



Third Quarter 2023 Results

November 7, 2023

enovis™

Creating Better Together™

Forward-looking Statements

This presentation includes forward-looking statements, including forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements concerning Enovis' plans, goals, objectives, outlook, expectations and intentions, including the potential benefits of the pending acquisition of LimaCorporate S.p.A ("Lima") and other statements that are not historical or current fact. Forward-looking statements and are based on Enovis' current expectations and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Factors that could cause Enovis' results to differ materially from current expectations include, but are not limited to, risks related to Enovis' pending acquisition of Lima; the impact of public health emergencies and global pandemics (including COVID-19); the war in Ukraine and escalating geopolitical tensions including in connection with Russia's invasion of Ukraine; macroeconomic conditions, including the impact of increasing inflationary pressures; supply chain disruptions; increasing energy costs and availability concerns, particularly in the European market; the impacts of the completed spin-off of ESAB Corporation into an independent publicly traded company (the "Separation"); the potential to incur significant liability if the Separation is determined to be a taxable transaction; the ability to realize the anticipated benefits of the Separation, the financial and operating performance of the Company following the Separation; other impacts on Enovis' business and ability to execute business continuity plans; and the other factors detailed in Enovis' reports filed with the U.S. Securities and Exchange Commission (the "SEC"), including its most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q under the caption "Risk Factors," as well as the other risks discussed in Enovis' filings with the SEC. In addition, these statements are based on assumptions that are subject to change. This presentation speaks only as of the date hereof. Enovis disclaims any duty to update the information herein.

Non-GAAP Financial Information

Enovis has provided in this presentation financial information that has not been prepared in accordance with accounting principles generally accepted in the United States of America ("non-GAAP"). These non-GAAP financial measures may include one or more of the following: adjusted net income from continuing operations, adjusted net income per diluted share from continuing operations, adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), adjusted EBITDA margin and organic sales growth. Adjusted net income from continuing operations and adjusted net income per diluted share from continuing operations exclude restructuring and other charges, European Union Medical Device Regulation ("MDR") and other costs, amortization of acquired intangibles, inventory step-up costs, strategic transaction costs, debt extinguishment costs, insurance settlement gain, gains and losses on the Company's investments, stock compensation costs and other income/expense. Adjusted net income adjusts interest expense for periods prior to 2023 to reflect pro forma interest from the Company's term loan facility under the Company's current capital structure after giving effect to the completing of the refinancing transactions in connection with the Separation, and it includes the tax effect of adjusted pre-tax income at applicable tax rates and other tax adjustments. Enovis also presents adjusted net income margin from continuing operations, which is subject to the same adjustments as adjusted net income from continuing operations. Adjusted EBITDA represents net income or loss from continuing operations excluding restructuring and other charges, MDR and other costs, strategic transaction costs, stock-based compensation costs, depreciation and amortization, amortization of acquired intangibles, insurance settlement gain, and inventory step up costs. Enovis presents adjusted EBITDA margin, which is subject to the same adjustments as adjusted EBITDA. Adjusted gross profit represents gross profit excluding the impact of amortization of acquired intangibles, fair value charges of acquired inventory and the impact of restructuring and other charges. Adjusted gross profit margin is subject to the same adjustments as adjusted gross profit. Organic sales growth excludes the impact of acquisitions and foreign exchange rate fluctuations. Sales per day growth includes the same adjustments as Organic sales growth and adjusts for the number of selling days in the period. These non-GAAP financial measures assist Enovis management in comparing its operating performance over time because certain items may obscure underlying business trends and make comparisons of long-term performance difficult, as they are of a nature and/or size that occur with inconsistent frequency or relate to discrete restructuring plans that are fundamentally different from the ongoing productivity improvements of the Company. Enovis management also believes that presenting these measures allows investors to view its performance using the same measures that the Company uses in evaluating its financial and business performance and trends. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information calculated in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures. A reconciliation of non-GAAP financial measures presented above to GAAP results has been provided in the financial tables included in this presentation. Enovis does not provide reconciliations of adjusted EBITDA or adjusted earnings per share on a forward-looking basis to the closest GAAP financial measures, as such information is not available without unreasonable efforts on a forward-looking basis due to uncertainties regarding, and the potential variability of, reconciling items excluded from these measures. These items are uncertain, depend on various factors, and could have a material impact on GAAP reported results for the guidance period.

