



# Fourth Quarter 2023 Results

February 22, 2024

**enovis**<sup>TM</sup>

*Creating Better Together™*

## Forward-looking Statements

This presentation includes forward-looking statements, including forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements concerning Enovis' plans, goals, objectives, outlook, expectations and intentions, including the potential benefits of the recently completed acquisition of LimaCorporate S.p.A ("Lima") and other statements that are not historical or current fact. Forward-looking statements are based on Enovis' current expectations and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Factors that could cause Enovis' results to differ materially from current expectations include, but are not limited to, risks related to Enovis' recently completed acquisition of Lima; the impact of public health emergencies and global pandemics (including COVID-19); the war in Ukraine and escalating geopolitical tensions including in connection with Russia's invasion of Ukraine; macroeconomic conditions, including the impact of increasing inflationary pressures; supply chain disruptions; increasing energy costs and availability concerns, particularly in the European market; the impacts of the completed spin-off of ESAB Corporation into an independent publicly traded company (the "Separation"); the potential to incur significant liability if the Separation is determined to be a taxable transaction; the ability to realize the anticipated benefits of the Separation, the financial and operating performance of the Company following the Separation; other impacts on Enovis' business and ability to execute business continuity plans; and the other factors detailed in Enovis' reports filed with the U.S. Securities and Exchange Commission (the "SEC"), including its most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q under the caption "Risk Factors," as well as the other risks discussed in Enovis' filings with the SEC. In addition, these statements are based on assumptions that are subject to change. This presentation speaks only as of the date hereof. Enovis disclaims any duty to update the information herein.

## Non-GAAP Financial Information

Enovis has provided in this presentation financial information that has not been prepared in accordance with accounting principles generally accepted in the United States of America ("non-GAAP"). These non-GAAP financial measures may include one or more of the following:

Adjusted net income from continuing operations attributable to Enovis ("Adjusted net income") and Adjusted net income per diluted share excludes restructuring and other charges, European Union Medical Device Regulation ("MDR") and other costs, amortization of acquired intangibles, inventory step up costs, strategic transaction costs, debt extinguishment costs, insurance settlement gain, gains and losses on the Company's investments, stock compensation costs, and other income/expense. Adjusted net income adjusts interest expense for periods prior to 2023 to reflect pro forma interest of the Company's capital structure after giving effect to the completing of the refinancing transactions in connection with the Separation, and it includes the tax effect of adjusted pre-tax income at applicable tax rates and other tax adjustments. Enovis also presents adjusted net income margin from continuing operations, which is subject to the same adjustments as adjusted net income from continuing operations. Adjusted EBITDA represents Adjusted net income with the adjustments noted above, includes minority interest, and excludes taxes, interest, depreciation, and other amortization. Enovis presents adjusted EBITDA margin, which is subject to the same adjustments as adjusted EBITDA. Adjusted gross profit represents gross profit excluding the impact of fair value charges of acquired inventory and the impact of restructuring and other charges. Adjusted gross profit margin is subject to the same adjustments as adjusted gross profit. Organic sales growth calculates sales growth period over period, after excluding the impact of acquisitions and foreign exchange rate fluctuations. Sales per day growth includes the same adjustments as Organic sales growth and adjusts for the number of selling days in the period. These non-GAAP financial measures assist Enovis management in comparing its operating performance over time because certain items may obscure underlying business trends and make comparisons of long-term performance difficult, as they are of a nature and/or size that occur with inconsistent frequency or relate to discrete restructuring plans that are fundamentally different from the ongoing productivity improvements of the Company. Enovis management also believes that presenting these measures allows investors to view its performance using the same measures that the Company uses in evaluating its financial and business performance and trends. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information calculated in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures. A reconciliation of non-GAAP financial measures presented above to GAAP results has been provided in the financial tables included in this presentation. Enovis does not provide reconciliations of adjusted EBITDA or adjusted earnings per share on a forward-looking basis to the closest GAAP financial measures, as such information is not available without unreasonable efforts on a forward-looking basis due to uncertainties regarding, and the potential variability of, reconciling items excluded from these measures. These items are uncertain, depend on various factors, and could have a material impact on GAAP reported results for the guidance period.

# 2023 Recap

## Strategic Pillars

### Rapidly Expand High Growth & Margin Recon Platform

**Double-digit** growth across all channels and geographies

**Built momentum in NPI cadence** EMPOWR revision continues to scale, Arvis 2.0 rolled out in 4Q, more to come in 2024

### Shape P&R for sustained MSD growth

**Outpaced peers** with 5% organic growth

**Improved service** levels and expanded MotionMD® platform

### Expand Margins With EGX & Scale

**Adjusted GM expanded** by 170 bps Y/Y on mix and price/cost discipline

**Improved aEBITDA** margin by 70 bps Y/Y amid inflation and M&A pressures

### Accelerate Growth Through M&A

**Recent acquisitions** grew double-digits and continued to scale

**Further Globalizing** Recon with the acquisition of LimaCorporate S.p.A.

**Excellent Execution Towards Long-Term Goals with +9% growth (+8% organic)**

# Q4 2023 Highlights



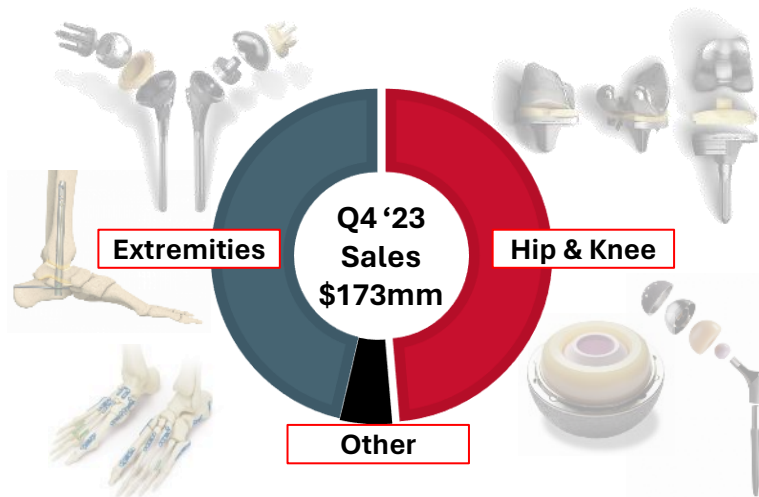
- **Organic growth of 8% Y/Y**
  - 11% organic growth in Recon
  - 6% organic growth in P&R
- **Expanded Adjusted Gross Margin 150 basis points**
  - Adjusted gross margin expansion from productivity, mix and acquisition scale
- **Continued strategic M&A execution**
  - Announced plans to acquire LimaCorporate (deal closed Jan 3, 2024)
  - Recent acquisitions moving up the scale curve

