

Second Quarter and Half Year 2026

4 August 2026



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, 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 Second Quarter and Half Year 2026 Results announcement dated 4 August 2026.

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



Summary

- + Underlying revenue growth of +1.6% in Q2, lower than expected**
 - Strength in Sports Medicine offset by softness in US Orthopaedics and Advanced Wound Bioactives
 - Continued strong double-digit growth or higher from CATALYSTEM[◇], AETOS[◇], Q-FIX[◇], REGENETEN[◇], CARTIHEAL[◇] AGILI-C[◇], FASTSEAL[◇] and LEAF[◇]
- + H1 trading profit of \$566m, +8.1% yoy, on track for full year guidance**
 - Driven by step-up in forecast efficiency savings, with tariff refunds fully offsetting forecast tariff headwind
 - Excluding M&A, H1 trading profit growth was +9.0% yoy
- + Reducing revenue outlook for the year, but maintaining guidance on all other metrics**
 - Expect 5.0-5.5% revenue growth in H2 and c.4.0% revenue growth for the full year
 - Maintaining guidance for trading profit, free cash flow and ROIC after strong H1
 - Impact of lower revenue growth to be offset by additional \$50m in savings identified for 2026



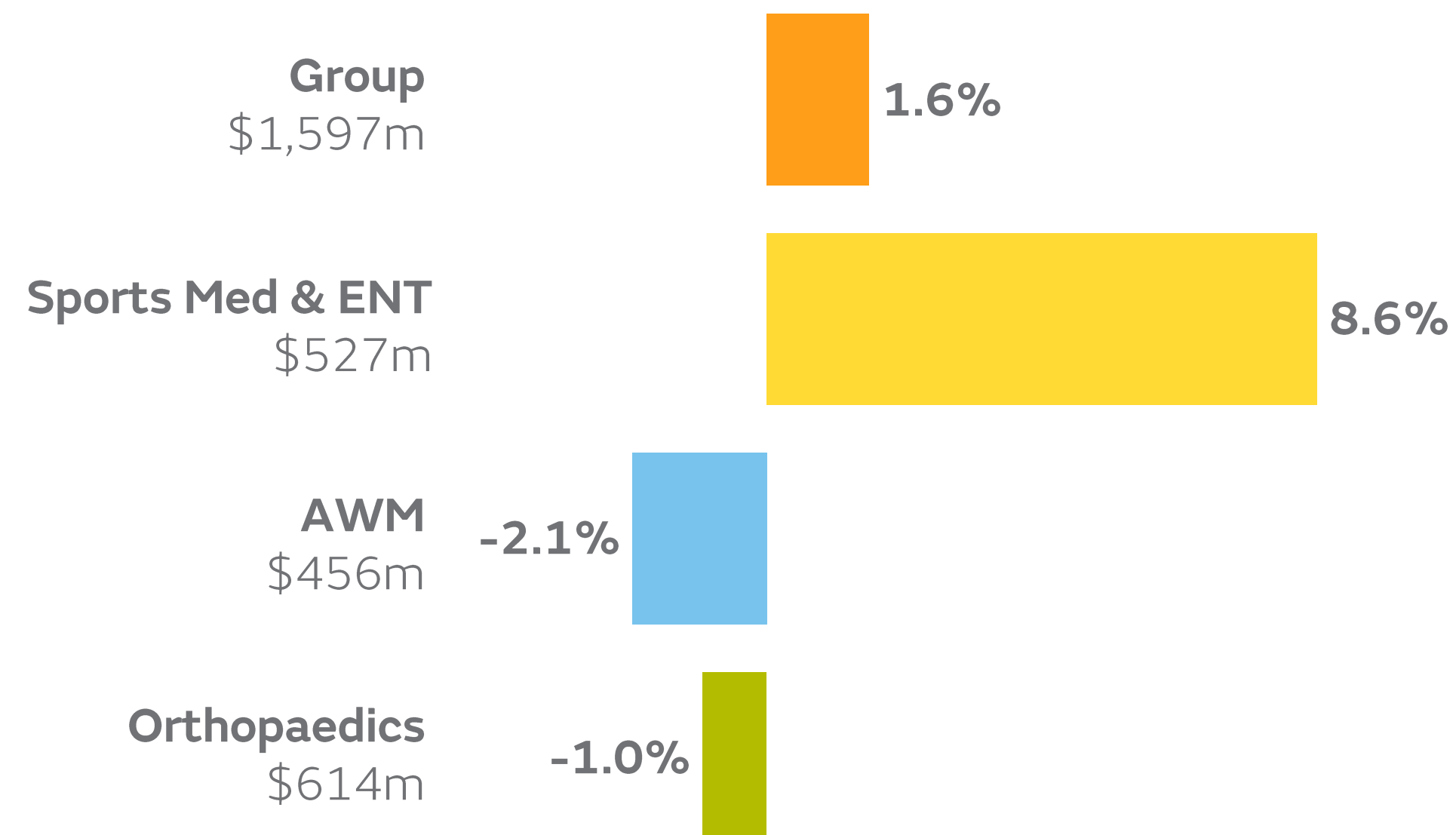
Q2 2026 revenue

Q2 2026 summary revenue performance

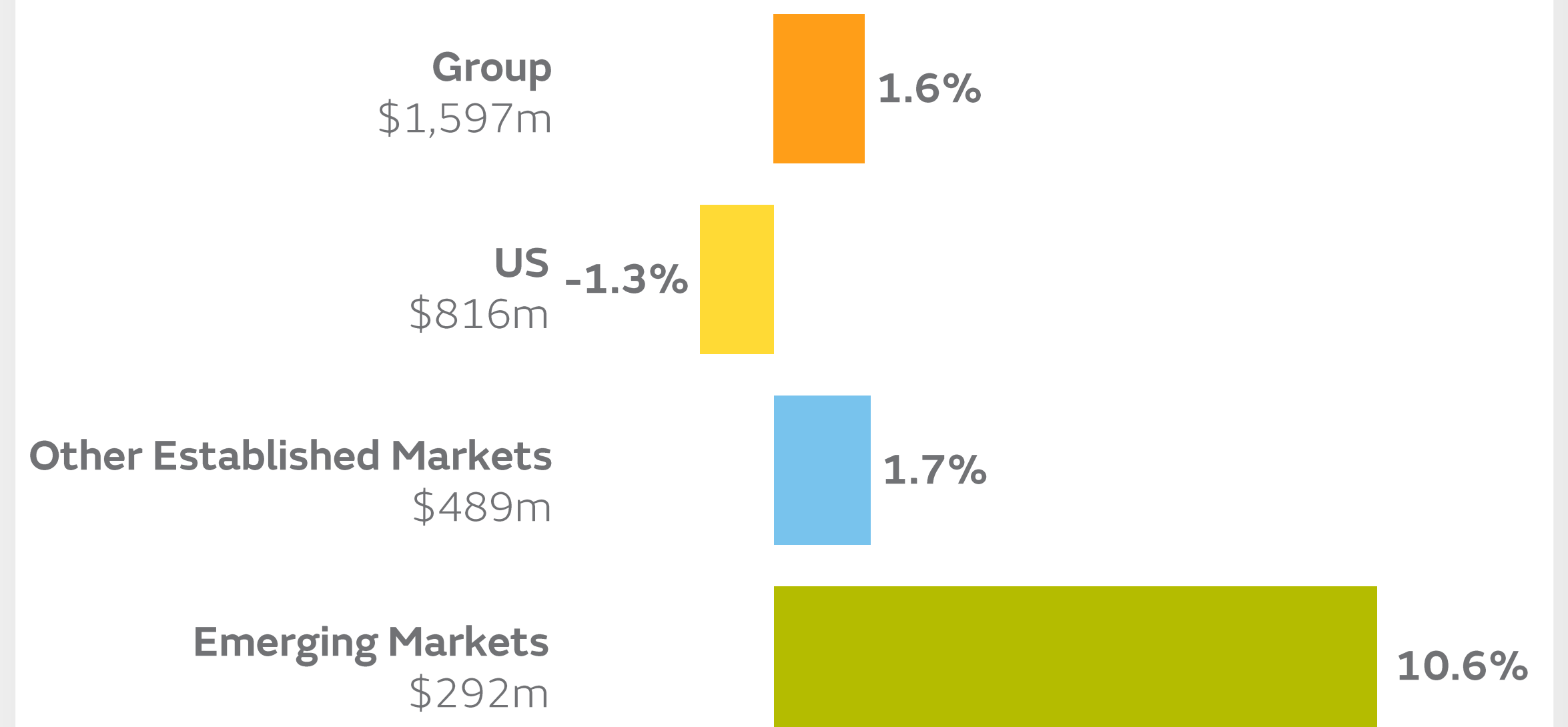
Total revenue of \$1,597m

- Underlying revenue growth of +1.6%; reported 2.8%
- Same number of trading days vs Q2 2025
- 120bps tailwind from FX on reported growth

Growth by Business Unit*



Growth by Region*

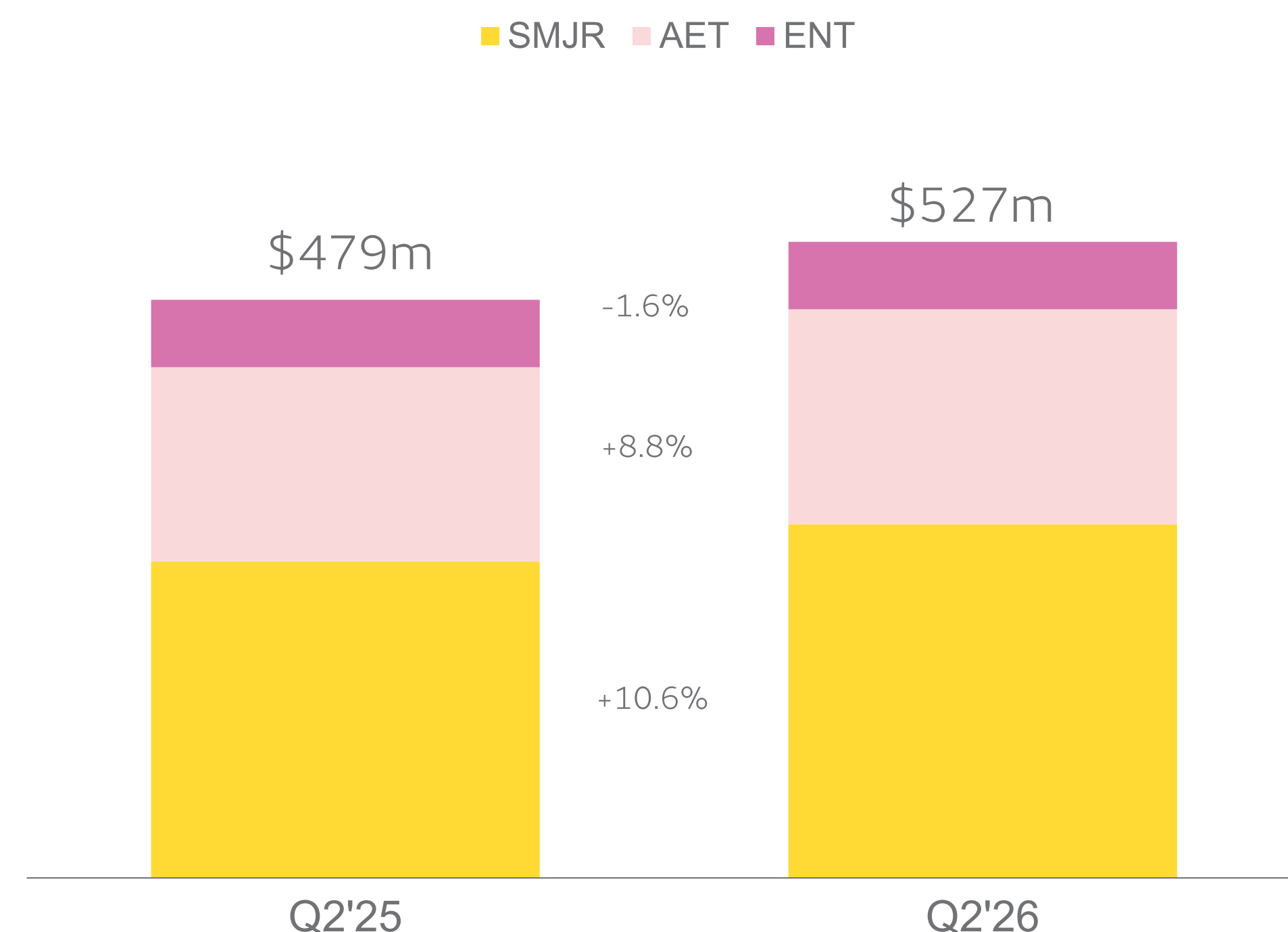


Sports Medicine & ENT

Strong growth in Joint Repair and AET; ENT impacted by China VBP as expected

Revenue of \$527m:

+8.6% underlying*; +10.0% reported



Q2 sales factors

• Sports Medicine Joint Repair +10.6%:

- Continued strong growth from REGENETEN and Q-FIX KNOTLESS[◇]
- All regions contributed to growth

• AET +8.8% (+6.7% ex China):

- Strong growth in FASTSEAL and Services
- China VBP still expected to be implemented in H2

• ENT -1.6% (+10.0% ex China):

- Strong growth globally, excluding China, driven by both Nose and Throat
- Inventory channel reductions in China ahead of VBP implementation

RISE: 2026 drivers

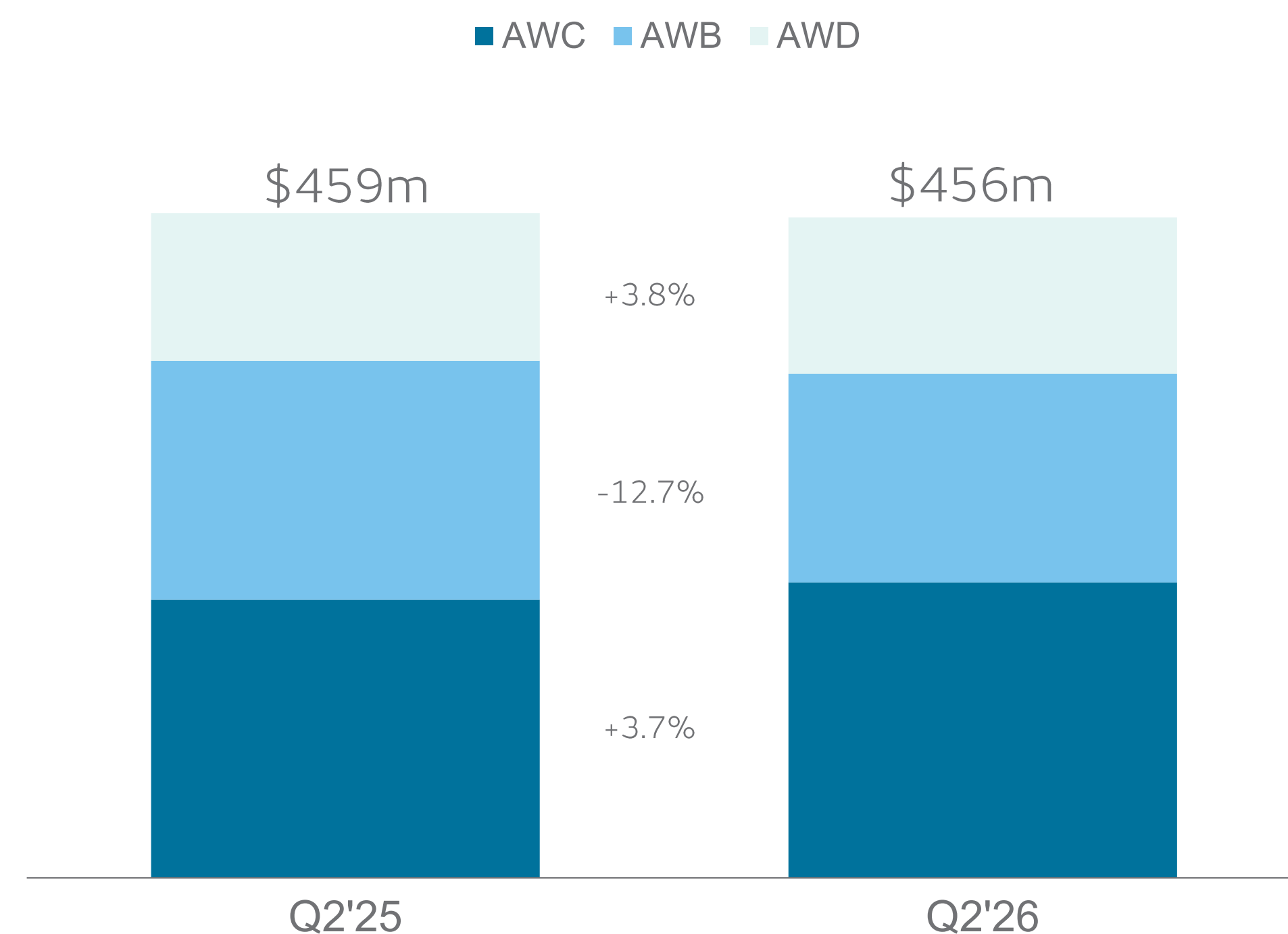
- Drive further market penetration of REGENETEN
- Capitalise on strength of shoulder portfolio
- Launch TESSA[◇], our first-in-industry spatial surgery arthroscopic platform

Advanced Wound Management

Solid growth across AWC and AWD; AWB impacted by US reimbursement change and strong prior quarter for SANTYL

Revenue of \$456m:

-2.1% underlying*; -0.7% reported



Q2 sales factors

- **Advanced Wound Care +3.7%:**
 - Good growth led by US ALLEVYN[◇] and Emerging Markets
 - ALLEVYN COMPLETE CARE momentum building in US and Europe
- **Advanced Wound Bioactives -12.7%:**
 - SANTYL[◇] soft following strong prior quarter
 - Skin substitutes still declined, but showed sequential improvement
- **Advanced Wound Devices +3.8%:**
 - Solid PICO[◇] growth given very strong prior year comparator
 - LEAF Patient Monitoring System continues to see good uptake

RISE: 2026 drivers

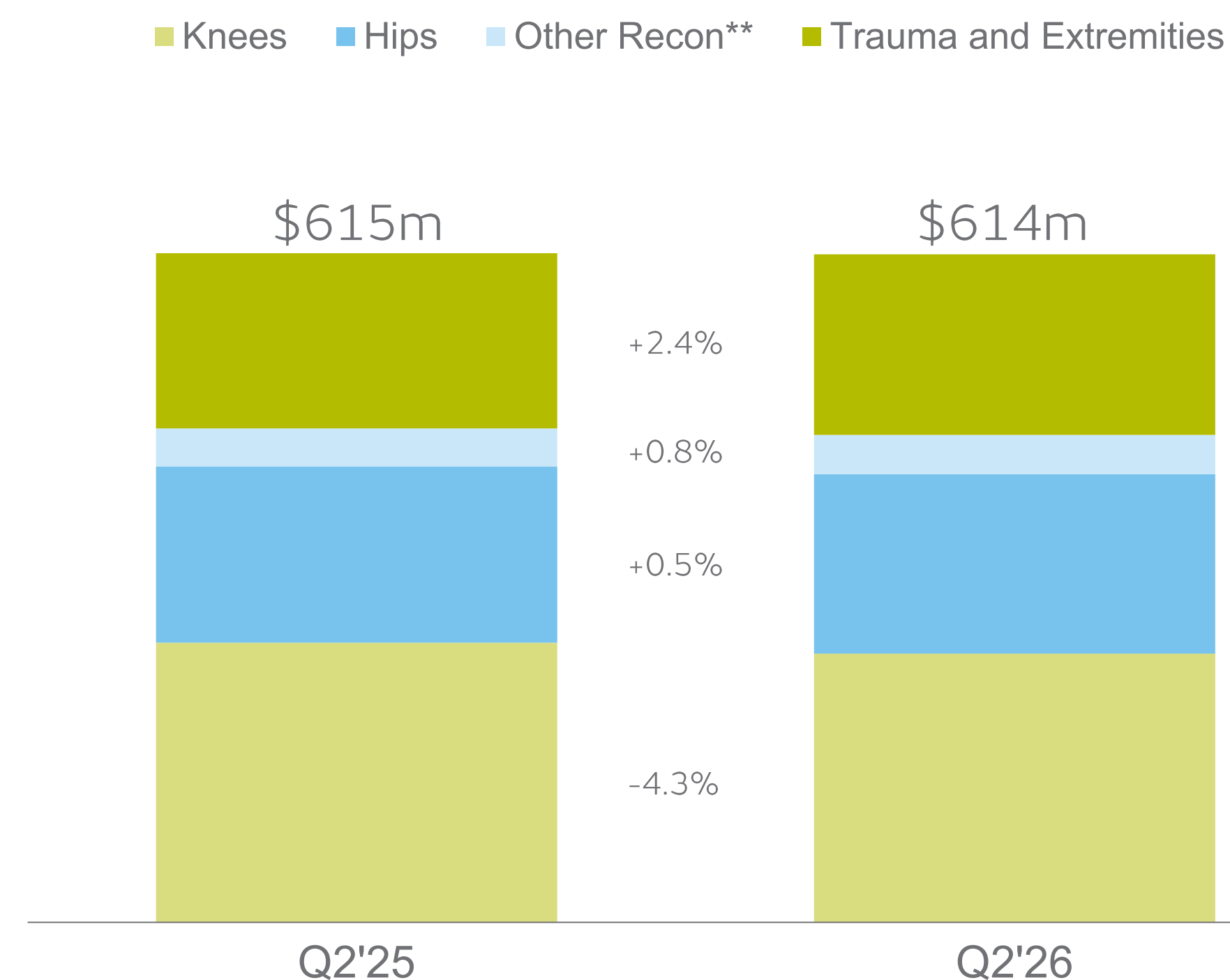
- Take share with ALLEVYN COMPLETE CARE
- Navigate CMS reimbursement change to skin substitutes
- Access new settings and patient populations with products including PICO and LEAF

Orthopaedics

Soft quarter in Knees and US hips with solid growth in Trauma & Extremities

Revenue of \$614m:

-1.0% underlying*; -0.2% reported



Q2 sales factors

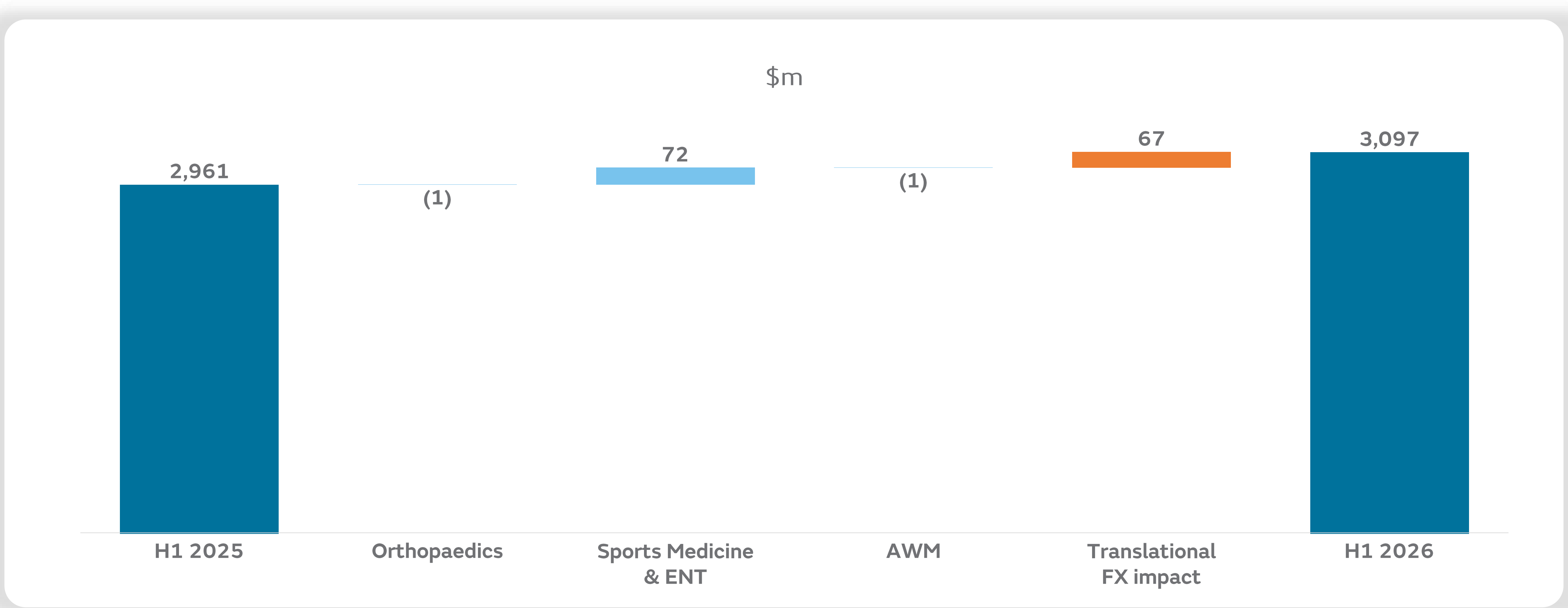
- **Global Knees and Hips -4.3% and +0.5%:**
 - **US Hips -1.5%;** reflecting a delay in CATALYST[◇] set deployments, and **Knees -7.2%;** sequential improvement driven by strong uptake of LEGION[◇] MS
 - **OUS Knees -1.4%;** prior year quarter benefitted from large Middle East tender and **Hips +3.0%;** strong performance in Japan
- **Trauma & Extremities +2.4%:**
 - Good growth in EVOS[◇] plating system, Shoulder and IM Nails
 - Strength in Emerging Markets
- **Other Reconstruction +0.8%,** impacted by strong prior year comparator and contract mix; double digit growth in placements globally

