

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 15, 2022

CONMED CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39218
(Commission
File Number)

16-0977505
(IRS. Employer
Identification No.)

11311 Concept Blvd
Largo, Florida 33773
(Address of principal executive offices, including zip code)

(727) 392-6464
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.01 par value	CNMD	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Financial Regulation FD Disclosure.

On November 15, 2022, CONMED Corporation (the “Company”) issued a press release withdrawing its full year 2022 financial outlook as a result of the temporary disruption from a software implementation. The Company also provided its 2023 financial outlook. A copy of this press release is attached hereto as Exhibit 99.1.

On November 15, 2022, Curt R. Hartman, the Company’s Chief Executive Officer, and Todd W. Garner, the Company’s Chief Financial Officer, plan to appear at the Stifel 2022 Healthcare Conference to discuss the Company’s objectives, strategy and recent events, including the issues discussed in the press release. A copy of the Company’s updated investor presentation is attached hereto as Exhibit 99.2.

Item 8.01 Other Events.

In October 2022, the Company implemented new warehouse software, which caused service level disruptions that impacted the Company’s ability to ship certain quantities of finished goods to customers. Although the Company believes that the impact to sales, if any, will be limited to the fourth quarter of 2022, the Company cannot provide assurances that the resolution of service level and shipping disruptions will fully recover these sales in the fourth quarter of 2022 and/or that the warehouse management software implementation will not disrupt the Company’s operations and its ability to fulfill customer orders. Also, these disruptions have caused the Company to incur other costs and expenses in connection with the resolution of the service level and shipping disruptions. To the extent that these disruptions recur and/or persist over time, this could negatively impact the Company’s competitive position and its relationships with its customers and thus could have a material adverse effect on the Company’s business, prospects, results of operations, financial condition and/or cash flows.

The information in this Current Report on Form 8-K that is furnished under “Item 7.01. Financial Regulation FD Disclosure” and Exhibit 99.1 and Exhibit 99.2 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Act of 1934, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are included herewith:

Exhibit No.	Description of Exhibit
99.1	Press Release dated November 15, 2022, issued by CONMED Corporation.
99.2	Investor Presentation dated November 15, 2022, issued by CONMED Corporation.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CONMED CORPORATION
(Registrant)

By: /s/ Todd W. Garner
Name: Todd W. Garner
Title: Executive Vice President - Finance, Chief Financial Officer

Date: November 15, 2022



NEWS RELEASE

CONTACT:
CONMED Corporation
Todd W. Garner
Chief Financial Officer
727-214-2975
ToddGarner@conmed.com

CONMED Corporation Withdraws 2022 Financial Outlook due to Temporary Impact from Software Implementation; Provides 2023 Financial Outlook

LARGO, Fla. – November 15, 2022 – CONMED Corporation (NYSE: CNMD) today announced that due to a temporary disruption resulting from the implementation of new warehouse management software, the Company is withdrawing its previously issued full-year 2022 financial outlook.

In recent weeks, the Company began implementing new software designed to increase the efficiency and performance of its primary distribution facility. The implementation of this new software created shipping disruptions that lasted longer than originally projected. The Company is currently unable to fully assess the impact on fourth-quarter sales and profitability as it continues to incur costs while working to reduce the shipping backlog. Daily shipment volumes have returned to normal levels, and the Company has reduced the shipping backlog from a peak of approximately \$35 million last week to approximately \$28 million today. The Company believes the backlog of open orders will be shipped in the coming weeks and anticipates the impact to business performance will be limited to the fourth quarter of 2022. The withdrawal of the full-year 2022 financial outlook is solely attributable to the impact of this software implementation.

2023 Financial Outlook

For the full-year 2023, the Company expects reported revenue between \$1.170 billion and \$1.230 billion and adjusted diluted net earnings per share¹ in the range of \$3.20 to \$3.50.

About CONMED Corporation

CONMED is a medical technology company that provides surgical devices and equipment for minimally invasive procedures. The Company's products are used by surgeons and physicians in a variety of specialties, including orthopedics, general surgery, gynecology, thoracic surgery, and gastroenterology. For more information, visit www.conmed.com.

¹ We are unable to present a quantitative reconciliation of our expected diluted net earnings per share to expected adjusted diluted net earnings per share as we are unable to predict with reasonable certainty and without unreasonable effort the impact and timing of acquisition-related and other charges. The financial impact of these items is uncertain and is dependent on various factors, including timing, and could be material to our Consolidated Statements of Comprehensive Income (Loss).

Forward-Looking Statements

This press release may contain forward-looking statements based on certain assumptions and contingencies that 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 in the forward-looking statements may 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 and other 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, 2021, listed under the heading Forward-Looking Statements in the Company's most recently filed Form 10-Q, and the risks associated with the timing and costs related to the software implementation as further described in the risk factors listed in the Current Report filed on Form 8-K on November 15, 2022. Any and all 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 Company believes that all forward-looking statements made by it have a reasonable basis, but there can be no assurance that management's expectations, beliefs or projections as expressed in the forward-looking statements will actually occur or prove to be correct.

Supplemental Information - Reconciliation of GAAP to Non-GAAP Financial Measures

The Company supplements the reporting of its financial information determined under generally accepted accounting principles in the United States (GAAP) with certain non-GAAP financial measures, including adjusted diluted net earnings per share. The Company believes that these non-GAAP measures provide meaningful information to assist investors and shareholders in understanding its financial results and assessing its prospects for future performance. Management believes these adjusted measures are important indicators of its operations because they exclude items that may not be indicative of, or are unrelated to, its core operating results and provide a baseline for analyzing trends in the Company's underlying business. Management uses these non-GAAP financial measures for reviewing the operating results and analyzing potential future business trends in connection with its budget process and bases certain management incentive compensation on these non-GAAP financial measures.