**Strong Q4 Performance and Continued Momentum**

# Q4 Reconstructive Segment Sales Performance

## Reconstructive Q4 Sales

Growth: +18% Y/Y, Organic sales +11%



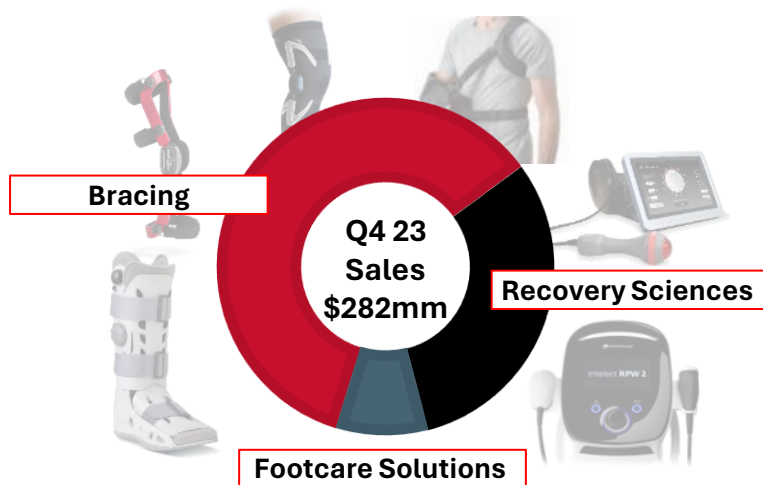
- **US organic growth of 11%**
  - Hip & Knee organic growth of 11% (vs +14% in 4Q22)
  - Extremities organic growth of 11% (vs +13% in 4Q22)
- **International organic growth of +11%**
  - Underlying market strength remained strong through YE
  - Early traction on cross-selling efforts with EMPOWER®
  - Brand and presence expanding in Europe
- **Positive momentum from new products**
  - Ongoing rollout of EMPOWER® Revision Knee
  - Evolve34 Lapidus Correction System
  - ARVIS 2.0 with full EMPOWER compatibility launched at AAHKS

**Demonstrating Sustainable DD Growth and Consistent Share Gain**

# Q4 Prevention & Recovery Segment Sales Performance

## P&R Q4 Sales

Growth: +8% Y/Y, Organic sales +6%

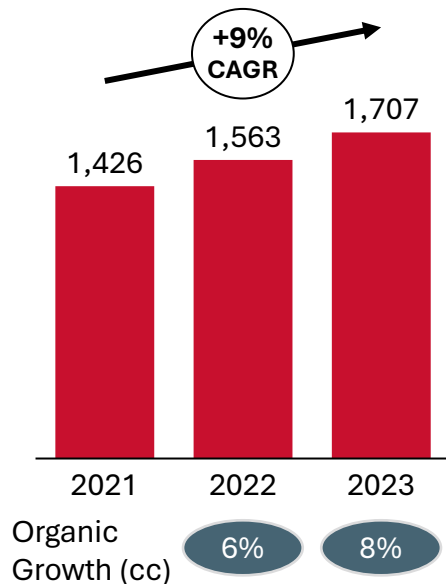


- **Organic growth of 6%**
  - Global Bracing growth of 6% (vs +2% in Q422)
  - Stable market environment
- **Adjusted gross margin up 240 bps Y/Y**
  - Supply Chain stabilized, EGX productivity momentum
  - Sustained traction on price vs. cost
- **Strong pipeline of new product launches**
  - New OA knee brace - ROAM
  - Next generation clinical electrotherapy

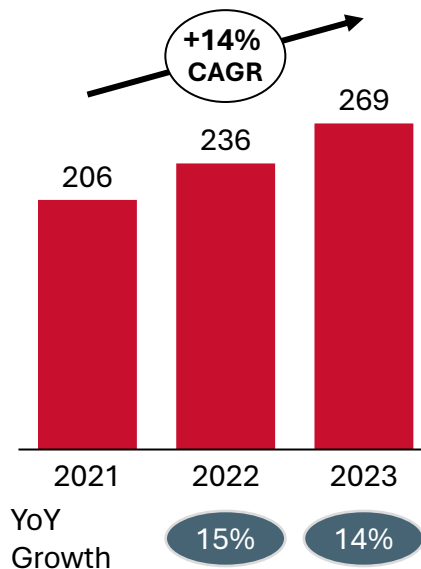
**Steady Growth and Margin Improvement**

