

Investor Presentation

April - July 2025



Smith+Nephew

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.



1856
Smith+Nephew
established

1856-1896
Thomas James Smith opened a chemist shop in Hull, UK and develops a new method for refining cod liver oil. In 1896 Horatio Smith entered a partnership with his uncle forming TJ Smith & Nephew

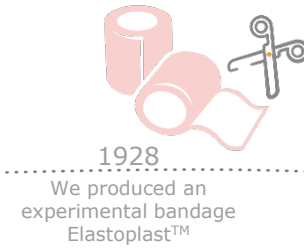


1914
Days after the outbreak of WW1, we received an order to provide surgical and field dressing supplies to French army within 5 months



During WW1, staff grew from 50 to 1,200

From 50 To 1200



1928
We produced an experimental bandage Elastoplast™

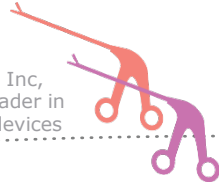
1937
We were listed on the London stock exchange



1937
We developed a special low-temperature plaster for the Everest climbers on the 1953 expedition. It enabled them to send back camera films, sealed and airtight!



1995
Acquired Acufex Microsurgical Inc, making us a market leader in arthroscopic surgical devices



1986
Key acquisitions of Richards Medical in Memphis, specialists in orthopaedic products and DYONICS, an arthroscopy specialists based in Andover



1995
We were listed on the New York Stock Exchange and in 2001 became a constituent member of the UK FTSE-100 index



2001
Introduced OXINIUM®, a new material that improves performance and increases the service life of total joint replacement systems



2011
PICO®, the first pocket-sized, single-use system, revolutionizes the negative pressure wound therapy market



2013
JOURNEY® II BCS sets a new standard in knee implant performance, designed to empower patients



2019
Expanding in technologies of the future, we acquired:

- Osiris Therapeutics
- Ceterix Orthopaedics
- Leaf Patient Monitoring System
- Brainlab Orthopaedic Joint Reconstruction Business



2017
Acquired tissue regeneration developer Rotation Medical



2015
Acquired Blue Belt Technologies securing a leading position in orthopaedic robotics-assisted surgery



2014
Acquired Arthrocare Corp. to expand our sports medicine portfolio



2020
Acquired Tusker Medical Inc. to expand even more our ENT medicine portfolio



2020
Launched Real Intelligence and CORI® Surgical System; next generation handheld robotics platform



2021
Launched SMART TSF Circular Fixator; WEREWOLF® FASTSEAL® 6.0 and LEGION CONCELOC; FAST-FIX FLEX Meniscal Repair System; INTELLIO Connected Tower



2024
Acquired CartiHeal developer of novel technology for cartilage regeneration



We exist to restore people's bodies and their self-belief by using technologies to take the limits off living. We call this purpose "Life Unlimited"

~17,500 employees over 100 Countries

Today

100

Smith+Nephew is a portfolio medical technology business that has been trading for over 160 years, and operates in more than 100 countries

FTSE 100

A constituent of the UK's FTSE 100, with ADRs traded on the New York Stock Exchange

Shares

S+N has a progressive dividend policy, and has paid a dividend every year since 1937

\$5.8bn

Annual sales in 2024 were \$5.8 billion

~17,500

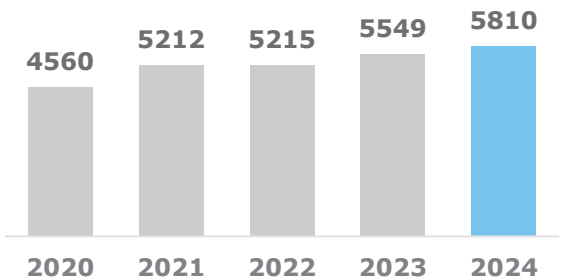
We have around 17,500 employees globally

Our performance



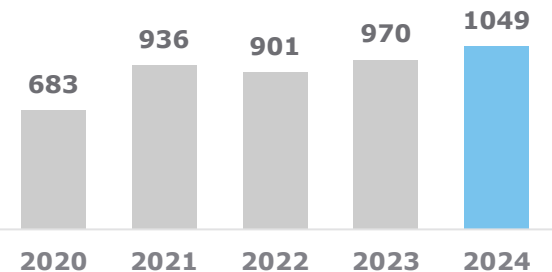
Revenue

\$5,810m +5.3%*



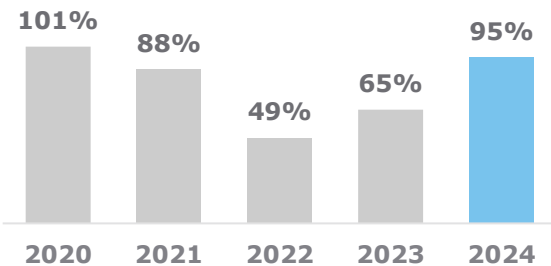
Trading profit

\$1,049m 18.1% margin



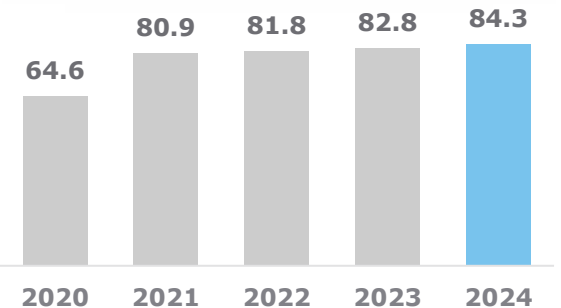
Trading cash conversion

95%



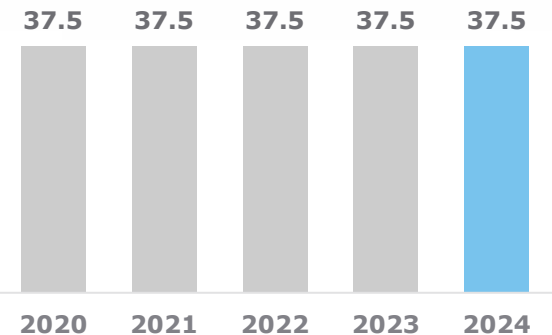
Adjusted earnings per share (EPSA)

