Zimmer Biomet to Acquire Embody, Inc.

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Deal Strengthens Zimmer Biomet's Growing Sports Medicine Portfolio and Supports Continued Company Transformation

WARSAW, Ind., Jan. 5, 2023 /PRNewswire/ -- Zimmer Biomet Holdings, Inc. (NYSE and SIX: ZBH), a global medical technology leader, today announced that it has reached a definitive agreement to acquire Embody, Inc., a privately-held medical device company focused on soft tissue healing, for $155 million at closing and up to an additional $120 million subject to achieving future regulatory and commercial milestones over a three year period. The acquisition is expected to be accretive to overall revenue growth and slightly dilutive to adjusted earnings per share in 2023.

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The acquisition includes Embody's complete portfolio of collagen-based biointegrative solutions to support healing in the most challenging orthopedic soft tissue injuries – including the TAPESTRY® biointegrative implant for tendon healing and TAPESTRY® RC, one of the first arthroscopic implant systems for rotator cuff repair.

"Embody's differentiated products and innovative pipeline in the area of sports medicine support our continued focus on and investment in high-growth markets and underscores our commitment to bringing meaningful new advances to patients and surgeons," said Bryan Hanson, Chairman, President and CEO of Zimmer Biomet. "The planned acquisition of Embody is an important step in the ongoing transformation of ZB and the execution of our strategic priority to increase long-term growth and drive value creation."

"We are excited for the potential to create value for patients and customers in new ways and believe the combination of Embody's innovative products and Zimmer Biomet's established portfolio will bring new solutions to the market that could redefine the standard of care," said Jeff Conroy, Chief Executive Officer of Embody.

The transaction is subject to customary closing conditions and is expected to be completed in February 2023.

Guggenheim Securities is acting as financial advisor to Embody.

About Zimmer Biomet

Zimmer Biomet is a global medical technology leader with a comprehensive portfolio designed to maximize mobility and improve health. We seamlessly transform the patient experience through our innovative products and suite of integrated digital and robotic technologies that leverage data, data analytics and artificial intelligence.

With 90+ years of trusted leadership and proven expertise, Zimmer Biomet is positioned to deliver the highest quality solutions to patients and providers. Our legacy continues to come to life today through our progressive culture of evolution and innovation.

For more information about our product portfolio, our operations in 25+ countries and sales in 100+ countries or about joining our team, visit www.zimmerbiomet.com or follow Zimmer Biomet on Twitter at www.twitter.com/zimmerbiomet.

About Embody

Embody, the soft tissue healing company, is pioneering the next generation regenerative platform with novel collagen-based bio-fabrication techniques and products for the fast-growing sports medicine market. The global market for sports medicine products is expected to reach $11 billion by 2028. Embody's products focus on the most pressing patient needs: the repair of serious tendon and ligament injuries and are developed in close collaboration with some of the most advanced clinical thought leaders. Founded in 2014 and funded more than $23 million in Defense Advanced Research Projects Agency and Department of Defense funding, the company is developing unique biomaterials with an initial focus on orthopedic applications including foot & ankle, rotator cuff and knee ligament. For more information visit www.embody-inc.com

Cautionary Statement Regarding Forward-Looking Statements

This communication contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terms such as "may," "will," "expects," "believes," "aims," "anticipates," "plans," "looks forward to," "estimates," "projects," "assumes," "guides," "targets," "forecasts," "seeks" or the negatives of such terms or other variations on such terms or comparable terminology. Forward-looking statements include, but are not limited to, statements concerning Zimmer Biomet's anticipated acquisition of Embody Inc. and the expected timing of closing and benefits of such acquisition; new product launches; revenue projections; regulatory approvals;

product portfolio and performance; product development; competitive offerings; market performance; business plans relating to Embody Inc. and other aspects of Zimmer Biomet's business and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of management and are subject to significant risks and uncertainties that could cause actual outcomes and results to differ materially. Some of these risks and uncertainties include the potential for legal proceedings related to the contemplated transactions and the other risks and uncertainties in Zimmer Biomet's periodic reports filed with the Securities and Exchange Commission (SEC). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in our filings with the SEC. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be set forth in our periodic reports. Accordingly, such forward-looking statements speak only as of the date made. Readers of this communication are cautioned not to place undue reliance on these forward-looking statements, since, while management believes the assumptions on which the forward-looking statements are based are reasonable, there can be no assurance that these forward-looking statements will prove to be accurate. This cautionary statement is applicable to all forward-looking statements contained in this communication.

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