# Significant Progress Since the Spin

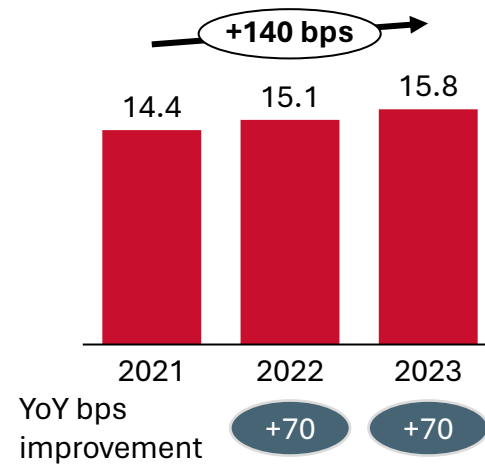
## Revenue



## aEBITDA



## aEBITDA Margin



**Executing on Strategic Priorities and Building Momentum**

# New Product Highlights for 2024



## **EMPOWR Revision**

Full TKA Revision System  
Including Lima's TT Cones



## **ROAM OA**

Single Upright OA Brace



## **Arvis 2.0**

Augmented Reality CAS



## **Intelect 2**

2<sup>nd</sup> Gen Electrotherapy



## **Evolve 34 & Pecaplasty**

Comprehensive Portfolio of  
Solutions for Bunion Repair

## **Innovation Focus**

Better Outcomes via  
Innovative  
Designs/Materials

Winning in the  
ASC/Outpatient

Differentiated Enabling / CAS  
Solutions to Improve  
Outcomes & Workflows

Modernizing Core  
Segments

Expanding Into New  
Segments & Indications

## **The Start of A Multi-Year Cadence of Transformative NPI**

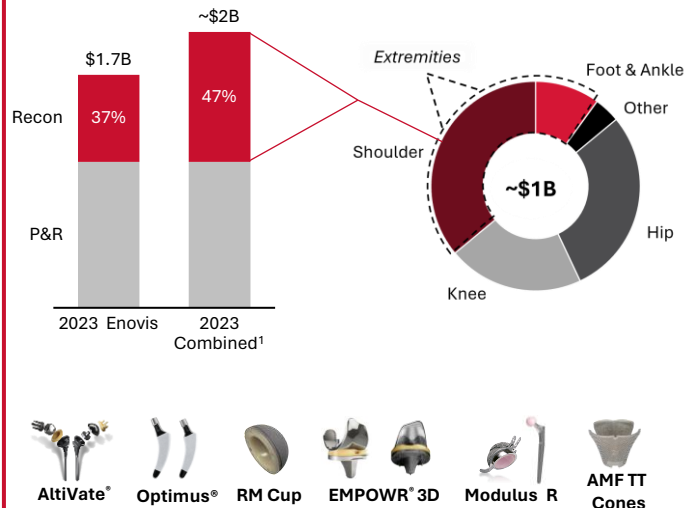


# Lima Milestones and Key Objectives

## Deal Recap

- Acquired LimaCorporate, for €800m; Closed Jan 3<sup>rd</sup> 2024
- Creates a **~\$1B reconstructive business**, with **~50%** in the large and fast-growing **extremities** segment
- **Strengthens our R&D pipeline**, adds **manufacturing scale** and emerging competencies in **3D printing**
- Accelerates **progress against Enovis strategic goals**: HSD growth, continued margin expansion and global scale

## 2023 Proforma w/Lima



## Progress

- Senior leadership in place on day 1 with a defined strategy for years 1-3
- Aggressive, thoughtful, integration plan and governance in place
- Robust cadence of sales & product trainings in Q124 to support cross-selling
- >\$40m of annual cost synergies expected by year 3
- Deal metrics on track for 2024
  - Sales: \$290-300mm
  - aEBITDA: \$70-75mm
  - aEPS: accretive

**Lima off to an Excellent Start...Momentum Building**

# P&L Performance

| <i>millions</i>           | <u>Q4 2022</u>       | <u>Q4 2023</u>       |
|---------------------------|----------------------|----------------------|
| <b>Net Sales</b>          | <b>\$409</b>         | <b>\$455</b>         |
| Adj. Gross Profit Margin  | \$233<br>57.1%       | \$267<br>58.6%       |
| <b>Adj. EBITDA Margin</b> | <b>\$75</b><br>18.3% | <b>\$82</b><br>18.0% |
| <b>Adj. EPS</b>           | <b>\$0.72</b>        | <b>\$0.79</b>        |

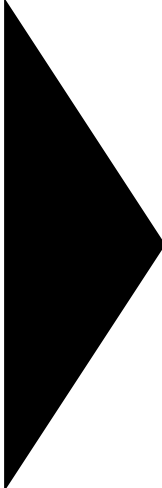
- +11% sales growth, +8% organic
- aEBITDA margin down 30 bps Y/Y primarily driven by PY comp

| <i>millions</i>           | <u>FY 2022</u>        | <u>FY 2023</u>        |
|---------------------------|-----------------------|-----------------------|
| <b>Net Sales</b>          | <b>\$1,563</b>        | <b>\$1,707</b>        |
| Adj. Gross Profit Margin  | \$884<br>56.5%        | \$994<br>58.2%        |
| <b>Adj. EBITDA Margin</b> | <b>\$236</b><br>15.1% | <b>\$269</b><br>15.8% |
| <b>Adj. EPS</b>           | <b>\$2.27</b>         | <b>\$2.40</b>         |

- +9% sales growth, +8% organic, led by Recon
- Healthy gross margin and aEBITDA expansion

## Solid Performance in Q4 and Full Year

# Met/Exceeded our upgraded FY Guidance

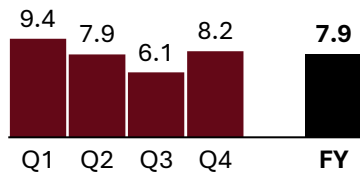
|                      | February      | May           | August        | November      |  | Actual    |
|----------------------|---------------|---------------|---------------|---------------|---|-----------|
| Organic Sales Growth | 5-6% (cc)     | 6-7% (cc)     | 7-7.5% (cc)   | 7.4-7.6% (cc) |   | 7.9% (cc) |
| aEBITDA              | \$255-\$265mm | \$259-\$267mm | \$262-\$270mm | \$264-\$270mm |   | \$269mm   |
| Depreciation         | ~\$85mm       | ~\$85mm       | ~\$85mm       | ~\$85mm       |   | \$84mm    |
| Interest Expense     | ~\$23mm       | ~\$23mm       | ~\$23mm       | ~\$22mm       |   | \$20mm    |
| Adjusted Tax Rate    | ~20%          | ~20%          | ~20%          | ~19-19.5%     |   | 20%       |
| aEPS                 | \$2.15-\$2.30 | \$2.18-\$2.32 | \$2.22-\$2.36 | \$2.30-\$2.40 |   | \$2.40    |