RISE: 2026 drivers

- Drive growth with CORI[◇], supported by launch of Shoulder execution
- Launch LANDMARK[◇] knee
- Deliver operational efficiencies with Ortho 360 operational model

H1 2026 financials

H1 revenue growth by Business Unit



	Revenue (\$m)	1,213	1,017	867		3,097
	Reported growth	1.7%	10.2%	2.6%	2.3%	4.6%
	Underlying growth	-0.1%	7.7%	-0.1%		2.3%

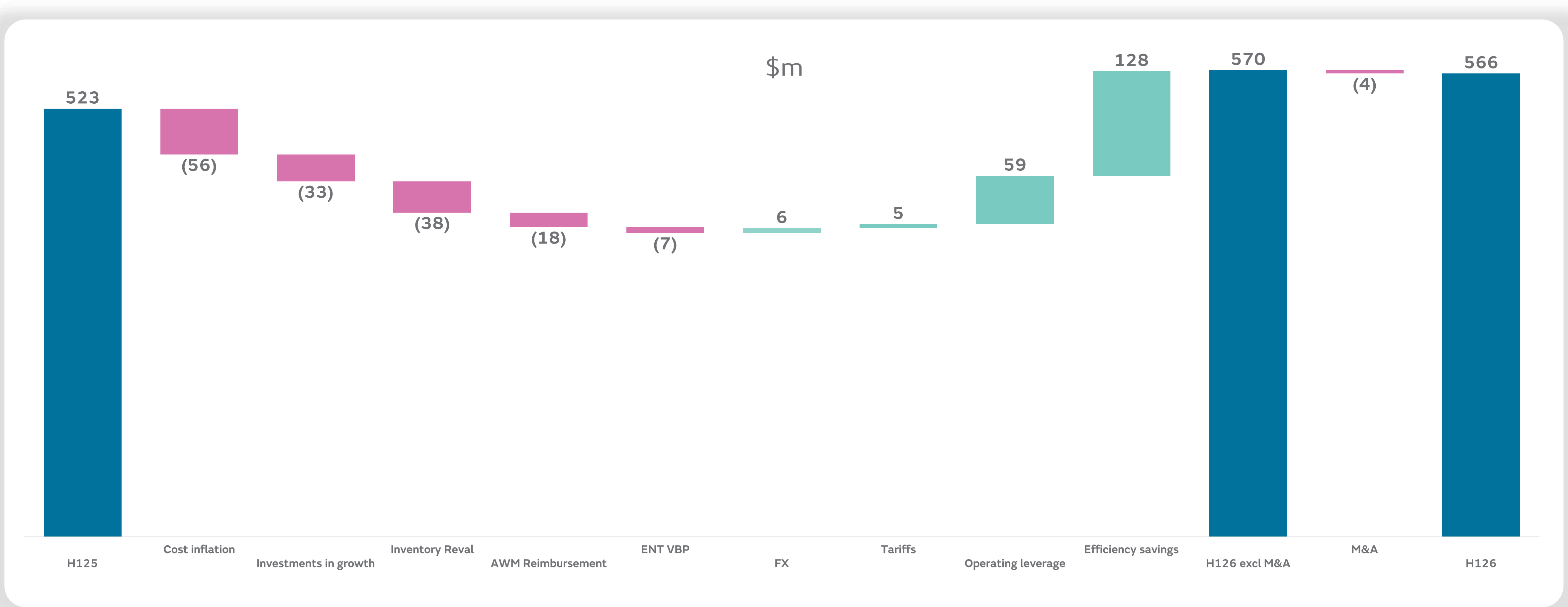
H1 trading income statement

	H1 2026 \$m	H1 2025 \$m	Reported growth
Revenue	3,097	2,961	4.6%
Cost of goods sold	(894)	(874)	
Gross profit	2,203	2,087	5.5%
<i>Gross profit margin</i>	<i>71.1%</i>	<i>70.5%</i>	
Selling, general and admin	(1,487)	(1,421)	4.7%
Research and development	(150)	(143)	5.0%
Trading profit	566	523	8.1%
<i>Trading profit margin</i>	<i>18.3%</i>	<i>17.7%</i>	

H1 operating profit and EPSA

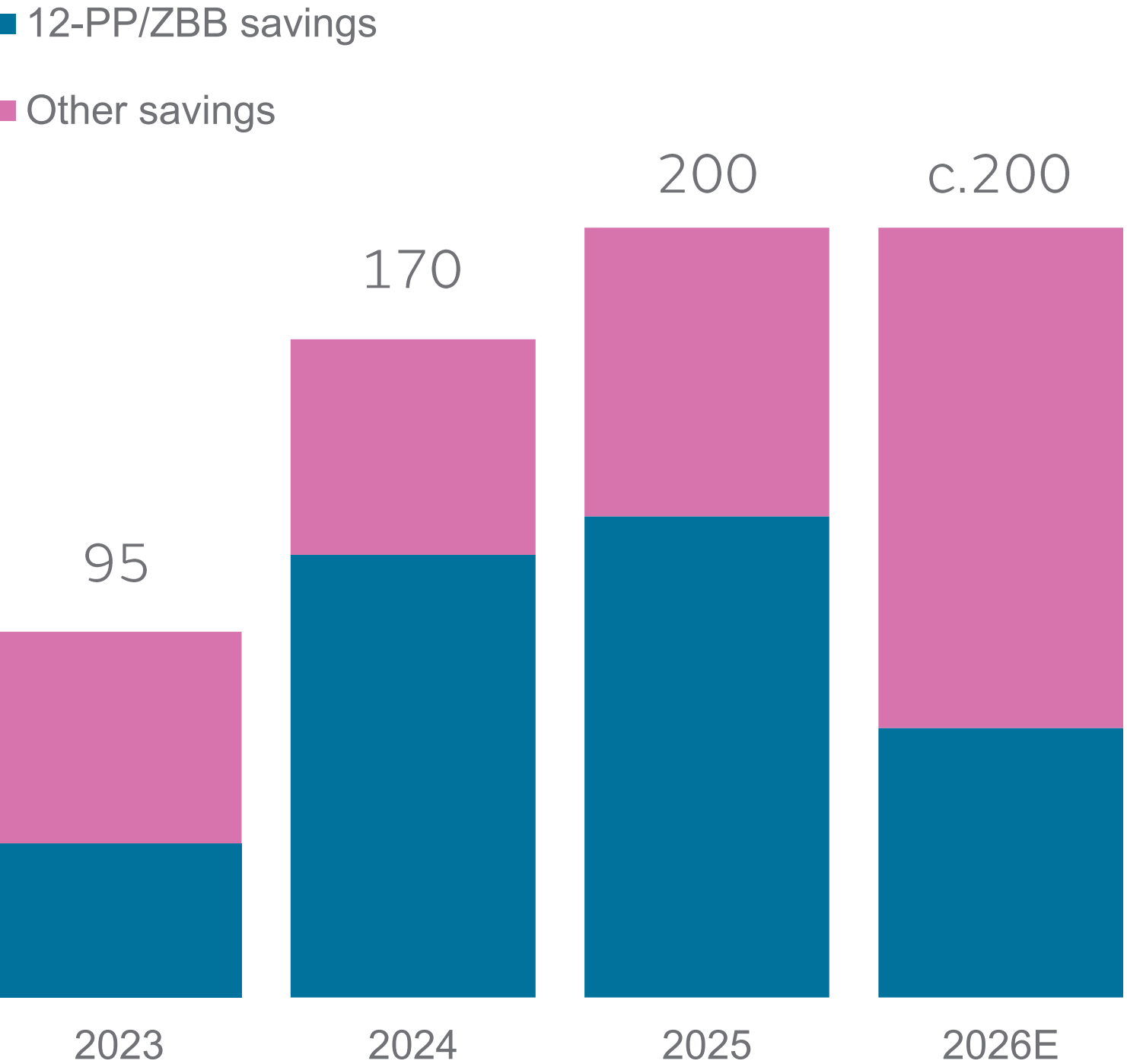
	H1 2026 \$m	H1 2025 \$m	Reported growth
IFRS operating profit	448	429	4.3%
<i>IFRS operating profit margin</i>	<i>14.5%</i>	<i>14.5%</i>	
Adjusted earnings per share (“EPSA”)	47.7¢	42.9¢	11.0%
Earnings per share (“EPS”)	35.6¢	33.5¢	6.2%
Dividend per share	15.6¢	15.0¢	4.0%

