

Lender Presentation

December 2021

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Confidential



Cautionary Statements Regarding Forward-Looking Information & GAAP to Non-GAAP Financial Measures

- > This presentation 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. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and may often be identified by the use of words such as “will”, “may”, “could”, “should”, “would”, “project”, “believe”, “anticipate”, “expect”, “plan”, “estimate”, “forecast”, “potential”, “intend”, “continue”, “target”, “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, including, but not limited to, the proposed transaction, the expected timetable for completing the transaction, benefits and synergies of the combined businesses or the transaction, future opportunities for the company and products and any other statements regarding the company’s and the combined business’s future operations, anticipated business levels, future earnings, planned activities, anticipated growth, market opportunities, strategies, competition, and other expectations and targets for future periods.
- > These forward-looking statements are based on management’s current expectations, estimates, forecasts and projections about the company and the proposed transaction 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, the parties’ ability to consummate the transaction, including Smiths’ ability to terminate the transaction; the regulatory approvals required for the transaction not being obtained, or not being obtained on the terms expected or on the anticipated schedule; the other conditions to the completion of the transaction not being obtained; the impact of the ongoing COVID-19 pandemic, decreased demand for the products of the Company or Smiths Medical; decreased free cash flow; the inability to recapture conversion delays or part/resource shortages on anticipated timing, or at all; changes in product mix; increased competition from competitors; lack of continued growth or improving efficiencies; unexpected changes in the company’s arrangements with its largest customers; the parties’ ability to meet expectations regarding the timing, completion and accounting and tax treatments of the transaction; changes in relevant tax and other laws; inherent uncertainties involved in the estimates and judgments used in the preparation of financial statements, and the providing of estimates of financial measures, in accordance with GAAP and related standards or on an adjusted basis; the integration of the acquired business by the company being more difficult, time-consuming or costly than expected; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) being greater than expected following the transaction; the retention of certain key employees of the business being difficult; the company’s and the business’s expected or targeted future financial and operating performance and results; the scope, timing and outcome of any ongoing legal proceedings and the impact of any such proceedings on the company’s and the business’s consolidated financial condition, results of operations or cash flows; the company’s and the business’s ability to protect their intellectual property and preserve their intellectual property rights; the effect of any changes in customer and supplier relationships and customer purchasing patterns; the ability to attract and retain key personnel; changes in third-party relationships; the impacts of competition; changes in economic and financial conditions of the company’s business or the Smiths Medical business; uncertainties and matters beyond the control of management; and the possibility that the company may be unable to achieve expected synergies and operating efficiencies in connection with the transaction within the expected time-frames or at all and to successfully integrate the Smiths Medical business.

Cautionary Statements Regarding Forward-Looking Information & GAAP to Non-GAAP Financial Measures

- > For more detailed information on the risks and uncertainties associated with the company's business activities, see the risks described in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, filed with the Securities and Exchange Commission (the "SEC") and in any subsequent filings with the SEC. You can access the Company's Form 10-K and other filings through the SEC website at www.sec.gov, and the company strongly encourages you to do so. The company undertakes no obligation to update any statements herein for revisions or changes after the date of this communication.
- > This presentation contains financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). These 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. 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.
- > Our non-GAAP financial measures include revenue presented on a constant currency basis, which uses the average exchange rate for revenues from the prior year applied to the current year results.
- > ICU Medical is not providing reconciliations for the non-GAAP financial projections included in this presentation involving Smiths Medical because we are unable to provide meaningful or accurate calculation or estimation of reconciling items. This is due to Smiths Medical financial information not being presented in accordance with US GAAP and the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including net income (loss), depreciation & amortization expense, impairment charges, gains or losses on retirement of debt, and variations in effective tax rate, which are difficult to predict and estimate and are primarily dependent on future events but which are excluded from ICU Medical's calculation of Non-GAAP EBITDA and EPS.

Agenda



Presenters: Vivek Jain, CEO; Brian Bonnell, CFO; Blake VanderGeest, VP Finance

1 Transaction Overview

2 Strategic Rationale

3 Company Overview

4 Credit Highlights

5 Financial Overview

6 Appendix

Transaction Overview

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Executive Summary

- > On September 8, 2021, ICU Medical, Inc. (NASDAQ: ICUI; “ICU” or the “Company”) and Smiths Group plc (LSE: SMIN.L; “Smiths” or the “Group”) announced that ICU Medical committed to acquire the Smiths Medical division for approximately \$2.35 billion in upfront equity value
 - Based in San Clemente, California, and founded in 1984, ICU Medical develops, manufactures and sells medical devices used in vascular therapy, critical care and oncology applications worldwide
 - Smiths Medical, a division of Smiths, develops, manufactures and sells syringe and ambulatory pumps, peripheral IV catheters, fluid warming technology, and respiratory equipment among other devices utilized in the infusion therapy care continuum
 - Pro forma for the transaction, ICU will have a market cap of \$5.9 billion and an enterprise value of \$7.4 billion¹
- > Combination of ICU Medical and Smiths Medical brings together two highly complementary product portfolios and creates a scaled global company that will continue to be a leader in IV therapy and simplify customer workflow
 - On a combined basis, the Company generated LTM combined Adj. net revenue of \$2.4 billion and LTM PF Adj. EBITDA of \$476 million²
- > The transaction will be funded through a combination of cash, new term loans and equity to Smiths:
 - \$500 million new 5-year Revolving Credit Facility; expected to be undrawn at close
 - \$850 million new 5-year Term Loan A
 - \$850 million new 7-year Term Loan B
 - \$500 million ICU Common Equity to Seller
 - \$252 million net cash from ICU Medical's balance sheet
- > The transaction is expected to close in early 2022, subject to customary closing and regulatory approvals
- > Pro forma for the transaction, total gross and total net leverage at close is expected to be 3.7x and 3.1x, respectively, based on LTM PF Adj. EBITDA of \$476 million²

¹ Based on a share price of \$243.62/share at market close on 11/12/2021.

² LTM based on ICU Medical 9/30/21 results and Smiths Medical 7/31/21 results.

Financing Transaction Overview

Sources & Uses

Sources	\$	%
Existing Cash	\$252	10%
New Term Loan A	850	34%
New Term Loan B	850	34%
Capitalized Leases (Rolled)	62	2%
Common Equity to Seller	500	20%
Total Sources	\$2,514	100%
Uses	\$	%
Equity Value	\$2,350	93%
Capitalized Leases	62	2%
Estimated Fees & Expenses	102	4%
Total Uses	\$2,514	100%

Pro Forma Capitalization (LTM)

	9/30/21 SQ ICUI	7/31/21 SQ Medical	Txn. Adj.	9/30/21 Pro Forma	Leverage
Cash & Cash Equivalents	\$545	-	(\$252)	\$293	
New Revolver	-	-	-	-	-
New Term Loan A	-	-	850	850	1.8x
New Term Loan B	-	-	850	850	1.8x
Capitalized Leases (Rolled)	-	62	-	62	0.1x
Total Debt	-	\$62	\$1,700	\$1,762	3.7x
Net Debt	(545)	62	1,952	1,469	
Adj. EBITDA ¹	\$256	\$220	-	\$476	
Total Debt / EBITDA	-	0.3x		3.7x	
Secured Debt / EBITDA	-	0.3x		3.7x	
Net Debt / EBITDA	NM	0.3x		3.1x	
Net Secured Debt / EBITDA	NM	0.3x		3.1x	
Shares Outstanding	21.7		2.5	24.2	
% Ownership	90%		10%	100%	



