

HALF-YEAR REPORT 2025



SUSTAINABILITY OF PERSONALIZED MEDICINE IN ORTHOPEDICS AND SPINE SURGERY

HIP



KNEE



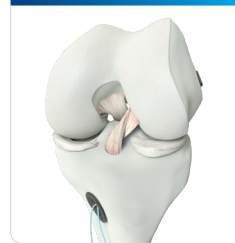
SHOULDER



SPINE



SPORTSMED



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

Medacta at a glance

Medacta is a key global 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 adoption of cutting-edge technologies, Medacta's innovation prioritizes minimally invasive surgery and personalized solutions for every patient. Through the M.O.R.E. Institute, Medacta supports surgeons with a comprehensive and tailored program dedicated to the advancement of medical education. Medacta is headquartered in Castel San Pietro, Switzerland, and is present in over 70 countries. Follow us on [Medacta TV](#), [YouTube](#), [LinkedIn](#) and [X](#).

Minimally Invasive Techniques and Personalized Solutions

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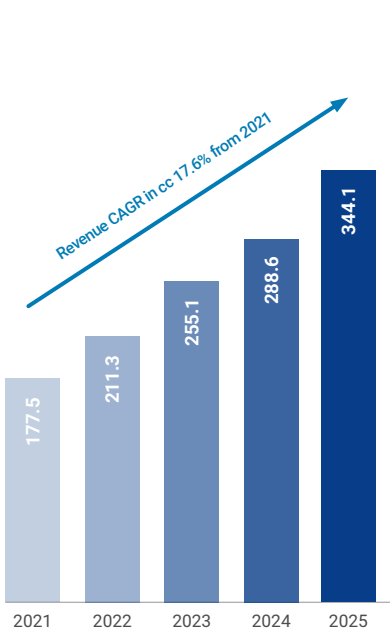
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Half-Year 2025 Key Financial Figures

REVENUES

EUR 344.1M

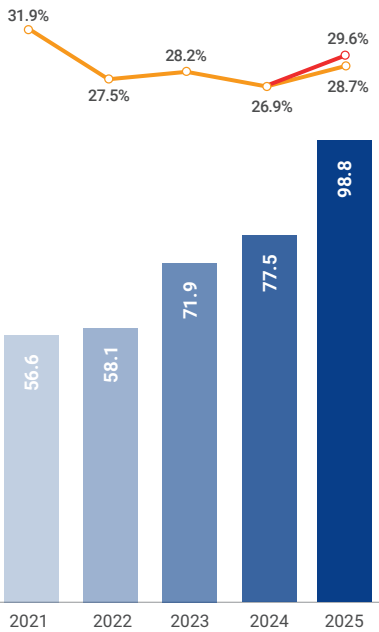
19.8% growth in cc¹ (19.2% in Euro)



ADJUSTED EBITDA²

EUR 98.8M

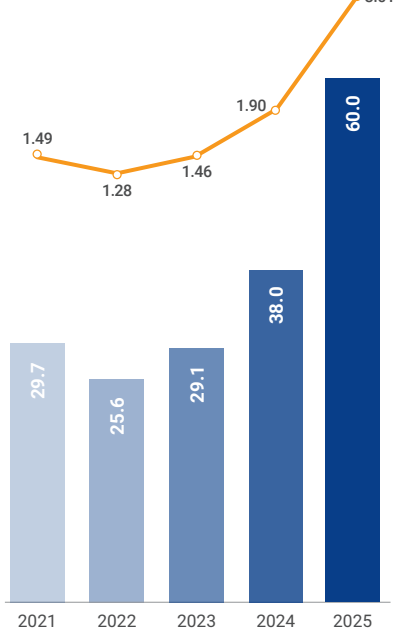
28.7% Adjusted EBITDA margin³
29.6% Adjusted EBITDA margin in cc



PROFIT FOR THE PERIOD

EUR 60.0M

EUR 3.01 Basic EPS
EUR 3.01 Diluted EPS



Adjusted EBITDA
Adjusted EBITDA margin
Adjusted EBITDA in cc

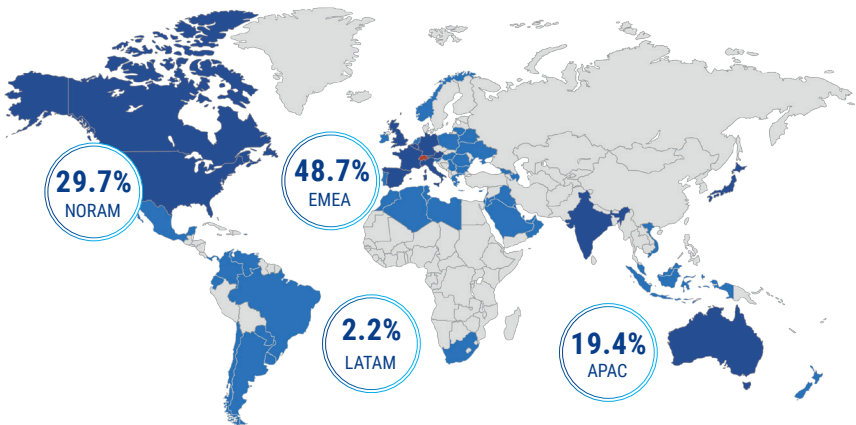
Profit for the period
Diluted EPS

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

² Is calculated as EBITDA, adjusted for non-recurring items: provision on litigation, extraordinary legal, MDR expenses, and business combinations.

