



Advanced Medical Solutions

Results for the 12 months ended 31 December 2024

19 March 2025



Advanced Medical Solutions Group plc



Highlights

Strong growth and excellent progress integrating acquisitions



- **43% Group revenue growth** driven by strong Surgical performance and acquisitions
- **18% underlying revenue growth of Surgical business** (excluding Peters Surgical and Syntacoll)
- **Successful implementation of new US LiquiBand® route to market strategy** resulted in strong growth throughout 2024
- **Transformative acquisition of Peters Surgical in July 2024**, excellent progress made integrating business while adding £37.2 million to Group revenues
- **Syntacoll acquisition in March 2024** significantly strengthens Biosurgical expertise, capacity and growth potential
- LIQUIFIX™ already listed with two important US GPOs – **approval from largest and most significant GPO expected by end of March 2025**
- **Strategic initiatives for Woundcare Business Unit implemented in Q1** – expected to positively impact margins in 2025

Transformative Acquisition: Peters Surgical



- **Acquisition of leading surgical business** closed on 1 July 2024 for an enterprise value of €132.5 million
- Significantly enhances our ability to **compete in the global suture category**
- **Expands direct selling capabilities** across key additional markets
- Development project started to **optimise IFABOND® portfolio for internal fixation**
- **Organisation integration of AMS and Peters Surgical teams completed – single Group wide teams** for all key functions
- **Dedicated integration team** supported by **external consultants** to deliver synergies relating to sutures



Aquisition Progress: Syntacoll



- **Acquisition of market leading manufacturing facility** closed on 1 March 2024
- **Significantly enhances our collagen technical and manufacturing expertise and growth potential**
- **Contributed £5.6 million** to Group revenues in 2024
- **Revenues offset by incremental running costs, with Syntacoll breaking even** in 2024
- **Margin accretion** anticipated in future years

Product Progress: LiquiBand®



- Strong US growth following implementation of **enhanced route to market strategy**
 - Improved **partner engagement**
 - Strengthening of partners' own **brand presence** in the market
 - **Strong pipeline** of new business continues to build
 - Restocking in H1 positively impacted reported sales
 - Phasing of orders in Q4 benefited FY revenues
- **ROW LiquiBand®**
 - Phasing of orders in some key markets negatively impacted reported growth



Product Progress: Internal Fixation and Sealants



Hernia mesh fixation (branded LIQUIFIX™ in US and LiquiBand Fix8® ex US):

- Global supply affected by supplier-driven quality issue – now resolved but impacted 2024 sales
- **Initial US orders in 2024 ahead of expectations**, includes level of stocking
- **Approval by third and most significant US GPO expected end March**
- **Increased and more focused selling activity**
- 2025 started positively with record monthly end sales values recorded

SEAL-G®/SEAL-G® MIST:

- **Clinical study in pancreatic surgery continues to progress – interim results expected mid 2025**
- **Development of next generation device continues to remove dependence on external gas supply**



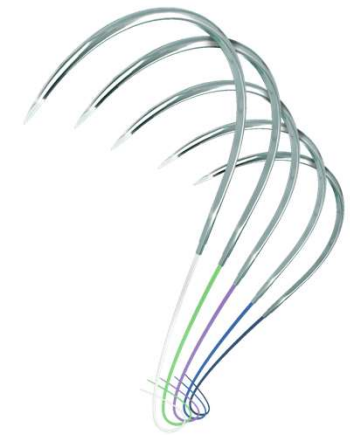
Product Progress: Traditional Closure



- **Increased levels of growth** achieved with AMS portfolio of RESORBA® branded sutures
 - **15% growth** at constant currency
 - **Good suture growth continues** in Germany and multiple other territories

Integration with Peters Surgical sutures:

- **Dedicated team established** to deliver synergies for integrated suture range
- **Significant investment** in manufacturing capacity underway to satisfy demand from US opportunity
- **New suture winding card project initiated** to ensure range can successfully compete with US market leaders
- **Project in implementation phase** and on track to deliver synergies in 2027
- **Final US approvals** expected in 2025 ahead of launch before year end