**Strong 2023 Financial Performance Above of Guidance**

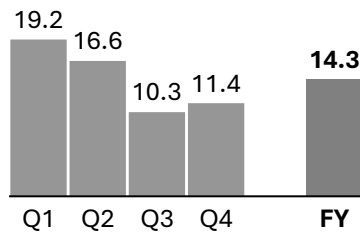
# Full Year 2023 Progression

## Organic growth vs. 2022 (% , constant currency)

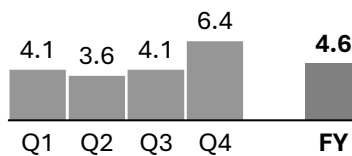
enovis



Recon

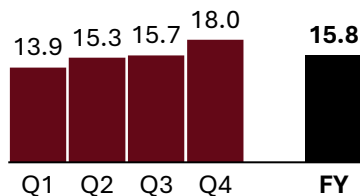


P&R

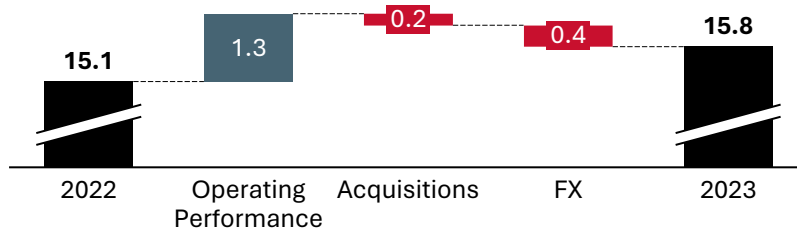


- Double-digit Recon performance, 1H stronger vs easy comp in prior year
- Consistent P&R results, Q4 benefiting from softer prior year comp

## aEBITDA margin (%)



## aEBITDA margin bridge vs. 2022 (%)



- Sequential margin improvement over the course of the year
- EGX and business mix on display with productivity driving underlying performance

**Delivered Strong Results in Dynamic Environment**

# Full Year 2024 Outlook

|                   | 2023 Results | 2024 Outlook   | Comments  |
|-------------------|--------------|----------------|---|
| Revenue           | \$1.71B      | \$2.05-2.15B   | <ul style="list-style-type: none"> <li>Global markets grow in-line with historical averages                             <ul style="list-style-type: none"> <li>~7% core growth</li> <li>DD recon growth continues</li> <li>P&amp;R stable in L/MSD</li> </ul> </li> <li>Lima guidance intact</li> <li>Tax rate headwinds from Lima/Pillar 2</li> <li>~2 additional selling days in the 2024 4Q</li> <li>aEPS assumes shares of ~56mm</li> </ul> |
| aEBITDA           | \$269mm      | \$365-\$380mm  |   |
| Depreciation      | \$84mm       | ~\$115-\$120mm |   |
| Interest Expense  | \$20mm       | ~\$70-\$75mm   |   |
| Adjusted Tax Rate | 20%          | ~21%           |   |
| aEPS              | \$2.40       | \$2.50-\$2.65  |   |

**Another year of strong underlying growth and margin expansion**

# Summary



- Strong Q4 and Full Year performance, sets up nicely for 2024
- Delivering on strategic goals of HSD organic growth and >50 bps of annual margin expansion
- Closed Lima acquisition on January 3, 2024...exciting momentum building and key integration milestones on track
- 2024 Guidance of >\$2B of sales and strong aEBITDA margin expansion

# Appendix



**enovis™**

*Creating Better Together™*

# Q4 and 2023 Sales Bridge

**Enovis Corporation**  
**Reconciliation of GAAP to non-GAAP Financial Measures**  
**Change in Sales**  
**Dollars in millions**  
**(Unaudited)**

|  | Net Sales               |          |                 |          |                 |          |
|--|-------------------------|----------|-----------------|----------|-----------------|----------|
|  | Prevention and Recovery |          | Reconstructive  |          | Total Enovis    |          |
|  | \$                      | Change % | \$              | Change % | \$              | Change % |
| For the three months ended December 31, 2022 | \$ 262.5                |          | \$ 146.2        |          | \$ 408.7        |          |
| <i>Components of Change:</i>                 |                         |          |                 |          |                 |          |
| Existing businesses <sup>(1)</sup>           | 16.9                    | 6.4 %    | 16.7            | 11.4 %   | 33.6            | 8.2 %    |
| Acquisitions <sup>(2)</sup>                  | —                       | — %      | 7.7             | 5.3 %    | 7.7             | 1.9 %    |
| Foreign currency translation <sup>(3)</sup>  | 2.8                     | 1.1 %    | 2.2             | 1.5 %    | 5.0             | 1.2 %    |
|  | 19.7                    | 7.5 %    | 26.6            | 18.2 %   | 46.3            | 11.3 %   |
| For the three months ended December 31, 2023 | <u>\$ 282.2</u>         |          | <u>\$ 172.8</u> |          | <u>\$ 455.0</u> |          |

|   | Net Sales               |          |                 |          |                   |          |
|---|-------------------------|----------|-----------------|----------|-------------------|----------|
|   | Prevention and Recovery |          | Reconstructive  |          | Total Enovis      |          |
|   | \$                      | Change % | \$              | Change % | \$                | Change % |
| For the year ended December 31, 2022        | \$ 1,027.6              |          | \$ 535.5        |          | \$ 1,563.1        |          |
| <i>Components of Change:</i>                |                         |          |                 |          |                   |          |
| Existing businesses <sup>(1)</sup>          | 47.1                    | 4.6 %    | 76.7            | 14.3 %   | 123.8             | 7.9 %    |
| Acquisitions <sup>(2)</sup>                 | —                       | — %      | 14.3            | 2.7 %    | 14.3              | 0.9 %    |
| Foreign currency translation <sup>(3)</sup> | 2.1                     | 0.2 %    | 4.0             | 0.7 %    | 6.1               | 0.4 %    |
|   | 49.1                    | 4.8 %    | 94.9            | 17.7 %   | 144.1             | 9.2 %    |
| For the year ended December 31, 2023        | <u>\$ 1,076.8</u>       |          | <u>\$ 630.4</u> |          | <u>\$ 1,707.2</u> |          |

<sup>(1)</sup> Excludes the impact of foreign exchange rate fluctuations and acquisitions, thus providing a measure of growth due to factors such as price, product mix and volume.

