

First Quarter 2025



# Forward looking statements and non-IFRS measures

This document may contain forward-looking statements that may or may not prove accurate. For example, statements regarding expected revenue growth and trading profit margins, market trends and our product pipeline are forward-looking statements. Phrases such as "aim", "plan", "intend", "anticipate", "well-placed", "believe", "estimate", "expect", "target", "consider" and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to differ materially from what is expressed or implied by the statements. For Smith+Nephew, these factors include: economic and financial conditions in the markets we serve, especially those affecting healthcare providers, payers and customers; price levels for established and innovative medical devices; developments in medical technology; regulatory approvals, reimbursement decisions or other government actions; product defects or recalls or other problems with quality management systems or failure to comply with related regulations; litigation relating to patent or other claims; legal compliance risks and related investigative, remedial or enforcement actions; disruption to our supply chain or operations or those of our suppliers; competition for qualified personnel; strategic actions, including acquisitions and dispositions, our success in performing due diligence, valuing and integrating acquired businesses; disruption that may result from transactions or other changes we make in our business plans or organisation to adapt to market developments; relationships with healthcare professionals; reliance on information technology and cybersecurity; and numerous other matters that affect us or our markets, including those of a political, economic, business, competitive or reputational nature. Please refer to the documents that Smith+Nephew has filed with the U.S. Securities and Exchange Commission under the U.S. Securities Exchange Act of 1934, as amended, including Smith+Nephew's most recent annual report on Form 20-F, for a discussion of certain of these factors. Any forward-looking statement is based on information available to Smith+Nephew as of the date of the statement. All written or oral forward-looking statements attributable to Smith+Nephew are qualified by this caution. Smith+Nephew does not undertake any obligation to update or revise any forward-looking statement to reflect any change in circumstances or in Smith+Nephew's expectations. The terms 'Group' and 'Smith+Nephew' are used for convenience to refer to Smith & Nephew plc and its consolidated subsidiaries, unless the context requires otherwise.

Certain items included in 'trading results', such as trading profit, trading profit margin, trading attributable profit, tax rate on trading results (trading tax expressed as a percentage of trading profit before tax), Adjusted Earnings Per Ordinary Share (EPSA), trading cash flow, free cash flow, trading profit to trading cash conversion ratio, adjusted ROIC, leverage ratio, and underlying revenue growth are non-IFRS financial measures. The non-IFRS financial measures in this announcement are explained and, where applicable, reconciled to the most directly comparable financial measure prepared in accordance with IFRS in our Fourth Quarter and Full Year 2024 Results announcement dated 25 February 2025.

◇ Trademark of Smith+Nephew. Certain marks registered in US Patent and Trademark Office.



# Summary

## + Q1 underlying revenue growth of +3.1%

- Consistent performance across business units: T&E, Sports Medicine and AWM continue to perform well in established markets, US recon sustaining improvement from 2024
- Growth includes expected headwinds from China and one fewer trading day

## + Operational improvements and key platforms driving growth

- Building on 12-Point Plan benefits of better product availability, commercial execution, and the focus and accountability of the business unit model
- Strong double-digit growth from CORI<sup>◇</sup>, EVOS<sup>◇</sup>, REGENETEN<sup>◇</sup>, and NPWT underpinning segment performance; continued high cadence of innovation and clinical evidence

## + Full year 2025 guidance unchanged

- Higher growth for rest of year as external headwinds ease; poised for step-up in profitability, as benefits of cost savings and network optimisation flow through to P&L
- Outlook includes c.\$15-20m expected tariff impact in 2025, based on announced measures, and mitigations