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

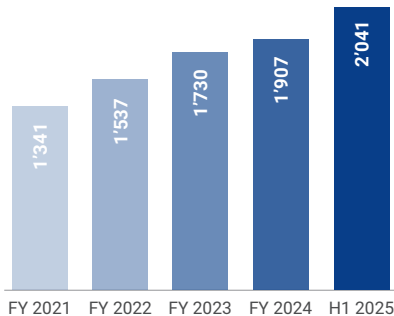
COUNTRY PRESENCE



PERIOD-END EMPLOYEES TOTAL

2'041

134 new jobs added in the first six months of 2025



Highlights first half 2025*

- Half-year 2025 revenue accelerated to Euro 344.1 million, up 19.8% in constant currency or 19.2% in Euro;
- Substantial revenue growth across all geographic markets, particularly in Asia Pacific and North America, growing respectively 25.3% and 21.5% in constant currency;
- Sustained notable performance in all business lines, particularly in Knee up 23.8% in constant currency, Extremities up 44.0% in constant currency and continued acceleration in Spine;
- Adjusted EBITDA margin advanced to 29.6% in constant currency, up 270 basis points year-on-year;
- Adjusted EBITDA grew by 27.5% to Euro 98.8 million;
- Net profit augmenting by 58% year-on-year to Euro 60.0 million including one-off gains;
- Outlook 2025: Medacta is now targeting a revenue growth in the range of 16% to 18% (previously: 13% to 15%) in constant currency and an Adjusted EBITDA margin of around 28% (previously: 27%) before any currency effects, including the recent Parcus acquisition, subject to unforeseen events;
- Mid-term outlook: revenue compound annual growth rate (CAGR) (2024-2027E) in constant currency is expected to be in the range of 10% to 14% (previously: low double-digit range), and an Adjusted EBITDA margin targeted to be around 28% (previously: around the 2024 reported EBITDA margin) before any currency effects.

REPORTED PERFORMANCE MEASURES

(Million Euro)	30.06.2025	30.06.2024
Revenues	344.1	288.6
Gross Profit	235.1	197.7
Profit for the period	60.0	38.0

Alternative Performance Measures:

EBITDA	110.5	74.8
Adjusted EBITDA ¹	98.8	77.5
Adjusted EBITDA margin ¹	28.7%	26.9%
Free Cash Flow	8.5	(12.2)
Adjusted Free Cash Flow ²	26.2	(4.0)

(Million Euro)	30.06.2025	31.12.2024
Total Assets	860.8	792.2
Total Equity	424.6	379.7
Equity ratio	49.3%	47.9%
Number of employees	2'041	1'907

[1] Adjusted in 2025 for business combinations (Euro -11.9 million) and MDR transition costs (Euro 0.2 million). The reconciliation is provided in the "Alternative Performance Measures" section of this Report.

[2] Adjusted in 2025 for settlement of legal claims (Euro 1.4 million), business combinations - due diligence and legal expenses (Euro 1.4 million) and MDR transition costs (Euro 0.2 million), non-recurring investments for Corporate land acquisition and plant expansion (Euro 4.3 million), international investments for future logistic expansion (Euro 6.3 million) and Cash consideration for acquisitions, net of cash acquired (Euro 4.2 million). Please see the "Alternative Performance Measures" section of this Report for the reconciliation of the "Adjusted Free Cash Flow".

*Alternative Performance Measures: this section and other sections of this Half-Year 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". These Alternative Performance Measures (APMs) should be regarded as complementary information to, and not as a substitute for the IFRS performance measures. For definitions of APMs, together with reconciliations to the most directly reconcilable IFRS line items, please refer section headed "Alternative Performance Measures" of this Half-Year 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 <i>as of June 30, 2025</i>	19'944'514
Nominal value per registered share (in CHF)	0.10
Number of treasury shares <i>as of June 30, 2025</i>	55'486

2025 DATA PER SHARE	
(Swiss Francs)	30.06.2025
2025 High (in CHF) <i>for the period January - June 2025</i>	143.80
2025 Low (in CHF) <i>for the period January - June 2025</i>	104.60
Closing price (in CHF)	134.20
Market capitalization (in CHF billion)	2.7

Half-Year 2025 relative share price development

Index base 100 calculation

Source: Refinitiv



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.



Letter to shareholders

Dear Shareholders,

the first half of 2025 reflects another period of strong performance, with revenue reaching Euro 344.1 million, representing 19.8% growth in constant currency. Despite a 90 basis point headwind from foreign exchange, we successfully closed the reporting period with an Adjusted EBITDA margin of 28.7%, compared to 26.9% in the first half of 2024. This result highlights Medacta's unique positioning in the market. Our focus on breakthrough innovations and tailored medical education for surgeons continues to be guided by our commitment to improving patient outcomes. I am proud of the dedication and achievements of the entire Medacta team, whose relentless efforts are advancing orthopedic care worldwide while staying true to what matters most: better outcomes for patients everywhere.

Our achievements

The year 2025 marks Medacta's 10 years 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.

The NextAR Rod Optimizer, which won the 2024 Orthopedics This Week Best Technology in Spine Award, was launched in the US and Japan in the first half of the current year. This personalized solution is designed to enhance intraoperative planning by offering pre-bent rods that allow for thousands of solutions in both minimally invasive and open approaches¹.



NextAR Rod Optimizer is part of the NextAR Augmented Reality Surgical Platform. NextAR supports joint replacement and spine procedures, hosting software for multiple applications (NextAR Knee, NextAR Shoulder, NextAR Spine) designed to improve patient care and surgical outcomes.

Following the success of MylImplant for Shoulder, in the first half of the current year, Medacta successfully introduced MylImplant for Hip, addressing complex hip revision cases. MylImplant offers custom-made solutions addressed to the unique anatomic and clinical needs of an individual patient, leveraging Medacta's 3D preoperative planning tools and advanced 3D metal technology. MylImplant offers a comprehensive support system that guides surgeons through every step of the custom implant journey.

