



## ICU Medical Announces Second Quarter 2023 Results and Narrows Fiscal Year 2023 Guidance Ranges

August 7, 2023 at 4:05 PM EDT

SAN CLEMENTE, Calif., Aug. 07, 2023 (GLOBE NEWSWIRE) -- ICU Medical, Inc. (Nasdaq:ICUI), a leader in the development, manufacture and sale of innovative medical products, today announced financial results for the quarter ended June 30, 2023.

### Second Quarter 2023 Results

Second quarter 2023 revenue was \$549.3 million, compared to \$561.0 million in the same period last year. GAAP gross profit for the second quarter of 2023 was \$192.3 million, as compared to \$167.6 million in the same period last year. GAAP gross margin for the second quarter of 2023 was 35%, as compared to 30% in the same period last year. GAAP net loss for the second quarter of 2023 was \$(9.9) million, or \$(0.41) per diluted share, as compared to GAAP net loss of \$(7.5) million, or \$(0.31) per diluted share, for the second quarter of 2022. Adjusted diluted earnings per share for the second quarter of 2023 was \$1.88 as compared to \$1.37 for the second quarter of 2022. Also, adjusted EBITDA was \$98.1 million for the second quarter of 2023 as compared to \$84.7 million for the second quarter of 2022.

Adjusted EBITDA and adjusted diluted earnings per share are measures calculated and presented on the basis of methodologies other than in accordance with GAAP. Please refer to the Use of Non-GAAP Financial Information following the financial statements herein for further discussion and reconciliations of these measures to GAAP measures.

Vivek Jain, ICU Medical's Chief Executive Officer, said, "Second quarter results were generally consistent with our expectations, with growth in most large product families except Vascular Access and IV Solutions."

### Revenues by product line for the three and six months ended June 30, 2023 and 2022 were as follows (in millions):

Product Line	Three months ended June 30,			Six months ended June 30,		
	2023	2022	\$ Change	2023	2022	\$ Change
Consumables	\$ 237.0	\$ 241.0	\$ (4.0)	\$ 473.1	\$ 481.2	\$ (8.1)
Infusion Systems	153.2	148.6	4.6	314.9	286.8	28.1
Vital Care*	159.2	171.4	(12.2)	330.0	336.1	(6.1)
**	\$ 549.4	\$ 561.0	\$ (11.6)	\$ 1,118.0	\$ 1,104.1	\$ 13.9

\*Vital Care includes \$14.2 million and \$14.0 million of contract manufacturing to Pfizer for the three months ended June 30, 2023 and 2022, respectively and \$26.9 million and \$25.1 million for the six months ended June 30, 2023 and 2022, respectively.

\*\*Rounded totals may differ to the income statement due to the rounding of product lines.

### Fiscal Year 2023 Guidance

For Fiscal Year 2023 the Company estimates GAAP net loss to be in the range of \$(59) to \$(38) and GAAP diluted loss per share estimated to be in the range of \$(2.42) to \$(1.57). The Company narrowed the estimates of the range of its full year 2023 guidance of adjusted EBITDA from a range of \$375 million to \$425 million to a range of \$375 million to \$405 million and adjusted diluted earnings per share from a range of \$5.75 to \$7.25 to a range of \$6.00 to \$6.85.

### Conference Call

The Company will host a conference call to discuss its second quarter 2023 financial results, today at 4:30 p.m. ET (1:30 p.m. PT). The call can be accessed at (833) 816-1376, conference ID 10180958. The conference call will be simultaneously available by webcast, which can be accessed by going to the Company's website at [www.icumed.com](http://www.icumed.com), clicking on the Investors tab, clicking on Event Calendar and clicking on the Webcast icon and following the prompts. The webcast will also be available by replay.

### About ICU Medical

ICU Medical (Nasdaq:ICUI) is a global leader in infusion systems, infusion consumables and high-value critical care products used in hospital, alternate site and home care settings. Our team is focused on providing quality, innovation and value to our clinical customers worldwide. ICU Medical is headquartered in San Clemente, California. More information about ICU Medical can be found at [www.icumed.com](http://www.icumed.com).

### Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements contain words such as "will," "expect," "believe," "could," "would," "estimate," "continue," "build," "expand" or the negative thereof or comparable terminology, and may include (without limitation) information regarding the Company's expectations, goals or intentions regarding the future. These forward-looking statements are based on management's current expectations, estimates, forecasts and projections about the Company and assumptions management believes are reasonable, all of which are subject to risks and uncertainties that could cause actual results and events to differ materially from those stated in the forward-looking statements. These risks and uncertainties include, but are not limited to, decreased demand for the Company's products, decreased free cash flow, changes in product mix, increased competition from competitors, lack of growth or improving efficiencies, unexpected changes in the Company's arrangements with its largest customers, the impact from fluctuations in foreign currency exchange rates, the impact of inflation on raw materials, freight charges and labor, rising interest rates, the impact of the ongoing COVID-19 pandemic on the Company and our financial results and the Company's ability to meet expectations regarding integration of the Smiths Medical business. Future results are subject to risks and uncertainties, including the risk factors, and other risks and uncertainties, described in the Company's filings with the Securities and Exchange Commission, which include those in the Company's most recent Annual Report on Form 10-K and our subsequent filings. Forward-looking statements contained in this press release 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.

### ICU MEDICAL, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS (In thousands)

	June 30, 2023 (Unaudited)	December 31, 2022 (1)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 195,887	\$ 208,784
Short-term investment securities	1,812	4,224
TOTAL CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENT SECURITIES	197,699	213,008
Accounts receivable, net of allowance for doubtful accounts	162,225	221,719
Inventories	775,269	696,009
Prepaid income taxes	13,766	15,528
Prepaid expenses and other current assets	95,783	88,932
TOTAL CURRENT ASSETS	1,244,742	1,235,196
PROPERTY, PLANT AND EQUIPMENT, net	616,540	636,113
OPERATING LEASE RIGHT-OF-USE ASSETS	76,028	74,864
LONG-TERM INVESTMENT SECURITIES	—	516
GOODWILL	1,464,478	1,449,258
INTANGIBLE ASSETS, net	929,830	982,766

DEFERRED INCOME TAXES		31,466		31,466
OTHER ASSETS		99,960		105,462
TOTAL ASSETS		<u>\$ 4,463,044</u>		<u>\$ 4,515,641</u>
	LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:				
Accounts payable	\$	167,054	\$	215,902
Accrued liabilities		254,508		242,769
Current portion of long-term obligations		40,375		29,688
Income tax payable		19,954		6,200
Contingent earn-out liability		1,989		—
TOTAL CURRENT LIABILITIES		<u>483,880</u>		<u>494,559</u>
CONTINGENT EARN-OUT LIABILITY		26,944		25,572
LONG-TERM OBLIGATIONS		1,600,720		1,623,675
OTHER LONG-TERM LIABILITIES		109,858		114,104
DEFERRED INCOME TAXES		89,684		126,007
INCOME TAX LIABILITY		37,140		41,796
COMMITMENTS AND CONTINGENCIES		—		—
STOCKHOLDERS' EQUITY:				
Convertible preferred stock, \$1.00 par value; Authorized — 500 shares; Issued and outstanding — none		—		—
Common stock, \$0.10 par value; Authorized — 80,000 shares; Issued — 24,114 and 23,995 shares at June 30, 2023 and December 31, 2022, respectively, and outstanding — 24,104 and 23,993 shares at June 30, 2023 and December 31, 2022, respectively		2,411		2,399
Additional paid-in capital		1,345,057		1,331,249
Treasury stock, at cost		(1,611)		(243)
Retained earnings		817,755		837,501
Accumulated other comprehensive loss		(48,794)		(80,978)
TOTAL STOCKHOLDERS' EQUITY		<u>2,114,818</u>		<u>2,089,928</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$	<u>4,463,044</u>	\$	<u>4,515,641</u>

(1) December 31, 2022 balances were derived from audited consolidated financial statements.

