, the #beMedacta employee survey was expanded at global level as a key tool to gather structured feedback from employees. The survey contributed to a broader understanding of employee perspectives related to satisfaction, corporate culture, and organizational priorities, supporting ongoing reflection on areas for development. Similar survey initiatives are planned on a periodic basis from 2026 onwards, reinforcing Medacta's commitment to listening, dialogue, and the continuous evolution of its workplace culture.

MySport

We are committed to promoting a healthy lifestyle among our employees by encouraging physical activity and well-being. We actively support a variety of sports initiatives, offering opportunities for employees to engage in fitness programs, team sports, and wellness challenges. In 2024, we introduced MySport, a new platform dedicated to company-supported sports events. On MySport, employees can register for all available activities, competitive and recreational. Furthermore, the platform allows employees to propose new events or sports disciplines, encouraging direct involvement and greater participation in the corporate wellness culture.

4.5 Talent acquisition

Explanation of the topic

Talent acquisition entails the process of identifying, attracting, and onboarding skilled individuals to fulfill organizational needs. This process plays a pivotal role in shaping the trajectory of a growing company like ours.

Medacta's approach

Talent acquisition is essential to pursue our growth strategy. Our process focuses on identifying individuals who align with Medacta's culture and risk management approach, ensuring that all employees serve as influential participants in the fulfillment of our mission, vision, values, and policies.

We are continually evolving our processes, tools, and partnerships to ensure we are optimizing all opportunities to strengthen our talent pipeline. We do this in many ways, including but not limited to:

- expanding our third-party collaborations and leveraging our scale;
- working with schools and universities to develop long-term relationships;
- offering tools and technology enabling an effective candidate experience;
- a dedicated internal talent acquisition team;
- evolving our processes to ensure they remain relevant and effective.

As part of this ongoing evolution, particular attention has been given to onboarding programs at country level. During 2025, onboarding content was progressively aligned to ensure consistent and shared communication of the #beMedacta culture and values across geographies. This alignment supports the diffusion and consolidation of Medacta's corporate culture globally.

"Harness the power of your network" campaign

Our global employee referral program continues to to play a proactive role in referring potential candidates in line with our values and culture, which are vital to our success. This campaign is now well established globally and provides an effective channel as part of our talent acquisition approach.

Social media campaign

We have maintained a strong presence across social media platforms, especially on LinkedIn, to promote and highlight the many opportunities that exist within Medacta at a global level, with a particular focus on our #beMedacta values. This concise content has the potential to foster heightened interest and understanding of our organization's strategic path in the medium and long term.

4.6 Diversity and equal opportunities

Explanation of the topic

Eliminating discrimination and providing equal opportunities to people from all backgrounds and genders empower them to seize the opportunities they deserve, boosting morale and cultivating loyalty.

Medacta's approach

We continue to pursue the objective of placing the individual at the center of the organization to create a sustainable and stimulating environment that respects diversity and is geared toward inclusion. Our employees operate worldwide and represent a mix of experience and backgrounds. We believe this diversity supports our innovation and continuous collaboration with our customers and all stakeholders. We offer all employees the same opportunities to develop their own skills and capabilities, avoiding any form of discrimination based on race, sex, age, nationality, religion, disability, or personal beliefs.

Parental leave

Special attention is given to supporting motherhood and the return to work after maternity leave. For this reason, we offer various services to our employees at the headquarters and manufacturing plants to support parenthood and accompany every woman before, during, and after her maternity leave. In 2025, we register a 100% rate of return after maternity leave.

	GRI	UM	31.12.2025	31.12.2024
Return to work rate	401-3 c	%	100	100
of which male	401-3 c	%	100	100
of which female	401-3 c	%	100	100

My School Ticino

In 2011, the Medacta for Life Foundation was founded and, the following year, the My Baby 0-3 Nursery school was opened. Its aim was to support the company's employees in balancing their family and professional lives by welcoming their children. Also accessible to the local community, over the years the educational offer expanded. Currently, it includes: My Child 3-6 Pre-school, My Kid 6-10 Primary School, together with additional services such as extra-school service (including pre- and after-school, canteen service, summer camp, and My Week during school holidays) and language courses (Chapter 6.3). Employees' children have priority access and special discounts.

Information on employees

We assess and review the statistics of our workforce, tracking progress, particularly in relation to gender and nationality, including the percentage of women and high-growth market nationalities in leadership positions. Turnover is also monitored at Medacta to help us manage the turnover rate, reduce regretted losses, and develop a better understanding of how to retain our people. Medacta employment has grown sharply following the dynamics of our business expansion. As of the end of December 2025, the Group has 2'165 employees, 72% of whom are employed in the EMEA region, 14% in the APAC region, and 14% in North America. During 2025 there were 473 new employees, of which 258 incremental positions. The new employees met the needs of the business expansion in those countries where we are present. The female population is 32% of the total workforce, and the vast majority is hired on a full-time permanent contract basis.

	GRI	UM	31.12.2025	31.12.2024
Information on employees				
Total new hires	2-7 a	n.	473	375
Total number of employees as at December 31	2-7 a	n.	2'165	1'907
Employees breakdown by gender				
Men	2-7 a	n.	1'474	1'304
		%	68	68
Women	2-7 a	n.	691	603
		%	32	32
Employees breakdown by age group				
Under 30 years old		n.	417	375
30 - 50 years old		n.	1'288	1'148
Over 50 years old		n.	460	384
Breakdown of employees by length of employment contract and gender				
Permanent contract	2-7 b	n.	2'118	1'876
of which women	2-7 b	n.	677	594
Temporary contract	2-7 b	n.	47	31
of which women	2-7 b	n.	14	9
Breakdown of employees by length of employment contract and region				
Permanent contract	2-7 b	n.	2'118	1'876
of which EMEA	2-7 b	n.	1'516	1'367
of which North America	2-7 b	n.	296	239
of which APAC	2-7 b	n.	306	270
Temporary contract	2-7 b	n.	47	31
of which EMEA	2-7 b	n.	46	28
of which North America	2-7 b	n.	0	0
of which APAC	2-7 b	n.	1	3
Breakdown of employees by employment type and gender				
Full time	2-7 b	n.	2'079	1'825
of which women	2-7 b	n.	617	533
Part time	2-7 b	n.	86	82
of which women	2-7 b	n.	74	70
Breakdown of employees by employment type and region				
Full time	2-7 b	n.	2'079	1'825
of which EMEA	2-7 b	n.	1'489	1'323
of which North America	2-7 b	n.	294	237
of which APAC	2-7 b	n.	296	265
Part time	2-7 b	n.	86	82
of which EMEA	2-7 b	n.	73	72
of which North America	2-7 b	n.	2	2
of which APAC	2-7 b	n.	11	8

	GRI	UM	31.12.2025	31.12.2024
Total number and rate of new employee hires				
New employee hires	401-1 a	n.	473	375
Rate of new hires	401-1 a	%	22	20
Total number and rate of new employee hires by gender				
Men	401-1 a	n.	321	237
Women	401-1 a	n.	152	138
Rate of men's hires	401-1 a	%	68%	63
Rate of women's hires	401-1 a	%	32%	37
New employee hires by age group				
Under 30 years old	401-1 a	n.	178	133
30 - 50 years old	401-1 a	n.	217	184
Over 50 years old	401-1 a	n.	78	58
Under 30 years old - rate	401-1 a	%	38%	35
30 - 50 years old - rate	401-1 a	%	46%	49
Over 50 years old - rate	401-1 a	%	16%	15
New employee hires by region				
EMEA	401-1 a	n.	298	263
North America	401-1 a	n.	118	66
APAC	401-1 a	n.	57	46
Rate of new hires in EMEA	401-1 a	%	19%	19
Rate of new hires in North America	401-1 a	%	40%	28
Rate of new hires in APAC	401-1 a	%	19%	17

5. Caring for the Environment

5.1 Climate change and energy

Explanation of the topic

Under the United Nations Framework Convention on Climate Change (UNFCCC), climate change refers to long-term shifts in temperature, weather patterns, and environmental conditions, influenced by natural factors and human activities. While it presents challenges, it also serves as a powerful catalyst for innovation, efficiency, and sustainability. By embracing cleaner technologies, optimizing resource use, and reducing waste, societies and businesses can create a more resilient and prosperous future, fostering economic growth while protecting natural ecosystems.

Medacta's approach to the environment

We are committed to sustainable and responsible environmental management practices, emphasizing alignment with local and international standards and continual minimization of our collective environmental impact. As a multi-generational family company, responsible stewardship for the preservation of future generations is deep within our culture. We are committed to protecting the environment, in compliance with all obligations, and minimizing our impact on all environmental risk factors. In line with this approach, we set related targets for the benefit of all stakeholders, a thriving business, and a healthy environment. Risk management is applied to leverage the evolving landscape of threats, opportunities, and responsibilities. Our commitment is embodied in our ESG Policy, as shown in our risk management section (Chapter 2.7). Our ISO 14001 certificate is for us a framework to protect the environment and respond to changing environmental conditions in balance with socio-economic needs. This applies throughout our quality management system, with performance metrics integrated into our official quality objectives for routine monitoring and responsive action when needed.

In this report, we disclosed climate issues as outlined by the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in accordance with art. 3 of the Swiss Ordinance on Climate Disclosures, encompassing the four thematic areas of governance, strategic planning, risk management, and metrics and targets (Chapter 5.2). Our Guidelines for Environmental Sustainability course is part of our mandatory corporate training program, aiming to raise awareness and equip employees with the knowledge necessary to implement some sustainable practices in their daily activities. Through this training, we are reinforcing our commitment to environmental responsibility across all levels of the organization, ensuring that sustainability becomes a key aspect of our operational culture.

Compliance with environmental laws and regulations

In all the contests in which we operate, we undertake to act in full respect of laws and regulations in force and aim at the continuous improvement of our environmental performance, through the application of advanced quality systems, risk assessment and management, training, awareness, and involvement of employees, and the application of environmental sustainability criteria in the selection of new suppliers supported by our screening procedure. In 2025, we reached 99% of suppliers assessed against these criteria, and we are committed to maintaining this level above 70%.

In 2025, there were no fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations. In addition, no cases were brought through dispute resolution mechanisms for non-compliance with environmental laws and/or regulations.

5.2 Task Force on Climate-related Financial Disclosure (TCFD)

In 2017, the Task Force on Climate-related Financial Disclosures (TCFD) provides a report establishing recommendations for helping businesses disclose climate-related financial information in a clear, comparable, and consistent way.

In its work, the Task Force drew on member expertise, stakeholder engagement, and existing climate-related disclosure regimes to develop a singular, accessible framework for climate-related financial disclosure[4]. By adopting the TCFD approach, we aim to enhance transparency and accountability in our climate-related disclosures.

Medacta's approach

In accordance with art. 3 of the Swiss Ordinance on Climate Disclosures[5], we disclose herein on climate issues as outlined by the TCFD recommendations. This section encompasses the four thematic areas of governance, strategic planning, risk management, and metrics and targets.

[4] https://assets.bbhub.io/company/sites/60/2021/10/FINAL-2017-TCFD-Report.pdf
[5] https://www.newsd.admin.ch/newsd/message/attachments/74006.pdf

Governance

Since 2021, Medacta's Board of Directors has been responsible for overseeing corporate sustainability, including issues related to climate change. This oversight is supported by an inter-functional corporate sustainability team, which regularly engages all relevant internal stakeholders as needed (Chapter 1.5). The members of this team form the working group that has conducted the activities for adopting and implementing the TCFD framework within the company, under the guidance of the Board. The Board reviews overall progress and direction regarding strategies, policies, and programs related to ESG topics on a regular basis.

The standing Audit and Risk Committee ("ARC") plays a prominent role in assessing climate-related risks. The ARC elevates risk analysis through our enterprise risk management process (Chapter 2.7). During its periodic meetings, the ARC reviews all topics related to risk, consistently addressing environmental concerns as a cross-cutting issue. Since 2024, the ARC has intensified its focus on climate-related matters by incorporating a dedicated section into its risk analysis. The ARC Chair provides regular updates to the Board.

The company also addresses environment-related issues in the Medacta ESG Policy (Chapter 2.7), setting out its commitment to "protecting the environment, compliance to all obligations, and minimizing our impact on all overall environmental risk factors".

Strategy

Our sustainability strategy integrates economic sustainability with social and environmental value generation. We have structured this model into four key areas, one of which specifically addresses environmental concerns (Chapter 5). Furthermore, we have adopted the United Nations' Sustainable Development Goals (SDGs) as a guiding framework for our initiative and have identified Goal 13, Climate Action, as one of our primary commitments, among others (Chapter 1.3).

Climate change poses one of the most significant challenges of our time, and its impacts require a comprehensive understanding of climate-related risks to inform proactive measures. For this purpose, in 2024, we initiated a project to assess climate-related risks, conducting a detailed evaluation of the potential impacts of climate change on the organization by systematically identifying and analyzing climate hazards, vulnerabilities and adaptive capacities.

The project consists of two phases. The first phase analyzes Medacta's production sites in Rancate and Castel San Pietro (both located in Ticino, Switzerland) and the supply of electricity to these sites via the public network. The analysis differentiates the impacts on the two sites when exposure, vulnerability and preparedness levels between the two sites differ significantly. The global branches, as well as the suppliers and customers, are not covered by the assessment yet.

The assessment carried out in 2024 identifies and quantifies physical and transitional risks in accordance with the 2017 Guidelines of the Task Force on Climate-related Financial Disclosures (TCFD) and supports reporting under art. 964 of the Swiss Code of Obligations. It also conducts a scenario analysis of current and projected climate futures to understand potential future impacts and inform strategic decision-making and risk management practices.

Methodology

The risk assessment conducted for the 2024 report employs the method of Event Tree Analysis (ETA) to systematically evaluate potential events, their associated probabilities and impacts. This method allows for a detailed breakdown of the outcomes of events leading to specific consequences, providing a comprehensive risk profile (IEC 2010).

The ETA was conducted by a working group consisting of key staff members of Medacta belonging to different departments (Human Resources, Quality, Marketing etc.) and with the support of two facilitators from the University of Applied Sciences and Arts of Southern Switzerland (SUPSI). The participants represent a multidisciplinary team with expertise relevant to the systems and processes being analyzed in the assessment.

In order to improve the robustness of the ETA, a scenario analysis was performed in accordance with the TCFD Guidelines. The inclusion of scenarios allowed us to develop a risk inventory of Medacta under different climate-related futures. Details of the climate scenarios employed for the analysis are provided in the following section.

Finally, the ETA results were used to develop suggestions for mitigating the identified risks and improving the organization's risk mitigation strategy.

Climate Scenarios

In this risk assessment, the financial impacts of climate-related risks are evaluated under current conditions and considering three long-term (up to 2060) climate scenarios developed for the analysis: (i) Business as Usual (BAU), (ii) Paris Agreement (PARIS), and (iii) No Action (NO ACTION).

Each scenario corresponds in principal to one of the Representative Concentration Pathways (RCP) defined by the Intergovernmental Pannel of Climate Change (IPCC 2023).

In the assessment, the impact of different scenarios on the level of risk for different hazards was simulated modifying the probability of the initiating event in line with the results of the Climate Scenarios for Switzerland provided by the National Centre for Climate Services (NCCS 2018).

The risk assessment was conducted in two steps – hazard identification and risk quantification. The first step of the risk assessment was to identify climate-related hazards potentially relevant to the organization. We considered the list of climate hazards provided by the TCFD Guidelines to identify hazards potentially relevant to the organization, including both physical and transitional hazards.

The exposure of the organization to each category of hazards was evaluated based on the scientific literature, official reports, and GIS data from the Canton and the Confederation, complemented with the judgment of the members of the working group.

The analysis shows that Medacta's production sites in Rancate and Castel San Pietro (both located in Ticino, Switzerland) are exposed to a limited range of physical hazards including storms, droughts, heat waves, hailstorms and surface runoff. For all other potential hazards, the organization shows low levels of exposure in consideration of the geographical locations and the type of activities conducted. At the same time, the organization appears exposed to the transitional risk of changes in the policy landscape concerning in particular the increased pricing of GHG emissions.

Finally, the working group recommends that organization's exposure to the hazard of increased cost of raw materials (including steel, titanium, cobalt, PA, POL) should be further investigated in the future.

The hazards identified in the previous step were analyzed with the ETA to quantify the risk level. Under current conditions, the most significant risks are from hailstorms and the introduction of a carbon tax in Switzerland. The third most important risk is from droughts, but this risk is an order of magnitude smaller than the previous two.

The two primary risks (hailstorms and carbon tax) remain significant also in the future considering alternative climate scenarios. The risk of hail increases under all simulated scenarios due to a general worsening of climate conditions, while the risk of a carbon tax decreases substantially in the "NO ACTION" scenario and increases four folds in the "PARIS" scenario.

The hazards related to surface-run-off and higher mean temperatures are not presented in the below table because the working group considered their risk not material for the organization. The case of droughts affecting the production of hydropower in the region and reducing the supply of electricity to the organization is considered very unlikely by the working group and thus not included in the ETA.

Risk Management

Medacta has developed a customized enterprise risk management (ERM) approach for identifying, assessing, managing, and monitoring the risks that the organization faces (Chapter 2.7).

The risk assessment illustrated in this report can support the inclusion of climate-related risks in the ERM of the company and the development of a mitigation strategy for climate-related risks.

The results of the assessment show that the overall level of exposure and vulnerability of Medacta's production sites in Rancate and Castel San Pietro (both located in Ticino, Switzerland) is rather low and that the organization appears well-prepared to manage such risks.

Metrics and Targets

Since 2022, we have tracked our progress towards our global sustainability goals. Our key climate metrics are focused on reducing greenhouse gas emissions, with an achieved target of a < 1.0 $tCO_2eq/€M$ (GHG / Revenues, Scope 1 Fuel Combustion + Scope 2 Purchased Electricity on Market base for our facilities in Ticino) in 2025.

	Potential impact (current conditions)	Mitigation (actions taken by the management)	Potential severity with mitigation	Potential severity without mitigation
Transition				
Carbon tax	Financial impact.	Emissions reduction for scope 1 and 2.	Low	Moderate
Physical				
Hail	Damages to the roofing in the production area, to the photovoltaic system (PV), and to the company vehicles. In this event, we expect a temporary suspension of the production process.	Two layers of roofing to provide enhanced protection and enhanced drainage systems. 24/7 quick service intervention available around the clock to respond quickly to any damage or operational disruptions. Insurance against natural hazards.	Low	Moderate
Droughts	Lack of water necessary for the production process. We expect detrimental impacts on the production process and office work. Possible temporary suspension of some production process.	Insurance against natural hazards. Consolidated plans for the construction of a public water network to the nearby Lake of Lugano operational in 2026.	Low	Moderate
Storms (electricity supply)	Lack of electricity. In this event, we expect a temporary suspension of the production process.	In-house power generator to ensure the continuity of critical operations during power outages. A dedicated team to address immediate issues concerning the power generator. External 24/7 quick response service to address any additional issue with the power generator.	Very low	Low
Storms	Damages to the roofing in the production area. In this event, we expect a temporary suspension of the production process.	Two layers of roofing to provide enhanced protection. 24/7 quick service intervention available around the clock to respond quickly to any damage or operational disruptions. Insurance against natural hazards.	Low	Moderate
Heat waves	Consumption of additional electricity to supply the chillers, with consequent costs.	Insurance against natural hazards.	Very low	Low

Our Operations

Our manufacturing capacity is primarily based in Switzerland, namely in Castel San Pietro and Rancate, Canton Ticino, two hubs of cutting-edge technology. In 2025, Medacta expanded its manufacturing footprint based on the acquisition of Parcus Medical in Sarasota, Florida, USA, which is now operating as Medacta Americas Manufacturing.

In 2025, Medacta as a Group consumed an overall 21'944 MWh of energy, of which 65% was from renewable resources. Energy consumption is mainly concentrated in our production activities in Switzerland and for year 2025 consider the creation of new spaces for offices and production in Rancate. The newly acquired production areas in Florida and branches show worldwide a limited impact, mostly related to operating offices. In Switzerland, 100% of electricity comes from renewable sources.

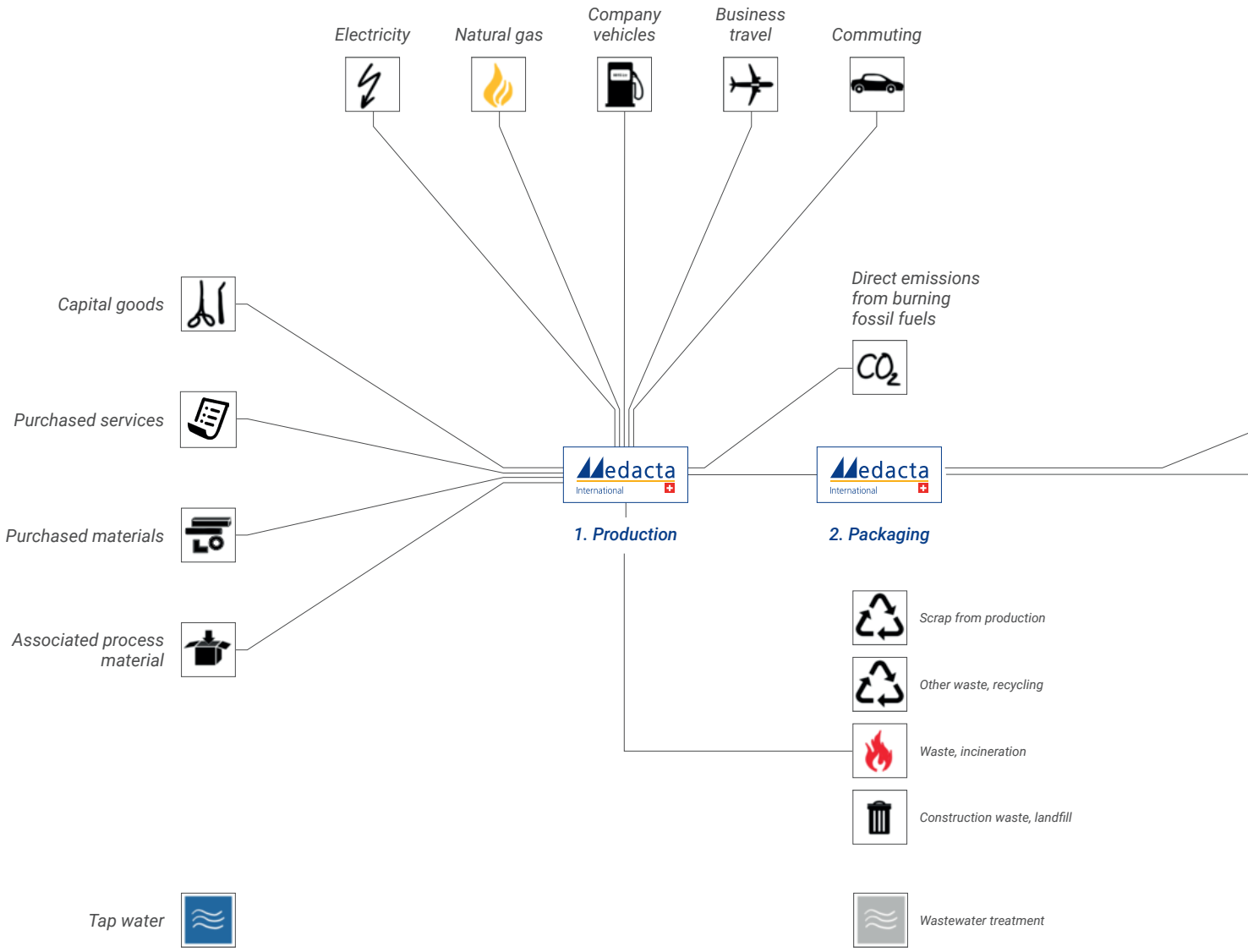
We continued working to reduce the environmental impact in our production plants following the "Voluntary commitment to climate protection and energy efficiency", signed in 2019 with the Energy Agency of the Swiss Private Sector (AEnEC), commissioned by the Swiss Federal Office of Energy and Federal Office for the Environment (FOEN).

	GRI	UM	31.12.2025	31.12.2024
Total energy consumption (B+C+E)	302-1 e	MWh	21'944	17'311
of which from renewable energy sources (A1+D)	302-1 e	MWh	14'326	11'493
Breakdown of direct primary energy consumption by source and type				
Direct consumption of primary energy from renewable sources (A1)	302-1 b	MWh		
Direct consumption of primary energy from non-renewable sources (A2)	302-1 a	MWh	6'196	5'533
of which natural gas for production sites and wharehouses	302-1 a	MWh	808	1'228
of which gas for heating offices	302-1 a	MWh	506	769
of which diesel fuel for automotive	302-1 a	MWh	4'882	3'537
Total direct energy consumption (B=A1 + A2)	302-1	MWh	6'196	5'533
Electricity consumption				
Purchase of electricity (C)	302-1 c	MWh	15'565	11'605
for powering production sites and wharehouses	302-1 c	MWh	13'729	10'236
for operating the offices	302-1 c	MWh	1'837	1'369
Share purchased from renewable (D)	302-1 c	MWh	14'326	11'320
Self-produced energy consumption (E)	302-1	MWh	183	173
of which from renewable energy sources (F)	302-1	MWh	183	173

	GRI	UM	31.12.2025	31.12.2024
Total energy consumption	302-3	MWh	21'944	17'311
Total revenues	302-3	k€	683'827	590'580
Energy consumption per revenue	302-3	MWh/ k€	0.0321	0.0293

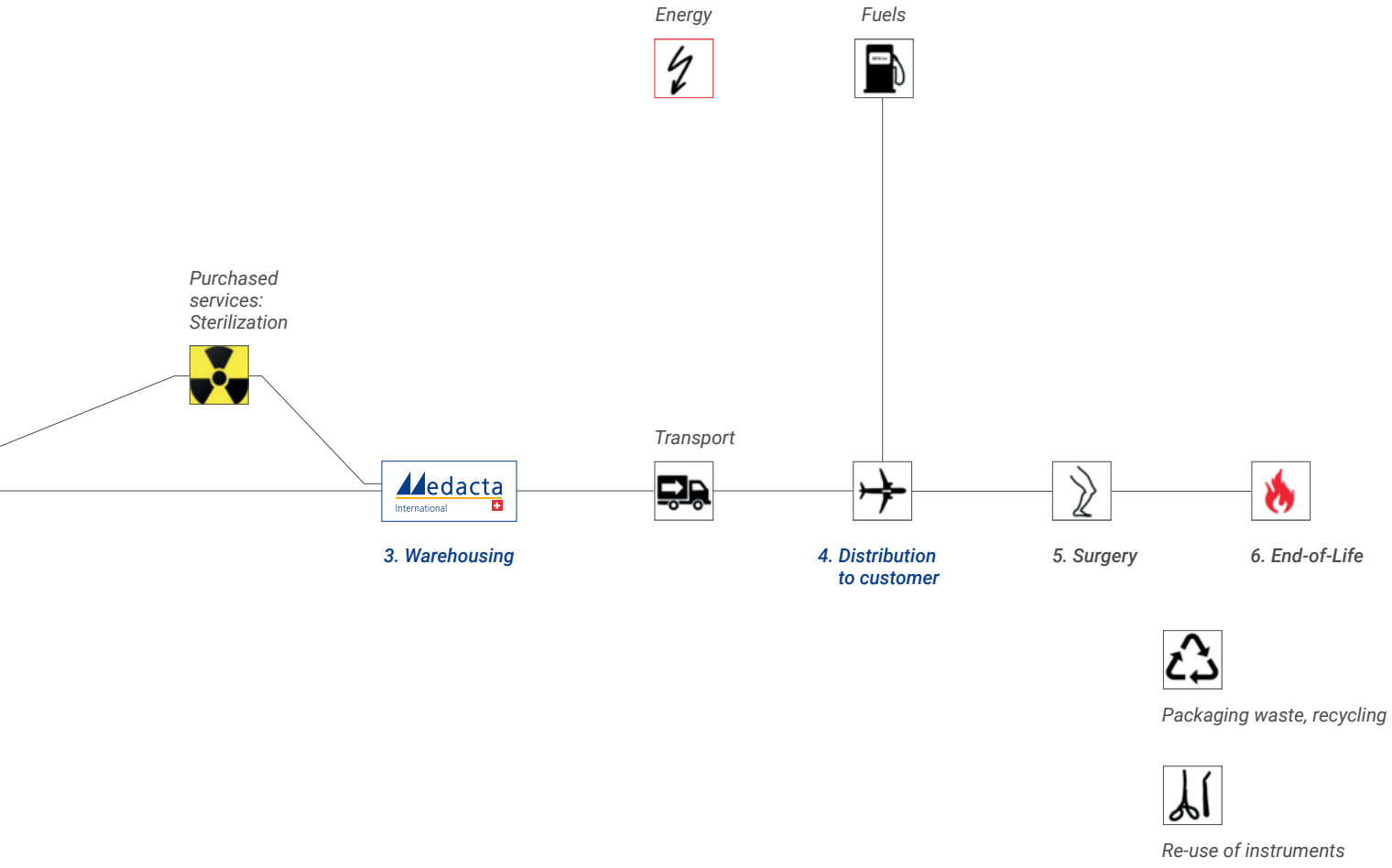
Additionally, we initiated a study focused on the efficient and economical use of resources, including energy and materials, in collaboration with an external partner certified by the Federal Energy Office and the Federal Environment Office. This partnership also includes the reporting of GHG emissions across our entire supply chain, in line with the GRI standards. As part of this effort, we have mapped our carbon footprint (see related infographic in this chapter) to better understand the environmental impact of our operations, providing a clear foundation for identifying improvement areas and reducing emissions.

As an internal practice, the R&D process is set to facilitate sustainable development with the Quality Assurance Department reviewing each product under development, including the environmental sustainability requirements.



Moreover, we put in place some initiatives to reduce the environmental impact of our production process in the medium term:

- our product packaging is undergoing a comprehensive review to progressively optimize production, shipping, and handling processes in a sustainable way;
- we launched a project to extend the shelf life of implantable devices and reduce reprocessing and plastic waste;
- we are implementing lean-based projects to reduce inefficiencies and shorten manufacturing lead times;
- we are reducing the use of polishing materials in production to reduce industrial waste;
- for some products used in hip replacement, we optimized the initial forged raw material, saving around 5% per unit compared to the previous process;
- for some products used in knee replacement, we optimized the format of the polyethylene raw material, reducing the amount of shavings during production.



GHG direct emissions (Scope 1)

Scope 1 emissions are direct emissions from sources we own and control, mainly related to our production facilities.

Scope 1 emissions include:

- direct emissions from stationary combustion only related to gas combustion for heating;
- direct fugitive emissions from refrigeration and air conditioning;
- direct emissions from company vehicles are limited to vehicles owned by Group companies.

Our commitment to reduce our Scope 1 emissions focuses on increasing the efficiency of our equipment and favoring the use of renewable energy. In recent years, we have taken actions to reduce emissions, mostly concentrated on our production facilities. We started with the important decision to abandon fuel oil for heating in favor of efficient gas boilers and introduced continuous monitoring of temperature settings in new offices.

Since 2015, all new construction buildings in Switzerland have been heated and cooled by electrically powered multi-purpose heat pumps.

In 2025, total Scope 1 emissions were 1'480 tCO_2 equivalent, 29% of which were from production facilities in Switzerland.

In the past year, we implemented four initiatives to reduce Scope 1 emissions:

- compressor "waste heat" recovery system connected with climate HVAC system;
- chiller "waste heat" recovery system connected with climate HVAC system;
- reduction of natural gas consumption through technical solutions as above and continuous temperature optimization and the management of our operating system in Rancate and Castel San Pietro facilities;
- increased efficiency of our compressed air system and distribution in production.

GHG indirect emissions (Scope 2)

Scope 2 emissions are indirect emissions related to the use of purchased energy as electricity. Indirect emissions due to purchased electricity have been historically calculated for our production sites in Switzerland, and, beginning from 2023, we included our branches worldwide, providing an overall picture at the Group level.

In 2025, we purchased a total of 15'565 MWh, approximately 92% of which from renewable energy sources. Since 2021, we have purchased 100% renewable electricity in our manufacturing facilities in Switzerland, leveraging the availability of renewable energy through European Guarantees of Origin (GoO).

Following the installation of photovoltaic panels in our Castel San Pietro facility and in autumn 2025 also in Rancate, our internal production of electricity from renewables reached 183 MWh. In the coming years, as a continuous improvement and according to our expansion plans, we intend to increase our electricity production from photovoltaic panels at our production facilities in Switzerland doubling in 2025 the produced electricity from photovoltaic compared to the electricity produced in 2023.

In 2025, in line with the company's growth and recent expansions, electricity consumption grew in absolute value due to increased activities. Total indirect emissions related to electricity consumption were 1'067 tCO_2 equivalent, principally attributable to Switzerland (57%).

Intensity ratio (Scope 1+2)

Starting in 2023, we introduced the GHG emissions intensity indicator related to our facilities in Switzerland. We calculated the indicator by dividing the amount of Scope 1+2 emissions by group revenues at the end of the year. In particular, we have set a target based on the 2019 baseline, calculated using the same methodology, aiming at a significant reduction of the ratio to demonstrate the effectiveness of the actions implemented over time (Chapter 1.7).

Our supply chain (Scope 3)

As we proceed forward to fully capture the composition of our environmental footprint, we are actively assessing the calculation methods for Scope 3 indirect emissions. Within this analysis, we have identified Scope 3 emissions related to our main upstream and downstream activities across the entire value chain, including, but not limited to, the following sources:

- upstream: purchased goods and services, capital goods, fuel and energy-related activities (not included in Scope 1 and 2), upstream transportation and distribution, business travel, and employees commuting;
- downstream: downstream transportation and distribution.

	GRI	UM	31.12.2025	31.12.2024
Direct CO_2 emission - Scope I	305-1 a	tCO_2 -eq	1'480	1'296
Indirect CO_2 emissions - Scope II (location based)	305-2 a	tCO_2 -eq	1'067	620
Total CO_2 emissions (Scope I+II)		tCO_2 -eq	2'547	1'916
Total revenues		M€	684	591
GHG emission intensity per revenue	305-4	tCO2 -eq / M€	3.7	3.2
Total CO_2 emissions (Scope I+II) for CSP + RCT*		tCO_2 -eq	605	691
GHG emission intensity per revenue (CSP + RCT*)	305-4	tCO2 -eq / M€	0.88	1.17

*Related to Castel San Pietro and Rancate headquarters and facilities

	GRI	UM	2025 market based*	2025 location based	2024 market based*	2024 location based
Breakdown of indirect CO_2 emissions Scope II by country						
Switzerland	305-2	tCO_2 -eq	55	432	41	340
Australia	305-2	tCO_2 -eq	166	166	150	150
Austria	305-2	tCO_2 -eq	26	26	-	-
Belgium	305-2	tCO_2 -eq	22	22	-	-
Canada	305-2	tCO_2 -eq	-	-	-	-
France	305-2	tCO_2 -eq	2	2	3	3
Germany	305-2	tCO_2 -eq	-	-	-	-
Italy	305-2	tCO_2 -eq	12	12	14	14
Japan	305-2	tCO_2 -eq	55	55	-	-
Spain	305-2	tCO_2 -eq	7	7	-	-
UK	305-2	tCO_2 -eq	6	6	-	-
USA	305-2	tCO_2 -eq	313	339	113	113
Total		tCO_2 -eq	664	1'067	321	620

* For 2025, the purchased electricity mix is only known for the Swiss sites Castel San Pietro and Rancate, where 100% hydropower was purchased with a certificate of European origin. For the other locations, the respective national emission factor was also used for the market-based report. It is planned, under a continuous improvement, to add marketbased data in the next period.

5.3 Mobility

Explanation of the topic

The mobility of people and goods is critical for business operations. However, transportation activities can have negative environmental impacts. In particular, employee commuting generates GHG emissions.