<sup>(2)</sup> Represents the incremental sales as a result of acquisitions closed subsequent to the beginning of the prior year period.

<sup>(3)</sup> Represents the difference between prior year sales valued at the actual prior year foreign exchange rates and prior year sales valued at current year foreign exchange rates.



# Adjusted EPS Reconciliation

**Enovis Corporation**  
**Reconciliation of GAAP to Non-GAAP Financial Measures**  
Dollars in millions, except per share data  
(Unaudited)

|   | Three Months Ended   |                      | Year Ended           |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2023 | December 31,<br>2022 | December 31,<br>2023 | December 31,<br>2022 |
| <b>Adjusted Net Income and Adjusted Net Income Per Share</b>  |                      |                      |                      |                      |
| Net income (loss) from continuing operations attributable to Enovis Corporation <sup>(1)</sup> (GAAP) | \$ 3.0               | \$ (54.9)            | \$ (54.4)            | \$ (38.8)            |
| Restructuring and other charges - pretax <sup>(2)</sup>   | 7.9                  | 10.5                 | 20.0                 | 19.0                 |
| MDR and related costs - pretax <sup>(3)</sup>   | 4.4                  | 6.1                  | 27.4                 | 16.7                 |
| Debt extinguishment charges - pretax  | 7.3                  | 0.3                  | 7.3                  | 20.4                 |
| Amortization of acquired intangibles - pretax   | 35.3                 | 31.7                 | 133.5                | 126.3                |
| Inventory step-up - pretax  | —                    | 0.8                  | 0.1                  | 12.8                 |
| Strategic transaction costs - pretax <sup>(4)</sup>   | 10.7                 | 28.5                 | 38.3                 | 61.0                 |
| Pro forma interest expense adjustment <sup>(5)</sup>  | —                    | 1.5                  | —                    | 12.5                 |
| Insurance settlement gain <sup>(6)</sup>  | —                    | (4.6)                | —                    | (36.7)               |
| Stock-based compensation  | 7.9                  | 9.8                  | 32.1                 | 31.5                 |
| Gain on investment in ESAB Corporation  | —                    | (30.3)               | —                    | (102.7)              |
| Gain on cost basis investment   | —                    | —                    | —                    | (8.8)                |
| Other income  | (25.0)               | (1.8)                | (25.7)               | (2.1)                |
| Tax adjustment <sup>(7)</sup>   | (7.9)                | 41.6                 | (46.6)               | 12.6                 |
| Adjusted net income from continuing operations (non-GAAP)   | <u>\$ 43.5</u>       | <u>\$ 39.1</u>       | <u>\$ 132.1</u>      | <u>\$ 123.7</u>      |
| Adjusted net income margin from continuing operations   | 9.6 %                | 9.6 %                | 7.7 %                | 7.9 %                |
| Weighted-average shares outstanding - diluted   | 55,085               | 54,630               | 54,981               | 54,503               |
| Adjusted net income per share - diluted from continuing operations (non-GAAP)                         | \$ 0.79              | \$ 0.72              | \$ 2.40              | \$ 2.27              |
| Net income (loss) per share - diluted from continuing operations (GAAP)                               | \$ 0.05              | \$ (1.01)            | \$ (1.00)            | \$ (0.72)            |

<sup>(1)</sup> Net income (loss) from continuing operations attributable to Enovis Corporation for the respective periods is calculated using Net income (loss) from continuing operations less the continuing operations component of the income attributable to noncontrolling interest, net of taxes.

<sup>(2)</sup> Restructuring and other charges includes \$2.3 million and \$2.6 million of expense classified as Cost of sales on our Consolidated Statements of Operations for the three months and year ended December 31, 2023, respectively, and \$0.9 million and \$1.7 million of expense classified as Cost of sales on our Consolidated Statements of Operations for the three months and year ended December 31, 2022, respectively.

<sup>(3)</sup> Primarily related to costs specific to compliance with medical device reporting regulations and other requirements of the European Union MDR. These costs are classified as Selling, general and administrative expense on our Consolidated Statements of Operations.

<sup>(4)</sup> Strategic transaction costs includes costs related to the Separation and certain transaction and integration costs related to recent acquisitions.

<sup>(5)</sup> Adjusts interest expense in 2022 to reflect pro forma interest from the Company's term loan facility after giving effect to the completion of the refinancing transactions in connection with the Separation.

<sup>(6)</sup> Insurance settlement gain relates to the Company's 2019 acquisition of DJO.

<sup>(7)</sup> The effective tax rates used to calculate adjusted net income and adjusted net income per share were 22.3% and 20.1% for the three months and year ended December 31, 2023, respectively, and 21.4% and 15.9% for the three months and year ended December 31, 2022, respectively.

# Adjusted EBITDA Reconciliation

**Enovis Corporation**  
**Reconciliation of GAAP to Non-GAAP Financial Measures**  
**Dollars in millions**  
**(Unaudited)**

