



ICU Medical, Inc. Q3 2020 Conference Call Presentation

Nov 5, 2020



Disclosures

- > Any statement concerning Management's expectation with respect to future results is a forward looking statement based upon the best information currently available to Management and assumptions Management believes are reasonable, but Management does not intend the statement to be a representation as to future results.
- > Future results are subject to risks and uncertainties, including the risk factors described in the Company's filings with the Securities and Exchange Commission, which include those in the most recent Form 10-K and subsequent filings. Actual results in the future may differ materially from Management's current expectations.
- > These forward-looking statements, including statements about the potential impacts of the COVID-19 pandemic, are made based upon our current expectations and we undertake no duty to update information provided in this presentation.
- > 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.

2019–2020 Adjusted Revenue

In \$ millions, unaudited

	2019	2019	2019	2019	Total	2020	2020	2020
	Q1	Q2	Q3	Q4	FY19	Q1	Q2	Q3
Infusion Consumables	121	118	120	120	478	124	111	116
YoY Growth	1%	-5%	2%	-2%	-1%	2%	-6%	-3%
YoY Growth (FXN)	3%	-3%	3%	-1%	1%	4%	-5%	-4%
IV Solutions	92	80	81	81	334	91	74	86
YoY Growth	-27%	-31%	-12%	-14%	-22%	-1%	-7%	6%
YoY Growth (FXN)	-27%	-31%	-12%	-14%	-22%	-1%	-7%	6%
Infusion Systems	85	82	80	85	332	89	92	88
YoY Growth	-9%	-7%	-2%	-8%	-7%	4%	12%	11%
YoY Growth (FXN)	-5%	-4%	0%	-7%	-4%	7%	15%	12%
Critical Care	13	11	11	11	45	12	12	12
YoY Growth	-10%	-18%	-21%	-13%	-15%	-4%	14%	15%
YoY Growth (FXN)	-8%	-17%	-20%	-13%	-14%	-3%	14%	14%
Total	311	290	291	297	1,189	316	289	303
YoY Growth	-12%	-15%	-5%	-8%	-10%	2%	0%	4%
YoY Growth (FXN)	-9%	-13%	-3%	-7%	-9%	3%	1%	4%

Amounts may not foot due to rounding.

2020 Adjusted Revenue and Gross Profit Reconciliation

In \$ thousands	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2020	2019	2020
GAAP net sales	\$ 307,471	\$ 318,567	\$ 950,685	\$ 950,553
Non-GAAP adjustments:				
Contract manufacturing (1)	(16,843)	(15,792)	(61,346)	(44,811)
Contract settlement (2)	794	-	2,753	2,045
Non-GAAP net sales	<u>\$ 291,422</u>	<u>\$ 302,775</u>	<u>\$ 892,092</u>	<u>\$ 907,787</u>
GAAP Gross Profit	\$ 118,552	\$ 113,924	\$ 357,724	\$ 341,623
Non-GAAP adjustments:				
Stock compensation expense	985	837	2,739	2,752
Amortization expense	60	105	180	315
Contract settlement (2)	794	-	2,753	2,045
Supply chain restructuring (3)	-	-	16,349	-
Product-related charges (4)	-	-	-	2,626
Non-GAAP gross profit	<u>\$ 120,391</u>	<u>\$ 114,866</u>	<u>\$ 379,745</u>	<u>\$ 349,361</u>
GAAP Gross Profit % Sales	39%	36%	38%	36%
Non-GAAP Gross Profit % of Non-GAAP Net Sales	41%	38%	43%	38%

(1) Contract manufacturing to Pfizer at cost

(2) Contract settlement - contract renegotiations that result in one-time settlements

(3) Supply chain optimization

(4) Product-related charges - disposal of certain infusion sets