



# Investor Presentation

**Curt R. Hartman**  
Chair of the Board, President, and Chief Executive Officer

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Executive Vice President and Chief Financial Officer

April 28, 2021

# Forward-Looking Information

This presentation contains forward-looking statements based on certain assumptions and contingencies that involve risks and uncertainties. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and relate to the Company's performance on a going-forward basis. The forward-looking statements in this presentation involve risks and uncertainties which could cause actual results, performance or trends, to differ materially from those expressed in the forward-looking statements herein or in previous disclosures. For example, in addition to general industry and economic conditions, factors that could cause actual results to differ materially from those discussed in the forward-looking statements in this presentation include, but are not limited to, the risks posed to the Company's business, financial condition, and results of operations by the COVID-19 global pandemic and the various government responses to the pandemic, including deferral of surgeries, reductions in hospital and ambulatory surgery center operating volumes, disruption to potential supply chain reliability, as well as the risk factors discussed in the Company's Annual Report on Form 10-K for the full year ended December 31, 2020.

Management has disclosed adjusted financial measurements in this presentation that present financial information that is not in accordance with generally accepted accounting principles (GAAP). The Company analyzes net sales on a constant currency basis to better measure the comparability of results between periods. To measure earnings performance on a consistent and comparable basis, the Company excludes certain items that affect the comparability of operating results and the trend of earnings. These adjustments are irregular in timing, may not be indicative of past and future performance and are therefore excluded to allow investors to better understand underlying operating trends. These measurements are not a substitute for GAAP measurements. Investors should consider adjusted measures in addition to, and not as a substitute for, or superior to, financial performance measures prepared in accordance with GAAP.

# CONMED Vision

Empower healthcare providers worldwide to deliver exceptional outcomes for patients.

## Focus behind the Vision

People, Products, Profitability



**WE OPERATE**  
with urgency.



**WE MAKE**  
and keep  
commitments.



**WE DO**  
things the  
right way.



**WE DELIVER**  
exceptional results.



**WE BELIEVE**  
in the power of  
engaged talent.

# Objectives for Our Shareholders

- Aggregate growth and profitability over the long term to significantly increase the valuation of the company
- Increase our market share in large and attractive markets
- Deliver above-market revenue and profitability growth over the long term

# Q1 2021 Financial Results

- Revenue: \$232.7M, an increase of 8.7% year over year as reported and 7.2% in constant currency

	Total As Reported					Constant Currency		United States		Int'l (Constant Currency)	
	2021	2020	2019	vs. '20	vs. '19	vs. '20	vs. '19	vs. '20	vs. '19	vs. '20	vs. '19
Orthopedic Surgery	107.2	99.3	113.4	7.9%	-5.5%	5.9%	-5.4%	0.2%	-18.0%	9.4%	3.1%
General Surgery	125.5	114.7	105.0	9.4%	19.6%	8.2%	19.1%	6.1%	21.0%	13.4%	14.9%
Total	232.7	214.0	218.4	8.7%	6.5%	7.2%	6.4%	4.3%	5.9%	10.8%	7.0%
Single-use Products	187.4	177.7	172.4	5.5%	8.7%	4.0%	8.7%	4.0%	10.3%	4.1%	6.6%
Capital Products	45.3	36.3	46.0	24.7%	-1.5%	22.4%	-2.1%	6.0%	-13.5%	37.7%	7.9%
Total	232.7	214.0	218.4	8.7%	6.5%	7.2%	6.4%	4.3%	5.9%	10.8%	7.0%

- GAAP EPS: Diluted net earnings per share of \$0.31, an increase of 55.0% compared to the first quarter of 2020
- Adjusted EPS<sup>1</sup>: Diluted net earnings per share of \$0.63, an increase of 23.5% compared the first quarter of 2020

Q1 2020 and Q1 2021 results were impacted by the global COVID-19 pandemic

<sup>1</sup>Excludes the costs of special items, including, restructuring and related costs, acquisition and integration, and manufacturing consolidation as well as amortization of intangible assets, deferred financing fees and debt discount, net of tax.

# 2021 Expected to be “Transition Year” from Pandemic

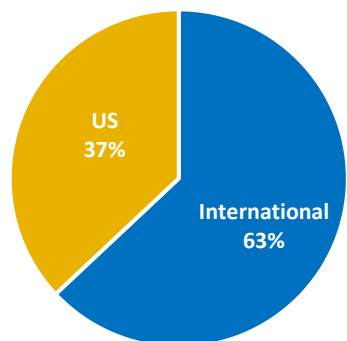
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## Key Assumptions:

- Full Year Revenue between \$1.000 billion and \$1.030 billion, up from \$975 million and \$1.020 billion. Full Year Adjusted EPS between \$3.05 and \$3.20, up from \$2.85 and \$3.05.
- Unfavorable manufacturing variances due to lower production and higher freight costs weigh down margins in first half of 2021.
- Pandemic impact ameliorates as year progresses.
- United States rebounds faster than international markets. General Surgery rebounds faster than Sports Medicine.