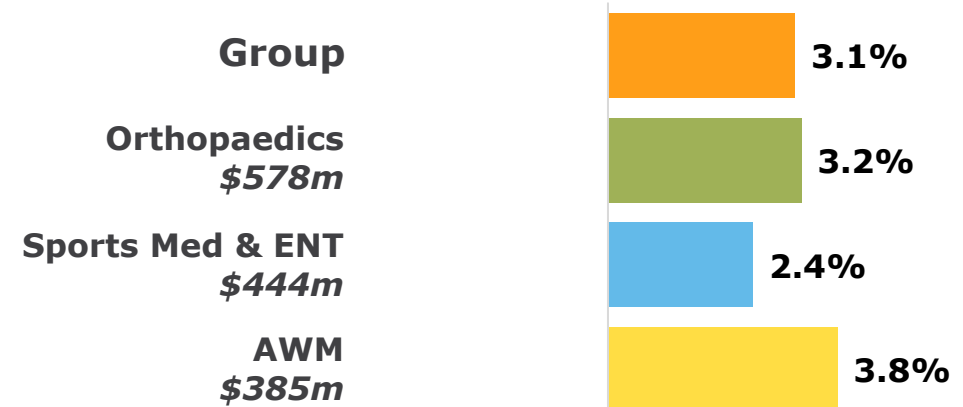
# Q1 2025 Revenue



# Q1 2025 summary revenue performance



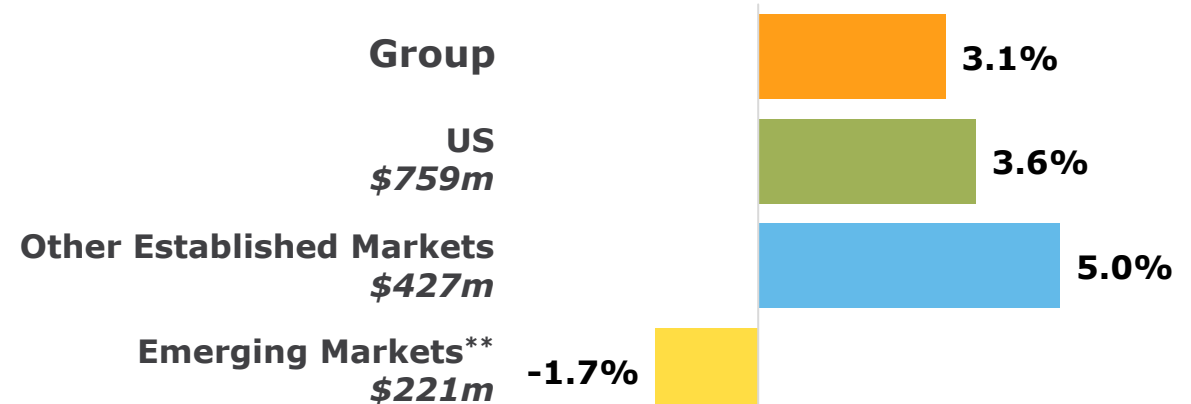
## Growth by Business Unit\*



### Total revenue of \$1,407m

- Underlying revenue growth **+3.1%**, **+1.6%** reported\*
- One fewer trading day vs Q1 2024

## Growth by Region\*



\*Growth rates are versus Q1 2024. Business Unit and Regional growth figures are on an underlying basis and without adjustments for number of selling days

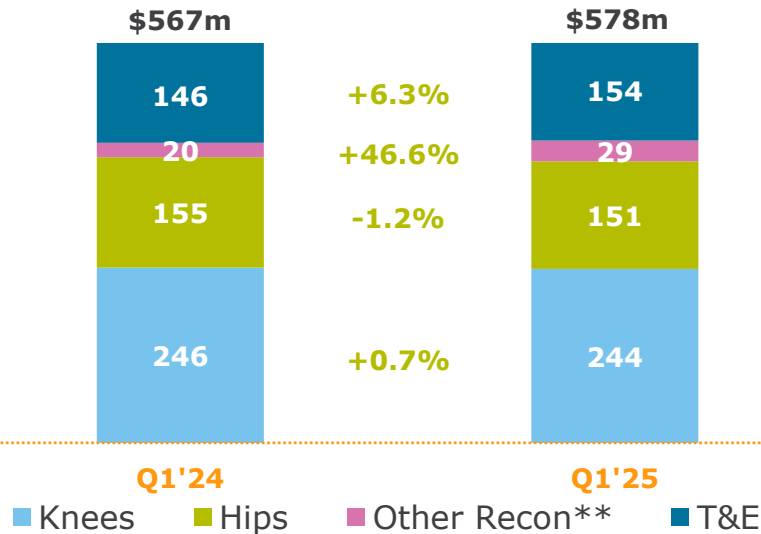
\*\*Emerging markets growth of 14.7% excluding China

# Orthopaedics

US Recon maintaining improved performance from Q4; strong growth from robotics and T&E



