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**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): August 7, 2024**

**ZIMMER BIOMET HOLDINGS, INC.**

(Exact name of Registrant as Specified in Its Charter)

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

**001-16407**  
(Commission File Number)

**13-4151777**  
(IRS Employer  
Identification No.)

**345 East Main Street**  
**Warsaw, Indiana**  
(Address of Principal Executive Offices)

**46580**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: (574) 373-3333**

**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:

- 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:**

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, \$0.01 par value	ZBH	New York Stock Exchange
2.425% Notes due 2026	ZBH 26	New York Stock Exchange
1.164% Notes due 2027	ZBH 27	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.

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## Item 2.02 Results of Operations and Financial Condition.

On August 7, 2024, Zimmer Biomet Holdings, Inc. (the “Company”) issued a press release reporting its financial results for the quarter ended June 30, 2024. A copy of the press release is attached as Exhibit 99.1 and the information set forth therein is incorporated herein by reference and constitutes a part of this report.

The information contained in this Item 2.02, including Exhibit 99.1, is being furnished and shall not be deemed to be “filed” with the Securities and Exchange Commission 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 and is not incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, except as shall be expressly set forth by specific reference in such a filing.

## Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

### EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press release dated August 7, 2024</a>
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.

Dated: August 7, 2024

ZIMMER BIOMET HOLDINGS, INC.

By: /s/ Chad F. Phipps  
Name: Chad F. Phipps  
Title: Senior Vice President, General Counsel  
and Secretary



345 E. Main St.  
Warsaw, IN 46580  
www.zimmerbiomet.com

Exhibit 99.1

**Media**

Heather Zoumas-Lubeski  
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**Investors**

Zach Weiner  
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zach.weiner@zimmerbiomet.com

**Zimmer Biomet Announces  
Second Quarter 2024 Financial Results**

- Second quarter net sales of \$1.942 billion increased 3.9% and 5.6% on a constant currency<sup>1</sup> basis
- Second quarter diluted earnings per share were \$1.18; adjusted<sup>1</sup> diluted earnings per share were \$2.01
- The Company updates 2024 reported revenue guidance due to currency expectations and reaffirms 2024 constant currency revenue growth and adjusted<sup>1</sup> earnings per share financial guidance

**(WARSAW, IN)** August 7, 2024 — Zimmer Biomet Holdings, Inc. (NYSE and SIX: ZBH) today reported financial results for the quarter ended June 30, 2024. The Company reported second quarter net sales of \$1.942 billion, an increase of 3.9% over the prior year period, and an increase of 5.6% on a constant currency<sup>1</sup> basis. Net earnings for the second quarter were \$242.8 million, or \$415.0 million on an adjusted<sup>1</sup> basis.

Diluted earnings per share were \$1.18 for the second quarter, and adjusted<sup>1</sup> diluted earnings per share were \$2.01.

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<sup>1</sup> Reconciliations of these measures to the corresponding U.S. generally accepted accounting principles measures are included in this press release.

“We delivered a strong Q2 – beating our expectations on both the top and bottom line, driven by customer demand for our suite of diversified products and solutions, as well as the strength and breadth of our international business,” said Ivan Tornos, Zimmer Biomet’s President and Chief Executive Officer. “Our performance demonstrates the progress we are making against our key priorities that support our long-range plan – people and culture, operational excellence, and innovation and diversification.”

### **Recent Highlights**

- Announced the signing of a definitive agreement to acquire OrthoGrid Systems, Inc. a privately-held medical technology company; expanding Zimmer Biomet’s hip portfolio with an artificial intelligence-driven surgical guidance system for total hip replacement.
- Outlined long-range plan at 2024 Investor Day, including path for compelling and durable top-line growth, improved operational profitability and increased free cash flow generation, as well as new capital allocation priorities and a focus on strategic diversification.
- Entered a limited distribution agreement with THINK Surgical, Inc. to offer TMINI® miniature handheld robotic system for total knee arthroplasty; the system complements Zimmer Biomet’s flagship ROSA® robotics portfolio, featuring applications for knee, hip and shoulder arthroplasty.
- Formalized a partnership with CBRE Group, Inc. (NYSE: CBRE), the world's largest commercial real estate services and investment firm, to develop and offer a comprehensive, turnkey solution to surgeons and institutions looking to expand their orthopedic ASC footprint.
- Announced exclusive multi-year co-marketing agreement with RevelAi Health to advance value-based care and health equity through AI-powered technology.
- Named one of America's Best Midsize Companies of 2024 by TIME magazine and Statista and also achieved certification in the U.S., Switzerland, Poland, and Colombia by Great Place to Work®, which recognizes employers who create an outstanding employee experience.

## Geographic and Product Category Sales

The following sales tables provide results by geography and product category for the three and six-month periods ended June 30, 2024, as well as the percentage change compared to the applicable prior year period, on both a reported basis and a constant currency basis.