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 be also vertically integrated in Sportsmed and to have the first non-Swiss based manufacturing plants. The acquisition of Parcus Medical contributed approximately 1.2% to Group revenue in the first half of 2025.

Medacta remains not impacted by the US tariffs and will continue to monitor the development.

In the first six months of 2025, Medacta added another 134 employees globally, reaching 2'041 employees in total.



Continued superior growth across all geographic areas and product lines⁵

In the first semester of 2025, Medacta recorded Group revenue of Euro 344.1 million, a rise of 19.8% in constant currency (c.c.) and of 19.2 % in Euro. The excellent growth was delivered across all business lines and geographies due to the continued launch of out-of-the-box thinking innovations across all business lines, the attraction of new surgeons supported by our enlarged sales force and our constant efforts in medical education.

Medacta achieved considerable growth rates across all geographies. The largest contributions to growth came from Asia Pacific and North America. North America rose 21.5% in c.c., driven almost entirely by the US. Asia Pacific climbed 25.3% in c.c., with outstanding growth rates from both of the two largest markets, Australia and Japan. Europe, Middle East and Africa (EMEA) again advanced in the mid-teens at 15.8% in c.c. with excellent contributions from Spain and the UK. The smallest region, Latin America, increased by 47.7% in c.c..

We also sustained above-market revenue expansion across all product lines. Hip revenues increased by a magnificent 11.5% in c.c., to Euro 137.0 million, with good performance in all geographies, particularly in North America and Asia Pacific. The growth was mainly the result of Medacta's excellent Anterior Minimally Invasive Surgery (AMIS) platform, which offers an easily reproducible technique that delivers significant benefits to patients, surgeons as well as healthcare systems^{2,3,4}. Knee revenues rose by an outstanding 23.8% in c.c. to Euro 143.0 million. All geographic regions contributed to this growth, mainly attributable to North America, EMEA as well as Asia Pacific. The outstanding growth is primarily linked to the consolidation of the Kinematic Alignment (KA) platform, which continues to find a growing consensus within the orthopedic community. This technique, which was first promoted by Medacta, is embodied in a comprehensive technological platform (MyKA) and perfectly integrated with the GMK SpheriKA, the first knee implant specifically designed for Kinematic Alignment. Extremities, which include both Shoulder and Sportsmed, delivered another remarkable revenue growth of 44.0% in c.c. to Euro 35.7 million. The outstanding progress was the result of both Shoulder and Sportsmed. In particular, Medacta 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 accelerated by 18.7% in c.c. to Euro 28.5 million. The superior growth was strongly sustained by Medacta's technologies, particularly by MySpine and NextAR Spine, which supports 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, particularly in key markets in EMEA, Asia Pacific and North America.

Gross profit

In the first half of 2025, gross profit advanced to Euro 235.1 million, compared to Euro 197.7 million in the first half of 2024. The corresponding gross profit margin was 68.3% compared to 68.5% over the same period in the previous year. The operating leverage realized was offset by an adverse FX impact.

Adjusted EBITDA margin⁵

Adjusted EBITDA grew to Euro 98.8 million compared to Euro 77.5 million in the first half of 2024, representing a year-on-year increase of 27.5%. The corresponding half-year 2025 adjusted EBITDA margin climbed to 29.6% in constant currency or 28.7% in Euro. This compares to an adjusted EBITDA margin of 26.9% in Euro in the first half of 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 110.5 m compared to Euro 74.8 m, an increase of almost 48% year-on-year. The increase was driven by a higher operating profit and the bargain purchase gain realized with the Parcus Medical acquisition.

Adjusted EBIT⁵

Adjusted EBIT for the period rose to Euro 62.4 million compared to Euro 45.5 million in the first half of 2024. The corresponding adjusted EBIT margin was 18.1% in the first half of 2025 compared to 15.8% in the prior year representing an improvement of 230 basis points year-on-year.

Net profit for the period

In the first half of 2025, the net financial result was negative Euro 5.4 million, versus positive Euro 1.8 million in the previous period. The Group's effective tax rate was 12.5% in the first half of 2025, compared to 14.9% in the first six months of 2024.

¹ Data on file Medacta

² Vasina PG, Rossi R, Giudice GM, Palumbi P. Hip arthroplasty through the anterior minimally invasive approach. Sphera 2010;6(12) - Speciale Ortopedia

³ Christofilopoulos P, Roussos C, Lädermann A, Lübcke 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.

⁴ 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.

⁵ Alternative Performance Measures: this section and other sections of this Half-Year 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". These Alternative Performance Measures (APMs) should be regarded as complementary information to, and not as a substitute for the IFRS performance measures. For definitions of APMs, together with reconciliations to the most directly reconcilable IFRS line items, please refer section headed "Alternative Performance Measures" of this Half-Year Report.

The Profit for the period increased by approximately 58% to Euro 60.0 million, compared to Euro 38.0 million in the first half of 2024. The increase was the result of a higher operating profit and of the provisional bargain purchase gain recognized on the Parcus acquisition, amounting to Euro 13.7 million. The corresponding Net Profit Margin was 17.4% compared to 13.2% in the first half of 2024.

Cash Flow

Medacta delivered a Cash Flow from operating activities of Euro 73.0 million in the first half of 2025, compared to Euro 41.8 million in the same period of 2024, representing an increase of almost 74% year-on-year.

Cash Flow from investing activities amounted to Euro 64.4 million in the first half of 2025, versus Euro 54.0 million in the first half of 2024. A good 80% of capital expenditures were investments in instruments and production expansion to sustain future growth.

