

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 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): September 25, 2023

Enovis Corporation
(Exact name of registrant as specified in its charter)

Commission File Number: 001-34045

Delaware (State or other jurisdiction of incorporation)	001-34045 (Commission File Number)	54-1887631 (IRS Employer Identification No.)
2711 Centerville Road, Suite 400 Wilmington, DE (Address of principal executive offices)		19808 (Zip Code)

Registrant's telephone number, including area code: (302) 252-9160

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation 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(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	ENOV	New York Stock Exchange

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. Regulation FD Disclosure.

On September 25, 2023, Enovis Corporation (the “Company”) issued a press release announcing that the Company has entered into a definitive agreement to acquire LimaCorporate S.p.A. (the “Acquisition”). A copy of the press release is attached as Exhibit 99.1 hereto and incorporated herein by reference.

On September 25, 2023, the Company will host a conference call and webcast at 8:30 a.m. Eastern time to discuss the Acquisition. The slide presentation posted to the Company’s website at <https://ir.enovis.com> in connection with the conference call and webcast is attached as Exhibit 99.2 hereto and is incorporated herein by reference.

The information in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, is being furnished to the Securities and Exchange Commission (“SEC”) and shall not be deemed to be incorporated by reference into any of the Company’s filings with the SEC under the Securities Act of 1933, as amended.

Cautionary Information Regarding Forward-Looking Statements

Statements made in this Current Report on Form 8-K regarding the Company that are not historical facts are forward-looking statements based on current expectations, assumptions, estimates, and projections about Enovis and its industry. Forward-looking statements can be identified by words such as “anticipate,” “believe,” “seek,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “should,” “will,” “would,” and other similar words or expressions. Forward-looking statements in this Current Report on Form 8-K include, without limitation, statements regarding the timing of the Acquisition and use of proceeds of the Facilities. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, among others, risks related to: the satisfaction of conditions to the closing of the Acquisition, including the failure to obtain or delay in obtaining required regulatory approvals; the Company’s ability to obtain financing for the transaction; the transaction and integration costs the Company has incurred and expects to incur in connection with the Acquisition; the difficulty, cost, and time required to integrate Lima’s business; that Lima may have liabilities that are not known to the Company; risks related to market and other general economic conditions; risks related to the recently completed spin-off of ESAB Corporation into an independent publicly traded company; other events that could adversely impact the Acquisition; and the various risks described in the “Risk Factors” section and elsewhere in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, Quarterly Report on Form 10-Q for the period ended June 30, 2023, and other filings with the SEC. The Company undertakes no obligation to update publicly any forward-looking statements for any reason, unless required by law, even if new information becomes available or other events occur in the future.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, dated September 25, 2023.
99.2	Investor Presentation, dated September 25, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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 hereunto duly authorized.

Date: September 25, 2023

ENOVIS CORPORATION

By: /s/ Phillip B. Berry

Name: Phillip B. Berry

Title: Senior Vice President
and Chief Financial Officer

**Enovis™ to Acquire LimaCorporate S.p.A.**

- *Creating a high-growth, global reconstruction leader with ~\$1 billion in annual revenue*
- *Attractive margin profile and meaningful synergies expected to increase profitability*

WILMINGTON, DE, SEPTEMBER 25, 2023 (GLOBE NEWSWIRE)—Enovis™ Corporation (NYSE: ENOV, “Enovis” or the “Company”), an innovation-driven, medical technology growth company, today announced a definitive agreement to acquire LimaCorporate S.p.A. (“Lima”), a privately held global orthopedic leader focused on restoring motion through an innovative portfolio of implant solutions. The acquisition has an enterprise value of approximately €800 million, consisting of a €700 million cash payment at closing and €100 million in shares of Enovis common stock.

Founded in 1945, Lima is a global orthopedic company with diversified revenues that has grown at a high single digit CAGR over the last 10 years, increasing into the low teens in the last several years. Lima’s pioneering technological solutions, including digital innovation and patient-tailored hardware, are developed to empower surgeons and improve patient outcomes following joint replacement surgery.