### NET SALES - THREE MONTHS ENDED JUNE 30, 2024 (in millions, unaudited)

	Net Sales	% Change	Constant Currency % Change
<b>Geographic Results</b>			
United States	\$ 1,106.2	3.5 %	3.5 %
International	835.8	4.4	8.5
<b>Total</b>	<u>\$ 1,942.0</u>	3.9 %	5.6 %
<b>Product Categories</b>			
<b>Knees</b>			
United States	\$ 441.2	0.8 %	0.8 %
International	359.9	7.8	11.5
<b>Total</b>	801.1	3.9	5.5
<b>Hips</b>			
United States	259.0	1.8	1.8
International	247.5	(1.0)	3.7
<b>Total</b>	506.5	0.4	2.8
<b>S.E.T. *</b>	469.5	6.1	7.3
<b>Other</b>	164.9	9.1	11.3
<b>Total</b>	<u>\$ 1,942.0</u>	3.9 %	5.6 %

\* Sports Medicine, Extremities, Trauma, Craniomaxillofacial and Thoracic

**NET SALES - SIX MONTHS ENDED JUNE 30, 2024**  
(in millions, unaudited)

	Net Sales	% Change	Constant Currency % Change
<b>Geographic Results</b>			
United States	\$ 2,205.4	3.6 %	3.6 %
International	1,625.8	3.5	7.0
<b>Total</b>	<u>\$ 3,831.2</u>	3.5 %	5.0 %
<b>Product Categories</b>			
<b>Knees</b>			
United States	\$ 899.3	1.5 %	1.5 %
International	690.0	6.5	9.5
<b>Total</b>	<u>1,589.3</u>	3.6	4.9
<b>Hips</b>			
United States	513.8	1.4	1.4
International	483.8	(1.4)	2.9
<b>Total</b>	<u>997.6</u>	-	2.1
<b>S.E.T. *</b>	922.1	5.2	6.3
<b>Other</b>	322.2	9.8	11.8
<b>Total</b>	<u>\$ 3,831.2</u>	3.5 %	5.0 %

\* Sports Medicine, Extremities, Trauma, Craniomaxillofacial and Thoracic

*Amounts reported in millions are computed based on the actual amounts. As a result, the sum of the components reported in millions may not equal the total amount reported in millions due to rounding. Percentages presented are calculated from the underlying unrounded amounts.*

## Financial Guidance

The Company is updating its full-year 2024 financial guidance to modify the expected foreign currency exchange impact and is reaffirming constant currency revenue growth as well as adjusted EPS guidance.

<b>Projected Year Ending December 31, 2024</b>		
	<b>Previous Guidance</b>	<b>Updated Guidance</b>
2024 Reported Revenue Change	4.5% - 5.5%	4.0% - 5.0%
Foreign Currency Exchange Impact	(0.5)%	(1.0)%
2024 Constant Currency Revenue Change	5.0% - 6.0%	5.0% - 6.0%
Adjusted Diluted EPS <sup>(1)</sup>	\$8.00 - \$8.15	\$8.00 - \$8.15

(1)	This measure is a non-GAAP financial measure for which a reconciliation to the most directly comparable GAAP financial measure is not available without unreasonable efforts. See "Forward-Looking Non-GAAP Financial Measures" below, which identifies the information that is unavailable without unreasonable efforts and provides additional information. It is probable that this forward-looking non-GAAP financial measure may be materially different from the corresponding GAAP financial measure.
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## Conference Call

The Company will conduct its second quarter investor conference call today, August 7, 2024, at 8:30 a.m. ET. The audio webcast can be accessed via Zimmer Biomet's Investor Relations website at <https://investor.zimmerbiomet.com>. It will be archived for replay following the conference call.

## About the Company

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](http://www.zimmerbiomet.com) or follow on LinkedIn at [www.linkedin.com/company/zimmerbiomet](http://www.linkedin.com/company/zimmerbiomet) or X / Twitter at [www.twitter.com/zimmerbiomet](http://www.twitter.com/zimmerbiomet).



## **Website Information**

We routinely post important information for investors on our website, [www.zimmerbiomet.com](http://www.zimmerbiomet.com), in the "Investor Relations" section. We use this website as a means of disclosing material, non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor the Investor Relations section of our website, in addition to following our press releases, SEC filings, public conference calls, presentations and webcasts.

The information contained on, or that may be accessed through, our website or any other website referenced herein is not incorporated by reference into, and is not a part of, this document.

## **Note on Non-GAAP Financial Measures**

This press release and our commentary in our investor conference call today include non-GAAP financial measures that differ from financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP financial measures may not be comparable to similar measures reported by other companies and should be considered in addition to, and not as a substitute for, or superior to, other measures prepared in accordance with GAAP.

Net sales change information for the three and six-month periods ended June 30, 2024 is presented on a GAAP (reported) basis and on a constant currency basis. Constant currency percentage changes exclude the effects of foreign currency exchange rates. They are calculated by translating current and prior-period sales at the same predetermined exchange rate. The translated results are then used to determine year-over-year percentage increases or decreases.

Net earnings and diluted earnings per share for the three and six-month periods ended June 30, 2024 and 2023 are presented on a GAAP (reported) basis and on an adjusted basis. These adjusted financial measures exclude the effects of certain items, which are detailed in the reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures presented later in the press release.

Free cash flow is an additional non-GAAP measure that is presented in this press release. Free cash flow is computed by deducting additions to instruments and other property, plant and equipment from net cash provided by operating activities.

Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in this press release. This press release also contains supplemental reconciliations of additional non-GAAP financial measures that the Company presents in other contexts. These additional non-GAAP financial measures are computed from

the most directly comparable GAAP financial measure as indicated in the applicable reconciliation.