Summary of Terms | Term Loan B

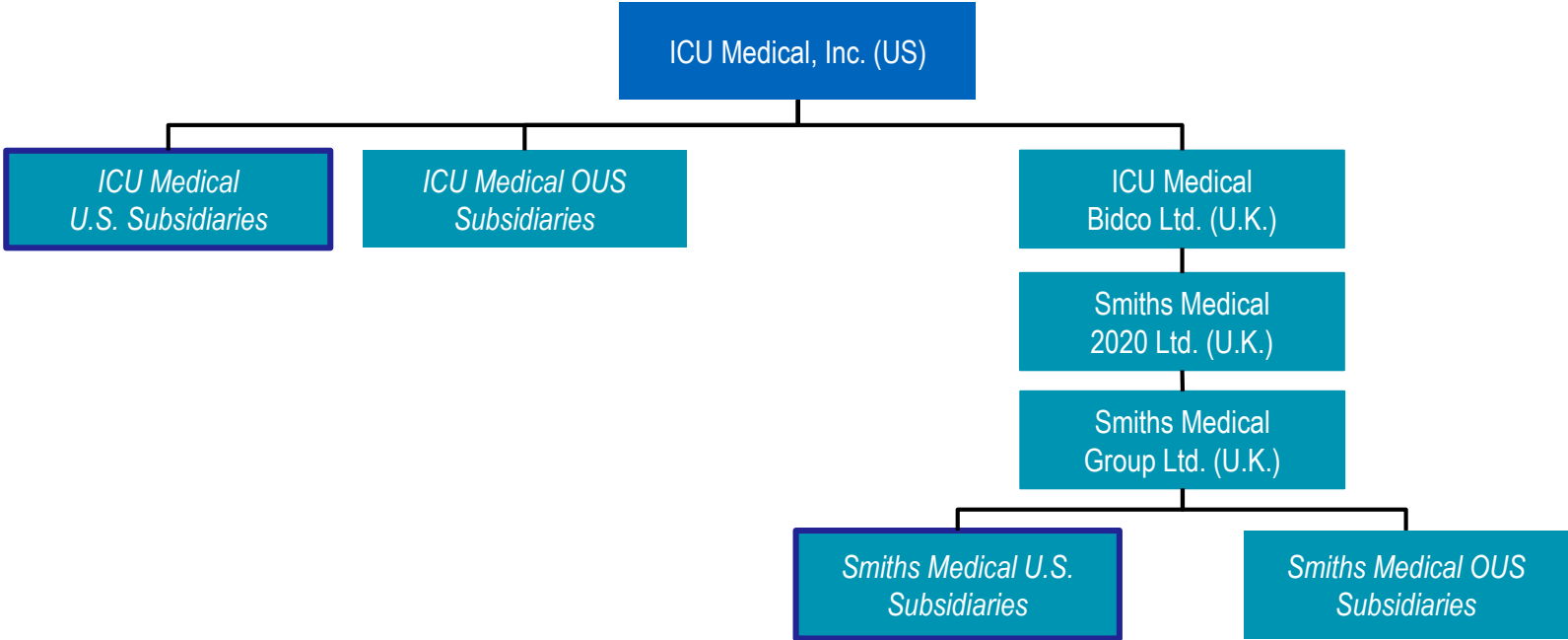
Borrower	ICU Medical, Inc.
Facilities	\$850 million Senior Secured Term Loan B
Joint Lead Arrangers	Barclays, Wells Fargo Securities, Bank of America, Bank of the West, Citi, MUFG, US Bank, KeyBank
Guarantors	All existing and future, direct and indirect, wholly-owned material domestic subsidiaries
Security	First priority lien on all of the assets of the Borrower and Guarantors, 100% of capital stock of domestic subsidiaries and 66% of capital stock of foreign subsidiaries
Maturity	7 years from Closing
Incremental	Greater of (i) \$490 million and (ii) 100% of EBITDA, plus unlimited secured debt up to 3.50x Secured Net Leverage and unlimited unsecured debt up to 5.50x Total Net Leverage or 2.00x FCCR (or “no worse than” for each if incurred to finance a permitted acquisition or investment)
MFN	50 bps for 12 months
Amortization	1% per annum
Call Protection	101 soft call for 6 months
ECF Sweep	50% stepping down to 25% and 0% at 3.00x and 2.50x Secured Net Leverage Ratio
Financial Covenants	None
Covenants	Usual and customary for facilities of this type

Summary of Terms | Pro Rata Facilities

Borrower	ICU Medical, Inc.
Facilities	\$1,350 million Senior Secured Pro Rata Facilities <ul style="list-style-type: none"> — \$500 million Revolving Credit Facility — \$850 million Term Loan A
Joint Lead Arrangers	Wells Fargo Securities, Barclays, Bank of America, Bank of the West, Citi, MUFG, US Bank, KeyBank
Guarantors	All existing and future, direct and indirect, wholly-owned material domestic subsidiaries
Security	First priority lien on all of the assets of the Borrower and Guarantors, 100% of capital stock of domestic subsidiaries and 66% of capital stock of foreign subsidiaries
Maturity	5 years from Closing
Incremental	Greater of (i) \$490 million and (ii) 100% of EBITDA, plus unlimited secured debt up to 3.50x Secured Net Leverage and unlimited unsecured debt up to 5.50x Total Net Leverage or 2.00x FCCR (or “no worse than” for each if incurred to finance a permitted acquisition or investment)
TLA Amortization	2.5% / 2.5% / 5% / 5% / 7.5%
Financial Covenants	Maximum Secured Net Leverage Ratio: 4.50x, with step downs to 4.00x (2.5 years after Closing) (Acquisition Holiday of 0.50x) Minimum Interest Coverage Ratio: 3.00x

Corporate Structure

-  Borrower, Issuer of Financials
-  Guarantor Entity



Transaction Timeline

December 2021							January 2022						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1
5	6	7	8	9	10	11	2	3	4	5	6	7	8
12	13	14	15	16	17	18	9	10	11	12	13	14	15
19	20	21	22	23	24	25	16	17	18	19	20	21	22
26	27	28	29	30	31		23	24	25	26	27	28	29
							30	31					

Key Date
 Market Holiday

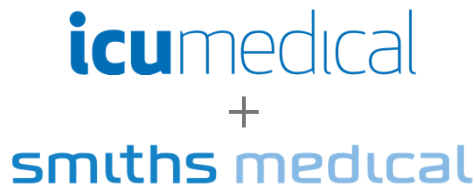
Date	Key Event
December 2	Term Loan B Lender Call
December 16	Lender Commitments Due (12:00 PM ET)
December 17	Price and Allocate Term Loan B
Early 2022	Close and Fund Acquisition and Credit Facilities

Strategic Rationale

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Strategic Rationale and Industrial Logic



Subject to regulatory filing and shareholder approval of Smiths Group plc

- Approximately \$2.5 billion in combined revenues
- Nearly 15,000 employees worldwide
- Significant focus and scale in Infusion Therapy globally

- > Complementary product portfolios joined to create a leading IV therapy company and simplify customer workflow
- > Addition of logical adjacencies to expand addressable markets
- > Unites two OUS operating footprints into a scaled global company
- > Creates a leading US-domiciled company to add diversity and resiliency to the medical supply chain
- > Allows for multiple growth vectors through appealing products across hospital, alternate site, pharmacy, and home
- > Leverages significant investment into integration and infrastructure created with Hospira Infusion Systems acquisition

Creating a Stable and Consistent USA-Based Domestic Supplier to Evolve with Care Delivery

- > Supply chain disruptions and the increase in cost of quality have led to a weak and unresilient US supply chain
- > ICU Medical has a proven track record of strong supply as demonstrated by the stability offered in the US IV solutions market during national shortage period
- > The combination of ICU Medical and Smiths Medical will create a domestic manufacturer of scale across many of the most essential items used in intensive care units

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Using products to treat COVID as an example, the combined US-based entity would supply:

- Syringes for vaccine delivery
- IV sets and solutions for medication delivery
- LVP pumps for antibody infusion
- Ambulatory pumps for alternate site treatments
- Ventilation equipment
- Breathing circuits
- Anesthesia tubing and tracheostomy devices

Company Overview

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ICU Medical Overview (Standalone)

Overview

- > San Clemente, California based company founded in 1984
- > ICU Medical develops, manufactures and sells medical devices used in vascular therapy, critical care and oncology applications worldwide
 - Focuses on IV therapy products and services across continuum of care
- > Product portfolio includes IV smart pumps, sets, connectors, and closed system transfer devices for hazardous drugs, among other products
 - ~70% single-use disposables/~30% capital equipment and infusion systems¹
- > “Sticky” recurring revenue model and oncology treatment regulations helping to support growth
- > Employs ~7,900 worldwide