Free Cash Flow was positive Euro 8.5 million, compared to negative 12.2 million in the first half of 2024. Adjusted Free Cash Flow increased to Euro 26.2 million, from negative 4.0 million in the first half of 2024.

Solid balance sheet

Medacta's balance sheet has further strengthened, with total assets increasing to Euro 860.8 million versus Euro 792.2 million at the end of 2024. The Equity ratio was 49.3% at the end of June 2025, compared to an Equity ratio of 47.9% at the end of December 2024.

Net Debt to Adjusted EBITDA ratio was 0.90x at the end of June 2025 compared to 0.99x at the end of 2024.

Outlook 2025

Medacta is now targeting a revenue growth in the range of 16% to 18% (previously: 13% to 15%) in constant currency and an adjusted EBITDA margin of around 28% (previously: 27%) before any currency effects, including the recent Parcus acquisition, subject to unforeseen events.

Mid-term outlook

Revenue compound annual growth rate (CAGR) (2024-2027E) in constant currency is expected to be in the range of 10% to 14% (previously: low double-digit range), and an adjusted EBITDA margin targeted to be around 28% (previously: around the 2024 reported EBITDA margin) before any currency effects.

Thanks

We would like to thank all our shareholders, for your confidence and loyalty.

Sincerely,



Dr. Alberto Siccardi
Chairman of the Board
of Directors



Francesco Siccardi
Chief Executive Officer



Alternative Performance Measures

The financial information provided in the selected sections of the 2025 Half-Year Report, including "Highlights first half 2025", "Letter to shareholders" and elsewhere in this document, include certain Alternative Performance Measures (APMs) which are not accounting measures defined by IFRS. The Group believes that investor's 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 adjusted results exclude effects related to: provisions and release of prior periods provisions for legal claims; extraordinary legal expenses; restructuring costs; one-off settlements or amendments to pension plans; PPA (Purchase Price Allocation) one-off items following acquisitions and amortization of the resulting intangible assets; impairments or write-offs of financial and non-financial assets as a result of unusual or one-time events; 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 2025 Half-Year Report are reported at the end of this section.

Adjusted results

The following tables provide the reconciliation of the Adjusted results with the Interim Condensed Consolidated Financial Statement as of June 30, 2025 and 2024.

2025 ADJUSTED RESULTS RECONCILIATION

June 30, 2025 (Thousand Euro)	IFRS	Business combination ¹	MDR costs ²	Adjusted
Revenues	344'140	-	-	344'140
Cost of Sales	(109'018)	414	-	(108'604)
GROSS PROFIT	235'122	414	-	235'536
Research and Development expenses	(11'663)	-	202	(11'461)
Sales and Marketing expenses	(118'289)	-	-	(118'289)
General and Administrative expenses	(44'827)	1'375	-	(43'452)
Bargain purchase gain	13'653	(13'653)	-	-
Other income	892	-	-	892
Other expenses	(842)	-	-	(842)
OPERATING PROFIT (EBIT)	74'046	(11'864)	202	62'384
OPERATING PROFIT (EBIT)	74'046	(11'864)	202	62'384
Depreciation, amortization and impairment	36'408	-	-	36'408
EBITDA	110'454	(11'864)	202	98'792
EBITDA MARGIN	32.1%			28.7%

[1] Business combination adjustments refer to the acquisition of Parcus (see paragraph "Business combination" in the Interim Condensed Consolidated Financial Statements); Euro 414 thousand in Cost of Sales line refers to partial reversal of the fair value adjustment on the inventory deriving from the Purchase Price Allocation; Euro 1'375 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 the 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

June 30, 2024 (Thousand Euro)	IFRS	Provision on litigations ¹	Legal costs ²	MDR costs ³	Adjusted
Revenues	288'649	-	-	-	288'649
Cost of Sales	(90'911)	-	-	-	(90'911)
GROSS PROFIT	197'738	-	-	-	197'738
Research and Development expenses	(10'271)	-	-	249	(10'022)
Sales and Marketing expenses	(105'668)	-	-	-	(105'668)
General and Administrative expenses	(38'967)	2'081	357	-	(36'529)
Other income	1'413	-	-	-	1'413
Other expenses	(1'395)	-	-	-	(1'395)
OPERATING PROFIT (EBIT)	42'850	2'081	357	249	45'537
OPERATING PROFIT (EBIT)	42'850	2'081	357	249	45'537
Depreciation, amortization and impairment	31'987	-	-	-	31'987
EBITDA	74'837	2'081	357	249	77'524
EBITDA MARGIN	25.9%				26.9%

[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)	30.06.2025	30.06.2024
CASH FLOW FROM OPERATING ACTIVITIES (IFRS BASIS IN ACCORDANCE WITH IAS 7)	72'952	41'841
Adjustments for:		
Legal costs	-	357
Settlement of legal claims ¹	1'375	1'850
Extraordinary MDR Costs ²	202	249
Business combinations - Due diligence and legal expenses ³	1'375	-
ADJUSTED CASH FLOW FROM OPERATING ACTIVITIES	75'904	44'297
CASH FLOW FROM INVESTING ACTIVITIES (IFRS BASIS IN ACCORDANCE WITH IAS 7)	(64'433)	(54'047)
Adjustments for:		
International investments for future logistic expansion ⁴	6'263	207
Corporate land acquisition and plant expansion ⁵	4'324	5'532
Business combinations - Cash consideration, net of cash acquired	4'151	-
ADJUSTED CASH FLOW FROM INVESTING ACTIVITIES	(49'695)	(48'308)
FREE CASH FLOW	8'519	(12'206)
Total adjustments	17'690	8'195
ADJUSTED FREE CASH FLOW	26'209	(4'011)

[1] Settlement of legal claims is related to the payment for the settlement agreements with MicroPort, amounting to Euro 1'375 thousand (Euro 1'850 thousand in 2024).