Management uses non-GAAP financial measures internally to evaluate the performance of the business. Additionally, management believes these non-GAAP measures provide meaningful incremental information to investors to consider when evaluating the performance of the Company. Management believes these measures offer the ability to make period-to-period comparisons that are not impacted by certain items that can cause dramatic changes in reported income but that do not impact the fundamentals of our operations. The non-GAAP measures enable the evaluation of operating results and trend analysis by allowing a reader to better identify operating trends that may otherwise be masked or distorted by these types of items that are excluded from the non-GAAP measures. In addition, constant currency sales changes, adjusted operating profit, adjusted diluted earnings per share and free cash flow are used as performance metrics in our incentive compensation programs.

### **Forward-Looking Non-GAAP Financial Measures**

This press release also includes certain forward-looking non-GAAP financial measures for the year ending December 31, 2024. We calculate forward-looking non-GAAP financial measures based on internal forecasts that omit certain amounts that would be included in GAAP financial measures. For instance, we exclude the impact of certain charges related to initial compliance with the European Union Medical Device Regulation; restructuring and other cost reduction initiatives; acquisition, integration, divestiture and related; and certain legal and tax matters. We have not provided quantitative reconciliations of these forward-looking non-GAAP financial measures to the most directly comparable forward-looking GAAP financial measures because the excluded items are not available on a prospective basis without unreasonable efforts. For example, the timing of certain transactions is difficult to predict because management's plans may change. In addition, the Company believes such reconciliations would imply a degree of precision and certainty that could be confusing to investors. It is probable that these forward-looking non-GAAP financial measures may be materially different from the corresponding GAAP financial measures.

### **Cautionary Note Regarding Forward-Looking Statements**

*This press release contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements regarding financial guidance, statements regarding macro pressures, including the impact of such pressures on our business, and any statements about our forecasts, expectations, plans, intentions, strategies or prospects. All statements other than statements of historical or current*

*fact are, or may be deemed to be, forward-looking statements. Such statements are based upon the current beliefs, expectations and assumptions of management and are subject to significant risks, uncertainties and changes in circumstances that could cause actual outcomes and results to differ materially from the forward-looking statements. These risks, uncertainties and changes in circumstances include, but are not limited to: competition; pricing pressures; dependence on new product development, technological advances and innovation; changes in customer demand for our products and services caused by demographic changes, obsolescence, development of different therapies or other factors; shifts in the product category or regional sales mix of our products and services; the effects of business disruptions affecting us, our suppliers, customers or payors, either alone or in combination with other risks on our business and operations; the risks and uncertainties related to our ability to successfully execute our restructuring plans; control of costs and expenses; our ability to attract, retain and develop the highly skilled employees, senior management, independent agents and distributors we need to support our business; the possibility that the anticipated synergies and other benefits from mergers and acquisitions will not be realized, or will not be realized within the expected time periods; the risks and uncertainties related to our ability to successfully integrate the operations, products, employees and distributors of acquired companies; the effect of the potential disruption of management's attention from ongoing business operations due to integration matters related to mergers and acquisitions; the effect of mergers and acquisitions on our relationships with customers, suppliers and lenders and on our operating results and businesses generally; the ability to form and implement alliances; dependence on a limited number of suppliers for key raw materials and other inputs and for outsourced activities; the risk of disruptions in the supply of materials and components used in manufacturing or sterilizing our products; breaches or failures of our information technology systems or products, including by cyberattack, unauthorized access or theft; challenges relating to changes in and compliance with governmental laws and regulations affecting our U.S. and international businesses, including regulations of the U.S. Food and Drug Administration ("FDA") and other government regulators, such as more stringent requirements for regulatory clearance of products; the outcome of government investigations; the impact of healthcare reform and cost containment measures, including efforts sponsored by government agencies, legislative bodies, the private sector and healthcare purchasing organizations, through reductions in reimbursement levels, repayment demands and otherwise; the impact of substantial indebtedness on our ability to service our debt obligations and/or refinance amounts outstanding under our debt obligations at maturity on terms favorable to us, or at all; changes in tax obligations arising from examinations by tax authorities and from changes in tax laws in jurisdictions where we do business, including as a result of the "base erosion and profit shifting" project undertaken by the Organisation for Economic Co-operation and Development and otherwise; challenges to the tax-free nature of the ZimVie Inc. ("ZimVie")*

*spinoff transaction and the subsequent liquidation of our retained interest in ZimVie; the risk of additional tax liability due to the recategorization of our independent agents and distributors to employees; the risk that material impairment of the carrying value of our intangible assets, including goodwill, could negatively affect our operating results; changes in general domestic and international economic conditions, including interest rate and currency exchange rate fluctuations; changes in general industry and market conditions, including domestic and international growth, inflation and currency exchange rates; the domestic and international business impact of political, social and economic instability, tariffs, trade restrictions and embargoes, sanctions, wars, disputes and other conflicts, including on our ability to operate in, export to or from or collect accounts receivable in affected countries; challenges relating to changes in and compliance with governmental laws and regulations affecting our U.S. and international businesses, including regulations of the FDA and other government regulators relating to medical products, healthcare fraud and abuse laws and data privacy and security laws; the success of our quality and operational excellence initiatives; the ability to remediate matters identified in inspectional observations or warning letters issued by the FDA and other regulators, while continuing to satisfy the demand for our products; product liability, intellectual property and commercial litigation losses; and the ability to obtain and maintain adequate intellectual property protection. A further list and description of these risks and uncertainties and other factors can be found in our Annual Report on Form 10-K for the year ended December 31, 2023, including in the sections captioned "Cautionary Note Regarding Forward-Looking Statements" and "Item 1A. Risk Factors," and our subsequent filings with the Securities and Exchange Commission (SEC). Copies of these filings are available online at [www.sec.gov](http://www.sec.gov), [www.zimmerbiomet.com](http://www.zimmerbiomet.com) or on request from us. 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. Forward-looking statements speak only as of the date they are made, and we expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers of this press release are cautioned not to rely on these forward-looking statements since there can be no assurance that these forward-looking statements will prove to be accurate. This cautionary note is applicable to all forward-looking statements contained in this press release.*