Business Segments



IV Consumables

Gravity sets, needle-free connectors, closed system transfer devices (CSTD), and specialty IV consumables



IV Solutions

Sterile solutions, irrigation solutions, and certain nutritionals



IV Systems

Large volume, ambulatory, and PCA pumps, dedicated sets, safety software with EHR interoperability, and field service

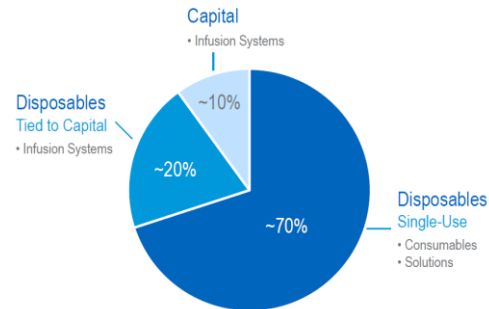


Critical Care

Hemodynamic monitoring systems for patient fluid assessment, advanced sensor catheters, and pressure transducers

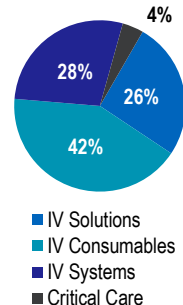
Business Mix

Strong Disposables Profile



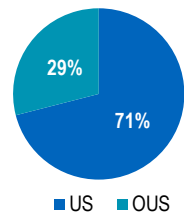
LTM Revenue Breakdown¹

By Segment



By Geography

Total: \$1,253 million

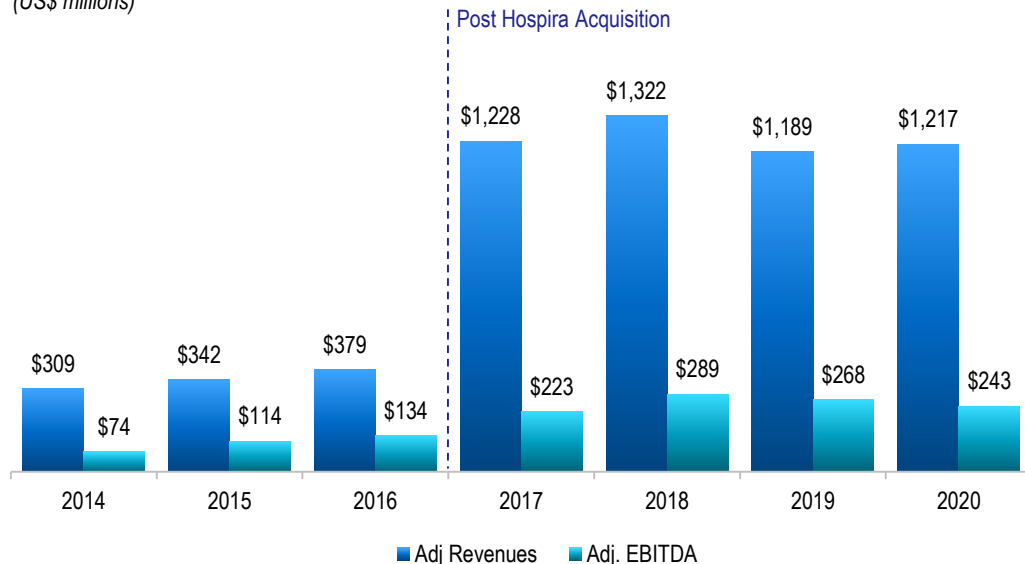


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Recent History and Performance

Adjusted Revenues and Adjusted EBITDA

(US\$ millions)



2014 - 2016

- > Focused on commercial execution
- > Diversified customer base
- > Warm up M&A

2017 - 2018

- > Acquired Hospira Infusion Systems
- > Benefitted from IV solutions shortage
- > Historical IV pump losses occurred
- > Massive integration

2019 - 2020

- > Significant shift in IV Solutions
- > Optimization of supply chain
- > Full separation from Pfizer

2021+

- > Integration finished
- > Restructuring costs down, FCF increasing
- > Ability to handle more

	12/2014 ¹	LTM	Post-Smiths ²
Cash	\$347M	\$545M	~ \$300M
Debt	\$0	\$0	~ \$1.8B
Adj Revenues	\$309M	~\$1.25B	~ \$2.5B
Adj EBITDA	\$74M	\$256M	> \$500M after full integration
FCF	\$44M	\$194M	> \$300M after full integration

¹ ICU Medical 2014 GAAP to non-GAAP reconciliation can be found in Appendix.

² ICU Medical is not providing reconciliations for the non-GAAP financial projections related to Smiths Medical included in this presentation. See Disclosures on slide 2 for more information.

Smiths Medical Overview (Standalone)

Overview

- > Minneapolis, Minnesota based company founded in 1940
- > Smiths Medical is a division of Smiths Group that develops, manufactures and sells medical devices and operates in 3 segments: i) Infusion Systems, ii) Vascular Access and iii) Vital Care
- > Product portfolio includes syringe and ambulatory pumps, peripheral IV catheters, fluid warming and respiratory devices, and silicone and PVC trach tubes, among other products
 - ~80% single-use disposables / ~20% proprietary devices (FY2020)
- > Pricing and commercial excellence, channel expansion, digitization and geographic expansion support the company's above market growth in developed markets and double-digit growth in APAC and MEA regions
- > Employs ~7,000 worldwide

Business Segments



Infusion Systems

Delivery of fluids and medication for pain management and treatment of acute and chronic diseases in hospital and home settings



Vascular Access

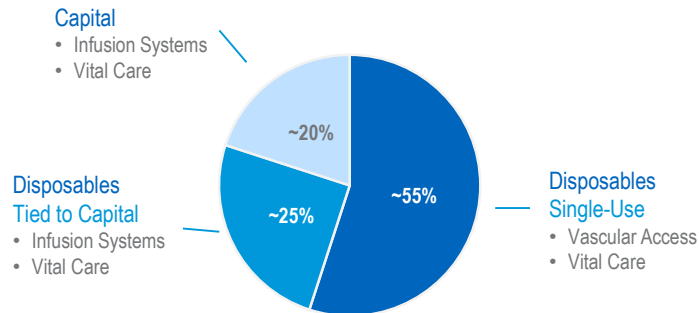
Safety devices that protect healthcare workers and patients from the risk of infection. Often used in conjunction with Infusion Systems devices



Vital Care

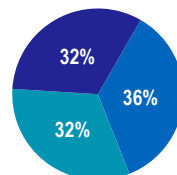
Devices and systems to maintain patients' airways and maintain body temperature before, during and after surgery

Business Mix



LTM Revenue Breakdown¹

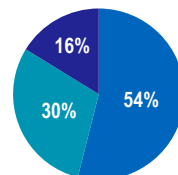
By Segment



- Infusion Systems
- Vascular Access
- Vital Care

By Geography

Total: \$1,153 million



- Americas
- EMEA
- APAC

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Source: Smiths company information.

¹ LTM revenue figures reflect actual results for the period ending 7/31/2021.

Smiths Medical Portfolio Overview

Infusion Systems



CADD®



Medfusion™

Delivery of fluids and medication for pain management and treatment of acute and chronic diseases in hospital and home settings

Global Addressable Market: **~\$15bn¹**
Served Segment Size: **~\$1-2bn**
LTM Revenue: **~\$410M²**

- Ambulatory pumps
- Syringe pumps
- Infusion disposables
- Pain management
- Large volume pumps

Vascular Access



Portex®



Jelco®



DELTEC®

Safety devices that protect healthcare workers and patients from the risk of infection. Often used in conjunction with Infusion Systems devices

Global Addressable Market: **~\$8bn**
Served Segment Size: **~\$5bn**
LTM Revenue: **~\$370M²**

- Peripheral IV catheters
- Ports and grippers
- Sharps safety
- Cardio thoracic

Vital Care



acapella®



Level 1®



Portex® Bivona®

Devices and systems to maintain patients' airways and maintain body temperature before, during and after surgery

Global Addressable Segment: **~\$5bn³**
Served Segment Size: **~\$2bn**
LTM Revenue: **~\$375M²**

- Silicone tubes
- PVC trach tubes
- Bronchial hygiene (COPD)
- Fluid warming

Source: Smiths company information.