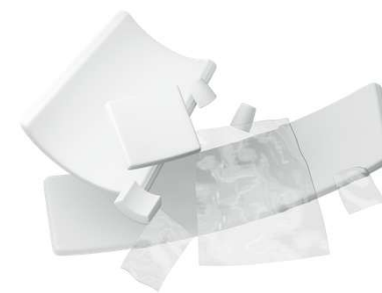


Product Progress: Biosurgical



Collagen:

- Syntacoll assets acquired in March 2024
- Technical and capacity issues at Nuremberg facility resulted in end user demand not being reflected in reported sales
- **Integration of Syntacoll facilities and expertise** already started to address the issues with supply improved in H2
- **Syntacoll's expertise assisting US regulatory process** – first US collagen approvals expected in 2026



Bone Substitute:

- **Freeze Dried Bone Substitute (FDBS)** – moldable and cohesive with capacity to mix with fluids and compounds, improving bone re-growth
- Accelerated timeline for **US regulatory submission** end 2025, approval expected end 2026. Similar timeline for Europe

Product Progress: Woundcare



- **Challenging market conditions and lower Organogenesis royalties** impacted woundcare performance, as previously reported
- **Restructuring of Woundcare division in progress:**
 - Focus on growing higher margin business
 - More selective investment in growth
 - Focus on improved future profitability
 - On track to positively impact margins from Q2 2025



Financial Summary



Financial Highlights



- **Revenue increased by 41%** at constant currency to **£177.5 million** and by 43% at reported currency
- **Adjusted EBITDA increased 35% to £40.2 million**
- **Adjusted pre-tax profit increased 14% to £29.4 million**
- **Net debt of £55.8 million (Dec 2023: net cash £60.2 million)** following the acquisitions of Peters Surgical, Syntacoll and contingent consideration on successful milestone achievements by Connexicon
- **Proposed 10% increase in full year dividend to 2.60p** per share (2023: 2.36p) reflecting Board confidence

2024 Revenue



- **Group** revenue up by 43%* to £177.5 million (2023: £126.2 million)
- **AMS Surgical** revenue up 28%* to £98.6 million (2023: £79.1 million)
- **Peters Surgical** revenue **£37.2 million**
- **Woundcare** revenue down 11%* to £41.8 million (2023: £47.1 million)

*Growth rates shown at constant currency

| £ million | 2023 (£m) | 2024 (£m) | Growth at constant currency |
|-----------------|-----------|--------------|-----------------------------|
| AMS Surgical | 79.1 | 98.6 | +28% |
| Peters Surgical | - | 37.2 | - |
| Total Surgical | 79.1 | 135.8 | +72% |
| Woundcare | 47.1 | 41.8 | -11% |
| Total | 126.2 | 177.5 | +43% |