Revenue of \$578m:  
+3.2% underlying\*  
+1.8% reported



## Q1 sales factors

### + Global Knees and Hips +0.7% and -1.2%:

- US Knees and Hips +0.9% and +2.0%, maintaining improved performance on a days-adjusted basis, with positive net customer churn
- OUS Knees and Hips +0.6% and -5.0%. Continued solid performance in established markets; headwind from slower China of c.4% in Knees, c.7% in Hips

### + Other Reconstruction +46.6%, reflecting a strong quarter of robotics capital deals

### + Trauma & Extremities +6.3%:

- Continued strong momentum for EVOS, driven by EVOS Large and Periprosthesis
- Increasing growth contribution from AETOS<sup>◇</sup> Shoulder

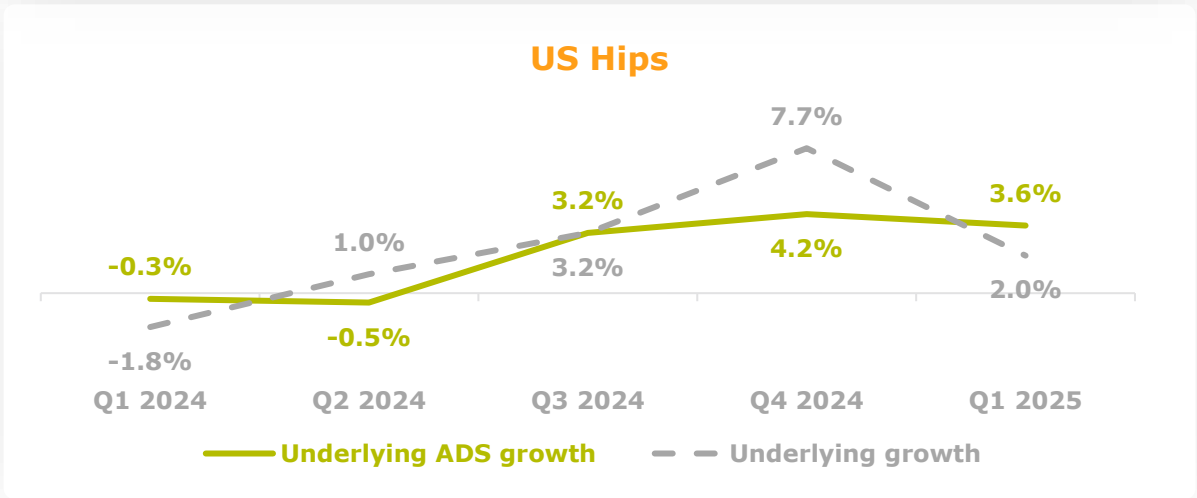
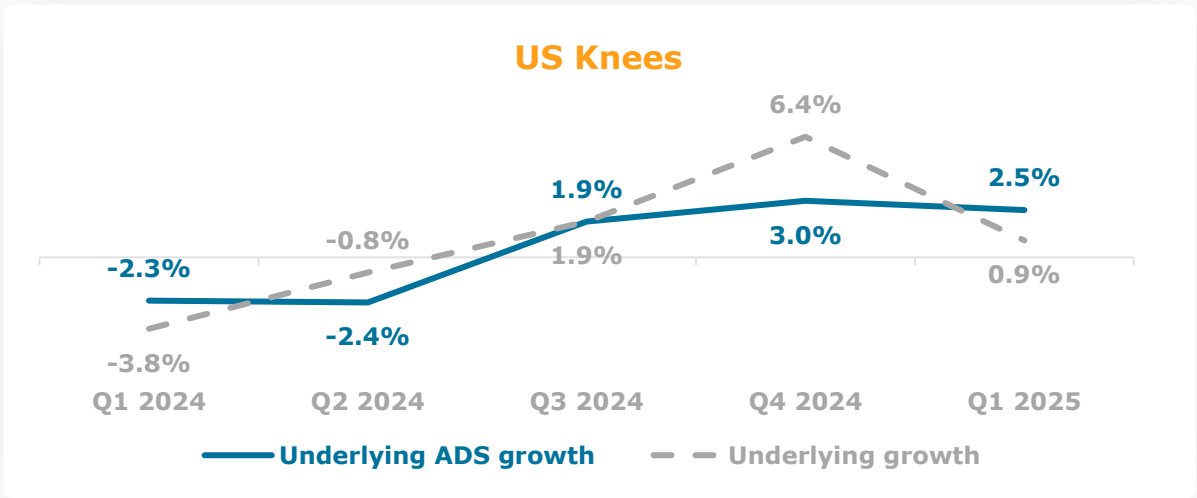
## Near-term growth drivers