84.3¢



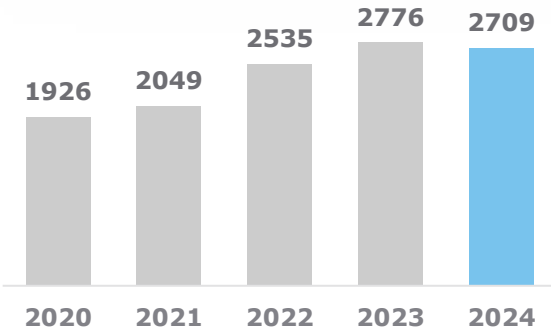
Dividend per share

37.5¢**



Net debt

\$2,709m***

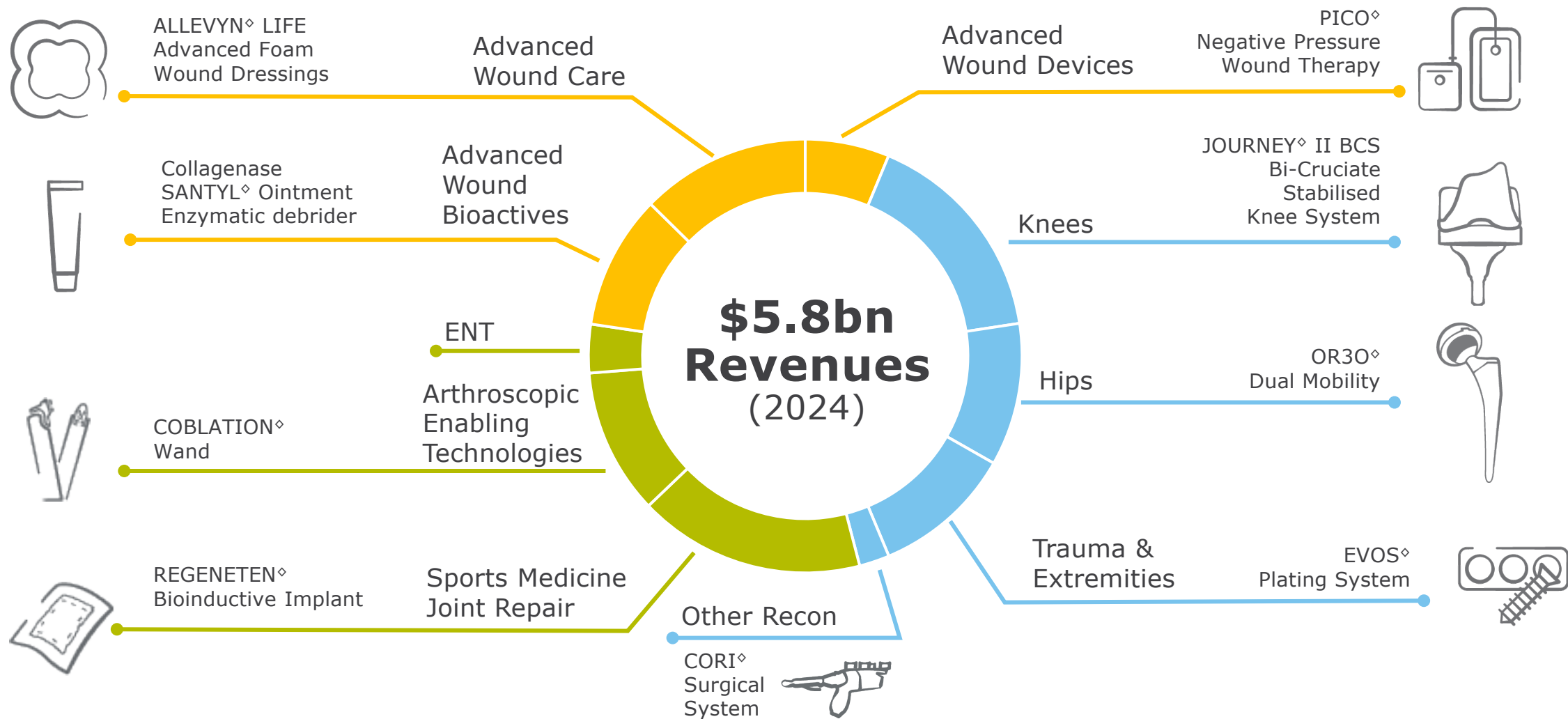


* Underlying growth percentage after adjusting for the effect of currency translation, acquisitions and disposals.