Medacta's approach

To us, mobility represents a commitment to reducing our impact on the local environment in line with the general approach of Canton Ticino, where our headquarters are located. We are actively collaborating with the public authorities to reduce gas emissions, finding also common ground with other companies based in the same area to optimize the general impact on the environment. Considering this, we have consistently promoted the importance of sustainable mobility by developing projects and initiatives designed to raise the awareness of our employees and to provide tangible benefits, such as carpooling and incentives to public transportation.

We are committed to continuously seeking new ways to improve and encourage carpooling and the use of public transportation, with a focus on making these options more convenient and accessible.

Carpooling

Since 2014 we have successfully promoted carpooling after analyzing a series of data to assess its feasibility and potential benefits. Since then, our carpooling has allowed for a progressive reduction in the number of commuting cars, respecting the environment and the needs of the company and employees. Right now, approximately 56% of our workforce in Rancate and Castel San Pietro adopted carpooling. To monitor carpooling activities, we considered the average daily commuting distances, the average modes of transport, and the average number of commuting days. In 2025, carpooling enabled us to avoid 757 tons of CO_2 — a 58% reduction compared to all employees commuting by private car.

Public transportation and other initiatives

To promote the use of public transportation, we cover 50% of the subscription costs for employees working at our headquarters and manufacturing plants in Ticino (Switzerland). Additionally, we support 50% of the hourly rental cost for electric bicycles on routes between home and work. Furthermore, we have installed four charging stations for electric vehicles at our headquarters in Castel San Pietro and at our Rancate site, encouraging employees to consider electric vehicles as a viable transportation alternative.

A test phase has begun for a new free shuttle service that connects the Rancate site with the railway stations in Mendrisio in the beginning and at the end of the working day, making commuting easier and promoting more sustainable mobility. During this trial period, we will collect feedback and data to assess the service's effectiveness and identify potential improvements.

5.4 Waste management

Explanation of the topic

Managing the waste generated by business activities is becoming an important strategic priority. A responsible approach to sustainable waste management must focus on the entire lifecycle of a product to enable us to help reduce the negative environmental, social, and financial impacts of consumption.

Medacta's approach

Our effort is to minimize all our waste streams. As mentioned above, starting from the design of our product through our production process, we follow the scope to maximize productivity while simultaneously reducing the use of raw materials and waste within our manufacturing operation. The waste is mostly generated in our production facilities in Switzerland, at both sites, Castel San Pietro and Rancate.

In 2025, we produced 831 tons of waste, 74% of which was non-hazardous waste. The waste produced is managed by local companies to optimize the recycling of our waste respective to our production processes. Summarizing, in 2025 the destination of the waste generated is the following:

- Recycling: 50%;
- Burned for energy generation: 25%;
- Sent to landfill: 25%.

As shown above, our waste is either incinerated, producing heat to generate energy and reducing the burning of fossil fuels, or recycled by third parties. In 2025, 75% of the waste was converted into energy or recycled.

A significant share of process waste is made up of two main categories: metal swarf and short metal bar offcuts that cannot be reused in production. Nothing goes wasted: 100% of the metal scrap generated, including steel and titanium, is collected and sold to third parties for reuse across a variety of industries (excluding healthcare manufacturing).

Concerning hazardous waste, following the successful initiative to recycle the polyamide powder (avoiding the disposal to landfill as hazardous waste), we started a new project to recycle up to 100% of titanium powder scraps generated in the production process. This project will also allow us to avoid the disposal of powder as hazardous waste to the landfill.

	GRI	UM	31.12.2025	31.12.2024
Hazardous waste	306-3 a	t	215	119
Non-hazardous waste	306-3 a	t	617	608
Total waste produced	306-3 a	t	837	727

5.5 Water use

Explanation of the topic

Water use is fundamental for manufacturing and production processes around the world. Manufacturing and other industries use water during the production process either for creating their products or cooling equipment used in the production process.

Medacta's approach

Water is mainly used throughout the manufacturing and preparation of our products, representing the core of our water consumption. The source of all water usage is municipal water supplies. Approximately 50% of the water withdrawn is used for washing semi-finished and finished products within the entire production cycle. The residual 50% is used by headquarters and offices. In Switzerland, the industrial water, after use, is directly sent to neutralization tanks regulating the pH before being released. The control and certification of the water released is carried out every quarter by SPAAS, the Cantonal Section of air and soil protection.

Our annual consumption, equal to the difference of water withdrawal and water discharge, is null, due to the characteristics of our industrial processes, essentially focused on washing products' components.

Even if data are shown on a consolidated basis[6], most of the water withdrawn and discharged is obviously related to our production facilities in Rancate and Castel San Pietro, representing approximately 90% of the overall amounts.

	GRI	UM	31.12.2025	31.12.2024
Total water withdrawn		m^3	43'454	36'123
in areas with water stress		m^3	0	0
Total water discharge		m^3	43'454	36'123
in areas with water stress		m^3	0	0
Total water consumption	303-5	m^3	0	0
in areas with water stress	303-5	m^3	0	0

The increase in water withdrawal recorded in recent years reflects the steady growth of the business and productivity levels.

5.6 Biodiversity and land use

Explanation of the topic

Biodiversity has become an emerging ESG topic due to the unprecedented rate of decline. The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) has found that one in eight million plant and animal species is threatened with extinction.

Land use change has been recognized as a key driver of biodiversity loss. For this reason and for its overall impact on the environment, society and the economy, land use change requires careful consideration.

Medacta's approach

We recognize the need to protect the range of habitats and species on Earth and to safeguard the natural ecological processes and the livelihoods they support.

Medacta owns two operational sites adjacent to or within protected areas in Switzerland. The site of Rancate, with an area of 13'000 m^2, is included in an industrial area and is adjacent to an area designated for protection of the natural landscape, the lowest level of protection in the region. The site of Castel San Pietro, covering an area of 14'500 m^2 in a wider industrial area, is located within an area of landscape protection and in proximity (less than 500m) to the natural park of Gole della Breggia. Due to the locations of these sites, we apply careful consideration to the potential impacts of our activities especially with regards to noise levels and emissions caused by commuting: please make reference to the action put in place related to carpooling (Chapter 5.3).

[6] Data related to branches are estimated assuming a consumption per capita for employees of each branch.

We continued our collaboration with Swiss Climate, a consultancy involved in sustainability and climate protection projects, to sponsor some initiatives that can improve the overall environmental sustainability in different countries. A summary of the main projects we sponsored:

Sustainable forest management in Borneo

The Rimba Raya Biodiversity Reserve protects 64'500 hectares of peat swamp forest in southern Borneo, preventing deforestation caused by the palm oil industry and sequestering over 4.5 million tons of CO_2 annually. Recognized in September 2020 as the first REDD+ project which contributes to all 17 UN Sustainable Development Goals (SDGs), it also focuses on health and water initiatives for local communities.

Rimba Raya provides access to clean water through filtration systems and wells while offering free medical services and health education. Additionally, it promotes proper sanitation and hygiene practices to enhance community health. Through these efforts, Rimba Raya supports both environmental conservation and the well-being of local populations.

Climate protection and sustainable management of Swiss forest

The project guarantees CO_2 storage and sustainable management of 7'279 hectares of forest in the Canton of Schwyz. This protects the climate, preserves Swiss forest biodiversity, and allows for generation of fuel wood for renewable energy production. As a Swiss quality standard for forest projects, it accounts for processes and modalities of the international CCBA standards by the Climate, Community & Biodiversity Alliance. Besides, this forest is FSC and PEFC certified.

6. Caring for the Community

6.1 Medacta's social approach

Social commitment to local areas and communities is rooted in Medacta's DNA around the world, and this vocation is demonstrated through Medacta for Life Foundation (herein "the Foundation"), which embodies the company's desire to play an active role in the community. The Foundation is dedicated to various activities primarily related to childhood (development, assistance, protection) in our local area, mainly in Ticino; to supporting and collaborating with domestic organizations on charitable and socially proactive projects; to aiding humanitarian missions around the world. In addition to these activities, we encourage our branches to develop social programs to benefit local communities.

In 2025, Medacta supported the Foundation's activities through a donation of 500'000 CHF. This was partly allocated to the support of associations and sponsorships (see below "Medacta for Life Foundation"), and partly (together with donations from members of the Siccardi family and from other private donors) to the support of My School Ticino – the Foundation's main project – and related projects (see below).

	UM	31.12.2025	31.12.2024
Amount	CHF (k)	500	500

6.2 Medacta for Life Foundation

Established in 2011, the Foundation coordinates and contributes to implementing projects with social utility at local, national, and international levels through financial support and the transfer of knowledge and skills. Historically, its main purpose has been related to the management of the corporate nursery called My Baby 0-3. This was conceived to reconcile professional and private life: a corporate daycare center, also open to local families needing care. The goal is to support parenthood, promote women's re-entry into professional life after maternity leave, and foster work/education/family balance. From here, the statutory purpose of the Foundation expanded naturally toward wider school services and the realization of socially beneficial projects for the surrounding area in Switzerland and worldwide. The interventions revolve around three major areas:

- new generation development: My School Ticino 0-10
- participation in social projects: My Giving
- medical mission support: My Mission

In 2025, the Foundation supported 20 associations through donations and allocated 18 sponsorships, with a total contribution of more than Euro 218'000.

	UM	31.12.2025	31.12.2024
Employees	n.	78	89
of which women	n.	68	76

6.3 My School Ticino: development of new generations

Explanation of the topic

Prioritizing responsible practices for the benefit of current and future generations is a fundamental aspect of social responsibility initiatives. Nurturing new generations can help foster a society equipped with conscious individuals and leaders ready to face the challenges of tomorrow.

Foundation's approach

One of the first initiatives of the Foundation has been the creation of the company nursery school that has evolved over the years into My School Ticino 0-10. My School Ticino 0-10 is the only bilingual (Italian/English) Montessori-inspired school in Ticino for children aged 0-10 and is aimed at encouraging the development of individuals in a context that promotes their well-being and involvement according to the principles of active pedagogy. From its beginning, the project has expanded year after year. Today, My School Ticino includes a nursery school, a preschool, an elementary school, an extracurricular service, and a language school.

The campus (2'000+ sqm) is surrounded by nature, providing structured and unstructured woodland areas that inspire exploration and learning. School premises and classrooms are intentionally designed to foster focus, inquiry, and constructive interaction, providing children with a safe, motivating, and supportive learning setting.

In 2025, My School Ticino completed the implementation of two key projects initiated in the previous year. The installation of the heat pump system was successfully finalized, enabling the full transition away from heating oil and further reducing the school's environmental impact. Additionally, the integrated alarm and fire detection system became fully operational, enhancing safety measures and supporting the school's ongoing commitment to sustainable and efficient facility management.

For the school year 2024-2025, Medacta for Life Foundation awarded scholarships for six underprivileged students (three families), with a total value of more than Euro 12'000.

During the year, the school community continued to grow, with enrollment once again surpassing 200 students in September 2025, confirming the institution's solid and increasing level of trust among families. A total of 212 children — including both children of company employees and local families — were enrolled across three educational areas: My Baby (0–3), My Child (3–6), and My Kid (6–10).

In addition, 208 learners attended My Languages — the Language School, participating in both summer programs and year-round language courses. 85 adults attended My Languages' company language courses in 2025.

My Baby 0-3 (nursery school)

The Foundation's first project was My Baby 0-3, a company nursery school adjacent to Medacta's headquarters in Castel San Pietro. In September 2025, My Baby hosted a total of 67 children in different hour shifts, divided into four groups: Baby (10 children, 3-12 months old), Tots (23 children, 12-24 months old), Toddler (16 children, 24-30 months old), and Spring (18 children, 30+ months old).

My Child 3-6 (preschool)

The educational services include the preschool My Child, where children aged 3-6 years can find an educational environment and project tailored to their needs. In September 2024, taking advantage of the new campus premises, the third preschool section was opened. In September 2025, My Child counted a total of 66 children.



My Kid 6-10 (primary school)

My Kid 6-10, a bilingual primary school, offers full-day schooling with curricular and after-hours care, including various extracurricular activities. During Canton Ticino's school holidays and summer holidays, the school's indoor and outdoor facilities are open to children from 3+ (whether attending the school or not), offering a variety of activities. My Kid 6-10 features a dedicated language lab for English (from Year 1) and French (from Year 3, in line with the Cantonal curriculum), as well as a modern STEM room equipped for hands-on learning in science, technology, robotics, and coding led by specialized teachers. Physical Education takes place either in the campus outdoor areas or in nearby municipal sports facilities, ensuring variety and movement throughout the school day. In September 2025, 75 pupils from year 1 to year 5 were enrolled in My Kid 6-10.



My Woods (outdoor education)

Outdoor education, a pedagogical orientation that encourages experiences in direct contact with nature, is very much present at My School Ticino. For this purpose, My Woods, a forested area adjacent to the campus, provides opportunities for outdoor activities in the woods for our young learners. The area is a spacious woodland with a stream, wooden play structures, benches, and natural tables. During after-school hours, the entire area is open to the public. In addition to My Woods, outdoor education is provided through daily walks in green spaces (from 0 to 10), field trips, and outdoor activities included in the weekly plans of all sections, as well as a mountain week for children in years 4 and 5 of My Kid.

Extracurricular activities

My School offers a wide range of activities that enhance its educational services and support families year-round. My School Ticino Extra School program is open to all children aged 3 and above, operating from 7 a.m. to 7 p.m. for 49 weeks annually. The My After Time program adds afternoon labs, sports, and free play opportunities, while My Weeks and My Summer Camp provide additional options during school and summer holidays.

My Languages (school of languages)

My Languages – Language School offers tailor-made courses for children from 3 years old, teenagers, adults, and companies, using specific age-appropriate teaching methods. Courses are currently offered for French, English, German, and Italian, supports preparation for European Language Certificates and is recognized as a preparation center for the Cambridge English Language exams (the first session was held in May 2023). Following the positive experience of the language school in synergy with the curricular studies of children, in 2021 My Languages opened its second site in Lugano.

In addition to courses for children, My Languages supports Medacta Int. by providing language courses for its employees, underscoring the collaborative and synergistic approach between the two entities.

6.4 My Giving: philanthropic contributions

Explanation of the topic

Philanthropic contributions can be critical to long-term success and prosperity. Good relations with local communities create the conditions for working together on projects and initiatives to help protect and empower our present and future ecosystems. This is part of our vision to have a positive social and economic impact.

Foundation's approach

The Foundation is committed to protecting the rights of children and young people, supporting families and parents in their needs, and fostering sporting activities and community-focused projects that contribute to local development. Its approach is grounded in three key strengths: a systemic philanthropy model that works through networks of public and private partners; strong public-private collaboration that leverages complementary capabilities to maximize impact; and a pioneering spirit that enables the launch or support of innovative projects addressing emerging community needs.

The process of selecting projects to be supported is, first and foremost, based on the Foundation's statutory purpose, guided by the criteria that shape its way of working:

- Needs Assessment: Working closely with local stakeholders to identify needs, gaps, and opportunities, enabling us to plan and implement targeted and effective support actions.
- Project Due Diligence: Each initiative undergoes a structured evaluation focusing on critical aspects, innovation, and expected impact over time.
- Evaluation Criteria
    - Sustainability
    - Measurability
    - Replicability & Scalability
- Governance & Monitoring: Two project types are identified:
    - Internal Projects: fully managed and coordinated by the Foundation.
    - External Projects: overseen through continuous monitoring, budget reviews, result assessment, and participation in advisory bodies.

In January 2023, the constitutive assembly of ASFESI (Associazione Fondazioni Erogative Svizzera Italiana) was held. This association aims to bring together all Swiss-Italian grant-making foundations focused on local and/or international aid in various sectors, with a systemic perspective. Maria Luisa Siccardi Tonolli and Medacta for Life Foundation are members. During 2024 and 2025, ASFESI held important meetings among its members to share and collaborate on different charitable projects.

In 2025, the Foundation continued to support projects initiated in previous years, with particular attention to initiatives for children and vulnerable families, namely projects with ATFA and with the association ConTatto.

Associazione ConTatto – Territorial Education Project

The Associazione ConTatto was established in 2022 with the aim of implementing the Territorial Education Project. After the trial phase (2021-2022), the project with ConTatto entered its pilot phase (2022-2025). The third phase of the project (2025–2027) is progressing at full pace, confirming the positive results achieved in the previous phases. The initiative is partially funded by the Canton and the Municipalities. Its objective is to ensure scalability and gradual expansion to an increasing number of local communities, ultimately becoming a publicly managed project, both operationally and financially, by the end of the current three-year cycle.

A review of the four-year period from 2021 to 2024 provides the following data: 40 families (with a total of 80 minors as dependents) were followed by the project, and 62 minors were taken care of through the project's actions. In 2025, 14 families were followed by the project, with a total of 27 minors. Moreover, at present, 12 families are into care and 5 families have been referred for a takeover, which, however, has not yet been completed.

Punto d'Incontro (Meeting Point) e FAP (Famiglia Affidataria Professionale – Foster Home)

In collaboration with ATFA (Associazione Ticinese Famiglie Affidatarie – Foster Families), the Foundation initiated the project called *Famiglia Affidataria Professionale (FAP)*, the first step toward the reality of Family Homes. The project offers support to those children and minors who, for a certain period and for various reasons, need to be distanced from their homes. Those minors temporarily find hospitality and care either in a foster family, in a foyer, or in an institution. The *FAP* is something in between those realities: it consists of a foster couple with a background in social work and at least 3 years of experience in SOS fostering (which involves more tasks and responsibilities than a normal long-term foster placement). As far as the FAP is concerned, the total number of minors housed since the start of the project (2014) and 2025 is 21.

Punto d'Incontro is another project created with ATFA, which fosters safe and neutral maintenance of the child's relationship with the noncustodial parent(s). *Punto d'Incontro* was opened in March 2022 and is staffed by one part-time (50%) coordinator, the unique contact person of the territorial services who guarantees the correct running of the project from start to closure. Additionally, the project involves two part-time (40%) educators adequately trained in observing the parent-child relationship with functions of facilitation, mediation, and protection of the relationship; and one part-time (10%) secretary. At the end of December 2024, there were 15 minors in attendance at the facility.

Pro Juventute – Mentoring and IV Media Recovery Projects

Pro Juventute is Switzerland's leading foundation dedicated to children and young people, committed to ensuring "that every child in Switzerland enjoys a happy childhood and an education based on self-determination and the exercise of responsibility."[7]

In recent years, the Foundation has supported the ***IV Media Licence Recovery project***, an initiative aimed at young people in the Canton of Ticino who, for various reasons, have not obtained the compulsory schooling completion certificate—a key milestone in every young person's educational and personal development.

In 2024, the Foundation contributed to the ***Mentoring Project***, established in 2008 through a collaboration between the Division for Social Action and Families, the City Council of Locarno, and ***Pro Juventute***. This project addresses the needs of young people aged 15 to 25 who struggle to find suitable role models within society and their immediate networks. The Mentoring Project provides support, encouragement, and a listening ear during periods of temporary difficulty.

In 2025, the Foundation signed a three-year agreement with ***Pro Juventute*** to provide strong and ongoing support to both projects.

Charity Initiative "Christmas for every child"

The Foundation and My School Ticino give continuity to the project designed to offer a Christmas gift to minors asylum seekers, hosted by Red Cross and the children guests of CEMs – Juvenile Educational Centers – in Canton Ticino. CEMs are protected facilities, open 24 hours a day, 365 days a year, that welcome children and adolescents who need to be temporarily removed from their family environment due to social, educational, and/or psychological issues.

Through this initiative, in 2025 we were able to offer Christmas gifts to a total of 584 children (355 CEM foster guests and 229 asylum seekers). In close coordination with facility directors and managers, the support was tailored to the age and specific needs of the beneficiaries and included educational farm experiences, recreational activities such as water park admissions, and shopping vouchers. In addition, each child received a project-branded chocolate bar, developed in collaboration with a respected and sustainable local producer.

6.5 My Mission: humanitarian initiatives

Explanation of the topic

Humanitarian initiatives play an important role in social responsibility, supporting projects that address critical situations around the world. This kind of activity can contribute to raising awareness among the employees and their communities.

Foundation and Medacta's approach

My Mission, an active contribution between the Foundation and Medacta, supports humanitarian organizations and surgeons bringing medical care to underserved regions, providing financial and/or in-kind aid where it is most needed. We prioritize orthopedic-related missions where Medacta products and services can make a real difference in people's lives. My Mission is a. Projects with a clear goal of expanding local orthopedic know-how and creating sustainable care in the communities where the missions are carried out are especially encouraged.

In 2025, approximately 130 prosthetic implants (70 hips and 60 knees) have been donated in support of humanitarian initiatives worldwide, for a production value (STD) exceeding Euro 80'000. The market value (ASP) of this in-kind donation is estimated to be approximately five times the production cost. The Foundation also supported projects financially for Euro 20'000.

In addition, through My Mission the Foundation and Medacta intervene with financial and/or in-kind support in the event of humanitarian emergencies (e.g. humanitarian crisis in Ukraine due to the war situation in 2022 and 2023).

Orthopedics without Borders

The Foundation and Medacta have long recognized the importance of their support for Orthopedics without Borders (OWB), a humanitarian association dedicated to promoting the development of prosthetic surgery (knee and hip replacement) in emerging countries. Since 2020, the Foundation and Medacta have been providing financial assistance and medical equipment for OWB missions in Madagascar and Cambodia through a four-year agreement. This contract will be renewed in the future, as the Foundation and Medacta have already committed to continuing their support for OWB initiatives and are actively supplying the necessary equipment. In 2025, OWB conducted four missions across Laos, Cambodia, and Madagascar, implanting more than 40 prostheses produced by Medacta.

[7] https://www.projuventute.ch/it/fondazione/cosa-facciamo

Orthopedici.org

Continued support through the donation of prosthetics and medical supplies, backed by My Mission, strengthens Ortopedici.org's work in Cameroon. The organization improves access to specialized orthopedic care for children with severe conditions often resulting from gaps in the local healthcare system. Beyond surgical interventions, Ortopedici.org trains local surgeons, fostering greater autonomy within Cameroon's healthcare infrastructure.

Morjia

Morija is an international cooperation organization founded in Switzerland in 1979, dedicated to supporting vulnerable populations, primarily in Sub-Saharan Africa. In response to the limited availability of adequate healthcare for people with physical disabilities in Burkina Faso, Morija established a Medical and Surgical Center in Kaya in 1992. The center focuses on improving quality of life through functional and social rehabilitation, disability prevention, and access to prosthetics, physiotherapy, and orthopedic surgery. Since autumn 2025, Morija has been included among the projects supported through My Mission, with an initial contribution of prosthetic donations (hip and knee) and a financial support agreement in place for the 2026–2028 period.

7. Appendix

GRI disclosure	Indicator description	year	Reference chapter*
GRI 2	**General disclosures**	**2021**	
2-1	Organizational details		SR 1; MR 1
2-2	Entities included in the organization's sustainability reporting		SR 1; FR 6.2
2-3	Reporting period, frequency and contact point		SR 1
2-5	External assurance		SR 1
2-6	Activities, value chain and other business relationships		MR 1-8
2-7	Employees		SR 4.6
2-9	Governance structure and composition		CGR 1-4
2-10	Nomination and selection of the highest governance body		CGR 3
2-11	Chair of the highest governance body		CGR 3
2-12	Role of the highest governance body in overseeing the management of impacts		CGR 3
2-13	Delegation of responsibility for managing impacts		CGR 3
2-14	Role of the highest governance body in sustainability reporting		SR 1.2
2-15	Conflicts of interest		CGR 3
2-16	Communication of critical concerns		CGR 3
2-17	Collective knowledge of the highest governance body		CGR 3
2-18	Evaluation of the performance of the highest governance body		CGR 3
2-19	Remuneration policies		RG 1-9
2-20	Process to determine remuneration		RG 1-9
2-22	Statement on sustainable development strategy		SR 1
2-23	Policy commitments		SR 2.3
2-28	Membership associations		SR 2.5
2-29	Approach to stakeholder engagement		SR 1.5
GRI 3	**Material topics**	**2021**	
3-1	Process to determine material topics		SR 1.6
3-2	List of material topics		SR 1.6
205	**Anti-corruption**	**2016**	
205-1	Operations assessed for risks related to corruption		SR 2.4
205-2	Communication and training about anti-corruption policies and procedures		SR 2.4
205-3	Confirmed incidents of corruption and actions taken		SR 2.4
302	**Energy**	**2016**	
302-1	Energy consumption within the organization		SR 5.2
302-3	Energy intensity		SR 5.2
303	**Water and effluents**	**2016**	
303-5	Water consumption		SR 5.5
304	**Biodiversity**	**2016**	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		SR 5.6
305	**Emissions**	**2016**	
305-1	Direct (Scope 1) GHG emissions		SR 5.2
305-2	Energy indirect (Scope 2) GHG emissions		SR 5.2
305-4	GHG emissions intensity		SR 5.2
306	**Waste**	**2020**	
306-3	Waste generated		SR 5.4
307	**Environmental compliance**	**2016**	
307-1	Non-compliance with environmental laws and regulations		SR 5.1
308	**Supplier environmental assessment**	**2016**	
308-1	New suppliers that were screened using environmental criteria		SR 2.8
401	**Employment**	**2016**	

401-1	New employee hires		SR 4.6
401-3	Parental leave		SR 4.6
403	**Occupational health and safety**	**2018**	
403-1	Occupational health and safety management system		SR 4.2
403-5	Worker training on occupational health and safety		SR 4.2
404	**Training and education**	**2016**	
404-1	Average hours of training per year per employee		SR 4.3
408	**Child labour**	**2016**	
408-1	Operations and suppliers at significant risk for incidents of child labor		SR 2.7
412	**Human rights assessment**	**2016**	
412-1	Operations that have been subject to human rights reviews or impact assessments		SR 2.2
414	**Supplier social assessment**	**2016**	
414-1	New suppliers that were screened using social criteria		SR 2.8
416	**Customer health and safety**	**2016**	
416-1	Assessment of the health and safety impacts of product and service categories		MR 5
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		MR 5
418	**Customer privacy**	**2016**	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		SR 2.6

Art. 964 content requirement	**Reference chapter***
General information required to understand our business	MR 1-8
Description of the business model	MR 1-8
Environmental matters	SR 5
TCFD	SR 5.2
Climate transition plan	SR 1.7; 5
Social issues	SR 6
Employee-related issues	SR 4
Respect for human rights	SR 2.2
Combating corruption	SR 2.4
Material risks	SR 2.7
Main performance indicators	MR; SR 1.7
References to national, European or international regulations	SR 1
Coverage of subsidiaries	FR 8.3
Transparency in relation to minerals	SR 2.7

*Acronyms of Reports included in Medacta's Annual Report 2025:

MR Management Report

CGR Corporate Governance Report

SR Sustainability Report

RR Remuneration Report

FR Financial Report

Medacta International

Remuneration Report



Medacta's Glenoid Reconstruction System

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Medacta International

SUSTAINABLE INNOVATION

Our ideation and passion drive us **continuously to improve** our Products, Processes and Technologies in a sustainable way.



#beMedacta CULTURE A KEY FOR SUSTAINABLE SUCCESS

- TRUST AND INTEGRITY
- EFFICIENT EXECUTION
- PATIENT AND CUSTOMER FOCUSED
- SUSTAINABLE INNOVATION
- TEAMWORK



Letter from the Chairman of the Human Resources & Remuneration Committee

" Our performance is underpinned by our people and culture, and we remain committed to a competitive and transparent remuneration framework that attracts and retains top talent while appropriately rewarding performance and behaviors aligned with our #BeMedacta values. "

Dear Shareholders,

As Chair of the Human Resources and Remuneration Committee, I am pleased to present the Medacta Remuneration Report for the financial year ending December 31, 2025.

In 2025, Medacta achieved another year of solid progress, with revenue rising to Euro 683.8 million, representing growth of 18.5% in constant currency. This performance reflects the consistent execution of our strategy and our ongoing focus on improving patient outcomes and satisfaction. It also allowed us to maintain employment across our global organization while adding 258 new positions in key areas to support continued value creation. As our workforce expanded more than 10%, total expenditure on compensation, benefits and social costs increased by approximately 15%, demonstrating our sustained investment in skilled and experienced talent.

Aligned with Medacta's vision for sustainable long-term growth, the Committee devoted significant time and attention to further strengthening the alignment between Board remuneration and shareholder interests. To this end, we introduced to the independent Board

of Directors members a minimum equity component of 40% of total compensation for Board members, reinforcing a long-term, ownership-oriented perspective. This revised remuneration structure—combining cash and equity and reflecting an overall increase—became effective following the Annual General Meeting held on May 7, 2025.

Our performance is underpinned by our people and our culture. In 2025, we continued to reinforce a robust, values-based culture, reflecting our conviction that our people are a key driver of Medacta's success. We continued our CEO lunches with employees and, in September, hosted a Family Open Day that brought together more than 1'700 employees and family members. These initiatives strengthened engagement across both long-standing and newly joined colleagues and supported the integration of our values throughout the employee lifecycle—from talent acquisition and onboarding to our Code of Business Conduct and Ethics, as well as performance, talent management and development processes. Our objective is for our people not only to understand our culture and values, but to embody them every day. In parallel, we dedicated significant time to reinforcing our Employer Value Proposition and enhancing our approach to Talent Management and Learning & Development, reaffirming our commitment to professional growth across the organization. In line with our focus on continuously improving the workplace experience, we were also pleased to mark an important milestone with the official opening of the new canteens at Castel San Pietro and Rancate, further enhancing everyday life at Medacta.

From a remuneration perspective, the Committee conducted a comprehensive review and held extensive discussions with management to further strengthen our compensation strategies and recognition programs. Notably, we launched at headquarters a bonus scheme for all employees linked to Group financial goals, reinforcing a shared sense of ownership and collective focus on performance. To further strengthen the link between pay and performance, we introduced new metrics and adjusted weightings, aligning remuneration outcomes more closely with sustainable value creation and shareholder interests. We also reinforced our long-term remuneration framework by launching a new cycle of the Long-Term Incentive Plan, approved by the Board of Directors in March 2025. This initiative broadened participation for both existing and newly eligible employees, enabling them to contribute to—and benefit from—Medacta's long-term success and growth.

Looking ahead, we remain committed to regularly reviewing and enhancing our remuneration programs to ensure they remain fit for purpose in a rapidly evolving business environment. Our priority is to maintain a competitive and transparent framework that attracts and retains top talent, while appropriately rewarding performance, expertise and behaviors that reflect our #BeMedacta values and leadership principles. As environmental, social and governance (ESG) considerations continue to gain importance for our stakeholders, we recognize their growing relevance in shaping Medacta's long-term strategy. In line with our sustainability ambitions, the Committee will continue to strengthen the link between sustainability objectives and management remuneration, reinforcing our commitment to responsible leadership and long-term value creation.

As always, we encourage and pursue open and regular dialog with our shareholders and their representatives to drive valuable improvements in our compensation system and practices. In accordance with the Articles of Association[1], at the annual shareholders' meeting in May 2026, we will ask for approval of the maximum aggregate remuneration amount to be awarded to the Board of Directors for the period until the next annual shareholders' meeting in 2027. In addition, the shareholders will be asked to approve (i) the maximum overall fixed compensation of the Group Executive Management in 2027, (ii) the maximum overall variable short-term compensation for the Group Executive Management for the work performed in 2025, and (iii) the maximum overall variable long-term compensation of the Group Executive Management that may be allocated in 2027. Finally, the annual shareholders' meeting will approve the amount of remuneration to Board Members for consulting services in a function other than Board Members until the next annual shareholders' meeting as well as cast a consultative vote on this Remuneration Report.

On behalf of the Board of Directors, I would like to thank you for your continued trust and support. This Remuneration Report reflects our commitment to a fair, transparent and performance-oriented remuneration framework, designed to align the interests of employees, management and shareholders and to support long-term value creation. We look forward to continuing an open and constructive dialogue with you as we pursue Medacta's growth journey together.



Philippe Weber
Chairman of the Human Resources & Remuneration Committee

1 Medacta's Articles of Association are available on Medacta's website at https://www.medacta.com/EN/corporate-governance?goto=organizational-regulations.

1. Introduction

This Remuneration Report is in compliance with the Swiss Code of Obligations (CO) art. 732 et seqq (that entered into force on January 1, 2023), Medacta's Articles of Association and, with respect to compensation disclosure, to the SIX Exchange Regulation Directive on Corporate Governance and to the Swiss Code of Best Practice for Corporate Governance. We structured this report by first describing the Remuneration Governance of the Group followed by the Remuneration philosophy and principles and the Compensation Framework for Board of Directors and Group Executive Management (GEM). We conclude with reporting the Ownership of Shares and Options, the other compensation-related information under the CO (Audited), the related party compensation and the report of the statutory auditor on the Remuneration Report.

2. Remuneration governance

The remuneration landscape at Medacta is mainly structured by the Human Resources & Remuneration Committee (hereinafter referred as either "Human Resources & Remuneration Committee" or "HR & RemCo") as well as the Board of Directors and is approved by the shareholders of Medacta. The overall responsibility for the implementation of the statutory remuneration principles and the remuneration principles set out in the Company's Articles of Association lies with the Board of Directors. However, as illustrated in the table below, the Human Resources & Remuneration Committee serves in an advisory capacity for remuneration matters while the Board of Directors retains the ultimate decision authority, all within the limits set by the Annual General Meeting (AGM), which approves the maximum aggregate amounts of remuneration for the Board of Directors and the Group Executive Management at each shareholders' meeting.

	Proposes	Reviews	Approves
Remuneration Principles (Article of Association)	HR & RemCo	Board	AGM
Remuneration Report	HR & RemCo	Board	Board*
			* AGM has a consultive vote
Maximum aggregate amount of remuneration for the Board	HR & RemCo	Board	AGM
Individual remuneration of Board Members	HR & RemCo		Board
Maximum aggregate amount of remuneration (including STIP and LTIP) for GEM	HR & RemCo	Board	AGM
Maximum aggregate amount of remuneration of the CEO	HR & RemCo		Board
Individual remuneration of other GEM Members	HR & RemCo		Board

Shareholders of Swiss listed companies have significant influence on the remuneration of governing bodies and the principles governing remuneration must be defined in a company's articles of association.

The compensation principles outlined below are derived and summarized from Medacta's Articles of Association:

- **Approval of remuneration by the AGM (article 12):** the annual shareholders' meeting votes separately and bindingly on the proposals by the Board of Directors regarding the aggregate amounts of (a) the compensation of the Board of Directors for the term of office until the next shareholders' meeting and (b) (i) the maximum overall fixed compensation of the Group Executive Management in the subsequent business year, (ii) the maximum overall variable short-term compensation for the Group Executive Management for the work performed in the previous business year, and (iii) the maximum overall variable long-term compensation of the Group Executive Management that may be allocated in the subsequent business year.
- **Principles of remuneration of the Board of Directors (article 25):** the compensation may consist of a fixed base fee (including a lump sum compensation for expenses) paid in cash and/or awarded in shares (depending on the function in the Board of Directors, the number of committee activities and the functions in the committees). In exceptional cases, the Members of the Board of Directors may be awarded performance-related compensation.
- **Principles of remuneration of the Group Executive Management (article 26):** the compensation of the Members of the Group Executive Management may consist of a fixed compensation paid in cash (which consists of a base salary and can also contain other compensation elements and benefits); a variable short-term compensation paid in cash and/or shares; and variable long-term compensation paid in shares or equity-linked rights.
- **Short-term variable compensation and long-term compensation plans (article 26):** the short-term variable compensation is paid in cash and/or shares and depends on the level of achievement of specific pre-defined targets for a one year performance period; the long-term compensation approved by the Board of Directors is intended to incentivize Members of the Group Executive Management, selected key managers and employees to support the long-term performance of the Company and creation of shareholder value.
- **Loans and credits (article 28):** Medacta shall not grant loans, credits, pension benefits other than from occupational pension funds or securities to current or former Members of the Board of Directors or the Group Executive Management[2] or to persons closely associated with them.
- **Agreements related to compensation and maximum contract terms of Group Executive Management (article 24):** the employment agreements of the Members of the Group Executive Management shall in principle be concluded for an indefinite period. If the Board of Directors considers a fixed term appropriate, such fixed term shall not exceed one year. With respect to employment agreements entered into for an indefinite period, the maximum notice period shall not exceed 12 months. Non-competition agreements for the time following termination of an employment contract and the associated compensation are permitted to the extent that this is justified from a business perspective. The compensation for such a non-competition obligation shall not exceed in total the average of the compensation paid to the respective Member of the Group Executive Management during the last three financial years prior to termination.
- **Additional compensation for new Members of the Group Executive Management (article 29):** if newly appointed Members of the Group Executive Management take office after the annual shareholders' meeting has approved the aggregate maximum amount of compensation of the Members of the Group Executive Management for the next business year, such newly appointed Members may receive an aggregate compensation in each case of up to 30% of the last aggregate amount of compensation for the Group Executive Management approved by the annual shareholders' meeting.
- **Additional services by Members of the Board of Directors (article 25):** the Members of the Board of Directors providing consulting services to the Company or other group companies in a function other than as Members of the Board of Directors may be compensated in cash according to standard market rates subject to approval by the annual shareholders' meeting.

