

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): **January 10, 2023**

**INTEGRA LIFESCIENCES HOLDINGS CORPORATION**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other Jurisdiction of Incorporation or Organization)

**0-26224**  
(Commission File Number)

**51-0317849**  
(IRS Employer Identification No.)

**1100 Campus Road**  
**Princeton, NJ 08540**  
(Address of principal executive offices) (Zip Code)  
Registrant's telephone number, including area code: **(609) 275-0500**

**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**  
Common Stock, Par Value \$.01 Per Share

**Trading Symbol**  
IART

**Name of Exchange on Which Registered**  
Nasdaq Global Select Market

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 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On January 10, 2023, Integra LifeSciences Holdings Corporation (the “Company”) issued a press release announcing certain unaudited, preliminary fourth quarter and full-year 2022 financial results. A copy of the Press Release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item.

### Discussion of Adjusted Financial Measures

In addition to our GAAP results, the Company provided unaudited, preliminary fourth quarter and full-year 2022 organic revenues and adjusted earnings per diluted share results.

The Company believes that the presentation of organic revenues and adjusted earnings per diluted share provides important supplemental information to management and investors regarding financial and business trends relating to the Company's financial condition and results of operations. Management uses non-GAAP financial measures in the form of organic revenues and adjusted earnings per diluted share when evaluating operating performance, because we believe the inclusion or exclusion of the items described below, for which the amounts and/or timing may vary significantly, for which the amounts are non-cash in nature, or for which the amounts are not expected to recur at the same magnitude, provides a supplemental measure of our operating results that facilitates comparability of our financial condition and operating performance from period to period against our business model objectives and against other companies in our industry. We have chosen to provide this information to investors so they can analyze our operating results in the same way that management does and use this information in their assessment of our core business and the valuation of our Company. In addition, since the Company has historically provided non-GAAP guidance to the investment community, we believe the continued inclusion of non-GAAP guidance provides consistency in the information made available to investors.

Organic revenues and adjusted earnings per diluted share are significant measures used by management for purposes of:

- supplementing the financial results and forecasts reported to the Company's board of directors
- evaluating, managing and benchmarking the operating performance of the Company;
- establishing internal operating budgets;
- determining compensation under bonus or other incentive programs;
- enhancing comparability from period to period;
- comparing performance with internal forecasts and targeted business models; and
- evaluating and valuing potential acquisition candidates.

Neither organic revenues nor adjusted earnings per diluted shares are calculated in accordance with GAAP, and should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Non-GAAP financial measures have limitations in that they do not reflect all of the revenues, costs or benefits associated with the operations of the Company's business as determined in accordance with GAAP. As a result, you should not consider these measures in isolation or as a substitute for analysis of the Company's results as reported under GAAP. The Company expects to continue to acquire businesses and product lines and to incur expenses of a nature similar to many of the non-GAAP adjustments described herein, and exclusion of these items from its adjusted financial measures should not be construed as an inference that all of these revenue adjustments or costs are unusual, infrequent or non-recurring. Some of the limitations in relying on the adjusted financial measures are:

- The Company periodically acquires other companies or businesses, and we expect to continue to incur acquisition-related expenses and charges in the future. These costs can directly impact the amount of the Company's available funds or could include costs for aborted deals which may be significant and reduce GAAP net income
  - All of the adjustments to GAAP net income have been tax affected at the Company's actual tax rates. Depending on the nature of the adjustments and the tax treatment of the underlying items, the effective tax rate related to adjusted net income could differ significantly from the effective tax rate related to GAAP net income.
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## Organic Revenues

The measure of organic revenues we report reflects the increase in total revenues projected for the quarter ended December 31, 2022 (compared to the fourth quarter of 2021) and projected for the full-year 2022 adjusted, in each case, for currency exchange rates, revenues from acquisitions, revenues from divested products, and product discontinuations on current period revenues. We provide this measure because changes in foreign currency exchange rates can distort our revenue reduction favorably or unfavorably, depending upon the strength of the U.S. dollar in relation to the various foreign currencies in which we generate revenues. We generate significant revenues outside the United States in multiple foreign currencies. We believe this measure provides useful information to determine the success of our international selling organizations in increasing sales of products in their local currencies without regard to fluctuations in currency exchanges rates, which we do not control. Additionally, significant divestitures, acquisitions and discontinued product lines can distort our current period revenues when compared to prior periods.