**Note:** *Amounts reported in millions within this press release are computed based on the actual amounts. As a result, the sum of the components reported in millions may not equal the total amount reported in millions due to rounding. Certain columns and rows within tables may not add due to the use of rounded numbers. Percentages presented are calculated from the underlying unrounded amounts.*

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**ZIMMER BIOMET HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS**  
**FOR THE THREE MONTHS ENDED JUNE 30, 2024 and 2023**  
(in millions, except per share amounts, unaudited)

	<b>2024</b>	<b>2023</b>
<b>Net Sales</b>	\$ 1,942.0	\$ 1,869.6
Cost of products sold, excluding intangible asset amortization	553.6	525.5
Intangible asset amortization	144.0	138.2
Research and development	109.4	118.1
Selling, general and administrative	737.1	725.8
Restructuring and other cost reduction initiatives	41.5	24.4
Acquisition, integration, divestiture and related	5.2	7.9
Operating expenses	<u>1,590.8</u>	<u>1,539.9</u>
<b>Operating Profit</b>	<b>351.3</b>	<b>329.6</b>
Other income (expense), net	2.0	(1.2)
Interest expense, net	<u>(51.1)</u>	<u>(51.6)</u>
Earnings before income taxes	302.2	276.8
Provision for income taxes	<u>59.1</u>	<u>66.9</u>
<b>Net Earnings</b>	<b>243.1</b>	<b>209.9</b>
Less: Net earnings attributable to noncontrolling interest	0.3	0.2
<b>Net Earnings of Zimmer Biomet Holdings, Inc.</b>	<b><u>\$ 242.8</u></b>	<b><u>\$ 209.6</u></b>
 <b>Earnings Per Common Share</b>		
Basic	\$ 1.18	\$ 1.00
Diluted	\$ 1.18	\$ 1.00
 <b>Weighted Average Common Shares Outstanding</b>		
Basic	205.7	208.6
Diluted	206.4	209.9

**ZIMMER BIOMET HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2024 and 2023**  
(in millions, except per share amounts, unaudited)

	<b>2024</b>	<b>2023</b>
<b>Net Sales</b>	\$ 3,831.2	\$ 3,700.6
Cost of products sold, excluding intangible asset amortization	1,065.9	1,026.3
Intangible asset amortization	286.1	271.6
Research and development	217.4	228.5
Selling, general and administrative	1,473.2	1,441.8
Restructuring and other cost reduction initiatives	165.9	66.3
Acquisition, integration, divestiture and related	5.5	9.1
Operating expenses	<u>3,214.0</u>	<u>3,043.6</u>
<b>Operating Profit</b>	617.2	656.9
Other income, net	1.9	6.5
Interest expense, net	<u>(101.8)</u>	<u>(99.8)</u>
Earnings before income taxes	517.3	563.6
Provision for income taxes	<u>101.4</u>	<u>121.0</u>
<b>Net Earnings</b>	415.9	442.6
Less: Net earnings attributable to noncontrolling interest	0.7	0.5
<b>Net Earnings of Zimmer Biomet Holdings, Inc.</b>	<b><u>\$ 415.2</u></b>	<b><u>\$ 442.1</u></b>
 <b>Earnings Per Common Share</b>		
Basic	\$ 2.02	\$ 2.12
Diluted	\$ 2.01	\$ 2.10
 <b>Weighted Average Common Shares Outstanding</b>		
Basic	205.4	209.0
Diluted	206.3	210.1

**ZIMMER BIOMET HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in millions, unaudited)

	June 30, 2024	December 31, 2023
<b>Assets</b>		
Cash and cash equivalents	\$ 420.1	\$ 415.8
Receivables, net	1,418.0	1,442.4
Inventories	2,369.9	2,385.2
Other current assets	431.4	366.1
Total current assets	4,639.4	4,609.5
Property, plant and equipment, net	2,103.0	2,060.4
Goodwill	8,824.5	8,818.5
Intangible assets, net	4,707.4	4,856.4
Other assets	1,245.7	1,152.1
<b>Total Assets</b>	<b>\$ 21,520.0</b>	<b>\$ 21,496.9</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities	\$ 1,730.4	\$ 1,957.5
Current portion of long-term debt	1,878.0	900.0
Other long-term liabilities	1,205.4	1,283.4
Long-term debt	3,956.7	4,867.9
Stockholders' equity	12,749.4	12,488.1
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 21,520.0</b>	<b>\$ 21,496.9</b>