** Proposed dividend of 37.5¢

*** Net debt includes lease liabilities.

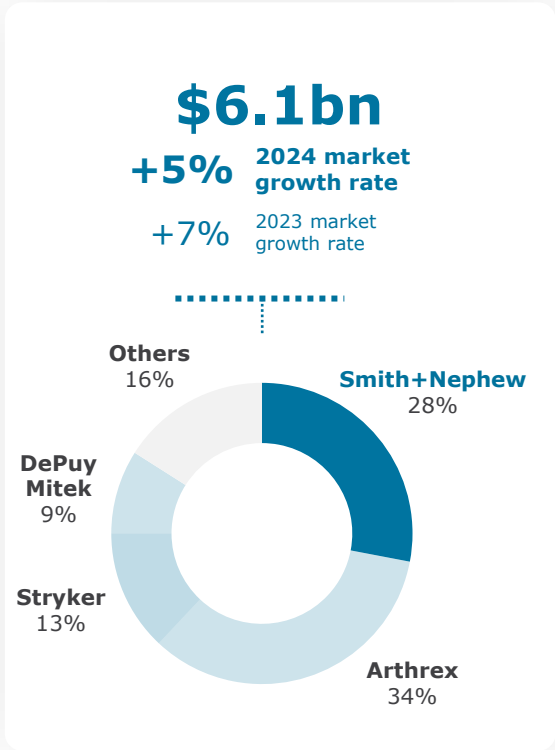
A portfolio medical technology business



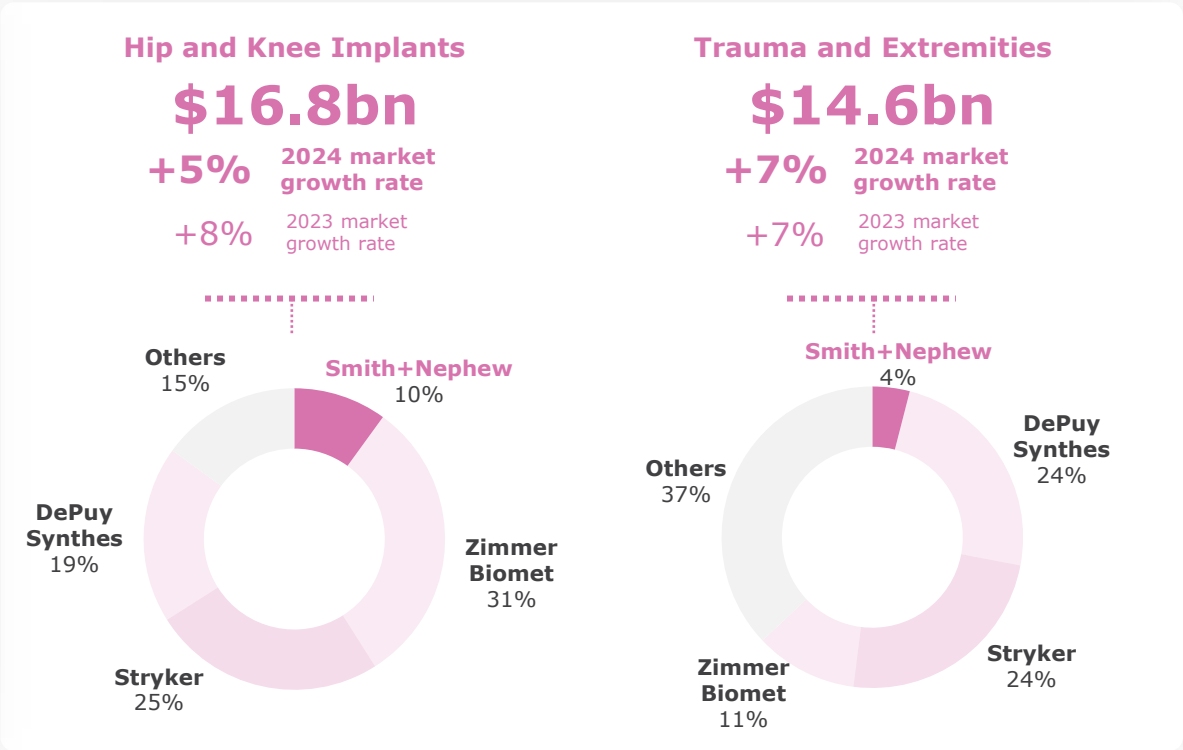
Leading positions in attractive markets



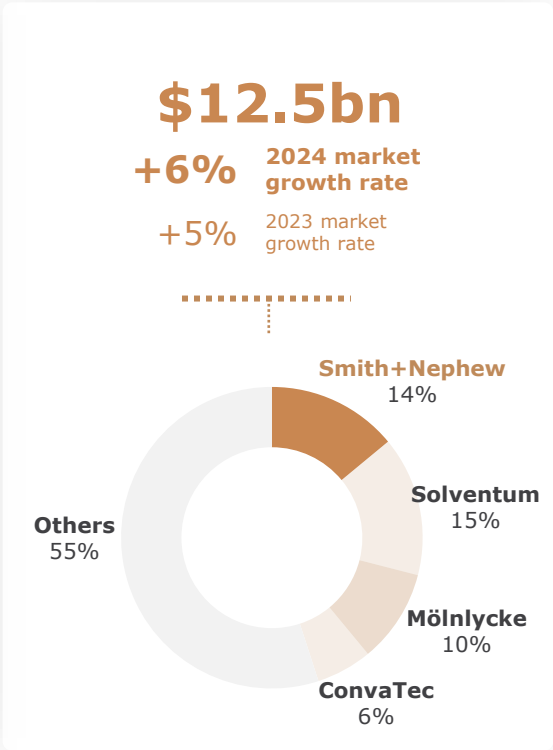
Sports Medicine



Orthopaedics



Advanced Wound Management



~4% Weighted Average Market Growth Rate
based on pre-COVID 2017-19 growth

All market sizes and shares are 2024 estimates. These are generated by Smith+Nephew, based on publicly available sources and internal analysis, and represent an indication of market shares and sizes.

Solid long-term demand drivers intact



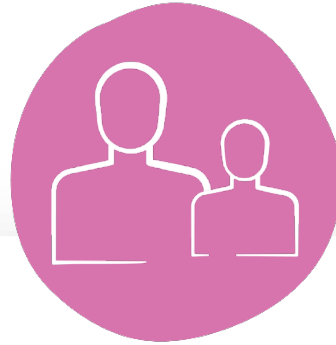
Prevalence

Growth in lifestyle related health conditions



Lifestyle

Higher levels of physical activity later in life



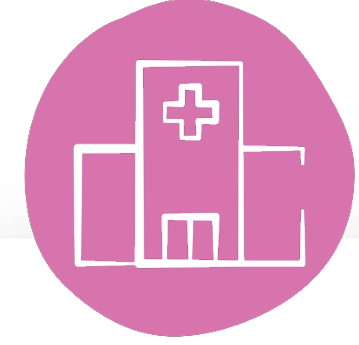
Demographics

More patients from better life expectancy



Emerging markets

Economic development driving healthcare access



Decentralised care

Shift to outpatient settings accelerated by COVID

The right to win across all business units

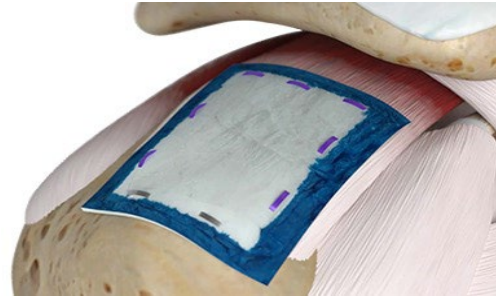


Orthopaedics



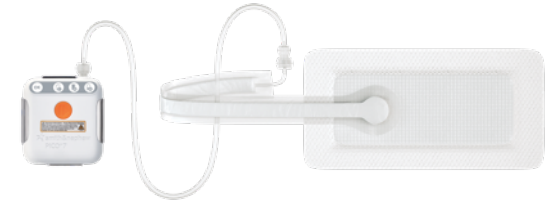
- + **Full range** across hips and knees
- + **Differentiated implant technology**, e.g. JOURNEY[◇] II, OXINIUM[◇], OR30[◇], EVOS[◇]
- + **Robotic enabling technology**, CORI[◇] continuing to extend its functionality

Sports Medicine & ENT



- + **Complete offering** of Joint Repair, Tower, customer service
- + **Leadership positions** across key Sports Medicine segments
- + **Scaleable synergies** with other areas, through CORI and ASCs

Advanced Wound Mgmt.



- + **Broadest portfolio of solutions** covering all key wound types
- + **Leading NPWT platform** with market expansion potential
- + **Strong evidence base**, distinguishing from value segment

A comprehensive programme to drive value



Fixing Orthopaedics

Initiatives 1-5

Rewire Orthopaedics commercial delivery

- Rebuild demand planning process
 - Improve asset utilisation
 - Strengthen last-mile logistics
- 1 initiative**

Win market share with our technology

- Expansion of CORI[®] base and use
 - Accelerate trauma through EVOS[®]
 - Launch of AETOS[®] shoulder
- 3 initiatives**

Streamline our recon portfolio

- Sales focus on key brands
 - Reduce number of implant systems in each category
- 1 initiative**

Improving productivity

Initiatives 6-10

Improve value and cash processes

- Standardised order-to-cash process excellence
 - Implementing company-wide product pricing process
- 2 initiatives**

Optimise procurement

- More consistent purchase price management across company
 - Building greater supply resilience
- 1 initiative**

Manufacturing optimisation

- Driving lean across operations
 - Further review of manufacturing network
- 2 initiatives**

Accelerating Sports & AWM

Initiatives 11-12

Scale Negative Pressure Wound Therapy

- Drive competitive conversions in traditional NPWT
 - Expand single use market globally
- 1 initiative**

Drive cross-selling in ASCs

- Pursue cross-business unit deals with improved coordination, incentives and planning
- 1 initiative**

12-Point Plan achievements as at FY 2024



Comprehensive programme of actions taken

- + Plan initiatives delivered across all aspects of the business
- + Move to global business unit model, driving accountability and execution at pace

Shift to consistently higher revenue growth

- + Four consecutive years of growth above historical average
- + Growth underpinned by successive waves of innovation, with strong pipeline

Cost efficiency and trading margin expansion

- + 80 bps improvement since 2022, while absorbing major macro headwinds
- + Poised for profitability to step up in 2025 and beyond