## Adjusted Earnings Per Diluted Share

The adjusted earnings per diluted share measure is calculated by dividing adjusted net income attributable to diluted shares by diluted weighted average shares outstanding. The measure of adjusted net income reflects GAAP net income adjusted for one or more of the following items, as applicable:

- Structural optimization charges. These charges, which include employee severance and other costs associated with exit or disposal of facilities, costs related to transferring manufacturing and/or distribution activities to different locations, and rationalization or enhancement of our organization, existing manufacturing, distribution, administrative, functional and commercial infrastructure. Some of these cost-saving and efficiency-driven activities are identified as opportunities in connection with acquisitions that provide the Company with additional capacity or economies of scale. Although recurring in nature, given management's ongoing review of the efficiency of our organization and structure, including manufacturing, distribution and administrative facilities and operations, management excludes these items when evaluating the operating performance of the Company because the frequency and amount of such charges vary significantly based on the timing and magnitude of the Company's rationalization activities and are, in some cases, dependent upon opportunities identified in acquisitions, which also vary in frequency and magnitude.
- Acquisition, divestiture and integration-related charges. Acquisition, divestiture and integration-related charges include (i) inventory fair value purchase accounting adjustments, (ii) changes in the fair value of contingent consideration after the acquisition date, (iii) costs related to acquisition integration, including systems, operations, retention and severance, (iv) legal, accounting, banking and other outside consultants expenses directly related to acquisitions or divestitures, and (v) gain or loss on sale of business and related costs to complete the divestiture of business. Although recurring, given the ongoing character of our acquisitions and divestitures, these charges are not factored into the evaluation of our performance by management after completion because they are of a temporary nature, they are not related to our core operating performance and the frequency and amount of such charges vary significantly based on the timing and magnitude of our acquisition and divestiture transactions as well as the level of inventory on hand at the time of acquisition.
- EU Medical Device Regulation charges. These charges represent costs specific to complying with the medical device reporting regulations and other requirements of the European Union's regulation for medical devices. Management excludes this item when evaluating the Company's operating performance, because these costs incurred are not reflective of its ongoing operations.
- Intangible asset amortization expense. Management excludes this item when evaluating the Company's operating performance because it is a non-cash expense.
- Income tax impact from adjustments. Estimated impact on income tax expense related to the following:
  - (i). Adjustments to income tax expense for the amount of additional tax expense that the Company estimates that it would record if it used non-GAAP results instead of GAAP results in the calculation of its tax provision, based on the statutory rate applicable to jurisdictions in which the above non-GAAP adjustments relate.
  - (ii). When we calculate the adjusted tax rate, we include a full year estimate for all discrete items. We then apply that full year rate to the year-to-date results and calculate the current quarter's rate to

arrive at the year-to-date adjusted tax rate. We believe this removes significant variability in our results and creates a more operationally consistent result for our investors to use for comparability purposes.

#### Reconciliation of Non-GAAP Financial Measures

The Company provided the foregoing unaudited, preliminary fourth quarter and full-year 2022 results regarding adjusted earnings per diluted share but has not provided a reconciliation to GAAP earnings per share, because certain GAAP expense items are highly variable and management is unable to predict them with reasonable certainty and without unreasonable effort. Specifically, the financial impact and timing of divestitures, acquisitions, discontinuations, structural optimization, efforts to comply with the EU Medical Device Regulation-related charges, intangible asset amortization expenses and income tax impact from adjustments are uncertain, depend on various dynamic factors and are not reasonably ascertainable at this time. These expense items could have a material impact on GAAP results.

The information contained in Item 2.02 of this Current Report on Form 8-K (including the Press Release) is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section. The information contained in Item 2.02 of this Current Report on Form 8-K (including the Press Release) shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

#### **ITEM 7.01 REGULATION FD DISCLOSURE**

On January 10, 2023, the Company posted an investor presentation to its website at <https://investor.integralife.com>. A copy of the investor presentation is attached as Exhibit 99.2 to this Current Report on Form 8-K. The Company intends to use the presentation in connection with certain meetings and presentations at the J.P. Morgan Healthcare Conference in San Francisco, California.

The information contained in Item 7.01 of this Current Report on Form 8-K (including Exhibit 99.2 attached hereto) is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that Section nor shall it be deemed subject to the requirements of amended Item 10 of Regulation S-K. The information contained in Item 7.01 of this Current Report on Form 8-K (including Exhibit 99.2 attached hereto) shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

#### **ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

##### **(d) Exhibits**

99.1 [Press Release, dated January 10, 2023, issued by Integra LifeSciences Holdings Corporation](#)

99.2 [Investor Presentation](#)

104 Cover Page Interactive Data File (embedded within the inline XRBL document)

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**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.