- + Continued flow through of 12-Point Plan improvements in US Recon; rollout of CATALYSTEM<sup>◇</sup> Hip System
- + Expansion of AETOS Shoulder System, stemless implant launch in coming quarters

\* Growth rates are versus Q1 2024. Segment growth rates reflect inclusion of sales of robotics consumables in Knees and Hips

\*\* Other Recon includes robotics capital sales, joint navigation and bone cement

# US Recon trading day adjusted growth



Improvements in product availability, commercial execution and key launches driving improvement in US Recon

Growth rates reflect inclusion of sales of robotics consumables in Knees and Hips for all periods

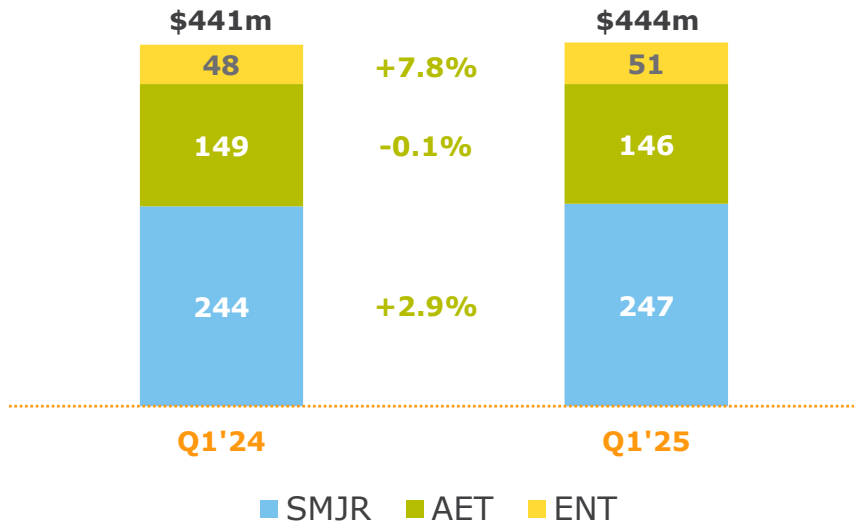
Adjustments reflect one fewer trading day in Q1 2025 than in the prior year; two more in Q4 2024, one more in Q2 2024; and one fewer in Q1 2024

# Sports Medicine & ENT

Continued strong business unit performance excluding China VBP



Revenue of \$444m:  
+2.4% underlying\*  
+7.8% underlying ex-China  
+0.9% reported



## Q1 sales factors

### + Sports Medicine Joint Repair +2.9%:

- +10.6% ex-China; strong double-digit growth from REGENETEN
- China effect reflects price headwind from VBP implementation

### + AET -0.1%:

- +3.3% ex-China; Strong growth across arthroscopic tower categories, double-digit growth in Video and WEREWOLF<sup>◇</sup> FASTSEAL

### + ENT +7.8%:

- Growth led by tonsil & adenoid business; continued rollout of ARIS<sup>◇</sup> COBLATION<sup>◇</sup> wands for turbinate reduction

## Near-term growth drivers

- + Further market penetration of REGENETEN and product expansion to foot and ankle
- + Continued high cadence of innovation across consumables and arthroscopic tower