¹ Includes IV Fluid market.

² Revenue denotes 7/31/2021 LTM figures. Vital Care includes Specialty Products.

³ Includes Bronchoscopes market.

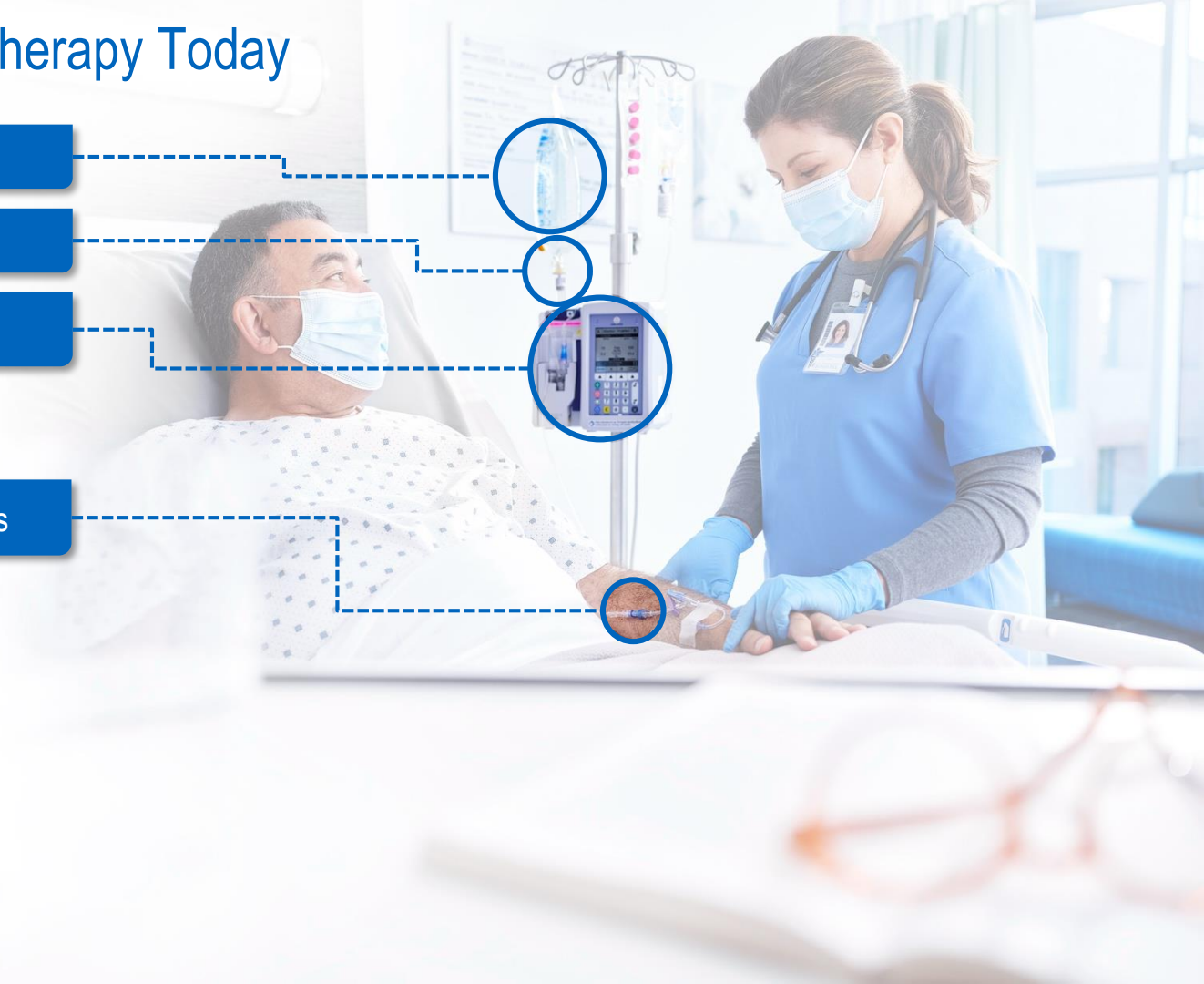
ICU Medical: Infusion Therapy Today

IV Solutions

Dedicated IV Sets

LVP Infusion Pumps and Software

Non-Dedicated IV Sets and Accessories



ICU Medical: Infusion Therapy with Smiths Medical

IV Solutions

Dedicated IV Sets

LVP Infusion Pumps and Software

Syringe and Ambulatory Pumps

Non-Dedicated IV Sets and Accessories

Peripheral IV Catheters

Fluid Warming

Respiratory

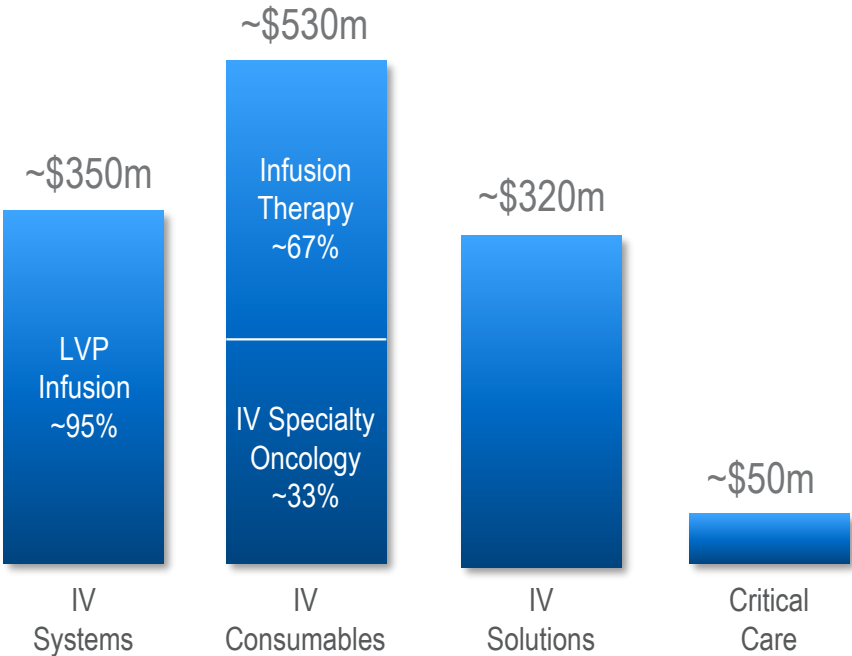


Combination allows ICU to enhance its competitiveness with larger players and provide the broad set of offerings demanded by customers

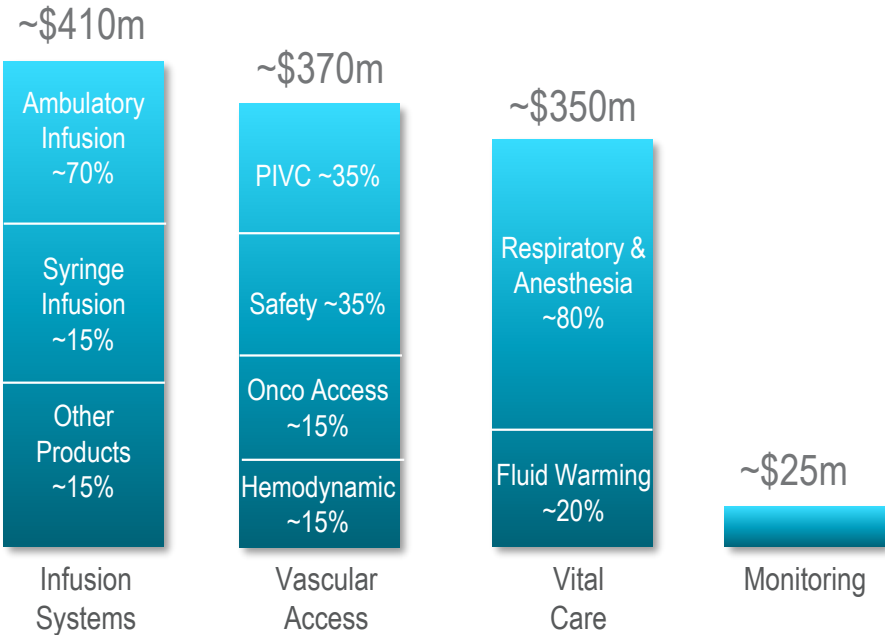


Business Snapshots—Approximate Revenue Sizing¹

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¹ Revenue figures are unaudited and reflect non-GAAP results for the most recently reported 12-month periods for each company.
(LTM 9/30/2021 for ICU Medical and 7/31/2021 for Smiths Medical).