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.

Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. adjusted diluted net earnings per share should not be considered in isolation or as a substitute for diluted net earnings (loss) per share, the most directly comparable GAAP financial measure. Non-GAAP financial measures are an additional way of viewing aspects of the Company's operations that, when viewed with GAAP results and the reconciliations to corresponding GAAP financial measures above, provide a more complete understanding of the business. The Company strongly encourages investors and shareholders to review its financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.



Investor Presentation

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

Todd W. Garner
Executive Vice President and Chief Financial Officer

November 15, 2022

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; any assumptions underlying any of the foregoing, as well as the risk factors discussed in the Company's Annual Report on Form 10-K for the full year ended December 31, 2021 and other risks and uncertainties which may be detailed from time to time in reports filed by CONMED with the SEC, including the risks associated with the timing and costs related to the software implementation as further described in the risk factors listed in the Current Report filed on Form 8-K on November 15, 2022.

Management has disclosed adjusted financial measurements in this presentation that present financial information that is not in accordance with generally accepted accounting principles in the United States (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 DO
things the
right way.



WE MAKE
and keep
commitments.



WE OPERATE
with urgency.



WE BELIEVE
in the power of
engaged talent.



WE DELIVER
exceptional results.

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

Continuing to Shift the Mix of the Portfolio to Higher-Growth Products

	2015 *	YTD Sep 2019 *	YTD Sept 2022
Products Declining	79%	17%	16%
Products Growing Single Digits	21%	48%	42%
Products Growing Double Digits	0%	35%	42%

* Denotes latest disclosure of this metric at J.P. Morgan Conference, January 2020 (pre-pandemic)

Navigating Temporary Challenges to an Improved Engine

Q4 Update:

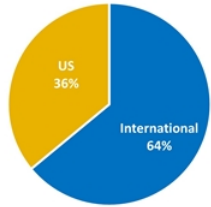
- Implemented a Warehouse Management Software System in Q4 2022 that will increase capacity and efficiency
- Shipping delays resulting from this implementation have been longer than anticipated but should be contained to Q4 2022
- The Company is withdrawing its 2022 financial outlook
- Shipping backlog peaked at approximately \$35 million last week and currently stands at approximately \$28 million

Financial Outlook for 2023:

- Reported revenue between \$1.170 billion and \$1.230 billion
- Adjusted EPS between \$3.20 and \$3.50

Orthopedics: Large, Attractive Markets

2022 Sept YTD



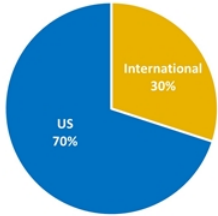
74%

Recurring, single-use revenue

Category	Description	Market Size and Competitors	Dollar Value of 1 Market Share Point
Sports Medicine	Devices for repair of soft tissue injuries in joints	\$4.4 to \$4.6 Billion <ul style="list-style-type: none"> ▪ Arthrex ▪ DePuy Mitek (J&J) ▪ Smith & Nephew ▪ Stryker ▪ Zimmer Biomet 	~\$45M
Allograft Tissue	Exclusive commercial rights to MTF allograft tissue	\$375 to \$425 Million <ul style="list-style-type: none"> ▪ Allosource ▪ LifeNet ▪ RTI 	~\$4M
Powered Instruments	Surgical drills and saws with related single-use accessories	\$1.4 to \$1.6 Billion <ul style="list-style-type: none"> ▪ Stryker ▪ DePuy Synthes (J&J) ▪ Medtronic (Midas Rex / Xomed) ▪ Zimmer Biomet 	~\$15M
Surgical Visualization	High-definition surgical visualization systems to enable minimally invasive arthroscopic surgery	\$1.8 to \$2.0 Billion <ul style="list-style-type: none"> ▪ Stryker ▪ Arthrex ▪ Karl Storz ▪ Olympus ▪ Richard Wolf ▪ Smith & Nephew 	~\$19M
Foot and Ankle	Comprehensive portfolio includes implants, fracture systems, biologics, and related hardware	\$4.4 to \$4.6 Billion <ul style="list-style-type: none"> ▪ Stryker ▪ DePuy Synthes (J&J) ▪ Arthrex ▪ Paragon 28 ▪ Treace 	~\$45M
Total Orthopedics	60% to 70% in Surgery Centers in the U.S.		~\$128M ~13% growth for total company

General Surgery: Large, Attractive Markets

2022 Sept YTD



91%

Recurring, single-use revenue

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

Environmental, Social and Governance (ESG)

Together We Are Making A Difference for a Better Tomorrow

Environmental



Chihuahua, Mexico plant has held the Clean Industry Certification since 2015



Utica, New York plant is ISO 14001 certified



100% LED lighting at Utica and Chihuahua plants

Social



Partners with United Way and TEAMFund to serve communities globally where we do business



Over 90% of employees participated in the Gallup Q12 Employee Engagement Survey



Women make up 51% of our global workforce

Governance



33% gender diversity on Board of Directors



Committee Chair rotation every five years



100% Independent Standing Board Committee



Report posted on October 7, 2022.
View the report now on:
[CONMED.com](https://www.conmed.com)

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