[2] EU Medical Devices Regulation (MDR).

[3] Business combination adjustment for a total amount of Euro 1'375 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 Switzerland of both Castel San Pietro and Rancate sites.

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 effects related to: provisions and release of prior periods provisions for legal claims; extraordinary legal expenses; restructuring costs; one-off settlements or amendments to pension plans; PPA (Purchase Price Allocation) one-off items following acquisitions and amortization of the resulting intangible assets; impairments or write-offs of financial and non-financial assets as a result of unusual or one-time events; other one-time items that may vary significantly over periods.

EBITDA

EBITDA is a non-IFRS measure that represents profit or loss for the period 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 / (loss) for the period 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 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. 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 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.

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.

Interim Condensed Consolidated Financial Statements

1. Interim Consolidated Statement of Profit or Loss for the periods ended June 30, 2025 and 2024

	Unaudited 30.06.2025	Unaudited 30.06.2024
(Thousand Euro)		
Revenues	344'140	288'649
Cost of Sales	(109'018)	(90'911)
GROSS PROFIT	235'122	197'738
Research and Development expenses	(11'663)	(10'271)
Sales and Marketing expenses	(118'289)	(105'668)
General and Administrative expenses	(44'827)	(38'967)
Bargain purchase gain	13'653	-
Other income	892	1'413
Other expenses	(842)	(1'395)
OPERATING PROFIT (EBIT)	74'046	42'850
Financial income	7'894	10'426
Financial costs	(13'337)	(8'612)
PROFIT BEFORE TAXES	68'603	44'664
Income taxes	(8'564)	(6'672)
PROFIT FOR THE PERIOD	60'039	37'992
ATTRIBUTABLE TO		
Shareholders of the parent company	60'039	37'992
BASIC EARNINGS PER SHARE (in Euro)	3.01	1.91
DILUTED EARNINGS PER SHARE (in Euro)	3.01	1.90

The selected explanatory notes are integral part of the Interim Condensed Consolidated Financial Statements.

2. Interim Consolidated Statement of Comprehensive Income for the periods ended June 30, 2025 and 2024

	Unaudited 30.06.2025	Unaudited 30.06.2024
(Thousand Euro)		
PROFIT FOR THE PERIOD	60'039	37'992
OTHER COMPREHENSIVE INCOME		
Remeasurements of defined benefit obligations	2'933	1'091
Tax effect on remeasurements of defined benefit obligations	(448)	(189)
TOTAL ITEMS NOT TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS	2'485	902
Currency translation differences	(4'626)	(14'884)
TOTAL ITEMS TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS	(4'626)	(14'884)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX	(2'141)	(13'982)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	57'898	24'010
ATTRIBUTABLE TO		
Shareholders of the parent company	57'898	24'010

The selected explanatory notes are integral part of the Interim Condensed Consolidated Financial Statements.

3. Interim Consolidated Statement of Financial Position for the periods ended June 30, 2025 and December 31, 2024

ASSETS	Unaudited	Audited
(Thousand Euro)	30.06.2025	31.12.2024
Property, plant and equipment	286'487	262'617
Right-of-use assets	56'447	54'887
Intangible assets	54'700	53'625
Non-current financial assets	1'421	995
Deferred tax assets	19'270	24'676
TOTAL NON-CURRENT ASSETS	418'325	396'800
Inventories	267'360	234'411
Trade receivables	117'515	108'167
Current financial assets	7'445	4'692
Other current assets and prepaid expenses	16'878	16'519
Cash and cash equivalents	33'242	31'588
TOTAL CURRENT ASSETS	442'440	395'377
TOTAL ASSETS	860'765	792'177

LIABILITIES AND EQUITY	Unaudited	Audited
(Thousand Euro)	30.06.2025	31.12.2024
Share capital	1'775	1'775
Retained earnings and other reserves *	397'734	350'967
Treasury shares	(6'674)	(9'480)
Foreign currency translation reserve	31'776	36'402
TOTAL EQUITY	424'611	379'664
Non-current financial liabilities	137'808	143'359
Non-current lease liabilities	38'894	39'362
Non-current provisions	4'455	4'057
Employee benefit obligation	15'839	17'574
Deferred tax liabilities	53'492	49'017
Other non-current liabilities	829	1'597
TOTAL NON-CURRENT LIABILITIES	251'317	254'966
Trade payables	51'003	35'387
Current financial liabilities	65'946	50'825
Current lease liabilities	12'181	10'327
Current provisions	120	120
Accrued expenses and deferred income	35'852	43'948
Other current liabilities	19'735	16'940
TOTAL CURRENT LIABILITIES	184'837	157'547
TOTAL LIABILITIES	436'154	412'513
TOTAL LIABILITIES AND EQUITY	860'765	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.