2024: LiquiBand and Fix8/LiquiFix revenue



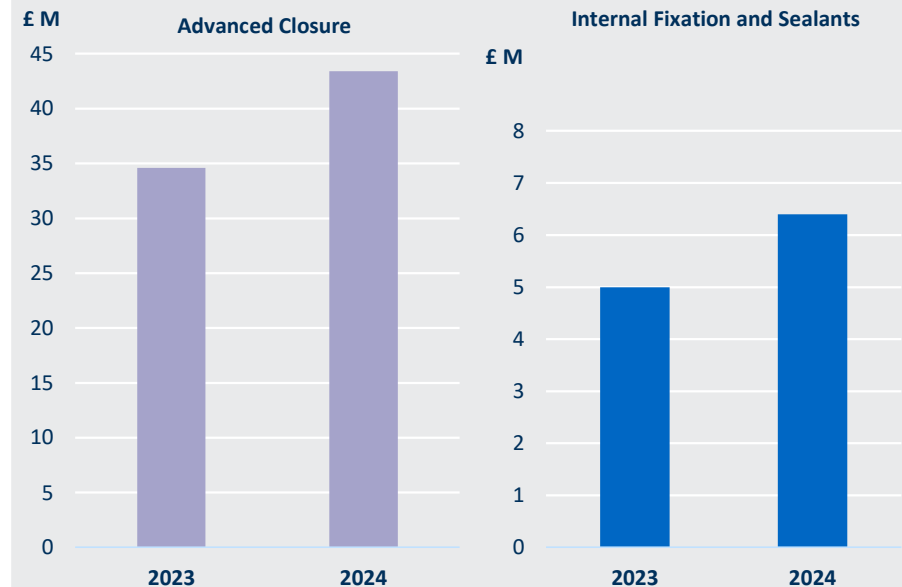
Advanced Closure

- LiquiBand® revenue up 28%* to £43.4 million (2023: £34.6 million)
- New US route to market strategy, product exclusivity and greater partner commitment drove 52%* growth in the US
- Revenue includes an element of partner stock rebuild
- LiquiBand® performance outside the US impacted by phasing of orders

Internal Fixation and Sealants

- LiquiBandFix8®/LIQUIFIX™ revenue up 30%* to £6.4 million (2023: £5.0 million) following Q1 US launch
- US launch resulted in greater than expected stocking orders
- GPO approvals expected to accelerate uptake in 2025

*Growth rates shown at constant currency



2024: Sutures, Biosurgical and Other Revenue



Traditional Closure

- Revenue up 15%* to £19.9 million (2023: £18.9 million)
- Good growth in Germany and other markets

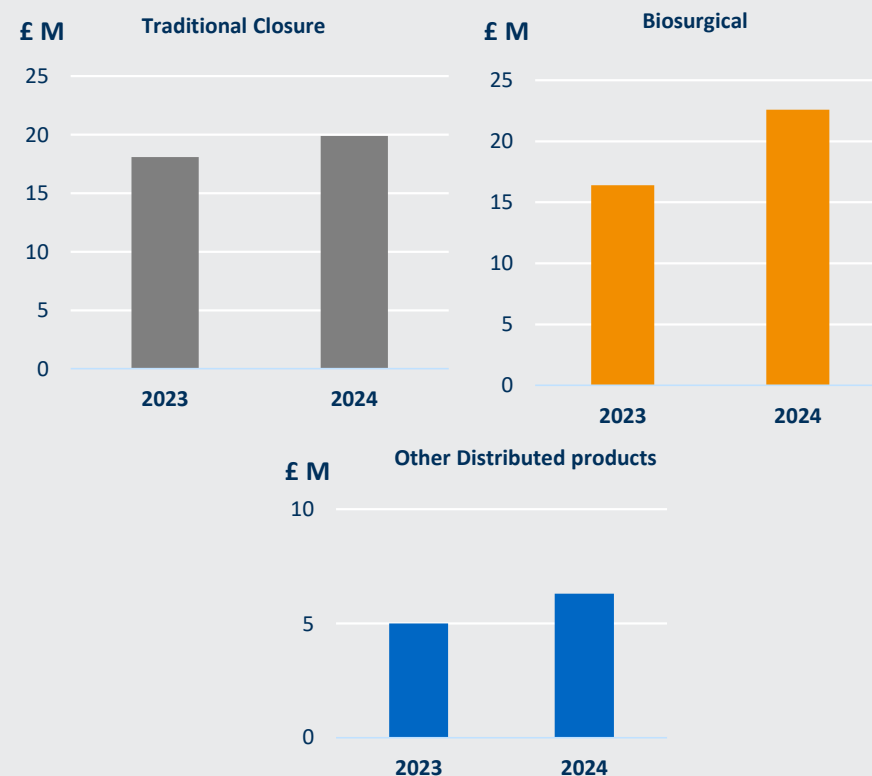
Biosurgical Devices

- Revenue up 42%* to £22.6 million (2023 £16.4 million)
- Quality and capacity issues prevented customer demand from being met in the Period, but issues addressed by Syntacoll acquisition
- Syntacoll added £5.6 million of revenue during the Period