Q3 2023 Highlights



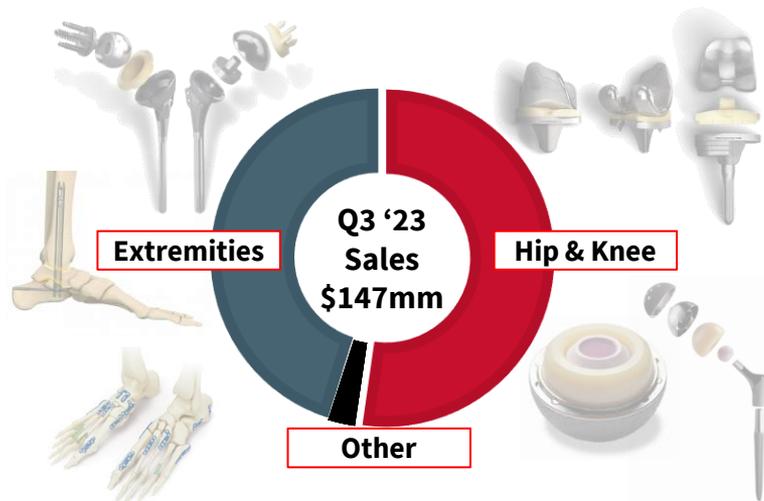
- **Organic growth of 6%**
 - 10% organic growth in Recon
 - 4% organic growth in P&R
- **Expanded adjusted EBITDA margins 80 basis points**
 - Gross margin expansion from productivity, mix and acquisition scale
- **Continued strategic M&A execution**
 - Recent acquisitions moving up the scale curve
 - Announced plans to acquire LimaCorporate

Strong Q3 Performance and Continued Momentum

Q3 Reconstructive Segment Sales Performance

Reconstructive Q3 Sales

Growth: +16% Y/Y, Organic sales +10%



- **US organic growth of 10%**
 - Hip & Knee organic growth of 18%
 - Extremities organic growth of 7% (vs +17% growth in 3Q22)
- **International organic growth +12% cc**
 - Underlying market strength has persisted YTD
 - Early traction on cross-selling efforts with EMPOWER®
 - Brand and presence expanding in Europe
- **Positive momentum from new products**
 - Ramping EMPOWER® Revision Knee
 - Launched Evolve34 Lapidus Correction System
 - ARVIS 2.0 with full EMPOWER compatibility launched at AAHKS

Demonstrating Sustainable DD Growth and Consistent Share Gain

Extending Enovis' Leadership Position in Attractive Global Reconstructive Market with Lima



- **Definitive agreement to acquire LimaCorporate**, a European orthopedics leader with robust product offerings and capabilities for €800m; transaction expected to close in early 2024
- Creates a **~\$1B global reconstructive business**, with **~50%** in the large and fast-growing **extremities** segment and provides **complementary International footprint**
- **Strengthens our R&D pipeline** and adds **manufacturing scale** and **emerging competencies in 3D printing** and patient matched/custom implant solutions
- Accelerates **progress against our key strategic goals**: HSD growth, continued margin expansion and global scale
- **Strong financial profile** and shareholder value creation opportunities from **cross-selling** and **>\$40m of annual cost synergies** expected by year 3

Compounding Value Creation from Growth and Margin Acceleration

Q3 Prevention & Recovery Segment Sales Performance

P&R Q3 Sales

Growth: Organic sales +4%; total reported sales +5%



- **Organic growth of 4%**
 - Global Bracing SPD growth of 5%
 - Stable market environment
- **Gross margins up 150 bps**
 - Supply Chain stabilized, EGX productivity momentum
 - Sustained traction on price vs. cost
- **Strong pipeline of new product launches**
 - New OA knee brace - ROAM
 - Next generation clinical electrotherapy