INTEGRA LIFESCIENCES HOLDINGS CORPORATION

Date: January 10, 2023

By: /s/ Carrie Anderson  
Carrie Anderson  
Title: Executive Vice President and Chief Financial Officer

## **Integra LifeSciences Reports Select Preliminary Fourth Quarter and Full-Year 2022 Financials**

### **Fourth Quarter 2022**

- Fourth quarter 2022 revenue is expected to be in a range of \$397 million to \$398 million, representing a decrease of approximately 2% on a reported basis and an increase of approximately 3% on an organic basis compared to 2021.
- Fourth quarter 2022 adjusted earnings per diluted share is expected to be above the high end of the Company's October guidance range.

### **Full-Year 2022**

- Full-year 2022 revenue is expected to be in a range of \$1,557 million to \$1,558 million, representing an increase of approximately 1% on a reported basis and an increase of approximately 4% on an organic basis compared to 2021.
- Full-year quarter 2022 adjusted earnings per diluted share is expected to be above the high end of the Company's October guidance range.

PRINCETON, N.J., Jan 10, 2023 (GLOBE NEWSWIRE) -- Integra LifeSciences Holdings Corporation (NASDAQ: IART), a leading global medical technology company, announced today certain unaudited preliminary fourth quarter and full-year 2022 financial results.

### **Preliminary Fourth Quarter and Full-Year 2022 Revenue and Adjusted Earnings Per Diluted Share**

Fourth quarter 2022 revenue is expected to be in the range of \$397 million to \$398 million, representing a decrease of approximately 2% on a reported basis and an increase of approximately 3% on an organic basis compared to the prior year. Revenue is in line with the outlook the Company provided in October.

Fourth quarter 2022 adjusted earnings per diluted share is expected to be above the high end of the Company's October guidance range.

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The Company expects full-year 2022 reported revenue to be in the range of \$1,557 million to \$1,558 million, representing an increase of approximately 1% on a reported basis and an increase of approximately 4% on an organic basis.

Full-year quarter 2022 adjusted earnings per diluted share is expected to be above the high end of our October guidance range and above the mid-point of the Company's original February guidance range.

The preliminary results set forth above are unaudited and remain subject to completion of the Company's financial closing procedures. For further information regarding the Company's use of adjusted earnings per diluted share, a non-GAAP financial measure, please refer to the discussion of non-GAAP financial measures contained herein.

"I am pleased with our fourth quarter and full year 2022 results, which we attribute to the diversity and quality of our portfolio and the resilience of our talented team in a tough macro environment," said Jan De Witte, Integra LifeSciences president and chief executive officer. "After excluding the impact of foreign exchange and the sale of the traditional wound care business, we achieved the initial revenue expectations we communicated in February 2022 and met our original adjusted earnings commitments while investing in capabilities to strengthen Integra's future performance."

#### **Share Repurchase Program**

The Company is reiterating its plans to initiate a \$150 million share repurchase in 2023. The Company may repurchase shares at its discretion, subject to applicable regulatory and other legal requirements. The number of shares to be repurchased and the timing of such transactions will depend on a variety of factors, including market conditions, regulatory requirements, and other corporate considerations, and could be suspended or discontinued at any time as determined by management.

Commencement of share repurchases is expected to occur in early 2023, and the Company may utilize various methods to make the repurchases.

#### **41st Annual J.P. Morgan Healthcare Conference**

The Company is scheduled to present at the 41st Annual J.P. Morgan Healthcare Conference on Wednesday, January 11, 2023, at 7:30 p.m. ET. A live webcast of the presentation will be available on the Investor Relations section of the company's website at [www.integralife.com](http://www.integralife.com).

#### **Fourth Quarter and Full-Year 2022 Financial Results Conference Call**

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The Company will release fourth quarter and full-year 2022 financial results on Wednesday, February 22, 2023, before the market opens. In conjunction with the earnings release, Integra's management team will host a conference call at 8:30 a.m. ET.

As part of this call, the Company will provide an update on first-quarter and full-year 2023 expectations.

A webcast of the call will be available via the Company's website at [www.integralife.com](http://www.integralife.com).