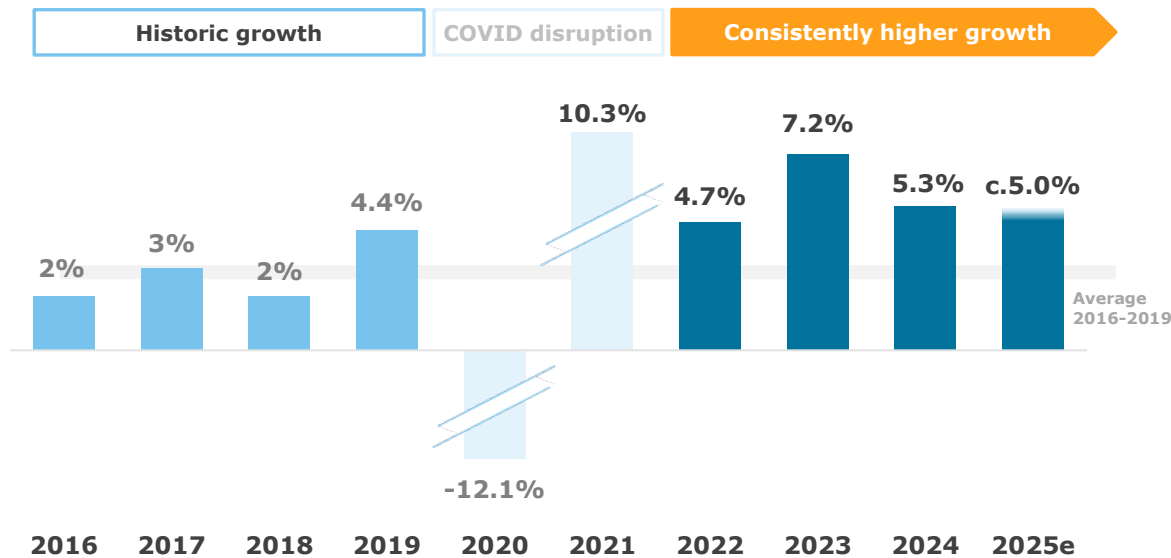
Step up across range of cash and returns metrics

- + ROIC rising, expected to exceed cost of capital in 2025
- + DSIs starting to turn, restructuring costs falling, free cash flow rising

12 Point Plan: Consistently higher revenue growth



Underlying revenue growth 2016-25e



- + Sustained acceleration**
 - Revenue growth above historical levels for fourth consecutive year
- + Fixed operational foundations**
 - Product and capital availability at or better than target for 2024
 - 90% reduction in overdue orders since 2022
- + Better commercial execution**
 - Progressive improvement in US Recon performance
 - T&E established as high-growth platform with EVOS and AETOS

12 Point Plan: Waves of innovation delivery



>60%
of 2024 growth from
launches in last 5
years

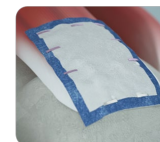
c.3.5pts
of growth from
innovation in both
2023 and 2024

Continuing to drive existing platforms: CORI and REGENETEN◇



CORI
Surgical System

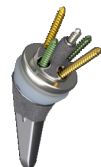
- + 10 new CORI features launched since 2022
- + Robotics installed base of >1,000 units; around a third of US knees now placed robotically



REGENETEN
Bioinductive Implant

- + Growing strong double-digit on rotator cuff, new tendon applications
- + 510k clearance for use in extra-articular ligament repair opens up further growth opportunity

Next wave of launches underway: AETOS and CATALYSTEM◇



AETOS
Shoulder System

- + Provided around a quarter of T&E growth in Q4 2024
- + Further developing platform with stemless implant and CORI compatibility



CATALYSTEM
Primary Hip System

- + Positive initial surgeon feedback on precision, efficiency, reproducibility
- + Early set utilization ahead of launch plans

Key projects in 2025: Next generation arthroscopy and trauma devices



Digitally enabled
arthroscopy

- + Adding video-based navigation to the tower; enhanced visualisation and mixed reality
- + More consistent patient outcomes, more efficient surgeon decision-making



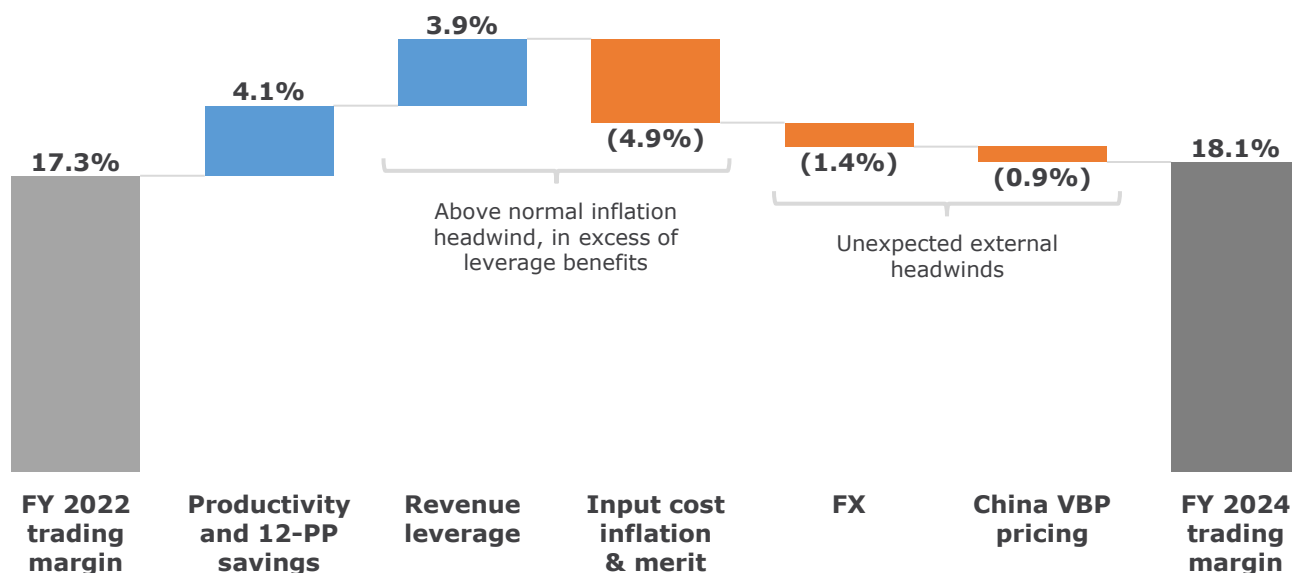
Next-generation
IM nails

- + Building on already strong position in \$1.3bn IM nails category
- + New nails planned in both tibial and hip fractures

12 Point Plan: Cost efficiency and margin expansion



FY 2022-24 trading margin bridge

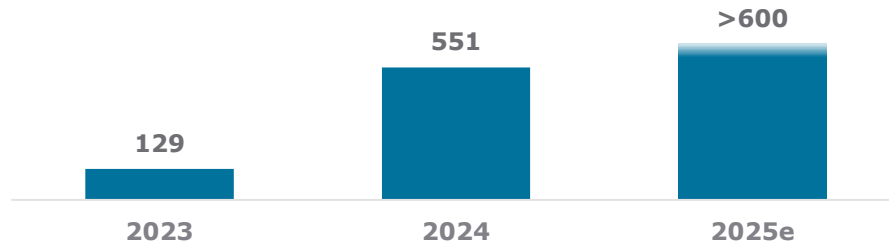


- + 2022-4 productivity gains offset significant external pressures**
 - 410bps of incremental cost savings in two years, offsetting unexpected external headwinds and above normal inflation
 - 80bps of trading margin expansion since 2022
- + Capacity reductions, cost savings, more normal macro in place for 2025 step-up**
 - Closure of four Orthopaedics facilities, c.9% headcount reduction since 2022
 - Total savings on course to significantly exceed original \$200m plan target
 - Inflation and leverage now back in balance
- + Positioned for further expansion beyond 2025**
 - Enabled by better aligned supply and demand; capacity reduction; timing of lower costs passing through inventory