Sustainable Growth and Margin Improvement

Delivering on Strategic Goals

Organic Revenue Growth

Recon
Double-Digit



P&R
Low/Mid
Single-Digit



enovis
High-Single
Digit

+8%
YTD

aEBITDA Expansion

Gross Margin
Improvement



Operating Leverage



Growth Investments



enovis
>50 bps per
year

+100 bps
YTD

Considerations for 2024

- Recon backlog tailwinds continue
- Innovation momentum and new product introductions
- Pricing, inflation, and currency trends
- Foot/Ankle scaling, Lima synergy opportunities

On Track for Strong 2023 Performance vs. Strategic Goals

P&L Performance

millions

	<u>Q3 2022</u>	<u>Q3 2023</u>
Net Sales	\$384	\$418
Adj. Gross Profit Margin	\$218 56.8%	\$243 58.2%
Adj. EBITDA Margin	\$57 14.9%	\$65 15.7%
Adj. EPS	\$0.59	\$0.56

- +9% reported sales growth, +6% organic
- +140 bps of adjusted gross profit margin improvement, driven by mix and progress on price vs. cost
- Increased investments in R&D to support innovation agenda
- +80 bps of aEBITDA margin expansion Y/Y, including dilutive impact of M&A
- +12% underlying earnings growth (offset by favorable tax and interest in prior year)

Strong Growth and Margin Improvement in Q3

Full Year 2023 Outlook

	February	May	August	November	Comments
Organic Sales Growth	5-6% (cc)	6-7% (cc)	7-7.5% (cc)	7.4-7.6% (cc)	<ul style="list-style-type: none"> • Increased growth and profit outlook
aEBITDA	\$255-\$265mm	\$259-\$267mm	\$262-\$270mm	\$264-\$270mm	<ul style="list-style-type: none"> • Sales outlook including recent acquisitions: <ul style="list-style-type: none"> • ~\$1.7b total Enovis sales • ~1% FY growth from acquisitions
Depreciation	~\$85mm	~\$85mm	~\$85mm	~\$85mm	<ul style="list-style-type: none"> • Assumes latest FX rates hold
Interest Expense	~\$23mm	~\$23mm	~\$23mm	~\$22mm	<ul style="list-style-type: none"> • Underlying EPS growth of 14-19% <ul style="list-style-type: none"> • Adjusted for PY Tax and Interest
Effective Tax Rate	~20%	~20%	~20%	~19-19.5%	
aEPS	\$2.15-\$2.30	\$2.18-\$2.32	\$2.22-\$2.36	\$2.30-\$2.40	

Lifting Sales, Profit and Earnings Guidance Based on YTD Performance

Balance Sheet Update: Acquisition Financing Secured

Debt Outlook

- **\$900mm Revolving Credit Facility**
 - ~\$500mm anticipated post Lima close
 - SOFR + 1.125% to 1.75% based on leverage
- **New Term Loan (to be funded at Lima closing)**
 - \$400mm
 - Same rates as revolving credit facility
- **Convertible Debt**
 - \$460mm
 - 3.875% fixed interest rate, 100% capped call to limit dilution risk



Benefits

- **Favorable interest rates on total debt**
 - 5.25-5.75% based on current outlook
- **Positive earnings accretion**
 - Lima accretive in year 1, >10% by year 2
- **Lowers cash burden**
 - Helps with integration needs
 - Faster path to de-leverage
- **Provides flexibility**
 - Ability to manage and minimize future dilution with cash