Trading profit growth in H1 despite headwinds

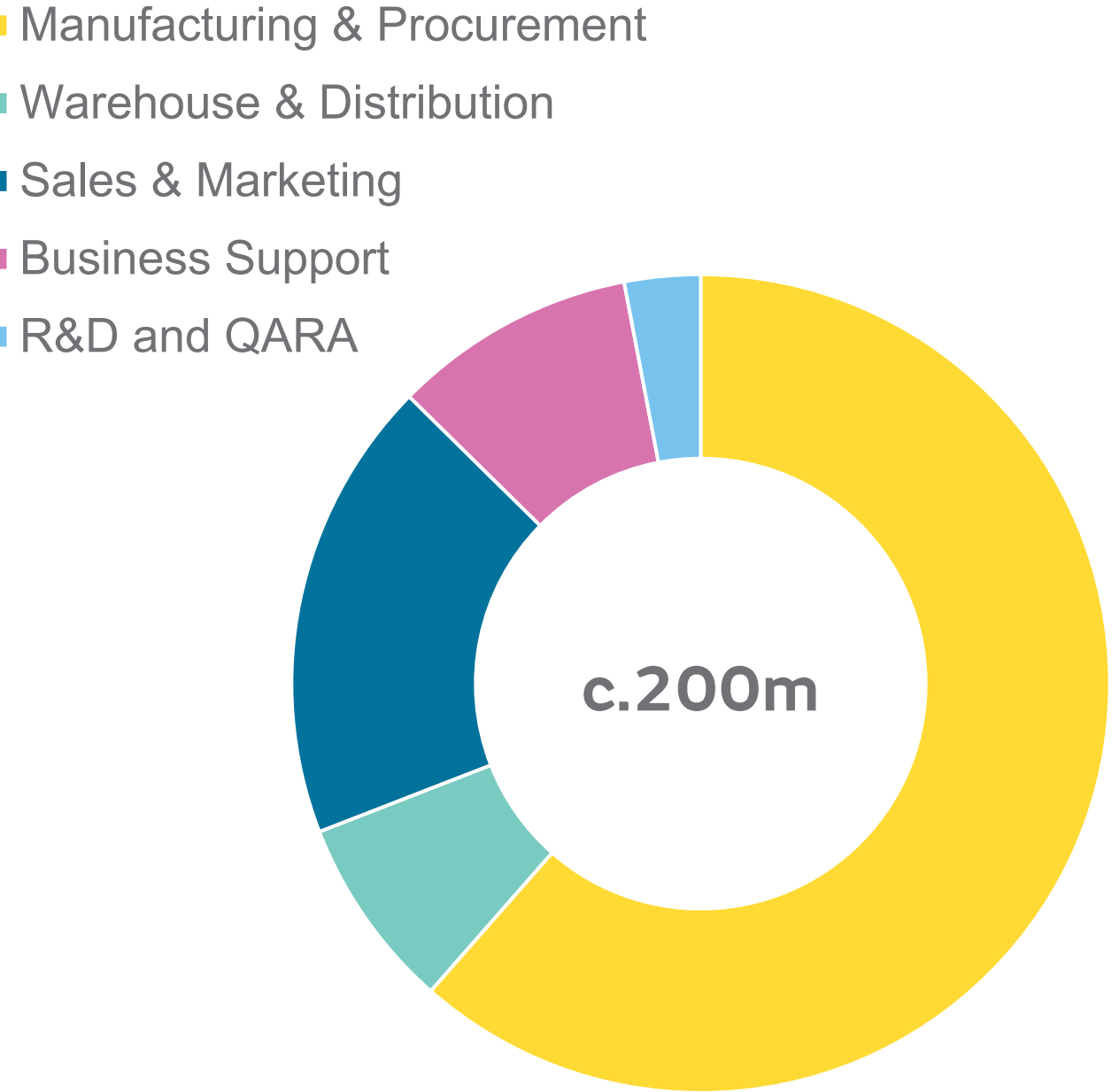


Delivering savings well ahead of expectations

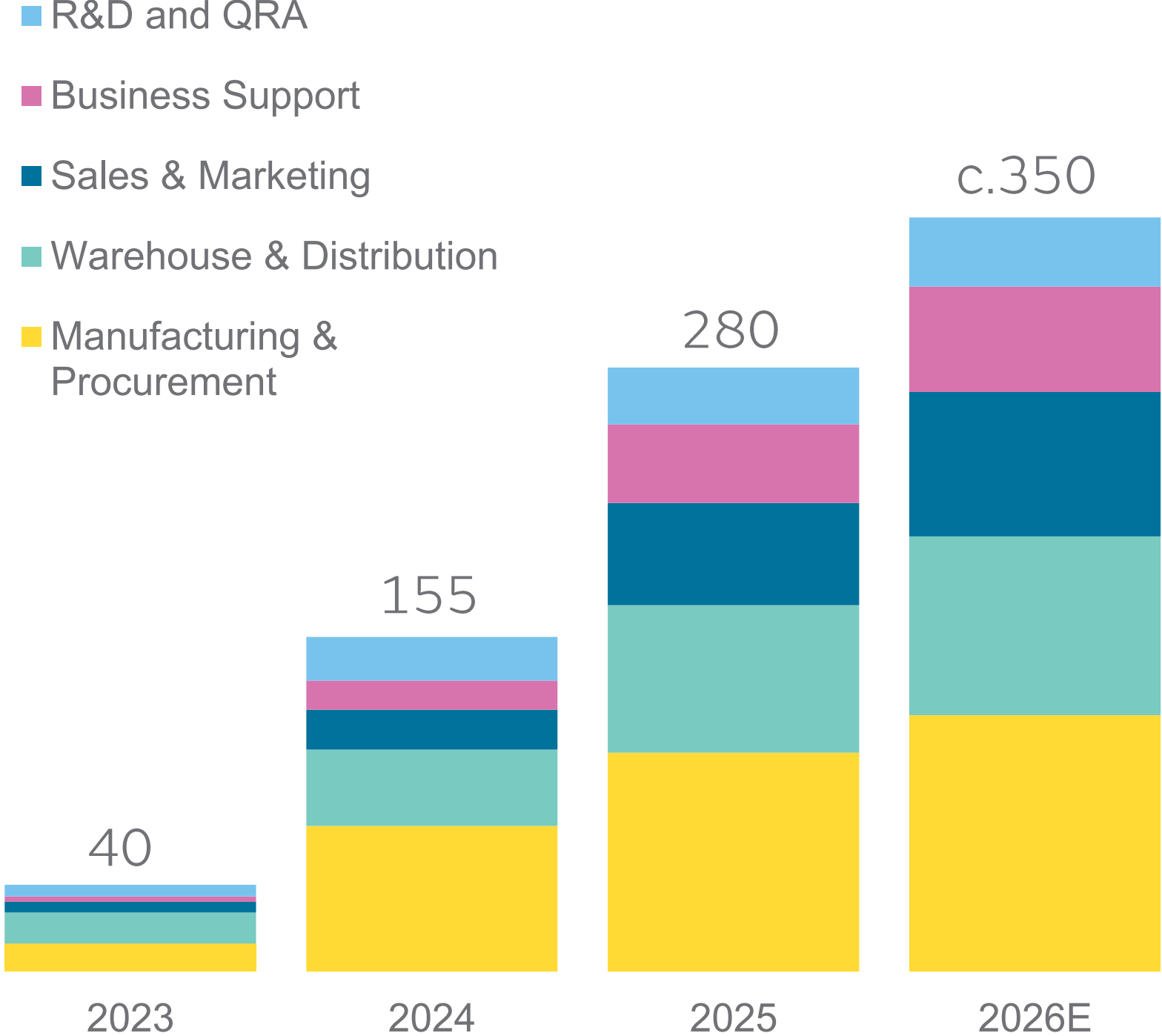
Annual savings (\$m)



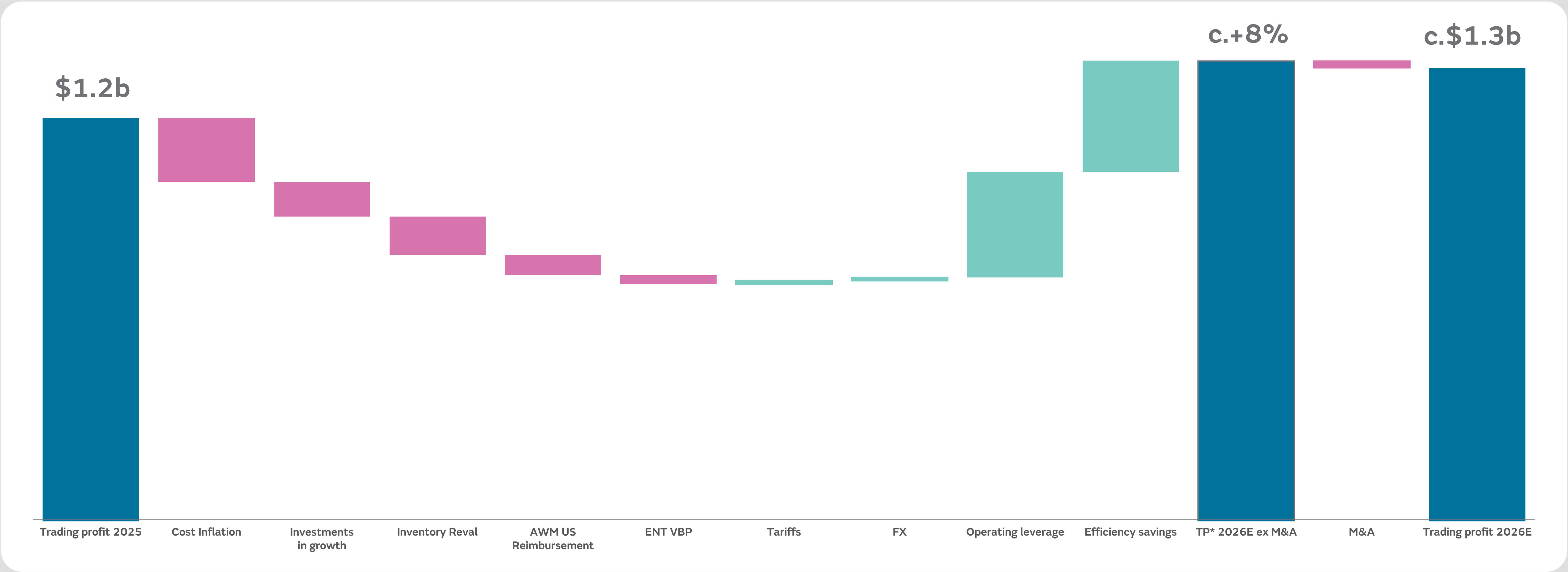
2026 savings (\$m)



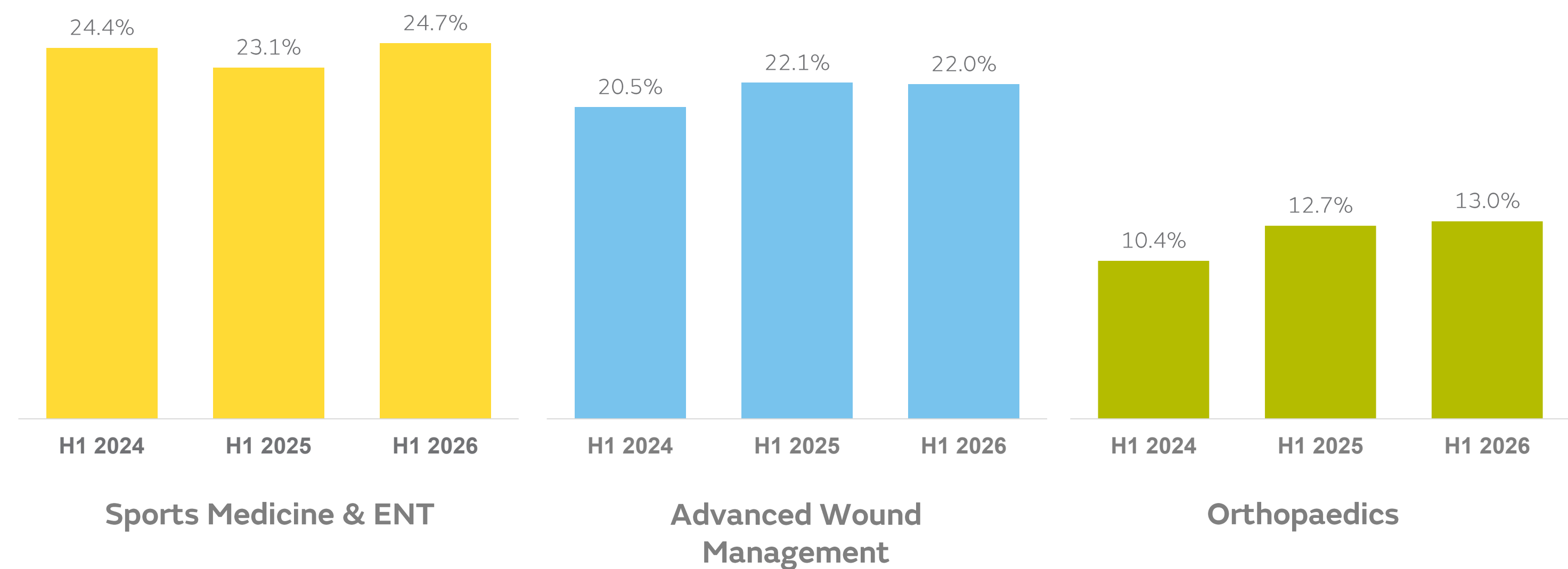
Cumulative run-rate savings 12-PP/ZBB (\$m)