\* Growth rates are versus Q1 2024

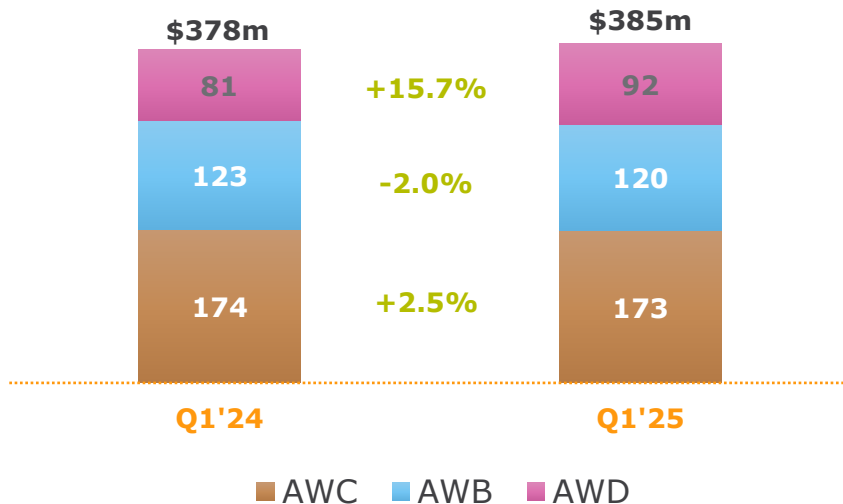


# Advanced Wound Management

Strong performance in high-growth categories of foams, skin substitutes and NPWT



Revenue of \$385m:  
+3.8% underlying\*  
+2.0% reported



## Q1 sales factors

### + Advanced Wound Care +2.5%:

- Led by high single-digit growth in foams dressings; ALLEVYN<sup>◇</sup> Ag+ SURGICAL launched in quarter

### + Advanced Wound Bioactives -2.0%:

- Good growth for skin substitutes portfolio, slower quarter for SANTYL<sup>◇</sup> following strong Q4 2024
- Market behaviour largely unchanged ahead of LCD implementation

### + Advanced Wound Devices +15.7%:

- Double-digit growth from both PICO<sup>◇</sup> and RENASYS<sup>◇</sup> in Negative Pressure Wound Therapy; continued strong growth from LEAF<sup>◇</sup> Patient Monitoring System

## Near-term growth drivers

- + Continued focus on NPWT acceleration plans, for both PICO and RENASYS
- + Ongoing refresh of the portfolio across categories

\* Growth rates are versus Q1 2024

# Full year 2025 outlook unchanged



## + Underlying revenue growth of around 5%

- Ongoing improvement in US recon through 12-Point Plan; continued strong performance of Sports (ex-China), ENT and AWM. Guidance includes c.150bps growth headwind from China; one fewer trading day than 2024
- Growth to be stronger from Q2: China Ortho growth to improve, Joint Repair VBP effects to lap mid-year, AET VBP in H2; one fewer trading day in Q2 versus 2024; one extra day in Q4

## + Trading margin of 19.0-20.0%

- Expansion driven by cost reductions – annualization of 2024 savings, and benefits of network optimisation; savings more than offsetting China headwind and cost inflation
- Trading margin expansion to be nominal in H1 and stronger in H2; increased seasonality vs 2024 reflecting timings of cost savings and China headwinds

## + Unchanged guidance includes expected tariffs

- 54% of revenue from the US in 2024, of which around two-thirds manufactured domestically; manufacturing also in Costa Rica, UK, Malaysia, China and Switzerland
- Outlook includes c.\$15-20m expected tariff impact in 2025, based on announced measures, and mitigations

## New launches

### Cementless Knees

- + FDA clearance of LEGION<sup>◇</sup> Medial Stabilized inserts
- + Fast growing category of inserts, now used in >30% of US knee replacements
- + Designed for use with CONCELOC<sup>◇</sup> porous fixation and CORI Surgical System, addressing three major market trends together



### Foam dressings

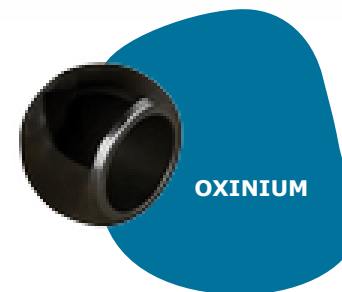
- + ALLEVYN Ag+ SURGICAL in early stages of US launch
- + New antimicrobial silver dressing which adds to the established ALLEVYN family
- + Features new ComfortSTAY<sup>◇</sup> technology for gentle silicone adhesion; HighFLEX to provide flexibility and comfort during patient movement



## Clinical evidence

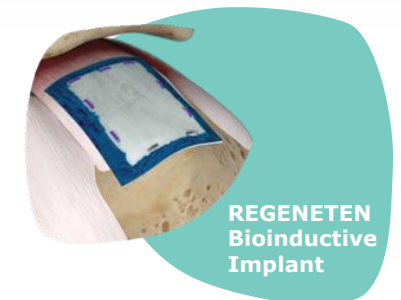
### OXINIUM

- + Australian Orthopaedic Association National Joint Registry annual report highlights performance of OXINIUM<sup>◇</sup> on highly cross-linked polyethylene
- + Data indicates highest survivorship rate (94.1%) among all bearing combinations over a 20-year period for THA