At the AGM 2023, we amended the Medacta Group Articles of Association to reflect the new provisions of the Swiss Corporate law and to further strengthen shareholders' rights. In addition, Medacta's Organizational Regulations[3] including the Charter of the Human Resources & Remuneration Committee (in combination with the Articles of Association) describe and define the roles and responsibilities of the Human Resources & Remuneration Committee and the Board of Directors.

2 Advance payments of fees for lawyers, court fees and similar costs relating to the defense against corporate liability claims up to a maximum amount of CHF 1'000'000 are not subject to this provision.

3 Medacta's Organizational Regulations (including the charters of the Board Committees) are available on Medacta's website at: https://www.medacta.com/EN/corporate-governance?goto=organizational-regulations.

2.1 Role and activities of the Human Resources & Remuneration Committee

Medacta's Human Resources & Remuneration Committee is comprised of a minimum of two Members of the Board of Directors who are elected annually and individually by the AGM for a one-year period until the next AGM. The Chairman of the HR & RemCo is appointed by the Board of Directors and is independent.

The 2025 Annual General Meeting (AGM) confirmed Philippe Weber and Riccardo Braglia as respectively Chairman and Member of the HR & RemCo. The Chairman of the Board from time to time attends the HR & RemCo meetings as a non-voting guest; however, he is not present during meetings or parts thereof during which his own performance or remuneration is discussed.

In general, the purpose of the Human Resources & Remuneration Committee is to advise and assist the Board of Directors with regards to compensation-related matters of Medacta with a focus on setting guidelines on remuneration for both Members of the Board of Directors and the Group Executive Management. As a core responsibility, the HR & RemCo makes proposals annually (or more often as required) to the Board of Directors related to the compensation package of the Members of the Group Executive Management and Board of Directors. For a more detailed overview of the Members, working methods and main duties and responsibilities of the HR & RemCo, as well as details regarding their meetings held in 2025, please refer to the sub-heading entitled "Human Resources & Remuneration Committee" in the Corporate Governance Report (section 3.5 "Internal Organizational Structure"), included in this Annual Report.

The HR & RemCo meets at such frequency as it deems necessary to fulfill its duties, normally ahead of ordinary Board meetings and at least four times per year. The HR & RemCo met four times in 2025 for an average duration of one hour and a half. In all the four HR & RemCo meetings all Members were present, and all were organized in person at Medacta's Swiss corporate offices either in Castel San Pietro or Rancate.

The Chairman of the Human Resources & Remuneration Committee reports to the Board of Directors at the Board meetings following each Human Resources & Remuneration Committee meeting, ensuring that the Board of Directors is kept informed in a timely and appropriate manner of all material matters within the Human Resources & Remuneration Committee's area of responsibility. Additional meetings may be held and may be convened at the request of either the Board of Directors or any Human Resources & Remuneration Committee Member. The Human Resources & Remuneration Committee may invite to meetings and shall communicate periodically with the CEO, the CFO and the CPO, as well as such other persons as the Human Resources & Remuneration Committee deems appropriate, also including external advisors. During the financial years 2023 to 2025, the Human Resources & Remuneration Committee, together with selected Medacta managers appointed by the Committee (the CPO and the Senior Strategic Financial Advisor), worked with HCM International Ltd. as an external independent adviser on remuneration matters, including support in the design and development of the Long-Term Incentive Plan. HCM International Ltd. has no other mandates with Medacta. In addition, the Human Resources & Remuneration Committee regularly holds private sessions with members of the Group Executive Management, except for those meetings—or portions of meetings—where their individual performance or remuneration is discussed.

In accordance with the article 19 of the Articles of Association and the Human Resources & Remuneration Committee Charter, the following topics were discussed during 2025:

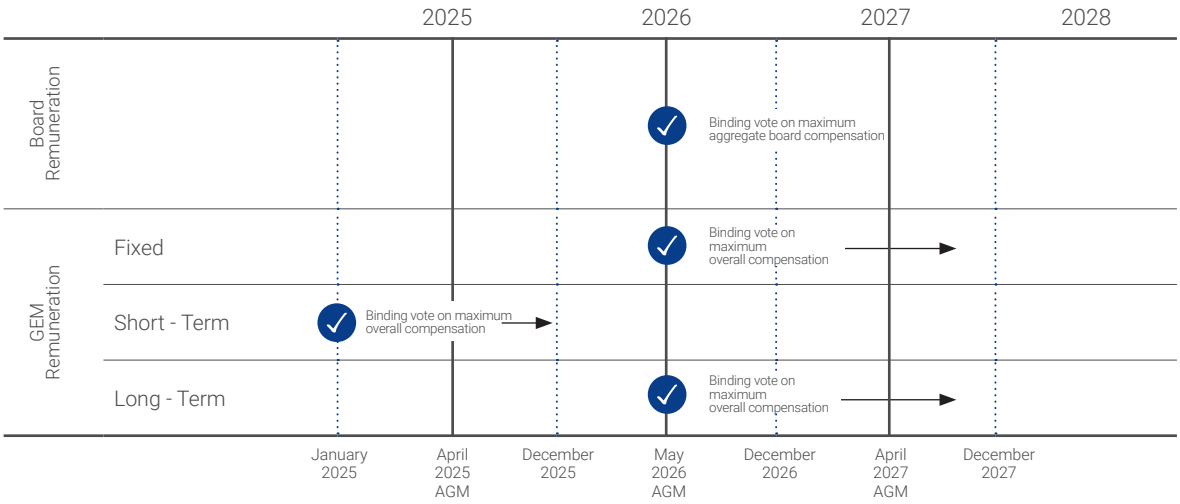
Topic	March	May	September	December
Review and Approval of the 2024 Remuneration Report	✔			
Proposals to the Board of Directors regarding the approval of the individual compensation of the Chairman and the other members of the Board of Directors	✔			
Proposals to the Board of Directors regarding the individual compensation (fixed and variable compensation) of the Members of the Group Executive Management	✔			
Proposals to the Board of Directors to expand our Group Executive Management team to include new officers	✔			
Long-Term Incentive Plan (LTIP): - LTIP scheme review; - Performance update; - Execution timing.	✔	✔	✔	✔
Remuneration Report: - Set-up of the Report structure - Remuneration Report review	✔			✔
Review of benchmarking peer group and external benchmark for Group Executive Management remuneration				✔
Regulatory updates on cross-border commuters		✔	✔	
Updates on Medacta Employer Value Proposition		✔	✔	
Updates on the implementation of Talent Management and Learning & Development processes		✔	✔	
Review of remuneration principles, strategy and systems		✔	✔	✔
Individual targets and weighting of 2025 variable short-term incentive for the members of the Group Executive Management	✔			

2.2 Role and activities of the Shareholders regarding the AGM

The Board of Directors will submit five separate remuneration-related resolutions for shareholders' approval at the AGM 2026 (as illustrated in Exhibit below):

- the maximum aggregate amount of remuneration of the Board of Directors for the term of office until the next annual shareholders' meeting (i.e. until the next annual shareholders' meeting in 2027);
- the maximum overall fixed remuneration of the Group Executive Management to be paid for the Financial Year ending December 31, 2027;
- the maximum overall variable short-term remuneration for the Group Executive Management that may be paid or allocated for the business year ended December 31, 2025;
- the maximum overall variable long-term remuneration of the Group Executive Management that may be allocated in for the business year ending December 31, 2027;
- the amount of remuneration to Members of the Board of Directors for consulting services to the Company or other group companies in a function other than as Members of the Board of Directors, until the next annual shareholders' meeting (i.e. until the next annual shareholders' meeting in 2027).

In addition, the Board of Directors will submit this Remuneration Report to a separate consultative vote for the shareholders at the AGM 2026.



The Board of Directors may present to the annual shareholders' meeting deviating or additional proposals for approval in relation to the same or different time periods.

If the shareholders' meeting does not approve the amount of the proposed fixed and variable compensation, as the case may be, the Board of Directors may either submit new proposals at the same shareholders' meeting, convene a new extraordinary shareholders' meeting and make new proposals for approval or may submit the proposals regarding compensation for retrospective approval at the next annual shareholders' meeting.

At the Annual General Meeting (AGM) 2025, the Board of Directors submitted five separate remuneration-related proposals, which were all approved by the shareholders:

- the maximum aggregate amount of remuneration for the Members of the Board of Directors for the term from the AGM 2025 until the AGM 2026: CHF 1'100 thousand;
- the maximum overall fixed remuneration of the Group Executive Management to be paid for the Financial Year ending December 31, 2026: CHF 2'100 thousand;
- the maximum overall short-term remuneration of the Group Executive Management to be paid for the Financial Year ending December 31, 2024: CHF 1'750 thousand;
- the maximum overall variable long-term remuneration of the Group Executive Management to be allocated in the Financial Year ending December 31, 2026: CHF 1'500 thousand;
- the maximum aggregate amount for services covered by article 25(3) of the Articles of Association (Consulting Services) for the period until the AGM 2026: CHF 150 thousand.

In addition, shareholders approved the FY 2024 Remuneration Report in a consultative vote.

3. Remuneration philosophy and principles

Medacta's Human Resources & Remuneration Committee gives careful consideration to the remuneration framework for the Members of the Board of Directors and the Group Executive Management. In order to reflect their different roles, the remuneration of the Board of Directors and the Group Executive Management are designed according to different standards and considerations.

Medacta's remuneration landscape is designed to support the Company's strategic plans and to provide a balance between motivating the Members of the Board of Directors and the Group Executive Management to deliver on the near- and medium-term objectives of the Group and to strive for future long-term success and prosperity of Medacta at the same time. Medacta's remuneration framework aims to attract, engage and retain the best talent within the MedTech industry as well as to reward loyalty of the employees and, thus, to enhance the value of the Group for the benefit of shareholders as extensively described in our Code of Business Conduct and Ethics. Medacta actively promotes diversity and inclusion and a culture of fair and equal treatment of our employees, as described in our Code of Business Conduct and Ethics. We are committed to the principle of equal pay for equal work and are taking all necessary steps in our job evaluation to ensure a fair compensation system. In 2022, for the Swiss based legal entities, we conducted the legally required equal pay analysis, confirming Medacta's compliance with the requirements set out in Art. 13d of the Gender Equality Act (GEA) and Art. 7 of the Ordinance on the Examination of the Equal Pay Analysis. The analysis complied with the GEA guidelines as it was validated by Deloitte SA on the analysis methodology and results. The results of the analysis showed no material effect of gender on pay in our Switzerland-based entities.

As a core responsibility, the Human Resources & Remuneration Committee reviews the compensation packages of the Members of the Group Executive Management and Board of Directors annually (or more often as required) and proposes to the Board of Directors any adjustments to the prior year compensations for proposal to the annual shareholders' meeting.

In addition, and with regards to the Group's listing in Switzerland and global scale of business, the Human Resources & Remuneration Committee follows the Swiss governance and compensation landscape while also considering trends across the globe. Conclusively, the aim is to design the remuneration framework taking into account best market practices, alignment with shareholders, and pay-for-performance considerations in order to promote the long-term success of Medacta.

As a base for this work the Human Resources & Remuneration Committee, each year, assesses the compensation packages of similar companies. In 2025, we reflected similar peers utilized in 2024 which we believe are more balanced between focus in the orthopedic industry and small to mid-capitalization. To carry out the compensation benchmark the following two groups of companies were analyzed in 2025:

- listed companies in the worldwide MedTech Industry[4];
- companies in the Swiss MedTech industry or Healthcare industry with less than 15'000 employees, with an international scope[5].

The exercise revealed that the compensation of the Group Executive Management and Board of Directors are below the average compensation of both Swiss and worldwide MedTech industry benchmark.

3.1 Agreements related to compensation for members of the Board of Directors and the Group Executive Management

According to article 24 of the Articles of Association, mandate agreements of the Members of the Board of Directors have a fixed term until the conclusion of the next annual shareholders' meeting. Early termination or removal remains reserved.

The employment agreements of the Members of the Group Executive Management are in principle concluded for an indefinite period. If the Board of Directors considers a fixed term appropriate, such fixed term shall not exceed one year. With respect to employment agreements entered into for an indefinite period, the maximum notice period does not exceed 12 months.

Non-competition agreements for the time following termination of an employment contract and the associated compensation are permitted to the extent that this is justified from a business perspective. The compensation for such a non-competition obligation may not exceed in total the average of the fixed compensation paid to the respective Member of the Group Executive Management during the last three years. The Group Executive Management agreements contain non-competition clauses. In accordance with article 24 of the Articles of Association, the compensation for such non-competition obligation shall not exceed in total the average of the compensation paid to the respective Group Executive Management Member during the last three financial years prior to termination.

4 Alphatec Holdings, Enovis, Globus Medical, based on information disclosed on the publicly available Annual Reports for 2024.

5 Straumann, Sonova, Medartis, Tecan, Ypsomed, based on information disclosed on the publicly available Annual Reports for 2024.

4. Remuneration framework for Board of Directors

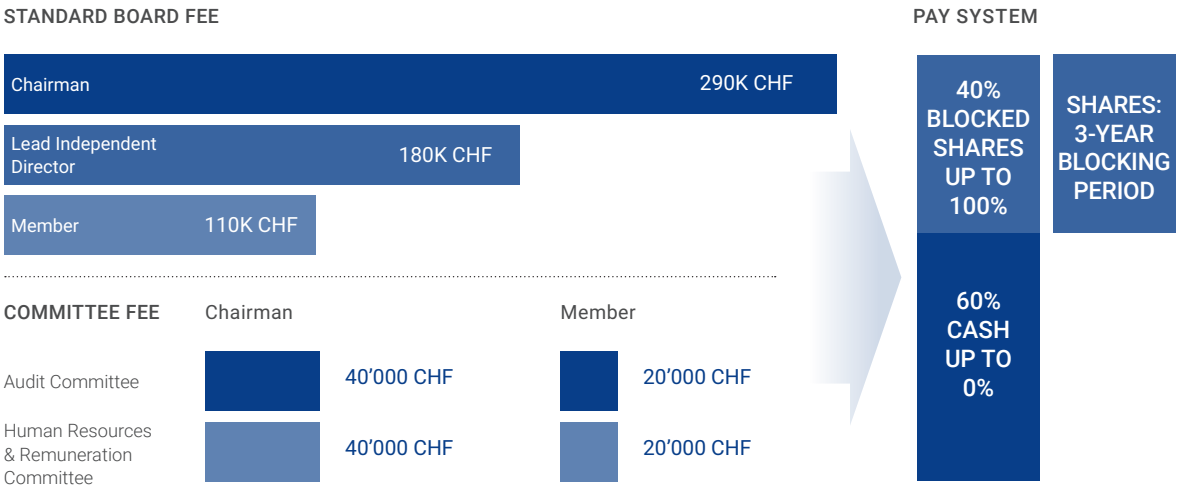
4.1 Remuneration approach

According to article 25 of the Articles of Association, the compensation of the Members of the Board of Directors is determined by the full Board of Directors based on the proposal of the Human Resources & Remuneration Committee and subject to and within the limits of the aggregate amounts approved by the annual shareholders' meeting.

In order to highlight the independent role of the Members of the Board of Directors in performing their supervisory duties, the entire remuneration of the Board in Financial Year 2025 is fixed and does not include any performance-related component.

The remuneration of the Members of the Board of Directors is determined for the term of office, which begins with their election at the Annual General Meeting (AGM) and ends at the subsequent AGM. Following approval by the Board of Directors on December 19, 2024, and effective as of the AGM 2025, Board remuneration consists of a fixed annual base fee and fixed fees for membership in Board Committees. These fees reflect the time commitment and the obligations and responsibilities associated with the respective roles and are paid quarterly in four instalments. Each Board member receives the total of the annual base fee and, where applicable, the committee membership fee(s), with a minimum of 40% and up to 100% paid in blocked shares, subject to a three-year blocking period, and the remainder paid in cash[6]. For the term until the AGM 2026, in line with shareholder approval, Board members received a fixed annual base fee of CHF 110 thousand, while the Chairman received CHF 290 thousand. For committee membership, Board members received a fixed fee of CHF 20 thousand, and the respective committee chairpersons received CHF 40 thousand. In addition, in recognition of the additional time commitment associated with the role, the Lead Independent Director received an additional allowance of CHF 70 thousand (total remuneration of CHF 180 thousand).

The fees paid to the Board of Directors for the Financial Year 2025 (as indicated on the table in section 4.2 "Remuneration Awarded 2025") are slightly above the compensation reflected in the Financial Year 2024.



Members of the Board of Directors are entitled to a reimbursement for the expenses incurred in connection with their Board duties. Furthermore, remuneration of the Members of the Board is subject to social security contributions and is not pensionable. No additional remuneration components such as attendance fees are awarded to the Members of the Board of Directors.

In addition, in accordance with article 25 para. 3 of the Articles of Association, the Members of the Board of Directors providing consulting services to the Company or other Group Companies in a function other than as Members of the Board of Directors may be compensated in cash according to standard market rates, subject to approval by the annual shareholders' meeting.

[6] This rule applies to the independent Board of Directors members, both the Chairman Dr. Alberto Siccardi, and Mrs. Maria Luisa Siccardi Tonolli waived due to their significant share ownership.

4.2 Remuneration awarded 2025 (audited)

For the term from the AGM 2025 until the AGM 2026, Medacta's shareholders approved a maximum aggregate amount of remuneration for the Board of Directors of CHF 1'100 thousand. Total remuneration awarded to the Board of Directors during Financial Year 2025 amounted to CHF 986 thousand and represents remuneration for services rendered from January 1, 2025 until December 31, 2025. As compared to FY 2025, the compensation is substantially in line with prior period. The amounts actually paid in 2025 remain within the limits of the amount approved by the shareholders for the same period.

The following tables show remuneration paid to the Members of the Board of Directors from January 1 until December 31, 2025 and 2024:

2025 BoD Compensation (CHF)	Role within the Board	Fixed Board fee		Committee fees		Expenses[1]	Social security contribution	Total
		Cash	Shares	Cash	Shares			
Alberto Siccardi	Chairman	290'000	-	-	-	15'000	20'364	325'364
Maria Luisa Siccardi Tonolli	Member	103'334	-	20'000	-	8'100	10'550	141'984
Victor Balli	Member	123'733	47'445	30'933	11'861	1'389	14'438	229'799
Philippe Weber[2]	Member	36'923	62'964	16'410	27'984	-	12'101	156'382
Riccardo Braglia	Member	37'091	64'531	8'242	14'340	-	7'998	132'202
TOTAL ALL MEMBERS		**591'081**	**174'940**	**75'585**	**54'185**	**24'489**	**65'451**	**985'731**

[1] Out-of-pocket expenses incurred by the Board of Directors are duly reimbursed by the Company with the exception of Dr. Alberto Siccardi and Ms. Maria Luisa Siccardi Tonolli, who are reimbursed with an annual lump-sum of CHF 15 thousand and CHF 8 thousand, respectively. For Mr. Balli the company paid his accomodation to the hotel for the Board meetings.
[2] Philippe Weber is a Partner at Niederer Kraft Frey AG (NKF), which acted as legal adviser to Medacta in 2025.

2024 BoD Compensation (CHF)	Role within the Board	Fixed Board fee		Committee fees		Expenses[1]	Social security contribution	Total
		Cash	Shares	Cash	Shares			
Alberto Siccardi	Chairman	290'000	-	-	-	15'000	20'638	325'638
Maria Luisa Siccardi Tonolli	Member	90'000	-	20'000	-	8'100	9'695	127'795
Victor Balli	Member	160'000	-	40'000	-	760	13'839	214'599
Philippe Weber[2]	Member	90'000	-	40'000	-	-	11'250	141'250
Riccardo Braglia	Member	90'000	-	20'000	-	-	9'519	119'519
TOTAL ALL MEMBERS		**720'000**	**-**	**120'000**	**-**	**23'860**	**64'941**	**928'801**

[1] Out-of-pocket expenses incurred by the Board of Directors are duly reimbursed by the Company with the exception of Dr. Alberto Siccardi and Ms. Maria Luisa Siccardi Tonolli, who are reimbursed with an annual lump-sum of CHF 15 thousand and CHF 8 thousand, respectively. For Mr. Balli the company paid his accomodation to the hotel for the Board meetings.
[2] Philippe Weber is a Partner at Niederer Kraft Frey AG (NKF), which acted as legal adviser to Medacta in 2024.

The reconciliation of approved and dispensed compensation for the AGM 2024-2025 and 2025-2026 period is shown in the table below:

REMUNERATION APPROVED AND PAID/GRANTED FOR THE MEMBERS OF THE BOARD

	Total remuneration granted	Maximum aggregate amount available	Status
2024 AGM to 2025 AGM	CHF 0.9 million*	CHF 1.1 million	Approved 2024 AGM
2025 AGM to 2026 AGM	CHF 1.0 million**	CHF 1.1 million	Approved 2025 AGM

* Calculated for the 5 Members of the Board elected in the 2024 AGM to 2025 AGM.
** The amount represents an estimate for the term of office from 2025 AGM to 2026 AGM. The final amount will be disclosed in the 2026 Remuneration Report.

In addition, with reference to article 25 para. 3 of the Articles of Association, for the period from the AGM 2024 until AGM 2025, Niederer Kraft Frey AG, where Philippe Weber is a Partner and that, amongst others, acted as legal adviser to Medacta and received fees in the amount of CHF 22 thousand (within the limits of CHF 150 thousand, approved by the AGM 2024). For the period from the AGM 2025 until December 31, 2025, Niederer Kraft Frey AG, acted as legal adviser and received fees in the amount of CHF 12 thousand (so far within the limits of CHF 150 thousand, approved by the AGM 2025).

4.3 Loans and credits

In accordance with article 28 of Articles of Association, no loans or credits were granted to current or former Members of the Board of Directors or to persons closely associated with current or former Members of the Board of Directors. No such loans or credits were outstanding at December 31, 2025.

In addition, no compensation, which was not at market terms or standards, was paid or granted to persons closely associated with current or former Members of the Board of Directors.

For the related party transactions, refer to Note 6.27 "Related party transactions" of the Financial Report included in this Annual Report.

5. Remuneration framework for Group Executive Management

5.1 Remuneration approach

Pursuant to article 26 of the Articles of Association, the compensation of the Members of the Group Executive Management is determined by the Board of Directors based on the proposal of the Human Resources & Remuneration Committee and subject to and within the limits of the aggregate amounts approved by the annual shareholders' meeting.

The remuneration of the Group Executive Management is comprised of three main elements:

Element	Type of compensation	Form of compensation	Description
Fixed Compensation	Base salary	Cash	- Fixed compensation is determined based on scope and responsibility of the role; qualifications and experience; skill and expertise; - To attract talents, we offer the market value of the role.
Variable Compensation	Short-term incentive	Cash	- Maximum payout potential is dependent on hierarchy level; - Performance are measured against business results and financial targets.
	Long-term incentive	Performance Share Units (PSUs)	- Performance criteria are 50% driven by Relative TSR and 50% by absolute EBIT over three years period; - the combined vesting multiple cannot exceed 200%; - three years vesting period.
Benefits	Pension Plan, insurance and Health Care		- Pension benefits meet the legal requirements of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG); - in line with what industry offers.
	Other benefits		- May include car, phone allowance and other fringe benefits in line with market practices.

Fixed compensation

Annual base salary

The annual base salary is the main fixed remuneration component paid to Members of the Group Executive Management. It is paid in cash in thirteen equal monthly instalments. The level of base salary is determined considering the following factors:

- scope and responsibilities of the role;
- qualifications and experience required to perform the role;
- market value of the role;
- skills and expertise of the individual in the role.

The annual base salaries of the Members of the Group Executive Management are reviewed on a yearly basis considering the above-mentioned factors and adjustments are made according to alterations in the factors under assessment as well as to market developments. Refer to section 3 "Remuneration philosophy and principles" of this report for the benchmarking analysis performed.

Variable compensation

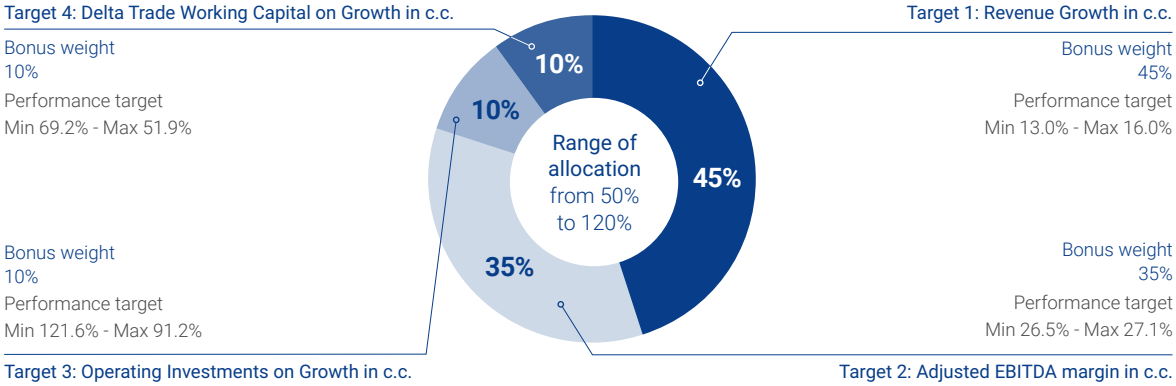
Short-term incentive

The short-term variable compensation is an annual incentive plan intended to compensate the Group Executive Management for achieving the short-term business strategy, based on company performance achievements and financial targets. In accordance with article 26 of the Articles of Association, the short-term variable compensation is paid in cash and depends on the level of achievement of specific pre-defined targets for a one-year performance period.

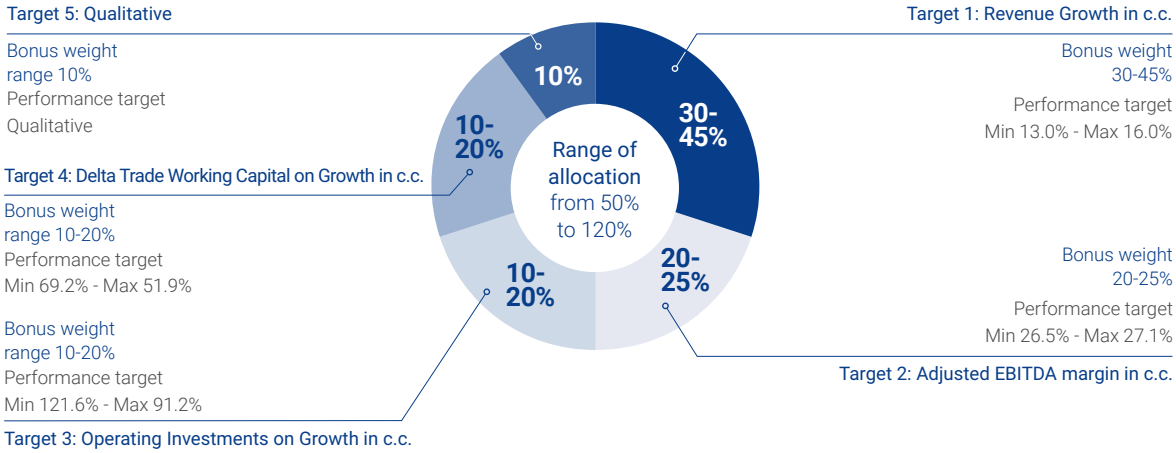
The 2025 short-term variable compensation of the Group Executive Management is determined based on the reaching of the following four financial targets: Revenue Growth in constant currency (c.c.), Adjusted EBITDA Margin in constant currency, Operating Investments and Delta Trade Working Capital on Growth in constant currency. The "Operating Investments on Growth" will consider investments in instruments, plant & machineries, and tools & equipment. Notably, land & building and development investments will be excluded from this metric. Similarly, the "Delta Trade Working Capital on Growth" will be measured on trade working capital investments against revenue growth in constant currency. The financial targets are weighted differently for each Member of the Group Executive Management, taking into account position and level of responsibility. Revenue Growth in c.c. target is between 13.0% and 16.0% and weights respectively 45% and 30% to 45% of the bonus for the CEO and for the other Members of the Group Executive Management, respectively; Adjusted EBITDA Margin in c.c. target is between 26.5% and 27.1% and weights respectively 35% and 20% to 25% of the bonus for the CEO and for the other Members of the Group Executive Management, respectively; Operating Investment on Growth in c.c. target is between 121.6% and 91.2% and weights 10% and 10% to 20% of the bonus for the CEO and for the other Members of the Group Executive Management, respectively; Delta Trade Working Capital on Growth in c.c. target is between 69.2% and 51.9% and weights respectively 10% and 10% to 20% of the bonus for the CEO and for the other Members of the Group Executive Management, respectively. In addition, 10% of the short-term variable compensation of the CFO, CIO, CPO, CCO and Chief Supply Chain Officer (CSCO) are determined at the discretion of the Board of Directors, upon recommendation of the CEO and the Human Resources & Remuneration Committee, based on the quality of the performance of their duties (as described in greater detail below). Upon proposal by the Human Resources & Remuneration Committee, the Board of Directors is responsible for the selection and weighting of performance targets during the first quarter of the one-year performance period as well as determining what the maximum short-term compensation can comprise. For FY 2025, the short-term variable remuneration for the Group Executive Management represents 93% of the base salary. The CEO's short-term variable remuneration represents a maximum of 297% of the base salary and for other Members of the Group Executive Management on average 39% of the base salary. This puts a material portion of the Group Executive Management's remuneration at risk, in alignment with shareholders' interests.

The variable short-term compensation for the Members of the Group Executive Management for the Financial Year 2025 was determined by the Board of Directors upon recommendation from the Human Resources & Remuneration Committee on the basis of the below described base and maximum amounts, criteria, weightings and other principles. In order to calibrate the target achievement curve for one plan cycle, a target achievement level is identified in accordance with the overall business plan and the budget for the respective year. Minimum and maximum performance achievement levels are defined considering, amongst other metrics, the previous year's performance level.

CEO



All other members of the GEM



The reaching of the above financial targets is determined by the Board of Directors based on the audited Consolidated Financial Statements of Medacta Group SA for the Financial Year on December 31, 2025.

Regarding targets "Revenue Growth in constant currency" and "Adjusted EBITDA Margin in constant currency": in the event the actual result is (a) below the minimum target, then the respective bonus portion is CHF 0; (b) within the target range linear progression from 0 to maximum bonus; (c) above maximum target maximum bonus. In relation to targets "Operating Investments on Growth" and "Delta Trade Working Capital on Growth": in the event the actual result is (a) above the minimum target the respective bonus portion is CHF 0; (b) within the target range linear progression from 0 to maximum bonus; (c) below maximum target maximum bonus.

As mentioned above, at the discretion of the Board of Directors upon recommendation of the CEO and the Human Resources & Remuneration Committee, it would be possible to raise or to lower the other GEM members' variable components based on the quality of their performance duties as set in the Organizational Regulations.

The qualitative performance represents a maximum of 10% of the CFO's short-term compensation and is primarily based on the performance of:

- defining and implementing the finance strategy of the Group;
- monitoring financial performance against targets, reports the results to the Audit and Risk Committee and the Board of Directors and endorsing these reports in all material respects as to their completeness, reliability and accuracy;
- having responsibility for ensuring good financial governance.

The qualitative performance represents 10% of the CSCO's short-term compensation and is primarily based on the performance of:

- direct and coordinate all activities involved in purchasing components, raw materials, production supplies, other products, services and aftermarket service parts. Establish and maintain relationships with vendors while continually searching for improved costs, materials, suppliers and processes;
- set strategic direction and support staff in the development, implementation, and execution of supply chain processes in support of business objectives;
- oversee and maintain relationships with cross-functional teams in all areas related to product to market timeline.

The qualitative performance represents a maximum of 10% of the CCO's short-term compensation and is primarily based on the performance of:

- defining and implementing the commercial strategy of the Group;
- establishing relationships with key customers and stakeholders, focusing on both customer acquisition and retention. Continually defining opportunities to expand into new markets while optimizing existing market performance;
- foster strong collaboration with cross-functional teams.

The qualitative performance represents a maximum of 10% of the CIO's short-term compensation and is primarily based on the performance of:

- defining and implementing the Research and Development strategy of the Group;
- overseeing the development operations to support the adoption of blockbuster products, innovative technologies, regulatory compliance, and quality assurance;
- acting as a key interface between R&D, manufacturing, and commercial functions, ensuring seamless integration from product development to market.

The qualitative performance represents a maximum of 10% of the CPO's short-term compensation and is primarily based on the performance of:

- developing and overseeing strategies to attract, retain, and develop top talent across all functions;
- leading initiatives to strengthen leadership capabilities, succession planning, and workforce development. Implement training programs that align with the company's mission and values;
- overseeing HR policies and practices to ensure compliance with local and global labor regulations.

For the Financial Year 2025, all of the four approved minimum performance thresholds were exceeded, and the targets were achieved at different levels within their respective target achievement curve. This resulted in an overall short-term compensation proposed payout to the AGM 2025 for the CEO of CHF 1'085 thousand and an overall proposed payout of CHF 531 thousand for the other Members of the Group Executive Management, upon approval by the AGM 2025. This represents 297% for the CEO and on average 39% for the other Members of the Group Executive Management base salary.

Since STI reflects the previous year's performance (i.e. FY 2025), payments will be made in a lump sum cash payment following AGM approval. There are no forfeiture or clawback provisions in relation thereto.

Long-Term Incentive

In order to reflect Medacta's positioning as a listed company, reshaping the role and responsibilities of the Members of the Group Executive Management, in accordance with article 26 of the Articles of Association, a share and business performance based Long-Term Incentive Plan (LTIP) was implemented. On March 24, 2025 the Board of Directors approved the implementation of the LTIP proposed by the Human Resources & Remuneration Committee, under the Performance Share Plan ("the Plan"), that was open to eligible participants starting in April, 2025. The Board is responsible for administering and executing the Plan and has full power to construe and interpret the Plan, establish and amend rules and regulations for its administration, and perform all other actions relating to the Plan.

Under the LTIP Members of the Group Executive Management, other selected key managers and employees are eligible to participate in the LTIP. A prerequisite for participating in the Plan is an active and ongoing employment (i.e. which is not under notice of termination). The LTIP is designed to provide Members of the Group Executive Management, other selected key managers and employees an opportunity to become shareholders of the Company, to participate in the future long-term success and prosperity of the Group, and to enhance and reward loyalty of the employees. Furthermore, the LTIP is intended to attract, motivate, and retain participants of the plan, and thus, to enhance the value of the Group for the benefit of shareholders.