|   | Three Months Ended    |                      | Year Ended           |                      |
|---|-----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2023  | December 31,<br>2022 | December 31,<br>2023 | December 31,<br>2022 |
|   | (Dollars in millions) |                      |                      |                      |
| Net income (loss) from continuing operations (GAAP) | \$ 3.1                | \$ (54.8)            | \$ (53.8)            | \$ (38.2)            |
| Income tax expense (benefit)                        | 4.6                   | 52.3                 | (13.3)               | 36.1                 |
| Other income, net                                   | (25.0)                | (1.8)                | (25.7)               | (2.1)                |
| Gain on cost basis investment                       | —                     | —                    | —                    | (8.8)                |
| Gain on investment in ESAB Corporation              | —                     | (30.3)               | —                    | (102.7)              |
| Debt extinguishment charges                         | 7.3                   | 0.3                  | 7.3                  | 20.4                 |
| Interest expense, net                               | 4.3                   | 6.1                  | 19.7                 | 24.1                 |
| Operating loss (GAAP)                               | (5.8)                 | (28.2)               | (65.7)               | (71.2)               |
| Adjusted to add (deduct):                           |                       |                      |                      |                      |
| Restructuring and other charges <sup>(1)</sup>      | 7.9                   | 10.5                 | 20.0                 | 19.0                 |
| MDR and other costs <sup>(2)</sup>                  | 4.4                   | 6.1                  | 27.4                 | 16.7                 |
| Strategic transaction costs <sup>(3)</sup>          | 10.7                  | 28.5                 | 38.3                 | 61.0                 |
| Stock-based compensation                            | 7.9                   | 9.8                  | 32.1                 | 31.5                 |
| Depreciation and other amortization                 | 21.4                  | 20.6                 | 83.6                 | 76.7                 |
| Amortization of acquired intangibles                | 35.3                  | 31.7                 | 133.5                | 126.3                |
| Insurance settlement loss                           | —                     | (4.6)                | —                    | (36.7)               |
| Inventory step-up                                   | —                     | 0.8                  | 0.1                  | 12.8                 |
| Adjusted EBITDA (non-GAAP)                          | <u>\$ 81.7</u>        | <u>\$ 74.9</u>       | <u>\$ 269.2</u>      | <u>\$ 236.1</u>      |
| Adjusted EBITDA margin (non-GAAP)                   | 18.0 %                | 18.3 %               | 15.8 %               | 15.1 %               |

<sup>(1)</sup> Restructuring and other charges includes \$2.3 million and \$2.6 million of expense classified as Cost of sales on our Consolidated Statements of Operations for the three months and year ended December 31, 2023, respectively, and \$0.9 million and \$1.7 million of expense classified as Cost of sales on our Consolidated Statements of Operations for the three months and year ended December 31, 2022, respectively.

<sup>(2)</sup> Primarily related to costs specific to compliance with medical device reporting regulations and other requirements of the European Union MDR. These costs are classified as Selling, general and administrative expense on our Condensed Consolidated Statements of Operations.

<sup>(3)</sup> Strategic transaction costs includes costs related to the Separation and certain transaction and integration costs related to recent acquisitions.

# Adjusted Gross Margin Reconciliation

**Enovis Corporation**  
**Reconciliation of Gross Margin (GAAP) to Adjusted Gross Margin (non-GAAP)**  
**Dollars in millions**  
**(Unaudited)**

|                                   | Three Months Ended |                   | Year Ended        |                   |
|-----------------------------------|--------------------|-------------------|-------------------|-------------------|
|                                   | December 31, 2023  | December 31, 2022 | December 31, 2023 | December 31, 2022 |
| Net sales                         | \$ 455.0           | \$ 408.7          | \$ 1,707.2        | \$ 1,563.1        |
| Gross profit                      | \$ 264.4           | \$ 231.8          | \$ 990.8          | \$ 869.4          |
| Gross Margin (GAAP)               | 58.1 %             | 56.7 %            | 58.0 %            | 55.6 %            |
| Gross profit (GAAP)               | \$ 264.4           | \$ 231.8          | \$ 990.8          | \$ 869.4          |
| Inventory step-up                 | —                  | \$ 0.8            | 0.1               | \$ 12.8           |
| Restructuring & other charges     | 2.3                | \$ 0.9            | 2.6               | \$ 1.7            |
| Adjusted gross profit (Non-GAAP)  | \$ 266.7           | \$ 233.4          | \$ 993.5          | \$ 883.9          |
| Adjusted Gross Margin (Non-GAAP)  | 58.6 %             | 57.1 %            | 58.2 %            | 56.5 %            |
| <i>Prevention &amp; Recovery:</i> |                    |                   |                   |                   |
| Net sales                         | \$ 282.2           | \$ 262.5          | \$ 1,076.8        | \$ 1,027.6        |
| Gross profit                      | \$ 144.6           | \$ 129.5          | \$ 557.5          | \$ 518.2          |
| Gross Margin (GAAP)               | 51.2 %             | 49.3 %            | 51.8 %            | 50.4 %            |
| Gross profit (GAAP)               | \$ 144.6           | \$ 129.5          | \$ 557.5          | \$ 518.2          |
| Inventory step-up                 | —                  | —                 | —                 | —                 |
| Restructuring & other charges     | 2.3                | 0.9               | 2.6               | 1.7               |
| Adjusted gross profit (Non-GAAP)  | \$ 146.9           | \$ 130.4          | \$ 560.1          | \$ 519.9          |
| Adjusted Gross Margin (Non-GAAP)  | 52.1 %             | 49.7 %            | 52.0 %            | 50.6 %            |

# Q4'23 GAAP to Adjusted Non-GAAP Financial Measures

## Reconciliation of GAAP to Non-GAAP Financial Measures

Dollars in millions

(Unaudited)

|   | Enovis<br>Continuing<br>Operations | Acquisition-<br>Related Non-Cash<br>Adjustments <sup>a</sup> | Restructuring<br>& Other<br>Adjustments <sup>b</sup> | Other<br>Adjustments <sup>c</sup> | Income Tax<br>Adjustment <sup>d</sup> | Adjusted       |
|---|------------------------------------|--|--|-----------------------------------|---------------------------------------|----------------|
| Net sales                                   | \$ 455.0                           | \$ -   | \$ -   | \$ -                              | \$ -                                  | \$ 455.0       |
| Cost of goods sold                          | 190.6                              | -  | (2.3)  | -                                 | -                                     | 188.3          |
| Gross profit                                | 264.4                              | -  | 2.3  | -                                 | -                                     | 266.7          |
| <i>Gross margin</i>                         | <i>58.1%</i>                       |  |  |                                   |                                       | <i>58.6%</i>   |
| Selling, general and administrative expense | 211.0                              | -  | -  | (23.0)                            | -                                     | 188.0          |
| Research and development expense            | 18.3                               | -  | -  | -                                 | -                                     | 18.3           |
| Amortization of acquired intangibles        | 35.3                               | (35.3)   | -  | -                                 | -                                     | -              |
| Restructuring and other charges             | 5.6                                | -  | (5.6)  | -                                 | -                                     | -              |
| Operating (loss) income                     | (5.8)                              | 35.3   | 7.9  | 23.0                              | -                                     | 60.4           |
| Interest expense, net                       | 4.3                                | -  | -  | -                                 | -                                     | 4.3            |
| Debt extinguishment charges                 | 7.3                                | -  | (7.3)  | -                                 | -                                     | -              |
| Other income, net                           | (25.0)                             | -  | 25.0   | -                                 | -                                     | -              |
| Income before income taxes                  | 7.7                                | 35.3   | (9.8)  | 23.0                              | -                                     | 56.1           |
| Income tax expense                          | 4.6                                | -  | -  | -                                 | 7.9                                   | 12.5           |
| Less: NCI income, net of taxes              | 0.1                                | -  | -  | -                                 | -                                     | 0.1            |
| Net income attributable to Enovis           | <u>\$ 3.0</u>                      | <u>\$ 35.3</u>   | <u>\$ (9.8)</u>                                      | <u>\$ 23.0</u>                    | <u>\$ (7.9)</u>                       | <u>\$ 43.5</u> |