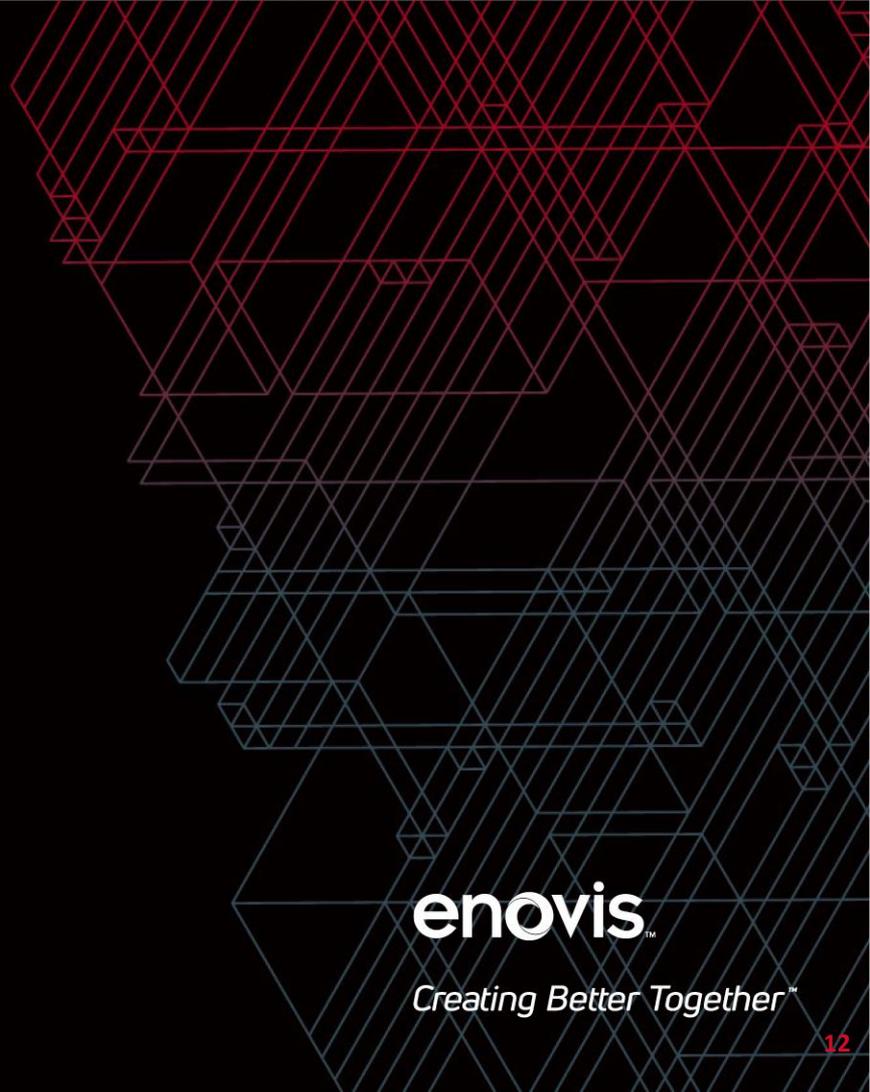
Manageable Leverage (~3x) that will Improve as Business Scales

Summary



- Strong Q3 performance, increased FY guidance
- High-single-digit growth YTD, further momentum for creating a HSD growth engine fueled by innovation
- Strong margin improvement YTD, clear path for sustainable >50bps annual adjusted EBITDA improvement through mix, productivity and scale
- Lima acquisition on track for close in early 2024, recent debt financing reinforces balance sheet

Appendix



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Q3 and YTD Sales Bridge

Enovis Corporation
Reconciliation of GAAP to non-GAAP Financial Measures
Change in Sales
Dollars in millions
(Unaudited)

	Net Sales					
	Prevention and Recovery		Reconstructive		Total Enovis	
	\$	Change %	\$	Change %	\$	Change %
For the three months ended 09.30.2022	\$ 256.5		\$ 127.3		\$ 383.8	
<i>Components of Change:</i>						
Existing businesses ⁽¹⁾	10.5	4.1 %	13.1	10.3 %	23.6	6.1 %
Acquisitions ⁽²⁾	—	— %	4.6	3.6 %	4.6	1.2 %
Foreign currency translation ⁽³⁾	3.3	1.3 %	2.2	1.7 %	5.5	1.4 %
	13.8	5.4 %	19.9	15.6 %	33.7	8.8 %
For the three months ended 09.29.2023	<u>\$ 270.3</u>		<u>\$ 147.2</u>		<u>\$ 417.5</u>	