#### **About Integra LifeSciences**

Integra LifeSciences is a global leader in regenerative tissue technologies and neurosurgical solutions dedicated to limiting uncertainty for clinicians so they can focus on providing the best patient care. Integra offers a comprehensive portfolio of high quality, leadership brands that include AmnioExcel®, Bactiseal®, BioD™, CerebroFlo®, CereLink® Certas® Plus, Codman®, CUSA®, Cytal®, DuraGen®, DuraSeal®, Gentrix®, ICP Express®, Integra®, Licox®, MAYFIELD®, MediHoney®, MicroFrance®, MicroMatrix®, NeuraGen®, PriMatrix®, SurgiMend®, TCC-EZ® and VersaTru®. For the latest news and information about Integra and its products, please visit [integralife.com](http://integralife.com).

This news release contains forward-looking statements, including statements regarding the Company's unaudited, preliminary fourth quarter and full-year 2022 financial results and statements about our current and future performance within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties, and reflect the Company's judgment as of the date of this release. Forward-looking statements include, but are not limited to, those that include words such as "estimate," "will," "plan," "should," "expect," "continue," and "forecast" and include, for example, statements related to the status of the Company's product portfolio and clinical research; the Company's operational plans, strategy and performance; the Company's acquisition and divestiture strategy; the Company's liquidity and financial position; future financial results; the Company's plans with respect to share repurchases; and similar statements. Forward-looking statements also include, but are not limited to, statements concerning future financial performance, including projections for revenues and adjusted earnings per diluted share. It is important to note that the Company's goals and expectations are not predictions of actual performance. Such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from predicted or expected results. Such risks and uncertainties include, but are not limited to, risk factors and uncertainties identified under the heading "Risk Factors" included in Item 1A of Integra's Annual Report on Form 10-K for the year ended December 31, 2021, and information contained in subsequent filings with the Securities and Exchange Commission.

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These forward-looking statements are made only as of the date hereof, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events, or otherwise.

The Company believes that the presentation of organic revenues and adjusted earnings per diluted share, both of which are non-GAAP financial measures, provides important supplemental information to management and investors regarding financial and business trends relating to the Company's financial condition and results of operations but has not provided a reconciliation to GAAP earnings per share, the closest comparable GAAP measure, because certain GAAP expense items are highly variable and management is unable to predict them with reasonable certainty and without unreasonable effort. Specifically, the financial impact and timing of divestitures, acquisitions, discontinuations, structural optimization charges, EU Medical Device Regulation-related charges, intangible asset amortization expenses and income tax impact from adjustments are uncertain, depend on various dynamic factors and are not reasonably ascertainable at this time. These expense items could have a material impact on GAAP results as the items that are being excluded are difficult to predict. GAAP results and a reconciliation of each non-GAAP financial measure to the most directly comparable GAAP financial measure will be presented in connection with the Company's press release reporting full financial results for the fourth quarter and full-year 2022 scheduled to be released on February 22, 2023. These non-GAAP financial measures should be considered supplemental to, and not a substitute for, financial information prepared in accordance with GAAP. The Company's definition of non-GAAP measures may differ from similarly titled measures used by others.

For further information regarding why Integra believes that these non-GAAP financial measures provide useful information to investors, the specific manner in which management uses organic revenues and earnings per diluted share, and some of the limitations associated with the use of these measures, please refer to the Company's Current Report on Form 8-K regarding this news release filed today with the Securities and Exchange Commission. This Current Report on Form 8-K is available on the SEC's website at [www.sec.gov](http://www.sec.gov) or on our website at [www.integralife.com](http://www.integralife.com).

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INTEGRA LIFESCIENCES HOLDINGS CORPORATION  
 REPORTED REVENUE TO ORGANIC REVENUE RECONCILIATION  
 (UNAUDITED)

Note: Reconciliation provided at the mid-point of our preliminary revenue range; numbers may not add due to rounding

Dollars in millions	Three Months Ended			Twelve Months Ended		
	December 31,			December 31,		
	2022	2021	Change	2022	2021	Change
Total Reported Revenues	\$ 397.5	\$ 405.5	(2.0)%	\$ 1,557.1	\$ 1,542.5	0.9%
Impact of changes in currency exchange rates	\$ 11.3	—		37.9	—	
Less contribution of revenues from acquisitions <sup>(1)</sup>	(0.5)	—		(3.2)	—	
Less contribution of revenues from divested products	(0.1)	(7.7)		(1.8)	(11.2)	
Less contribution of revenues from discontinued products	(1.6)	(2.1)		(8.0)	(11.9)	
Total organic revenues <sup>(2)</sup>	\$ 406.5	\$ 395.7	2.7%	\$ 1,581.9	\$ 1,519.4	4.1%

<sup>(1)</sup> Q4 2022 adjustment includes revenues from SIA; FY 2022 adjustment includes revenues from SIA and ACell.