The addition of Lima will provide several compelling strategic benefits to Enovis including:

- Establishing a ~\$1 billion revenue reconstruction business with approximately 50% of revenues in the fast-growing extremities markets
- Expanding international scale with a complementary global customer base and product mix
- Improving efficiency with state-of-the-art manufacturing facilities and a strong innovation engine
- Adding a complementary portfolio of proven surgical solutions and technologies, including 3D printed Trabecular Titanium and a comprehensive revision offering
- Creating robust cross-selling opportunities and approximately \$40 million in cost synergies to be fully realized by year three after closing through supply chain optimization and cost consolidation
- Supporting Enovis’ long-term goals of high-single digit organic revenue growth and sustainable EBITDA margin expansion

“We are confident the acquisition of Lima will enable us to build on our strong growth trajectory and global leadership in orthopedic solutions to create immediate and sustainable value for our patients, customers, employees and shareholders,” said Matt Trerotola, Chair and Chief Executive Officer of Enovis. “With Lima’s complementary surgical solutions and customers, we will have the opportunity to enlarge our profitable recon portfolio and further expand our global presence. In addition, this acquisition will enable us to deliver enhanced financial results through significant cross-selling revenue growth opportunities and meaningful cost synergies.”

“Combining these two leading orthopedic businesses into one global platform creates an exciting opportunity to build on the strengths of both Enovis and Lima in developing patient-tailored devices and orthopedic products,” said Massimo Calafiore, Chief Executive Officer of Lima. “I look forward to working with the Enovis team to create even greater opportunities for growth and continued success.”

Transaction Details

The €800 million transaction includes a cash payment of €700 million at closing, and €100 million in shares of Enovis common stock expected to be issued within 18 months after closing. Enovis plans to finance the cash portion of the consideration through a combination of cash on hand, availability under its existing revolving credit facility, and committed financing from UBS Investment Bank and J.P. Morgan Securities LLC.

The Company expects Lima to generate sales of \$290-\$300 million and \$70-\$75 million of adjusted EBITDA in 2024. The transaction is expected to be completed in early 2024, subject to the receipt of applicable regulatory approvals and customary closing conditions.

There is no change to Enovis’ previously announced 2023 full-year guidance, which contemplates organic sales growth of 7-7.5%, adjusted EBITDA of \$262-\$270 million and adjusted earnings per diluted share of \$2.22-2.36. The Company expects the acquisition to be neutral to slightly accretive to 2024 adjusted earnings per share and accretive in 2025 and beyond.

Advisors

UBS Investment Bank is serving as lead financial advisor to Enovis. J.P. Morgan Securities LLC is also serving as a financial advisor. Allen & Overy is serving as legal counsel to Enovis.

Investor Conference Call

Enovis will conduct a conference call and webcast with investors to discuss the transaction today, September 25th, 2023, at 8:30 AM ET. Investors can access the webcast via a link on the Enovis website, www.enovis.com. For those planning to participate on the call, please dial 1-833-630-1956 (U.S. callers) or 1-412-317-1837 (International callers) and ask to join the Enovis call. A link to a replay of the call will also be available on the Enovis website later in the day.

ABOUT ENOVIS

Enovis Corporation (NYSE: ENOV) is an innovation-driven medical technology growth company dedicated to developing clinically differentiated solutions that generate measurably better patient outcomes and transform workflows. Powered by a culture of continuous improvement, global talent and innovation, the Company’s extensive range of products, services and integrated technologies fuels active lifestyles in orthopedics and beyond. The Company’s shares of common stock are listed in the United States on the New York Stock Exchange under the symbol ENOV. For more information about Enovis, please visit www.enovis.com.