4. Interim Consolidated Statement of Changes in Equity for the periods ended June 30, 2025 and 2024

Attributable to equity holders of Medacta Group SA

(Unaudited)					
(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 period	-	60'039	-	-	60'039
Remeasurements of defined benefit obligations	-	2'933	-	-	2'933
Tax effect on remeasurements of defined benefit obligations	-	(448)	-	-	(448)
Currency translation differences	-	-	-	(4'626)	(4'626)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	62'524	-	(4'626)	57'898
Dividends paid	-	(14'661)	-	-	(14'661)
Purchase of treasury shares	-	-	(769)	-	(769)
Usage of treasury shares	-	(3'575)	3'575	-	-
Share-based payment transactions	-	2'479	-	-	2'479
BALANCE JUNE 30, 2025	1'775	397'734	(6'674)	31'776	424'611

* 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 equity holders of Medacta Group SA

(Unaudited)					
(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 period	-	37'992	-	-	37'992
Remeasurements of defined benefit obligations	-	1'091	-	-	1'091
Tax effect on remeasurements of defined benefit obligations	-	(189)	-	-	(189)
Currency translation differences	-	-	-	(14'884)	(14'884)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	38'894	-	(14'884)	24'010
Dividends paid	-	(11'194)	-	-	(11'194)
Purchase of treasury shares	-	-	(742)	-	(742)
Usage of treasury shares	-	(3'378)	3'378	-	-
Share-based payment transactions	-	2'042	-	-	2'042
BALANCE JUNE 30, 2024	1'775	319'171	(5'434)	28'642	344'154

* 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. Interim Consolidated Statement of Cash Flows for the periods ended June 30, 2025 and 2024

(Thousand Euro)	Unaudited 30.06.2025	Unaudited 30.06.2024
PROFIT FOR THE PERIOD	60'039	37'992
Adjustments for:		
Income taxes	8'565	6'672
Depreciation, amortization and impairment of tangible, intangible and right-of-use assets	36'408	31'987
(Gain) / loss on disposal of tangible and intangible assets	(1)	(90)
Foreign exchange result	366	(3'858)
Interest expenses	2'727	3'064
Change in provisions and employee benefit obligation	6'217	6'213
Share-based payments expense	2'422	1'995
Bargain purchase gain	(13'653)	-
Income taxes paid	(5'012)	(4'981)
Interest paid	(2'804)	(2'415)
(Increase) / decrease in trade receivables	(12'786)	(12'564)
(Increase) / decrease in other assets and prepaid expenses	(2'013)	(408)
(Increase) / decrease in inventories	(17'005)	(19'352)
Increase / (decrease) in trade payables	15'244	6'534
Increase / (decrease) in other liabilities and accruals	(5'762)	(8'948)
CASH FLOW FROM OPERATING ACTIVITIES	72'952	41'841
Purchase of tangible assets *	(55'509)	(49'009)
Purchase of intangible assets **	(7'595)	(6'427)
Proceeds from disposal of tangible assets	3'971	3'821
Cash consideration for acquisitions, net of cash acquired	(4'151)	-
Investments in financial assets	(1'149)	(2'432)
CASH FLOW FROM INVESTING ACTIVITIES	(64'433)	(54'047)
Proceeds from borrowings	17'006	37'234
Repayment of borrowings	(2'974)	(9'366)
Repayment of lease liabilities	(5'917)	(4'730)
Dividends paid	(14'661)	(11'194)
Purchase of treasury shares	(769)	(742)
CASH FLOW FROM FINANCING ACTIVITIES	(7'315)	11'202
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1'204	(1'004)
Cash and cash equivalents at the beginning of the period	31'588	20'792
Net effect of currency translation on cash and cash equivalents	450	(3'374)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	33'242	16'414

* 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. Selected explanatory notes to the Interim Condensed Consolidated Financial Statements

6.1 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.

6.2 Significant events and transactions

Macroeconomic environment

In the first half of 2025, the Group operated 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 the first half of 2025, our operations did not generate any sales in Russia, and our activities in Ukraine resulted in revenues of only Euro 1.2 million, and in Israel of Euro 1.1 million. Our assets in these countries are negligible, apart from Euro 1.1 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 first half of 2025, 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 June 30, 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.

Business combination

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). Acquisition-related costs amounting to Euro 1'375 thousand have been excluded from the consideration transferred and have been recognized as an expense in the Profit or Loss Statement in General and Administrative expenses line item.

Parcus is a specialist provider of sports medicine and arthroscopy solutions with 2024 revenue of a good USD 16 million. The acquisition will enable Medacta to accelerate its expansion of its sports medicine offering, while also gaining access to additional US sales agents and distributors in over 45 countries thereby enlarging its global reach to customers. With the acquisition, Parcus will be integrated in the Medacta Sportsmed business line accelerating the go-to-market strategy for a swift future growth in Sportsmed. 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 provisional 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 contributed USD 4.5 million (Euro 4.6 million) of revenue. There are no contingent liabilities associated with the transaction.

6.3 Accounting policies

Basis of preparation

These unaudited financial statements are the Interim Condensed Consolidated Financial Statements of Medacta Group SA and its subsidiaries for the six-month period that ended June 30, 2025. These financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting" and should be read in conjunction with the Consolidated Financial Statements for the year that ended December 31, 2024. The Interim Condensed Consolidated Financial Statements were approved by the Board of Directors on September 5, 2025.

The principles and standards utilized in preparing these Interim Condensed Consolidated Financial Statements have been consistently applied through all periods presented.

Use of estimates and judgement

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 Interim Consolidated Statement of Financial Position and recognition of revenue and expenses in the Interim Consolidated Statement of Profit or Loss, and the disclosures included in the Notes to the Interim Condensed Consolidated Financial Statements.

The most significant accounting principles which require a higher degree of judgment from management in the half-year ended June 30, 2025, consistently with the year ended December 31, 2024, are the following: leases (application of IFRS16); development costs (application of IAS 38).

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 Interim Consolidated Financial Statements in the period in which the change occurs. The key sources of uncertainty that required management's estimation in the half-year ended June 30, 2025, consistently with the year ended December 31, 2024, are the following: impairment test for intangible assets; deferred tax assets; valuation of inventories; pension plans; legal and other contingencies.

Changes in accounting policies

The accounting policies adopted in the preparation of the Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Group's Annual Consolidated Financial Statements for the year ended December 31, 2024, except for the adoption of new standards effective as of January 1, 2025.