**ZIMMER BIOMET HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2024 and 2023**  
(in millions, unaudited)

	2024	2023
<b>Cash flows provided by (used in) operating activities</b>		
Net earnings	\$ 415.9	\$ 442.6
Depreciation and amortization	481.8	469.3
Share-based compensation	55.4	58.9
Changes in operating assets and liabilities, net of acquired assets and liabilities		
Income taxes	(104.5)	13.8
Receivables	(10.2)	8.0
Inventories	(41.8)	(148.0)
Accounts payable and accrued liabilities	(181.5)	(185.2)
Other assets and liabilities	(17.7)	(3.8)
Net cash provided by operating activities	<u>597.4</u>	<u>655.6</u>
<b>Cash flows provided by (used in) investing activities</b>		
Additions to instruments	(147.2)	(168.3)
Additions to other property, plant and equipment	(107.8)	(144.0)
Net investment hedge settlements	16.5	19.0
Business combination investments, net of acquired cash	(66.5)	(32.9)
Acquisition of intangible assets and other investing activities	(137.0)	(66.3)
Net cash used in investing activities	<u>(442.0)</u>	<u>(392.5)</u>
<b>Cash flows provided by (used in) financing activities</b>		
Net proceeds from revolving facilities	115.0	145.0
Redemption of senior notes	-	(86.3)
Payment on term loan	-	(33.9)
Dividends paid to stockholders	(98.8)	(100.6)
Proceeds from employee stock compensation plans	63.0	61.1
Business combination contingent consideration payments	(1.5)	(10.3)
Deferred business combination payments	(7.8)	(4.0)
Repurchase of common stock	(199.5)	(281.9)
Other financing activities	(12.5)	(5.2)
Net cash used in financing activities	<u>(142.0)</u>	<u>(316.1)</u>
Effect of exchange rates on cash and cash equivalents	(9.0)	(2.9)
Change in cash and cash equivalents	4.4	(55.9)
Cash and cash equivalents, beginning of year	415.8	375.7
Cash and cash equivalents, end of period	<u>\$ 420.1</u>	<u>\$ 319.8</u>



**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF REPORTED NET SALES % CHANGE TO**  
**CONSTANT CURRENCY % CHANGE**  
(unaudited)

	For the Three Months Ended June 30, 2024 vs. 2023		
	% Change	Foreign Exchange Impact	Constant Currency % Change
<b>Geographic Results</b>			
United States	3.5 %	- %	3.5 %
International	4.4	(4.1)	8.5
<b>Total</b>	<b>3.9 %</b>	<b>(1.7)%</b>	<b>5.6 %</b>
<b>Product Categories</b>			
<b>Knees</b>			
United States	0.8 %	- %	0.8 %
International	7.8	(3.7)	11.5
<b>Total</b>	<b>3.9</b>	<b>(1.6)</b>	<b>5.5</b>
<b>Hips</b>			
United States	1.8	-	1.8
International	(1.0)	(4.7)	3.7
<b>Total</b>	<b>0.4</b>	<b>(2.4)</b>	<b>2.8</b>
<b>S.E.T.</b>	<b>6.1</b>	<b>(1.2)</b>	<b>7.3</b>
<b>Other</b>	<b>9.1</b>	<b>(2.2)</b>	<b>11.3</b>
<b>Total</b>	<b>3.9 %</b>	<b>(1.7)%</b>	<b>5.6 %</b>

**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF REPORTED NET SALES % CHANGE TO**  
**CONSTANT CURRENCY % CHANGE**  
(unaudited)

	For the Six Months Ended June 30, 2024 vs. 2023		
	% Change	Foreign Exchange Impact	Constant Currency % Change
<b>Geographic Results</b>			
United States	3.6 %	- %	3.6 %
International	3.5	(3.5)	7.0
<b>Total</b>	<b>3.5 %</b>	<b>(1.5)%</b>	<b>5.0 %</b>
<b>Product Categories</b>			
<b>Knees</b>			
United States	1.5 %	- %	1.5 %
International	6.5	(3.0)	9.5
<b>Total</b>	<b>3.6</b>	<b>(1.3)</b>	<b>4.9</b>
<b>Hips</b>			
United States	1.4	-	1.4
International	(1.4)	(4.3)	2.9
<b>Total</b>	<b>-</b>	<b>(2.1)</b>	<b>2.1</b>
<b>S.E.T.</b>	<b>5.2</b>	<b>(1.1)</b>	<b>6.3</b>
<b>Other</b>	<b>9.8</b>	<b>(2.0)</b>	<b>11.8</b>
<b>Total</b>	<b>3.5 %</b>	<b>(1.5)%</b>	<b>5.0 %</b>

**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF REPORTED TO ADJUSTED RESULTS**  
**FOR THE THREE MONTHS ENDED JUNE 30, 2024 and 2023**  
(in millions, except per share amounts, unaudited)