Pro Forma Company Segmentation—Subject to Change¹

Systems
~ \$830m

LVP & Safety Software

ICU Medical MedNet™

Ambulatory and Syringe


Fluid Warming


Estimated Gross Margin > 50%

Consumables
~ \$850m

IV Therapy


Specialty & Oncology


Sharps Safety & PIVC


Vital Care
~ \$725m

Critical Care


Respiratory & Anesthesia


Tracheostomy


Monitoring


IV Solutions

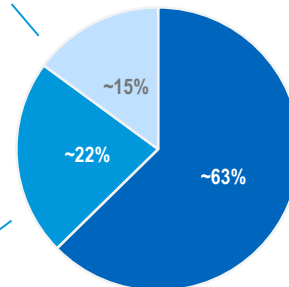

Business Mix

Capital

- Systems
- Vital Care

Disposables Tied to Capital

- Systems
- Vital Care

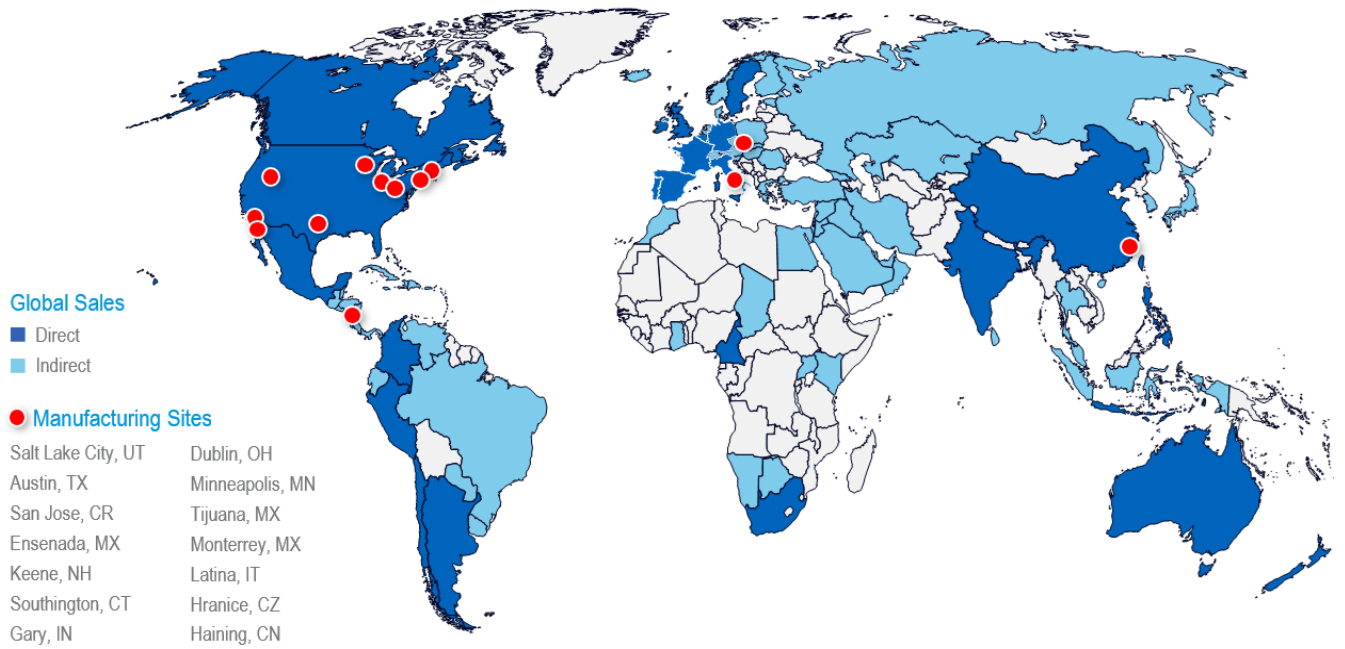
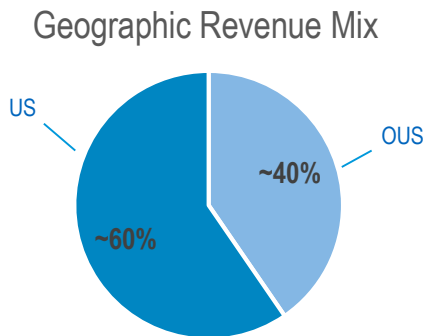


Disposables Single-Use

- Consumables
- Vital Care

¹ Revenue figures are unaudited and reflect non-GAAP results for the most recently reported 12-month periods for each company (LTM 9/30/2021 for ICU Medical and 7/31/2021 for Smiths Medical).