The following standards and amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after January 1, 2025:

- amendments to IAS 21 the effects of changes in foreign exchange rates: lack of exchangeability (effective for annual periods beginning on January 1, 2025).

This amendment had no impact on the Interim Condensed Consolidated Financial Statements of the Group.

The following amendments has been published 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 are 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 Interim Condensed Consolidated Financial Statements.

Under IFRS 18, the classification of certain revenue and expense items within the five categories in the consolidated income statement may affect the entity's reported "Statement of Profit or Loss". The Group is currently assessing the potential effects of adopting IFRS 18.

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	
	H1 2025	H1 2024	30.06.2025	31.12.2024
CHF	1.0629	1.0405	1.0700	1.0647
GBP	1.1874	1.1702	1.1652	1.2085
AUD	0.5808	0.6090	0.5583	0.5976
USD	0.9165	0.9251	0.8485	0.9659
JPY	0.0062	0.0061	0.0059	0.0061
CAD	0.6499	0.6810	0.6234	0.6715
INR	0.0105		0.0099	

Composition of the Group

Entities included in the scope of consolidation are listed below:

Company	% of shares held June 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

* This is a new legal entity incorporated in the first six months of 2025.

** On March 7, 2025 the Group acquired Parcus Medical LLC. For further information refer to the paragraph "Business Combination".

The percentages of shares held, reported in the above table, 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.

Seasonality of operations

The Group operates in an industry where significant seasonal or cyclical variations in the total sales are not experienced during the financial year.

6.4 Fair value measurement and classification

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible.

The following tables show the carrying amounts and fair values of financial assets and liabilities by category of financial instrument and by valuation method as of June 30, 2025 and December 31, 2024. 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 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.

No changes in the valuation techniques of the items below have occurred since the last annual financial statements.

Carrying amount (based on measurement basis)						
As at June 30, 2025 (Thousand Euro)	Asset and Liabilities at amortized cost	Assets / Liabilities as FVTPL			Total carrying amount	Fair Value
		Level 1	Level 2	Level 3		
Non-current financial assets	1'421	-	-	-	1'421	-
Trade receivables	117'515	-	-	-	117'515	-
Current financial assets	5'424	-	2'021	-	7'445	-
Cash and cash equivalents	33'242	-	-	-	33'242	-
Non-current financial liabilities	137'808	-	-	-	137'808	-
Non-current lease liabilities	38'894	-	-	-	38'894	-
Other non-current liabilities	828	-	-	-	828	-
Trade payables	51'003	-	-	-	51'003	-
Current financial liabilities	65'946	-	-	-	65'946	-
Current lease liabilities	12'181	-	-	-	12'181	-
Other current liabilities	19'736	-	-	-	19'736	-

Carrying amount (based on measurement basis)						
As at December 31, 2024 (Thousand Euro)	Asset and Liabilities at amortized cost	Assets / Liabilities as FVTPL			Total carrying amount	Fair Value
		Level 1	Level 2	Level 3		
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 forward currency contracts (foreign exchange contracts, selling USD and buying CHF; the financial instruments have a duration between 1 and 12 months).

6.5 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 the first six months of 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 six-month period ended June 30, 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.

	Unaudited 30.06.2025		Unaudited 30.06.2024	Audited 31.12.2024
SALES AND PROPERTY, PLANT AND EQUIPMENT (Thousand Euro)	Net sales	Property, plant and equipment	Net sales	Property, plant and equipment
EMEA	167'661	236'386	144'234	212'547
North America	102'271	47'079	84'953	47'253
Asia Pacific	66'653	3'022	54'303	2'817
LATAM	7'555	-	5'159	-
TOTAL CONSOLIDATED	344'140	286'487	288'649	262'617

Analysis of revenue

The following table presents revenue of the Group's product lines for the six-month period ended June 30, 2025 and 2024 respectively:

(Thousand Euro)	Unaudited 30.06.2025	Unaudited 30.06.2024
Hip	137'005	123'735
Knee	142'960	116'085
Spine	28'522	24'002
Extremities*	35'653	24'827
TOTAL REVENUES	344'140	288'649

* Extremities include Shoulder and Sportsmed revenues.

6.6 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 reserves

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 421 thousand of Capital contribution reserve (Kaptalenilagereserve, 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 (2024: CHF 11.0 million), distributed as dividend out of available earnings and other reserves.

Earnings per share

Basic earnings per share is calculated as the profit for the period 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.

	Unaudited 30.06.2025	Unaudited 30.06.2024
Net profit attributable to shareholders (in Euro thousand)	60'039	37'992
Weighted average number of ordinary shares outstanding	19'928'593	19'926'550
BASIC EARNINGS PER SHARE (in Euro)	3.01	1.91

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 calculated above is compared with the number of shares that would have been issued assuming the exercise of the Performance Share Units.

	Unaudited 30.06.2025	Unaudited 30.06.2024
Net profit used to determine diluted earnings per share (in Euro thousand)	60'039	37'992
Weighted average number of ordinary shares outstanding	19'928'593	19'926'550
Adjustments for performance stock units issued	26'280	17'442
Weighted average number of ordinary shares for diluted earnings per share	19'954'873	19'943'992
DILUTED EARNINGS PER SHARE (in Euro)	3.01	1.90

Treasury shares

In 2025 Medacta Group SA, decided to repurchase its own outstanding shares to fund the share-based compensation award cycles. Treasury shares are valued at weighted average cost and have been deducted from equity. As of June 30, 2025 the number of treasury shares amounted to 55'486 out of which 5'400 purchased in the first six months of 2025; on May 7, 2025, 30'362 shares were distributed to the participants of the 2022 award cycle.