<sup>(2)</sup> Organic revenues have been adjusted to exclude foreign currency, acquisitions and to account for divested and discontinued products.





# 2023 JP Morgan Healthcare Conference

January 11, 2023



# Safe Harbor Disclosure

## Safe Harbor

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties and reflect the Company's judgment as of the date of this presentation. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements. Some of these forward-looking statements may contain words like "will," "believe," "may," "could," "would," "might," "possible," "should," "expect," "intend," "plan," "anticipate," "pursue," or "continue," the negative of these words, other terms of similar meaning or they may use future dates. Forward-looking statements contained in this presentation include, but are not limited to, statements concerning certain unaudited preliminary financial results for 2022 and outlook, expectations and strategy for the 2023 fiscal year. It is important to note that the Company's goals and expectations are not predictions of actual performance. Such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from predicted or expected results. Such risks and uncertainties include, but are not limited, to the following: the impact of COVID-19 (and any subsequent variants) and its effect on our employees, customers, patients, suppliers and distributors, including the economic impacts of various recommendations, orders and protocols issued by governmental agencies and other regulatory bodies (including any periodic reimplementation of preventative measures in various global locations) in response to the continual evolution of the pandemic; the Company's ability to execute its operating plan effectively, including the achievement of anticipated growth rates, product sales, margins and cost and expense controls and the execution of its strategy generally; macroeconomic conditions, including inflation, disruptions to the global supply chain, fluctuations in currency exchange rates, weakness in general economic conditions and recessions; the Company's ability to successfully identify acquisition targets and integrate acquired businesses, including maintaining relationships with customers of acquired businesses; the amount and timing of divestiture, acquisition and integration-related costs; the Company's ability to maintain and grow relationships with third parties related to the manufacture, distribution, adoption and sale of the Company's launched, existing and planned products, including the suppliers of raw materials and finished products, distributors on whom the Company relies to generate revenues for certain products, physicians, third-party payors and customers; the ability of the Company to avoid or mitigate potential supply and shipping disruptions; the Company's ability to remediate quality system violations; compliance with federal, state and international law and regulation, including the ability to secure regulatory approval for products in development and the cost of compliance with the EU Medical Device Regulation; adverse changes in economic, political, regulatory, or market conditions, including changes in governmental policies relating to the medical device and healthcare industries within the United States and internationally; the impact of goodwill and intangible asset impairment charges if future operating results of acquired businesses are significantly less than the results anticipated at the time of the acquisitions; the geographic distribution of where the Company generates its taxable income; the amount of our bank borrowings outstanding and other factors influencing liquidity; and the economic, competitive, governmental, technological, and other risk factors and uncertainties identified under the heading "Risk Factors" included in Item 1A of Integra's Annual Report on Form 10-K for the year ended December 31, 2021 and information contained in subsequent filings with the Securities and Exchange Commission. These forward-looking statements are made only as of the date hereof, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events, or otherwise.

## Non-GAAP Financial Measures

In addition to our GAAP results, we provide certain financial measures and guidance which are considered "non-GAAP" under applicable SEC rules and regulations, including organic revenues, adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA") margin, adjusted gross margin, adjusted earnings per diluted share and adjusted free cash flow conversion. These adjusted financial measures should not be considered in isolation or as a substitute for reported total revenues, gross margin, net earnings per diluted share and net cash provided by operating activities, the most directly comparable GAAP financial measures for each of the respective non-GAAP financial measures.

The Company believes that the presentation of these non-GAAP financial measures and guidance provides important supplemental information to management and investors regarding financial and business trends relating to the Company's financial condition and results of operations. The Company provided the forward-looking guidance contained herein regarding organic growth, adjusted earnings per diluted share, adjusted EBITDA margin, adjusted gross margin and adjusted free cash flow conversion but has not provided a reconciliation to the corresponding GAAP results for each non-GAAP financial measure (not including organic revenues) because certain GAAP expense items are highly variable and management is unable to predict them with reasonable certainty and without unreasonable effort. Specifically, the financial impact and timing of divestitures, acquisitions, discontinuations, structural optimization charges, EU Medical Device Regulation-related charges, intangible asset amortization expenses, income tax impact from adjustments and the effects of currency exchange rates are uncertain, depend on various dynamic factors and are not reasonably ascertainable at this time. These expense items could have a material impact on GAAP results.