**FOR THE THREE MONTHS ENDED JUNE 30, 2024**

	Cost of products sold, excluding intangible asset amortization	Intangible asset amortization	Research and development	Selling, general and administrative	Restructuring and other cost reduction initiatives	Acquisition, integration, divestiture and related	Other income (expense), net	Provision for income taxes	Net Earnings of Zimmer Biomet Holdings, Inc.	Diluted earnings per common share
<b>As Reported</b>	\$ 553.6	\$ 144.0	\$ 109.4	\$ 737.1	\$ 41.5	\$ 5.2	\$ 2.0	\$ 59.1	\$ 242.8	\$ 1.18
Inventory and manufacturing-related charges <sup>(1)</sup>	(2.7)	-	-	-	-	-	-	1.2	1.5	0.01
Intangible asset amortization <sup>(2)</sup>	-	(144.0)	-	-	-	-	-	29.4	114.6	0.56
Restructuring and other cost reduction initiatives <sup>(3)</sup>	-	-	-	-	(41.5)	-	-	9.3	32.2	0.16
Acquisition, integration, divestiture and related <sup>(4)</sup>	-	-	-	-	-	(5.2)	-	0.6	4.6	0.02
Litigation <sup>(5)</sup>	-	-	-	(0.1)	-	-	-	-	0.1	-
European Union Medical Device Regulation <sup>(6)</sup>	-	-	(7.6)	-	-	-	-	1.8	5.8	0.03
Other charges <sup>(7)</sup>	-	-	-	(0.2)	-	-	4.1	1.4	2.9	0.01
Other certain tax adjustments <sup>(8)</sup>	-	-	-	-	-	-	-	(10.4)	10.4	0.05
<b>As Adjusted</b>	<u>\$ 550.9</u>	<u>\$ -</u>	<u>\$ 101.8</u>	<u>\$ 736.7</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6.1</u>	<u>\$ 92.4</u>	<u>\$ 415.0</u>	<u>\$ 2.01</u>

**FOR THE THREE MONTHS ENDED JUNE 30, 2023**

	Cost of products sold, excluding intangible asset amortization	Intangible asset amortization	Research and development	Selling, general and administrative	Restructuring and other cost reduction initiatives	Acquisition, integration, divestiture and related	Other income (expense), net	Provision for income taxes	Net Earnings of Zimmer Biomet Holdings, Inc.	Diluted earnings per common share
<b>As Reported</b>	\$ 525.5	\$ 138.2	\$ 118.1	\$ 725.8	\$ 24.4	\$ 7.9	\$ (1.2)	\$ 66.9	\$ 209.6	\$ 1.00
Inventory and manufacturing-related charges <sup>(1)</sup>	(2.4)	-	-	-	-	-	-	1.7	0.7	-
Intangible asset amortization <sup>(2)</sup>	-	(138.2)	-	-	-	-	-	29.1	109.1	0.52
Restructuring and other cost reduction initiatives <sup>(3)</sup>	-	-	-	-	(24.4)	-	-	6.0	18.4	0.09
Acquisition, integration, divestiture and related <sup>(4)</sup>	-	-	-	-	-	(7.9)	-	-	7.9	0.04
Litigation <sup>(5)</sup>	-	-	-	3.8	-	-	-	(0.9)	(2.9)	(0.02)
European Union Medical Device Regulation <sup>(6)</sup>	-	-	(15.2)	-	-	-	-	3.6	11.6	0.06
Other charges <sup>(7)</sup>	-	-	-	(0.3)	-	-	(3.8)	(2.6)	(0.9)	(0.01)
Other certain tax adjustments <sup>(8)</sup>	-	-	-	-	-	-	-	(29.2)	29.2	0.14
<b>As Adjusted</b>	<u>\$ 523.2</u>	<u>\$ -</u>	<u>\$ 102.9</u>	<u>\$ 729.3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5.0)</u>	<u>\$ 74.7</u>	<u>\$ 382.8</u>	<u>\$ 1.82</u>

**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF REPORTED TO ADJUSTED RESULTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2024 and 2023**  
(in millions, except per share amounts, unaudited)

**FOR THE SIX MONTHS ENDED JUNE 30, 2024**

	Cost of products sold, excluding intangible asset amortization	Intangible asset amortization	Research and development	Selling, general and administrative	Restructuring and other cost reduction initiatives	Acquisition, integration, divestiture and related	Other income, net	Provision for income taxes	Net Earnings of Zimmer Biomet Holdings, Inc.	Diluted earnings per common share
<b>As Reported</b>	\$ 1,065.9	\$ 286.1	\$ 217.4	\$ 1,473.2	\$ 165.9	\$ 5.5	\$ 1.9	\$ 101.4	\$ 415.2	\$ 2.01
Inventory and manufacturing-related charges <sup>(1)</sup>	(3.8)	-	-	-	-	-	-	2.0	1.8	0.01
Intangible asset amortization <sup>(2)</sup>	-	(286.1)	-	-	-	-	-	57.2	228.9	1.11
Restructuring and other cost reduction initiatives <sup>(3)</sup>	-	-	-	-	(165.9)	-	-	37.1	128.8	0.62
Acquisition, integration, divestiture and related <sup>(4)</sup>	-	-	-	-	-	(5.5)	-	1.0	4.5	0.02
Litigation <sup>(5)</sup>	-	-	-	(0.1)	-	-	-	-	0.1	-
European Union Medical Device Regulation <sup>(6)</sup>	-	-	(13.4)	-	-	-	-	3.1	10.3	0.05
Other charges <sup>(7)</sup>	-	-	-	-	-	-	6.4	1.9	4.5	0.02
Other certain tax adjustments <sup>(8)</sup>	-	-	-	-	-	-	-	(20.5)	20.5	0.10
<b>As Adjusted</b>	<u>\$ 1,062.1</u>	<u>\$ -</u>	<u>\$ 204.0</u>	<u>\$ 1,473.1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8.2</u>	<u>\$ 183.3</u>	<u>\$ 814.7</u>	<u>\$ 3.95</u>