	Net Sales					
	Prevention and Recovery		Reconstructive		Total Enovis	
	\$	Change %	\$	Change %	\$	Change %
For the nine months ended 09.30.2022	\$ 765.1		\$ 389.3		\$ 1,154.4	
<i>Components of Change:</i>						
Existing businesses ⁽¹⁾	30.2	3.9 %	60.0	15.4 %	90.2	7.8 %
Acquisitions ⁽²⁾	—	— %	6.6	1.7 %	6.6	0.6 %
Foreign currency translation ⁽³⁾	(0.8)	(0.1)%	1.8	0.5 %	1.0	0.1 %
	29.4	3.8 %	68.4	17.6 %	97.8	8.5 %
For the nine months ended 09.29.2023	<u>\$ 794.5</u>		<u>\$ 457.7</u>		<u>\$ 1,252.2</u>	

⁽¹⁾ Excludes the impact of foreign exchange rate fluctuations and acquisitions, thus providing a measure of growth due to factors such as price, product mix and volume.

⁽²⁾ Represents the incremental sales as a result of acquisitions closed subsequent to the beginning of the prior year period.

⁽³⁾ Represents the difference between prior year sales valued at the actual prior year foreign exchange rates and prior year sales valued at current year foreign exchange rates.

Adjusted EPS Reconciliation

Enovis Corporation
Reconciliation of GAAP to Non-GAAP Financial Measures
Dollars in millions, except per share data
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Adjusted Net Income and Adjusted Net Income Per Share				
Net income (loss) from continuing operations attributable to Enovis Corporation ⁽¹⁾ (GAAP)	\$ (19.5)	\$ (66.1)	\$ (57.3)	\$ 16.1
Restructuring and other charges - pretax ⁽²⁾	5.3	3.0	12.1	8.5
MDR and other costs - pretax ⁽³⁾	6.2	3.6	23.0	10.6
Amortization of acquired intangibles - pretax	34.0	32.0	98.3	94.6
Inventory step-up - pretax	—	2.1	0.1	12.0
Strategic transaction costs - pretax ⁽⁴⁾	10.5	8.1	27.5	32.5
Debt extinguishment charges - pretax	—	—	—	20.1
Pro forma interest expense adjustment ⁽⁵⁾	—	1.5	—	10.9
Insurance settlement gain ⁽⁶⁾	—	1.0	—	(32.1)
Unrealized (gain) loss on investment in ESAB Corporation	—	63.1	—	(72.4)
Gain on cost basis investment	—	(8.8)	—	(8.8)
Stock-based compensation	8.4	7.2	24.1	21.7
Other expense, net	(0.8)	(0.3)	(0.7)	(0.3)
Tax adjustment ⁽⁶⁾	(13.1)	(14.2)	(38.6)	(29.0)
Adjusted net income from continuing operations (non-GAAP)	\$ 31.0	\$ 32.2	\$ 88.6	\$ 84.6
Adjusted net income margin from continuing operations	7.4 %	8.4 %	7.1 %	7.3 %
Weighted-average shares outstanding - diluted (in thousands)	55,065	54,463	54,945	54,460
Adjusted net income per share - diluted from continuing operations (non-GAAP)	\$ 0.56	\$ 0.59	\$ 1.61	\$ 1.55
Net loss per share - diluted from continuing operations (GAAP)	\$ (0.36)	\$ (1.22)	\$ (1.05)	\$ 0.30

⁽¹⁾ Net loss from continuing operations attributable to Enovis Corporation for the respective periods is calculated using Net loss from continuing operations less the continuing operations component of the income attributable to noncontrolling interest, net of taxes.

⁽²⁾ Restructuring and other charges includes \$— million and \$0.3 million of expense classified as Cost of sales on our Condensed Consolidated Statements of Operations for the three and nine months ended September 29, 2023, respectively, and \$— million and \$0.8 million for the three and nine months ended September 30, 2022, respectively.

⁽³⁾ Primarily related to costs specific to compliance with medical device reporting regulations and other requirements of the European Union MDR. These costs are classified as Selling, general and administrative expense on our Condensed Consolidated Statements of Operations.

⁽⁴⁾ Strategic transaction costs includes costs related to the Separation and certain transaction and integration costs related to recent acquisitions.

⁽⁵⁾ Adjusts interest expense in 2022 to reflect pro forma interest from the Company's term loan facility after giving effect to the completion of the refinancing transactions in connection with the Separation.