Pro Forma Company Geographic Mix

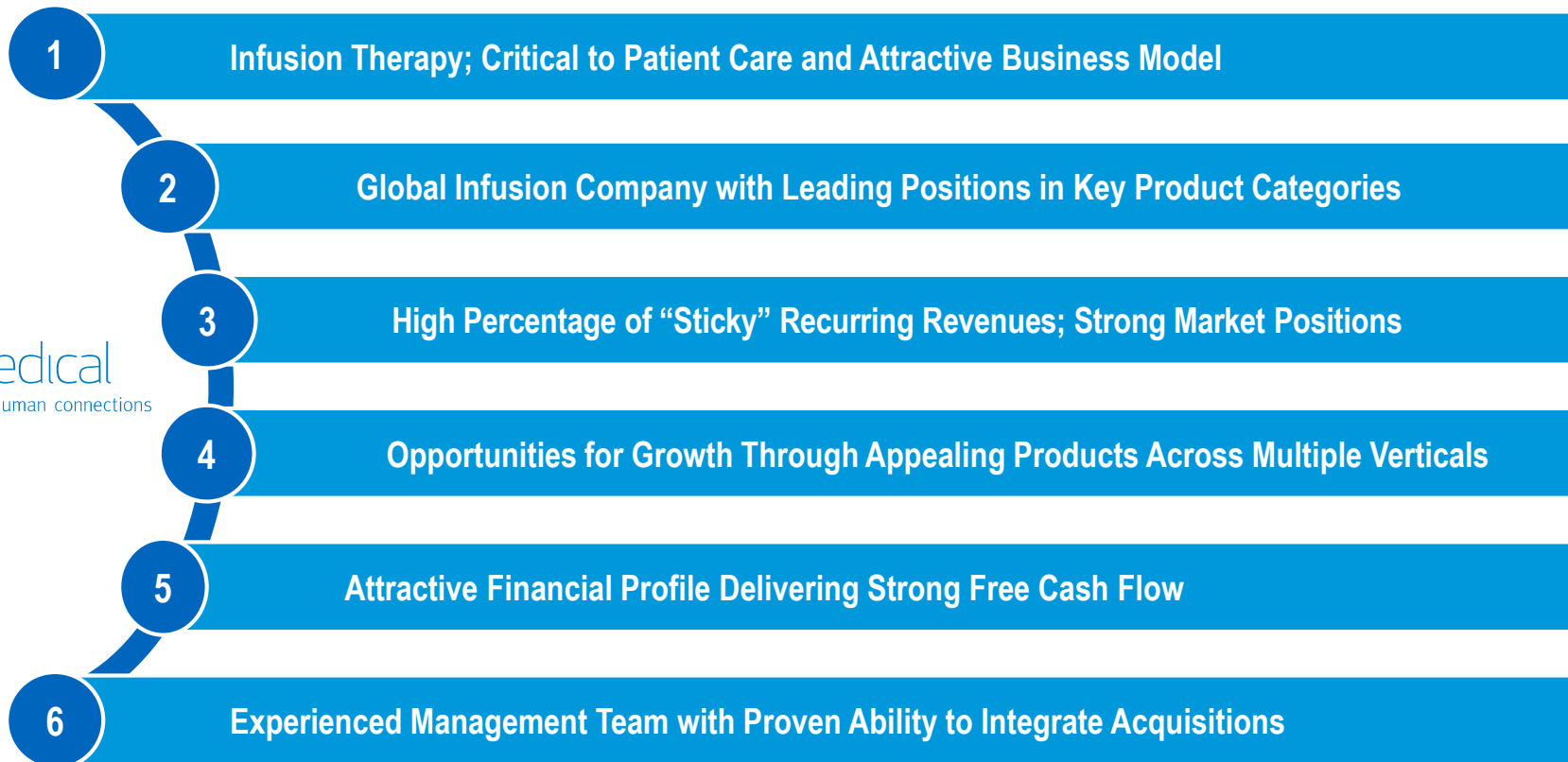


Credit Highlights

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Credit Highlights



1 IV Therapy – Delivery of Drugs and Fluid with “Plumbing Next to the Patient”

US Addressable Markets*

IV Solutions: ~\$3.3 Billion

Holds fluids or mixed drugs, branded or generic



Dedicated IV Sets: ~\$1.2 Billion

Tubing that delivers fluids and medication exclusively through the IV pump



Hardware Pumps: ~\$550 Million

Regulates the flow of fluids and medication at a programmed rate



Non-Dedicated IV Sets & Accessories: ~\$1.2 Billion

Tubing and connections that deliver either by gravity or through an IV pump



Peripheral IV Catheters: ~\$600 Million

Access point that connects IV tubing to a patient's blood stream



1 How the Business Models Work

IV Solutions



- > **Commodity** that is typically purchased with IV sets and often pumps in the US
- > Clinically-essential for almost all hospitalized patients

IV Systems



- > **“Razor + Razor Blade” model** with hardware driving single-use dedicated sets
- > Pump hardware in place for 7-10 years
- > Each pump drives a steady and consistent stream of high margin disposables

Software



- > **Accessory** tied to pump hardware that enhances capabilities and integrates into Hospital IT systems
- > **Annual subscriptions** with upgrade opportunities

IV Oncology



- > **Accessory** that includes new technology with adoption driven by regulatory guidelines

IV Sets & Connectors



- > **Accessory** in customer growth opportunities through standardization or upgrades
- > Clinically-essential for almost all hospitalized patients
- > Clinical differentiation in specialty care areas like NICU, ICU, Anesthesia

2 Why Does ICU Medical Exist and Win

IV Solutions

- > Consolidated market with highly-regulated and capital-intensive manufacturing
- > Reliable supply with US-based manufacturing and logistics



IV Systems

- > Safety and efficiency from unique, award-winning technology
- > Share capture from industry disruption
- > ICU + Smiths has a global install base of >600,000 pumps



Software

- > Industry-leading interoperability with most experience
- > Cybersecurity that meets the latest industry standards



IV Oncology

- > Cost-savings and flexible workflow
- > Complete closed system from preparation to administration



IV Sets & Connectors

- > Largest global producer of needlefree connectors with lowest cost product
- > Recognized brand used for more patient days than any other



3 ICU + Smiths Mix – High Percentage of “Sticky” Recurring Revenues

% of Sales

Disposables - 85%

Hardware - 15%

Disposables

Infusion Accessories

- PIVC
- IV connectors

Dedicated Sets

~41%

~26%

~16%

~17%

Solutions

Others

- Respiratory
- Anesthesia, etc.

Hardware






Infusion Pumps

~77%

~23%

Temperature Management & Other

3 ICU + Smiths Positioned Well in Durable and Attractive Markets

Product Category	IV Solutions	PIVC	IV Sets, Connectors, and Accessories	IV Oncology CSTDs	Infusion Pumps	IV-EHR Interoperability
Differentiation	Commodity	More Differentiated			Most Differentiated	
ICU Medical US Market Position						ICU Medical MedNet™
	#2	#3	#1	#1 (tie)	#2	#2

Opportunities for Growth Through Appealing Products Across Multiple Verticals

Example Growth Vector – Bringing Enhanced Workflow and Safety with Closed Systems in IV Oncology



Complementary Products for Oncology

- > Meet customer desire for standardization from preparation through administration
- > CADD ambulatory pumps open more clinical care areas and routes of administration

. . . and ultimately providing a greater linkage between Rx preparation in the pharmacy and delivery in any care setting

Opportunities for Growth Through Appealing Products Across Multiple Verticals (cont'd)

Example Growth Vector – Providing a Broader Line of Clinically-Essential Products for Pediatrics

ICU Medical: NanoClave needlefree connector with minimal flushing volumes

ICU Medical: Custom IV sets designed to help keep delicate neonatal and pediatric patients safe.

Smiths: Syringe pumps used by most hospitals on the U.S. News & World Report Children's Hospital Honor Roll

ICU Medical: IV-EHR interoperability with ICU Medical MedNet

Smiths: Pediatric airway management technologies including tracheostomy and endotracheal products

Smiths PIVC catheters configured specifically for pediatrics with priming volumes as low as .02 mL

Smiths: "Kid's Kit" closed blood sampling allows withdrawal of blood samples from an umbilical artery catheter or peripheral artery catheter

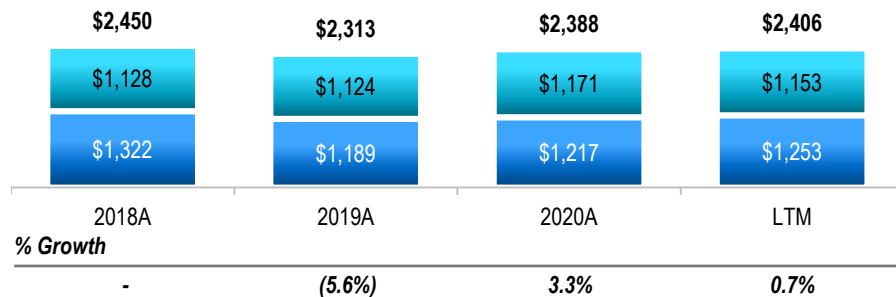
Complementary Products for Pediatrics

- > Smiths Medical's offerings complement ICU Medical's with a suite of products designed specifically for pediatrics
- > Pediatric syringe pumps
- > Kid's Kit pediatric blood sampling

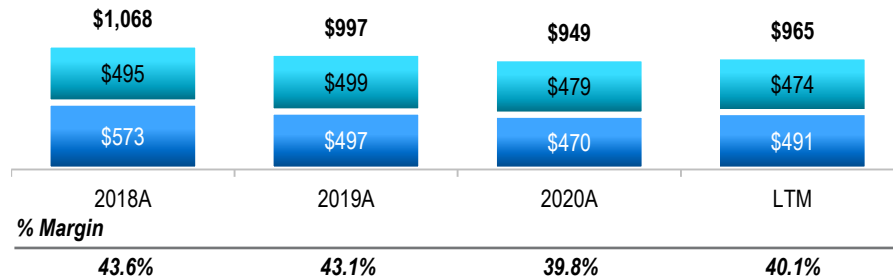
. . . providing a broader range of products specifically designed for the unique requirements of pediatric and neonatal patients