## Integra at a Glance

Restoring patients lives through breakthrough technologies in neuro and regenerative care



**1989**  
founded

~**3,700**  
colleagues

**\$1.5B**  
TTM revenue

~**90%**  
recurring/  
consumables

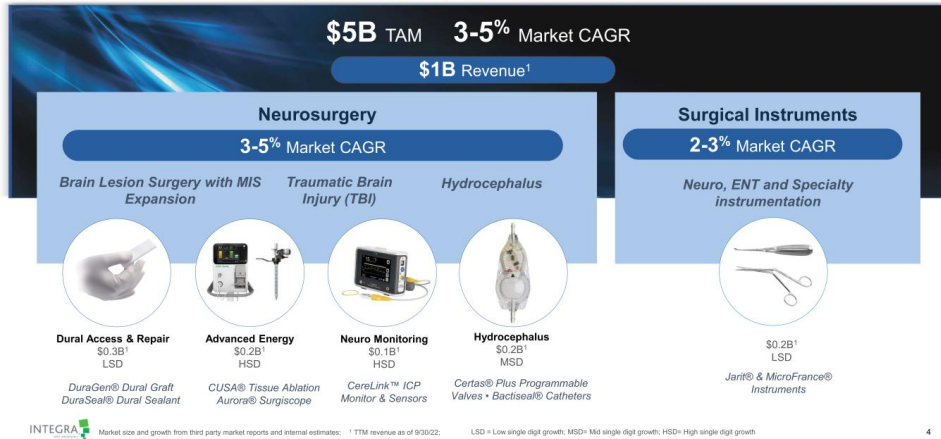
**16**  
market-leading  
brands

**25%**  
of organic  
revenue growth  
from NPI  
contribution

**130**  
countries  
~**30%** international  
revenues

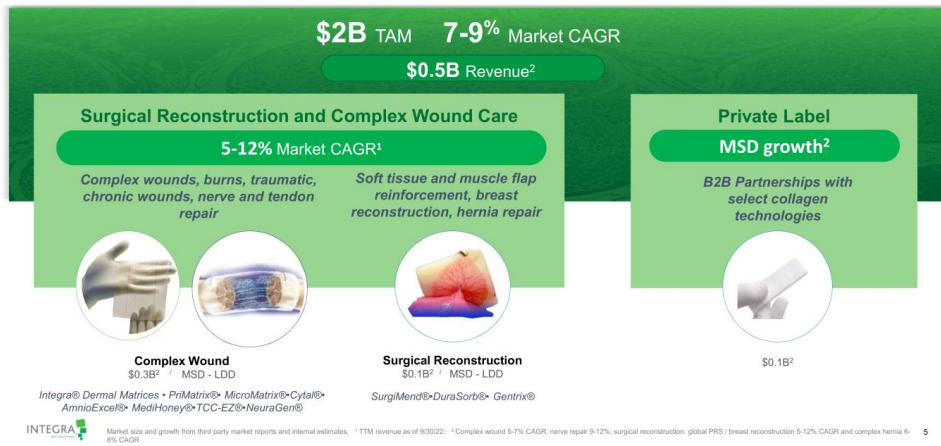
# Codman Specialty Surgical

Investments focused on higher growth segments, e.g., Advanced Energy, MIS and Neuro Monitoring



# Tissue Technologies

Investments focused on higher growth segments within regenerative technologies market





# Integra's Strategic Pillars

Driving an integrated growth strategy



## Innovate for outcomes

### 2022 Accomplishments

CUSA portfolio; extended laparoscopic tip launch; bone tip 510(k) cleared

Aurora Evacuator +Coag U.S. launch

NeuraGen 3D U.S. launch

Instrument alternate site line extensions

MicroMatrix and Cytal EU approval

Certas Plus valve line international extensions

Targeting clinical and economic outcomes that elevate the standard of care

### New Clinical Indications



DuraSorb and SurgiMend PMAs

### New Surgical Approaches



Aurora MIS Surgiscope and Evacuator systems

### Innovative Pipeline



Endexo + Bactiseal EVD & Shunt Catheters

### 2023: Strengthen end-to-end NPI excellence and digital

Strengthen customer insight and clinical capabilities

Advance digital for analytics value and companion apps

Execute on PMA and clinical programs

PMA = Premarket Approval; NPI = New Product Introduction

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## Grow international

### 2022 Accomplishments

Launched Neutus external ventricular drain (EVD) in China

Double digit growth in China & Japan<sup>1</sup>

Share gains in CUSA, Certas Plus in Europe

Strong growth in Indirect markets<sup>1</sup>

Completed LT International strategic roadmap

First Executive Vice President outside U.S.