**FOR THE SIX MONTHS ENDED JUNE 30, 2023**

	Cost of products sold, excluding intangible asset amortization	Intangible asset amortization	Research and development	Selling, general and administrative	Restructuring and other cost reduction initiatives	Acquisition, integration, divestiture and related	Other income, net	Provision for income taxes	Net Earnings of Zimmer Biomet Holdings, Inc.	Diluted earnings per common share
<b>As Reported</b>	\$ 1,026.3	\$ 271.6	\$ 228.5	\$ 1,441.8	\$ 66.3	\$ 9.1	\$ 6.5	\$ 121.0	\$ 442.1	\$ 2.10
Inventory and manufacturing-related charges <sup>(1)</sup>	(6.0)	-	-	-	-	-	-	4.1	1.9	0.01
Intangible asset amortization <sup>(2)</sup>	-	(271.6)	-	-	-	-	-	56.1	215.5	1.03
Restructuring and other cost reduction initiatives <sup>(3)</sup>	-	-	-	-	(66.3)	-	-	16.3	50.0	0.24
Acquisition, integration, divestiture and related <sup>(4)</sup>	-	-	-	-	-	(9.1)	-	0.3	8.8	0.04
Litigation <sup>(5)</sup>	-	-	-	3.8	-	-	-	(0.9)	(2.9)	(0.01)
European Union Medical Device Regulation <sup>(6)</sup>	-	-	(29.2)	-	-	-	-	6.9	22.3	0.11
Other charges <sup>(7)</sup>	-	-	-	0.7	-	-	(9.5)	(4.6)	(5.6)	(0.03)
Other certain tax adjustments <sup>(8)</sup>	-	-	-	-	-	-	-	(47.4)	47.4	0.22
<b>As Adjusted</b>	<u>\$ 1,020.4</u>	<u>\$ -</u>	<u>\$ 199.3</u>	<u>\$ 1,446.3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3.0)</u>	<u>\$ 151.8</u>	<u>\$ 779.6</u>	<u>\$ 3.71</u>

- (1) Inventory and manufacturing-related charges include excess and obsolete inventory charges on certain product lines we intend to discontinue, the acceleration of depreciation and fixed overhead costs expensed immediately related to a manufacturing plant shutdown, and other inventory and manufacturing-related charges or gains.
- (2) We exclude intangible asset amortization as well as deferred tax rate changes on our intangible assets from our non-GAAP financial measures because we internally assess our performance against our peers without this amortization. Due to various levels of acquisitions among our peers, intangible asset amortization can vary significantly from company to company.
- (3) In December 2019, 2021, and 2023 we initiated global restructuring programs that included a reorganization of key businesses and an overall effort to reduce costs in order to accelerate decision-making, focus the organization on priorities to drive growth and, in the case of the December 2021 program, to prepare for the spinoff of ZimVie, Inc. ("ZimVie"). Restructuring and other cost reduction initiatives also include other cost reduction and optimization initiatives that have the goal of reducing costs across the organization. The costs include employee termination benefits; contract terminations for facilities and sales agents; and other charges, such as consulting fees, project management expenses, retention period salaries and benefits and relocation costs.
- (4) The acquisition, integration, divestiture and related gains and expenses we have excluded from our non-GAAP financial measures resulted from various acquisitions, post-separation costs we have incurred related to ZimVie and gains related to a transition services agreement for services we provide to ZimVie and a transition manufacturing and supply agreement for products we supply to ZimVie for a limited period.
- (5) We are involved in patent litigation, product liability litigation, commercial litigation and other various litigation matters. We review litigation matters from both a qualitative and quantitative perspective to determine if excluding the losses or gains will provide our investors with useful incremental information. Litigation matters can vary in their characteristics, frequency and significance to our operating results. The litigation charges and gains excluded from our non-GAAP financial measures in the periods presented relate to patent litigation and product liability litigation. Once the litigation matter has been excluded from our non-GAAP financial measures in a particular period, any additional expenses or gains from changes in estimates are also excluded, even if they are not significant, to ensure consistency in our non-GAAP financial measures from period-to-period.
- (6) The European Union Medical Device Regulation imposes significant additional premarket and postmarket requirements. The new regulations provided a transition period until May 2021 for previously-approved medical devices to meet the additional requirements. For certain devices, this transition period was extended until May 2024. A conditional extension of the transition period has been implemented until December 2027 and 2028 depending on the legacy medical device's risk class. We are excluding from our non-GAAP financial measures the incremental costs incurred to establish initial compliance with the regulations related to our previously-approved medical devices. The incremental costs primarily relate to temporary personnel and third-party professionals necessary to supplement our internal resources.
- (7) We have incurred other various expenses from specific events or projects that we consider highly variable or that have a significant impact to our operating results that we have excluded from our non-GAAP measures. These include gains and losses from changes in fair value on our equity investments, among other various costs.
- (8) Other certain tax adjustments are related to certain significant and discrete tax adjustments including intercompany transactions between jurisdictions, ongoing impacts of tax only amortization resulting from certain restructuring transactions and impacts of significant tax reform including Swiss reform.