**ICU MEDICAL, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**  
(In thousands, except per share data)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2023	2022	2023	2022
TOTAL REVENUES	\$ 549,310	\$ 561,004	\$ 1,117,959	\$ 1,104,126
COST OF GOODS SOLD	356,983	393,411	733,591	767,706
GROSS PROFIT	192,327	167,593	384,368	336,420
OPERATING EXPENSES:				
Selling, general and administrative	150,895	158,748	303,467	311,960
Research and development	22,302	22,562	42,063	46,433
Restructuring, strategic transaction and integration	12,354	13,525	23,367	47,430
Change in fair value of contingent earn-out	4,016	(27,194)	3,316	(27,194)
TOTAL OPERATING EXPENSES	189,567	167,641	372,213	378,629
INCOME (LOSS) FROM OPERATIONS	2,760	(48)	12,155	(42,209)
INTEREST EXPENSE, net	(24,121)	(15,440)	(46,636)	(28,495)
OTHER EXPENSE, net	(1,502)	(1,366)	(1,771)	(951)
LOSS BEFORE INCOME TAXES	(22,863)	(16,854)	(36,252)	(71,655)
BENEFIT FOR INCOME TAXES	12,929	9,380	16,506	26,113
NET LOSS	<u>\$ (9,934)</u>	<u>\$ (7,474)</u>	<u>\$ (19,746)</u>	<u>\$ (45,542)</u>
NET LOSS PER SHARE				
Basic	\$ (0.41)	\$ (0.31)	\$ (0.82)	\$ (1.91)
Diluted	\$ (0.41)	\$ (0.31)	\$ (0.82)	\$ (1.91)
WEIGHTED AVERAGE NUMBER OF SHARES				
Basic	24,075	23,897	24,045	23,787
Diluted	24,075	23,897	24,045	23,787

**ICU MEDICAL, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**  
(In thousands)

	Six months ended	
	June 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (19,746)	\$ (45,542)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	113,244	119,697
Amortization of inventory step-up	—	22,676
Noncash lease expense	11,110	10,888
Provision for doubtful accounts	399	(99)
Provision for warranty, returns and field action	7,070	1,483
Stock compensation	18,931	19,854

Loss on disposal of property, plant and equipment and other assets	1,019	267
Bond premium amortization	8	211
Debt issuance costs amortization	3,404	3,495
Change in fair value of contingent earn-out	3,316	(27,194)
Usage of spare parts	10,056	5,229
Other	2,909	(2,807)
Changes in operating assets and liabilities, net of amounts acquired:		
Accounts receivable	46,796	(1,090)
Inventories	(76,040)	(100,024)
Prepaid expenses and other current assets	2,983	4,710
Other assets	(12,698)	(17,323)
Accounts payable	(46,864)	22,149
Accrued liabilities	(104)	(33,509)
Income taxes, including excess tax benefits and deferred income taxes	(26,022)	(45,798)
Net cash provided by (used in) operating activities	39,771	(62,727)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property, plant and equipment	(32,489)	(48,039)
Proceeds from sale of assets	1,431	900
Business acquisitions, net of cash acquired	—	(1,844,164)
Intangible asset additions	(4,651)	(4,440)
Purchases of investment securities	—	(3,397)
Proceeds from sale and maturities of investment securities	2,920	26,198
Net cash used in investing activities	(32,789)	(1,872,942)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of long-term debt, net of lender debt issuance costs	—	1,672,631
Principal repayments of long-term debt	(14,813)	(18,125)
Payment of third-party debt issuance costs	—	(1,852)
Proceeds from exercise of stock options	2,233	2,992
Payments on finance leases	(436)	(321)
Tax withholding payments related to net share settlement of equity awards	(8,718)	(10,438)
Net cash (used in) provided by financing activities	(21,734)	1,644,887
Effect of exchange rate changes on cash	1,855	(6,347)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(12,897)</b>	<b>(297,129)</b>
CASH AND CASH EQUIVALENTS, beginning of period	208,784	552,827
CASH AND CASH EQUIVALENTS, end of period	\$ 195,887	\$ 255,698

#### Use of Non-GAAP Financial Information

This press release contains financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). The non-GAAP financial measures should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. There are material limitations in using these non-GAAP financial measures because they are not prepared in accordance with GAAP and may not be comparable to similarly titled non-GAAP financial measures used by other companies, including peer companies. Our management believes that the non-GAAP data provides useful supplemental information to management and investors regarding our performance and facilitates a more meaningful comparison of results of operations between current and prior periods. We use non-GAAP financial measures in addition to and in conjunction with GAAP financial measures to analyze and assess the overall performance of our business, in making financial, operating and planning decisions, and in determining executive incentive compensation.