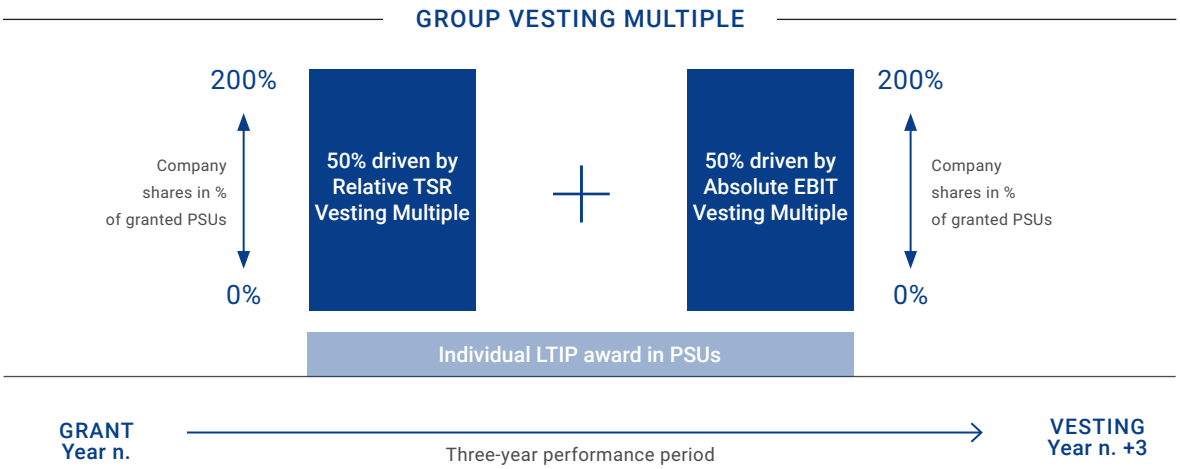
The incentive plan is measured over a rolling three-year performance period with the purpose of fostering long-term value creation for the Group. Eligible plan participants grant a certain number of Performance Share Units (PSUs), which represent a contingent entitlement to receive Medacta shares in the future. The number of granted PSUs is dependent on the individual LTIP grant level, individually determined by the Board of Directors each year based on the individual's performance, the position, complexity of the function, and level of responsibility. For Members of the Group Executive Management, the number of PSUs is subject to the amounts approved at the applicable AGM.

In 2025, 33'531 PSUs were granted. 5'812 PSUs were granted to GEM members in 2025, thereof 1'393 to the CEO and in total 4'419 to the other members of the GEM. The value of the PSUs granted is determined based on the notion that it should accurately reflect the inherent risk of the underlying instrument. For the 2025 grant fair value, the Group estimates the PSU reference value by using the fair value calculation under the Monte Carlo method that for the 2025 award cycle amounted to CHF 129.39.

The 2025 PSUs grant will vest at the end of the performance period in 2028 and will be converted into shares. The number of PSUs that vest is calculated at the Vesting Date by multiplying the number of granted PSUs by the Final Vesting Multiple, rounded up to the next whole Share. Ultimately, the number of PSUs which vest shall be determined by the Board or a body designated by the Board in a final, conclusive and binding manner. The Final Vesting Multiple equals either Group Vesting Multiple (see description below) or Country Vesting Multiple (see description below), whereas the latter applies if all of the following three conditions are met:

- Group Vesting Multiple is below 0.30;
- the respective Participant is eligible for country performance consideration;
- the country performance threshold has been met for the entire duration of the Plan.

If any of the above conditions is not met, the Final Vesting Multiple equals the Group Vesting Multiple.

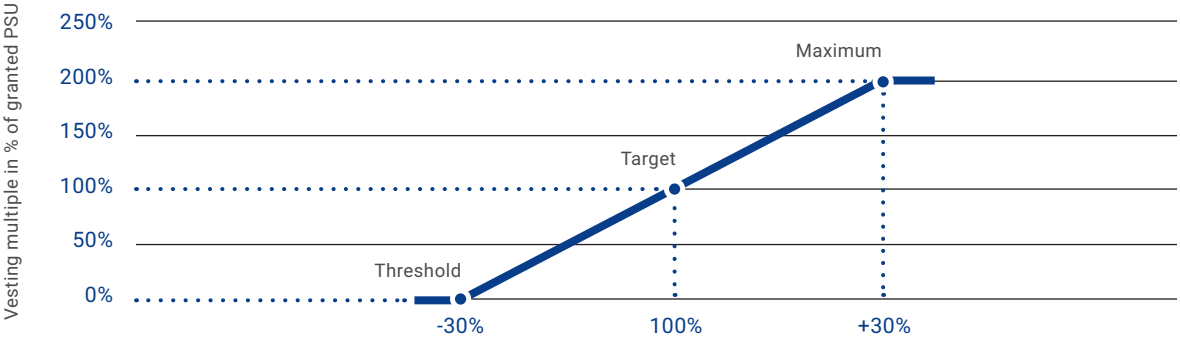


The Group Vesting Multiple is based upon a 50% weighting of the Relative TSR Vesting Multiple and a 50% weighting of the Absolute EBIT Vesting Multiple, rounded off to two decimal places, whereby:

- the Relative TSR Vesting Multiple is calculated as the (positive or negative) difference between Medacta's TSR and the SPI Extra Total Return TSR[6], measured in percentage points (p.p.). Medacta's TSR is measured considering the compound annual growth rate of the Reference Price Ending compared to the Reference Price Beginning over the three (3)-year TSR Performance Period and the accumulative, nominal dividends distributed in the same period. To be consistent with the index, it is assumed that dividends are reinvested. The Relative TSR Vesting Multiple cannot be lower than 0.00 or higher than 2.00, and
- the Absolute EBIT Vesting Multiple is calculated based on the EBIT of the Group measured as the sum of the absolute EBIT in constant currency over the three (3)-year Absolute EBIT Performance Period and calculated by the Board or a body designated by it, according to the Absolute EBIT Vesting Multiple table. The Absolute EBIT Multiple cannot be lower than 0.00 or higher than 2.00.

The Country Vesting Multiple (if relevant) is calculated based upon a 100% weighting of the respective country's revenues and will be either 0.00 or 0.30. For each country, details with regards to performance measure, performance targets, performance period and performance calculation are set out in the Allotment Certificate.

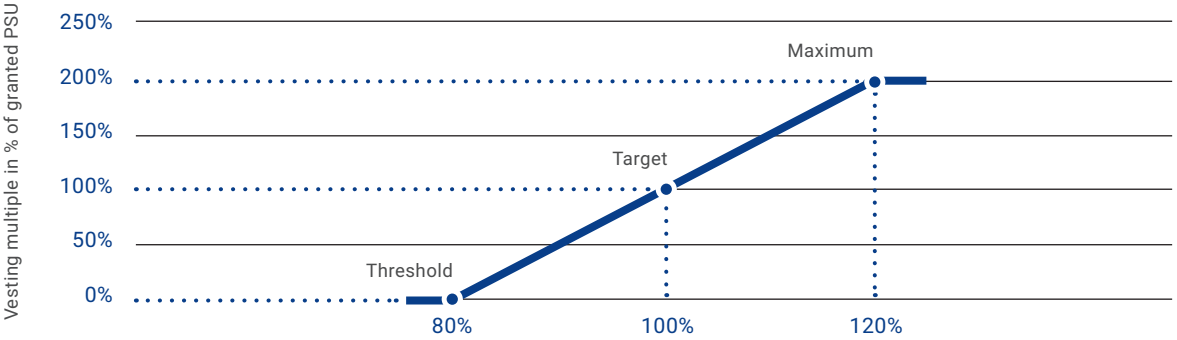
For the FY 2025 grant, 100% of the PSUs linked to the Relative TSR Vesting Multiple will vest, if the Medacta's TSR is equivalent to the SPI Extra Total Return TSR. The maximum vesting multiple of 200% applies if the Medacta's TSR is 30 or more percentage points above the SPI Extra Total Return TSR. Further, the vesting multiple of 0% applies if Medacta's TSR be 30 or more percentage points below the SPI Extra Total Return TSR. Linear interpolation applies between the threshold, target and maximum performance levels:



Medacta's 3-year Relative TSR vs the SPI Extra TSR

The 2025 Absolute EBIT Vesting Multiple is considered a price-sensitive information and communicating such target may create a competitive disadvantage for Medacta. Therefore, we decide not to disclose any specifics of this target at the time of their setting, but to explain at the end of the performance period the target achievement. In the 2027 Remuneration Report we will explain the target achievement for the 2025 PSUs granted.

If the Absolute EBIT Vesting Multiple target is reached, 100% of the respective PSUs granted will vest. If the Absolute EBIT Vesting Multiple is at or above the maximum performance level, 200% of respective granted PSUs will vest. If the Absolute EBIT Vesting Multiple is at or below the threshold performance level, 0% of PSUs granted under the Absolut EBIT performance will vest. Below an illustration of the Absolute EBIT vesting curve for the 2024 PSUs granted.



Medacta's 3-year Absolute EBIT Performance in % of target

6 This is the Swiss All Share Index and is excluding the 20 biggest market capitalization companies in the SPI and all companies with a free float of less than 20% or shares of investment companies (192 companies).

The absolute EBIT targets for each grant are set by the Board of Directors following an assessment conducted by the Human Resources & Remuneration Committee, considering the investor's return expectations on market value, investment projections, current profitability levels. Using statistical analysis we tried to establish an appropriate link between LTIP payouts and the value created for investors.

Overall, the combined vesting multiple is expected to never exceed 200%. If the performance of both Group and Country (if relevant) Vesting Multiple lies below the respective minimum performance threshold, the resulting combined vesting multiple will be 0% and consequently no PSUs vest. In certain circumstances, the termination of employment (e.g. as a result of retirement) or a corporate event (e.g. change of control due to a merger), the number of PSUs that continue to be eligible for vesting shall be adjusted pro rata on a completed monthly basis to reflect the length of service within each award cycle at the relevant termination date. Upon termination of the employment for any other reasons, all unvested PSUs of the participant shall lapse without any compensation.

The Board is entitled, at its sole discretion, to cancel or forfeit all or part of any unvested PSUs or, following vesting of any PSUs, seek repayment from the participant for all or part of any vested PSUs, shares or cash settlements. Those provisions apply in the event of malfeasance, fraud, misconduct, any serious breach of legal or regulatory obligation and/or internal policy of the Group, takes part of conduct which leads or contributes to the Company having restate its financial statements or inaccurate assessment of any performance.

With reference to the 2022 grant that was vested in May 2025, all the GEM members at that time were eligible for vesting. The maximum vesting factor of 2 shares per PSU granted resulted in a combined vested value of CHF 0.9 million for 2025. The vesting value represents a realized value of 179% of the 2022 grant through the vesting factor of 1.45 shares per PSU and share price overall in line during the three-year period.

2022 LTIP vested in May 2025	Weighting	Minimum	Target	Maximum	Actual	2025 Vesting Multiple
Relative TSR Vesting Multiple	50%	- 30%	-	+ 30%	+ 14%	1.47
Absolute EBIT Vesting Multiple[1]	50%	208.0	260.0	312.0	281.7	1.42
Vesting Factor (number of shares per granted PSU)						**1.45**

[1] Calculated in constant currency applying the exchange rates for Budget 2023 and adjusted for extraordinary items as approved by the Board of Directors on March 24, 2025

Benefits and pension

Members of the Group Executive Management participate in the Company's benefits plans, which mainly consist of retirement, insurance and health care plans designed to provide a reasonable level of protection for the employees and their dependents in the event of retirement, illness/accident, disability or death. Medacta's pension benefits under Swiss contracts meet the legal requirements of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (sBVG) and are in line with what industry offers.

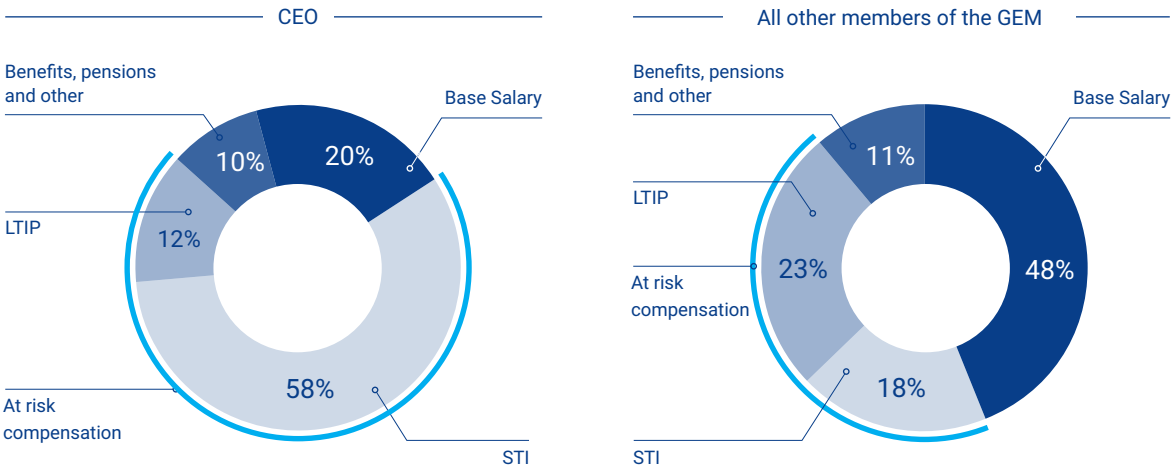
Other benefits may include a car and phone allowance and other fringe benefits that, if any, are disclosed in the remuneration table included in section 5.2 "Remuneration Awarded 2025 (Audited)" of this report. Out-of-pocket expenses incurred by Members of the Group Executive Management in connection with their employment services for Medacta are duly reimbursed by the Company in accordance with the applicable regulations and are not considered to be remuneration subject to approval and, hence, are not further considered in the remuneration tables.

5.2 Remuneration awarded 2025 (audited)

Compensation mix

The Human Resources & Remuneration Committee ensures that the Group Executive Management remuneration focuses on pay-for-performance and anchors the strategy of the Group by delivering a substantial portion of remuneration in the form of variable and performance-related incentives.

GEM pay mix



Overall, total variable remuneration of the CEO for the Financial Year 2025 amounted to 70% of his total remuneration, while other Members of the Group Executive Management's total variable remuneration for the Financial Year 2025 ranged from 34% to 47% of the total remuneration, in each case subject to approval of the AGM 2026.

The total aggregate amount approved by the annual shareholders' meeting 2024 for the fixed compensation of the Group Executive Management for the Financial Year 2025 amounts to CHF 2'000 thousand. The total fixed compensation paid to the Group Executive Management (including the CEO) for the period from January 1, 2025, to December 31, 2025, amounts to CHF 1'936 thousand, which includes CHF 196 thousand for pension and social security contributions. This total remains within the limits of the maximum compensation amount approved by the Annual General Meeting for the same period.

Variable compensation for the Members of the Group Executive Management includes the annual short-term incentive (STI) and the Long-Term Incentive Plan (LTIP).

The total aggregate amount of short-term remuneration for 2025 proposed by the Board of Directors to the AGM 2026 for the entire Group Executive Management will be CHF 1'774 thousand, including CHF 158 thousand of pension and social security contribution. The limit of the STI for 2025 for the Group Executive Management will be decided at the 2026 annual shareholders' meeting.

The total aggregate amount approved by the annual shareholders' meeting 2024 for the variable long-term compensation of the Group Executive Management for the Financial Year 2025 amounts to CHF 1'000 thousand. The LTIP Fair Value at Grant for the Financial Year 2025 recognized for the Group Executive Management (including CEO) is equal to CHF 993 thousand, including CHF 101 thousand of pension and social security contribution. It is thus within the limits of the amount approved by the annual shareholders' meeting for the same period. The LTIP at vesting may vary based on performance outcomes and respective share price at the time of vesting.

In the financial year 2025, the Group Executive Management comprised six members.

The following tables show the total aggregate remuneration, including the proposed short-term compensation and the fair value at grant under the LTIP, for the Members of the Group Executive Management and the highest amount for an individual member (i.e. the CEO), for the period from January 1 to December 31, 2024 and 2025 respectively.

2025 GEM Compensation

(CHF)	Fixed Compensation	Proposed variable short-term compensation[1]	Fair value at grant under the LTIP[2]	Expenses[3]	Pension & social security contribution[4]	Total
Francesco Siccardi (CEO)	365'876	1'085'459	226'881	22'200	157'534	1'857'950
Other members of the GEM (aggregated)	1'373'396	530'591	665'296	14'000	297'920	2'881'203
TOTAL ALL MEMBERS	**1'739'272**	**1'616'050**	**892'177**	**36'200**	**455'454**	**4'739'153**

[1] Proposal by the Board of Directors to the AGM 2026.
[2] Disclosure reflects the awards for the reporting year, that represents the pro-rata temporis fair value at grant for FY 2025. The LTIP at vesting may vary based on performance outcomes and share price value at the time of vesting.
[3] Out-of-pocket expenses, including car lease, incurred by Mr. Francesco Siccardi and other members are duly reimbursed with an annual lump-sum of CHF 22 thousand and CHF 14 thousand respectively.
[4] In 2025 to align the timing of social security reporting to the LTIP grant, we included the pro-rata temporis estimates of social security contributions related to the 2025 LTIP grant made.

2024 GEM Compensation[1]

(CHF)	Fixed Compensation	Proposed variable short-term compensation[2]	Fair value at grant under the LTIP[3]	Expenses[4]	Pension & social security contribution[5]	Total
Francesco Siccardi (CEO)	368'300	1'082'298	246'849	22'200	158'131	1'877'778
Other members of the GEM[6] (aggregated)	1'156'100	505'400	682'487	13'337	265'010	2'622'334
TOTAL ALL MEMBERS	**1'524'400**	**1'587'698**	**929'336**	**35'537**	**423'141**	**4'500'112**

[1] For the three new members of the Group Executive Management (CIO, CCO, and CPO), all amounts are presented on a pro-rata basis for the period from April 1 to December 31, 2024.
[2] Proposal by the Board of Directors to the AGM 2025.
[3] Disclosure reflects the awards for the reporting year, that represents the pro-rata temporis fair value at grant for FY 2024. The LTIP at vesting may vary based on performance outcomes and share price value at the time of vesting.
[4] Out-of-pocket expenses, including car lease, incurred by Mr. Francesco Siccardi and other members are duly reimbursed with an annual lump-sum of CHF 22 thousand and CHF 13 thousand respectively.
[5] In 2024 to align the timing of social security reporting to the LTIP grant, we included the pro-rata temporis estimates of social security contributions related to the 2024 LTIP grant made.
[6] Before appointment of the three new members of the Group Executive Management (CIO, CCO and CPO), the members served as senior management to other Group companies and, thus, their previous salary for January 2024 - March 2024 was accounted for separately. Therefore, all amounts are presented on a pro-rata basis for the period from April 1 to December 31, 2024.

5.3 Loans and credits

In accordance with article 28 of the Articles of Association, no loans or credits were granted to current or former Members of the Group Executive Management or to persons closely associated with current or former Members of the Group Executive Management. No such loans or credits were outstanding at December 31, 2025.

In addition, no compensation, which was not at market terms or standards, was paid or granted to persons closely associated with current or former Members of the Group Executive Management.

For the related party transactions, refer to Note 6.27 "Related party transactions" of the Financial Report included in this Annual Report.

6. Ownership of shares and options

As of December 31, 2025, there were no outstanding options to acquire shares in the Company. The following tables show the number of shares held by Board of Directors and Group Executive Management and their related parties as of December 31, 2025:

SHARES HELD BY MEMBERS OF THE BOARD (AUDITED)

Board Members	Role	Shares held as at December 31, 2025	Shares held as at December 31, 2024
Alberto Siccardi	Chairman	2'031'710	2'031'710
Maria Luisa Siccardi Tonolli	Member	3'946'273	3'946'273
Victor Balli	Lead Independent Director	2'800	2'500
Philippe Weber	Independent Director	460	-
Riccardo Braglia	Independent Director	33'039	32'640

SHARES HELD BY MEMBERS OF THE GEM (AUDITED)

GEM Members	Role	Shares held as at December 31, 2025	Shares held as at December 31, 2024
Francesco Siccardi	Chief Executive Officer	3'946'272	3'948'374
Corrado Farsetta	Chief Financial Officer	2'999	1'486
Alessandro Siccardi	Chief Supply Chain Officer	3'946'273	3'947'343
Massimiliano Bernardoni	Chief Innovation Officer	1'579	1'339
Giovanni Niccolò Galli	Chief Commercial Officer	1'366	1'070
Asif Hussain	Chief People Officer	97	-

7. Other remuneration-related information under CO (audited)

For the reporting period, no compensation other than described herein was paid or granted to Members of the Board of Directors and the Group Executive Management.

With respect to external mandates and other activities reference is made to the comprehensive disclosure in the Corporate Governance section of this Annual Report (see section 3.1 "Members of the Board of Directors", 3.2 "Other activities and vested interests", 4.1 "Members of the Group Executive Management", and 4.2 "Other activities and vested interests").

8. Related party compensation

Members of the Board of Directors and of the Group Executive Management who have received consultancy fees for services rendered are reported in the 2025 Financial Report (Note 6.27 "Related party transactions"), enclosed in this Annual Report. For the Remuneration paid to the Board of Directors, refer to section 4.2 "Remuneration Awarded 2025 (audited)" of this Remuneration Report.

9. Report of the Statutory auditor on the Remuneration Report

Deloitte.

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Report of the statutory auditor

To the General Meeting of
MEDACTA GROUP SA, CASTEL SAN PIETRO

Report on the Audit of the Remuneration Report

Opinion
We have audited the remuneration report of Medacta Group SA (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the tables *"4.2 Remuneration awarded 2025"*, *"5.2 Remuneration awarded 2025"*, *"6 Ownership of shares and options"* and *"7 Other remuneration-related information under CO"* marked "audited" on pages 145 to 155 of the remuneration report.

In our opinion, the information pursuant to Art. 734a-734f CO in the remuneration report complies with Swiss law and the Company's articles of incorporation.

Basis for opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibility for the Audit of the Remuneration Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the tables marked "audited" in the remuneration report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Deloitte.

Medacta Group SA
Report on the Audit of the Remuneration Report
for the year ended 31 December 2025

Board of Directors' Responsibilities for the Remuneration Report
The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

Auditor's Responsibilities for the Audit of the Remuneration Report
Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors and/or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors and/or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Deloitte SA



Alessandro Miolo
Licensed Audit Expert
Auditor in Charge



Dominik Vögtli
Licensed Audit Expert

Lugano, 12 March 2026

M.O.R.E.
INSTITUTE

THE SURGEON IS NEVER ALONE

WHEN DISCOVERING NEW TECHNOLOGIES



Medacta International

Financial Report



Medacta's MySpine Cervical

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Medacta International

TEAMWORK

We work as a TEAM, **always respectfully** and ensure we work together for the greater good of Medacta **#beONE**.



#beMedacta CULTURE A KEY FOR SUSTAINABLE SUCCESS

- TRUST AND INTEGRITY
- EFFICIENT EXECUTION
- PATIENT AND CUSTOMER FOCUSED
- SUSTAINABLE INNOVATION
- TEAMWORK

1. Consolidated Statement of Profit or Loss for the years ended December 31, 2025 and 2024

(Thousand Euro)	Notes	31.12.2025	31.12.2024
Revenues	6.25.1	683'827	590'580
Cost of Sales		(225'165)	(191'141)
GROSS PROFIT		**458'662**	**399'439**
Research and Development expenses	6.25.2	(23'524)	(21'392)
Sales and Marketing expenses		(235'724)	(210'549)
General and Administrative expenses	6.25.2	(88'243)	(77'246)
Bargain purchase gain	6.4	13'653	-
Other income	6.25.3	1'955	2'635
Other expenses	6.25.3	(1'729)	(2'055)
OPERATING PROFIT (EBIT)		**125'050**	**90'832**
Financial income	6.25.4	7'759	17'322
Financial costs	6.25.4	(17'517)	(20'385)
PROFIT BEFORE TAXES		**115'292**	**87'769**
Income taxes	6.12	(19'832)	(14'883)
PROFIT FOR THE YEAR		**95'460**	**72'886**
ATTRIBUTABLE TO			
Shareholders of the parent company	6.28	95'460	72'886
BASIC EARNINGS PER SHARE (in Euro)	6.28	**4.79**	**3.66**
DILUTED EARNINGS PER SHARE (in Euro)	6.28	**4.78**	**3.65**

The Notes are an integral part of the Consolidated Financial Statements

2. Consolidated Statement of Comprehensive Income for the years ended December 31, 2025 and 2024

(Thousand Euro)	Notes	31.12.2025	31.12.2024
PROFIT FOR THE YEAR		**95'460**	**72'886**
OTHER COMPREHENSIVE INCOME			
Remeasurements of defined benefit obligations	6.20	706	(4'725)
Tax effect on remeasurements of defined benefit obligations		(120)	656
TOTAL ITEMS NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS		**586**	**(4'069)**
Currency translation differences		(3'453)	(7'124)
TOTAL ITEMS TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS		**(3'453)**	**(7'124)**
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		**(2'867)**	**(11'193)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**92'593**	**61'693**
ATTRIBUTABLE TO			
Shareholders of the parent company		92'593	61'693

3. Consolidated Statement of Financial Position for the years ended December 31, 2025 and 2024

Assets

(Thousand Euro)	Notes	31.12.2025	31.12.2024
Property, plant and equipment	6.8	321'367	262'617
Right-of-use assets	6.9	64'630	54'887
Intangible assets	6.10	61'610	53'625
Non-current financial assets	6.11	1'440	995
Deferred tax assets	6.12	18'568	24'676
TOTAL NON-CURRENT ASSETS		**467'615**	**396'800**
Inventories	6.13	271'415	234'411
Trade receivables	6.14	121'127	108'167
Current financial assets	6.11	3'910	4'692
Other current assets and prepaid expenses	6.15	20'366	16'519
Cash and cash equivalents	6.16	33'211	31'588
TOTAL CURRENT ASSETS		**450'029**	**395'377**
TOTAL ASSETS		**917'644**	**792'177**

Liabilities and Equity

(Thousand Euro)	Notes	31.12.2025	31.12.2024
Share capital	6.17	1'775	1'775
Retained earnings and other reserves *	6.17	433'755	350'967
Treasury shares	6.17	(11'903)	(9'480)
Foreign currency translation reserve	6.17	32'949	36'402
TOTAL EQUITY		**456'576**	**379'664**
Non-current financial liabilities	6.18	114'495	143'359
Non-current lease liabilities	6.18	43'765	39'362
Non-current provisions	6.19	3'712	4'057
Employee benefit obligation	6.20	20'305	17'574
Deferred tax liabilities	6.12	61'192	49'017
Other non-current liabilities	6.22	895	1'597
TOTAL NON-CURRENT LIABILITIES		**244'364**	**254'966**
Trade payables	6.23	49'832	35'387
Current financial liabilities	6.18	90'454	50'825
Current lease liabilities	6.18	14'052	10'327
Current provisions	6.19	120	120
Accrued expenses and deferred income	6.24	45'425	43'948
Other current liabilities	6.22	16'821	16'940
TOTAL CURRENT LIABILITIES		**216'704**	**157'547**
TOTAL LIABILITIES		**461'068**	**412'513**
TOTAL LIABILITIES AND EQUITY		**917'644**	**792'177**

* For presentation purposes, we have included the Capital contribution reserve together with Retained earnings and other reserves. Consequently, we have revised the presentation of the prior period accordingly.

The Notes are an integral part of the Consolidated Financial Statements

4. Consolidated Statement of Changes in Equity for the years ended December 31, 2025 and 2024

Attributable to shareholders of Medacta Group SA

(Thousand Euro)	Share capital	Retained earnings and other reserves *	Treasury shares	Foreign currency translation reserve	Total equity
BALANCE JANUARY 1, 2025	**1'775**	**350'967**	**(9'480)**	**36'402**	**379'664**
Profit for the year	-	95'460	-	-	95'460
Remeasurements of defined benefit obligations	-	706	-	-	706
Tax effect on remeasurements of defined benefit obligations	-	(120)	-	-	(120)
Currency translation differences	-	-	-	(3'453)	(3'453)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-**	**96'046**	**-**	**(3'453)**	**92'593**
Dividends paid	-	(14'661)	-	-	(14'661)
Purchase of treasury shares	-	-	(6'183)	-	(6'183)
Usage of treasury shares	-	(3'540)	3'760	-	220
Share-based payment transactions	-	4'943	-	-	4'943
BALANCE DECEMBER 31, 2025	**1'775**	**433'755**	**(11'903)**	**32'949**	**456'576**

* For presentation purposes, we have included the Capital contribution reserve together with Retained earnings and other reserves. Consequently, we have revised the presentation of the prior period accordingly.

Attributable to shareholders of Medacta Group SA

(Thousand Euro)	Share capital	Retained earnings and other reserves *	Treasury shares	Foreign currency translation reserve	Total equity
BALANCE JANUARY 1, 2024	**1'775**	**292'807**	**(8'070)**	**43'526**	**330'038**
Profit for the year	-	72'886	-	-	72'886
Remeasurements of defined benefit obligations	-	(4'725)	-	-	(4'725)
Tax effect on remeasurements of defined benefit obligations	-	656	-	-	656
Currency translation differences	-	-	-	(7'124)	(7'124)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-**	**68'817**	**-**	**(7'124)**	**61'693**
Dividends paid	-	(11'194)	-	-	(11'194)
Purchase of treasury shares	-	-	(4'788)	-	(4'788)
Usage of treasury shares	-	(3'378)	3'378	-	-
Share-based payment transactions	-	3'915	-	-	3'915
BALANCE DECEMBER 31, 2024	**1'775**	**350'967**	**(9'480)**	**36'402**	**379'664**

* For presentation purposes, we have included the Capital contribution reserve together with Retained earnings and other reserves. Consequently, we have revised the presentation of the prior period accordingly.

5. Consolidated Statement of Cash Flows for the years ended December 31, 2025 and 2024

(Thousand Euro)	Notes	31.12.2025	31.12.2024
PROFIT FOR THE YEAR		**95'460**	**72'886**
Adjustments for:			
Income taxes	6.12	19'832	14'883
Depreciation, amortization and impairment of tangible, intangible and right-of-use assets	6.25.2	76'469	65'803
(Gain) / loss on disposal of tangible and intangible assets		104	(78)
Foreign exchange result		(4'009)	(3'591)
Interest expenses		5'256	6'317
Change in provisions and employee benefit obligation	6.13; 6.14 ; 6.19 ; 6.20	9'288	9'403
Share-based payments expense	6.21	4'791	3'817
Bargain purchase gain	6.4	(13'653)	-
Income taxes paid		(8'057)	(10'236)
Interest paid		(5'564)	(5'751)
(Increase) / decrease in trade receivables		(17'383)	(15'565)
(Increase) / decrease in other assets and prepaid expenses		(4'590)	(2'374)
(Increase) / decrease in inventories		(21'696)	(28'381)
Increase / (decrease) in trade payables		14'083	(3'038)
Increase / (decrease) in other liabilities and accruals		2'322	3'046
CASH FLOW FROM OPERATING ACTIVITIES		**152'653**	**107'141**
Purchase of tangible assets *	6.8	(122'948)	(89'262)
Purchase of intangible assets **		(20'151)	(15'427)
Proceeds from disposal of tangible assets		9'287	7'693
Cash consideration for acquisitions, net of cash acquired	6.4	(4'151)	-
(Investments) / disinvestment in financial assets	6.11	1'000	(1'873)
CASH FLOW FROM INVESTING ACTIVITIES		**(136'963)**	**(98'869)**
Proceeds from borrowings	6.18	85'278	71'209
Repayment of borrowings	6.18	(70'921)	(40'606)
Repayment of lease liabilities	6.18	(12'296)	(10'296)
Dividends paid	6.17	(14'661)	(11'194)
Purchase of treasury shares	6.17	(6'183)	(4'788)
CASH FLOW FROM FINANCING ACTIVITIES		**(18'783)**	**4'325**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**(3'093)**	**12'597**
Cash and cash equivalents at the beginning of the year	6.16	31'588	20'792
Net effect of currency translation on cash and cash equivalents		4'716	(1'801)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	6.16	**33'211**	**31'588**

* In 2024, "Purchase of tangible assets" excludes Euro 2'250 thousand related to 2024 additions in "Land", that were paid and recognized as "Investments in financial assets" in the 2023 Consolidated Statement of Cash Flows.

** "Purchase of intangible assets" excludes unpaid acquisitions of intangible assets.

6. Notes to the Consolidated Financial Statements for the years ended December 31, 2025 and 2024

General information

Medacta Group SA (referred to hereafter as the "Company" or together with its subsidiaries the "Group") has been registered in the Commercial Register of the Canton Ticino since November 30, 2018 and is a limited company incorporated and domiciled in Canton Ticino. The registered office is Strada Regina 34, 6874 Castel San Pietro, Ticino, Switzerland.

The Company shares are publicly traded and listed on the SIX Swiss Exchange in Zurich.

The Group operates globally to develop, manufacture and distribute orthopedic and neurosurgical medical devices. The Group was founded in 1999 with a vision of redefining better through innovation for people needing joint replacement and spine surgery. The Group has a Financial Year ending December 31.

Statement of compliance

The Consolidated Financial Statements as of December 31, 2025 have been prepared in accordance with the International Financial Reporting Standards (hereinafter also "IFRS") as issued by the International Accounting Standards Board (IASB).

The principles and standards utilized in preparing these Consolidated Financial Statements have been consistently applied through all periods presented, with the exception of the new standards and interpretations that are effective for reporting periods beginning on and after January 1, 2026, as disclosed in Note 6.3 "New accounting and International Financial Reporting Standards".

These Consolidated Financial Statements are composed of a Consolidated Statement of Profit or Loss, a Consolidated Statement of Comprehensive Income, a Consolidated Statement of Financial Position, a Consolidated Statement of Changes in Equity, a Consolidated Statement of Cash Flows and the related Notes to the Consolidated Financial Statements.

In the Consolidated Profit or Loss, the Group presents operational expenses by function. The Group presents current and non-current assets and current and non-current liabilities as separate classifications in its Consolidated Statement of Financial Position. This presentation of the Consolidated Statement of Profit or Loss and of the Consolidated Statement of Financial Position is believed to provide the most relevant information.

The Consolidated Statement of Cash Flows from operating activities was prepared and presented utilizing the indirect method and cash flows from investing and financing activities were prepared and presented utilizing the direct method. The Consolidated Statement of Cash Flows includes actual inflows and outflows of cash and cash equivalents only; accordingly, it excludes all transactions that do not directly affect cash receipts and payments. The reason for excluding non-cash transactions in the Statement of Cash Flows and placing them within disclosures keeps the statement's primary focus on cash flows from operating, investing, and financing activities in the original state so that users of financial statements can fully understand the importance of what this financial statement does. An example of non-cash transactions, as mentioned in IAS 7, is the acquisition of assets by assuming directly related liabilities or by means of a lease.

Basis of measurement

The Consolidated Financial Statements have been prepared using the historical cost convention, with the exception of certain financial assets and liabilities for which measurement at fair value is required (see Note 6.6 "Fair value measurement and classification").

The Consolidated Financial Statements have been prepared on a going concern basis. The Directors believe that there are no financial or other indicators presenting material uncertainties that may cast significant doubt upon the Group's ability to meet its obligations in the foreseeable future and in particular in the next 12 months (see also considerations reported in Note 6.1 "Significant events and transactions", paragraph "Macroeconomic environment").

Presentation currency

Items included in the financial statement of each entity of the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The Group's presentation currency is Euro, while the functional currency of the Parent Company is Swiss Franc. All values are rounded to the nearest thousand except where otherwise indicated.

Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions which influence the value of assets and liabilities in the Consolidated Statement of Financial Position and recognition of revenue and expenses in the Consolidated Statement of Profit or Loss, and the disclosures included in the Notes of the Consolidated Financial Statements.

The most significant accounting principles which require a higher degree of judgement from management are described below:

- Leases – Due to the application of IFRS 16, judgement is required to determine the lease term. Management considers all circumstances and facts that create an economic incentive to exercise an extension or termination option. The assessment is reviewed if a significant event or a significant change in circumstances impact the initial evaluation.
- Development costs – Applying IAS 38, the Group recognizes an internally-generated intangible asset arising from development only if all the conditions specified in the standard have been demonstrated (refer to Note 6.2 "Consolidation principles, composition of the Group and significant accounting policies", paragraph "Significant accounting policies"). Management uses its judgement, based on facts and circumstances of each development project, to assess whether the conditions of IAS 38 par. 57 have been met.
- Bargain – the Group recognizes, at the acquisition date, the fair value of identifiable assets acquired and liabilities assumed, any non-controlling interests and the consideration transferred in a business combination, after determining whether the transaction constitutes a business, identifying the acquirer and establishing the acquisition date in accordance with IFRS 3. Significant judgement is required to assess when control is obtained, identify separately identifiable assets and liabilities and measure them at fair value using appropriate valuation techniques and key assumptions (e.g. forecast cash flows, discount rates, growth and useful lives), with external valuation specialists engaged where appropriate. Judgement is also applied in determining and recognizing any bargain purchase gain after reassessing the underlying measurements, and the related deferred tax liabilities (refer to Note 6.4 "Business Combinations").