### REGENETEN

- + 2-year follow-up data published in Arthroscopy, from RCT in full-thickness rotator cuff repairs
- + 124 patients received either repair alone or augmented with REGENETEN
- + Significantly lower re-tear rate with REGENETEN (12.3% vs 35.1%, p=0.004); 65% lower relative risk



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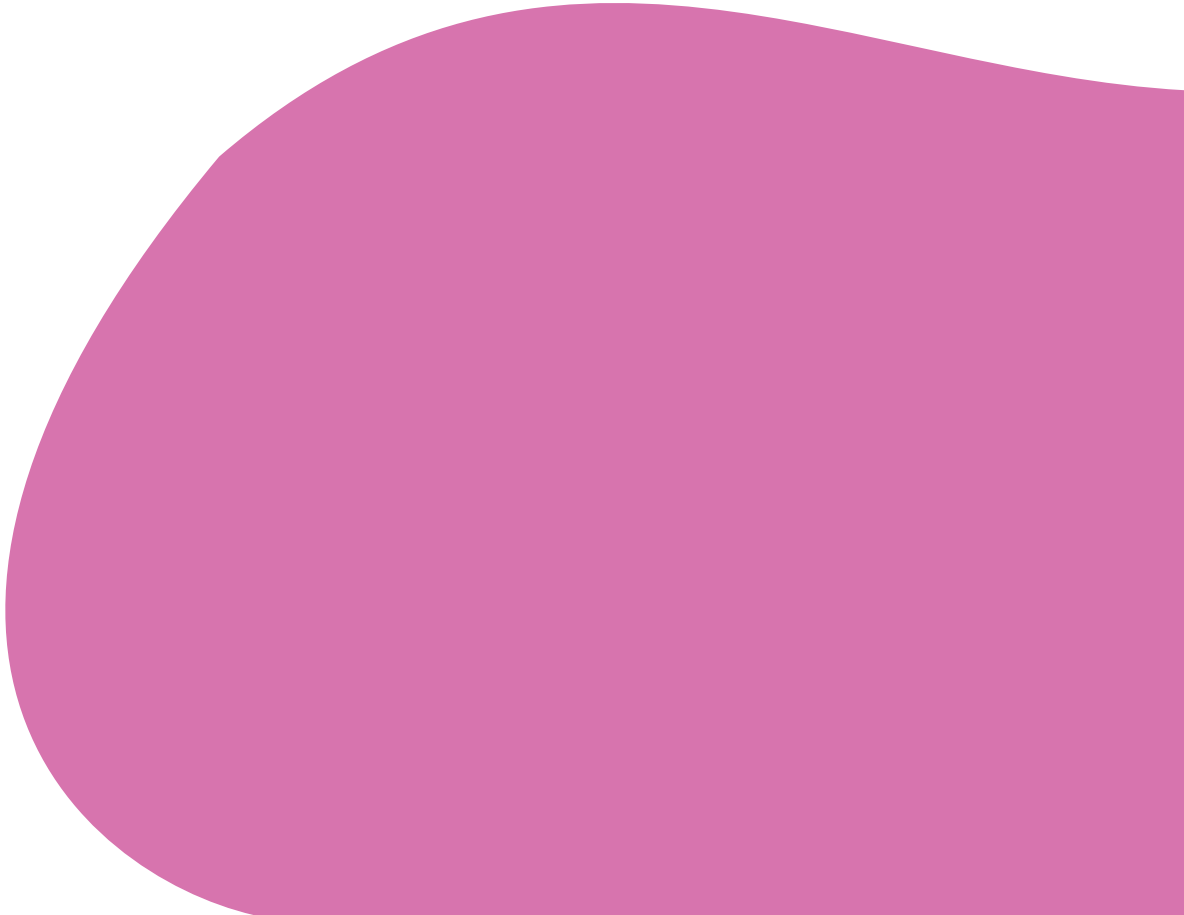
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# Appendices