Other Distributed Products

- Revenue up 30%* to £6.3 million (2023 £5.0 million)

*Growth rates shown at constant currency



2024: Woundcare Revenue



Revenue down 11%* to £41.8 million (2023: £47.1 million)

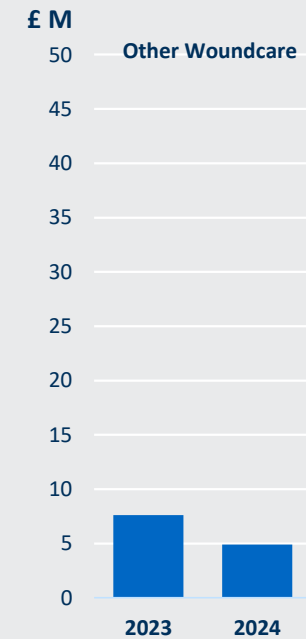
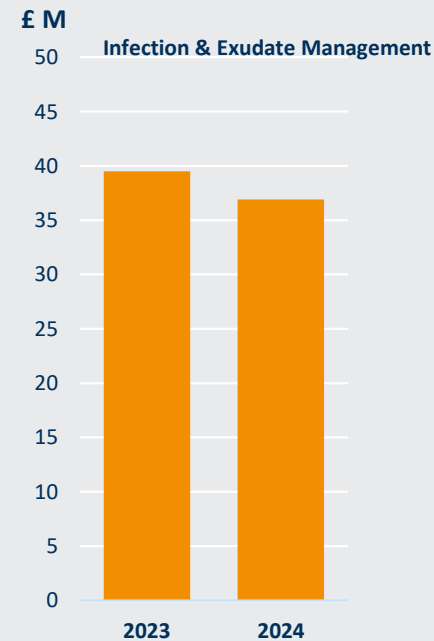
Infection & Exudate Management

- Revenue down 6%* to £36.9 million (2023: £39.5 million) due to exiting some low margin business, pricing pressure and increased competition
- Restructuring on track to be completed by end of Q1 2025 and should impact margins positively from Q2

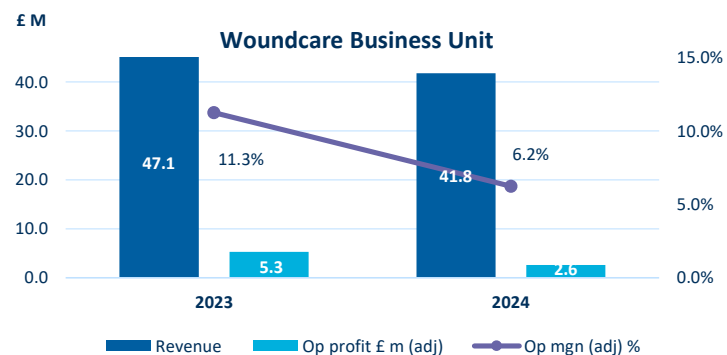
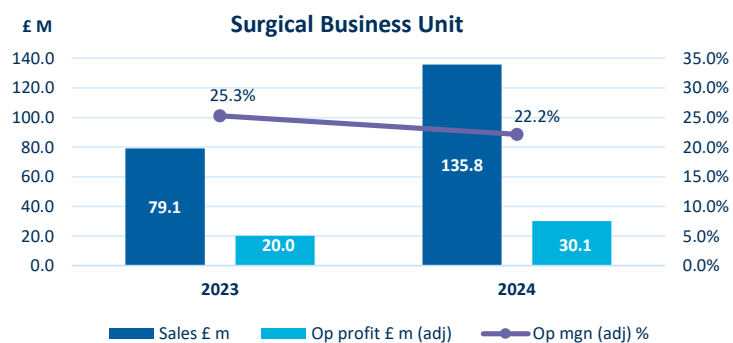
Other Woundcare

- Revenue down 35%* to £4.9 million (2023: £7.6million) due to reduced Organogenesis royalty