⁽⁶⁾ The effective tax rates used to calculate adjusted net income and adjusted net income per share were 18.5% and 18.9% for the three and nine months ended September 29, 2023, respectively, and 5.5% and 13.1% for the three and nine months ended September 30, 2022, respectively.

Adjusted EBITDA Reconciliation

Enovis Corporation
Reconciliation of GAAP to Non-GAAP Financial Measures
Dollars in millions
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
	(Dollars in millions)			
Net income (loss) from continuing operations (GAAP)	\$ (19.5)	\$ (65.9)	\$ (56.9)	\$ 16.6
Income tax benefit	(6.1)	(12.3)	(17.9)	(16.2)
Other expense, net	(0.8)	(0.3)	(0.7)	(0.3)
Unrealized (gain) loss on investment in ESAB Corporation	—	63.1	—	(72.4)
Gain on cost basis investment	—	(8.8)	—	(8.8)
Debt extinguishment charges	—	—	—	20.1
Interest expense, net	5.8	6.3	15.5	17.9
Operating income (loss) (GAAP)	(20.5)	(17.9)	(60.0)	(43.0)
Adjusted to add:				
Restructuring and other charges ⁽¹⁾	5.3	3.0	12.1	8.5
MDR and other costs ⁽²⁾	6.2	3.6	23.0	10.6
Strategic transaction costs ⁽³⁾	10.5	8.1	27.5	32.5
Stock-based compensation	8.4	7.2	24.1	21.7
Depreciation and other amortization	21.5	18.2	62.2	56.1
Amortization of acquired intangibles	34.0	32.0	98.3	94.6
Insurance settlement (gain) loss	—	1.0	—	(32.1)
Inventory step-up	—	2.1	0.1	12.0
Adjusted EBITDA (non-GAAP)	\$ 65.4	\$ 57.2	\$ 187.5	\$ 161.1
Adjusted EBITDA margin (non-GAAP)	15.7 %	14.9 %	15.0 %	14.0 %

⁽¹⁾ Restructuring and other charges includes \$— million and \$0.3 million of expense classified as Cost of sales on our Condensed Consolidated Statements of Operations for the three and nine months ended September 29, 2023, respectively. Restructuring and other charges includes \$— million and \$0.8 million of expense classified as Cost of sales on our Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2022.

⁽²⁾ Primarily related to costs specific to compliance with medical device reporting regulations and other requirements of the European Union MDR. These costs are classified as Selling, general and administrative expense on our Condensed Consolidated Statements of Operations.

⁽³⁾ Strategic transaction costs includes costs related to the Separation and certain transaction and integration costs related to recent acquisitions.

Adjusted Gross Margin Reconciliation

Enovis Corporation
Reconciliation of Gross Margin (GAAP) to Adjusted Gross Margin (non-GAAP)
Dollars in millions
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 29, 2023	September 30, 2022	September 29, 2023	September 30, 2022
Net sales	\$ 417.5	\$ 383.8	\$ 1,252.2	\$ 1,154.4
Gross profit	\$ 243.0	\$ 215.8	\$ 726.4	\$ 637.6
Gross profit margin (GAAP)	58.2 %	56.2 %	58.0 %	55.2 %
Gross profit (GAAP)	\$ 243.0	\$ 215.8	\$ 726.4	\$ 637.6
Inventory step-up	—	2.1	0.1	12.0
Restructuring and other charges	—	—	0.3	0.8
Adjusted gross profit (Non-GAAP)	\$ 243.0	\$ 217.9	\$ 726.8	\$ 650.5
Adjusted gross profit margin (Non-GAAP)	58.2 %	56.8 %	58.0 %	56.4 %

Q3'23 GAAP to Adjusted Non-GAAP Financial Measures

Reconciliation of GAAP to Non-GAAP Financial Measures

Dollars in millions
(Unaudited)