|                                                           | April 2025        |                   |
|-----------------------------------------------------------|-------------------|-------------------|
| <b>Foreign exchange and acquisitions</b>                  |                   |                   |
| Translational FX impact on revenue growth <sup>(1)</sup>  | <b>c.0.4%</b>     |                   |
| Acquisition impact on revenue growth                      | -                 |                   |
| <b>Non-trading items</b>                                  |                   |                   |
| Restructuring costs                                       | <b>c. \$45m</b>   |                   |
| Acquisition and integration                               | <b>\$10-15m</b>   |                   |
| European Medical Device Regulation (MDR) compliance costs | -                 |                   |
| <b>Other</b>                                              | <b>Adjusted</b>   | <b>Reported</b>   |
| Amortisation of acquisition intangibles                   | <b>\$165-170m</b> | <b>\$165-170m</b> |
| Income/(loss) from associates <sup>(2)</sup>              | <b>\$10-15m</b>   | <b>\$0-5m</b>     |
| Net interest <sup>(3)</sup>                               | <b>c. \$115m</b>  | <b>c. \$115m</b>  |
| Other finance costs <sup>(4)</sup>                        | <b>\$20-25m</b>   | <b>\$25-30m</b>   |
| Tax rate on trading result                                | <b>19-20%</b>     |                   |

(1) Based on the foreign exchange rates prevailing on 25 April 2025

(2) Based on analyst consensus forecasts for associate, and considering management guidance issued on 11 March 2025

(3) Includes interest associated with IFRS 16 Leases

(4) Includes c.\$14m of discount unwind relating to Cartiheal acquisition contingent consideration on both adjusted and reported basis

# Q1 consolidated revenue analysis by Business Unit



|                                    | Q1<br>2025<br>\$m | Q1<br>2024*<br>\$m | Reported<br>Growth<br>% | Underlying<br>growth<br>% | Acquisitions/<br>disposals<br>% | Currency<br>impact<br>% |
|------------------------------------|-------------------|--------------------|-------------------------|---------------------------|---------------------------------|-------------------------|
| <b>Orthopaedics</b>                | <b>578</b>        | <b>567</b>         | <b>1.8</b>              | <b>3.2</b>                | -                               | <b>(1.4)</b>            |
| Knee Implants                      | 244               | 246                | (0.8)                   | 0.7                       | -                               | (1.5)                   |
| Hip Implants                       | 151               | 155                | (2.9)                   | (1.2)                     | -                               | (1.7)                   |
| Other Reconstruction               | 29                | 20                 | 44.4                    | 46.6                      | -                               | (2.2)                   |
| Trauma & Extremities               | 154               | 146                | 5.5                     | 6.3                       | -                               | (0.8)                   |
| <b>Sports Medicine &amp; ENT</b>   | <b>444</b>        | <b>441</b>         | <b>0.9</b>              | <b>2.4</b>                | -                               | <b>(1.5)</b>            |
| Sports Medicine Joint Repair       | 247               | 244                | 1.3                     | 2.9                       | -                               | (1.6)                   |
| Arthroscopic Enabling Technologies | 146               | 149                | (1.7)                   | (0.1)                     | -                               | (1.6)                   |
| ENT                                | 51                | 48                 | 6.7                     | 7.8                       | -                               | (1.1)                   |
| <b>Advanced Wound Management</b>   | <b>385</b>        | <b>378</b>         | <b>2.0</b>              | <b>3.8</b>                | -                               | <b>(1.8)</b>            |
| Advanced Wound Care                | 173               | 174                | (0.2)                   | 2.5                       | -                               | (2.7)                   |
| Advanced Wound Bioactives          | 120               | 123                | (2.2)                   | (2.0)                     | -                               | (0.2)                   |
| Advanced Wound Devices             | 92                | 81                 | 13.2                    | 15.7                      | -                               | (2.5)                   |
| <b>Total</b>                       | <b>1,407</b>      | <b>1,386</b>       | <b>1.6</b>              | <b>3.1</b>                | -                               | <b>(1.5)</b>            |

\* Includes reclassification of robotics consumables revenue from Other reconstruction to Knee and Hip implants