12 Point Plan: Step up across ROIC and cash metrics

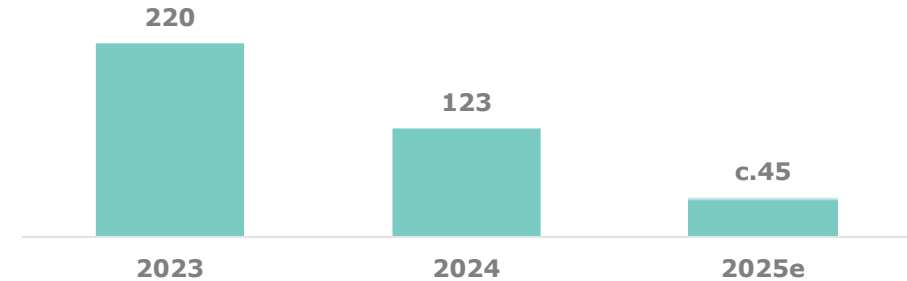


Free cash flow (\$m)



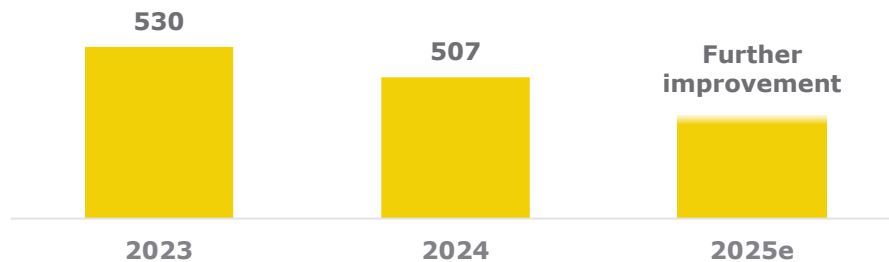
+ >\$400m increase in 2024; further improvement expected in 2025

Restructuring costs (\$m)



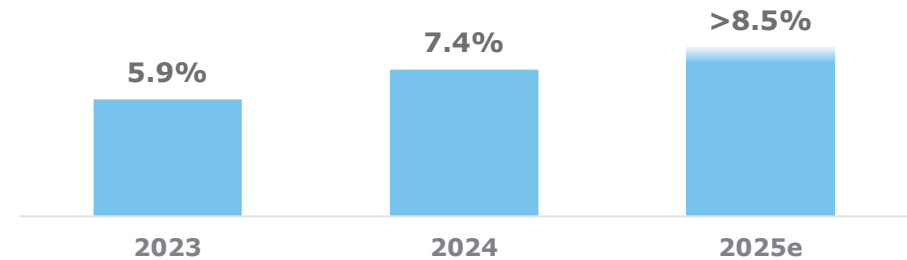
+ P&L charge to reduce by >75% in two years

Days sales of inventory (DSI)*



+ 23 day improvement in 2024, further progress expected in 2025

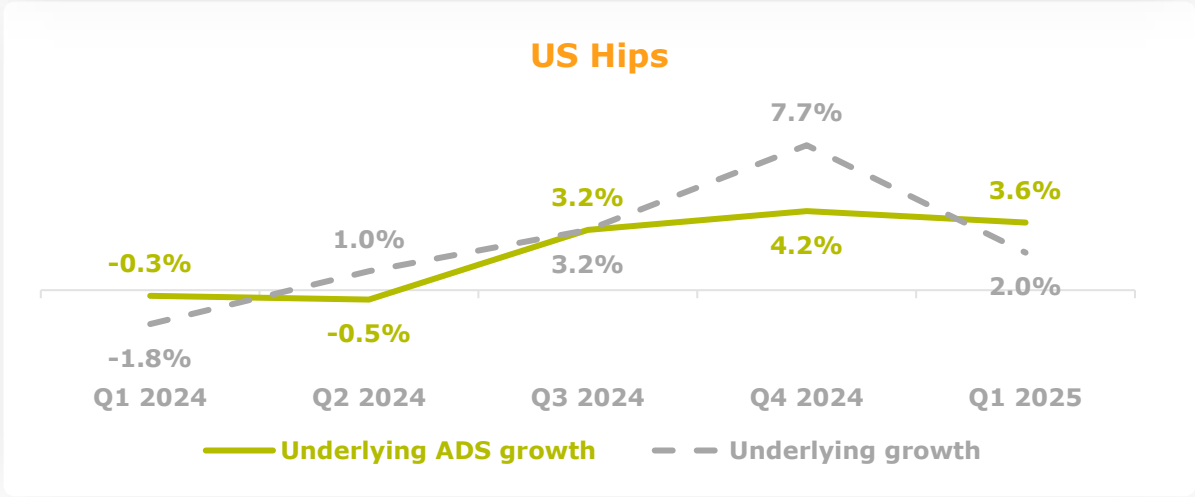
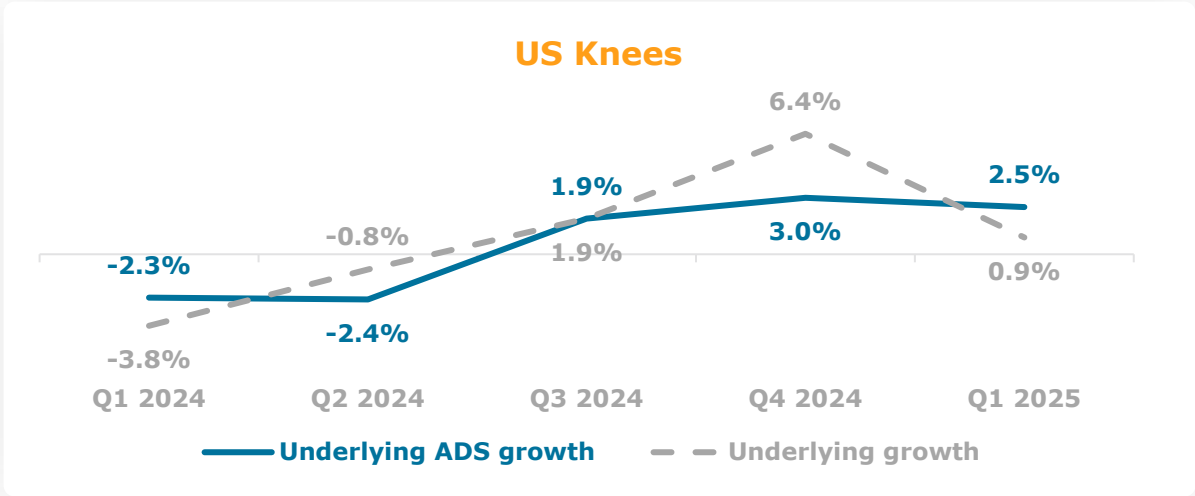
ROIC



+ 150bps improvement in 2024; expect to exceed 8.5% cost of capital in 2025

*DSI numbers are shown on a constant currency basis. On a reported currency basis, Group DSI were 20 days lower at the end of 2024 than at the end of 2023