Estimates are based on historical experience and other factors. The resulting accounting estimates could differ from the related actual results. Estimates are periodically reviewed, and the effects of each change are reflected in the Consolidated Financial Statements in the year in which the change occurs. The key sources of estimation uncertainty are the following:

- Impairment test for intangible assets – The Group owns intangible assets mainly represented by internal capitalized development costs, trademarks and customer lists acquired through business combination. Capitalized development costs are reviewed on a regular basis and the Group determines annually, in accordance with the accounting policy, whether any of the assets should be tested for impairment. In-process development capitalized costs are tested for impairment at least annually. For the impairment tests, estimates are made on the expected future cash flows from the use of the asset or cash-generating unit. The actual cash flows could vary significantly from these estimates. A sensitivity analysis was performed to review the impact of reasonably possible changes in key assumptions (see Note 6.10 "Intangible assets", paragraph "Impairment test for intangible assets").
- Deferred tax assets – The consolidated balance sheet includes deferred tax assets related to deductible differences and, in certain cases, tax losses carried forward, provided that their utilization has been determined to be probable. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods. Estimates of future taxable income are subject to change due to both markets and government related uncertainties, as well as Medacta's own future decisions.
- Valuation of inventories – The orthopedic market, in which the Group operates, typically requires a high level of inventories, some of which are located at customer premises and are available for immediate use, including large and small sizes that are used less frequently than standard sizes and may generate excess inventory towards the end of the product life cycle. Inventories are periodically assessed and written down if their net realizable value is less than their carrying amount, including adjustments to reflect the situation described above. Write-downs for obsolescence or slow moving are calculated based on management's assumptions and judgements derived from experience and historical results. As of December 31, 2025, management has not changed the key assumptions underlying the calculation methodology. The provision for slow moving, discontinued and obsolete inventory is not considered to have a range of potential outcomes that is significantly different to the write-downs to net realizable

value recognized in "Cost of Sales" as of December 31, 2025 (see Note 6.13 "Inventories"). The provision has a high degree of estimation uncertainty, depending on the range of products and sizes, on new customers acquisitions and on the achievement of target sales and procurement needs.

- Pension plans – The Group participates in pension plans in various countries. The present value of pension liabilities is determined using actuarial techniques and certain assumptions. These assumptions include the discount rate, the expected return on plan assets, the rates of future compensation increase, and rates related to mortality and resignations. Any change in the above-mentioned assumptions could result in significant effects on the employee benefit liabilities. The sensitivity analysis related to the changes in the assumptions is reported in Note 6.20 "Employee benefit obligation".
- Legal and other contingencies – The Group is involved in various ongoing proceedings, legal actions and claims subject to a significant degree of estimation. Provision is recognized for lost contingencies when it is considered probable that an adverse outcome will occur, and the amount of the loss can be reasonably estimated. Management, in making its estimates, takes into account the advice of internal and external legal counsel. The recognized provisions are reviewed regularly, and balances are updated where necessary to reflect developments in the disputes. See Note 6.26 "Litigations" for further details.

6.1 Significant events and transactions

Macroeconomic environment

During the year 2025, the Group continued to operate in a complex macroeconomic and geopolitical environment.

The global economy showed signs of a moderate recovery. In some countries, inflation and interest rates began to stabilize or decline, while in others, recent geopolitical developments continued to fuel inflationary pressures.

The geopolitical tensions—particularly in Ukraine, the Middle East, and the Asia Pacific region—continued to influence global market dynamics. In 2025, our operations did not generate any sales in Russia, and our activities in Ukraine resulted in revenues of only Euro 2 million, and in Israel of Euro 2.5 million. Our assets in these countries are negligible, apart from Euro 0.7 million in receivables from Ukrainian clients, fully reserved. Although cybersecurity risks continue to represent a relevant threat in the healthcare and medical device sectors, the Group has implemented a dedicated cybersecurity enhancement program, in cooperation with specialized external partners, to strengthen the protection of its IT infrastructure, data, and products.

These external conditions resulted in volatility in commodity prices, higher transportation and energy costs, and a general increase in supply chain risks.

However, such macroeconomic and geopolitical factors did not have a material adverse impact on the Group's operations or financial position during the reporting period.

Additionally, during the year, the United States introduced new import tariffs on a range of strategic goods. These measures, aimed at protecting domestic industries and addressing trade imbalances, have contributed to increased uncertainty in the global trade environment. These implications did not result in any significant effects on the Group.

The Group, and our Enterprise Risk Management process will continue to monitor macroeconomic and geopolitical developments closely and will adopt timely and appropriate measures to safeguard its operations and ensure the long-term sustainability of its financial performance.

Management has evaluated the internal and external indicators listed by IAS 36. Despite the current macroeconomic environment and mid-year economic performance, as of December 31, 2025, there are no observable indicators suggesting that Medacta's asset values may be impaired. External information sources, such as changes in market interest rates, market capitalization, and market trends, have shown only temporary impacts. Internal assessments indicate that the mid- and long-term fundamentals related to our expected economic performance remain unchanged.

Acquisition of Parcus Medical, LLC

On March 7, 2025 Medacta Group SA acquired 100% of Parcus Medical, LLC ("Parcus") from Anika Therapeutics, Inc. for a cash consideration of USD 4.5 million (Euro 4.2 million).

Parcus is a specialist provider of sports medicine and arthroscopy solutions. The acquisition enables Medacta to accelerate its expansion of its sports medicine offering, and it is integrating in the Medacta Sportsmed business line accelerating the go-to-market strategy for a swift future growth in Sportsmed (see Note 6.4 "Business combination").

6.2 Consolidation principles, composition of the Group and significant accounting policies

Consolidation principles

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed, or has the rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Changes in the ownership interest of a subsidiary that do not result in a loss of control will be accounted for as an equity transaction. Hence, neither goodwill nor any gain or loss will result.

In business combinations achieved in stages, the Group remeasures its previously held equity investment in the acquiree at its acquisition date fair value and recognizes the resulting gain or loss in the Consolidated Statement of Profit or Loss as "Other income" or "Other expenses".

Business combinations

Acquisitions of businesses are accounted for using the acquisition method.

The consideration transferred for the acquisition of a subsidiary is measured as the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree at either fair value or the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity investment in the acquiree over the fair value of the Group's share of the identifiable assets acquired and liabilities and contingent liabilities assumed is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the Group makes a new assessment of the identifiable assets and liabilities and contingent liabilities assumed and any residual difference is recognized directly in the Consolidated Statement of Profit or Loss.

Transactions eliminated on consolidation

The Consolidated Financial Statements include the consolidated financial information of the Medacta Group entities. All intercompany balances and transactions within the Consolidated Financials are eliminated. The Group accounts for the elimination of the unrealized profits resulting from intercompany transactions. These transactions relate to the sales from the Group entities which have not been realized externally.

Translation of the Financial Statements of foreign companies

The Group records transactions denominated in foreign currency in accordance with IAS 21 - the effect of changes in foreign exchange rates.

The results arising from the Profit or Loss and from the Financial Position Statements of all the Group entities (none of which have the currency of a hyperinflationary economy) that have a functional currency different from the presentation one are translated into the presentation currency as follows:

- all items related to each Statement of Financial Position are translated at the closing exchange rates;
- all items related to each Statement of Profit or Loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions);
- exchange differences arising are recognized in Other Comprehensive Income and accumulated in a foreign exchange translation reserve.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate.

The exchange rates used in translating the results of foreign operations are reported in Note 6.32 "Exchange rates used to translate financial statements prepared in currencies other than Euro".

Composition of the Group

Entities included in the scope of consolidation are listed below:

Company	% of shares held December 2025	% of shares held December 2024	Registered office	Registered Capital	Consolidation Method
Medacta Group SA	N/A	N/A	Castel San Pietro (CH)	2'000'000 CHF	Parent company
Knnex Health Inc.	100%	100%	Wilmington - Delaware (US)	100 USD	Full Consolidation
Medacta Holding SA	100%	100%	Castel San Pietro (CH)	1'026'010 CHF	Full Consolidation
Medacta International SA	100%	100%	Castel San Pietro (CH)	1'000'000 CHF	Full Consolidation
Medacta Americas Manufacturing Inc.*	100%	-	Wilmington - Delaware (US)	100 USD	Full Consolidation
Medacta Americas Operations Inc.	100%	100%	Wilmington - Delaware (US)	1 USD	Full Consolidation
Medacta Applied Solutions S.r.l.	100%	100%	Milan (IT)	10'000 EUR	Full Consolidation
Medacta Australia PTY Ltd	100%	100%	Lane Cove (AU)	4 AUD	Full Consolidation
Medacta Austria GmbH	100%	100%	Seekirchen am Wallersee (AT)	35'000 EUR	Full Consolidation
Medacta Belgium S.r.l.	100%	100%	Nivelles (BE)	18'550 EUR	Full Consolidation
Medacta Canada Inc.	100%	100%	Kitchener (CA)	100 CAD	Full Consolidation
Medacta España S.L.	100%	100%	Paterna (ES)	3'000 EUR	Full Consolidation
Medacta Europe Operations S.r.l.	100%	100%	Milan (IT)	600'000 EUR	Full Consolidation
Medacta France SAS	100%	100%	Nanterre (FR)	37'000 EUR	Full Consolidation
Medacta Germany GmbH	100%	100%	Göppingen (DE)	25'000 EUR	Full Consolidation
Medacta India Pvt Ltd *	100%	-	Mumbai (IN)	10'000'000 INR	Full Consolidation
Medacta Italia S.r.l.	100%	100%	Milan (IT)	2'600'000 EUR	Full Consolidation
Medacta Japan Co. Ltd	100%	100%	Tokyo (JP)	25'000'000 JPY	Full Consolidation
Medacta Netherlands B.V.*	100%	-	Eindhoven (NL)	1'000 EUR	Full Consolidation
Medacta UK Ltd	100%	100%	Hinckley (UK)	29'994 GBP	Full Consolidation
Medacta USA Inc.	100%	100%	Wilmington - Delaware (US)	1 USD	Full Consolidation
Parcus Medical LLC **	100%	-	Sarasota (US)	-	Full Consolidation

* New legal entities incorporated in 2025.

** On March 7, 2025 the Group acquired Parcus Medical LLC. For further information refer to Note 6.4 "Business Combination".

The percentages of shares held, reported in the table above, represent both the shares of the capital and the votes held. The ultimate parent company is Medacta Group SA. The Group has neither associated companies nor joint arrangements. The registered offices for each entity represent the subsidiary's main place of administration.

Significant accounting policies

Inventories

Inventories of raw material are stated at the lower of the acquisition cost, determined via "first in, first out" (FIFO) methodology, and net realizable value.

Inventories of finished goods and work in progress are valued at the lower of production cost and net realizable value. Production cost comprises the acquisition price of raw materials and consumables, directly attributable costs and a proportion of indirectly attributable costs incurred in bringing the inventories to their present location and condition.

The net realizable value represents the estimated sales price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provisions for write-downs for raw materials, work in progress and finished goods which are considered obsolete or slow moving are determined by taking into account their expected future utilization and their net realizable value. The Group also considers other reasons that the cost of inventories may not be recoverable such as damage, obsolescence, declines in selling price. The cost of inventories may not be recoverable if the estimated costs incurred to make the sale would be greater than the net realizable value.

In addition, when the Group performs its assessment of the net realizable value at the end of each reporting period, it considers whether the circumstances that previously caused inventories to be written-down no longer exist or whether there is clear evidence of an increase in net realizable value because of changed economic circumstances and, if necessary, reverses the amount of the write-down so that the new carrying amount is the lower of the cost and the revised net realizable value.

Property, plant and equipment

Property, plant and equipment are measured at historical cost, which includes expenditures that are directly attributable to the acquisition of the items. The Group adopted the Cost Model under IFRS. Under this model, after initial recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation and any accumulated impairment losses. The depreciable amount of the items of property, plant and equipment, measured as the difference between their historical cost and their residual value, is allocated on a straight-line basis over their estimated useful lives as follows:

• Buildings	40 years
• Plants	10 years
• Machinery	15 years
• Instruments	6 years
• Other fixtures and fitting, tool and equipment	5-8 years

Land is not depreciated as it is deemed to have an indefinite life. Leasehold improvements are depreciated over the lease term including optional extension of the lease period but not exceeding its economic life. Assets under construction are not depreciated until they are available for use.

Depreciation is recorded in the Consolidated Statement of Profit or Loss by function in "Cost of Sales", "Research and Development expenses", "Sales and Marketing expenses" and "General and Administrative expenses". Instruments depreciation is recorded in "Cost of Sales".

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repair and maintenance costs are charged to the Consolidated Statement of Profit or Loss during the financial period in which they are incurred.

The residual value and the useful economic life of property, plant and equipment are reviewed annually and adjusted where necessary.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Further information can be found in "Impairment of assets" section.

Upon disposal or when no future economic benefits are expected from the use of an item of property, plant and equipment, its carrying amount is derecognized. The gain or loss arising from derecognition is included in the Consolidated Statement of Profit or Loss.

Leases

For any new contract, the Group assesses whether a contract is or contains a lease. A lease is defined as a "contract, or a part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration".

Leases are recognized by the Group as a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which the lessee is.

The only two recognition and measurement exemptions identified by the Group are short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The lease liability is presented as a separate line in the Consolidated Statement of Financial Position.

The right-of-use assets include Building, Motor vehicles, ITC Equipment, Plants and Machinery, and other tools and equipment. They comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the Consolidated Statement of Financial Position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired. Further information can be found in "Impairment of assets" of the current section.

Intangible assets

Intangible assets are non-monetary assets which are separately identifiable, have no physical nature, are under the company's control and are able to generate future economic benefits.

Such assets are recognized at acquisition cost and/or development cost, including all costs directly attributable to make the assets available for use, net of accumulated amortization and any impairment. Amortization of intangible assets (excluding goodwill) commences when the asset is available for use and is calculated on a straight-line basis over the asset's estimated useful life.

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortized but is tested for impairment at least annually to identify any impairment losses. This test is carried out with reference to the cash-generating unit (CGU) or group of CGUs to which goodwill is allocated and monitored. Reductions in the value of goodwill are recognized if the recoverable amount of goodwill is less than its carrying amount. Recoverable amount is defined as the higher of the fair value of the CGU or group of CGUs, less costs to sell and the related value in use. An impairment loss recognized against goodwill cannot be reversed in a subsequent period. If an impairment loss identified by the impairment test is higher than the value of goodwill allocated to that CGU or group of CGUs, the residual difference is allocated to the other assets included in the CGU or group of CGUs in proportion to their carrying amount.

Research and Development

Research is defined as "original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding".

According to IAS 38 no intangible asset arising from research (or from the research phase of an internal project) shall be recognized. In the research phase of an internal project, an entity cannot demonstrate that an intangible asset exists that will generate probable future economic benefits. Therefore, expenditure on research shall be recognized as an expense when it is incurred.

Development is defined as "the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use".

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditures which fulfil these criteria are limited to the development of new prosthesis and/or surgical instruments as well as costs related to the development of existing products in the pipeline which require significant improvements. Expenditures which do not fulfil these criteria, and costs incurred after that the development phase is completed (typically when the product obtains certification) are expensed as incurred (i.e., post-market surveillance, maintenance and other minor improvements activities). In addition to the internal costs (direct personnel and other operating costs, depreciation on research and development equipment and allocated occupancy costs), total costs also include externally contracted development work. Such capitalized intangibles are recognized at cost less accumulated amortization and impairment losses.

After initial recognition, if the development of the project is abandoned, fails, or the requirements for recognition under IAS 38 and Group's accounting policies cease to be met, the project is disposed, and the related loss is recognized in the Consolidated Statement of Profit or Loss, in the line "Research and Development expenses".

The estimated useful lifetime of development projects is 5 years applying the straight-line method.

Amortization of Development is recorded in the Consolidated Statement of Profit or Loss in the line "Research and Development expenses".

Customer lists and other intangible assets (trademarks, patents and other)

Assets acquired in a business combination are recognized at fair value at the acquisition date. Trademarks and licenses have a definite useful life and are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lives.

Contractual customer lists acquired in a business combination are recognized at fair value at the acquisition date. The contractual customer relations have a definite useful life and are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized over the expected life of the customer lists, and it is recorded in the Consolidated Statement of Profit or Loss in line "Sales and Marketing expenses".

All intangible assets are subject to impairment tests, as required by IAS 36—Impairment of Assets, if there are indicators that the assets may be impaired, except for in-process development projects that are tested for impairment at least once a year.

Below is reported a scheme which summarizes the useful lives of each category of intangible assets:

- customer lists 15 years
- other intangible assets (trademarks, patents and other) 5 years

Impairment of assets

IAS 36 Impairment of assets seeks to ensure that an entity's assets are not carried at more than their recoverable amount (i.e., the higher of fair value less costs of disposal and value in use). As detailed below, with the exception of goodwill and certain intangible assets for which an annual impairment test is required, entities are required to conduct impairment tests where there is an indication of impairment of an asset, and the test may be conducted for a 'cash-generating unit' where an asset does not generate cash inflows that are largely independent of those from other assets.

Impairment of goodwill and intangible assets with indefinite life

Goodwill and intangible assets with indefinite life are tested annually for impairment or whenever there are impairment indicators. Impairment is determined by assessing the recoverable amount of the cash-generating units to which the goodwill and intangible assets with indefinite life are related. Where the recoverable amount of the cash-generating units is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Impairment of property, plant and equipment, right-of-use and intangible assets with a definite useful life

For the purposes of assessing impairment, property, plant and equipment, right-of-use assets and intangible assets with a definite useful life are grouped at the lowest levels for which there are separately identifiable cash flows (Cash-Generating Unit or "CGU"). These assets are analyzed at each reporting date for any evidence of impairment. If such evidence is identified, the recoverable amount of these assets is estimated, and any impairment loss related to carrying amount is recognized in Profit or Loss. The recoverable amount is the higher of the fair value of an asset, less selling costs and its value in use, where the latter is the present value of the estimated future cash flows of the asset. The recoverable amount of an asset which does not generate largely independent cash flows is determined in relation to the cash-generating unit to which the asset belongs. In calculating an asset's value in use, the expected future cash flows are discounted using a discount rate reflecting current market assessments of the time value of money, in relation to the period of the investment and the specific risks associated with the asset. An impairment loss is recognized in the Profit or Loss when the asset's carrying amount exceeds its recoverable amount. If the reasons for impairment cease to exist, the asset's carrying amount is restored with the resulting increase recognized through Profit or Loss; however, the carrying amount may not exceed the net carrying amount that this asset would have had if no impairment had been recognized and the asset had been depreciated/amortized instead.

Impairment of intangible assets for development costs

Intangible assets for development costs are tested whenever there is an indicator of impairment. Medacta Group on a quarterly basis performs an assessment on the existence of impairment indicators. If an impairment loss is identified, it is recognized in the Consolidated Statement of Profit or Loss. The Group performs its annual impairment test of in-process development projects as of September 30. Medacta usually applies the value in use method for its impairment assessment. The estimates used are highly sensitive and depend on assumptions specific to the nature of the Group's activities with regard to: amount and timing of expected cash flows, long-term sales forecasts, sales erosion from competitors, outcome of research and development activities, amount and timing of projected costs to develop in-process research and development in commercially viable products, tax rates, discount rates.

The reversal of an impairment loss is recorded in the Consolidated Statement of Profit or Loss. The impairment loss incurred on goodwill cannot be reversed.

Financial instruments

Financial instruments are any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity; they are recognized and measured in accordance with IAS 32 and IFRS 9.

Financial assets (classification)

Financial assets are initially measured at fair value. IFRS 9 identified two measurement categories: amortized cost and fair value. Movements in fair value are presented in either profit or loss (FVTPL) or other comprehensive income (FVTOCI), subject to certain criteria being met. The classification of financial assets under IFRS 9 based on the business model within which a financial asset is managed, and its contractual cash flow characteristics are reported as follows:

- amortized cost: assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in Profit or Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method;
- fair value through Other Comprehensive Income (FVTOCI): financial assets are classified and measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- fair value through Profit or Loss (FVTPL): any financial assets that are not held in one of the two business models mentioned are measured at fair value through profit or loss.

The Group, according with the principle, is subject only to amortized cost and fair value through profit or loss (FVTPL) classifications.

Trade and other receivables

Trade and other receivables are stated at amortized cost, less expected credit losses.

The Group writes off the receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Trade receivables do not contain any significant financing element as of December 31, 2025 and 2024.

Impairments of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets measured at amortized cost. The expected credit loss model requires the Group to account for expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

With respect to IFRS 9, the Group recognizes a loss allowance for expected credit losses on:

- other non-current and current financial assets;
- other assets and prepaid expenses;
- trade receivables.

For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime expected credit loss. The Group determines the expected credit losses in these items by using a provision matrix on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current condition and estimates of future economic condition. In addition, the Group considers a trade receivable "credit impaired", and consequently subject to a specific loss allowance, when there is evidence that the recoverability of the asset is deteriorating, i.e., when specific events has occurred, such as: the customer is experiencing significant financial difficulties; or it is becoming probable that the customer will enter bankruptcy or other financial reorganization.

For all other assets, the Group recognizes lifetime expected credit losses when there is a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the allowance for these financial instruments an amount equal to 12 months expected credit loss.

In assessing whether the financial credit risk of the instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical and forward-looking information. In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in Profit or Loss.

Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

The Group entered into several forward contracts during the years 2025 and 2024, selling USD and buying CHF. None of these contracts were designated in hedge relationships. These instruments have a duration between 1 and 12 months.

Financial derivatives with a positive fair value are recorded in other current financial assets and those with a negative fair value in current financial liabilities. Fair value changes of financial derivatives are booked as financial income/(costs) into the Consolidated Statement of Profit or Loss (refer to Note 6.25 "Information on the Consolidated Statement of Profit or Loss").

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. Cash and cash equivalents is considered to have low credit risk since it is deposited in bank institutions with over BBB+ rating. The carrying amount of these assets is approximately equal to their fair value.

Trade payables and other current liabilities

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less from the reporting date. If not, they are presented as non-current liabilities.

Trade payables are initially recognized at fair value. Subsequent measurement is made using the amortized cost using the effective interest rate method.

Borrowings and other financial liabilities

Borrowings from banks or financial institutions and other financial liabilities are initially recorded at fair value. Subsequent measurement is made using the amortized cost using the effective interest rate method.

Borrowings and other financial liabilities are classified among current liabilities, unless the Group has an unconditional right to defer their payment for at least 12 months after the reporting date.

Borrowings and other liabilities are removed from the Statement of Financial Position when they are extinguished, i.e., when the obligation specified in the contract is discharged, cancelled or expires.

Deferred tax assets and deferred tax liabilities / taxes (P&L)

Income taxes include all taxes based on the taxable profits of the Group. Current and deferred taxes are recognized as a benefit or expenses and are included in the Consolidated Statement of Profit or Loss for the year, except tax arising from:

- a transaction or event which is recognized, in Other Comprehensive Income (OCI) or directly in equity, in which case, taxes are also recognized in OCI or directly in equity, respectively;
- a business combination, in which case the tax effect is included in the accounting for the business combination.

Income taxes include all domestic and foreign taxes which are based on taxable profits. Income taxes also include taxes, such as withholding taxes, which are payable by a subsidiary to the reporting entity.

Income tax expenses comprise current and deferred income taxes.

Current income taxes

Current income taxes are based on the taxable profit of the year. Taxable profit differs from net profit as reported in the Consolidated Statement of Profit or Loss, because it excludes items that are never taxable or deductible. The Group's tax assets and liabilities for the current period are measured at the amount expected to be received from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Management periodically takes position in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate, based on the amounts expected to be paid to the tax authorities. Interest and penalties associated with these positions are included in "Income taxes" within the Consolidated Statement of Profit or Loss.

Deferred income taxes

Deferred income taxes are accounted for using the liability method, based on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred taxes are determined using tax rates (and laws) that have been enacted or substantially enacted as of the reporting date and are expected to apply when the related deferred tax asset is realized, or the deferred tax liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit or Loss;
- in respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that sufficient taxable profit will be available to allow the benefit of part or all the deferred tax assets to be utilized. The recoverability of deferred tax assets is dependent on the Group's ability to generate sufficient future taxable income in the period in which it is assumed that the deductible temporary differences reverse, and tax losses carried forward can be utilized. In making this assessment the Group considers future taxable income arising on the most recent budgets and plans, prepared by using the same criteria described for testing the impairment of assets and goodwill. Moreover, the Group estimates the impact of the reversal of taxable temporary differences on earnings and it also considers the period over which these assets could be recovered.

Employee benefit obligation

Post-employment plans

Most employees of the Group are covered by post-employment plans. Most of the plans are defined contribution plans, where future benefits are determined by reference to the amount of contributions paid, and are generally administered by autonomous pension funds or independent insurance companies. These post-employment plans are financed through employer and employee contributions. The Group's contributions to defined contribution plans are charged to the Profit or Loss in the year to which they relate.

Some entities of the Group (as disclosed in Note 6.20 "Employee benefit obligation") sponsor defined benefit pension plans for qualifying employees. Accounting and reporting of these plans are based on actuarial valuations. Defined benefit obligations and service costs are assessed using the projected unit credit method: the cost of providing pensions is charged to the Profit or Loss to spread the regular cost over the service lives of employees participating in these plans. The pension obligation is measured as the present value of the estimated future outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability. Service costs from defined benefit plans are charged to the appropriate Profit or Loss heading within the operating results.

A single net interest component is calculated by applying the discount rate to the net defined benefit asset or liability. The net interest component is recognized in the Profit or Loss in the financial result.

Remeasurements of defined benefit obligations, resulting from changes in actuarial assumptions and differences between assumptions and actual experiences, are recognized in the period in which they occur in "Other Comprehensive Income" (OCI).

Other non-current benefits

Other non-current benefits mainly comprise length of service compensation benefits in certain Group companies. Contributions made by employees or by third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- if the contributions are not linked to services (e.g., contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are recorded in Other Comprehensive Income (OCI) as remeasurements of employee benefits;
- if contributions are linked to services, they reduce service costs.

Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Share-based compensation

Since 2021, the Group has implemented a Performance Share Plan ("The Plan" or "LTIP" - Long-Term Incentive Plan), which has been approved on an annual basis since its introduction.

The LTIP is an incentive measured over a rolling three-year performance period with the purpose of fostering long-term value creation for the Group. Eligible plan participants will be granted a certain number of Performance Share Units (PSUs), which represent a contingent entitlement to receive Medacta shares in the future. The number of granted PSUs will depend on the individual LTIP grant level, individually determined by the Board of Directors each year based on the individual's performance, the position, complexity of the function, and level of responsibility. For members of the Group Executive Management, the number of PSUs will be subject to the amounts approved at the applicable AGM. The number of PSUs that vest for a specific participant is calculated at the Vesting Date by multiplying the number of granted PSUs by the Final Vesting Multiple, rounded up to the next whole Share. Ultimately, the number of PSUs which vest shall be determined by the Board or a body designated by the Board in a final, conclusive and binding manner. The Final Vesting Multiple equals either Group Vesting Multiple (see description below) or Country Vesting Multiple (see description below), whereas the latter applies if all of the following three conditions are met:

- Group Vesting Multiple is below 0.30;
- the respective Participant is eligible for country performance consideration;
- the country performance threshold has been met for the entire duration of the plan.

The Group Vesting Multiple is based upon a 50% weighting of the Relative TSR Vesting Multiple and a 50% weighting of the Absolute EBIT Vesting Multiple, rounded off to two decimal places, whereby:

- the Absolute TSR Vesting Multiple is calculated as the (positive or negative) difference between Medacta's TSR and the SPI Extra Total Return TSR10, measured in percentage points (p.p.). Medacta's TSR is measured considering the compound annual growth rate of the Reference Price Ending compared to the Reference Price Beginning over the three (3)-year TSR Performance Period and the accumulative, nominal dividends distributed in the same period. To be consistent with the index, it is assumed that dividends are reinvested. The Relative TSR Vesting Multiple cannot be lower than 0.00 or higher than 2.00;
- the Absolute EBIT Vesting Multiple is calculated based on the EBIT of the Group measured as the sum of the absolute EBIT over the three (3)-year Absolute EBIT Performance Period and calculated by the Board or a body designated by it, according to the Absolute EBIT Vesting Multiple table. The Absolute EBIT Multiple cannot be lower than 0.00 or higher than 2.00. The Country Vesting Multiple (if relevant) is calculated based upon a 100% weighting of the respective country's revenues and will be either 0.00 or 0.30. For each country, details with regards to performance measure, performance targets, performance period and performance calculation are set out in the Allotment Certificate.

Overall, the combined vesting multiple is expected to never exceed 200%.

Participants to the Plan receive part of their remuneration in the form of share-based payment transactions, whereby these individuals render services as consideration for equity instruments (equity-settled transactions). The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves. The fair value of performance stock units (PSUs) granted under TSR performance component is estimated using the Monte Carlo simulation methodology. The Monte Carlo simulation input assumptions are determined based on available internal and external data sources. The expected volatility of the share price returns is based on the historic volatility of daily share price returns of the Company, measured over a historical period matching the performance period of the awards. Further details are provided in Note 6.21 "Share-based payment transactions". No expense is recognized for awards that do not ultimately vest. An additional expense is recognized for any modification that increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date of grant, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect of outstanding performance share units (PSUs) is reflected as additional share dilution in the computation of earnings per share (Note 6.28 "Earnings per share").

Treasury shares

Equity instruments which are re-acquired by Medacta Group SA (treasury shares) are deducted from equity and disclosed separately. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources will be required to settle the obligation, and where a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. The expense relating to any provision is presented in the income statement, net of any reimbursement and where discounting is used, the increase in the provision is recognized as a finance expense.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. Revenue is recognized primarily when control of the promised goods is transferred to the customer, which typically occurs at the point in time upon delivery, shipment or utilization. There is no significant revenue associated with the provision of services.

The Group sells products mainly through the following channels:

- healthcare institutions (hospitals, clinics). Inventory is generally consigned to sales agents or customers before surgery is planned, so that the products are available when needed. Revenue is recognized at the point in time when notification is received that the product has been implanted or used, i.e., when surgery occurs;
- external distributors. Medacta sells products to distributors mainly in countries where it does not have its own presence. Revenue is generally recognized when control of products is transferred to the customer, which typically occurs upon shipment of the product.

Sales commissions to employees or agents are contract costs and are recorded in the Consolidated Statement of Profit or Loss at the point in time when related revenues are recognized. The Group does not incur other significant costs to obtain contracts. There are no significant contract assets, liabilities or future performance obligations.

The transaction price may comprise both fixed and variable components. Products are in most transactions sold at pre-defined fixed prices. However, transaction price may also include in some instances variable considerations contingent to future events in the form of discounts, rebates or paybacks. Revenue is recognized, as soon as the performance obligation is satisfied, at the transaction price identified. Medacta applies the "most likely amount" method or the "expected value method" in order to estimate the variable consideration, whichever is more predictive based on the terms of the contracts. The amount of variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Medacta variable considerations are mainly related to customer commercial bonus. It is estimated using the most likely amount method and updated at each reporting date based on actuals and forecasts results. The revenue recognition constraint limits to amounts highly probable not to reverse.

The payment terms vary by contract and region, our terms typically require payment within 60 to 90 days. Where payment terms provide for settlement beyond one year from the transfer of goods or services, the transaction price is adjusted to reflect the time value of money. The related financing component is recognized separately as interest income over the financing period. Medacta applied the practical expedient under IFRS 15.63 and did not adjust the transaction price for significant financing components where the period between transfer of goods or services and payment is one year or less.

6.3 New accounting and International Financial Reporting Standards

New standards, amendments and interpretations that are effective for reporting periods beginning on January 1, 2025

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

The adoption did not have any material impact on the disclosures or on the amounts reported in these financial statements.

New standards, amendments and interpretations that are effective for reporting periods beginning on and after January 1, 2026 and not yet adopted by the Group

At the date of authorization of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- IFRS 19 Subsidiaries without Public Accountability: (applicable for annual periods beginning on or after January 1, 2027);
- IFRS 18 Presentation and Disclosure in Financial Statements (applicable for annual periods beginning on or after January 1, 2027);
- amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (applicable for annual periods beginning on or after January 1, 2026);
- amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (applicable for annual periods beginning on or after January 1, 2026);
- amendments to Annual Improvements Volume 11 (applicable for annual periods beginning on or after January 1, 2026).

The Group has not early adopted any of the listed amendments that have been issued but not yet effective.

The future adoption of the above amendments, excluding the introduction of IFRS 18, is not expected to have any material impact on the disclosures or the amounts reported in the Consolidated Financial Statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18, issued by the International Accounting Standards Board in April 2024 and effective from January 1, 2027, with retrospective application permitted, will replace IAS 1 Presentation of Financial Statements. The standard introduces a more structured presentation of the statement of profit or loss, including five defined categories (operating, investing, financing, income taxes and discontinued operations), and clearer principles for aggregation and disaggregation of information.

IFRS 18 will not affect the recognition or measurement of items in the financial statements, but it might change the classification of certain income and expense items between the five categories of the consolidated income statement. It might also change what an entity reports as operating activities, investing activities and financing activities within the statement of cash flows, due to the change in classification of certain cash flow items between these three categories of the cash flows statement.

The Company's preliminary assessment of IFRS 18 impacts indicates that certain income and expense amounts are expected to be reclassified within the consolidated income statement. These expected presentation changes will not affect reported net income.

The consolidated statement of cash flows presentation will change. It will start with operating income instead of net income, and certain cash flows are expected to be reclassified among the operating, investing, and financing activities categories. Medacta is currently finalizing its assessment of the impact of adopting IFRS 18, which will be effective January 1, 2027.

6.4 Business combination

Acquisition of Parcus Medical, LLC

At the beginning of March 2025, Medacta Group SA completed the acquisition of Parcus from Anika Therapeutics, Inc, paying a cash consideration of USD 4.5 million (Euro 4.2 million). Transaction-related costs of Euro 1'375 thousand were excluded from the consideration transferred and recognized in the Profit or Loss Statement under "General and Administrative expenses."

Parcus is a specialist provider of sports medicine and arthroscopy solutions with 2024 revenue of a good USD 16 million. The acquisition gained access to additional US sales agents and distributors in over 45 countries thereby enlarging its global reach to customers. As part of the acquisition, Medacta will take over Parcus' US manufacturing site in Florida, allowing Medacta to be vertically integrated also in Sportsmed.

Parcus' portfolio offers a diverse product family in sports medicine that helps facilitate surgical procedures in the shoulder, knee, hip and foot & ankle. The acquisition significantly expands and excellently complements Medacta's sports medicine solution offerings in Sportsmed. Medacta will be able to leverage Parcus's brands and innovations to better serve the market. Furthermore, Medacta will be able to capitalize opportunities due to its strong presence in the fast-growing US Ambulatory Surgical Centre (ASC) market.

Assets acquired and liabilities recognized at the date of acquisition

(Thousand Euro)	Fair value
Property, plant and equipment	1'665
Right-of-use assets	852
Inventories	19'649
Trade receivables	2'306
Other current assets and prepaid expenses	26
Cash and cash equivalents	4
Non-current liabilities	(5'862)
Current liabilities	(832)
NET ASSETS	**17'808**
Goodwill/(Bargain)	(13'653)
PURCHASE CONSIDERATION	**4'155**
Acquiree net cash	(4)
CASH CONSIDERATION FOR ACQUISITIONS, NET OF CASH ACQUIRED	**4'151**

No identifiable intangible assets met the recognition criteria at the acquisition date. The fair value of Inventories amounted to USD 21.3 million (Euro 19.6 million) after recognizing both a step-up adjustment and a write-down for obsolete and slow-moving items. The gross amount of Trade receivable for Parcus amounted to USD 3.4 million (Euro 3.2 million), out of which USD 1 million (Euro 0.9 million) is expected to be uncollectable. Non-current liabilities line includes USD 5.8 million (Euro 5.3 million) of deferred tax liabilities.