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 regarding the Company's plans, objectives, expectations and intentions and other statements that are not historical or current fact. Forward-looking statements are based on the Company's 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 the Company's results to differ materially from current expectations include, but are not limited to, risks and uncertainties regarding the Company's and Lima's respective businesses and the proposed acquisition, and actual results may differ materially. These risks and uncertainties include, but are not limited to, (i) the ability of the parties to successfully complete the proposed acquisition on the anticipated terms and timing, including obtaining required regulatory approvals and other conditions to the completion of the acquisition, (ii) the financing arrangements relating to the acquisition, (iii) the effects of the transaction on the Company's and Lima's operations, including on the combined company's future financial condition and performance, operating results, strategy and plans, including anticipated tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, losses, future prospects, and business and management strategies for the management, expansion and growth of the new combined company's operations, (iv) the potential impact of the announcement or consummation of the proposed acquisition on relationships with customers, suppliers and other third parties, (v) risks related to the impact of the COVID-19 global pandemic, and (vi) the other factors detailed in the Company's 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 the Company's 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. The Company disclaims any duty to update the information herein.

Non-GAAP Financial Information

Enovis has provided in this presentation certain 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 earnings per diluted share, adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), and organic sales growth. Adjusted earnings per diluted share excludes restructuring and other charges, European Union Medical Device Regulation ("MDR") and related 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, and stock compensation costs. Adjusted EBITDA represents net income or loss from continuing operations excluding taxes, depreciation and amortization, stock-based compensation costs and restructuring and other charges, MDR and related costs, strategic transaction costs, insurance settlement (gain) loss, and inventory step up costs. Organic sales growth excludes the impact of acquisitions and foreign exchange rate fluctuations. 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. 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.

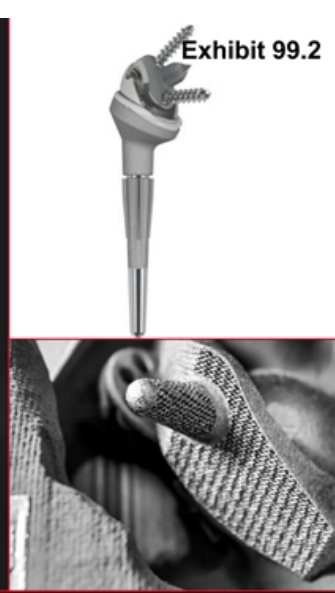
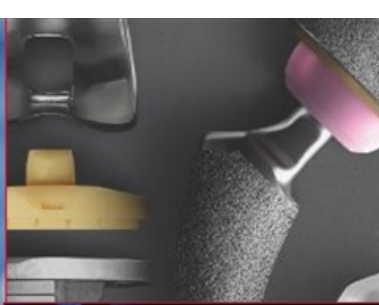
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enovis™



Advancing strategy through LimaCorporate acquisition

September 25, 2023

enovis™

Creating Better Together™

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Adjusted earnings per diluted share excludes restructuring and other charges, European Union Medical Device Regulation ("MDR") and related 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, and stock compensation costs.

Adjusted EBITDA represents net income or loss from continuing operations excluding taxes, depreciation and amortization, stock-based compensation costs and restructuring and other charges, MDR and related costs, strategic transaction costs, insurance settlement (gain) loss, and inventory step up costs.

Organic sales growth excludes the impact of acquisitions and foreign exchange rate fluctuations.

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Extending Enovis' Leadership Position in Attractive Global Reconstructive Market

- **Definitive agreement to acquire LimaCorporate**, a European orthopedics leader with robust product offerings and capabilities for €800m; transaction 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