# Orthopedics: Large, Attractive Markets

## Full-Year 2020



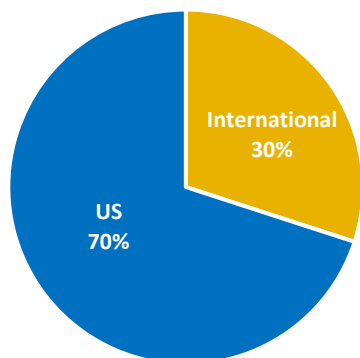
**74%**

Recurring, single-use revenue

Category	Description	Market Size and Competitors	Dollar Value of 1 Market Share Point
<b>Sports Medicine</b>	Devices for repair of soft tissue injuries in joints	<b>\$4.4 to \$4.6 Billion</b> <ul style="list-style-type: none"> <li>▪ Arthrex</li> <li>▪ DePuy Mitek (J&amp;J)</li> <li>▪ Smith &amp; Nephew</li> <li>▪ Stryker</li> <li>▪ Zimmer Biomet</li> </ul>	<b>~\$45M</b>
<b>Allograft Tissue</b>	Exclusive commercial rights to MTF allograft tissue	<b>\$375 to \$425 Million</b> <ul style="list-style-type: none"> <li>▪ Allosource</li> <li>▪ LifeNet</li> <li>▪ RTI</li> </ul>	<b>~\$4M</b>
<b>Powered Instruments</b>	Surgical drills and saws with related single-use accessories	<b>\$1.4 to \$1.6 Billion</b> <ul style="list-style-type: none"> <li>▪ Stryker</li> <li>▪ DePuy Synthes (J&amp;J)</li> <li>▪ Medtronic (Midas Rex / Xomed)</li> <li>▪ Zimmer Biomet</li> </ul>	<b>~\$15M</b>
<b>Surgical Visualization</b>	High-definition surgical visualization systems to enable minimally invasive arthroscopic surgery	<b>\$1.8 to \$2.0 Billion</b> <ul style="list-style-type: none"> <li>▪ Stryker</li> <li>▪ Arthrex</li> <li>▪ Karl Storz</li> <li>▪ Olympus</li> <li>▪ Richard Wolf</li> <li>▪ Smith &amp; Nephew</li> </ul>	<b>~\$19M</b>
<b><u>Total Orthopedics</u></b>	60% to 70% in Surgery Centers in the U.S.		<b>~\$83M</b> <b>~8% growth for total company based on 2019 revenue</b>

# General Surgery: Large, Attractive Markets

## Full-Year 2020



**88%**

Recurring, single-use revenue

Category	Description	Market Size and Competitors	Dollar Value of 1 Market Share Point
<b>Access</b>	A platform of devices and accessories to create and enter the surgical working space in minimally invasive procedures	<b>\$1.4 to \$1.6 Billion</b> <ul style="list-style-type: none"> <li>Ethicon (J&amp;J)</li> <li>Applied Medical</li> <li>Stryker</li> <li>Medtronic</li> <li>Olympus</li> <li>Karl Storz</li> </ul>	~\$15M
<b>Energy</b>	RF energy to affect tissue by cutting, sealing, or causing hemostasis in open or minimally invasive procedures. Smoke evacuation and filtration to support the surgical environment	<b>\$2.7 to \$2.9 Billion</b> <ul style="list-style-type: none"> <li>Medtronic</li> <li>Ethicon (J&amp;J)</li> <li>Olympus</li> <li>Stryker</li> <li>Cooper Surgical</li> <li>ERBE</li> </ul>	~\$28M
<b>Instruments</b>	Instruments and accessories for minimally invasive laparoscopic, open, and robotic approaches	<b>\$1.5 to \$1.7 Billion</b> <ul style="list-style-type: none"> <li>Karl Storz</li> <li>Aesculap</li> <li>Stryker</li> </ul>	~\$16M
<b>Endoscopic Technologies</b>	Therapeutic and diagnostic endoscopic products used by Gastroenterologists	<b>\$3.0 to \$3.2 Billion</b> <ul style="list-style-type: none"> <li>Boston Scientific</li> <li>Cook Medical</li> <li>Cantel</li> <li>Olympus</li> <li>Merit</li> <li>Endotek</li> <li>STERIS</li> </ul>	~\$31M
<b>Critical Care</b>	Single-use devices for monitoring cardiac activity and other patient care devices	<b>\$0.8 to \$1.0 Billion</b> <ul style="list-style-type: none"> <li>3M Company</li> <li>Cardinal</li> </ul>	~\$9M
<b><u>Total General Surgery</u></b>	90% to 95% in Hospitals		<b>~\$99M</b> ~10% growth for total company based on 2019 revenue