<sup>a</sup> Removes impact of amortization of acquired intangibles.

<sup>b</sup> Removes impact of restructuring and other charges, debt extinguishment charges and other income.

<sup>c</sup> Removes impact of strategic transaction costs of \$10.7, stock-based compensation expense of \$7.9 and MDR & other costs of \$4.4.

<sup>d</sup> The effective tax rate used to calculate adjusted net income was 22.3%.

# Q4'22 GAAP to Adjusted Non-GAAP Financial Measures

## Reconciliation of GAAP to Non-GAAP Financial Measures

Dollars in millions

(Unaudited)

|   | Enovis<br>Continuing<br>Operations | Acquisition-<br>Related Non-Cash<br>Adjustments <sup>a</sup> | Restructuring<br>& Other<br>Adjustments <sup>b</sup> | Other<br>Adjustments <sup>c</sup> | Debt &<br>Investment<br>Adjustments <sup>d</sup> | Income Tax<br>Adjustment <sup>e</sup> | Adjusted       |
|---|------------------------------------|--|--|-----------------------------------|--|---------------------------------------|----------------|
| Net sales                                   | \$ 408.7                           | \$ -   | \$ -   | \$ -                              | \$ -   | \$ -                                  | \$ 408.7       |
| Cost of goods sold                          | 177.0                              | (0.8)  | (0.9)  | -                                 | -  | -                                     | 175.3          |
| Gross profit                                | 231.8                              | 0.8  | 0.9  | -                                 | -  | -                                     | 233.4          |
| <i>Gross margin</i>                         | <i>56.7%</i>                       |  |  |                                   |  |                                       | <i>57.1%</i>   |
| Selling, general and administrative expense | 208.6                              | -  | -  | (44.3)                            | -  | -                                     | 164.3          |
| Research and development expense            | 14.7                               | -  | -  | -                                 | -  | -                                     | 14.7           |
| Amortization of acquired intangibles        | 31.7                               | (31.7)   | -  | -                                 | -  | -                                     | -              |
| Insurance settlement gain                   | (4.6)                              | -  | -  | 4.6                               | -  | -                                     | -              |
| Restructuring and other charges             | 9.6                                | -  | (9.6)  | -                                 | -  | -                                     | -              |
| Operating (loss) income                     | (28.2)                             | 32.5   | 10.5   | 39.6                              | -  | -                                     | 54.4           |
| Interest expense, net                       | 6.1                                | -  | -  | -                                 | (1.5)  | -                                     | 4.6            |
| Debt extinguishment charges                 | 0.3                                | -  | -  | -                                 | (0.3)  | -                                     | -              |
| Gain on investment in ESAB Corporation      | (30.3)                             | -  | -  | -                                 | 30.3   | -                                     | -              |
| Other income, net                           | (1.8)                              | -  | 1.8  | -                                 | -  | -                                     | -              |
| (Loss) income before income taxes           | (2.5)                              | 32.5   | 8.7  | 39.6                              | (28.5)   | -                                     | 49.8           |
| Income tax expense                          | 52.3                               | -  | -  | -                                 | -  | (41.6)                                | 10.7           |
| Less: NCI income, net of taxes              | 0.0                                | -  | -  | -                                 | -  | -                                     | 0.0            |
| Net (loss) income attributable to Enovis    | <u>\$ (54.9)</u>                   | <u>\$ 32.5</u>   | <u>\$ 8.7</u>  | <u>\$ 39.6</u>                    | <u>\$ (28.5)</u>                                 | <u>\$ 41.6</u>                        | <u>\$ 39.1</u> |

<sup>a</sup> Removes impact of amortization of acquired intangibles and fair value charges of acquired inventory.

<sup>b</sup> Removes impact of restructuring and other charges and other income.

<sup>c</sup> Removes impact of strategic transaction costs of \$28.5, stock-based compensation expense of \$9.8, MDR & other costs of \$6.1 and insurance settlement gain.

<sup>d</sup> Adjust interest expense to reflect a deleveraged debt structure and removes impact of ESAB investment.

<sup>e</sup> The effective tax rate used to calculate adjusted net income was 21.4%.