LimaCorporate Business Overview

REVENUE



GEOGRAPHIC MIX



Attractive Geographic Footprint

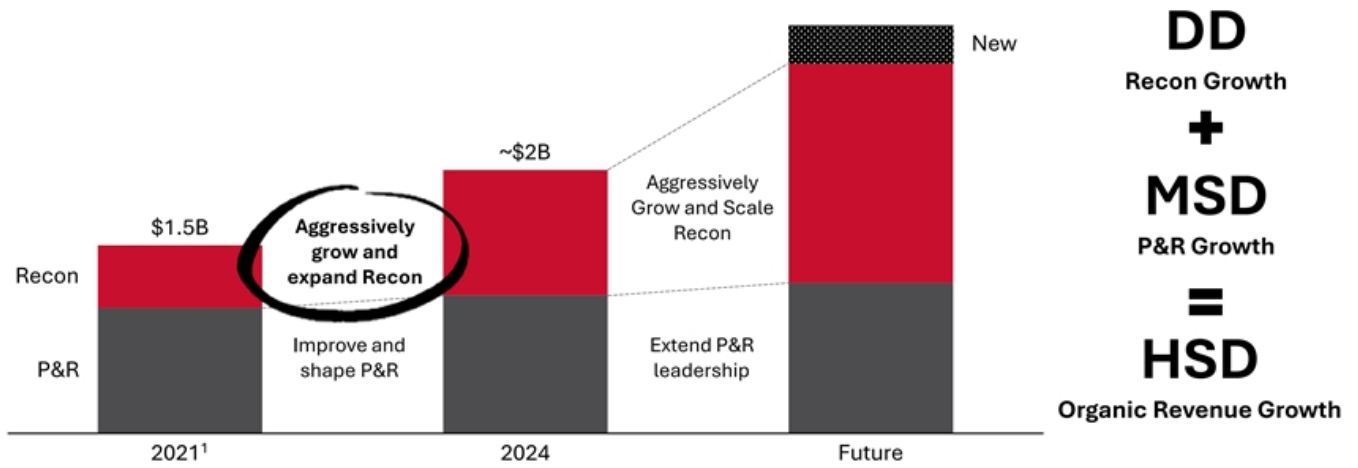


- HSD growth history, DD CAGR since 2021²
- Accretive profitability, >20% adjusted EBITDA margins³
- Strong innovation engine and leading 3D printing capabilities
- Highly automated production facilities in Italy with dedicated innovation center and ability to scale

Complementary product & geographic mix with additive capabilities and attractive financial profile

Enovis: A High-Value MedTech Growth Company

ENOVIS SALES PERFORMANCE & GOALS



Secures path to \$2B and beyond with HSD organic growth and expanded margin profile