Because the fair value of the net identifiable assets of USD 19.3 million (Euro 17.8 million) exceeds the consideration transferred of USD 4.5 million (Euro 4.2 million), a bargain purchase gain of USD 14.8 million (Euro 13.7 million) has been recognized in the income statement. The gain mainly arises from the vendor's decision to divest a non-core business, while for Medacta, it will enable accelerated expansion of its sports medicine offering.

From acquisition date, Parcus products contributed approximately 1.5% (Euro 10.1 million) of revenue. There are no contingent liabilities associated with the transaction.

6.5 Financial risks management

The Board of Directors is responsible for the Group's internal control system, which provides the ultimate oversight for Medacta's strategy, operation and finances.

The internal control system of Medacta is structured to ensure the correct disclosure and adequate coverage of control over all Group activities, with particular attention on areas considered potentially at risk. Each Board Member is entitled to request information concerning all affairs of the Company and the Group reasonably necessary to fulfil his fiduciary duties.

The risk management strategy of the Group aims to stabilize the results of the Group by minimizing the potential effects due to volatility in financial markets.

The Group uses derivative financial instruments to mitigate exchange rate risks.

According to the Organizational Regulations[1], the CFO, in cooperation with the CEO, ensures good financial governance, overseeing all financial planning, budgeting (short- and midterm), reporting and risk management activities. Furthermore, the CFO leads the implementation of systems and procedures to seek to ensure compliance with regulatory requirements for financial information, reporting, disclosure requirements, and internal control.

Liquidity risk is managed centrally for the whole Group including necessities of foreign subsidiaries.

The assets of the Group are exposed to different types of financial risk:

- market risk (which includes exchange rate risk and cash flow uncertainty);
- credit risk;
- liquidity risk.

Market risk

Exchange rate risk

The Group operates internationally and is, therefore, exposed to exchange rate risk related to the various currencies with which the Group operates.

The Group is exposed to foreign exchange risk mainly related to financial instruments (including trade and other receivables, trade and other liabilities, financial and lease liabilities) held by the Swiss companies of the Group in currencies different from their functional currency (Swiss Franc).

Furthermore, the Group uses Euro as presentation currency and holds net assets in different functional currencies, hence is exposed to foreign currency translation risk. This risk is not hedged.

The Group only enters into foreign exchange forward contracts, selling USD and buying CHF. The financial instruments have a duration between 1 and 12 months. These financial instruments are not designated in hedging relationships.

[1] Medacta's Organizational Regulations (including the charters of the Board Committees) are available on Medacta's website at: https://www.medacta.com/EN/corporate-governance?goto=organizational-regulations.

As of December 31, 2025, forward currency contracts with a nominal value of USD 44'300 thousand (2024: USD 40'100 thousand) and positive fair value of Euro 707 thousand (2024: negative fair value of Euro 1'675 thousand) were open. Financial derivatives with a positive fair value are recorded in other current financial assets and those with a negative fair value in other current financial liabilities. Changes in the fair value of financial derivative instruments are recognized as financial income/(costs) into the Consolidated Statement of Profit or Loss (refer to Note 6.25.4 "Information on the Consolidated Statement of Profit or Loss - Financial income/(costs)").

The sensitivity analysis considers major foreign currency risk exposures in relation to the foreign exchange exposure of the Swiss companies of the Group, and it is based on the deviation from the closing exchange rates of the Swiss Franc (increase/decrease of 10% of the closing exchange rate as of December 31, 2025 and as of December 31, 2024).

The following tables demonstrate the sensitivity to a reasonable possible currency rate change of the Group's Profit before taxes and of the Group's Equity, with all other variables held constant.

Exchange rates sensitivity

As of December 31, 2025

(Thousand Euro)

Currency *	Closing exchange rate	Increase / (Decrease)	Profit Before Taxes	Equity
USD/CHF	0.7923	10%	1'866	-
EUR/CHF	0.9306	10%	3'048	-
JPY/CHF	0.0051	10%	357	-
AUD/CHF	0.5286	10%	1'058	-
USD/CHF	0.7923	(10%)	(1'866)	-
EUR/CHF	0.9306	(10%)	(3'048)	-
JPY/CHF	0.0051	(10%)	(357)	-
AUD/CHF	0.5286	(10%)	(1'058)	-

* The amounts in the table above are calculated in CHF, which is the functional currency of Medacta International SA. The figures summarized in the table are reported in thousand Euro, which is the presentation currency of the Group.

As of December 31, 2024

(Thousand Euro)

Currency *	Closing exchange rate	Increase / (Decrease)	Profit Before Taxes	Equity
USD/CHF	0.9072	10%	2'971	-
EUR/CHF	0.9392	10%	356	-
JPY/CHF	0.0058	10%	147	-
AUD/CHF	0.5613	10%	55	-
USD/CHF	0.9072	(10%)	(2'971)	-
EUR/CHF	0.9392	(10%)	(356)	-
JPY/CHF	0.0058	(10%)	(147)	-
AUD/CHF	0.5613	(10%)	(55)	-

* The amounts in the table above are calculated in CHF, which is the functional currency of Medacta International SA. The figures summarized in the table are reported in thousand Euro, which is the presentation currency of the Group.

Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

Changes in interest rate levels affect the cost and return of the various forms of funding and use, thus affecting the overall net financial result. No hedging activities (such as interest rate swaps) were conducted during the 2025 and 2024 closing periods.

With reference to interest rate risk, a sensitivity analysis was carried out to determine the effect on the consolidated income statement that would result from a hypothetical positive and negative change of 50 bps in interest rates compared with those actually recognized in each period. The analysis was carried out mainly about the Group's current interest-bearing assets and current and non-current debt with floating interest rates. With regard to the current interest-bearing assets a possible change in the interest rates of 50 bps would not have a material impact on profit or loss, while for the current and non-current debt with floating, the precise impact was calculated.

The following table shows the sensitivity to interest rate changes, with all other variables held constant, of the Group's Profit or Loss and Equity:

Interest rate sensitivity - Impact on Profit or Loss (Thousand Euro)	50 basis points increase
As of December 2024	(943)
As of December 2025	(946)

Credit risk

Credit risk exists in relation to trade and other receivables, cash and deposits in banks.

The Group constantly monitors the exposure to credit risk on its customers. Due to diversity of customers, there is no single credit limit for all customers, nevertheless the Group assesses its customers taking into account their financial situation, past experience, and other factors.

Trade receivables' balance at the end of the year is equal to Euro 121'127 thousand (Euro 108'167 thousand in 2024), out of which Euro 2'501 thousand are due from a single customer (Euro 2'716 thousand in 2024). The Group does not have other significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The concentration of credit risk related to largest trade customer did not exceed 5% of gross monetary assets at any time during the year. The concentration of credit risk to any other counterparty did not exceed 5% of gross monetary assets at any time during the year. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated. Core banking relations are maintained with at least "BBB+" rated (S&P) financial Institutions.

The Group does not expect any significant losses either from receivables or from other financial assets. Low credit risk of internal default is defined based on review of Financial Position of counterparties including review of the industry.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12m ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit impaired
Impaired	There is evidence indicating the asset is credit-impaired	Lifetime ECL- credit impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written-off

The tables below detail the credit quality of the Group's financial assets and other items, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

December 31, 2025 (Thousand Euro)	Note	External credit rating	Internal credit rating	12m or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
Trade receivables (not credit impaired)	6.14	N/A	*	Lifetime ECL (simplified approach)	119'105	(2'605)	116'500
Trade receivables (credit impaired)	6.14	N/A	**	Lifetime ECL (credit impaired)	10'054	(5'427)	4'627
TOTAL TRADE RECEIVABLES					**129'159**	**(8'032)**	**121'127**

December 31, 2024 (Thousand Euro)	Note	External credit rating	Internal credit rating	12m or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
Trade receivables (not credit impaired)	6.14	N/A	*	Lifetime ECL (simplified approach)	107'275	(2'188)	105'087
Trade receivables (credit impaired)	6.14	N/A	**	Lifetime ECL (credit impaired)	7'637	(4'557)	3'080
TOTAL TRADE RECEIVABLES					**114'912**	**(6'745)**	**108'167**

* For trade receivables (not credit impaired), the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

** The Group considers a trade receivable "credit impaired", and consequently subject to a specific loss allowance, when there is evidence that the recoverability of the asset is deteriorating, i.e. when specific events has occurred, such as: the customer is experiencing significant financial difficulties; or it is becoming probable that the customer will enter bankruptcy or other financial reorganization.

Liquidity risk

The management of the liquidity risk originating from the day-by-day operations of the Group involves the maintenance of an adequate level of cash and cash equivalents as well as financial resources through an adequate amount of credit lines.

The Group aims to grow further and wants to remain flexible in making time-sensitive investment decisions. This overall objective is included in the asset allocation strategy. A rolling forecast based on the expected cash flows is conducted and updated regularly to monitor and control liquidity.

The following tables include a summary, by maturity date, as of December 31, 2025 and 2024. The reported balances are contractual and undiscounted figures including repayments and interests.

As of December 31, 2025 (Thousand Euro)	Up to 1 year	1 year to 5 years	More than 5 years	Total
Trade payables	49'832	-	-	**49'832**
Current financial liabilities	92'469	-	-	**92'469**
Current lease liabilities	15'670	-	-	**15'670**
Accrued expenses	13'610	-	-	**13'610**
Non-current financial liabilities	-	117'347	-	**117'347**
Non-current lease liabilities	-	38'097	9'226	**47'323**
Net derivative financial (assets)/liabilities	(707)	-	-	**(707)**
Gross outflows	*37'715*	-	-	***37'715***
Gross inflows	*(38'422)*	-	-	***(38'422)***

As of December 31, 2024 (Thousand Euro)	Up to 1 year	1 year to 5 years	More than 5 years	Total
Trade payables	35'387	-	-	**35'387**
Current financial liabilities	52'279	-	-	**52'279**
Current lease liabilities	11'827	-	-	**11'827**
Accrued expenses	14'230	-	-	**14'230**
Non-current financial liabilities	-	148'689	-	**148'689**
Non-current lease liabilities	-	32'603	10'871	**43'474**
Net derivative financial (assets)/liabilities	1'675	-	-	**1'675**
Gross outflows	*36'208*	-	-	***36'208***
Gross inflows	*(34'533)*	-	-	***(34'533)***

6.6 Fair value measurement and classification

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The definition above reported emphasizes that the fair value is a market-based measurement, not an entity-specific measurement. When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible, including assumptions about possible risk. As a consequence, an entity's intention to hold/settle an asset or otherwise fulfil a liability is not relevant to the fair value measurement process.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as explained above. The following tables show the carrying amounts and fair values of financial assets and liabilities by category of financial instrument in the Consolidated Statement of Financial Position. The fair value hierarchy level is shown for those financial assets and liabilities that are carried at fair value in the balance sheet.

For financial instruments held by the Group and measured at amortized costs, the fair value usually approximates the carrying amount, in which case the column "Fair Value" in the table below is left empty.

The following tables summarize the financial instruments carried at fair value, by valuation method as of December 31, 2025 and 2024.

The different levels have been defined as follows:

- level 1: the fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date;
- level 2: the fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques are based on observable market data, where applicable. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2;
- level 3: if a significant amount of inputs is not based on observable market data the instrument is included in level 3. For this level other techniques, such as discounted cash flow analysis, are used to determine fair value.

Carrying amount (based on measurement basis)

As of December 31, 2025 (Thousand Euro)	Asset and Liabilities at amortized cost	Assets / Liabilities as FVTPL				Fair Value
		Level 1	Level 2	Level 3	Total carrying amount	
Non-current financial assets	1'440	-	-	-	**1'440**	-
Trade receivables	121'127	-	-	-	**121'127**	-
Current financial assets	3'203	-	707	-	**3'910**	-
Cash and cash equivalents	33'211	-	-	-	**33'211**	-
Non-current financial liabilities	114'495	-	-	-	**114'495**	-
Non-current lease liabilities	43'765	-	-	-	**43'765**	-
Other non-current liabilities	895	-	-	-	**895**	-
Trade payables	49'832	-	-	-	**49'832**	-
Current financial liabilities	90'454	-		-	**90'454**	-
Current lease liabilities	14'052	-	-	-	**14'052**	-
Other current liabilities	16'821	-	-	-	**16'821**	-

Carrying amount (based on measurement basis)

As of December 31, 2024 (Thousand Euro)	Asset and Liabilities at amortized cost	Assets / Liabilities as FVTPL				Fair Value
		Level 1	Level 2	Level 3	Total carrying amount	
Non-current financial assets	995	-	-	-	**995**	-
Trade receivables	108'167	-	-	-	**108'167**	-
Current financial assets	4'692	-	-	-	**4'692**	-
Cash and cash equivalents	31'588	-	-	-	**31'588**	-
Non-current financial liabilities	143'359	-	-	-	**143'359**	-
Non-current lease liabilities	39'362	-	-	-	**39'362**	-
Other non-current liabilities	1'597	-	-	-	**1'597**	-
Trade payables	35'387	-	-	-	**35'387**	-
Current financial liabilities	49'150	-	1'675	-	**50'825**	-
Current lease liabilities	10'327	-	-	-	**10'327**	-
Other current liabilities	16'940	-	-	-	**16'940**	-

The level 2 balance relates to forward currency contracts (foreign exchange contracts, selling USD and buying CHF; the financial instruments have a duration between 1 and 12 months) described in Note 6.5 "Financial risks management", "Market risk - exchange rate risk" sections.

6.7 Segment information

The Group has only one operating segment.

The criteria applied to identify the operating segments are consistent with the way the Group is managed. In particular, the segment reporting reflects the internal organizational and management structure used within the Group as well as the internal management reporting reviewed regularly by the Chief Operating Decision Maker (CODM), who has been identified as the Chief Executive Officer Francesco Siccardi.

Therefore, Medacta constitutes with only one segment which is represented by the whole Group itself. In 2025 and 2024 no single customer represents 10% or more of the total Group revenues. Resource allocation and performance assessment are performed at Group level and not at single-component level. The operating segments subject to disclosure are consistent with the organization model adopted by the Group during the Financial Year as of December 31, 2025.

Information by geographic area

The Group operates in EMEA (which includes Europe, Middle East and Africa), North America (which includes the United States of America and Canada), Asia-Pacific (which includes Asia and Oceania) and LATAM (which includes all countries located in Latin America). Sales are attributed to geographic areas based on the customer's location, whereas property, plant and equipment based on the geographic area where legal entities are located. The Group did not report other non-current assets by geographic area since the cost to develop the information would be excessive and would not provide any material value to the reader.

	31.12.2025		31.12.2024	
SALES AND PROPERTY, PLANT AND EQUIPMENT (Thousand Euro)	Net sales	Property, plant and equipment	Net sales	Property, plant and equipment
EMEA	327'461	262'649	283'737	212'547
North America	204'535	55'510	179'277	47'253
Asia Pacific	134'824	3'208	115'120	2'817
LATAM	17'007	-	12'446	-
TOTAL CONSOLIDATED	**683'827**	**321'367**	**590'580**	**262'617**

6.8 Property, plant and equipment

2025 (Thousand Euro)	Land	Buildings	Plants & Machinery	Instruments	Other fixtures and fitting, tool and equipment	Assets under construc-tion	Total
HISTORICAL COST							
BALANCE JANUARY 1, 2025	**17'508**	**60'181**	**51'975**	**379'084**	**39'793**	**9'612**	**558'153**
Acquisitions	-	-	2'623	-	412	377	3'412
Additions	206	13'985	14'872	87'365	5'162	1'360	122'950
Disposals	-	(5)	(119)	(14'194)	(607)	-	(14'925)
Transfers *	-	8'489	3'559	-	123	(9'175)	2'996
Exchange differences	142	625	305	(10'297)	(721)	(10)	(9'956)
BALANCE DECEMBER 31, 2025	**17'856**	**83'275**	**73'215**	**441'958**	**44'162**	**2'164**	**662'630**
ACCUMULATED DEPRECIATION							
BALANCE JANUARY 1, 2025	**-**	**(10'006)**	**(29'353)**	**(228'306)**	**(27'871)**	**-**	**(295'536)**
Acquisitions	-	-	(1'569)	-	(178)	-	(1'747)
Depreciation of the year and impairment loss	-	(1'558)	(4'118)	(44'279)	(3'681)	-	(53'636)
Disposals	-	-	14	5'061	470	-	5'546
Transfers *	-	24	(1'369)	-	(23)	-	(1'368)
Exchange differences	-	(102)	(130)	5'383	328	-	5'478
BALANCE DECEMBER 31, 2025	**-**	**(11'642)**	**(36'525)**	**(262'141)**	**(30'955)**	**-**	**(341'263)**
NET BOOK VALUE							
BALANCE JANUARY 1, 2025	**17'508**	**50'175**	**22'622**	**150'778**	**11'922**	**9'612**	**262'617**
BALANCE DECEMBER 31, 2025	**17'856**	**71'633**	**36'690**	**179'817**	**13'207**	**2'164**	**321'367**

* The total balance of "Transfers" refers to the reclassification from right-of-use assets to property plant and equipment due to the purchase of the leased assets.

2024 (Thousand Euro)	Land	Buildings	Plants & Machinery	Instruments	Other fixtures and fitting, tool and equipment	Assets under construc-tion	Total
HISTORICAL COST							
BALANCE JANUARY 1, 2024	**15'432**	**52'078**	**44'895**	**320'423**	**36'797**	**5'373**	**474'998**
Additions	2'250	1'840	5'051	65'240	4'067	13'063	91'511
Disposals	-	(47)	(1'067)	(10'390)	(869)	-	(12'373)
Transfers *	-	6'788	3'471	184	(260)	(8'790)	1'393
Exchange differences	(174)	(478)	(375)	3'627	58	(34)	2'624
BALANCE DECEMBER 31, 2024	**17'508**	**60'181**	**51'975**	**379'084**	**39'793**	**9'612**	**558'153**
ACCUMULATED DEPRECIATION							
BALANCE JANUARY 1, 2024	**-**	**(8'647)**	**(27'062)**	**(190'719)**	**(25'628)**	**-**	**(252'056)**
Depreciation of the year and impairment loss	-	(1'342)	(2'949)	(38'523)	(3'176)	-	(45'990)
Disposals	-	24	1'019	2'947	836	-	4'826
Transfers *	-	-	(608)	(46)	60	-	(594)
Exchange differences	-	(41)	247	(1'965)	37	-	(1'722)
BALANCE DECEMBER 31, 2024	**-**	**(10'006)**	**(29'353)**	**(228'306)**	**(27'871)**	**-**	**(295'536)**
NET BOOK VALUE							
BALANCE JANUARY 1, 2024	**15'432**	**43'431**	**17'833**	**129'704**	**11'169**	**5'373**	**222'942**
BALANCE DECEMBER 31, 2024	**17'508**	**50'175**	**22'622**	**150'778**	**11'922**	**9'612**	**262'617**

* The total balance of "Transfers" refers to the reclassification from right-of-use assets to property plant and equipment due to the purchase of the leased assets.

Acquisitions for the year ended 2025, are related to the acquisition of Parcus Medical, LLC (see Note 6.4 "Business combination").

Additions for the year ended 2025, amounting to Euro 122'950 thousand (Euro 91'511 thousand in 2024), are mainly related to:

- Instruments investments, equal to Euro 87'365 thousand (Euro 65'240 thousand in 2024);
- Buildings, and Plants and Machinery respectively Euro 13'985, and Euro 14'872 mainly due to the expansion of the headquarters, including the inauguration of a new building in Rancate and the expansion of the distribution hub in Italy.

During the years 2025 and 2024 no impairment losses have been recognized on property, plant and equipment.

6.9 Leases

Right-of-use assets

The tables below show the movement of right-of-use assets for the years ended December 31, 2025 and 2024:

2025 (Thousand Euro)	Building	Motor vehicles	ITC Equipment	Plant and Machinery	Other tool and equipment	Total
HISTORICAL COST						
BALANCE JANUARY 1, 2025	**26'646**	**8'170**	**149**	**41'907**	**689**	**77'561**
Acquisitions	852	-	-	-	-	**852**
Additions	2'116	2'997	39	15'517	-	**20'669**
Disposals	(1'678)	(1'973)	(20)	-	-	**(3'671)**
Transfers *	-	-	-	(2'996)	-	**(2'996)**
Exchange differences	(1'740)	(88)	(7)	469	6	**(1'360)**
BALANCE DECEMBER 31, 2025	**26'196**	**9'106**	**161**	**54'897**	**695**	**91'055**
ACCUMULATED DEPRECIATION						
BALANCE JANUARY 1, 2025	**(10'273)**	**(3'754)**	**(107)**	**(8'287)**	**(253)**	**(22'674)**
Depreciation	(3'562)	(2'485)	(26)	(3'230)	(83)	**(9'386)**
Disposals	1'713	1'920	19	-	-	**3'652**
Transfers *	-	-	-	1'368	-	**1'368**
Exchange differences	656	47	4	(89)	(3)	**615**
BALANCE DECEMBER 31, 2025	**(11'466)**	**(4'272)**	**(110)**	**(10'238)**	**(339)**	**(26'425)**
NET BOOK VALUE						
BALANCE JANUARY 1, 2025	**16'373**	**4'416**	**42**	**33'620**	**436**	**54'887**
BALANCE DECEMBER 31, 2025	**14'730**	**4'834**	**51**	**44'659**	**356**	**64'630**

* The total balance included in "Transfers" refers to the re-classification from "Right-of-use assets" to "Property, plant and equipment" after the leased assets were acquired.

2024 (Thousand Euro)	Building	Motor vehicles	ITC Equipment	Plant and Machinery	Other tool and equipment	Total
HISTORICAL COST						
BALANCE JANUARY 1, 2024	**23'203**	**7'622**	**174**	**31'832**	**697**	**63'528**
Additions	4'923	2'851	-	11'683	-	**19'457**
Disposals	(1'995)	(2'251)	(24)	-	-	**(4'270)**
Transfers *	-	-	-	(1'393)	-	**(1'393)**
Exchange differences	515	(52)	(1)	(215)	(8)	**239**
BALANCE DECEMBER 31, 2024	**26'646**	**8'170**	**149**	**41'907**	**689**	**77'561**
ACCUMULATED DEPRECIATION						
BALANCE JANUARY 1, 2024	**(8'730)**	**(3'707)**	**(101)**	**(6'420)**	**(173)**	**(19'131)**
Depreciation	(2'930)	(2'241)	(28)	(2'507)	(81)	**(7'787)**
Disposals	1'507	2'171	22	-	-	**3'700**
Transfers *	-	-	-	594	-	**594**
Exchange differences	(120)	23	-	46	1	**(50)**
BALANCE DECEMBER 31, 2024	**(10'273)**	**(3'754)**	**(107)**	**(8'287)**	**(253)**	**(22'674)**
NET BOOK VALUE						
BALANCE JANUARY 1, 2024	**14'473**	**3'915**	**73**	**25'412**	**524**	**44'397**
BALANCE DECEMBER 31, 2024	**16'373**	**4'416**	**42**	**33'620**	**436**	**54'887**

* The total balance included in "Transfers" refers to the re-classification from "Right-of-use assets" to "Property, plant and equipment" after the leased assets were acquired.

Acquisitions for the year ended 2025, are related to the acquisition of Parcus Medical, LLC (see Note 6.4 "Business combination").

The Group leases several assets. The average lease term is 8 years for buildings, 3 years for motor vehicles, 6 years ITC equipment, 7 years for plants and machineries and 6 years for other fixtures and fittings, tool and equipment.

The Group has options to purchase certain manufacturing equipment for a nominal amount at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

For the disclosure of the related lease liabilities see Note 6.18 "Financial and lease liabilities", paragraph "Lease liabilities".

Amounts recognized in Profit or Loss

Medacta Group recognized the following amounts in the Consolidated Statement of Profit or Loss as of December 31, 2025 and 2024:

(Thousand Euro)	31.12.2025	31.12.2024
Depreciation charge of right-of-use assets	(9'386)	(7'787)
Interest expense (included in financial costs)	(1'796)	(1'597)
Expense relating to short-term leases	(247)	(163)
Expense relating to leases of low-value assets that are not short-term leases	(197)	(37)

The total cash outflow for leases including short-term leases and low-value-assets in 2025 amount to Euro 14'538 thousand (Euro 12'093 thousand in 2024).

6.10 Intangible assets

2025 (Thousand Euro)	Development Costs	Customer Lists	Goodwill	Other intangible assets	Total
HISTORICAL COST					
BALANCE JANUARY 1, 2025	**89'566**	**16'186**	**59**	**32'286**	**138'097**
Additions	16'163	-	-	5'064	21'227
Disposals	(11)	-	-	(148)	(159)
Exchange differences	890	(214)	-	150	826
BALANCE DECEMBER 31, 2025	**106'608**	**15'972**	**59**	**37'352**	**159'991**
ACCUMULATED AMORTIZATION					
BALANCE JANUARY 1, 2025	**(48'914)**	**(8'441)**	**-**	**(27'117)**	**(84'472)**
Amortization of the year	(7'992)	(1'069)	-	(2'333)	(11'394)
Impairment loss	(2'053)	-	-	-	(2'053)
Disposals	-	-	-	73	73
Exchange differences	(519)	104	-	(120)	(535)
BALANCE DECEMBER 31, 2025	**(59'478)**	**(9'406)**	**-**	**(29'497)**	**(98'381)**
NET BOOK VALUE					
BALANCE JANUARY 1, 2025	**40'652**	**7'745**	**59**	**5'169**	**53'625**
BALANCE DECEMBER 31, 2025	**47'130**	**6'565**	**59**	**7'856**	**61'610**

2024 (Thousand Euro)	Development Costs	Customer Lists	Goodwill	Other intangible assets	Total
HISTORICAL COST					
BALANCE JANUARY 1, 2024	**78'350**	**16'074**	**59**	**29'942**	**124'425**
Additions	11'999	-	-	2'666	14'665
Disposals	(68)	-	-	(7)	(75)
Exchange differences	(715)	112	-	(315)	(918)
BALANCE DECEMBER 31, 2024	**89'566**	**16'186**	**59**	**32'286**	**138'097**
ACCUMULATED AMORTIZATION					
BALANCE JANUARY 1, 2024	**(40'491)**	**(7'318)**	**-**	**(25'199)**	**(73'008)**
Amortization of the year	(8'192)	(1'074)	-	(2'188)	(11'454)
Impairment loss	(572)	-	-	-	(572)
Disposals	-	-	-	7	7
Exchange differences	341	(49)	-	263	555
BALANCE DECEMBER 31, 2024	**(48'914)**	**(8'441)**	**-**	**(27'117)**	**(84'472)**
NET BOOK VALUE					
BALANCE JANUARY 1, 2024	**37'859**	**8'756**	**59**	**4'743**	**51'417**
BALANCE DECEMBER 31, 2024	**40'652**	**7'745**	**59**	**5'169**	**53'625**

Development costs mainly consists of cost incurred for the development of new products or modification of existing products in the pipeline. The Group capitalizes internal payroll cost, if these costs are attributable to a specific development project that is expected to generate probable future economic benefits. Research costs are directly recognized as costs in the Profit or Loss.

Other intangible assets mainly consist of costs recognized to deposit and renew trademarks, software, patents and licenses to distribute products.

"Customer lists" includes: the asset purchase acquisition of Levante Medica 2008 S.L. occurred in 2021; the acquisition of ASD "Advanced Surgical Devices" occurred in 2018; the acquisition of Medacare GmbH and Vivamed GmbH, both occurred in 2017.

Impairment test for intangible assets (Development projects)

As described in Note 6.2 "Consolidation principles, composition of the Group and significant accounting policies", paragraph "Significant accounting policies", on a quarterly basis management performs an assessment of the existence of impairment indicators for intangible assets (development projects). Any impairment loss or any loss relating the disposal of in progress development projects are recognized in Profit or Loss. During the year, Medacta recognized a total loss for impairment amounting to Euro 2'053 thousand in 2025 (Euro 572 thousand in 2024), out of which Euro 661 thousand (Euro 35 thousand in 2024) arising from the annual impairment test disclosed below, and Euro 1'392 thousand based on the quarterly analyses performed throughout 2025 (Euro 537 thousand in 2024).

Losses for the derecognition of projects amount to Euro 11 thousand as of December 31, 2025 (Euro 68 thousand in 2024).

For the purpose of the annual impairment test, performed as of September 30, 2025, In-Process Research and Development projects (IPR&D) for a total amount of Euro 29'059 thousand were allocated to cash-generating-units (CGU) corresponding to Product Families. 75 Product Families were tested for impairment through the estimation of the value in use of the IPR&D projects allocated to each CGU, none of which is significant in comparison to the total carrying amount of IPR&D. The annual impairment test carried out during the year lead to an impairment loss of the carrying amount of the development projects, amounting to Euro 661 thousand (Euro 35 thousand in 2024).

The discount rate applied in the valuation model, amounting to 8.8%, considers the Group's weighted average cost of capital, adjusted to approximate the weighted average cost of capital of a comparable market participant.

The value in use was reviewed for the eventual impact of reasonably possible changes in key assumptions:

- an increase of 2 percentage points in the discount rate would lead to an additional impairment loss amounting to Euro 1'064 thousand;

- a decrease of 25.0% in forecasted revenues would lead to an additional impairment loss amounting to Euro 4'450 thousand.

6.11 Financial assets

Financial assets include the following items:

(Thousand Euro)	31.12.2025	31.12.2024
Advances for property, plant and equipment	3'203	4'692
Forward currency contracts	707	-
Rent deposit	1'440	995
TOTAL FINANCIAL ASSETS	**5'350**	**5'687**
Current	3'910	4'692
Non-current	1'440	995

"Advances for property, plant and equipment" are mainly related to certain agreements with suppliers of machineries, paid out before the recognition of the underlying asset. In 2025, "Forward currency contracts" amounting to Euro 707 thousand was related to the positive fair value of derivative financial instruments; as of December 31, 2024 the fair value of derivative financial instruments is negative for Euro 1'675 thousand and it is classified within "Current financial liabilities" (see Note 6.18 "Financial and lease liabilities").

6.12 Deferred tax assets and deferred tax liabilities / income taxes

Income taxes

(Thousand Euro)	31.12.2025	31.12.2024
Current income taxes	10'110	8'692
Deferred income taxes	9'722	6'191
TOTAL INCOME TAXES	**19'832**	**14'883**

Current income taxes consist of taxes paid or due on the results of the individual companies for the Financial Year in accordance with local regulation as well as charges and credits from previous year. The following elements explain the difference between the Group's average tax rate and the effective income tax rate:

Reconciliation of tax expense

(Thousand Euro)	31.12.2025	31.12.2024
Profit before taxes	115'292	87'769
AVERAGE TAX RATE	**20.0%**	**20.9%**
TAX AT AVERAGE TAX RATE	**23'081**	**18'302**
Patent Box deduction	(228)	(316)
AVERAGE TAX RATE NET OF DEDUCTIONS	**19.8%**	**20.5%**
+ / - EFFECTS OF		
Expenses not subject to tax, net	935	384
Revenues not subjected to tax, net	(4'583)	(204)
Effects from previous years	(58)	(184)
Change in tax rates on deferred tax balances	578	(3'088)
Other	107	(11)
TOTAL INCOME TAXES	**19'832**	**14'883**
EFFECTIVE INCOME TAX RATE (%)	**17.2%**	**17.0%**

The Group's average tax rate is calculated as the weighted average tax rate applicable to the profits in the countries where Medacta Group operates. Management believes that the "average tax rate" reported in the disclosure above provides the most meaningful information to the users of the financial statements. Deferred taxes relate to temporary differences generated by the companies of the Group.

The Group effective tax rate slightly increased to 17.2% from 17.0% in 2024. Medacta International SA benefits, since 2020, from a special tax deduction from taxable profits for qualifying profits arising from patent rights ("Patent Box deduction"), which has a positive impact in 2025 amounting to Euro 228 thousand (Euro 316 thousand in 2024), corresponding to a positive impact on the effective tax rate for 0.2% (0.4% in 2024). The 2025 Profit Before Taxes includes Euro 13'653 thousands of non-taxable gain from the bargain purchase of Parcus Medical, LLC, resulting in a positive effect on the effective tax rate. The 2024 effective tax rate was impacted by the reduction of the cantonal tax rate applied to Medacta International SA from January 1, 2025. The Group has not recognized deferred tax liabilities in respect of taxable unremitted earnings that are considered indefinitely invested in foreign subsidiaries. As of December 31, 2025, those unremitted earnings retained by consolidated entities amount to Euro 26'227 thousand (2024: Euro 21'966 thousand).

Deferred income taxes

The Group recognizes in the Consolidated Financial Statements as of December 31, 2025 the gross amounts of Deferred tax assets and Deferred tax liabilities, respectively amounting to Euro 32'212 thousand and to Euro 74'836 thousand.

Deferred tax assets are mainly related to our US subsidiary. The Group considers the amount of deferred taxes recoverable. The recoverability is based on the estimated future profits that are expected to be generated by the subsidiary, also considering that the current federal tax legislation does not provide any temporal limit to the future utilization.

As of December 31, 2025, the amount of deferred tax liabilities net of the deferred tax assets, where the offsetting is allowed according to IAS 12 (par 74), is as follows:

Net deferred taxes

(Thousand Euro)	31.12.2025	31.12.2024
Net deferred tax assets	18'568	24'676
Net deferred tax liabilities	(61'192)	(49'017)
TOTAL NET DEFERRED TAXES	**(42'624)**	**(24'341)**

The amount netted between deferred tax assets and deferred tax liabilities is equal to Euro 13'644 thousand. For a better comprehension of deferred tax assets and liabilities, the schemes below show the respectively gross amounts.

Deferred tax assets

2025 (Thousand Euro)	PP&E, RoU assets and lease liabilities	Inventories, receivables, provisions and other liabilities	Tax losses carried forward	Total
GROSS BALANCE AS OF JANUARY 1, 2025	**8'117**	**29'422**	**958**	**38'497**
Deferred taxes recognized in the income statement	(85)	(2'323)	270	(2'138)
Deferred taxes recognized in OCI	-	(120)	-	(120)
Exchange differences	(593)	(3'307)	(127)	(4'027)
GROSS BALANCE AS OF DECEMBER 31, 2025	**7'439**	**23'672**	**1'101**	**32'212**
Offsetting of deferred tax assets and liabilities				(13'644)
NET BALANCE AS OF DECEMBER 31, 2025				**18'568**

Deferred tax assets

2024 (Thousand Euro)	PP&E, RoU assets and lease liabilities	Inventories, receivables, provisions and other liabilities	Tax losses carried forward	Total
GROSS BALANCE AS OF JANUARY 1, 2024	**7'542**	**32'824**	**572**	**40'938**
Deferred taxes recognized in the income statement	337	(5'792)	340	(5'115)
Deferred taxes recognized in OCI	-	656	-	656
Exchange differences	238	1'734	46	2'018
GROSS BALANCE AS OF DECEMBER 31, 2024	**8'117**	**29'422**	**958**	**38'497**
Offsetting of deferred tax assets and liabilities				(13'821)
NET BALANCE AS OF DECEMBER 31, 2024				**24'676**

As per December 31, 2025 and 2024, there were no unrecognized tax losses carried forward.