The non-GAAP financial measures include adjusted EBITDA, adjusted revenue, adjusted gross profit, adjusted selling, general and administrative, adjusted research and development, adjusted restructuring, strategic transaction and integration, adjusted change in fair value of contingent earn-out, adjusted income from operations, adjusted other expense, net, adjusted (loss) income before income taxes, adjusted benefit (provision) for income taxes, adjusted net (loss) income and adjusted diluted (loss) earnings per share, all of which exclude special items because they are highly variable or unusual and impact year-over-year comparisons.

For the three months ended June 30, 2023 and 2022, special items include the following:

**Stock compensation expense:** Stock-based compensation is generally fixed at the time the stock-based instrument is granted and amortized over a period of several years. The value of stock options is determined using a complex formula that incorporates factors, such as market volatility, that are beyond our control. The value of our restricted stock awards is determined using the grant date stock price, which may not be indicative of our operational performance over the expense period. Additionally, in order to establish the fair value of performance-based stock awards, which are currently an element of our ongoing stock-based compensation, we are required to apply judgment to estimate the probability of the extent to which performance objectives will be achieved. Based on the above factors, we believe it is useful to exclude stock-based compensation in order to better understand our operating performance.

**Intangible asset amortization expense:** We do not acquire businesses or capitalize certain patent costs on a predictable cycle. The amount of purchase price allocated to intangible assets and the term of amortization can vary significantly and are unique to each acquisition. Capitalized patent costs can vary significantly based on our current level of development activities. We believe that excluding amortization of intangible assets provides the users of our financial statements with a consistent basis for comparison across accounting periods.

**Restructuring, strategic transaction and integration:** We incur restructuring and strategic transaction charges that result from events, which arise from unforeseen circumstances and/or often occur outside of the ordinary course of our ongoing business. Although these events are reflected in our GAAP financial statements, these unique transactions may limit the comparability of our ongoing operations with prior and future periods.

**Change in fair value of contingent earn-out:** We exclude the impact of certain amounts recorded in connection with business combinations. We exclude items that are either non-cash or not normal, recurring operating expenses due to their nature, variability of amounts, and lack of predictability as to occurrence and/or timing.

**Adjustment to reverse the cost recognition related to the purchase accounting write-up of inventory to fair market value:** The inventory step-up represents the expense recognition of fair value adjustments in excess of the historical cost basis of inventory obtained through acquisition, these charges are outside of our normal operations and are excluded.

**Quality system and product-related remediation:** We exclude certain quality system product-related remediation charges in determining our non-GAAP financial measures as they may limit the comparability of our ongoing operations with prior and future periods and distort the evaluation of our normal operating performance.

**Disposition/write-off of certain assets:** Occasionally, we may sell/write-off certain assets. We exclude the non-cash gain/loss on the disposition/write-off of these assets in determining our non-GAAP financial measures as they may limit the comparability of our ongoing operations with prior and future periods and distort the evaluation of our normal operating performance.

From time to time in the future, there may be other items that we may exclude if we believe that doing so is consistent with the goal of providing useful information to investors and management.

In addition to the above special items, Adjusted EBITDA additionally excludes the following items from net income:

**Depreciation expense:** We exclude depreciation expense in deriving adjusted EBITDA because companies utilize productive assets of different ages and the depreciable lives can vary significantly resulting in considerable variability in depreciation expense among companies.

**Interest, net:** We exclude interest in deriving adjusted EBITDA as interest can vary significantly among companies depending on a company's level of income generating instruments and/or level of debt.

**Taxes:** We exclude taxes in deriving adjusted EBITDA as taxes are deemed to be non-core to the business and may limit the comparability of our ongoing operations with prior and future periods and distort the evaluation of our normal operating performance.

We also present Free cash flow as a non-GAAP financial measure as management believes that this is an important measure for use in evaluating overall company financial performance as it measures our ability to generate additional cash flow from business operations. Free cash flow should be considered in addition to, rather than as a substitute for, net income as a measure of our performance or net cash (used in) provided by operating activities as a measure of our liquidity. Additionally, our definition of free cash flow is limited and does not represent residual cash flows available for discretionary expenditures due to the fact that the measure does not deduct the payments required for debt service and other obligations or payments made for business acquisitions. Therefore, we believe it is important

to view free cash flow as supplemental to our entire statement of cash flows.