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.

6.7 Share-based payment transactions

The Group has implemented since 2021 a Performance Share Plan ("The Plan" or "LTIP" Long-Term Incentive Plan), which has since been approved on an annual basis. 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 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.

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 Total Shareholder Return Vesting Multiple and a 50% weighting of the Absolute EBIT Vesting Multiple, rounded off to two decimal places, whereby:

- the Absolute Total Shareholder Return Vesting Multiple is calculated as the (positive or negative) difference between Medacta's Total Shareholder Return (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%.

The expense recognized for share-based payments during the six-months period ended June 30, 2025 is equal to Euro 2'422 thousand (Euro 1'995 thousand in the first six months of 2024).

RECONCILIATION OF OUTSTANDING PERFORMANCE SHARE UNITS	2025	2024
TOTAL AT JANUARY 1	78'783	68'488
Granted	33'351	30'727
Vested	(21'105)	(19'340)
Forfeited	(2'644)	-
TOTAL AT JUNE 30	88'385	79'875

In 2025, 33'351 PSUs were granted under the LTIP (2024: 30'727). The PSU's 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.

Underlying assumptions for the fair value of the PSUs are presented below:

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.

6.8 Taxes

The Group's Income taxes for the half-year period ended June 30, 2025 amount to Euro 8'564 thousand compared to Euro 6'672 thousand as of June 30, 2024, corresponding to an effective tax rate of 12.5% and 14.9% respectively.

The Profit Before Taxes includes Euro 13'653 thousand non-taxable gain from the bargain purchase of Parcus Medical, LLC, resulting in a positive effect on the half-year effective tax rate.

6.9 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. Moreover, the Constitutional Court, in judgment no.139 published on 22 July 2024, declared the constitutional illegitimacy of the Government's provision (set forth in Article 8 of Decree-Law No. 34/2023) by which the reduction to 48% had been reserved solely for operators who had waived the litigation brought before the Regional Administrative Court, having instead to be recognized to all operators for reasons of equity.

TAR Lazio, with rulings published on May 7, 2025, rejected the appeals of the companies, upholding the legitimacy of the regulation, already recognized by the Constitutional Court.

As a result of the Constitutional Court's pronouncements and of TAR Lazio's rulings on the appeals, it is ruled out that there is no scope for a full cancellation or further reductions of payback claims.

Law Decree No. 95 dated June 30, 2025 (containing urgent provisions for the financing of economic activities and businesses) was published on June 30, 2025, and its Article 7 provides that obligations to pay contributions as payback for the years 2015-2018 are deemed to have been fulfilled 'by paying, to the regions, within 30 days from the date of entry into force of the law converting this law decree, 25% of the amounts indicated in the regional measures'.

Law N. 118 dated August 8, 2025 was published on August 9, 2025 and converted Law Decree No. 95 into law, confirming its content.

The payment of the contributions as payback for the years 2015-2018 to the regions will be communicated to the Secretary of TAR Lazio and will determine the cessation of the dispute.

6.10 Related party transactions

Related parties primarily comprise members of Group Executive Management (GEM), members of the Board of Directors and significant shareholders.

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

During the first six months of 2025 Medacta International made contributions to Medacta for Life Foundation for Euro 319 thousand, a non-profit organization owned 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 first six months of 2025 are recognized in the General and Administrative expense line item for an amount equal to Euro 14 thousand.

In the first six months of 2025, members of the Group Executive Management collectively purchased 9'880 share units and sold 692 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 255 thousand in the first six months of 2025.

6.11 Atypical and/or unusual operations

During the first six months of 2025, the Group did not carry out any atypical and/or unusual operations.

6.12 Contingencies and commitments

The Group, as of June 30, 2025, contracted purchase commitments, mainly relating the acquisition of instruments, for a total amount of Euro 26.7 million (as of December 31, 2024: Euro 23.4 million).

As of June 30, 2025, the Group had used credit lines as borrowing facilities pledged by tangible fixed assets for a total amount of Euro 44'174 thousand (as of December 31, 2024: Euro 44'273 thousand).

The Group as of June 30, 2025 has unused current credit lines of Euro 135'362 thousand (Euro 157'387 thousand as of December 31, 2024), out of which Euro 10'031 thousand pledged by tangible fixed assets (Euro 9'982 thousand as of December 31, 2024).

6.13 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 June 30, 2025.

7. Independent Auditor's Report



Deloitte SA
Via Ferruccio Pelli 1
Casella Postale 1366
6901 Lugano
Switzerland

Phone: +41 (0)58 279 9400
Fax: +41 (0)58 279 9500
www.deloitte.ch

To the Board of Directors of
Medacta Group SA, Castel San Pietro

Independent Auditor's report on Review of Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the interim condensed consolidated financial information of Medacta Group SA, which comprises the interim consolidated statement of financial position as at 30 June 2025, the interim consolidated statement of profit or loss, the interim consolidated statement of comprehensive income, the interim consolidated statement of changes in equity, the interim consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes to the interim condensed financial Information (from page 18 to page 32).

Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information for the six-month ended 30 June 2025 are not prepared, in all material respects in accordance with IAS 34 – "Interim Financial Reporting".

Deloitte SA

Alessandro Miolo
Licensed Audit Expert
Auditor in Charge

Dominik Voegtli
Licensed Audit Expert

Lugano, 5 September 2025

Investor calendar



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Forward-looking information disclaimer

This Half Year 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 Half Year 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.

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Contacts

Medacta IR Contacts

Strada Regina, 34
6874 Castel San Pietro - Switzerland

Phone: +41 91 696 60 60
Fax: +41 91 696 60 66
Mail: investor.relations@medacta.ch



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