US Recon trading day adjusted growth

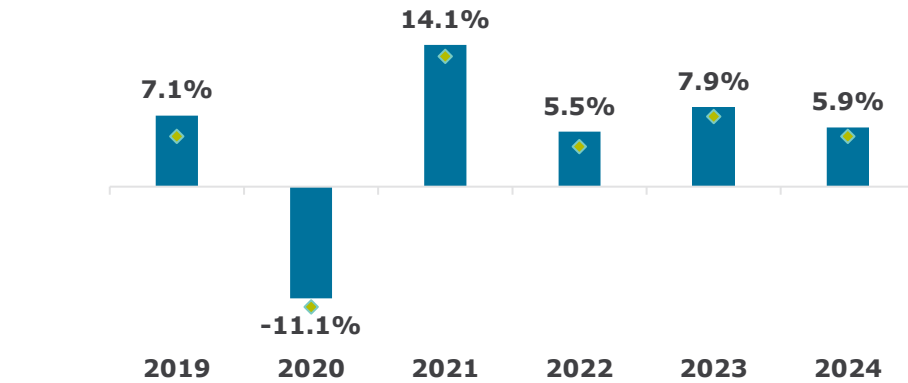


- + Improvements in product availability, commercial execution and key launches driving improvement in US Recon
- + Growth rates reflect inclusion of sales of robotics consumables in Knees and Hips for all periods
- + Adjustments reflect one fewer trading day in Q1 2025 than in the prior year; two more in Q4 2024, one more in Q2 2024; and one fewer in Q1 2024

Continuing the strength of Sports Med and AWM



Sports Medicine underlying revenue growth*

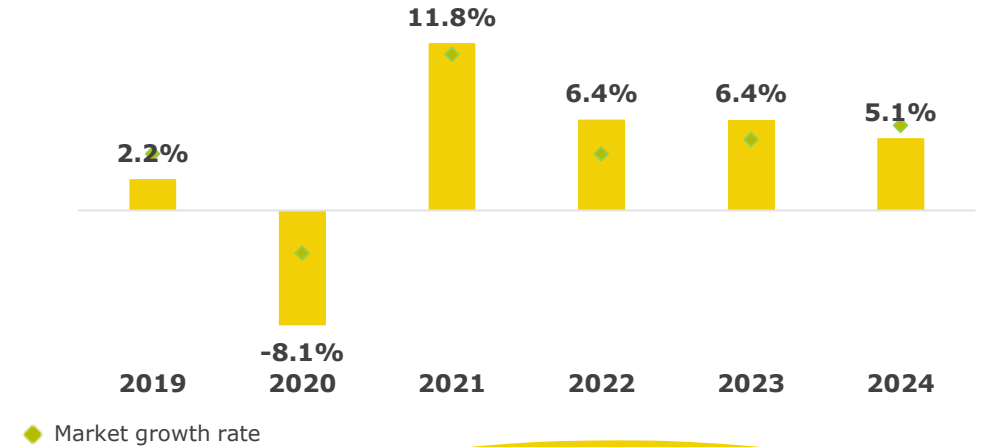


◆ Market growth rate

* Representing repair products and arthroscopic enabling technologies, excluding ENT

- Precise, targeted approach to engagement from deep understanding of customers
- Consistent innovation across procedures and capital
- Complete offering across Joint Repair, the Arthroscopic Tower, and close customer service
- **Future drivers:** REGENETEN including expansion to Foot and Ankle; continued innovation across consumables and arthroscopic tower

AWM underlying revenue growth



◆ Market growth rate

- Focus on portfolio breadth and evidence-based selling
- Continued strong performance in foams and anti-infectives
- Good growth in AWD led by our market leading single-use NPWT device, PICO
- **Future drivers:** Continued focus on NPWT acceleration plans; ongoing refresh of the portfolio across categories