# Full Year 2023 GAAP to Adj. Non-GAAP Financial Measures

## Reconciliation of GAAP to Non-GAAP Financial Measures

(Unaudited)

Dollars in millions

|   | Enovis<br>Continuing<br>Operations | Acquisition-<br>Related Non-Cash<br>Adjustments <sup>a</sup> | Restructuring<br>& Other<br>Adjustments <sup>b</sup> | Other<br>Adjustments <sup>c</sup> | Income Tax<br>Adjustment <sup>d</sup> | Adjusted     |
|---|------------------------------------|--|--|-----------------------------------|---------------------------------------|--------------|
| Net sales                                   | \$ 1,707.2                         | \$ -   | \$ -   | \$ -                              | \$ -                                  | \$ 1,707.2   |
| Cost of goods sold                          | 716.4                              | (0.1)  | (2.6)  | -                                 | -                                     | 713.7        |
| Gross profit                                | 990.8                              | 0.1  | 2.6  | -                                 | -                                     | 993.5        |
| <i>Gross margin</i>                         | <i>58.0%</i>                       |  |  |                                   |                                       | <i>58.2%</i> |
| Selling, general and administrative expense | 830.3                              | -  | -  | (97.7)                            | -                                     | 732.6        |
| Research and development expense            | 75.3                               | -  | -  | -                                 | -                                     | 75.3         |
| Amortization of acquired intangibles        | 133.5                              | (133.5)  | -  | -                                 | -                                     | -            |
| Restructuring and other charges             | 17.3                               | -  | (17.3)   | -                                 | -                                     | -            |
| Operating (loss) income                     | (65.7)                             | 133.7  | 20.0   | 97.7                              | -                                     | 185.6        |
| Interest expense, net                       | 19.7                               | -  | -  | -                                 | -                                     | 19.7         |
| Debt extinguishment charges                 | 7.3                                | -  | (7.3)  | -                                 | -                                     | -            |
| Other income, net                           | (25.7)                             | -  | 25.7   | -                                 | -                                     | -            |
| (Loss) income before income taxes           | (67.1)                             | 133.7  | 1.6  | 97.7                              | -                                     | 165.9        |
| Income tax (benefit) expense                | (13.3)                             | -  | -  | -                                 | 46.6                                  | 33.3         |
| Less: NCI income, net of taxes              | 0.5                                | -  | -  | -                                 | -                                     | 0.5          |
| Net (loss) income attributable to Enovis    | \$ (54.4)                          | \$ 133.7   | \$ 1.6   | \$ 97.7                           | \$ (46.6)                             | \$ 132.1     |

<sup>a</sup> Removes impact of amortization of acquired intangibles and fair value charges of acquired inventory.

<sup>b</sup> Removes impact of restructuring and other charges, debt extinguishment charges and other income.

<sup>c</sup> Removes impact of strategic transaction costs of \$38.3, stock-based compensation expense of \$32.1 and MDR & other costs of \$27.4.

<sup>d</sup> The effective tax rate used to calculate adjusted net income was 20.07%.

# Full Year 2022 GAAP to Adj. Non-GAAP Financial Measures

## Reconciliation of GAAP to Non-GAAP Financial Measures

Dollars in millions

(Unaudited)

|   | Enovis<br>Continuing<br>Operations | Acquisition-<br>Related Non-Cash<br>Adjustments <sup>a</sup> | Restructuring<br>& Other<br>Adjustments <sup>b</sup> | Other<br>Adjustments <sup>c</sup> | Debt &<br>Investment<br>Adjustments <sup>d</sup> | Income Tax<br>Adjustment <sup>e</sup> | Adjusted        |
|---|------------------------------------|--|--|-----------------------------------|--|---------------------------------------|-----------------|
| Net sales                                   | \$ 1,563.1                         | \$ -   | \$ -   | \$ -                              | \$ -   | \$ -                                  | \$ 1,563.1      |
| Cost of goods sold                          | 693.7                              | (12.8)   | (1.7)  | -                                 | -  | -                                     | 679.2           |
| Gross profit                                | 869.4                              | 12.8   | 1.7  | -                                 | -  | -                                     | 883.9           |
| <i>Gross margin</i>                         | <i>55.6%</i>                       |  |  |                                   |  |                                       | <i>56.5%</i>    |
| Selling, general and administrative expense | 772.9                              | -  | -  | (109.2)                           | -  | -                                     | 663.7           |
| Research and development expense            | 60.8                               | -  | -  | -                                 | -  | -                                     | 60.8            |
| Amortization of acquired intangibles        | 126.3                              | (126.3)  | -  | -                                 | -  | -                                     | -               |
| Insurance settlement gain                   | (36.7)                             | -  | -  | 36.7                              | -  | -                                     | -               |
| Restructuring and other charges             | 17.2                               | -  | (17.2)   | -                                 | -  | -                                     | -               |
| Operating (loss) income                     | (71.2)                             | 139.1  | 19.0   | 72.5                              | -  | -                                     | 159.4           |
| Interest expense, net                       | 24.1                               | -  | -  | -                                 | (12.5)   | -                                     | 11.6            |
| Debt extinguishment charges                 | 20.4                               | -  | -  | -                                 | (20.4)   | -                                     | -               |
| Gain on investment in ESAB Corporation      | (102.7)                            | -  | -  | -                                 | 102.7  | -                                     | -               |
| Gain on cost basis investment               | (8.8)                              | -  | -  | -                                 | 8.8  | -                                     | -               |
| Other income, net                           | (2.1)                              | -  | 2.1  | -                                 | -  | -                                     | -               |
| (Loss) income before income taxes           | (2.1)                              | 139.1  | 16.9   | 72.5                              | (78.6)   | -                                     | 147.8           |
| Income tax expense                          | 36.1                               | -  | -  | -                                 | -  | (12.6)                                | 23.5            |
| Less: NCI income, net of taxes              | 0.6                                | -  | -  | -                                 | -  | -                                     | 0.6             |
| Net (loss) income attributable to Enovis    | <u>\$ (38.8)</u>                   | <u>\$ 139.1</u>  | <u>\$ 16.9</u>                                       | <u>\$ 72.5</u>                    | <u>\$ (78.6)</u>                                 | <u>\$ 12.6</u>                        | <u>\$ 123.7</u> |

<sup>a</sup> Removes impact of amortization of acquired intangibles and fair value charges of acquired inventory.

<sup>b</sup> Removes impact of restructuring and other charges and other income.

<sup>c</sup> Removes impact of strategic transaction costs of \$61.0, stock-based compensation expense of \$31.5, MDR & other costs of \$16.7 and insurance settlement gain.

<sup>d</sup> Adjust interest expense to reflect a deleveraged debt structure and removes impact of investments.

<sup>e</sup> The effective tax rate used to calculate adjusted net income was 15.9%.

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