Deferred tax liabilities

2025 (Thousand Euro)	PP&E, RoU assets and lease liabilities	Intangible assets	Inventories, receivables, provisions and other liabilities	Total
GROSS BALANCE AS OF JANUARY 1, 2025	**44'771**	**4'609**	**13'458**	**62'838**
Recognized in business combination	-	-	5'310	5'310
Deferred taxes recognized in the income statement	6'820	(57)	821	7'585
Deferred taxes recognized in OCI	-	-	-	-
Exchange differences	(821)	(1)	(74)	(896)
GROSS BALANCE AS OF DECEMBER 31, 2025	**50'770**	**4'551**	**19'515**	**74'836**
Offsetting of deferred tax assets and liabilities				(13'644)
NET BALANCE AS OF DECEMBER 31, 2025				**61'192**

Deferred tax liabilities

2024 (Thousand Euro)	PP&E, RoU assets and lease liabilities	Intangible assets	Inventories, receivables, provisions and other liabilities	Total
GROSS BALANCE AS OF JANUARY 1, 2024	**36'697**	**4'438**	**20'566**	**61'701**
Deferred taxes recognized in the income statement	7'573	228	(6'725)	1'076
Deferred taxes recognized in OCI	-	-	-	-
Exchange differences	501	(57)	(383)	61
GROSS BALANCE AS OF DECEMBER 31, 2024	**44'771**	**4'609**	**13'458**	**62'838**
Offsetting of deferred tax assets and liabilities				(13'821)
NET BALANCE AS OF DECEMBER 31, 2024				**49'017**

6.13 Inventories

Inventories are composed of the following items:

Inventories

(Thousand Euro)	31.12.2025	31.12.2024
Raw materials and consumables	57'789	48'109
Work in progress and semifinished goods	38'030	22'156
Finished goods	175'596	164'146
TOTAL INVENTORIES	**271'415**	**234'411**

The change in inventories is mainly due to increased purchasing and production to support demand and future growth of the Group.

The cost of inventories recognized in "Cost of Sales" as of December 31, 2025 includes Euro 5'250 thousand (Euro 5'629 thousand in 2024) in respect of write-downs of inventory to net realizable value for slow moving, discontinued and obsolete stock. In 2025 the inventory reserve has been utilized by Euro 1'375 thousand (Euro 1'495 thousand in 2024).

6.14 Trade receivables

(Thousand Euro)	31.12.2025	31.12.2024
Trade receivable, gross	129'159	114'912
Loss allowance on trade receivables	(8'032)	(6'745)
TOTAL TRADE RECEIVABLES	**121'127**	**108'167**

Trade receivables are recognized at amortized cost. The Group expected credit losses are based on historical credit loss experience, adjusted as appropriate to reflect current condition and estimates of future economic condition. On that base the amount of the expected loss is recognized in the income statement.

The following tables show the expected credit loss allowance calculated on trade receivables "credit impaired" and the aging against the expected credit loss allowance calculated on trade receivables "not credit impaired", according to the application of the Group's accounting policies:

December 31, 2025 (Thousand Euro)	Not credit impaired	Credit impaired	Total
Trade receivables, gross	119'105	10'054	**129'159**
Expected credit loss allowance	(2'605)	(5'427)	**(8'032)**

Trade receivables aging (not credit impaired)

December 31, 2025 (Thousand Euro)	Total	Not past due	0-30 days	31-60 days	61-90 days	91-180 days	181-360 days	Over 360 days
Trade receivables (not credit impaired), gross	**119'105**	85'194	13'101	6'725	4'155	5'325	3'005	1'600
Expected credit loss rate (%) *		0.6%	1.1%	2.0%	2.5%	9.6%	20.4%	35.0%
Expected credit loss allowance	**(2'605)**	(538)	(144)	(133)	(104)	(513)	(612)	(561)

* Expected credit loss rates are estimated based on historical credit loss experience, adjusted to reflect current conditions, estimates of future economic conditions and macroeconomic factors in each of the countries where the Group operates.

December 31, 2024 (Thousand Euro)	Not credit impaired	Credit impaired	Total
Trade receivables, gross	107'275	7'637	**114'912**
Expected credit loss allowance	(2'188)	(4'557)	**(6'745)**

Trade receivables aging (not credit impaired)

December 31, 2024 (Thousand Euro)	Total	Not past due	0-30 days	31-60 days	61-90 days	91-180 days	181-360 days	Over 360 days
Trade receivables (not credit impaired), gross	**107'275**	78'069	12'835	5'968	1'879	4'399	1'758	2'367
Expected credit loss rate (%) *		0.9%	1.6%	2.1%	3.7%	6.9%	11.8%	24.9%
Expected credit loss allowance	**(2'188)**	(698)	(200)	(123)	(69)	(302)	(208)	(588)

* Expected credit loss rates are estimated based on historical credit loss experience, adjusted to reflect current conditions, estimates of future economic conditions and macroeconomic factors in each of the countries where the Group operates.

The following table summarizes the movements in the loss allowance for expected credit losses:

(Thousand Euro)	2025	2024
BALANCE AS OF JANUARY 1	**(6'745)**	**(4'266)**
Acquisitions	(797)	-
Change in loss allowance and write-offs	(2'007)	(2'914)
Utilization of loss allowance	1'135	561
Exchange differences	382	(126)
TOTAL LOSS ALLOWANCE ON TRADE RECEIVABLES AS OF DECEMBER 31	**(8'032)**	**(6'745)**

"Change in loss allowance and write-offs" in 2025 amount to Euro 2'007 thousand (compared to Euro 2'914 thousand in 2024). Write-offs is related to loss allowances recognized both on "credit impaired" trade receivables, due to some specific evaluations made on customers, and on the increase of expected credit losses resulting from the application of the "lifetime ECL simplified approach".

6.15 Other current assets and prepaid expenses

(Thousand Euro)	31.12.2025	31.12.2024
Other tax receivables	10'697	10'302
Advance to suppliers	4'671	1'052
Prepaid expenses	4'205	4'790
Other receivables	793	375
TOTAL OTHER CURRENT ASSETS AND PREPAID EXPENSES	**20'366**	**16'519**

Other tax receivables are mainly represented by VAT credits. Prepaid expenses mainly consist of operating expenses (e.g. maintenance, insurance, licenses) incurred during the year but attributable to the subsequent year.

6.16 Cash and cash equivalents

Cash and cash equivalents are comprised of the following items:

(Thousand Euro)	31.12.2025	31.12.2024
Cash on hand	20	25
Current bank accounts	33'191	31'563
TOTAL CASH AND CASH EQUIVALENTS	**33'211**	**31'588**

Bank accounts and term deposits are mainly denominated in CHF, EUR and USD. For details of the movements in cash and cash equivalents refer to the Consolidated Statement of Cash Flows.

6.17 Medacta Group stockholders' Equity

Share capital

The subscribed capital of Medacta Group SA amounts to CHF 2'000 thousand equivalent to Euro 1'775 thousand and is divided into 20'000 thousand nominal shares fully paid-up with a nominal value of CHF 0.10 each.

All issued ordinary shares give the same voting and dividend rights. Also, all the issued shares by Medacta Group SA are authorized and fully paid by the ultimate shareholders.

Retained earnings and other reserve

Retained earnings and other reserves includes subsidiaries' earnings that have not been distributed as dividends and the amount of consolidated companies' equities in excess of the corresponding carrying amounts of equity investments. In addition, the amount includes CHF 411 thousand of Capital contribution reserve (Kapitalenilagereserve, KER).

Dividend

On May 7, 2025, Medacta Group SA paid a dividend of CHF 0.69 (on May 14, 2024: CHF 0.55) per share to its shareholders excluding ordinary shares owned by the Group and held as treasury shares at the AGM date. The total amount of the gross dividend paid was CHF 13.8 million, corresponding to Euro 14.7 million (2024: CHF 11.0 million, corresponding to Euro 11.2 million), half of it distributed as dividend out of available earnings and half of it distributed out of accumulated reserves from capital contribution.

The Board of Directors proposes to the Annual General Meeting of Medacta Group SA on May 5, 2026 a distribution of CHF 21.9 million (CHF 1.10 per share) out of retained earnings. All the remaining retained earnings will be carried forward.

Treasury shares

Medacta Group SA repurchases its own outstanding shares to fund the share-based compensation award cycles. Treasury shares are valued at weighted average cost and are deducted from equity. As of December 31, 2025 the number of treasury shares amounted to 88'617 (December 31, 2024 amounted to 80'718) , out of which 39'690 purchased during 2025, 30'632 awarded to the participants of the 2022 award cycle as of the vesting date on May 7, 2025, and 1'159 shares recognized to the Board of Directors as part of their remuneration fees. The following table shows the development of the number of outstanding shares in 2025 and 2024:

	2025	2024
NUMBER OF TREASURY SHARES AT JANUARY 1	**80'718**	**72'500**
Treasury shares purchased	39'690	38'000
Treasury shares used	(31'791)	(29'782)
NUMBER OF TREASURY SHARES AT DECEMBER 31	**88'617**	**80'718**
NUMBER OF OUTSTANDING SHARES AT DECEMBER 31	**19'911'383**	**19'919'282**

Foreign currency translation reserve

Currency translation differences are generated by the translation into Euro of financial statements of subsidiaries prepared in currencies other than Euro.

6.18 Financial and lease liabilities

Financial liabilities

The following table summarizes the composition of financial liabilities:

Financial liabilities

(Thousand Euro)	31.12.2025	31.12.2024
Bank loans and credit facilities, current	89'426	48'652
Forward currency contracts	-	1'675
Other current financial liabilities	1'028	498
TOTAL FINANCIAL LIABILITIES, CURRENT	**90'454**	**50'825**
Bank loans, non-current	113'518	142'867
Other non-current financial liabilities	977	492
TOTAL FINANCIAL LIABILITIES, NON-CURRENT	**114'495**	**143'359**
TOTAL FINANCIAL LIABILITIES	**204'949**	**194'184**
Total secured bank loans	49'521	44'273
Total non-secured bank loans	153'423	147'246

As of December 31, 2025, financial liabilities include bank loans and credit facilities for a total amount of Euro 202'944 thousand (Euro 191'519 thousand as of December 31, 2024). The net change is primarily related to proceeds from borrowings amounting to Euro 85'278 thousand (2024: Euro 71'209 thousand) to finance investments, operating activities and the payment of dividends. The repayments in 2025 amount to Euro 70'921 thousand (2024: Euro 40'606 thousand). As of December 31, 2025, current bank loans and credit facilities amounted to Euro 89'426 thousand (Euro 48'652 thousand as of December 31, 2024) and comprise renewable credit lines and the portion of long-term financial agreements set to mature within the next 12 months. Non-current bank loans amounted to Euro 113'518 thousand (Euro 142'867 thousand as of December 31, 2024).

Bank loans reflect credit and loan facilities with third party financial institutions and are recognized at amortized cost using the effective interest method. The interest rates on these facilities are floating and based on internal bank refinancing rate + Spread of between 0.75% and 1.00%.

Certain of the credit agreements include financial covenants requiring Medacta International SA to maintain a debt to EBITDA ratio of no more than 3.0x (as defined in the relevant agreements), a pari passu clause, and various negative covenants restrictions, among other things (and typically subject to certain exceptions): the incurrence of further indebtedness, the granting of security for indebtedness, and the consummation of certain acquisitions, disposals or re-organizations.

The Group as of December 31, 2025 has unused credit lines of Euro 139'029 thousand (2024: Euro 157'387 thousand), out of which Euro 4'701 thousand pledged by tangible fixed assets (Euro 9'982 in 2024).

In 2024, "Forward currency contracts" amounted to Euro 1'675 thousand was related to the negative fair value of derivative financial instruments (in 2025 the fair value of derivative financial instruments is positive for Euro 707 thousand and it is classified within "Current financial assets"; see Note 6.11 "Financial assets").

As of December 31, 2025, "Other financial liabilities" refers to the contractual liabilities for the acquisition of exclusive rights to use and develop technologies for a total amount of Euro 2'006 thousand (Euro 990 thousand in 2024), of which Euro 978 thousand within "Other non-current financial liabilities" (Euro 492 thousand in 2024) and Euro 1'028 thousand within "Other current financial liabilities" (Euro 498 thousand in 2024).

The following table provides the breakdown of financial liabilities by currency:

(Thousand Euro)	31.12.2025	31.12.2024
Swiss Franc (CHF)	176'935	163'949
US Dollar (USD)	24'074	25'776
Japanese Yen (JPY)	3'940	4'459
TOTAL FINANCIAL LIABILITIES	**204'949**	**194'184**

Reconciliation of liabilities arising from financing activities

(Thousand Euro)	Non-current financial liabilities	Current financial liabilities	Total
BALANCE JANUARY 1, 2025	**143'359**	**50'825**	**194'184**
Increase in financial liabilities *	47'240	39'571	86'811
Repayment of financial liabilities **	(45'639)	(26'255)	(71'894)
Change in fair values and other changes	-	(1'680)	(1'680)
Reclass from non-current to current	(27'975)	27'975	-
Currency translation differences	(2'490)	18	(2'472)
BALANCE DECEMBER 31, 2025	**114'495**	**90'454**	**204'949**

* "Increase in financial liabilities" includes proceeds from borrowings amounting to Euro 85'278 thousand.

** "Repayment of financial liabilities" includes repayment of borrowings for Euro 70'921 thousand, Euro 534 thousand related to the repayment of contractual liabilities for the acquisition of development intangible assets classified in the Consolidated Statement of Cash Flow within "Purchase of intangible assets" within cash flow from investing activities.

(Thousand Euro)	Non-current financial liabilities	Current financial liabilities	Total
BALANCE JANUARY 1, 2024	**116'087**	**46'924**	**163'011**
Increase in financial liabilities *	61'577	10'088	71'665
Repayment of financial liabilities **	(19'949)	(21'445)	(41'394)
Change in fair values and other changes	-	1'652	1'652
Reclass from non-current to current	(14'052)	14'052	-
Currency translation differences	(304)	(446)	(750)
BALANCE DECEMBER 31, 2024	**143'359**	**50'825**	**194'184**

* "Increase in financial liabilities" includes proceeds from borrowings amounting to Euro 71'209 thousand.

** "Repayment of financial liabilities" includes repayment of borrowings for Euro 40'606 thousand, Euro 788 thousand related to the repayment of contractual liabilities for the acquisition of development intangible assets classified in the Consolidated Statement of Cash Flow within "Purchase of intangible assets" within cash flow from investing activities.

Lease liabilities

Total lease liabilities amount to Euro 57'817 thousand as of December 31, 2025 (Euro 49'689 thousand in 2024), thereof Euro 14'052 thousand current (Euro 10'327 thousand in 2024) and Euro 43'765 thousand non-current (Euro 39'362 thousand in 2024). Maturity analysis of undiscounted lease liabilities less unearned interests is reported in the table below:

as of December 31, 2025 (Thousand Euro)	Up to 1 year	1 year to 5 years	More than 5 years	Less: unearned interests	Total
Lease liabilities	15'670	38'097	9'226	(5'175)	**57'817**

as of December 31, 2024 (Thousand Euro)	Up to 1 year	1 year to 5 years	More than 5 years	Less: unearned interests	Total
Lease liabilities	11'827	32'603	10'871	(5'612)	**49'689**

The table below shows the movement of lease liabilities for the years ended December 31, 2025 and December 31, 2024:

(Thousand Euro)	2025	2024
LEASE LIABILITIES AT JANUARY 1	**49'689**	**40'752**
Acquisitions	852	-
Additions	20'669	19'457
Modifications, terminations, expirations	(47)	(184)
Repayment of lease liabilities	(12'297)	(10'296)
Exchange differences	(1'049)	(40)
LEASE LIABILITIES AT DECEMBER 31	**57'817**	**49'689**

The incremental borrowing rates used for IFRS 16 purposes have been defined based on the risk-free rates of the underlying countries, a company specific adjustment and an asset class weighted average incremental borrowing rate.

6.19 Provisions

Provisions are mainly related to pending legal claims and accruals for indemnity to agents. The movements are as follows:

(Thousand Euro)	2025	2024
BALANCE AT JANUARY 1	**4'177**	**4'062**
Increases	476	2'136
Decreases	(811)	(2'015)
Exchange differences	(10)	(6)
BALANCE AT DECEMBER 31	**3'832**	**4'177**
Thereof current	120	120
Thereof non-current	3'712	4'057

The decrease of the provision is mainly due to the settlement of the Italian Payback in September 2025 for the years 2015-2018, for a total amount of Euro 771 thousand (see also Note 6.26 "Litigations").

6.20 Employee benefit obligation

Defined contribution plans

Medacta's employee plans include defined contribution pension plans in most of the countries where the Group operates. The employer's contributions, amounting to Euro 7'102 thousand in the year ended December 31, 2025 (2024: Euro 6'166 thousand), are recognized directly in the income statement.

Employee benefit plans

In addition to the legally required social security schemes, the Group has several employee benefit plans and other post-employment benefit plans. The defined benefit obligations (DBOs) of the major pension plans and some of the most relevant other post-employment benefit plans are remeasured annually by independent actuaries.

The following table summarizes the total employee benefit obligation by type as of December 31, 2025 and 2024:

Amount recognized in the Balance Sheet

(Thousand Euro)	31.12.2025	31.12.2024
Defined benefit plan Switzerland	13'454	12'690
Retention plan Japan	1'861	1'791
Retention plan Switzerland	1'030	1'027
Retention plans Australia	692	595
Retention plans US	1'910	503
Other plans	1'358	968
EMPLOYEE BENEFIT OBLIGATION	**20'305**	**17'574**

Pension plans in Switzerland

The current pension arrangement for employees in Switzerland is made through a plan governed by the Swiss Federal Occupational Old Age, Survivors and Disability Pension Act (BVG). The board of trustees is responsible for the risk management. The cash funding of these plans is designed to ensure that present and future contributions should be sufficient to meet future liabilities. The pension plans are financed by contributions of both employees and employer. Contributions are defined by the plan regulations and cannot be decreased without amending the plan regulations. In mandatory pension funds the employer has to pay at least as much as the employees. The Swiss pension plan contains a cash balance benefit which is, in essence, contribution-based with certain minimum guarantees. Due to these minimum guarantees, the Swiss plan is treated as a defined benefit plan for the purposes of these IFRS financial statements. The plan is invested in a diversified range of assets in accordance with the investment strategy and the common criteria of an asset and liability management. A potential under-funding may be remedied by various measures such as increasing employer and employee contributions or reducing prospective benefits. Medacta pension plan is a cash balance plan where contributions are expressed as a percentage of the pensionable salary. The pension plan guarantees the amount accrued on the members' savings accounts, as well as a minimum interest on those savings accounts.

As of December 31, 2025, 1'135 employees (2024: 1'019 employees) and 9 beneficiaries (2024: 8 beneficiaries) are insured under the Swiss plan. The defined benefit obligation has a duration of 16.6 years (2024: 17.4 years).

The plan contains a cash balance benefit formula. Under Swiss law, the collective foundation guarantees the vested benefit amount as confirmed annually to members. Interest may be added to member balances at the discretion of the collective foundation. At retirement date, members have the right to take their retirement benefit as a lump sum, an annuity or part as a lump sum with the balance converted to a fixed annuity at the rates defined in the rules of the collective foundation.

The result of the Swiss benefit plan is summarized below:

Amount recognized in the Balance Sheet

(Thousand Euro)	31.12.2025	31.12.2024
Present value of defined benefit obligations	(63'857)	(54'563)
Fair value of plan assets	50'403	41'873
EMPLOYEE BENEFIT OBLIGATION	**(13'454)**	**(12'690)**

Remeasurement recognized in Equity

(Thousand Euro)	2025	2024
BALANCE AT JANUARY 1	**2'506**	**(2'527)**
Remeasurement of defined benefit obligations	1'634	6'525
Return on plan assets excl. interest income	(2'278)	(1'588)
Exchange differences	20	96
BALANCE AT DECEMBER 31	**1'882**	**2'506**

Components of remeasurement of defined benefit plans recognized in OCI

(Thousand Euro)	31.12.2025	31.12.2024
Changes in financial assumptions	1'017	6'678
Changes in demographical assumptions	-	-
Experience adjustments	617	(153)
Return on plan assets excluding interest income	(2'278)	(1'588)
REMEASUREMENT OF DEFINED BENEFIT PLANS *	**(644)**	**4'937**

"Remeasurements of defined benefit obligations" in the consolidated statement of comprehensive income amounted to Euro 706 thousand in 2025 and (Euro -4'725 thousand in 2024), as it includes the remeasurement of the Japan plan.

In 2025, "Changes in financial assumptions" is mainly related to the change in the discount rate, which increased from 1.0% in 2024 to 1.3% in 2025. In addition, the Group sets mortality assumptions after considering the most recent statistics practicable and uses generational mortality tables to estimate probable future mortality improvements, (BVG 2020 GT generation tables). According to these tables, the Group infers that the trend of increasing longevity will continue.

Amounts recognized in the Income Statement

(Thousand Euro)	31.12.2025	31.12.2024
Current service cost	3'704	2'671
Past service cost	58	-
Participants' contributions	(2'637)	(2'369)
Administration cost	27	22
Net interest cost	133	109
TOTAL EMPLOYEE BENEFIT EXPENSES / (INCOME)	**1'285**	**433**

The amounts recognized in the Consolidated Profit or Loss have been charged to:

- Cost of Sales – loss amounting to Euro 512 thousand (loss amounting to Euro 141 thousand in 2024);
- Research and Development – loss amounting to Euro 138 thousand (loss amounting to Euro 39 thousand in 2024);
- Sales and Marketing expenses – loss amounting to Euro 206 thousand (loss amounting to Euro 62 thousand in 2024);
- General and Administrative expenses – loss amounting to Euro 296 thousand (loss amounting to Euro 82 thousand in 2024);
- Financial costs – loss amounting to Euro 133 thousand (loss amounting to Euro 109 thousand in 2024).

Movement in the present value of the defined benefit obligations

(Thousand Euro)	2025	2024
BALANCE AT JANUARY 1	**54'563**	**43'785**
Interest cost	580	669
Current service cost	3'704	2'671
Contribution by plan participants	2'442	2'183
Benefits deposited/(paid), net	286	(954)
Past service cost	58	-
Administration cost	27	22
Actuarial (gain) / loss on defined benefit obligation	1'634	6'525
Exchange differences	563	(338)
PRESENT VALUE OF OBLIGATIONS AT DECEMBER 31	**63'857**	**54'563**

Plan assets

Plan assets are composed of the retirement assets, the mathematical reserve for annuities and the account balances of the AXA-Winterthur. The plan assets are composed exclusively of quoted instruments:

Plan assets

(Thousand Euro)	31.12.2025	31.12.2024
Cash and cash equivalents	1'059	645
Equity instruments	20'027	14'756
Debt instruments (e.g. bonds)	13'585	14'082
Real estate	12'093	9'949
Others	3'639	2'441
TOTAL	**50'403**	**41'873**

Movement in the fair value of the plan assets

(Thousand Euro)	2025	2024
BALANCE AT JANUARY 1	**41'873**	**36'457**
Interest income on plan asset	447	560
Employer's contributions paid	2'637	2'369
Participants' contributions	2'442	2'183
Benefits deposited/(paid), net	286	(954)
Return on plan assets excluding interest income	2'278	1'588
Exchange differences	440	(330)
FAIR VALUE OF PLAN ASSETS AT DECEMBER 31	**50'403**	**41'873**

The principal actuarial assumptions are as follows:

	31.12.2025	31.12.2024
Discount rate	1.3%	1.0%
Future salary increase	1.2%	1.0%
Interest rate on retirement saving capital *	3.3%	2.3%
Mortality	BVG2020GT	BVG2020GT

* Medacta is applying risk sharing.

The following sensitivity analysis shows how the present value of the benefit obligation for the Swiss retirement benefit plan would change if one of the principal actuarial assumptions were changed. Changes in the aforementioned actuarial assumptions can result in significant volatility in the accounting for the Group's pension plans in the Consolidated Financial Statements. For the analysis, changes in the assumptions were considered separately and no interdependencies were taken into account. There was no change in the approach compared with last year.

Sensitivity analysis - Defined benefit obligation

(Thousand Euro)	31.12.2025	31.12.2024
DISCOUNT RATE		
Discount rate + 0.25%	61'337	52'307
Discount rate - 0.25%	66'581	57'008
SALARY GROWTH		
Salary growth + 0.25%	64'388	55'072
Salary growth - 0.25%	63'341	54'050
INTEREST RATE GROWTH		
Interest rate growth + 0.25%	65'033	55'551
Interest rate growth - 0.25%	62'721	53'609
LIFE EXPECTANCY		
Life expectancy + 1 year	64'716	55'355
Life expectancy - 1 year	62'994	53'770

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at December 31, 2025 by Libera AG. To determine the present value of the defined benefit obligation and the related current service cost and, where applicable, past service cost, the Projected Unit Credit Method has been used.

This method is based on the amount of working years at the date of the actuarial valuation and considers the future by including:

- a discount rate;
- the salary development and leaving probability up to the beginning of the benefit payment;
- inflation adjustments for the years after the first payment for recurring benefits.

The plan in Switzerland typically exposes the Group to actuarial risks such as interest rate risk, longevity risk and salary risk.

The Group expects to make a contribution of Euro 2.9 million to the defined benefit plans during the next Financial Year 2025.

Interest rate risk

The rate used to discount post-employment benefit obligations has been determined by reference to market yields at the balance sheet date on high quality corporate bonds.

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants, both during and after their employment.

An increased life expectancy of the plan participants will increase the plan's liability.

Salary risk

Salary increase is Company specific. The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants.

As such, an increase in the salary of the plan participants will increase the plan's liability.

Other non-current employee benefits

The Group has programs in Switzerland, Australia, Japan, Austria, France, Belgium and in the United States. These programs amounted to Euro 6'851 thousand as of December 31, 2025 (2024: Euro 4'884 thousand). Major retention plans are in Switzerland, Australia and Japan.

In Switzerland and in the United States, the retention plans consist of an additional bonus for some eligible employees; in Australia, the other non-current employee benefit plans consist in a retention plan for some eligible employees, and in a long-service leave program for workers who have completed ten years of continuous service with the employer; in Japan, the retention plan provides that upon retirement each member will receive a lump sum determined by the years that the worker was employed.

6.21 Share-based payment transactions

On March 24, 2025 the Board of Directors approved the implementation of the 2025-2028 LTIP proposed by the Human Resources & Remuneration Committee, under the Performance Share Plan ("the Plan"), that was open to eligible participants starting in April 2026. The Board is responsible for administering and executing the Plan and has full power to construe and interpret the Plan, establish and amend rules and regulations for its administration, and perform all other actions relating to the Plan.

The expense recognized for share-based payments in 2025 is equal to Euro 4'791 thousand (Euro 3'817 thousand in 2024).

Reconciliation of outstanding performance share units	2025	2024
TOTAL AT JANUARY 1	**78'783**	**68'488**
Granted	33'531	30'727
Vested	(21'105)	(19'340)
Forfeited	(3'449)	(1'092)
TOTAL AT DECEMBER 31	**87'760**	**78'783**

In 2025, 33'531 PSUs were granted under the LTIP (2024: 30'727). The total fair value has been determined using a Monte Carlo simulation algorithm and amounts to CHF 129.39 (2024: CHF 128.54). On May 7, 2025 following the Annual General Meeting, 21'105 PSUs related to the 2022-2025 Award Cycle, corresponding to 30'632 shares, were distributed to the participants of the LTIP. The value of shares vested to eligible employees amounts to Euro 3'575 thousand, determined based on the purchase price of the treasury shares repurchased by the Group to fund the 2022-2025 Award Cycle.

The underlying assumptions used to determine the fair value of the PSUs granted under the Group's LTIP for the Award Cycles currently in progress are presented below. For the purposes of this disclosure, Award Cycles "in progress" refer to those granted but not yet vested.

Inputs to the model	Award Cycle 2025	Award Cycle 2024	Award Cycle 2023
Dividend yield (in %)	-	-	-
Expected volatility (in %)	36.06%	37.61%	39.70%
Risk-free interest rate (in %)	-	1%	-
Expected life of PSUs (in years)	3	3	3
Share price (in CHF) at grant date in April	128.35	123.07	100.52
Fair value (in CHF)	129.39	128.54	107.83

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the instruments is indicative of future trends, which may not necessarily be the actual outcome.

6.22 Other liabilities

The following table shows a breakdown of other liabilities as of 31 December 2025 and 2024:

(Thousand Euro)	31.12.2025	31.12.2024
Legal matters	834	1'404
Other	61	193
TOTAL OTHER NON-CURRENT LIABILITIES	**895**	**1'597**
Liabilities to tax authorities	8'393	9'830
Liabilities to social security	5'323	4'166
Other debts towards employees	1'830	1'077
Legal matters	461	1'449
Other	814	418
TOTAL OTHER CURRENT LIABILITIES	**16'821**	**16'940**

Legal matters include the liability related to the settlement agreement signed with MicroPort Inc in 2021, and the decrease compared to 2024 reflects the payment terms of the aforementioned settlement agreement.

6.23 Trade payables

Trade payables, amounting to Euro 49'832 thousand (2024: Euro 35'387 thousand), mainly consist of commercial payables due within 12 months.

6.24 Accrued expenses and deferred income

(Thousand Euro)	31.12.2025	31.12.2024
Consulting fees	3'320	4'048
Royalties and commissions due	10'290	10'182
Accrued vacation expenses	4'876	4'179
Accrued bonuses	18'388	17'925
Insurances	258	287
Other accrued expenses/deferred income	8'293	7'327
TOTAL ACCRUED EXPENSES AND DEFERRED INCOME	**45'425**	**43'948**

6.25 Information on the consolidated statement of Profit or Loss

6.25.1 Analysis of revenue

The following table presents revenue of the Group's product lines for the years ended December 31, 2025 and 2024 respectively:

(Thousand Euro)	31.12.2025	31.12.2024
Hip	270'537	247'321
Knee	284'144	241'200
Spine	57'036	51'770
Extremities*	72'110	50'289
TOTAL	**683'827**	**590'580**

* Extremities include Shoulder and Sportsmed revenues

6.25.2 Analysis of expenses

Personnel expenses

Personnel expenses as of December 31, 2025 and 2024 are as follows:

(Thousand Euro)	31.12.2025	31.12.2024
Wages and salaries	167'200	148'428
LTIP Employee benefit expense	4'791	3'817
Social security costs	21'136	17'705
Pension costs and other personnel expense	16'014	11'895
TOTAL PERSONNEL EXPENSES	**209'141**	**181'845**

The recognition of the personnel expenses by function is as follows:

Personnel expenses by function

(Thousand Euro)	31.12.2025	31.12.2024
Cost of Sales	35'969	28'923
Research and Development expenses	6'733	5'802
Sales and Marketing expenses	113'425	100'784
General and Administrative expenses	53'014	46'336
TOTAL PERSONNEL EXPENSES BY FUNCTION	**209'141**	**181'845**
AVERAGE NR OF EMPLOYEES DURING THE YEAR	**2'036**	**1'819**

Depreciation, amortization and impairment

Depreciation, amortization and impairment, a December 31, 2025 and 2024 are as follows:

(Thousand Euro)	31.12.2025	31.12.2024
Cost of Sales	54'292	46'184
Research and Development expenses	10'069	8'796
Sales and Marketing expenses	4'834	4'510
General and Administrative expenses	7'274	6'313
TOTAL DEPRECIATION, AMORTIZATION AND IMPAIRMENT BY FUNCTION	**76'469**	**65'803**

Impairment included in line Research and Development is equal to Euro 2'053 thousand in 2025 (Euro 572 thousand in 2024). See Note 6.10 "Intangible assets", paragraph "Impairment test for intangible assets".

General and Administrative expenses

General and Administrative expenses as of December 31, 2025 and 2024 are composed of the following expense categories:

(Thousand Euro)	31.12.2025	31.12.2024
Personnel expenses	53'014	46'336
Depreciation and amortization	7'274	6'313
Consulting expenses	9'713	7'383
Business and administrative expenses (i.e. insurance, maintenance, BoD and audit fees)	13'970	12'149
Provisions	44	2'003
Travel and accommodation	1'286	663
Various taxes	1'522	1'252
Miscellaneous expenses	1'420	1'147
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES BY NATURE	**88'243**	**77'246**

In 2025, total General and Administrative expenses increase consistently with the growth of the Group, driven by "Personnel expenses". In 2024, "Provisions" was related to the settlement of the litigation with Mighty Oak Medical.

Consulting expenses include approximately Euro 1'107 thousand of legal expenses (Euro 1'232 thousand in 2024) and Euro 8'605 thousand related to clinical studies, IT, tax and other consulting expenses (Euro 6'151 thousand in 2024).

Research and Development expenses

Research and Development costs that are not eligible for capitalization have been expensed in the period incurred and they are recognized in Research and Development expenses along with amortization and impairment, for a total amount in 2025 of Euro 23'524 thousand (Euro 21'392 thousand in 2024).

Development costs eligible for capitalization amounts to Euro 16'163 thousand in 2025 and Euro 11'999 thousand in 2024.

6.25.3 Other income / (expenses)

Other income amount to Euro 1'955 thousand as of December 31, 2025 (Euro 2'635 thousand in 2024) and are mainly related to miscellaneous expenses rebilled to third parties.

Other expenses amount to Euro 1'729 thousand as of December 31, 2025 (Euro 2'055 thousand in 2024) and include Euro 534 thousand (Euro 525 thousand in 2024) related to contributions made to non-profit organizations.

6.25.4 Financial income/(costs)

Financial income

(Thousand Euro)	31.12.2025	31.12.2024
Gain on revaluation of financial instruments at fair value through profit or loss	2'533	-
Interest income loans and receivables	466	221
Foreign exchange gains	4'760	17'101
TOTAL FINANCIAL INCOME	**7'759**	**17'322**

Financial income as of December 31, 2025 includes realized and unrealized foreign exchange gains for Euro 4'760 thousand (Euro 17'101 thousand in 2024). In 2025, Medacta recognized an income amounting to Euro 2'533 thousand on the revaluation of financial instruments at fair value through profit or loss.

Financial (costs)

(Thousand Euro)	31.12.2025	31.12.2024
Interest on loans and borrowings	(5'014)	(5'915)
Losses on revaluation of financial instruments at fair value through profit or loss	-	(3'306)
Foreign exchange losses	(10'707)	(9'567)
Interest expense on lease contracts	(1'796)	(1'597)
TOTAL FINANCIAL (COSTS)	**(17'517)**	**(20'385)**
TOTAL FINANCIAL INCOME/(COSTS), NET	**(9'758)**	**(3'063)**

Interest on loans and borrowings, amounting to Euro 5'014 thousand in 2025, slightly lower than in the prior year (Euro 5'915 thousand in 2024).

In 2024, Medacta recognized losses amounting to Euro 3'306 thousand on the revaluation of financial instruments at fair value through profit or loss.

Foreign exchange losses amounted to Euro 10'706 thousand in 2025 (compared to Euro 9'567 thousand in 2024). Overall, foreign exchange losses and gains had a negative impact on net financial income/(costs), due to the negative effects of unfavorable exchange rate trends.

In 2025, Interest expenses on lease contracts slightly increase compared to prior year to Euro 1'796 thousand (from Euro 1'597 thousand in 2024). For further details, please refer to Note 6.9 "Leases".

6.26 Litigations

Italian payback scheme litigation

In 2011, during a period of severe crisis in the Italian economy the payback scheme was introduced, a mechanism to obtain from suppliers a contribution to offset variances occurring when Italian government expenditures exceed their ceiling for the purchase of medical devices. Such a measure was similar to the payback scheme introduced in 2008 in relation to overruns of the pharmaceutical expenditure ceiling, which for many years has been the subject of legal disputes that have often led to its significant containment.

There were strong doubts as to the legitimacy of the payback system for medical devices overall, especially in terms of the retroactivity of the measures, numerous critical issues in the application of the rules and in relation to possible calculation errors. Medacta legal representation, along with all the Italian Medical devices associations, decided to appeal the Decree of the Ministry of Health dated October 6, 2022 and the consequent deeds of the Regions. In September 2023, the Regional Administrative Court of Lazio (TAR Lazio) upheld all Medacta requests of suspension of the effects of Regional measures.

Following the first hearing on the merits on October 24, 2023, the Lazio Regional Administrative Court published an initial order in which it ordered the referral of the issue of constitutional legitimacy of the payback legislation to the Constitutional Court.