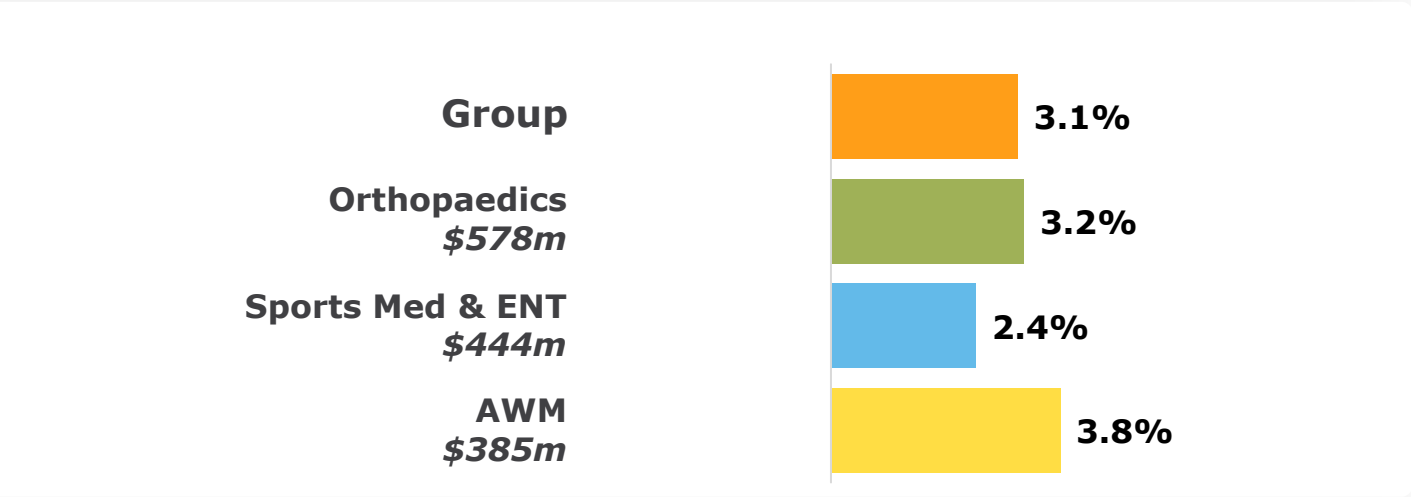
Q1 2025 Revenue



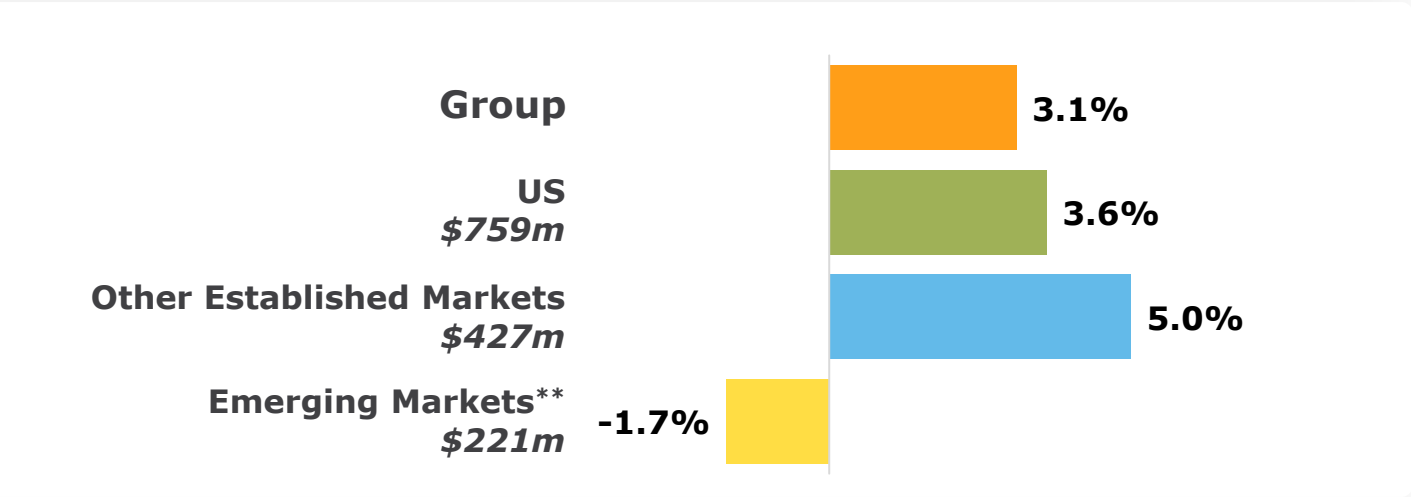
Q1 2025 summary revenue performance



Growth by Business Unit*



Growth by Region*



Total revenue of \$1,407m

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

*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

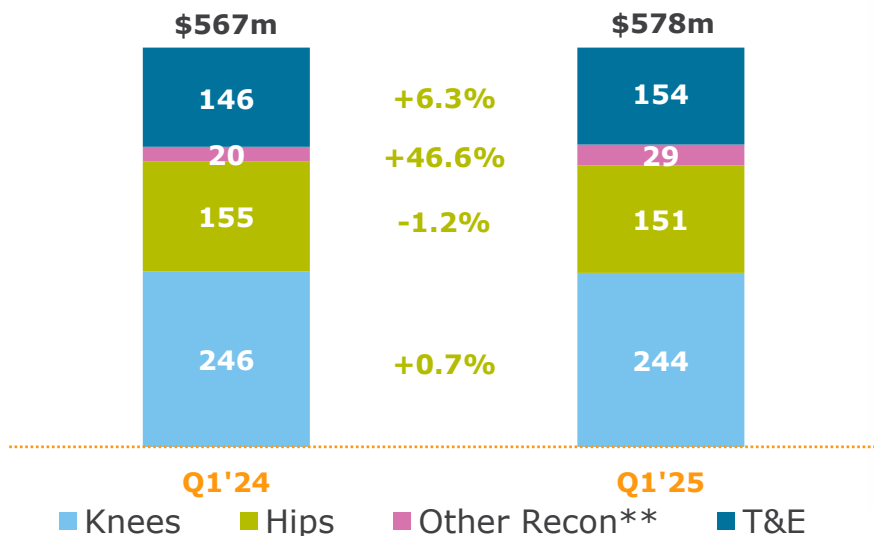
**Emerging markets growth of 14.7% excluding China

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 Periprosthetic
- Increasing growth contribution from AETOS[◇] Shoulder

Near-term growth drivers

- + Continued flow through of 12-Point Plan improvements in US Recon; rollout of CATALYSTEM[◇] 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

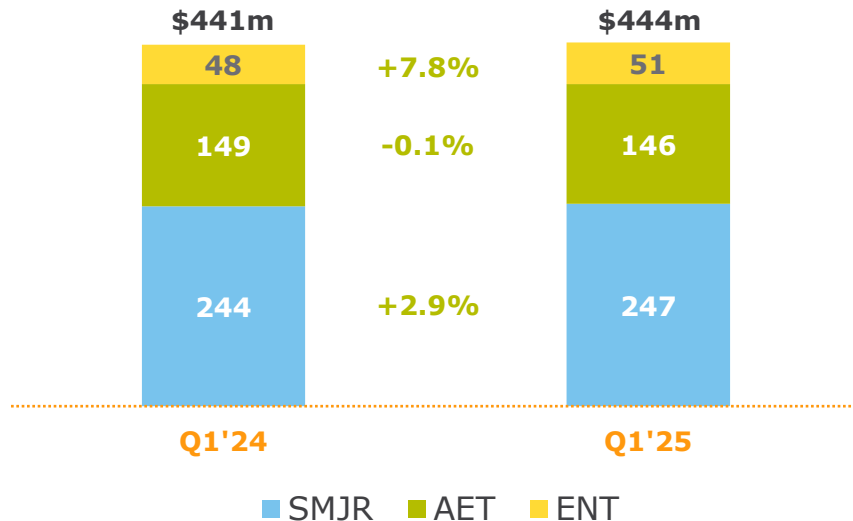
** Other Recon includes robotics capital sales, joint navigation and bone cement

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[◇] FASTSEAL

+ ENT +7.8%:

- Growth led by tonsil & adenoid business; continued rollout of ARIS[◇] COBLATION[◇] 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

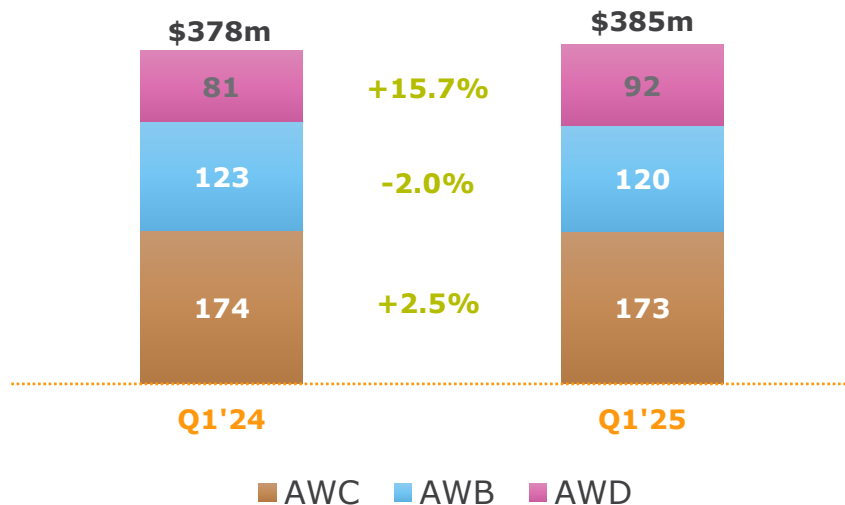
* Growth rates are versus Q1 2024

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[◇] Ag+ SURGICAL launched in quarter

+ Advanced Wound Bioactives -2.0%:

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

+ Advanced Wound Devices +15.7%:

- Double-digit growth from both PICO[◇] and RENASYS[◇] in Negative Pressure Wound Therapy; continued strong growth from LEAF[◇] 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

Capital allocation framework

1. Invest

- **Innovation** to drive organic growth
- **Sustainability targets** and further embed our ESG agenda