FY26 trading profit growth unchanged

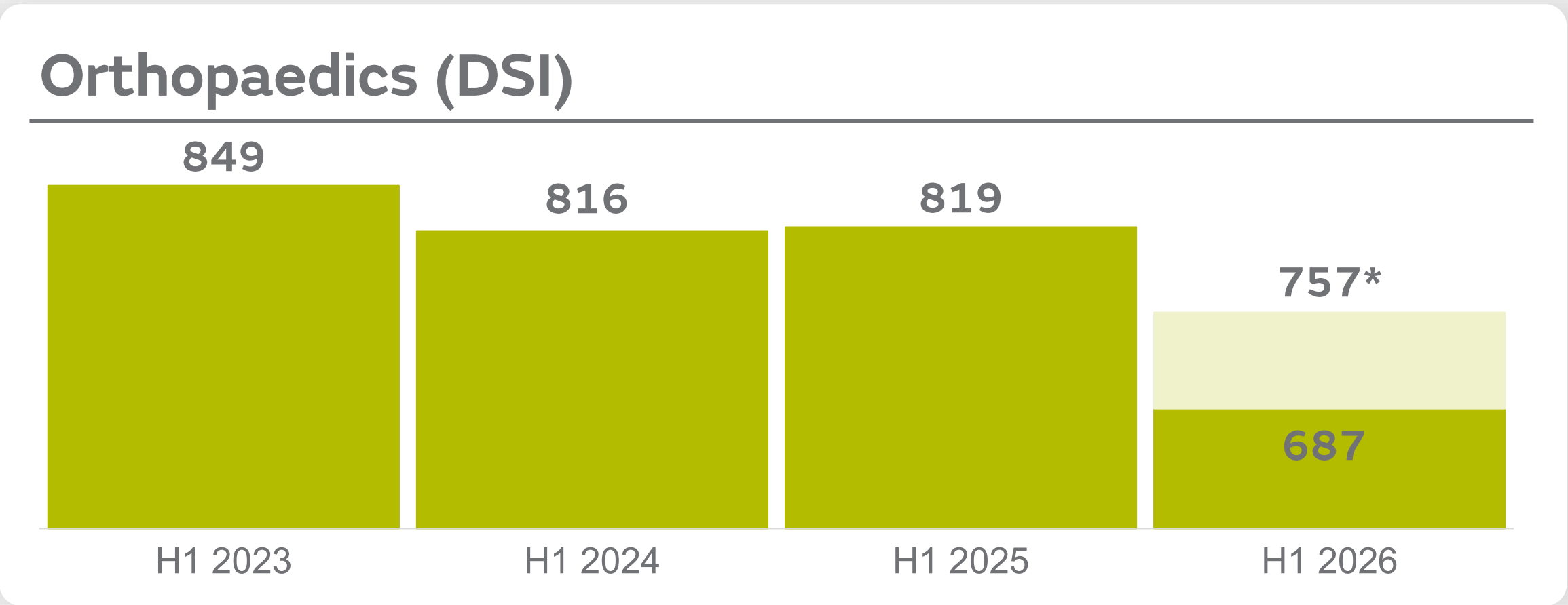
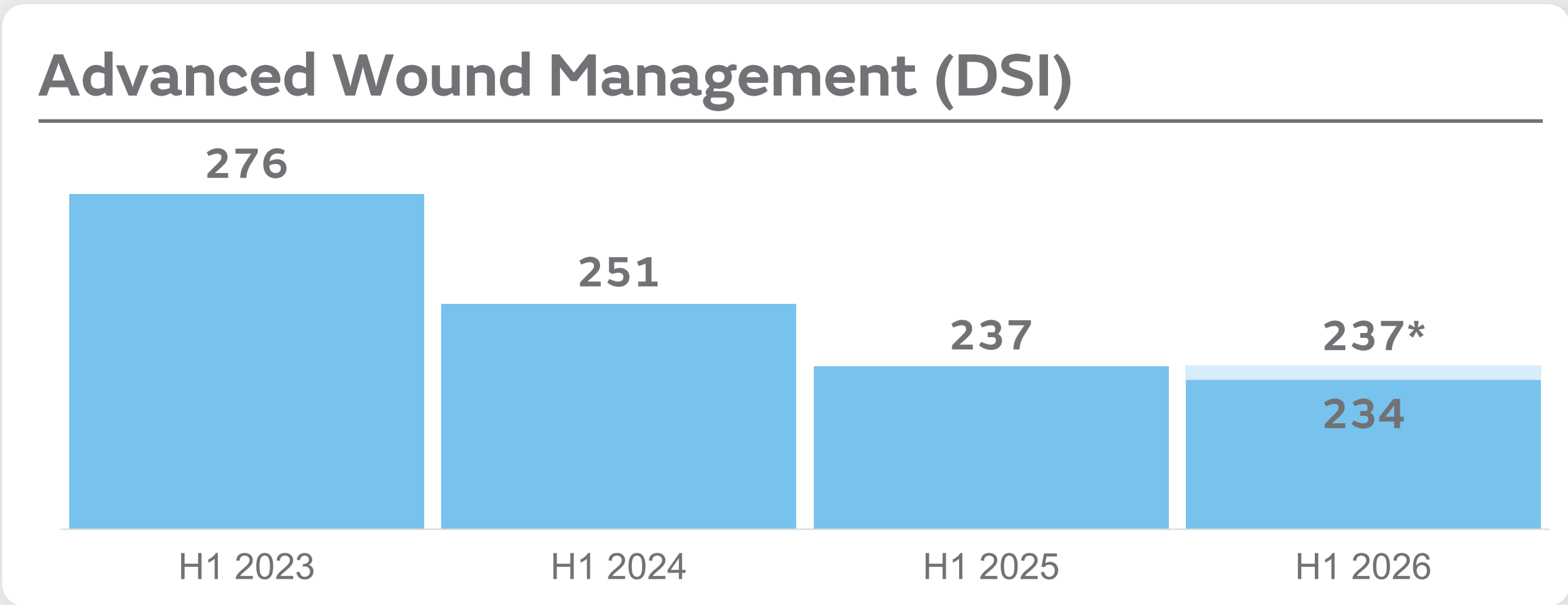
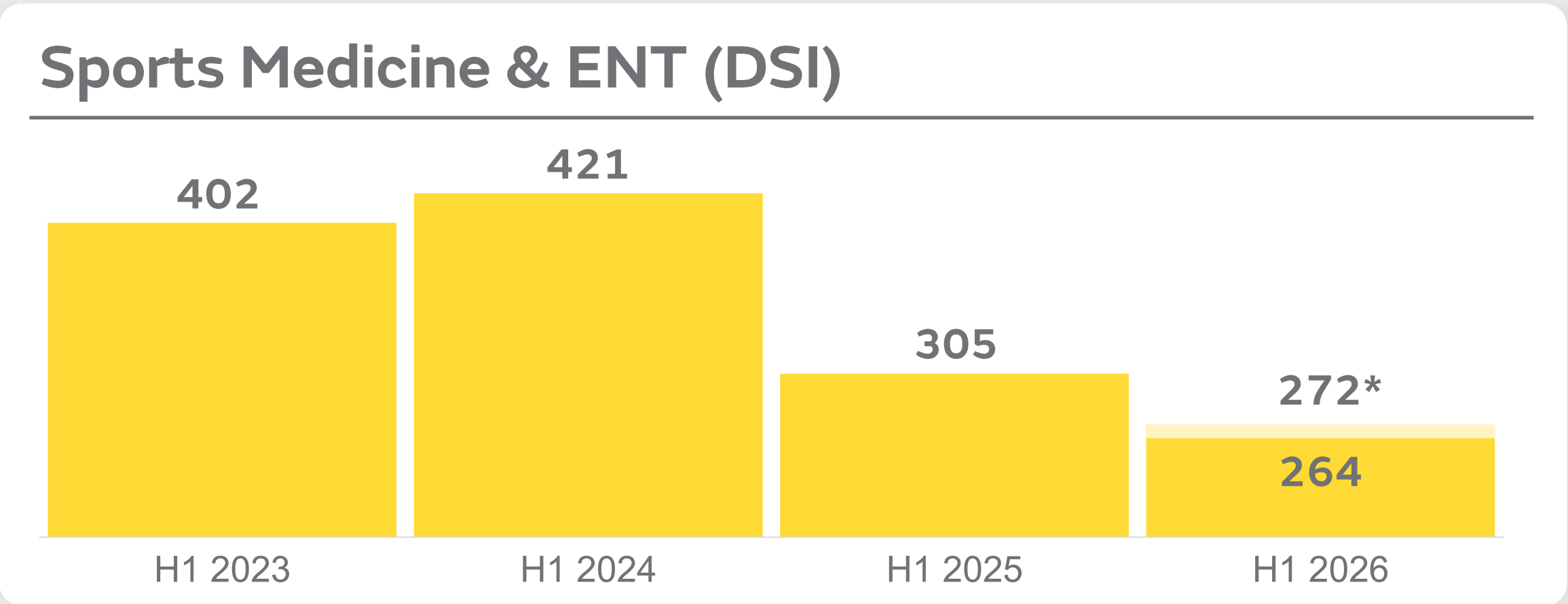
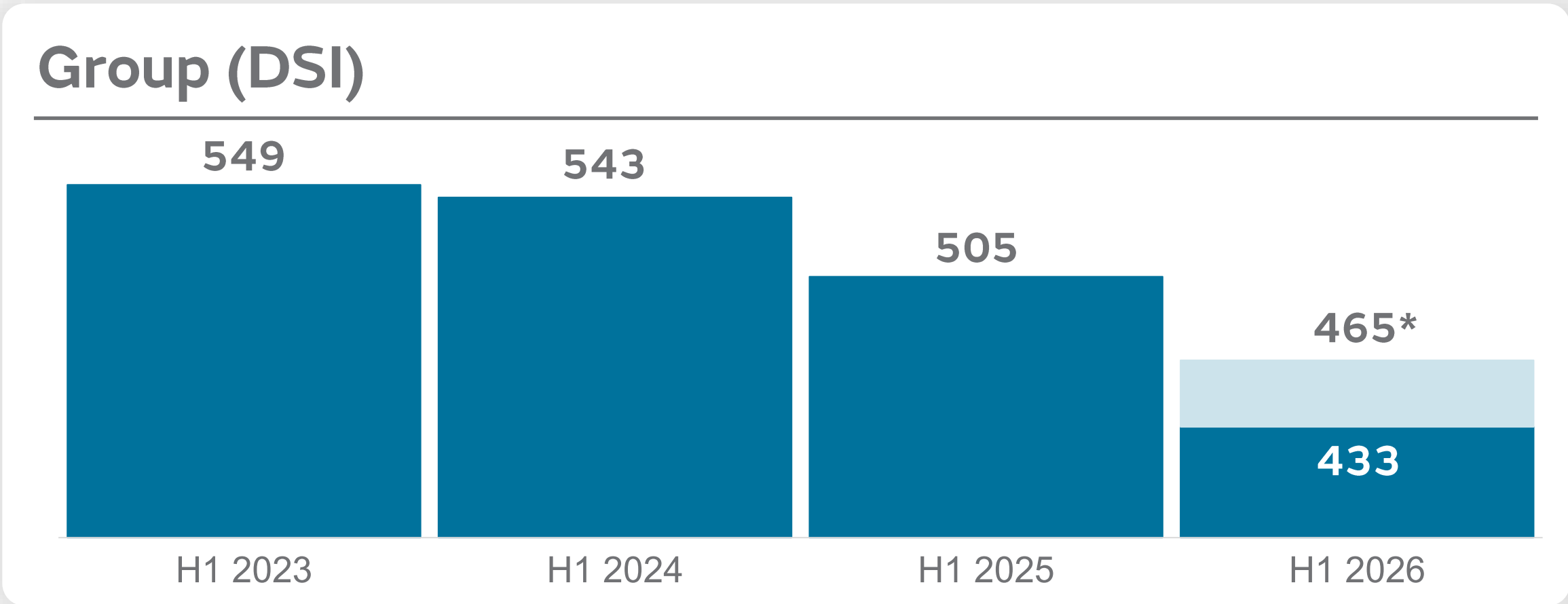


H1 trading margin by business unit



- + H1 2026 trading margin expansion in both Sports Medicine & ENT and Orthopaedics
- + Advanced Wound Management trading margin impacted by reimbursement headwind
- + Business unit margins reflect full allocation of attributable costs
- + Remaining unallocated corporate costs of \$34m (H1 2025: \$28m)