**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF NET CASH PROVIDED BY OPERATING**  
**ACTIVITIES TO FREE CASH FLOW**  
**FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 and 2023**  
(in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net cash provided by operating activities	\$ 369.4	\$ 348.0	\$ 597.4	\$ 655.6
Additions to instruments	(65.2)	(85.5)	(147.2)	(168.3)
Additions to other property, plant and equipment	(52.7)	(97.2)	(107.8)	(144.0)
Free cash flow	<u>\$ 251.5</u>	<u>\$ 165.3</u>	<u>\$ 342.4</u>	<u>\$ 343.3</u>

**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF GROSS PROFIT & MARGIN**  
**TO ADJUSTED GROSS PROFIT & MARGIN**  
**FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 and 2023**  
(in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net Sales	\$ 1,942.0	\$ 1,869.6	\$ 3,831.2	\$ 3,700.6
Cost of products sold, excluding intangible asset amortization	553.6	525.5	1,065.9	1,026.3
Intangible asset amortization	144.0	138.2	286.1	271.6
Gross Profit	<u>\$ 1,244.4</u>	<u>\$ 1,205.9</u>	<u>\$ 2,479.2</u>	<u>\$ 2,402.7</u>
Inventory and manufacturing-related charges	2.7	2.4	3.8	6.0
Intangible asset amortization	144.0	138.2	286.1	271.6
Adjusted gross profit	<u>\$ 1,391.1</u>	<u>\$ 1,346.5</u>	<u>\$ 2,769.1</u>	<u>\$ 2,680.2</u>
Gross margin	64.1 %	64.5 %	64.7 %	64.9 %
Inventory and manufacturing-related charges	0.1	0.1	0.1	0.2
Intangible asset amortization	7.4	7.4	7.5	7.3
Adjusted gross margin	<u>71.6 %</u>	<u>72.0 %</u>	<u>72.3 %</u>	<u>72.4 %</u>

**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF OPERATING PROFIT & MARGIN TO ADJUSTED OPERATING**  
**PROFIT & MARGIN**  
**FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 and 2023**  
(in millions, unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating profit	\$ 351.3	\$ 329.6	\$ 617.2	\$ 656.9
Inventory and manufacturing-related charges	2.7	2.4	3.8	6.0
Intangible asset amortization	144.0	138.2	286.1	271.6
Restructuring and other cost reduction initiatives	41.5	24.4	165.9	66.3
Acquisition, integration, divestiture and related	5.2	7.9	5.5	9.1
Litigation	0.1	(3.8)	0.1	(3.8)
European Union Medical Device Regulation	7.6	15.2	13.4	29.2
Other charges	0.2	0.3	-	(0.7)
Adjusted operating profit	<u>\$ 552.6</u>	<u>\$ 514.3</u>	<u>\$ 1,092.0</u>	<u>\$ 1,034.6</u>
Operating profit margin	18.1 %	17.6 %	16.1 %	17.8 %
Inventory and manufacturing-related charges	0.1	0.1	0.1	0.2
Intangible asset amortization	7.4	7.4	7.5	7.3
Restructuring and other cost reduction initiatives	2.1	1.3	4.3	1.8
Acquisition, integration, divestiture and related	0.3	0.4	0.1	0.2
Litigation	-	(0.2)	-	(0.1)
European Union Medical Device Regulation	0.4	0.8	0.3	0.8
Adjusted operating profit margin	<u>28.5 %</u>	<u>27.5 %</u>	<u>28.5 %</u>	<u>28.0 %</u>



**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF EFFECTIVE TAX RATE TO ADJUSTED EFFECTIVE TAX RATE**  
**FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 and 2023**  
(unaudited)

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Effective tax rate	19.6 %	24.2 %	19.6 %	21.5 %
Tax effect of adjustments made to earnings before taxes <sup>(1)</sup>	2.0	2.6	2.8	3.2
Other certain tax adjustments <sup>(2)</sup>	<u>(3.4)</u>	<u>(10.5)</u>	<u>(4.0)</u>	<u>(8.4)</u>
Adjusted effective tax rate	<u>18.2 %</u>	<u>16.3 %</u>	<u>18.4 %</u>	<u>16.3 %</u>

<sup>(1)</sup> Includes inventory and manufacturing-related charges; intangible asset amortization; restructuring and other cost reduction initiatives; acquisition, integration, divestiture and related; litigation; European Union Medical Device Regulation; and other charges

<sup>(2)</sup> Other certain tax adjustments are related to certain significant and discrete tax adjustments including intercompany transactions between jurisdictions, ongoing impacts of tax only amortization resulting from certain restructuring transactions and impacts of significant tax reform including Swiss reform

**ZIMMER BIOMET HOLDINGS, INC.**  
**RECONCILIATION OF DEBT TO NET DEBT**  
**AS OF JUNE 30, 2024 and DECEMBER 31, 2023**  
**(in millions, unaudited)**

	<b>June 30, 2024</b>	<b>December 31, 2023</b>
Debt, both current and long-term	\$ 5,834.7	\$ 5,767.9
Cash and cash equivalents	(420.1)	(415.8)
Net debt	<u>\$ 5,414.6</u>	<u>\$ 5,352.1</u>