### Leverage global footprint built for growth in 130 countries



- 800+ Direct Salesforce
- Strong Indirect Channel
- KOL Partners
- Clinical Ed Infrastructure

### 2023: Portfolio expansion and local capabilities build-out

**Strengthen local leadership: direct sales and marketing, market access, regulatory**

**Accelerate China Tier 2 and Tier 3 Hospital expansion**

**Advance In-China-For-China manufacturing**

<sup>1</sup> Revenues TTM as of 9/30/22

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## Broaden impact on care pathways

### 2022 Accomplishments

Divested non-core traditional wound care business

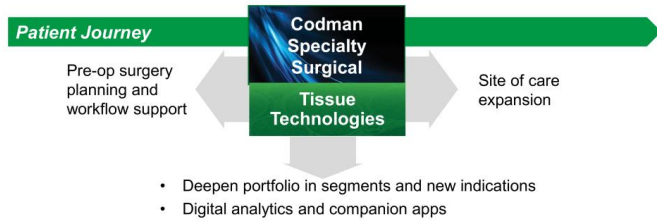
Completed ACell portfolio integration, expanding wound care solutions

Completed strategic M&A gameboard

Completed SIA DuraSorb acquisition

Appointed first chief digital officer

Increasing our portfolio depth while extending along the patient journey



**2023:** Follow the Patient to expand our value to surgeons and systems

**Build portfolio depth/breadth: outcomes and value-based care**

**Strengthen our market access and enterprise selling capabilities**

**Execute M&A gameboard**

## Drive operations and customer excellence

### 2022 Accomplishments

Closed high-cost manufacturing facility in France

Outsourced and automated global transactional back-office activities

Investments in supply and manufacturing resilience

Accelerated our "cloud first" strategy across sales, operations and analytics

## Building global scale and resilience

### Sourcing

Global COE  
Leverage scale  
Build resilience

### Technology Centers of Excellence

 Collagen  
 Precision Assembly  
 Electronics

### Delivery

Global ERP  
Single QMS  
Lean deployment  
Standard metrics

### Customer Service

3PL distribution network  
Global call center  
Scalable back office

## 2023 Focus: Strengthen Operations efficiency and quality

**Build responsive and scalable lean processes and organization**

**Supply reliability, operational/regulatory agility**

**Productivity and speed in our culture**

## Cultivate a high-performance culture

### 2022 Accomplishments

Named to Best Places to Work in NJ

Awarded Great Place to Work - Certified™ Organization in China

Launched Integra's first career Development Week

Formed PRIDE employee resource group

Further strengthened executive leadership team with key hires and capabilities

### Investing in global and diverse talents



### 2023 Focus Advance empowerment and agility

**Culture of accountability**

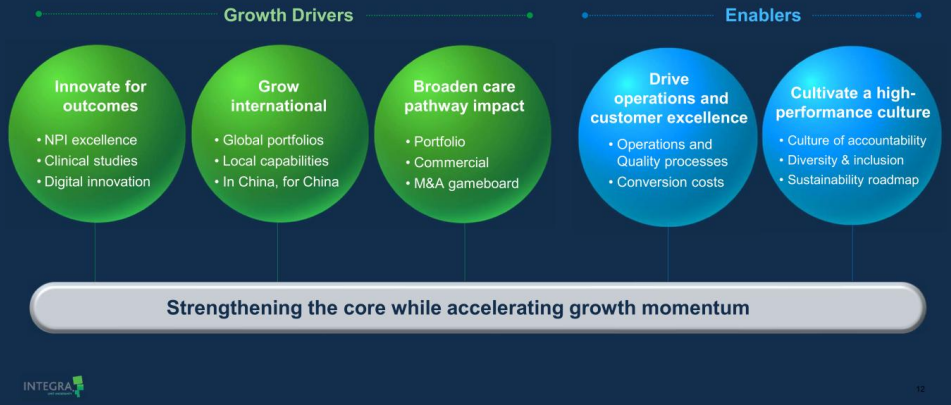
**Drive talent development**

**Advance diversity and inclusion**

**Build and execute sustainability roadmap**

# Integra's Strategic Pillars

Driving an integrated growth strategy





**INTEGRA**

LIMIT UNCERTAINTY

*Committed to improving the health  
of patients and the planet*

Driving Sustainability as Enabler of Mission and Strategy



## Select Preliminary 2022 Results

- Fourth quarter revenues in line with expectations
  - Resilient markets approaching pre-COVID levels
  - Overcoming macro headwinds and supply constraints
- Fourth quarter adj. EPS expected to be above the high end of our October guidance range
  - Achieved full year adj. EPS commitment
  - Continued investments in growth priorities