2. Acquire

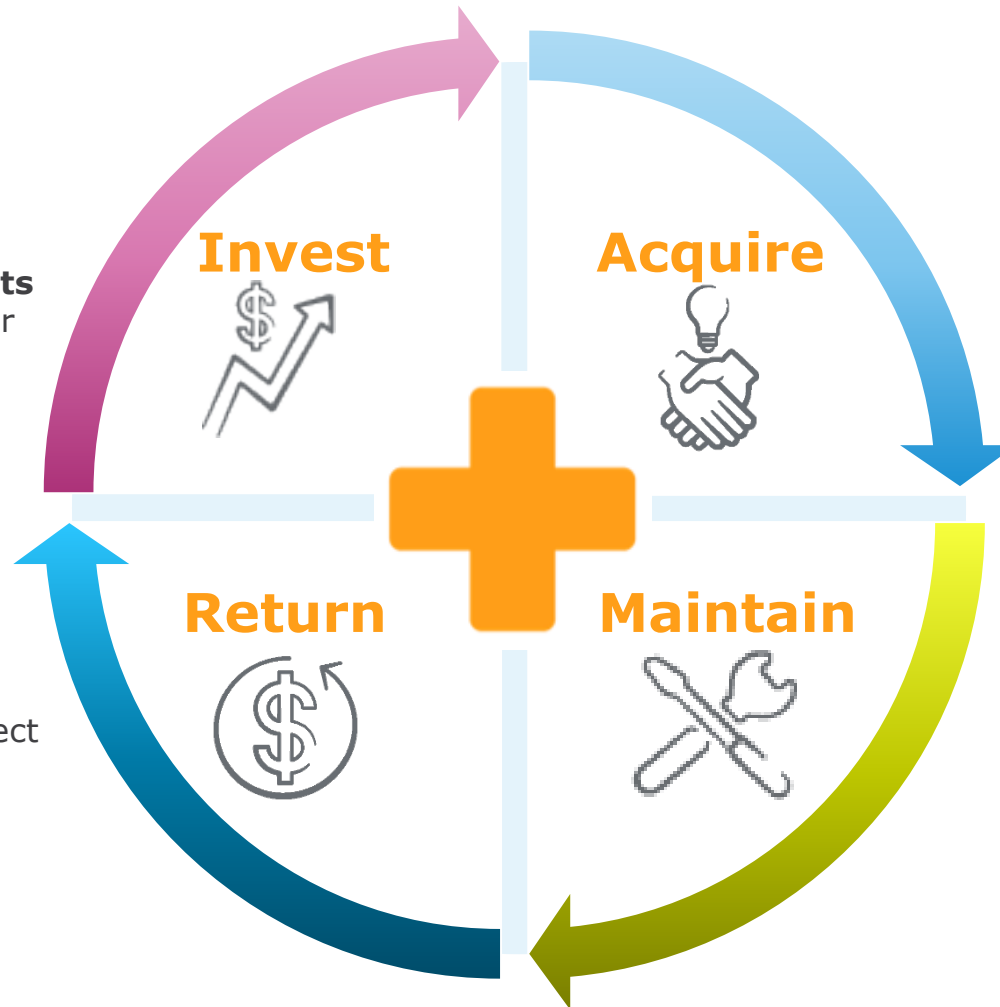
- **New technologies and expand in high growth segments** with strong strategic fit that meet our financial criteria

3. Maintain

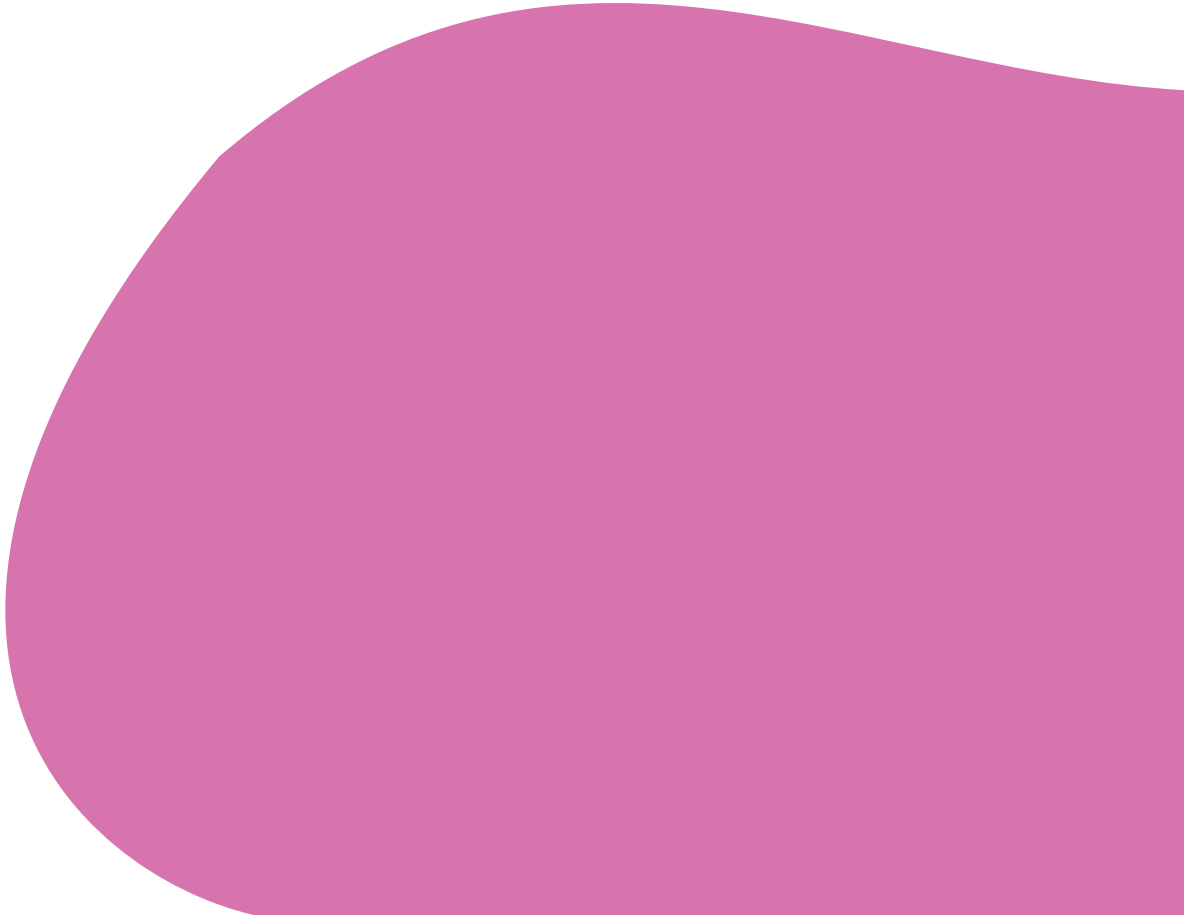
- **Optimal balance sheet position:**
 - Investment grade credit ratings
 - Leverage ratio of around 2x
- **Dividend:**
 - 2024: Consistent with recent years at \$37.5c for full year with an interim payment of \$14.4c
 - 2025 onwards: Progressive with a payout ratio of around 35% - 40%
 - Interim payment of 40% of prior full year dividend

4. Return

- Surplus capital to shareholders
- **Share buyback** subject to balance sheet



Appendices



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

(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 2025 \$m	Q1 2024* \$m	Reported Growth %	Underlying growth %	Acquisitions/ disposals %	Currency impact %
Orthopaedics	578	567	1.8	3.2	-	(1.4)
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)
Sports Medicine & ENT	444	441	0.9	2.4	-	(1.5)
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)
Advanced Wound Management	385	378	2.0	3.8	-	(1.8)
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)
Total	1,407	1,386	1.6	3.1	-	(1.5)

* 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
Orthopaedics	4.4	5.8	2.3	6.0	4.6	3.2	578
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
Sports Medicine & ENT	5.5	7.6	3.9	7.8	6.2	2.4	444
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
Advanced Wound Management	(2.0)	3.3	6.5	12.2	5.1	3.8	385
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
Total	2.9	5.6	4.0	8.3	5.3	3.1	1,407

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 ⁽¹⁾	4.8	6.9	6.8	8.2	6.7	5.0	427
Established Markets	1.3	4.8	5.0	10.6	5.5	4.1	1,186
Emerging Markets	11.6	9.5	(0.1)	(2.3)	4.3	(1.7)	221
Total	2.9	5.6	4.0	8.3	5.3	3.1	1,407

(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
2025	62	63	63	63	251
2026	61	63	63	64	251