# Innovation Driving Growth Opportunities



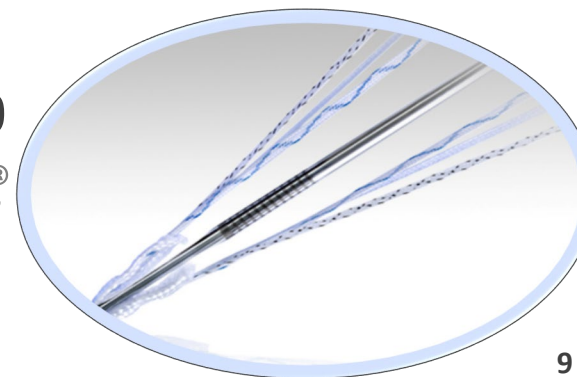
- The Smoke Filtration market is estimated to be at mid-single-digit penetration on a multi-billion-dollar Total Addressable Market



- AirSeal<sup>®</sup> is estimated to be at mid-teens penetration of its Total Addressable Market (~35% on current robotic procedures and single-digits on non-robotic procedures)

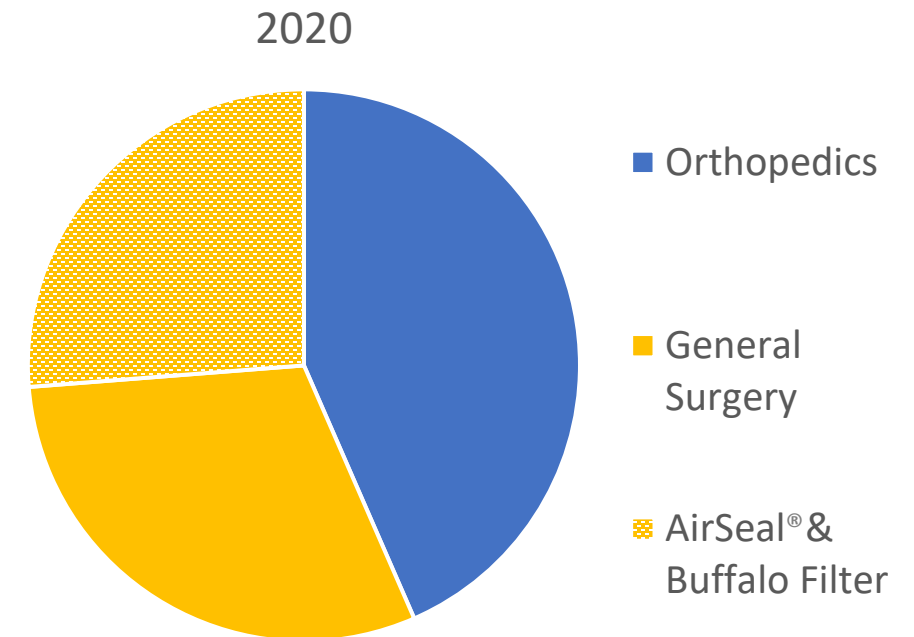


- Organic R&D continues to advance and have an impact:
  - 68 new SKUs in 2019, 118 new SKUs in 2020
  - Key 2020 launches include pediatric AirSeal<sup>®</sup>, new power tools, advancing sports hip & knee portfolios, new video system



# Improving Product Mix and Growth Drivers

- Global General Surgery products expected to grow at above-market rates for the long term, due to additional sales representatives and improving customer engagement
- Global Orthopedics expected to grow at above-market rates for the long term, driven by innovation and improving customer engagement
- AirSeal® and Buffalo Filter together expected to continue growing above 20% globally



Growth drivers are accretive to corporate average margins, driving an improving margin profile

# Advancing Environmental, Social, and Governance

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- Hired a Director of ESG in 2020
- Plant in Chihuahua, Mexico has held the Clean Industry Certification since 2015
- CONMED is the leader in Surgical Smoke Evacuation – improving air quality in operating rooms
- ISO 14001 Certification in 2020, which specifies the requirements for an effective environmental management system (EMS)
- 30% gender diversity on Board of Directors
- Committee Chair rotation every five years

Advancing ESG remains a focus area for CONMED

# Closing Thoughts

- Intense focus on solving unmet needs for healthcare customers drives increased market share
- Large and attractive markets provide CONMED with ample opportunities for above-average revenue and profitability growth
- Aggregating growth over the long term can drive meaningful shareholder value
- At CONMED, we are focused on doing things the right way and being good corporate citizens