	Q4 2022	Full-year 2022
Reported Revenue	\$397M - \$398M	\$1,557M - \$1,558M
Reported Growth <sup>1</sup>	~ -2%	~ 1%
Organic Growth <sup>1</sup>	~ 3%	~ 4%

- Completed \$125M share repurchase in 2022 and announced plans for \$150M share repurchase in 2023
- Consolidated leverage ratio below 2.5-3.5x target provides flexibility
- Will provide 2023 financial guidance on Q4 / FY 2022 earnings call scheduled for February 22, 2023

## Financial Targets

Path to higher growth and margin portfolio

	Long-term Target
Organic Growth Baseline for YoY Delivery	5% – 7%
Adj. EPS Growth	Double-Digit
Adj. Gross Margin	70% – 72%
Adj. EBITDA Margin	28% – 30%
Adj. FCF Conversion	>90%



Note: Organic growth, adj. gross margin, adj. EBITDA margin, adj. EPS and adj. FCF conversion are non-GAAP financial measures. Please refer to Slide 2 of this presentation for further information on the non-GAAP financial measures used herein.



Confirming long-term targets

May 4 Investor Day to clarify path and timeline to targets

## Growth drivers

Diverse portfolio driving 5-7% organic growth

	Long-term Target
Organic Growth Baseline for YoY Delivery	5% – 7%
Adj. EPS Growth	Double-Digit
Adj. Gross Margin	70% – 72%
Adj. EBITDA Margin	28% – 30%
Adj. FCF Conversion	>90%

- Executing in our core markets
- New Products, e.g.:
  - CereLink
  - ACell portfolio
  - Combo Catheters
  - NeuraGen
- Transforming standards of care:
  - SurgiMend and DuraSorb breast reconstruction PMAs
  - Aurora (MIS and ICH)
- Further international expansion in China, Japan, Europe and indirect markets
- M&A gameboard opportunities



Note: Organic growth, adj. gross margin, adj. EBITDA margin, adj. EPS and adj. FCF conversion are non-GAAP financial measures. Please refer to Slide 2 of this presentation for further information on the non-GAAP financial measures used herein.

## Profitability and cash flow drivers

Managerial and fiscal discipline driving profitability

	Long-term Target
Organic Growth Baseline for YoY Delivery	5% – 7%
Adj. EPS Growth	Double-Digit
Adj. Gross Margin	70% – 72%
Adj. EBITDA Margin	28% – 30%
Adj. FCF Conversion	>90%

- Volume growth
- Favorable portfolio mix (NPI and Tissue Technologies contribution)
- Price capture through new customers, products and contracting
- Yield improvement and operations efficiency
- Manufacturing footprint optimization
- SG&A leverage and productivity initiatives



Note: Organic growth, adj. gross margin, adj. EBITDA margin, adj. EPS and adj. FCF conversion are non-GAAP financial measures. Please refer to Slide 2 of this presentation for further information on the non-GAAP financial measures used herein.

## Key Takeaways

Strong foundation and path to achieve long-term financial targets





**Appendix**  
Non-GAAP Reconciliations



## Preliminary Fourth Quarter and Full Year 2022 Organic Growth Reconciliation

Note: Reconciliation provided at the mid-point of our preliminary revenue range; numbers may not add due to rounding

(In \$ millions)	Q4 2022	Q4 2021	FY 2022	FY 2021
<b>Total Reported Revenues</b>	<b>\$397.5</b>	<b>\$405.5</b>	<b>\$1,557.1</b>	<b>\$1,542.5</b>
Revenues from divested products	(0.1)	(7.7)	(1.8)	(11.2)
Revenues from discontinued products	(1.6)	(2.1)	(8.0)	(11.9)
Impact of changes in currency exchange	11.3	-	37.9	-
Revenues from acquisitions <sup>(1)</sup>	(0.5)	-	(3.2)	-
<b>Total Organic Revenues<sup>(2)</sup></b>	<b>\$406.5</b>	<b>\$395.7</b>	<b>\$1,581.9</b>	<b>\$1,519.4</b>
<i>Organic Revenue Growth</i>	<i>2.7%</i>		<i>4.1%</i>	



(1) Q4 2022 adjustment includes revenues from SIA; FY 2022 adjustment includes revenues from SIA and ACel.  
 (2) Organic revenues have been adjusted to exclude foreign currency, acquisitions and to account for divested and discontinued products.