# Quarterly revenue analysis by Business Unit



|                                    | 2024         |              |              |              |                     | 2025        |                |
|------------------------------------|--------------|--------------|--------------|--------------|---------------------|-------------|----------------|
|                                    | Q1 Growth* % | Q2 Growth* % | Q3 Growth* % | Q4 Growth* % | Full Year Growth* % | Q1 Growth % | Q1 Revenue \$m |
| <b>Orthopaedics</b>                | <b>4.4</b>   | <b>5.8</b>   | <b>2.3</b>   | <b>6.0</b>   | <b>4.6</b>          | <b>3.2</b>  | <b>578</b>     |
| Knee Implants                      | 2.7          | 2.9          | 0.1          | 3.2          | 2.3                 | 0.7         | 244            |
| Hip Implants                       | 3.5          | 4.0          | 4.0          | 4.8          | 4.1                 | (1.2)       | 151            |
| Other Reconstruction               | 8.1          | 11.8         | 6.4          | 20.8         | 12.1                | 46.6        | 29             |
| Trauma & Extremities               | 7.8          | 11.8         | 3.3          | 9.5          | 8.1                 | 6.3         | 154            |
| <b>Sports Medicine &amp; ENT</b>   | <b>5.5</b>   | <b>7.6</b>   | <b>3.9</b>   | <b>7.8</b>   | <b>6.2</b>          | <b>2.4</b>  | <b>444</b>     |
| Sports Medicine Joint Repair       | 7.7          | 6.0          | 0.1          | 5.3          | 4.8                 | 2.9         | 247            |
| Arthroscopic Enabling Technologies | 1.0          | 8.7          | 15.0         | 8.5          | 8.2                 | (0.1)       | 146            |
| ENT                                | 9.0          | 11.6         | (6.8)        | 19.4         | 7.3                 | 7.8         | 51             |
| <b>Advanced Wound Management</b>   | <b>(2.0)</b> | <b>3.3</b>   | <b>6.5</b>   | <b>12.2</b>  | <b>5.1</b>          | <b>3.8</b>  | <b>385</b>     |
| Advanced Wound Care                | (0.5)        | 3.0          | 3.4          | 1.9          | 2.0                 | 2.5         | 173            |
| Advanced Wound Bioactives          | (9.8)        | 0.7          | 8.0          | 20.3         | 5.1                 | (2.0)       | 120            |
| Advanced Wound Devices             | 8.7          | 8.0          | 11.0         | 20.6         | 12.2                | 15.7        | 92             |
| <b>Total</b>                       | <b>2.9</b>   | <b>5.6</b>   | <b>4.0</b>   | <b>8.3</b>   | <b>5.3</b>          | <b>3.1</b>  | <b>1,407</b>   |

All revenue growth rates are on an underlying basis and without adjustment for number of selling days. Segment growth rates reflect inclusion of sales of robotics consumables in Knees and Hips



# Quarterly revenue analysis by region



|                                          | 2024        |             |             |             |             | 2025        |                |
|------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|
|                                          | Q1 Growth % | Q2 Growth % | Q3 Growth % | Q4 Growth % | FY Growth % | Q1 Growth % | Q1 Revenue \$m |
| US                                       | (0.6)       | 3.6         | 4.0         | 11.9        | 4.8         | 3.6         | 759            |
| Other Established Markets <sup>(1)</sup> | 4.8         | 6.9         | 6.8         | 8.2         | 6.7         | 5.0         | 427            |
| <b>Established Markets</b>               | <b>1.3</b>  | <b>4.8</b>  | <b>5.0</b>  | <b>10.6</b> | <b>5.5</b>  | <b>4.1</b>  | <b>1,186</b>   |
| Emerging Markets                         | 11.6        | 9.5         | (0.1)       | (2.3)       | 4.3         | (1.7)       | 221            |
| <b>Total</b>                             | <b>2.9</b>  | <b>5.6</b>  | <b>4.0</b>  | <b>8.3</b>  | <b>5.3</b>  | <b>3.1</b>  | <b>1,407</b>   |

(1) Other Established Markets are Australia, Canada, Europe, Japan and New Zealand.  
All revenue growth rates are on an underlying basis and without adjustment for number of selling days

# Trading days per quarter

|             | Q1        | Q2        | Q3        | Q4        | Full year  |
|-------------|-----------|-----------|-----------|-----------|------------|
| 2023        | 64        | 63        | 63        | 60        | 250        |
| 2024        | 63        | 64        | 63        | 62        | 252        |
| <b>2025</b> | <b>62</b> | <b>63</b> | <b>63</b> | <b>63</b> | <b>251</b> |
| 2026        | 61        | 63        | 63        | 64        | 251        |