Inventory health improved and reduction in DSI by BU

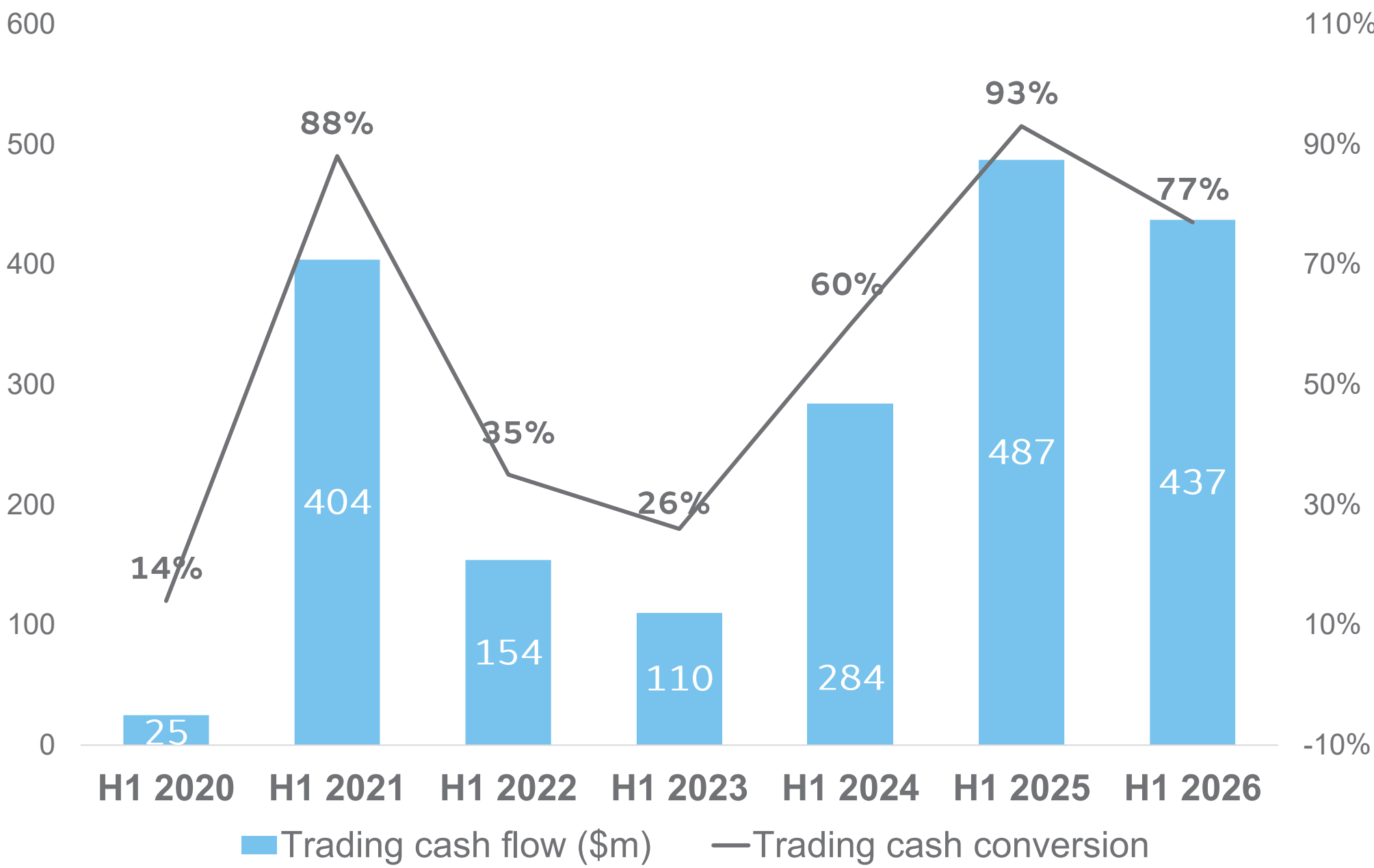


H1 cash flow and cash conversion



Trading and free cash flow primarily impacted by increase in capex and other working capital

	H1 2026 \$m	H1 2025 \$m	\$m delta
Trading profit	566	523	43
Share based payment	34	21	13
Depreciation and amortisation	220	212	8
Lease liability repayments	(29)	(25)	(4)
Capital expenditure	(190)	(139)	(51)
Movements in working capital and other	(164)	(105)	(59)
Trading cash flow	437	487	(50)
Trading cash conversion	77%	93%	
Restructuring, acquisition, legal and other	(51)	(71)	20
Net interest paid	(55)	(61)	6
Taxation paid	(100)	(111)	11
Free cash flow	231	244	(13)



Net debt bridge FY 2025 to H1 2026

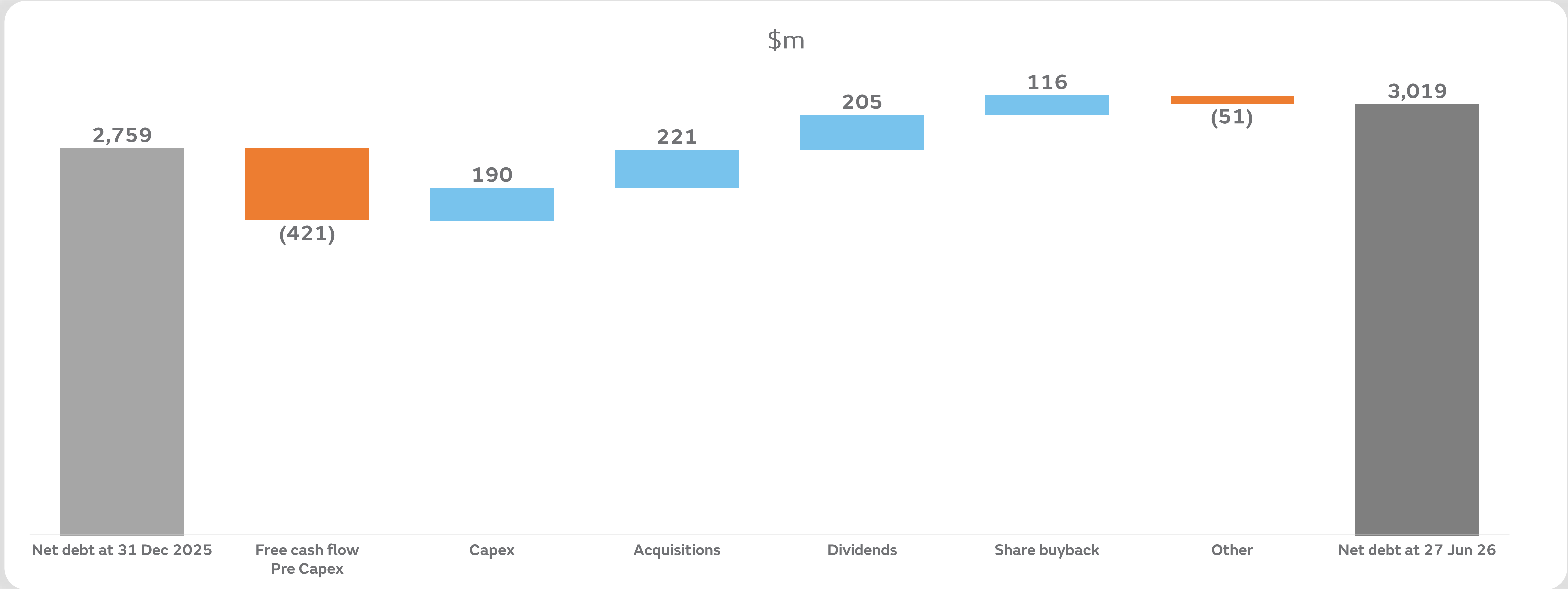


Strong Balance Sheet

Leverage ratio:

1.7x

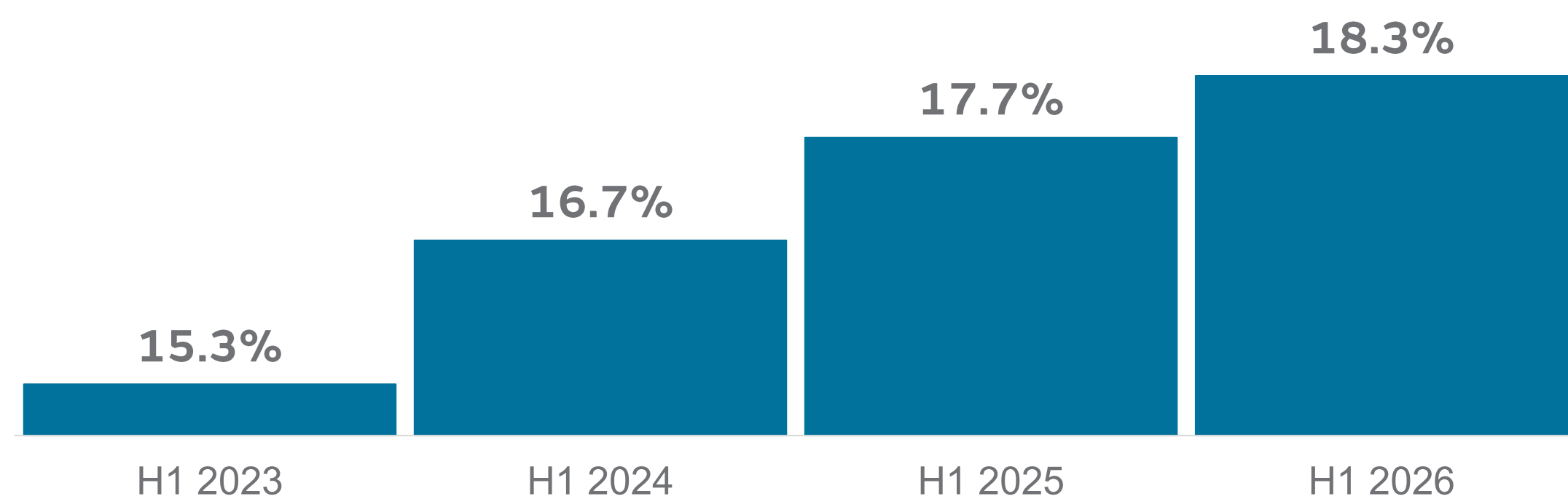
1.8x



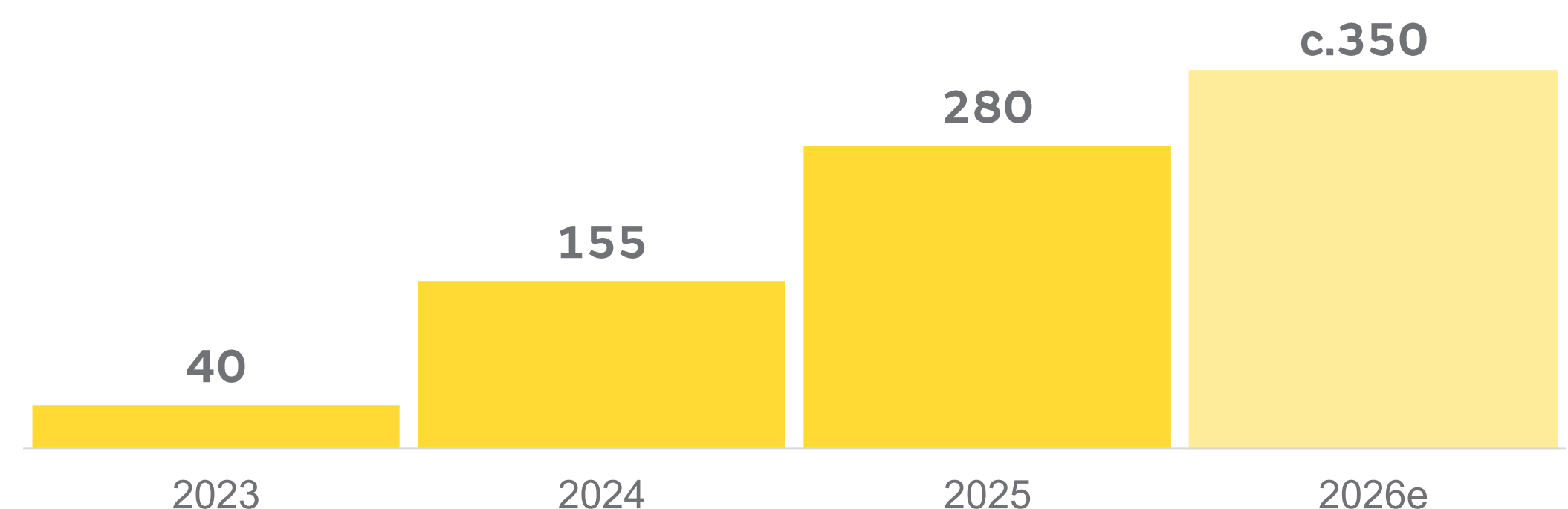
Net debt includes lease liabilities
Leverage ratio at 27 June 2026 is based on 12 month rolling adjusted EBITDA