The following tables reconcile our GAAP and non-GAAP financial measures:

**ICU MEDICAL, INC. AND SUBSIDIARIES**  
**Reconciliation of GAAP to Non-GAAP Financial Measures (Unaudited)**  
(In thousands, except per share data)

	<b>Adjusted EBITDA</b>			
	<b>Three months ended</b>			
	<b>June 30,</b>			
	<b>2023</b>		<b>2022</b>	
	\$	(9,934)	\$	(7,474)
GAAP net loss				
Non-GAAP adjustments:				
Interest, net		24,121		15,440
Stock compensation expense		9,773		7,762
Depreciation and amortization expense		57,500		66,559
Restructuring, strategic transaction and integration		12,354		13,525
Change in fair value of contingent earn-out		4,016		(27,194)
Adjustment to reverse the cost recognition related to the purchase accounting write-up of inventory to fair value		—		8,306
Quality system and product-related charges		13,134		17,195
Disposition/write-off of certain assets		19		—
Benefit for income taxes		(12,929)		(9,380)
Total non-GAAP adjustments		107,988		92,213
Adjusted EBITDA	\$	98,054	\$	84,739

**ICU MEDICAL, INC. AND SUBSIDIARIES**  
**Reconciliation of GAAP to Non-GAAP Financial Measures (Unaudited)**  
(In thousands, except percentages and per share)

The company's U.S. GAAP results for the three months ended June 30, 2023 included special items which impacted the U.S. GAAP measures as follows:

	Total revenues	Gross profit	Selling, general and administrative	Research and development	Restructuring, strategic transaction and integration	Change in fair value of contingent earn-out	Income from operations	Other expense, net	(Loss) income before income taxes	Benefit (provision) for income taxes	Net (loss) income	Diluted (loss) earnings per share
<b>Reported (GAAP)</b>	\$ 549,310	\$ 192,327	\$ 150,895	\$ 22,302	\$ 12,354	\$ 4,016	\$ 2,760	\$ (1,502)	\$ (22,863)	\$ 12,929	\$ (9,934)	\$ (0.41)
Reported percent of total revenues (or percent of (loss) income before income taxes for benefit (provision) for income taxes)		35%	27%	4%	2%	1%	1%	—%	(4)%	56.6%	(2)%	
Contract manufacturing	(14,198)	—	—	—	—	—	—	—	—	—	—	
Stock compensation expense	—	1,571	(7,794)	(408)	—	—	9,773	—	9,773	(2,346)	7,427	0.30
Amortization expense	—	—	(33,121)	—	—	—	33,121	—	33,121	(8,110)	25,011	1.02
Restructuring, strategic transaction and integration	—	—	—	—	(12,354)	—	12,354	—	12,354	(2,984)	9,370	0.38
Change in fair value of contingent earn-out	—	—	—	—	—	(4,016)	4,016	—	4,016	—	4,016	0.16
Quality system and product-related remediation	—	13,134	—	—	—	—	13,134	—	13,134	(3,234)	9,900	0.41
Disposition/write-off of certain assets	—	—	—	—	—	—	—	19	19	—	19	—
<b>Adjusted (Non-GAAP)*</b>	<b>\$ 535,112</b>	<b>\$ 207,032</b>	<b>\$ 109,980</b>	<b>\$ 21,894</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 75,158</b>	<b>\$ (1,483)</b>	<b>\$ 49,554</b>	<b>\$ (3,745)</b>	<b>\$ 45,809</b>	<b>\$ 1.88</b>
Adjusted percent of total revenues (or percent of (loss) income before income taxes for benefit (provision) for income taxes)		39%	21%	4%	—%	—%	14%	—%	9%	7.6%	9%	

\* Amounts may not foot due to rounding

**ICU MEDICAL, INC. AND SUBSIDIARIES**  
**Reconciliation of GAAP to Non-GAAP Financial Measures (Unaudited)(continued)**  
(In thousands, except percentages and per share)

The company's U.S. GAAP results for the three months ended June 30, 2022 included special items which impacted the U.S. GAAP measures as follows:

	Total revenues	Gross profit	Selling, general and administrative	Research and development	Restructuring, strategic transaction and integration	Change in fair value of contingent earn-out	(Loss) income from operations	(Loss) income before income taxes	Benefit (provision) for income taxes	Net (loss) income	Diluted (loss) earnings per share
<b>Reported (GAAP)</b>	\$ 561,004	\$ 167,593	\$ 158,748	\$ 22,562	\$ 13,525	\$ (27,194)	\$ (48)	\$ (16,854)	\$ 9,380	\$ (7,474)	\$ (0.31)
Reported percent of total revenues (or percent of income before income taxes for benefit provision for income taxes)		30%	28%	4%	2%	(5)%	—%	(3)%	55.7%	(1)%	
Contract manufacturing	(14,043)	—	—	—	—	—	—	—	—	—	
Stock compensation expense	—	1,408	(5,945)	(409)	—	—	7,762	7,762	(1,863)	5,899	0.24
Amortization expense	—	2,943	(38,673)	—	—	—	41,616	41,616	(9,905)	31,711	1.33
Restructuring, strategic transaction and integration	—	—	—	—	(13,525)	—	13,525	13,525	(2,610)	10,915	0.46
Change in fair value of contingent earn-out	—	—	—	—	—	27,194	(27,194)	(27,194)	—	(27,194)	(1.14)
Adjustment to reverse the cost recognition related to the purchase accounting write-up of inventory to fair value	—	8,306	—	—	—	—	8,306	8,306	(1,952)	6,354	0.27
Quality system and product-related remediation	—	17,195	—	—	—	—	17,195	17,195	(4,247)	12,948	0.54
Earnings per share impact on net loss due to basic versus diluted weighted average shares	—	—	—	—	—	—	—	—	—	—	(0.02)
<b>Adjusted (Non-GAAP)</b>	\$ 546,961	\$ 197,445	\$ 114,130	\$ 22,153	\$ —	\$ —	\$ 61,162	\$ 44,356	\$ (11,197)	\$ 33,159	\$ 1.37
Adjusted percent of total revenues (or percent of income before income taxes for provision for income taxes)		36%	21%	4%	—%	—%	11%	8%	25.2%	6%	

**ICU MEDICAL, INC. AND SUBSIDIARIES**  
**Reconciliation of Net Cash (Used in) Provided by Operating Activities to Free Cash Flow (Unaudited)**  
(In thousands)

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Net cash (used in) provided by operating activities	\$ (1,474)	\$ (61,385)	\$ 39,771	\$ (62,727)
Purchase of property, plant and equipment	(18,284)	(24,433)	(32,489)	(48,039)
Proceeds from sale of assets	1,377	—	1,431	900
Free cash flow	\$ (18,381)	\$ (85,818)	\$ 8,713	\$ (109,866)

**ICU MEDICAL, INC. AND SUBSIDIARIES**  
**Reconciliation of GAAP to Non-GAAP Fiscal Year 2023**  
**Guidance (Unaudited)**  
(In millions, except per share data)

	Low End of Guidance	High End of Guidance
GAAP net loss	\$ (59)	\$ (38)
Non-GAAP adjustments:		
Interest, net	98	98
Stock compensation expense	42	42
Depreciation and amortization expense	228	228
Restructuring, strategic transaction and integration	41	41
Quality and regulatory initiatives and remediation	53	53
Change in fair value of contingent earn-out	3	3
Disposition of certain assets	1	1
Benefit for income taxes	(32)	(23)
Total non-GAAP adjustments	\$ 434	\$ 443
Adjusted EBITDA	\$ 375	\$ 405
GAAP diluted loss per share	\$ (2.42)	\$ (1.57)
Non-GAAP adjustments:		

Stock compensation expense	1.71	1.71
Amortization expense	5.39	5.39
Restructuring, strategic transaction and integration	1.67	1.67
Quality and regulatory initiatives and remediation	2.16	2.16
Change in fair value of contingent earn-out	0.12	0.12
Disposition of certain assets	0.04	0.04
Estimated income tax impact from adjustments	(2.67)	(2.67)
Adjusted diluted earnings per share	\$ 6.00	\$ 6.85

CONTACT:

ICU Medical, Inc.  
 Brian Bonnell, Chief Financial Officer  
 (949) 366-2183

ICR, Inc.  
 John Mills, Partner  
 (646) 277-1254



Source: ICU Medical, Inc.