**Growth rates shown at constant currency*



2024 Operating Margins



Surgical

- Adjusted operating margin decreased by 310bps
- Margin upside from US LiquiBand® growth and US LIQUIFIX™ launch offset by the lower initial margins of the acquisitions of Peters Surgical and Syntacoll

Woundcare

- Significant reduction in operating margin
- Substantial impact from reduced Organogenesis royalty
- Pricing pressure
- Reduced volumes and high fixed overhead
- Restructuring set to improve margins from Q2 2025

Exceptional Items



Exceptional items in 2024

- **Peters Surgical and Syntacoll acquisition costs** : deal advisory fees, legal, accounting and tax due diligence fees
- **Syntacoll ramp-up costs**: resulting from acquiring inactive assets from administration e.g. operating costs during an idle period and termination payments to staff not retained
- **Foreign exchange hedging/insurance** : hedging to protect against € movement between signature and acquisition date; and risks and warranties insurance on the acquisitions
- **Integration costs** : relating to costs of the integration consultants, the project team and other project costs

2024 Cashflow



| £ million | 2023 (£m) | 2024 (£m) |
|--|---------------|---------------|
| Cash flows from operating activities: | | |
| Profit from operations | 18.9 | 11.2 |
| Depreciation and Amortisation | 10.8 | 16.3 |
| Working Capital movements | (15.9) | (6.1) |
| Share based payment expense | 2.9 | 3.1 |
| Taxation | (4.4) | (5.1) |
| Adj. net cashflow from operating activities | 12.3 | 19.5 |
| Acquisitions including earn-out payments | (12.9) | (59.7) |
| Capital Investments | (9.8) | (8.7) |
| Financing | (0.4) | 10.7 |
| Dividends paid | (4.8) | (5.2) |
| Share based payment cashflows | (6.5) | - |
| Net increase in cash and cash equivalents | (22.1) | (43.2) |
| Cash at start of period | 82.3 | 60.2 |
| Cash at end of period | 60.2 | 17.0 |

Working Capital of -£6 million

- -£10 million: Increase in receivables due to strong performance of US partners (on 60-day terms), with large payments falling into early January 2025
- +£4 million: Increase in payables in line with growth of the business
- No impact: Inventory unchanged, despite revenue growth

Acquisition of the Peters Surgical Group

- £53.2 million (net of cash acquired)

Acquisition of assets relating to Syntacoll

- £0.9 million (including £0.6 million of inventory)

Connexicon and AFS earn-out payments on successful milestone delivery

- £5.5 million

Net Debt



- Net debt at the period end: £55.8 million
 - **Cash** £17.0 million (2023: £60.2 million) and
 - **Debt** £72.8 million (2023: £Nil)
- Net debt is expected to reduce by ~£10m p.a. 2025-2026 despite the significant integration investment
- 2025 YE net debt expected to be below 1 x EBITDA
- 2027 YE net debt expected to be below 0.1 x EBITDA

Environmental, Social and Governance



- Through the acquisition of Peters Surgical, we have leveraged the considerable ESG program that was already in place at Peters
- An optimised combined ESG program for the enlarged Group is now being created
- This program will include combining emissions data for the two businesses and rebasing the initial carbon footprint for the enlarged group
- We are making progress on our Pathway to Net Zero project, which still has a commitment date of 2045
- All sustainability activities are now being optimised and managed by a single team across the enlarged group

Summary and Outlook



Summary and Outlook



- Strong financial performance in 2024
- New US LiquiBand® route to market strategy performing well and driving growth
- LIQUIFIX™ launched in the US with GPO approvals supporting accelerated growth
- **Transformative** acquisition of Peters Surgical
- Syntacoll acquisition strengthening Biosurgical business
- Integration of both businesses progressing well
- FY 2025 outlook unchanged, with revenue and EBITDA in line with the Board's expectations – 2025 has started well with good business performance
- The Group is well positioned for strong, long-term growth

Contact



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