Successful M&A Track Record



Accelerating Recon with attractive growth & gross margin profiles

Fully Aligned with Acquisition Criteria



Fuels Growth

Maintains strong extremity mix and accelerates innovation



Improves Gross Margin

Enovis margins improve to >60% with Recon >70%



Accelerates Strategy

Expanding High Growth and Margin Recon Platform



Creates Scale

\$1B Global Recon Segment with robust synergy opportunity

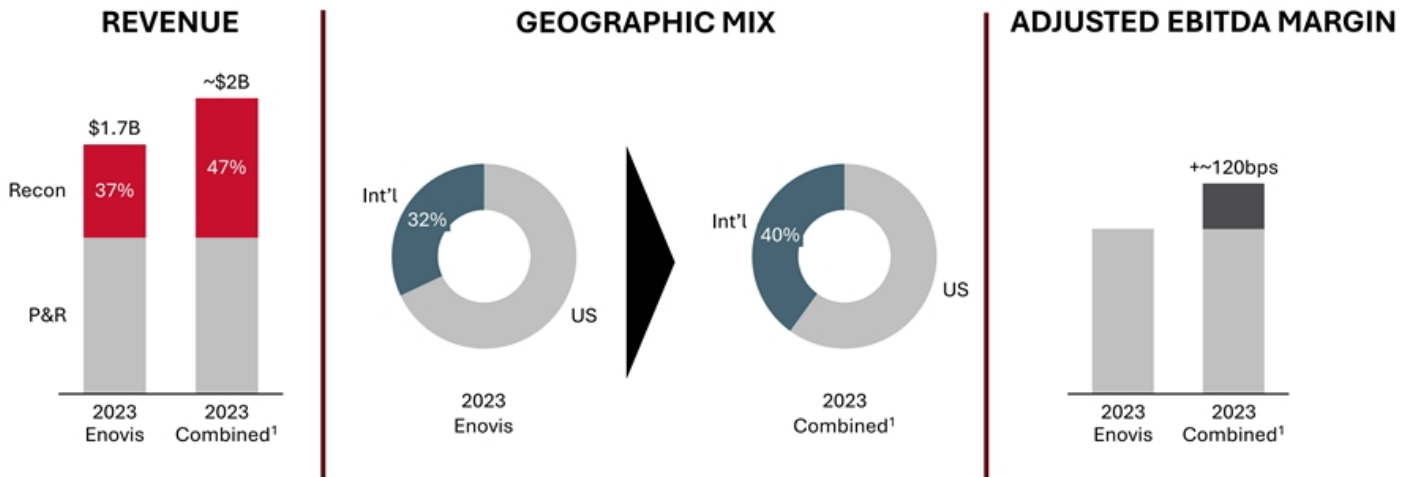


Expands Market Reach

Complementary International Footprint in Key Markets

Strong alignment to our strategic acquisition criteria

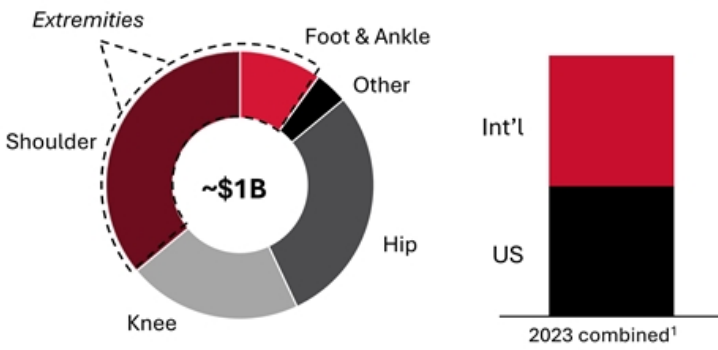
Combination Accelerates Global Recon Scale & Expands Margins



Creates >\$1B high-growth global Recon player and accelerates trajectory of margin expansion

Creates ~\$1B Recon Leader With Attractive Mix and Strong Innovation

Combined Revenue & Geographic Mix



Growth Opportunity

- Drive DD organic growth from winning innovation and strong channel
- Continue to lead in Shoulder and rapidly gain share in Hip/Knee and Foot & Ankle
- Realize strategic advantage of advanced technologies: Ceramics, RM Monoblock, 3D Printing
- Leverage Arvis and other Enabling Tech for global advantage over time
- Lead in Medical Education

Leading in Shoulder, winning across Recon with measurably better patient outcomes

Significant Synergy Opportunities



Cross-Selling

- Sell EMPOWR® and AltiVate® into LimaCorporate channels
- Sell revision solutions into Mathys and Enovis US



Innovation

- Accelerate innovation / differentiation with scaled global R&D
- Extend 3D printing and additive manufacturing capabilities across Enovis

Meaningful growth synergy beginning in 2025



Operational Excellence

- Leverage state-of-the-art, highly automated manufacturing facilities
- Embed Enovis Growth Excellence (EGX) and drive insourcing, scale, and productivity in supply chain



SG&A Scale

- Enhance talent and optimize commercial structure
- Capture functional and back-office synergy

>\$40m of estimated annual cost synergies in year 3

Deliver sustainable DD Recon growth with expanding margin profile

Acquisition Accelerates Enovis Growth Strategy



**Accelerates
progress against
strategic goals**



**Maintains Recon
mix & improves
growth profile**



**Attractive value
creation
opportunity**



**Strengthens R&D
and Operational
Capabilities**

Driving scale across an enhanced Recon platform

Transaction Summary

Key Deal Terms

- €700m upfront cash at closing
- €100m in shares of Enovis common stock (expected to be issued within 18 months following the closing of the acquisition)

LimaCorporate Key Financials

- 2024 estimated revenue of \$290m to \$300m
- Strong forward revenue growth of HSD/DD
- 2024 expected adjusted EBITDA¹ of \$70m to \$75m

Value Creation

- Cross-selling opportunities to accelerate revenue growth starting in year 2
- Estimated annual cost synergies of >\$40m 3 years post closing
- >10% ROIC by year 5

Other Considerations

- Closing expected early 2024
- Adjusted EPS impact flat to slightly accretive in 2024, materially accretive thereafter
- Manageable leverage (~3x) that will improve as business scales

Compelling financial profile drives shareholder value creation

Extending Enovis' Leadership Position in Attractive Global Reconstructive Market



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Compounding value creation from growth and margin acceleration

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