	Enovis Continuing Operations	Acquisition- Related Non-Cash Adjustments ^a	Restructuring & Other Adjustments ^b	Other Adjustments ^c	Income Tax Adjustment ^d	Adjusted
Net sales	\$ 417.5	\$ -	\$ -	\$ -	\$ -	\$ 417.5
Cost of goods sold	174.6	(0.0)	0.0	-	-	174.6
Gross profit	243.0	0.0	(0.0)	-	-	243.0
<i>Gross margin</i>	58.2%					58.2%
Selling, general and administrative expense	204.2	-	-	(25.1)	-	179.2
Research and development expense	19.9	-	-	-	-	19.9
Amortization of acquired intangibles	34.0	(34.0)	-	-	-	-
Restructuring and other charges	5.3	-	(5.3)	-	-	-
Operating (loss) income	(20.5)	34.0	5.3	25.1	-	43.9
Interest expense, net	5.8	-	-	-	-	5.8
Other income, net	(0.8)	-	-	0.8	-	-
(Loss) income before taxes	(25.5)	34.0	5.3	24.3	-	38.1
Income tax (benefit) expense	(6.1)	-	-	-	13.1	7.1
Less: NCI income, net of taxes	0.0	-	-	-	-	0.0
Net (loss) income attributable to Enovis	\$ (19.5)	\$ 34.0	\$ 5.3	\$ 24.3	\$ (13.1)	\$ 31.0

^a Removes impact of amortization of acquired intangibles and fair value charges of acquired inventory.

^b Removes impact of restructuring and other charges.

^c Removes impact of strategic transaction costs of \$10.5, stock-based compensation expense of \$8.4 and MDR & other costs of \$6.2.

^d The effective tax rate used to calculate adjusted net income was 18.5%.

Q3'22 GAAP to Adjusted Non-GAAP Financial Measures

Reconciliation of GAAP to Non-GAAP Financial Measures

Dollars in millions

(Unaudited)

	Enovis Continuing Operations	Acquisition- Related Non-Cash Adjustments ^a	Restructuring & Other Adjustments ^b	Other Adjustments ^c	Debt and Investment Adjustments ^d	Income Tax Adjustment ^e	Adjusted
Net sales	\$ 383.8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 383.8
Cost of goods sold	168.0	(2.1)	-	-	-	-	165.9
Gross profit	215.8	2.1	-	-	-	-	217.9
	<i>Gross margin</i>	<i>56.2%</i>					<i>56.8%</i>
Selling, general and administrative expense	182.2	-	-	(19.0)	-	-	163.2
Research and development expense	15.6	-	-	-	-	-	15.6
Amortization of acquired intangibles	32.0	(32.0)	-	-	-	-	-
Insurance settlement loss	1.0	-	-	(1.0)	-	-	-
Restructuring and other charges	3.0	-	(3.0)	-	-	-	-
Operating (loss) income	(17.9)	34.1	3.0	19.9	-	-	39.1
Interest expense, net	6.3	-	-	-	(1.5)	-	4.8
Unrealized loss on investment in ESAB Corporation	63.1	-	-	-	(63.1)	-	-
Gain on cost basis investment	(8.8)	-	-	-	8.8	-	-
Other income, net	(0.3)	-	-	-	0.3	-	-
(Loss) income before taxes	(78.3)	34.1	3.0	19.9	55.6	-	34.3
Income tax (benefit) expense	(12.3)	-	-	-	-	14.2	1.9
Less: NCI income, net of taxes	0.1	-	-	-	-	-	0.1
Net (loss) income attributable to Enovis	\$ (66.1)	\$ 34.1	\$ 3.0	\$ 19.9	\$ 55.6	\$ (14.2)	\$ 32.2

^a Removes impact of amortization of acquired intangibles and fair value charges of acquired inventory.

^b Removes impact of restructuring and other charges.

^c Removes impact of strategic transaction costs of \$8.1, stock-based compensation expense of \$7.2, MDR & other costs of \$3.6 and insurance settlement loss.

^d Adjust interest expense to reflect a deleveraged debt structure and removes impact of investments.

^e The effective tax rate used to calculate adjusted net income was 5.5%.