More robust and resilient business, despite slower than expected revenue growth

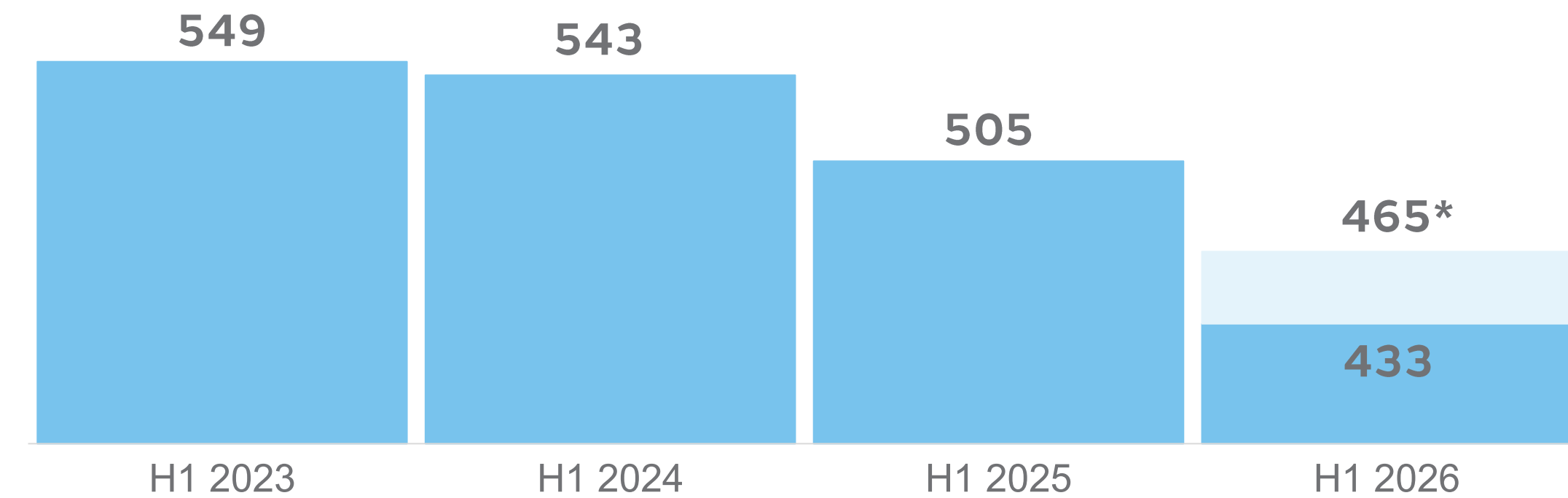
Trading profit margin



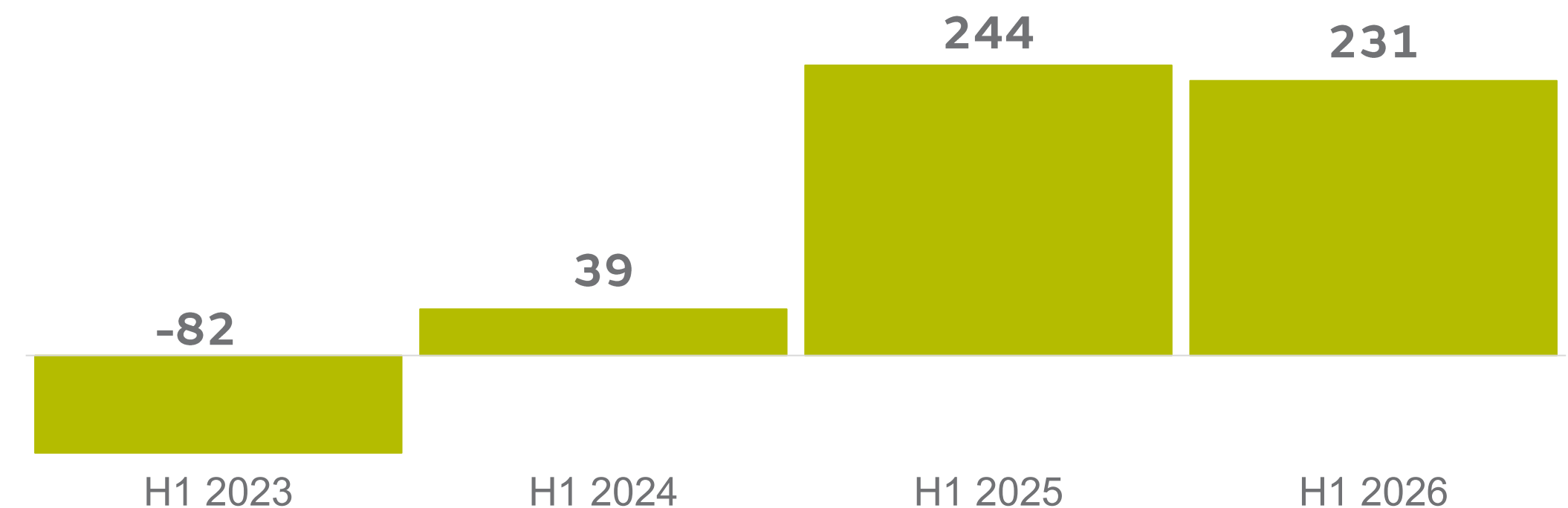
Cumulative 12-PP/ZBB run-rate cost savings (\$m)



Day sales inventory (DSI)



Free cash flow (\$m)



DSI numbers are shown on a constant currency basis
*excludes reclassification of instrument sets from Inventory to PPE

Updated 2026 guidance

c.4%
revenue
growth*



c.8%
trading profit
growth*



c.\$1.3b
trading profit
incl marginal
Integrity dilution



c.\$800m
FCF



>10%
ROIC*



Drivers of H2 revenue step-up



RISE Strategy

RISE Strategy: H126

E Execute efficiently

- Continued progress on cost control and productivity gains, including through Ortho360
- Suzhou manufacturing site awarded the Shingo Prize, one of the world's most respected recognitions for organisational excellence

S Scale through strategic investment

- Acquisition of Integrity Orthopaedics, creating one of the broadest, most advanced portfolios in shoulder
- Investments in PICO salesforce

I Innovate to enhance standard of care

- TESSA received FDA approval this quarter
- Multiple new product launches including FLOW FLEXTEND[◇], EVOS Pelvic and LYNX[◇]
- Further clinical evidence¹ supporting adoption of REGENETEN and CARTIHEAL AGILI-C

R Reach more patients

- First knee and shoulder cases completed on CORI XT
- Japan launch of CATALYSTEM hip
- European launch of ALLEVYN COMPLETE CARE and RENASYS[◇] EDGE

Incremental and transformative innovation pipeline with strong cadence

Sports Medicine

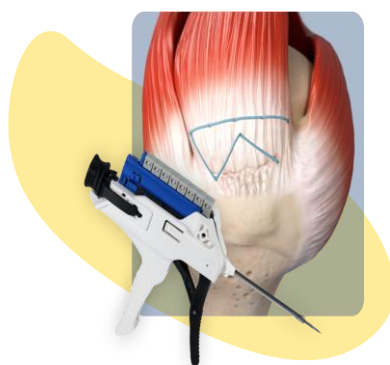
REGENETEN

Drive increased market penetration



TENDON SEAM[◇]

Integration progressing well



CARTIHEAL AGILI-C

Adoption in US accelerating ahead of Cat 1 code in 2027



TESSA

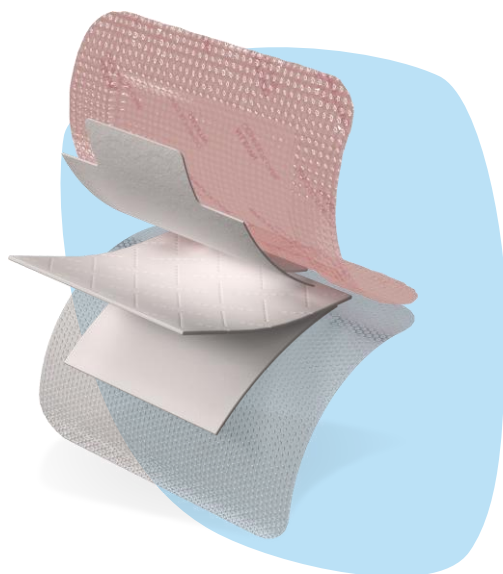
FDA approval in July; limited launch in Q326



AWM

ALLEVYN COMPLETE CARE

US launch progressing strongly; Positive feedback from early users; Launched in EU in Q2