The Constitutional Court, in its ruling published on July 22, 2024, no. 140, has confirmed the constitutional legitimacy of the rules governing the payback scheme.

The Article 7 of the annexed Decree-Law No. 95 of 30 June 2025 ("Economy Decree") (converted into Law No. 118 of 8 August 2025) established that the payment obligations imposed on supplier companies—originally determined by regional measures concerning medical devices for the years 2015–2018—would be deemed fulfilled if the company paid an amount equal to 25% of the sums indicated in those measures within 30 days from the date of entry into force of the law converting the decree, i.e., by 9 September 2025.

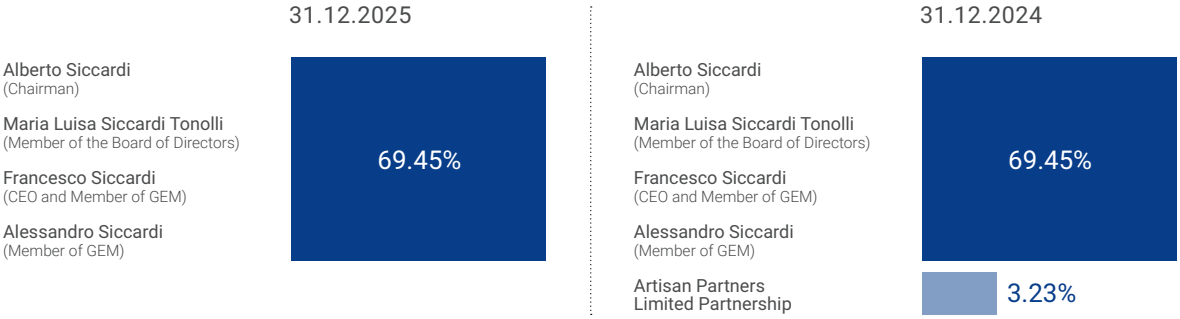
Medacta paid the amounts within its competence in September 2025 for a total of Euro 771 thousand, and the hearing on the merits relating to all appeals filed before the Regional Administrative Court of Lazio has been scheduled for 12 June 2026.

Finally, the remaining provision, amounting to Euro 2'315 thousand, relates to the years preceding the entry into force of the Decree of the Ministry of Health dated 6 October 2022.

6.27 Related party transactions

Related parties primarily comprise members of Group Executive Management (GEM), Members of the Board of Directors and significant shareholders.

The following shareholders hold a participation of more than 3% of the issued share capital of the Group's ultimate parent Medacta Group SA:



Transactions with related parties are carried out at arm's length. Details of transactions between the Group and its related parties are disclosed below.

Operating transactions

In 2025 Medacta International made contributions to Medacta for Life Foundation for Euro 534 thousand (Euro 525 thousand in 2024), a non-profit organization founded by the Siccardi Family.

Mr. Philippe Weber is a member of the Board of Directors of Medacta Group SA. Niederer Kraft Frey Ltd, a law firm at which Mr. Philippe Weber is a partner, provided legal services to the Group. The fees for his professional services provided during the year 2025 are recognized in the General and Administrative expense line item for an amount equal to Euro 26 thousand (in 2024 Euro 18 thousand).

During 2025, members of the Group Executive Management (GEM) collectively purchased 7'930 share units and sold 15'714 share units of Medacta Group SA. At the vesting date of the LTIP, 6'758 share units were vested to members of the GEM.

Surgical Practice Resource Group SA is the holding company of an Hip&Knee center in Florida performing both clinic and ASC activities, owned by the Siccardi Family. Ambulatory Surgery Centers (ASC's) are outpatient facilities that offer an alternative to hospitals for patients undergoing routine surgical procedures. Some of the implants for the ASC procedures are provided by Medacta for a total amount of Euro 283 thousand in 2025.

Compensation of Key Management Personnel

The following table shows the compensation of Key Management Personnel recognized in Profit or Loss in line with the Group's accounting policies.

(Thousand Euro)	31.12.2025	31.12.2024
Fees, salaries and other short-term benefits	4'604	4'212
Post-employment pension and medical benefits	557	513
Share-based payments	953	976
TOTAL COMPENSATION OF KEY MANAGEMENT PERSONNEL	**6'114**	**5'701**

Key Management Personnel comprises of the Board of Directors and the Group Executive Management (GEM). In the financial year 2024, the Group Executive Management comprised six members, three of whom were appointed by the Board of Directors on March 12, 2024. The compensation of the GEM consists of a fixed portion and variable portion, which depends on the course of business and individual performance.

6.28 Earnings per share

Basic earnings per share is calculated as the profit for the year attributable to equity holders of the parent divided by the weighted average number of outstanding shares of the Company during the year, excluding ordinary shares purchased by the Group and held as treasury shares.

	31.12.2025	31.12.2024
Net profit attributable to shareholders (in Euro thousand)	95'460	72'886
Weighted average number of ordinary shares outstanding	19'926'774	19'915'416
BASIC EARNINGS PER SHARE (in Euro)	**4.79**	**3.66**

Diluted earnings per share are calculated by dividing the net profit for the year attributable to ordinary shareholders of Medacta Group SA by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential of outstanding equity instruments into ordinary shares. The number of shares, as above calculated, is compared with the number of shares that would have been issued assuming the exercise of the Performance Share Units.

	31.12.2025	31.12.2024
Net profit used to determine diluted earnings per share (in Euro thousand)	95'460	72'886
Weighted average number of ordinary shares outstanding	19'926'774	19'915'416
Adjustments for performance stock units issued	44'817	39'980
Weighted average number of ordinary shares for diluted earnings per share	19'971'591	19'955'395
DILUTED EARNINGS PER SHARE (in Euro)	**4.78**	**3.65**

6.29 Atypical and/or unusual operations

The Group did not carry out any atypical and/or unusual operations.

6.30 Contingencies and commitments

The Group, as of December 31, 2025, contracted purchase commitments, mainly relating the acquisition of instruments, for a total amount of Euro 45.5 million (Euro 23.4 million in 2024).

As of December 31, 2025, the Group had used credit lines as borrowing facilities pledged by tangible fixed assets for a total amount of Euro 49'521 thousand (2024: Euro 44'273 thousand).

The Group as of December 31, 2025 has unused credit lines of Euro 139'029 thousand (2024: Euro 157'387 thousand), out of which Euro 4'701 thousand pledged by tangible fixed assets (2024: Euro 9'982 thousand).

6.31 Subsequent events

There have been no events occurring after the reported period which would have a material effect on the Medacta Group Financials as of December 31, 2025.

6.32 Exchange rates used to translate Financial Statements prepared in currencies other than Euro

Items included in the financial statement of each entity of the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Group's presentation currency is Euro, while the functional currency of the Parent Company is Swiss Franc. All values are rounded to the nearest thousand except where otherwise indicated.

	Average		Closing	
	2025	2024	31.12.2025	31.12.2024
CHF	1.0678	1.0501	1.0746	1.0647
GBP	1.1676	1.1812	1.1471	1.2085
AUD	0.5713	0.6097	0.5680	0.5976
USD	0.8866	0.9246	0.8514	0.9659
JPY	0.0059	0.0061	0.0054	0.0061
CAD	0.6342	0.6749	0.6204	0.6715
INR	0.0101	-	0.0095	-

7. Audit Report – Consolidated Financial Statements

Deloitte.

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Report of the Statutory Auditor

To the General Meeting of
MEDACTA GROUP SA, CASTEL SAN PIETRO

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Medacta Group SA (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss and comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements on pages 162 to 212 give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled out other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Capitalisation and measurement of development projects

Key audit matter	How the scope of our audit responded to the key audit matter
As described in Note 6.10 to the consolidated financial statements, the intangible assets balance amounts to EUR 62 million (2024: EUR 54 million), including development projects capitalised at 31 December 2025 amounting to EUR 47 million (2024: EUR 41 million). As described in Note 6.2 to the consolidated financial statements, the Group distinguishes between research costs, which are recognized in the statement of profit or loss as incurred, and development costs, which are capitalised provided that the technical and commercial feasibility of the asset has been established, the related costs can be measured reliably, and it can reasonably be expected that the costs will be recovered in the future. The costs relating to projects for which the development phase has been completed as of 31 December 2025, are amortised over the useful life of the related products. Projects which are still in early phases of development as of the financial statement date are not amortised as they are considered as being intangible assets with indefinite useful life ("In Progress Development Projects"). Development projects are allocated to "Product Families" based on their purpose. Capitalisation of development projects requires the Group to apply judgement to evaluate whether the development expenditure incurred qualifies for recognition as an asset in accordance with IAS 38. Whenever there are indications of impairment, and at least once a year for "In Progress Development Projects", the Group tests these assets for impairment. For the impairment test of "In Progress Development Projects", the Group applies judgements and defines assumptions in areas such as revenue growth, estimates in connection with the "costs to complete" and WACC. For these projects, the impairment test is done at the level of "Product Families". Due to the significant amount of costs capitalised and the judgements applied by the Group, we consider the capitalisation and measurement of development projects to be a key audit matter.	We assessed design and implementation of the key controls relevant to the development projects process and the impairment process. We performed tests of details, using a statistical sampling method, on the projects capitalised during the year. We obtained technical information relating to the selected projects to verify whether the costs qualified as development costs. We analyzed the evidence obtained to evaluate the usefulness of the assets for the Group and we inquired about the Group's intention, and its ability to complete these projects. We inquired about the Group's assessment of the future economic benefits, and its intention to use or sell the assets. We tested on a sample basis whether the costs for development projects were eligible for capitalisation and whether the amounts were capitalised accurately. Furthermore, we verified the supporting evidence such as third-party invoices and salary costs of the development teams. We have involved internal valuation specialists to assist us in challenging the valuation model (i.e. validity of the methodology and its application, completeness, and mathematical accuracy) and the WACC applied. We have challenged the Group's judgements and assumptions used in its impairment model and we have tested their historical accuracy. We assessed the adequacy and completeness of the disclosures included in the accompanying consolidated financial statements (Note 6.10). Based on the procedures performed, we obtained sufficient appropriate audit evidence to address the risks around capitalisation and measurement of development projects.

Acquisition of Parcus Medical LLC

Key audit matter	How the scope of our audit responded to the key audit matter
As described in Note 6.4 to the consolidated financial statement, on 7 March 2025 Medacta Group SA acquired 100 % of the voting interests of Parcus Medical LLC from Anika Therapeutics, Inc. for a cash consideration of USD 4.5 million (EUR 4.2 million). Because the fair value of the net identifiable assets of USD 19.3 million (EUR 17.8 million) exceeded the consideration transferred, a bargain purchase gain of USD 14.8 million (EUR 13.7 million) was recognized in the income statement. The acquisition accounting and the valuation of assets and liabilities acquired involves a number of complex accounting judgments and estimates including the determination and application of valuation methodology and the identification of the presence or absence of assets within the business acquired. We consider the acquisition of Parcus Medical LLC to be a key audit matter due to the complexity of the acquisition accounting, the level of judgment relating to the identification and valuation of assets, the calculation of the related deferred taxes, and the liabilities assumed, and the significance of the gain on bargain purchase.	We obtained and reviewed the legal documents such as the purchase agreement and its relevant appendices and evaluated the key terms and conditions. We tested the payment of consideration by tracing them to the bank statements evidencing the payments of the funds. We gathered sufficient evidence to confirm whether the transaction constitutes a business combination in accordance with IFRS 3 "Business Combinations" and support the acquisition date determined by management. We obtained a report from management providing the valuation of assets and liabilities in the acquisition accounting and involved our valuation specialists to assist us in auditing the estimation of the fair value allocation of the assets and liabilities acquired. We assessed the expertise and competence of the PwC US valuation specialists employed by Medacta to assist management in preparing the PPA and fair value allocation. We involved Deloitte tax specialists to assess the correctness of the deferred tax booking related to the bargain purchase. We visited the component in order to gain an understanding of the acquired business and financial reporting risks. We evaluated the design and implementation of the key controls relating to financial reporting at the component and oversight of controls regarding key accounting estimates in the PPA and acquisition accounting process at the group level. We performed a net-realizable-value test of the inventory acquired on a sample basis. We evaluated the appropriateness of the "bargain purchase" calculation under IFRS 3 principles, scrutinise the accounting for and disclosure of negative goodwill and ensured that the disclosures for the acquisition are complete and in accordance with IFRS 3. Based on the procedures performed, we obtained sufficient appropriate audit evidence to address the risks around the acquisition accounting and the valuation of assets and liabilities acquired.

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Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, standalone financial statements, the tables marked "audited" in the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Deloitte.

Medacta Group SA
Statutory Auditor's Report
for the year ended
31 December 2025

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Deloitte SA

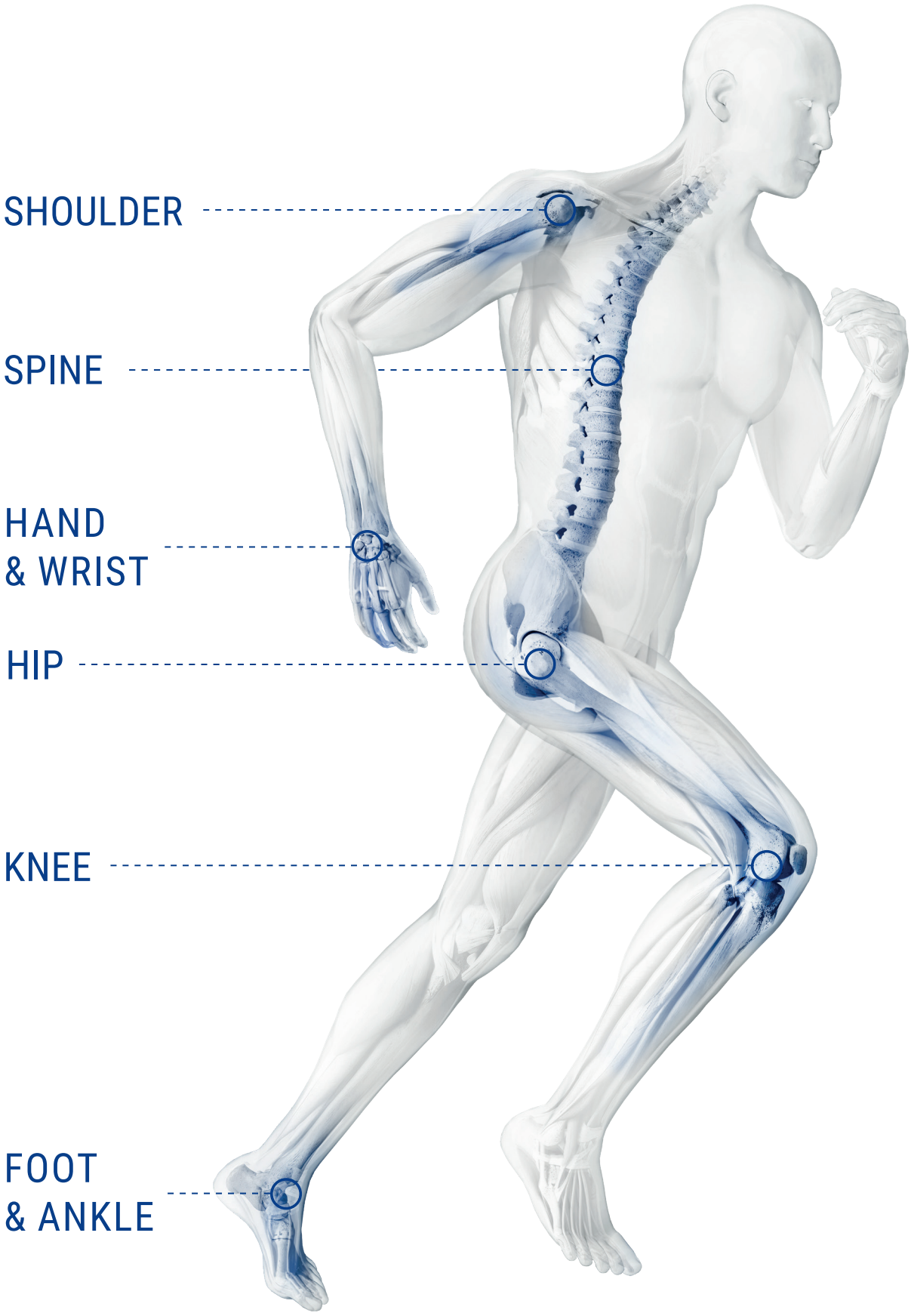


Alessandro Miolo
Licensed Audit Expert
Auditor in Charge



Dominik Vögtli
Licensed Audit Expert

Lugano, 12 March 2026


SHOULDER
SPINE
HAND
& WRIST
HIP
KNEE
FOOT
& ANKLE

Medacta International

Medacta Group SA Statutory Financial Statements

8. Statutory Financial Statements Medacta Group SA

Balance Sheet

Assets

(Swiss Francs)	Notes	31.12.2025	31.12.2024
Cash and cash equivalents		458'032	358'472
Short-Term receivables towards group companies	8.3.1	2'393'402	1'351'918
Accrued income and prepaid expenses	8.3.2	11'228'946	7'025'569
TOTAL CURRENT ASSETS		**14'080'380**	**8'735'959**
Investment in subsidiaries	8.3.3	135'510'583	135'510'583
Long-Term loans towards group companies	8.3.4	38'857'316	47'235'208
Property, plant and equipment		56'813	0
TOTAL NON-CURRENT ASSETS		**174'424'712**	**182'745'791**
TOTAL ASSETS		**188'505'092**	**191'481'750**

Liabilities and Equity

(Swiss Francs)	Notes	31.12.2025	31.12.2024
Account payables		94'002	6'358
Deferred income and accrued expenses	8.3.5	5'194'917	3'194'561
Other current liabilities		268'665	262'163
TOTAL CURRENT LIABILITIES		**5'557'584**	**3'463'082**
TOTAL NON-CURRENT LIABILITIES		**-**	**-**
Share capital	8.3.6	2'000'000	2'000'000
General capital reserve		131'000'000	131'000'000
Capital contribution reserve	8.3.7	410'625	7'293'345
General legal reserve from earnings		1'000'000	1'000'000
Treasury Shares reserve	8.3.8	(11'650'392)	(9'331'491)
Other capital reserves	8.3.9	932'070	113'808
Retained earnings brought forward	8.3.10	49'060'286	48'712'939
Profit for the year		10'194'919	7'230'067
TOTAL SHAREHOLDER'S EQUITY		**182'947'508**	**188'018'668**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**188'505'092**	**191'481'750**

Income Statement

(Swiss Francs)	Notes	31.12.2025	31.12.2024
Dividend income	8.3.11	11'000'000	7'000'000
Interest Income	8.3.12	843'098	1'067'716
Other Revenues	8.3.13	7'400'669	5'040'073
TOTAL REVENUE		**19'243'767**	**13'107'789**
Personnel costs		(7'525'240)	(4'963'823)
Legal and administrative expenses	8.3.14	(813'805)	(690'672)
Other expenses		(210'858)	(210'917)
TOTAL OPERATING COSTS		**(8'549'903)**	**(5'865'412)**
OPERATING PROFIT		**10'693'864**	**7'242'377**
Other financial income / (costs)		(468'879)	92'345
TOTAL FINANCIAL INCOME / (COSTS)		**(468'879)**	**92'345**
PROFIT BEFORE TAXES		**10'224'985**	**7'334'722**
Taxes	8.3.15	(30'066)	(104'655)
PROFIT FOR THE YEAR		**10'194'919**	**7'230'067**

Notes

8.1 General information

Medacta Group SA (the "Company"), with its legal office in Castel San Pietro, is a public company listed at the SIX Swiss Stock Exchange.

The Company is presenting consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), in compliance with articles 963 and following of the Swiss Code of Obligations (CO), subject to ordinary audit as per Swiss Law. Therefore, Medacta Group SA has applied the exemption included in article 961d, paragraph 1 SCO, and has not prepared the cash flow statement and additional disclosures.

As the parent company of the Medacta Group, the purpose of Medacta Group SA is to acquire, dispose of and manage investments in the field of orthopedics. The Company is mainly concerned with the strategic, financial and real estate management of the Group.

During 2025 and 2024 the number of full-time positions on annual average is less than 10.

8.2 Accounting principles

These Financial Statements have been prepared in compliance with the Swiss Code of Obligations (CO).

Translation of foreign currencies

The receivables and payables in foreign currencies are translated into Swiss Francs at the closing exchange rates.

All the transactions in foreign currencies occurred during the year are translated into Swiss Francs at the exchange rate prevailing in the day of the transaction.

Related parties

Related parties primarily comprise subsidiaries, Members of the Board of Directors and significant shareholders. All transactions with those related parties are carried out in accordance with the arm's length principle.

Investment in subsidiaries

The investment in subsidiaries is evaluated at acquisition costs, adjusted for impairment losses if any.

Long-term loans

Loans towards group companies are evaluated at granted costs and adjusted for recovery risk if any.

Taxes

Taxes are accrued based on the annual profit and the taxable capital at the balance sheet date.

Income and costs

The income and costs are recognized in accordance with the economic competence principle.

The dividends of the fiscal period have been recognized according to the principle of simultaneous registration of dividends.

Furthermore, the principles of realization, of prudence, of imparity and of continuity are applied.

Use of estimates and judgements by the management

The preparation of the annual financial statements in accordance with the Swiss Code of Obligations (CO) requires the use of accounting estimates and assumptions by the management, based on historical experience and other factors (such as anticipation of results and future events, where appropriate and based on all circumstances and in compliance with the accounting principles of reference). The key sources of estimation uncertainty are the following:

- Investment in subsidiaries;
- Long-Term loans towards group companies
- Deferred income and accrued expenses;
- Taxes.

8.3 Information, split and explanations with regard to items of the balance sheet and the income statement

8.3.1 Short-term receivables towards Group companies

Short-term receivables towards Group companies amounted to CHF 2'393'402. The receivables are mainly addressed to Medacta International SA.

8.3.2 Accrued income and prepaid expenses

Accrued income and prepaid expenses includes dividend from Medacta Holding SA for CHF 11'000'000 related to the result of the year 2025 (simultaneous registration of dividend) and insurance prepaid expenses.

8.3.3 Investment in subsidiaries

The investment in subsidiaries is mainly referred to:

- Direct investment in subsidiaries:

Company	% of shares held December 2025	% of shares held December 2024	Registered office	Registered Capital	31/12/2025
Medacta Holding SA	100%	100%	Castel San Pietro (CH)	1'026'010 CHF	135'510'490 CHF
Knnex Health Inc.	100%	100%	Wilmington - Delaware (US)	100 USD	93 CHF

- Indirect investment in subsidiaries:

Company	% of shares held December 2025	% of shares held December 2024	Registered office	Registered Capital	Consolidation Method
Medacta International SA	100%	100%	Castel San Pietro (CH)	1'000'000 CHF	Full Consolidation
Medacta Americas Manufacturing Inc.*	100%	-	Wilmington - Delaware (US)	100 USD	Full Consolidation
Medacta Americas Operations Inc.	100%	100%	Wilmington - Delaware (US)	1 USD	Full Consolidation
Medacta Applied Solutions S.r.l.	100%	100%	Milan (IT)	10'000 EUR	Full Consolidation
Medacta Australia PTY Ltd	100%	100%	Lane Cove (AU)	4 AUD	Full Consolidation
Medacta Austria GmbH	100%	100%	Seekirchen am Wallersee (AT)	35'000 EUR	Full Consolidation
Medacta Belgium S.r.l.	100%	100%	Nivelles (BE)	18'550 EUR	Full Consolidation
Medacta Canada Inc.	100%	100%	Kitchener (CA)	100 CAD	Full Consolidation
Medacta España S.L.	100%	100%	Paterna (ES)	3'000 EUR	Full Consolidation
Medacta Europe Operations S.r.l.	100%	100%	Milan (IT)	600'000 EUR	Full Consolidation
Medacta France SAS	100%	100%	Nanterre (FR)	37'000 EUR	Full Consolidation
Medacta Germany GmbH	100%	100%	Göppingen (DE)	25'000 EUR	Full Consolidation
Medacta India Pvt Ltd *	100%	-	Mumbai (IN)	10'000'000 INR	Full Consolidation
Medacta Italia S.r.l.	100%	100%	Milan (IT)	2'600'000 EUR	Full Consolidation
Medacta Japan Co. Ltd	100%	100%	Tokyo (JP)	25'000'000 JPY	Full Consolidation
Medacta Netherlands B.V.*	100%	-	Eindhoven (NL)	1'000 EUR	Full Consolidation
Medacta UK Ltd	100%	100%	Hinckley (UK)	29'994 GBP	Full Consolidation
Medacta USA Inc.	100%	100%	Wilmington - Delaware (US)	1 USD	Full Consolidation
Parcus Medical LLC **	100%	-	Sarasota (US)	-	Full Consolidation

* New legal entities incorporated in 2025.

** On March 7, 2025 the Group acquired Parcus Medical LLC.

The participation held in the capital of the direct and indirect investment in subsidiaries corresponds to the relevant voting rights.

8.3.4 Long-term loans towards Group companies

Long-term towards Group companies is referred to the interest-bearing loan towards Medacta International SA amounting to CHF 35'700'000 (2024 amounted to CHF 44'500'000) and Knnex Health Inc. amounting to USD 3'985'000 equal to CHF 3'137'974 (2024: USD 3'015'000 equal to CHF 2'735'208).

8.3.5 Deferred income and accrued expenses

Deferred income and accrued expenses include amounts mainly referred to the incentive premium.

8.3.6 Share capital

The share capital amounts to CHF 2'000'000 and is divided into 20'000'000 registered shares with a nominal value of CHF 0.10 each.

8.3.7 Capital contribution reserve

During the year the Company distributed an amount of CHF 6'882'720. Following the 2025 repayment, the capital contribution reserve amounts to CHF 410'625. Capital contribution reserve was made up through cash contributions of CHF 6'450'000 and CHF 17'070'000 paid in 2019 by the majority shareholders to the Company for a total amount of CHF 23'520'000. Tax rulings have been received by Swiss federal tax authorities in order to recognize these cash contributions as qualifying capital contribution reserves (Kapitaleinlagereserve KER) in the sense of Swiss federal anticipatory (withholding) tax law. The final formal approval has been obtained by federal tax authorities in the year 2020.

8.3.8 Treasury shares reserve

Own shares as of December 31, 2025 amounted to 88'617 corresponding to CHF 11'650'392. In 2025 the Company purchased 39'690 own shares for the average price of around CHF 145.88 for CHF 5'790'038 (38'000 own shares as of 2024 for the average price of around CHF 120.00 equal to CHF 4'559'987). During the 2025, the second LTIP cycle was completed and 30'632 ownership shares vested, and 1'159 shares has been recognized to the Board of Directors as part of their remuneration fees. More detail at Note 6.17 "Medacta Group stockholders' equity" paragraph "Treasury shares".

8.3.9 Other capital reserves

Other capital reserves reflect any gain or loss from the previously repurchased treasury shares mainly related to the vested LTIP cycles.

8.3.10 Retained earnings – dividend paid out

On May 7, 2025 shareholders approved the distribution of CHF 13'765'440 equal to CHF 0.69 per share, half of it (corresponding to CHF 6'882'720) distributed as dividend out of available earnings and half of it distributed out of accumulated reserves from capital contribution reserve. Dividend was settled on May 13, 2025.

8.3.11 Dividend income

Dividend income accrued as of December 31, 2025 for CHF 11'000'000 refers to the 2025 dividend from the subsidiary Medacta Holding SA (simultaneous registration of dividend). Dividend accrued as of December 31, 2025 has not been cashed in as of the balance sheet date. The 2024 dividend income for CHF 7'000'000 was settled by Medacta Holding SA in May 2025.

8.3.12 Interest income

Interest income amounted to CHF 843'098 in 2025 (CHF 1'067'716 in 2024). The decrease is mainly due to Medacta International SA loan reimbursement and the change in interest rate.

8.3.13 Other revenues

Other revenues amounting to CHF 7'400'669 as of December 31, 2025 (CHF 5'040'073 in 2024), is mainly related to the recharge to Group's subsidiaries for an amount of CHF 7'377'610 (CHF 5'028'367 in 2024).

8.3.14 Legal and administrative expenses

Legal and administrative expenses is referred to the 2025 audit fees of the statutory and consolidated financial statements amounting to CHF 389'480 (CHF 363'800 in 2024) and to fiscal, legal and administrative fees amounting to CHF 424'325 (CHF 329'427 in 2024).

8.3.15 Taxes

The Company is subject to direct taxes on profit and capital. Taxes as of December 31, 2025, amount to CHF 30'066 (CHF 104'655 in 2024) out of which CHF 30'066 (CHF 19'919 in 2024) relates to capital tax and CHF 0.00 (CHF 84'736 in 2024) to profit.

8.4 Other information not resulting from the balance sheet or the income statement

8.4.1 Net release of replacement reserves and other hidden reserves

During the fiscal period no release or use of replacement reserves or other hidden reserves has taken place.

8.4.2 Own shares

In 2025 Medacta Group SA purchased own shares as mentioned in the Note 8.3.8 "Treasury share reserve". Neither other Group Company nor the subsidiaries owned, held or purchased own shares of the Company during the fiscal period.

8.4.3 Equity instruments of the board of directors and executive management

The number of shares held by Board of Directors and Group Executive Management as of December 31, 2025 are mentioned in section 6 "Ownership of shares and options" of Remuneration Report.

8.4.4 Residual amount of liabilities resulting from lease commitments

The Company has no lease agreement in force.

8.4.5 Liabilities towards pension institutions

Liabilities towards pension institutions, shown in other current liabilities, as of December 31, 2025 amounts to CHF 89'653 (2024 CHF 158'538).

8.4.6 Collaterals, guarantee liabilities and constitution of pledges in favor of third parties

To guarantee the commitments undertaken by the affiliated companies, as of December 31, 2025, the Company issued letters of patronage in favour of banking institutions, for Medacta International SA an amount of Euro 15'500'000 equal to CHF 14'424'300 and CHF 230'000'000 (2024: CHF 162'375'675); for Medacta Italy S.r.l. an amount of Euro 10'080'000 equal to CHF 9'380'448 (2024: Euro 5'080'000 equal to CHF 4'771'136); for Medacta USA Inc. an amount of USD 15'000'000 equal to CHF 11'884'500 (2024: none) and for Parcus Medical LLC an amount of USD 750'000 equal to CHF 594'225.

8.4.7 Assets used to secure own liabilities

The Company has not constituted pledges or collaterals on own assets to secure own liabilities.

8.4.8 Contingent liabilities

There are no contingent liabilities as at the balance sheet date.

8.4.9 Subscription or option rights

As of December 31, 2025, the Company neither owns nor has released subscription or option rights on its proper shares or on the shares of other group companies.

8.4.10 Important subsequent balance sheet date events

There have been no events occurring after the reported period which would have a material effect on the Medacta Group Financials as of December 31, 2025.

8.5 Proposal of the Board of Directors to the Annual General Meeting

The Board of Directors proposes to the Annual General Meeting of Medacta Group SA on May 5, 2026 a distribution of CHF 21'902'521 (CHF 1.10 per share) out of retained earnings. All the remaining retained earnings will be carried forward.

In deciding on the appropriation of dividends, the Shareholders' General Meeting shall consider that the Company will not pay such distribution on treasury shares held by the Company.

8.6 Proposed appropriation of the available retained earnings

The Board of Directors proposes the following appropriation of the retained earnings:

(Swiss Francs)	31.12.2025	31.12.2024
Retained earnings brought forward	49'060'286	48'712'939
Profit for the year	10'194'919	7'230'067
RETAINED EARNINGS AVAILABLE FOR DISTRIBUTION	**59'255'205**	**55'943'006**
DISTRIBUTION OF PROFIT		
Dividend paid out of the available earnings *	(21'902'521)	(6'882'720)
CARRY FORWARD RETAINED EARNINGS	**37'352'684**	**49'060'286**

* Depends on the number of dividend-entitled shares, max. 19'911'383 shares, as of December 31, 2025. The own shares held by Medacta Group SA are not entitled to the distribution of dividends.

8.7 Proposed appropriation of reserves from capital contribution

The Board of Directors proposes the following appropriation of reserves from capital contribution:

(Swiss Francs)	2025	2024
RESERVE FROM CAPITAL CONTRIBUTION		
BALANCE JANUARY 1	**410'625**	**7'293'345**
Distribution of reserves from capital contribution *	-	(6'882'720)
CARRY FORWARD RESERVES FROM CAPITAL CONTRIBUTION	**410'625**	**410'625**

* The own shares held by Medacta Group SA are not entitled to the distribution out of reserves from capital contribution.

9. Audit Report – Medacta Group SA Financial Statements

Deloitte.

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Report of the Statutory Auditor

To the General Meeting of
MEDACTA GROUP SA, CASTEL SAN PIETRO

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Medacta Group SA (the Company), which comprise the balance sheet as at 31 December 2025, the statement of income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 220 to 225 comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the standalone financial statements, the tables marked "audited" in the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Deloitte.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

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Medacta Group SA
Report of the statutory auditor
for the year ended
31 December 2025

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposals of the Board of Directors comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Deloitte SA



Alessandro Miolo
Licensed Audit Expert
Auditor in Charge



Dominik Vögtli
Licensed Audit Expert

Lugano, 12 March 2026

Financial calendar

MAY 5
2026

ANNUAL GENERAL MEETING

JULY 31
2026

PRELIMINARY UNAUDITED HALF-YEAR 2026 REVENUE

SEPTEMBER 9
2026

PUBLICATION OF 2026 HALF-YEAR RESULTS

Contacts

Forward-looking information disclaimer

This Annual Report 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 Annual Report. 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.

Related Trademarks

Medacta Group Related Trademarks are registered at least in Switzerland.
The products and services listed below may not be all inclusive, and other Medacta products and services not listed below may be covered by one or more trademarks. The below products and services may be covered by additional trademarks not listed below. Note that Swiss trademarks may have foreign counterparts.
3D Metal®, 3D Metal® B-Cage, AMIS®, AMIS® Bikini®, AMIS®-K Long, Augments 3D Metal®, GMK® Efficiency, GMK® Hinge, GMK® Primary, GMK® Revision, GMK® System, GMK® Sphere, GMK® UNI, E-Cross®, M-ARS ACL®, M.U.S.T.®, M.U.S.T.® LT, M.U.S.T.® MC, M.U.S.T.® Mini, MasterLoc®, Mecta-C® System, Mecta-C®, Stand Alone, Mecta®Fix, Mecta®Grip, MectaLIF® Anterior, MectaLIF® System, Mecta®Lock, Mecta®Lock PEEK, Mecta®Lock C, Mecta®Lock TI, Mecta®QTH, Mecta®Screw, Mecta®Tap TI, MiniMAX®, Mpact®, Mpact® 3D Metal®, Mpact® 3D Metal® Multi-Hole, Mpact® Multi-Hole, Mpact® System, MOTO® Lateral, MOTO® Medial, MOTO® PFJ, MOTO® System, MyHip®, MyHip® Planner, MyHip® Verifier, MyKA™, MyKnee®, MyKnee® R, MyPAO®, MyShoulder®, MySolutions™ Personalized Ecosystem, MySpine®, MySpine® Anchor, MySpine® Cervical, MySpine® MC, MySpine® S2AI, M-Vizion®, NextAR™, NextAR™ Knee, NextAR™ Shoulder, NextAR™ Spine, PowerKnot®, Quadra®-P, Quadra®-R, SensiTiN™, SMS®, Versafitcup®.

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Discover more

www.medacta.com/EN/home-investors-global

OUR CULTURE

A KEY FOR SUSTAINABLE SUCCESS

TRUST AND INTEGRITY

EFFICIENT EXECUTION

PATIENT AND CUSTOMER FOCUSED

SUSTAINABLE INNOVATION

TEAMWORK

CORE VALUES OF OUR FAMILY

As we look towards the future, we are filled with enthusiasm about what the next year has in store for us. Our primary goal is to continue our growth journey in a responsible and sustainable way. Our focus remains on improving patient outcomes and satisfaction while promoting healthcare sustainability and creating value for our stakeholders.

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