YTD 2023 GAAP to Adjusted Non-GAAP Financial Measures

Reconciliation of GAAP to Non-GAAP Financial Measures (Unaudited) Dollars in millions

	Enovis Continuing Operations	Acquisition- Related Non-Cash Adjustments ^a	Restructuring & Other Adjustments ^b	Other Adjustments ^c	Income Tax Adjustment ^d	Adjusted
Net sales	\$ 1,252.2	\$ -	\$ -	\$ -	\$ -	\$ 1,252.2
Cost of goods sold	525.8	(0.1)	(0.3)	-	-	525.3
Gross profit	726.4	0.1	0.3	-	-	726.8
<i>Gross margin</i>	58.0%					58.0%
Selling, general and administrative expense	619.3	-	-	(74.7)	-	544.6
Research and development expense	57.0	-	-	-	-	57.0
Amortization of acquired intangibles	98.3	(98.3)	-	-	-	-
Restructuring and other charges	11.8	-	(11.8)	-	-	-
Operating (loss) income	(60.0)	98.4	12.1	74.7	-	125.2
Interest expense, net	15.5	-	-	-	-	15.5
Other income, net	(0.7)	-	-	0.7	-	-
(Loss) income before taxes	(74.8)	98.4	12.1	74.0	-	109.7
Income tax (benefit) expense	(17.9)	-	-	-	38.6	20.7
Less: NCI income, net of taxes	0.4	-	-	-	-	0.4
Net (loss) income attributable to Enovis	\$ (57.3)	\$ 98.4	\$ 12.1	\$ 74.0	\$ (38.6)	\$ 88.6

^a Removes impact of amortization of acquired intangibles and fair value charges of acquired inventory.

^b Removes impact of restructuring and other charges.

^c Removes impact of strategic transaction costs of \$27.5, stock-based compensation expense of \$24.1 and MDR & other costs of \$23.0.

^d The effective tax rate used to calculate adjusted net income was 18.9%.

YTD 2022 GAAP to Adjusted Non-GAAP Financial Measures

Reconciliation of GAAP to Non-GAAP Financial Measures

Dollars in millions

(Unaudited)

	Enovis Continuing Operations	Acquisition- Related Non-Cash Adjustments ^a	Restructuring & Other Adjustments ^b	Other Adjustments ^c	Debt and Investment Adjustments ^d	Income Tax Adjustment ^e	Adjusted
Net sales	\$ 1,154.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,154.4
Cost of goods sold	516.8	(12.0)	(0.8)	-	-	-	503.9
Gross profit	637.6	12.0	0.8	-	-	-	650.5
	<i>Gross margin</i>	55.2%					56.4%
Selling, general and administrative expense	564.3	-	-	(64.9)	-	-	499.4
Research and development expense	46.1	-	-	-	-	-	46.1
Amortization of acquired intangibles	94.6	(94.6)	-	-	-	-	-
Insurance settlement gain	(32.1)	-	-	32.1	-	-	-
Restructuring and other charges	7.7	-	(7.7)	-	-	-	-
Operating (loss) income	(43.0)	106.6	8.5	32.9	-	-	105.0
Interest expense, net	17.9	-	-	-	(10.9)	-	7.0
Debt extinguishment charges	20.1	-	-	-	(20.1)	-	-
Unrealized gain on investment in ESAB Corporation	(72.4)	-	-	-	72.4	-	-
Gain on cost basis investment	(8.8)	-	-	-	8.8	-	-
Other income, net	(0.3)	-	-	-	0.3	-	-
Income before taxes	0.5	106.6	8.5	32.9	(50.5)	-	98.0
Income tax (benefit) expense	(16.2)	-	-	-	-	29.0	12.8
Less: NCI income, net of taxes	0.5	-	-	-	-	-	0.5
Net income attributable to Enovis	\$ 16.1	\$ 106.6	\$ 8.5	\$ 32.9	\$ (50.5)	\$ (29.0)	\$ 84.6

^a Removes impact of amortization of acquired intangibles and fair value charges of acquired inventory.

^b Removes impact of restructuring and other charges.

^c Removes impact of strategic transaction costs of \$32.5, stock-based compensation expense of \$21.7, MDR & other costs of \$10.6 and insurance settlement gain.

^d Adjust interest expense to reflect a deleveraged debt structure and removes impact of investments & debt extinguishment charges.

^e The effective tax rate used to calculate adjusted net income was 13.1%.

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