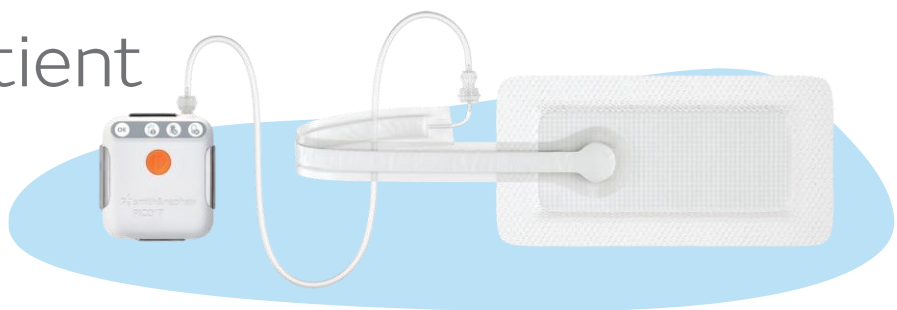
LEAF PATIENT MONITORING SYSTEM

Recently launched next gen LEAF 3.0



PICO

Expand into new care settings and patient populations



Orthopaedics

CORI XT KNEE/SHOULDER/HIP

First CORI XT Cases on shoulders and knees in H1; Hip execution in H1 2027

CATALYST

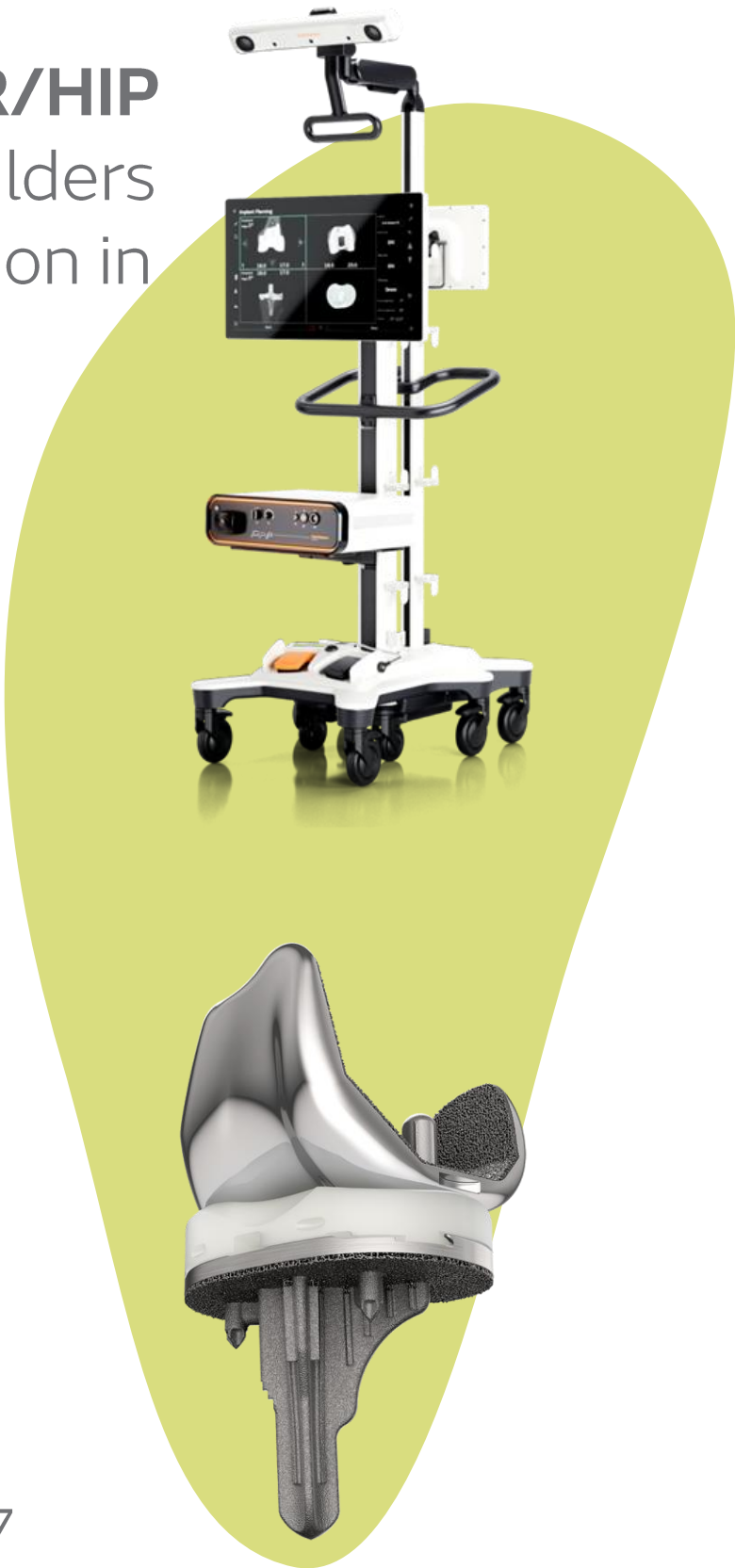
Increasing proportion of our hips

LEGION MS

Increased set deployment driving US knee improvement

LANDMARK

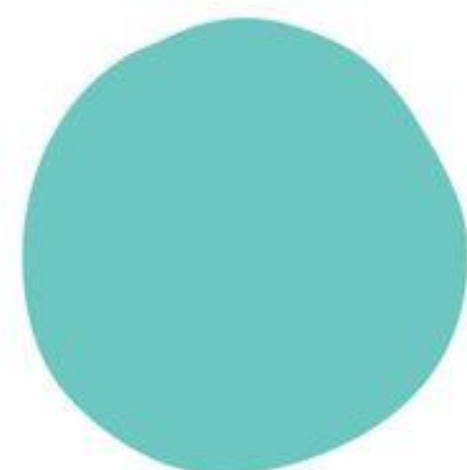
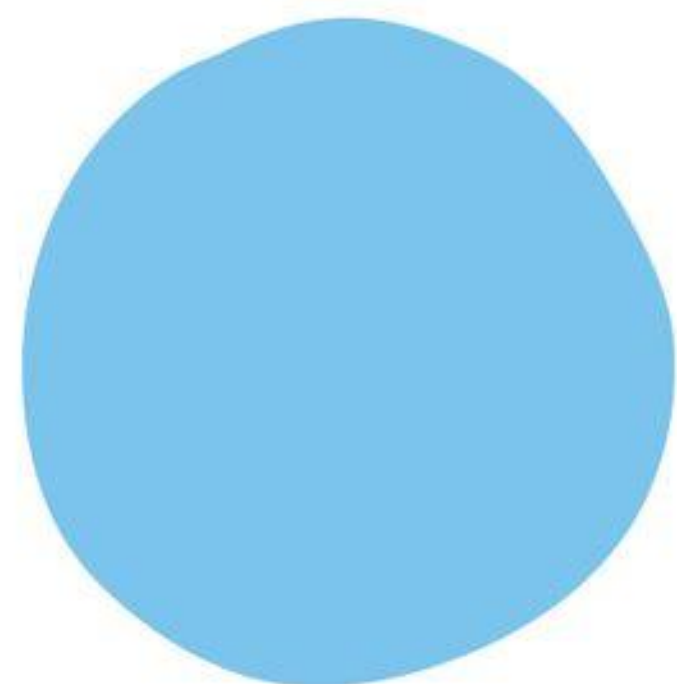
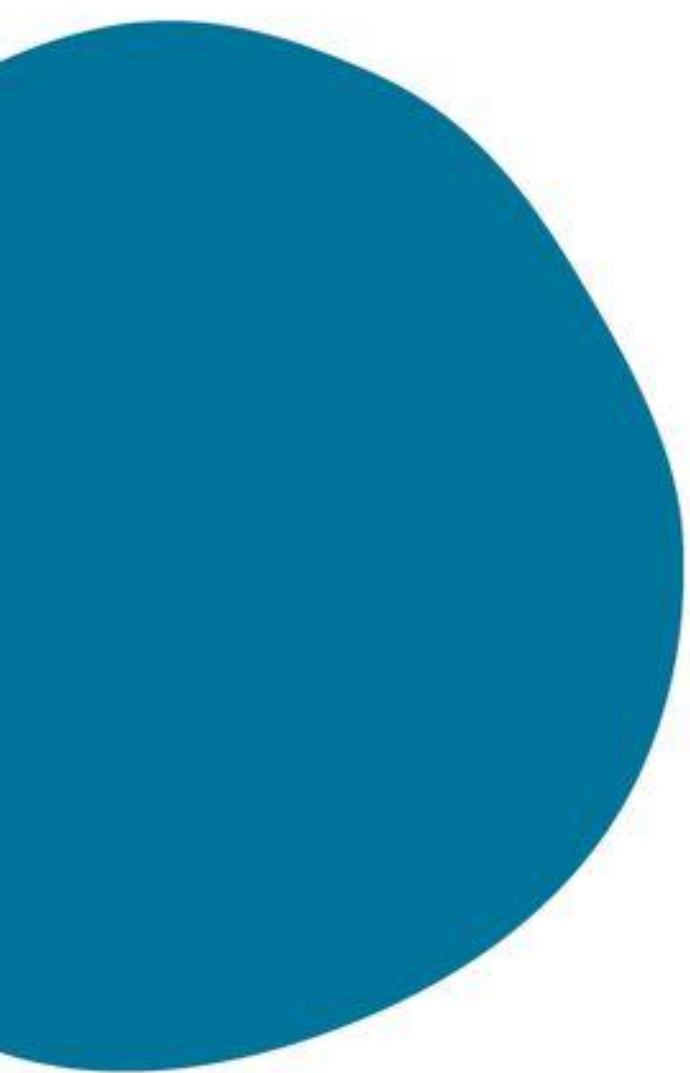
Cementless launch in Q3 2026; Cemented in H1 2027



Key messages

- + Underlying revenue growth in Q2 slower than expected, with strength in Sports Medicine offset by softness in US Orthopaedics and Advanced Wound Bioactives
- + Revenue growth outlook reduced to around 4.0% for FY 2026; on track to meet full year guidance on all other metrics
- + We are confident revenue growth will step-up in H2 with growth drivers across all 3 business units
- + Additional \$50m in savings identified, taking total to \$200m for the full year, with increased savings expected to offset impact of lower revenue growth
- + A more resilient business effectively responding to challenges





Smith+Nephew

Appendix

	August 2026	
Foreign exchange and acquisitions		
Translational FX impact on revenue growth ⁽¹⁾	c.1.2%	
Acquisition impact on revenue growth	-	
Non-trading items		
Restructuring costs	c.\$70m	
Acquisition and integration	\$40-50m	
Other	Adjusted	Reported
Amortisation of acquisition intangibles	\$165-175m	\$165-175m
Income/(loss) from associates ⁽²⁾	\$15-20m	\$5-10m
Net interest ⁽³⁾	c. \$125m	c. \$125m
Other finance costs	\$10-15m	\$35-45m
Tax rate on trading result	19-20%	
Dividend payout ratio	35-40%	

(1) Based on the foreign exchange rates prevailing on 31 July 2026
(2) Based on analyst consensus forecasts for associate, sourced from Capital IQ on 21 July 2026 and considering management guidance issued on 06 May 2026
(3) Includes interest associated with IFRS 16 Leases

Revenue analysis by Business Unit



	2025					2026		
	Q1 Growth %	Q2 Growth %	Q3 Growth %	Q4 Growth %	Full Year Growth %	Q1 Growth %	Q2 Growth %	Q2 Revenue \$m
Orthopaedics	3.2	5.0	4.1	7.9	5.1	0.8	(1.0)	614
Knee Implants	0.7	2.9	1.5	6.1	2.9	(2.8)	(4.3)	247
Hip Implants	(1.2)	3.4	3.7	5.7	2.9	4.1	0.5	165
Other Reconstruction	46.6	39.8	9.7	40.8	33.8	6.0	0.8	36
Trauma & Extremities	6.3	4.4	7.5	6.9	6.3	2.4	2.4	166
Sports Medicine & ENT	2.4	5.7	5.1	7.3	5.2	6.7	8.6	527
Sports Medicine Joint Repair	2.9	8.4	8.6	10.9	7.8	10.0	10.6	293
Arthroscopic Enabling Technologies	(0.1)	2.3	0.2	3.4	1.6	6.7	8.8	178
ENT	7.8	3.6	4.3	2.3	4.4	(9.4)	(1.6)	56
Advanced Wound Management	3.8	10.2	6.0	2.8	5.6	2.2	(2.1)	456
Advanced Wound Care	2.5	2.6	1.1	4.4	2.6	4.9	3.7	204
Advanced Wound Bioactives	(2.0)	18.6	12.2	(0.5)	6.8	(1.7)	(12.7)	144
Advanced Wound Devices	15.7	12.7	6.7	5.4	9.8	1.9	3.8	108
Total	3.1	6.7	5.0	6.2	5.3	3.1	1.6	1,597

All revenue growth rates are on an underlying basis and without adjustment for number of selling days.

Quarterly revenue analysis by region



	2025					2026		
	Q1 Growth %	Q2 Growth %	Q3 Growth %	Q4 Growth %	FY Growth %	Q1 Growth %	Q2 Growth %	Q2 Revenue \$m
US	3.6	8.7	5.5	5.6	5.9	2.1	(1.3)	816
Other Established Markets ⁽¹⁾	5.0	7.4	3.9	7.2	5.9	1.0	1.7	489
Established Markets	4.1	8.2	4.9	6.2	5.9	1.7	(0.2)	1,305
Emerging Markets	(1.7)	(0.2)	5.4	6.4	2.5	10.5	10.6	292
Total	3.1	6.7	5.0	6.2	5.3	3.1	1.6	1,597

(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

Q2 consolidated revenue analysis by Business Unit



	Q2 2026 \$m	Q2 2025 \$m	Reported growth %	Underlying growth %	Acquisitions/dis posals %	Currency impact %
Orthopaedics	614	615	(0.2)	(1.0)	-	0.8
Knee Implants	247	257	(3.8)	(4.3)	-	0.5
Hip Implants	165	162	1.4	0.5	-	0.9
Other Reconstruction	36	35	2.0	0.8	-	1.2
Trauma & Extremities	166	161	3.5	2.4	-	1.1
Sports Medicine & ENT	527	479	10.0	8.6	-	1.4
Sports Medicine Joint Repair	293	262	11.8	10.6	-	1.2
Arthroscopic Enabling Technologies	178	161	10.6	8.8	-	1.8
ENT	56	56	(0.3)	(1.6)	-	1.3
Advanced Wound Management	456	459	(0.7)	(2.1)	-	1.4
Advanced Wound Care	204	192	6.1	3.7	-	2.4
Advanced Wound Bioactives	144	165	(12.5)	(12.7)	-	0.2
Advanced Wound Devices	108	102	5.5	3.8	-	1.7
Total	1,597	1,553	2.8	1.6	-	1.2

H1 consolidated revenue analysis by Business Unit



	H1 2026 \$m	H1 2025 \$m	Reported growth %	Underlying growth %	Acquisitions/dis posals %	Currency impact %
Orthopaedics	1,213	1,193	1.7	(0.1)	-	1.8
Knee Implants	492	501	(1.8)	(3.6)	-	1.8
Hip Implants	326	313	4.3	2.3	-	2.0
Other Reconstruction	68	64	5.3	3.1	-	2.2
Trauma & Extremities	327	315	4.0	2.4	-	1.6
Sports Medicine & ENT	1,017	923	10.2	7.7	-	2.5
Sports Medicine Joint Repair	574	509	12.8	10.3	-	2.5
Arthroscopic Enabling Technologies	340	307	10.7	7.8	-	2.9
ENT	103	107	(3.6)	(5.4)	-	1.8
Advanced Wound Management	867	845	2.6	(0.1)	-	2.7
Advanced Wound Care	398	366	8.8	4.3	-	4.5
Advanced Wound Bioactives	263	285	(7.7)	(8.1)	-	0.4
Advanced Wound Devices	206	194	6.2	2.8	-	3.4
Total	3,097	2,961	4.6	2.3	-	2.3

	H1 2026 \$m	H1 2025 \$m	Reported growth
Trading profit	566	523	8.1%
Net interest payable	(55)	(54)	
Other finance costs	(9)	(1)	
Share of results from associates	5	1	
Adjusted profit before tax	507	469	8.2%
Taxation on trading result	(103)	(93)	
Adjusted attributable profit	404	376	7.7%
Weighted average number of shares (m)	849	874	
Adjusted earnings per share ("EPSA")	47.7¢	42.9¢	11.0%

Trading days per quarter



	Q1	Q2	Q3	Q4	Full year
2024	63	64	63	62	252
2025	62	63	63	63	251
2026	61	63	63	64	251
2027	64	64	63	60	251