

Amplitude Surgical announces H1 2023-2024 results: €49.1m sales and €11.8m EBITDA

- Consolidated sales of €49.1m, up 9.4% at constant exchange rates
- EBITDA up to €11.8m (+1.5%), EBITDA rate at 24.1%.
- Recurring operating income of €5.1 million
- Cash position of €31.3 M at December 31, 2023

Valence, March 20, 2024, 6:00 pm CET - Amplitude Surgical (ISIN: FR0012789667, Mnemo: AMPLI, PEA-PME eligible), leading French player on the surgical technology market for lower-limb orthopedics, announces its results for the first half of the 2023-24 financial year.

Olivier Jallabert, Chief Executive Officer of Amplitude Surgical, comments: *"The Amplitude Surgical Group's sales for the first half of the 2023-24 financial year were up +9.4% at constant exchange rates compared with the first half of the previous year. The increase in sales offset the rise in product cost prices and operating costs, in particular staff costs, resulting in EBITDA growth of +1.5% to €11.8 million. Profit from recurring operations amounted to € 5.1 million, up slightly on the first half of the previous year. The improvement in the financial result leads to a net income close to breakeven for the first half of the 2023-24 financial year."*

Financial summary - data at current exchange rates:

In €m - IFRS	H1 2023-24	H1 2022-2023	Change
Sales	49.1	45.2	8.5%
Gross margin	34.7	32.4	7.2%
As % of sales	70.8%	71.6%	-86bp
Sales & marketing expenses	14.8	13.8	7.4%
Administrative expenses	7.3	6.2	17.9%
Research & Development costs	0.8	0.8	5.4%
EBITDA	11.8	11.7	1.5%
As % of sales	24.1%	25.8%	-167bp
Recurring operating income	5.1	4.9	
Non-recurring operating income and expenses	-1.1	-1.0	
Operating income	4.0	3.9	
Net financial income	-3.9	-6.9	
Current and deferred taxes	-0.3	-0.3	
Income from discontinued operations, net of tax		-0.9	
Net income - Group share	-0.2	-4.2	
	December 31, 2023	June 30, 2023	
Net financial debt	81.5	69.3	
Cash position at end of period	31.3	37.2	



EBITDA up +1.5% with an EBITDA margin of 24.1%.

In the 1st half-year (July - December) of the 2023-24 financial year, Amplitude Surgical sales came to €49.1 million, up +8.5% and +9.4% at constant exchange rates on the previous year.

Amplitude Surgical reported a gross margin of 70.8%, down -86 bp, mainly due to higher product costs.

Group operating expenses came to €22.9m, up 10.4% on the first half of FY 2022-23.

Sales & marketing expenses rose by 7.4%, in line with business growth and salary increases both in France and abroad.

Administrative expenses rose by 17.9% to €7.3m, with higher personnel expenses and regulatory costs. During the 1st half-year 2023/2024, R&D expenditure remained stable at 0.8 M€, at 1.7% of sales. However, including capitalized R&D expenditure, the Group's overall investment in R&D increased from 2.3 M€ in the first half of the 2022-23 financial year to 3.0 M€ in the first half of the 2023-24 financial year.

At the end of December 2023, Amplitude Surgical's headcount stood at 416, compared with 426 at the end of June 2023. Staff expenses increased by 12.2% compared with the 1st half-year 2022-2023, while average headcount rose from 409 to 420 FTEs between the 1st half-year 2022-2023 and the 1st half-year 2023-2024.

EBITDA thus amounted to €11.8 million, up 1.5%, giving a margin of 24.1%, down 167 bp on the 1st half-year 2022-23. The decrease of the EBITDA margin comes for a half from the increase of the purchasing prices of raw materials and semi-finished products and for another half from the investment in corporate costs and personnel expenses.

Operating income before non-recurring items was a profit of €5.1 million, compared with a profit of €4.9 million in the 1st half-year 2022-23, as the increase in sales offset the rise in cost prices and operating costs. Operating income was positive at €4.0 million, compared with a profit of €3.9 million in the 1st half-year 2022/2023.

Net financial expense amounted to a loss of €3.9m, made up mainly of interest expense of €4.9m, gains on debt hedging transactions of €0.8m and interest on term accounts on cash surpluses of €0.3m.

Overall, net income (Group share) showed a loss of € -0.2 million, compared with a net loss of € -4.2 million in the first half of the previous year.

Financial structure: cash position of €31.3 million at end 2023

Net cash flow from operating activities for the half-year was positive at €0.9m, compared with cash generation of €1.0m in the 1st half-year 2022-23.

Capital expenditure for the 1st half-year to 2023-24 totaled €9.4m, compared with €9.3m for the 1st half-year of the previous year.

At the end of December 2023, the Group had cash and cash equivalents of €31.3m. Net financial debt stood at €81.5 million.



Group outlook

On the basis of sales for the first 8 months of the financial year and sales indicators for the second half, the Company is updating its outlook and anticipates the following for the 2023-24 financial year (financial year ending June 30, 2024):

- sales growth of around 7% year-on-year, with a lower level of growth in the second half of the year; and
- an EBITDA margin close to 25.5%.

Availability of the financial report

Amplitude Surgical has made its half-yearly financial report to December 31, 2023 available to the public and filed it with the Autorité des marchés financiers.

The half-year financial report is available on the Amplitude Surgical website at www.amplitude-surgical.com/fr, in the "Documentation / Financial Report" section.

Next press release:

9-month sales 2023-24: Thursday April 18, 2024, after market close.

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 and knee. 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. As of June 30, 2023, Amplitude Surgical employed 426 people and generated sales of nearly 100.2 million euros.

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