

Amplitude Surgical announces its results for the first half of 2022-23: Sales of €45.2 million and EBITDA of €11.7 million

- Consolidated sales of €45.2 million, +10.8% at constant exchange rates, after the restatement of foot and ankle activities as activities held for sale
- Increase in EBITDA to €11.7 million (+14.0%), EBITDA margin of 25.8%
- Recurring operating profit of €4.9 million
- Cash position of €11.0 million at December 31, 2022

Valence (France), March 22, 2023, 6:00 pm CET - Amplitude Surgical (ISIN: FR0012789667, Ticker: AMPLI, eligible for PEA-PME savings plans), a leading French player on the surgical technology market for lower-limb orthopedics, announces its results for the first half of its 2022-23 financial year.

Olivier Jallabert, Amplitude Surgical's CEO, said: "Amplitude Surgical's sales for the first half of its 2022-23 financial year, excluding foot and ankle activities for which a strategic review is underway, recorded an increase of 10.8% at constant exchange rates compared with the first half of the previous year. The growth in activity combined with good control over operating costs led to a 14.0% improvement in EBITDA to €11.7 million. There was a recurring operating profit of €4.9 million, a substantial improvement on the previous year".

Financial summary – actual exchange rates:

In June 2022, the Board of Directors issued a recommendation that a strategic review of the Group's foot and ankle activities be launched. This review, which is still underway, could lead to the divestment of this activity driven by Novastep and Novastep Inc. As of December 31, 2022, the criteria set out in IFRS 5 are complied with. Therefore, and in accordance with IFRS 5 "Non-current assets held for sale and discontinued activities" principles, the two subsidiaries fulfill the criteria of a discontinued activity and are presented separately in the Group's income statement as Profit/loss from discontinued activities, after tax. 2021-22 first-half accounts have been restated accordingly.

€m - IFRS	H1 2022-23	H1 2021-2022	Δ
Sales	45.2	40.2	12.5%
Gross margin	32.4	29.5	9.9%
as a % of sales	71.6%	73.3%	-168 bps
Sales & Marketing costs	13.8	12.8	8.0%
General & Administrative costs	6.2	5.6	10.7%
Research & Development costs	0.8	0.9	-14.2%
EBITDA	11.7	10.2	14.0%
as a % of sales	25.8%	25.4%	+35 bps
Recurring operating profit/loss	4.9	2.9	
Non-recurring operating income and expenses	-1.0	-0.3	



Operating profit/loss	3.9	2.6
Financial profit/loss	-6.9	-4.4
Current and deferred tax	-0.3	-0.4
Profit/loss from discontinued activities, after tax	-0.9	-0.8
Net profit/loss - Group share	-4.2	-2.8
	December 31, 2022	June 30, 2022
Net financial debt	128.3	118.0
Cash position at end of period	11.0	21.0

EBITDA up by 14.0% with an EBITDA margin of 25.8%

Over the first half of its 2022-23 financial year (from July to December 2022), Amplitude Surgical generated sales, after application of IFRS 5, of €45.2 million, up 12.5% in actual terms and 10.8% at constant exchange rates compared with the previous year. The Group's consolidated sales after application of IFRS 5 correspond to sales from knee and hip activity.

Before application of IFRS 5, total Group sales including foot and ankle activity came to €56.4 million, up 17.3% in actual terms and 14.2% at constant exchange rates.

Amplitude Surgical recorded a gross margin of 71.6% in H1 2022-23, down 168 bps, impacted primarily by an increase in the cost price of its products.

The Group's operating expenses totaled €20.7 million, up 7.7% compared with end-December 2021. Sales & Marketing costs were up by 8.0%, as a result of the growth in activity, principally in France. General & Administrative spending rose by 10.7% to €6.2 million, with an increase in personnel expenses and costs notably for quality and regulatory activities.

In the first half of 2022-2023, Research and Development expenses represented 1.7% of sales, versus 2.3% in the first half of 2021-22. However, including capitalized R&D costs, the Group's global investment in Research & Development increased from €1.8 million in 2021/2022 to €2.3 million in the first half of 2022-23.

At the end of December 2022, excluding foot and ankle activities, Amplitude Surgical had a workforce of 414 staff, compared with 389 at end-June 2022. Personnel costs were up 8.9% compared with the first half of 2021-2022.

EBITDA was thus €11.7 million, an increase of 14.0%, giving an EBITDA margin of 25.8%, up 35 bps compared with the figure for the first half of 2021-22.

Amplitude Surgical recorded a Recurring Operating Profit of €4.9 million in H1 2022-23, compared with a profit of €2.9 million in the first half of 2021-2022, thanks to the positive sales trend and good control over operating costs. Operating Profit totaled €3.9 million, versus €2.6 million in H1 2021-2022.

The Financial Result was -€6.9 million, and consisted primarily of an interest expense of €5.2 million and the booking of currency losses and gains giving a net loss of €1.5 million at end-December 2022.

The Net Result (Group share) was a loss of €4.2 million, versus a net loss of €2.8 million in the first half of the previous year.



Financial structure: cash position of €11.0 million at the end of 2022

The net cash flow generated by operating activity was a positive €1.0 million over the half, compared with a positive €1.7 million in the first half of 2021-22.

Investments totaled €9.3 million in the first half of 2022-23, versus €4.9 million in H1 2021-22.

At the end of December 2022, the Group had cash and cash equivalents of €11.0 million and Net Financial debt of €128.3 million.

Availability of the financial report

Amplitude Surgical has made its half-year report to December 31, 2022 available to the public and filed it with the AMF French stock market authorities.

This half-year financial report can be found on Amplitude Surgical's website at www.amplitude-surgical.com/fr, in the "Documentation / Financial Report" section.

Next financial press release:

Sales for the first 9 months of 2022-23, on Thursday April 20, 2023 (after market).

About Amplitude Surgical

Founded in 1997 in Valence, France, Amplitude Surgical is a leading French player on the global surgical technology market for lower-limb orthopedics. Amplitude Surgical develops and markets high-end products for orthopedic surgery covering the main disorders affecting the hip, knee and extremities, and notably foot and ankle surgery. Amplitude Surgical develops, in close collaboration with surgeons, numerous high value-added innovations in order to best meet the needs of patients, surgeons and healthcare facilities. A leading player in France, Amplitude Surgical is developing abroad through its subsidiaries and a network of exclusive distributors and agents distributing its products in more than 30 countries. Amplitude Surgical operates on the lower-limb market through the intermediary of its Novastep subsidiaries in France and the United States. At June 30, 2022, Amplitude Surgical had a workforce of 460 employees and recorded sales of nearly 104.8 million euros (including foot and ankle activity and before application of IFRS 5).

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