5 Attractive Financial Profile Delivering Strong FCF

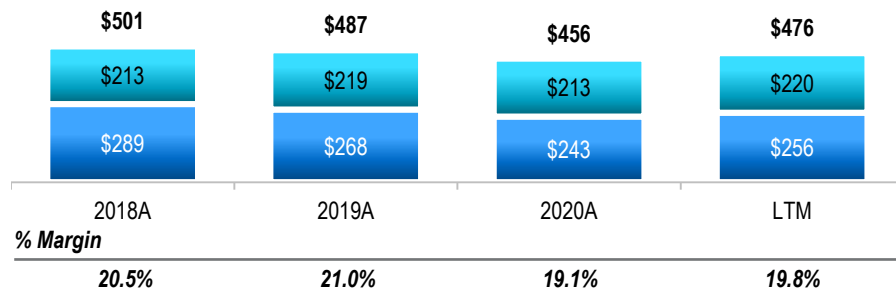
Adjusted Revenue



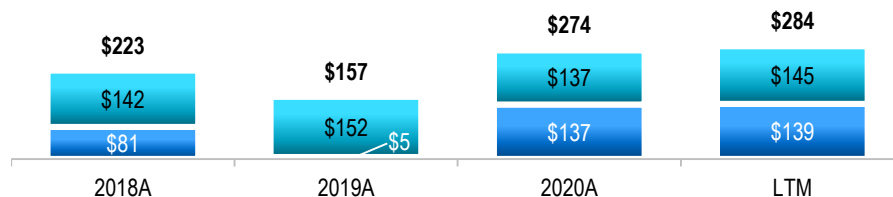
Adjusted Gross Margin



Adjusted EBITDA¹



Free Cash Flow²



■ ICU Medical ■ Smiths Medical

Note: All dollar figures in US\$ millions. Projected financials adjusted to reflect GAAP R&D expense accounting. Assumes no optional payout.

¹ Earnings before taxes plus depreciation, amortization, stock compensation, restructuring & integration, unusual one-time charges and interest & other financing income.

² Adjusted EBITDA less cash tax payments, interest, restructuring and integration spend, changes in net working capital, capital expenditures, intangible asset additions, other investing and stock-based compensation taxes, plus proceeds from asset sales.

Experienced Management Team, Expect Smiths Medical to Join Ranks

	Name	Title (<i>Tentative</i>)	Years Industry Experience (ICU)	Previous Role	Carve-Out Experience
Deep Integration Experience	Vivek Jain	Chairman & Chief Executive Officer	15 (7)	President of Procedural Solutions, CareFusion	CareFusion (CAH), Vital Signs (GE), Hospira (PFE)
	Christian Voigtlander	Chief Operating Officer	19 (6)	SVP, Business Development and Strategy, CareFusion	CareFusion (CAH), Vital Signs (GE), Hospira (PFE)
	Virginia Sanzone	Corporate VP, General Counsel	19 (6)	SVP, Associate General Counsel, CareFusion	CareFusion (CAH), Vital Signs (GE), Hospira (PFE)
	Brian Bonnell	Chief Financial Officer	19 (4)	SVP, Tax and Treasurer, CareFusion	CareFusion (CAH), Hospira (PFE)
	Blake VanderGeest	VP, Finance	13 (5)	Vyaire, Becton Dickinson, CareFusion, Cardinal Health	CareFusion (CAH), Vital Signs (GE), Vyaire (BDX), Hospira (PFE)
	Kevin McGrody	VP, Chief Accounting Officer	39 (14)	Ritz Interactive, Foundstone, Macrovision, Rentals.com, On Command	Hospira (PFE)
	Ben Sousa	VP, Information Technology	21 (7)	BBB Industries, OCA Electrical	Hospira (PFE)
	Mike Hisey	VP, Global Supply Chain	21 (21)	GM, Supply Chain, ICU Medical	Hospira (PFE)
	Ken Niehoff	VP, Global Manufacturing	31 (5)	Pfizer (Hospira), Covidien, Liebel-Flarsheim	Hospira (PFE)
	Clay Fradd	Corporate VP, Human Resources	19 (7)	VP, Human Resources, CareFusion, Jacuzzi Group, Trane, Honeywell	Hospira (PFE)
Relevant Business Experience	Tom McCall	Corporate VP, Global Marketing	38 (11)	VP, Corporate Marketing at Masimo and Welch Allyn	Hospira (PFE)
	Dan Woolson	Corporate VP and GM, Infusion Systems	19 (5)	Vyaire, Becton Dickinson, CareFusion, Cardinal Health, McKinsey & Co	CareFusion (CAH), Vital Signs (GE), Vyaire (BDX), Hospira (PFE)
	Jim Paloyan	GM, Consumables	27 (1)	VP, Global Infusion Disposables, Medical & Procedural Solutions, Beckton Dickinson	CareFusion (CAH)
	Dante Tisci	GM, IV Solutions	23 (4)	Division President, Medline	
	Chad Jansen	GM, Oncology	15 (5)	VP, Global Alliance Management, Hospira	Hospira (PFE)
	Krishna Uppugunduri	Corporate VP, Quality, Regulatory and Medical Affairs	30 (7)	VP, Global Quality, Avon, CareFusion	Hospira (PFE)
	Amy Giertych	VP, Global Regulatory Affairs	31 (5)	VP, Global Regulatory Affairs, Hospira	Hospira (PFE)

6 Proven Track Record of Successful Integrations



- > Acquired a set of product lines and factories with virtually no support infrastructure (IT, Finance, HR, etc.)
- > Complex transaction with delayed closings in 15 countries over a 12-month period
- > Complex TSA ("blanket for IT") and 5-year bi-directional MSA with Pfizer
- > IT Systems mis-matched (Oracle vs. SAP)
- > Heavy integration spend (\$200M+) and massive resource scale up for ICU
- > Low product variety of underlying businesses with three distinct product lines

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- > Acquiring a fully integrated division that has been set up for a spin/sale, with almost all infrastructure self-contained
- > Single global transaction at close
- > Relatively simple TSA (mainly to separate shared 3rd party relationships and IT networks)
- > IT Systems identical (Oracle R12 and related applications)
- > Expecting overall lower integration spend and leverage of existing ICU resources
- > Higher product variety of underlying business with 15 distinct product lines

Financial Overview

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COVID-19 Impact On The Business

- > **Overall, we estimate the impact of COVID on ICU's earnings and cash flows has been approximately net neutral**
- > Most of our products are tied to hospital census and elective procedure volumes – saw dips in demand early on
- > Many products are used in the treatment of COVID-19 – both ICU and Smiths Medical
 - Infusion pumps and dedicated sets (ICU and Smiths Medical)
 - Solutions and certain infusion consumables (e.g. long lines) (ICU)
 - Ventilators and respiratory consumables (Smiths Medical)
 - Needles for injection (Smiths Medical)
- > ICU continued to reliably supply hospital customers as manufacturing plants and distribution centers operated throughout the pandemic
- > The business was also able to meet incremental demand from government agencies
 - US and Canada national stockpiles, BARDA
 - UK Ventilator challenge
 - Low dead-space needles for vaccination
- > Discretionary and project spending is increasing but continues to be lower than historical levels

Transaction and Financial Highlights

Financing and Balance Sheet

- > \$1.85 billion cash consideration to be financed by a combination of debt and on-hand cash
- > \$2.2 billion senior credit facility
 - \$1.7 billion term loans (combination TLA and TLB)
 - \$500 million revolver
- > Pro forma net leverage at closing is expected to be ~3.1x

Long-Term Capital Allocation

- > Near-term priority of de-levering
 - Financed exclusively with simple, straightforward pre-payable debt
 - Strong free cash flow of the combined company facilitates paydown
 - Could be accelerated by proceeds from potential non-core divestitures if compelling
- > Targeting longer term permanent net leverage of 1.5x to 2.0x assuming debt capital markets remain attractive
- > Expect to be within permanent leverage range by the end of year three
- > Once target debt levels achieved, any free cash flow would be used for investment or returned to shareholders
- > We intend to run our business with a minimum of \$250 million cash on hand

Transaction and Financial Highlights¹

Valuation, Earnings Impact and Return

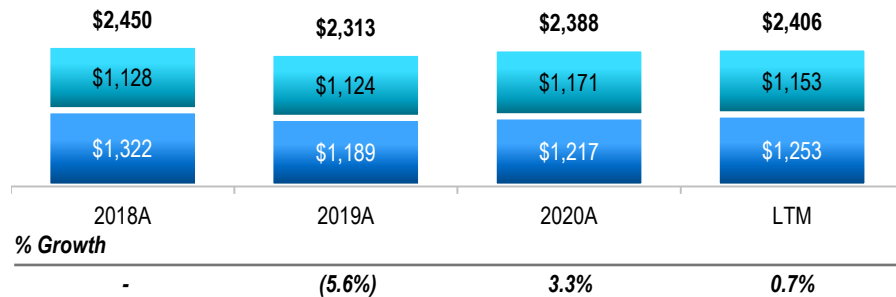
- > Expected run-rate Non-GAAP EBITDA contribution from Smiths Medical of ~\$190 million before synergies
- > Implied ~13x EBITDA multiple
- > Year 1 Non-GAAP EPS of almost \$11 per share
 - Represents over 40% accretion versus stand-alone ICU
 - Assumes ~\$25 million of cost synergies; no revenue synergies assumed
- > Attractive ROIC of ~6.5% by year three with further expansion longer term

Expected Synergies

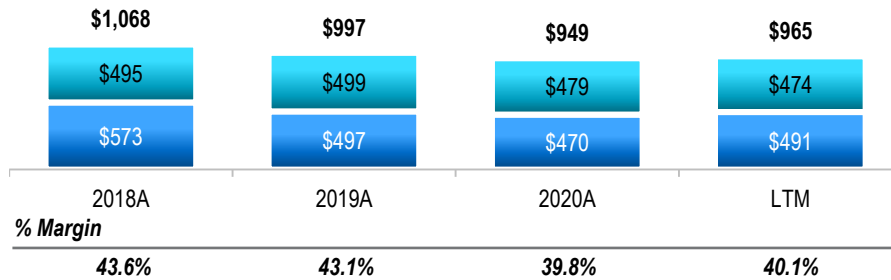
- > Expect \$50 million of cost synergies
- > Leveraging significant investments made in the Hospira integration such as IT, sourcing savings, supply chain efficiencies amongst others
- > Fully realized by end of year four

Summary Historical Financials

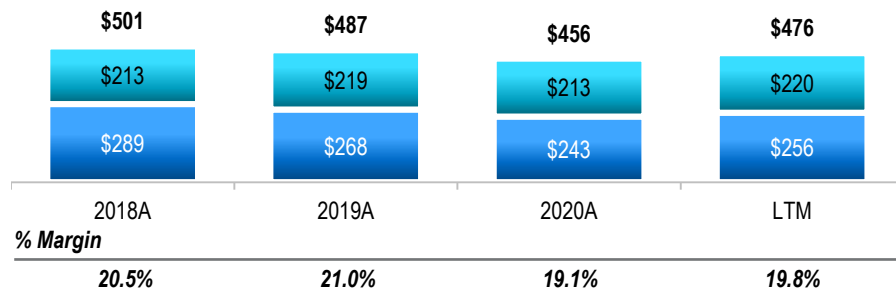
Adjusted Revenue



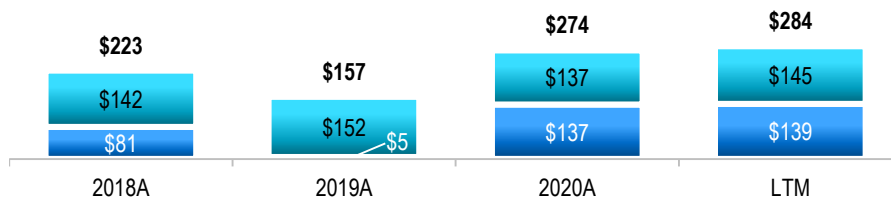
Adjusted Gross Margin



Adjusted EBITDA¹



Free Cash Flow²



■ ICU Medical ■ Smiths Medical

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Appendix

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Pro Forma Historical EBITDA Reconciliations

GAAP to Non-GAAP Revenue Reconciliation	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual LTM
ICU Revenue (GAAP)	1,400	1,266	1,271	1,296
Smiths Medical Revenue (GAAP)	1,128	1,124	1,171	1,153
Total Revenue (GAAP)	\$2,528	\$2,390	\$2,442	\$2,449
Less: MSA Revenue (ICU Non-GAAP)	(78)	(81)	(56)	(43)
Less: Other Revenue Adjustments (ICU Non-GAAP)	0	4	2	-
Total Revenue (Non-GAAP)	\$2,450	\$2,313	\$2,388	\$2,406

GAAP to Non-GAAP Gross Margin Reconciliation				
ICU GM (GAAP)	570	472	461	484
Smiths Medical GM (GAAP)	495	499	479	474
Total GM (GAAP)	\$1,065	\$971	\$941	\$958
Less: Other Revenue Adjustments (ICU Non-GAAP)	0	4	2	-
Less: OCOS Stock Comp (ICU Non-GAAP)	3	4	4	4
Less: OCOS Amortization (ICU Non-GAAP)	-	0	0	0
Less: Other OCOS one-time items (ICU Non-GAAP)	-	16	3	3
Less: Inventory Step-up (ICU Non-GAAP)	-	2	-	-
Total GM (Non-GAAP)	\$1,068	\$997	\$949	\$965

Adj. EBITDA Reconciliations	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual LTM
<u>ICU Adj. EBITDA Reconciliation</u>				
Net Income	29	101	87	109
Depreciation	58	59	62	65
Amortization	17	18	23	23
Stock Compensation	24	22	24	25
R&I	105	81	28	15
Interest	(5)	(6)	(2)	(2)
Tax	(6)	14	11	21
Other Adjustments	66	(20)	9	1
ICU Adj. EBITDA	\$289	\$268	\$243	\$256
% of Revenue	21.8%	22.5%	20.0%	20.5%
<u>Smiths Medical Adj. EBITDA Reconciliation</u>				
Net Income	134	138	146	99
Depreciation	26	32	40	42
Amortization	24	22	16	16
Stock Compensation	1	1	1	2
R&I	2	2	7	12
Interest	21	24	18	18
Tax	17	18	16	10
Other Adjustments	(13)	(17)	(32)	22
Smiths Medical Adj. EBITDA	\$213	\$219	\$213	\$220
% of Revenue	18.9%	19.5%	18.2%	19.1%
Total PF Adj. EBITDA	\$501	\$487	\$456	\$476
% of Revenue	20.5%	21.0%	19.1%	19.8%

Reconciliation of 2014 GAAP to Non-GAAP Financial Measures

(in thousands, except per share data)

Adjusted EBITDA	
GAAP net income	\$ 26,335
Non-GAAP adjustments:	
Stock compensation expense (a)	9,592
Depreciation and amortization expense (b)	19,447
Restructuring and strategic transaction expense (c)	5,093
Provision for income taxes (d)	13,457
Total non-GAAP adjustments	47,589
Adjusted EBITDA	\$ 73,924
Adjusted Diluted Earnings Per Share	
GAAP net income	\$ 1.68
Non-GAAP adjustments:	
Stock compensation expense (a)	0.61
Amortization expense (e)	0.15
Restructuring and strategic transaction expense (c)	0.33
Estimated income tax impact from adjustments (f)	(0.39)
Total non-GAAP adjustments	0.70
Adjusted diluted earnings per share	\$ 2.38
Free Cash Flow	
Net cash provided by operating activities	\$ 60,640
Purchases of property and equipment	(16,604)
Proceeds from sale of assets	5
Free Cash Flow	\$ 44,041

(a) Stock-based compensation expense in accordance with ASC 718

(b) Depreciation of fixed assets and amortization of intangible assets

(c) Restructuring and strategic transaction expense

(d) Income tax expense recognized during the period

(e) Amortization expense

(f) Estimated income tax effect on adjustments for stock compensation, amortization expense and restructuring and strategic transaction expense.