UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: June 30, 2025
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from: to

Commission File No.: 001-34634

ICU MEDICAL, INC.
(Exact name of registrant as specified in its charter)

Delaware	**33-0022692**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
951 Calle Amanecer , San Clemente , California	**92673**
(Address of principal executive offices)	(Zip Code)

(949) 366-2183
(Registrant's telephone number including area code)
N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, par value $0.10 per share	ICUI	The Nasdaq Stock Market LLC (Global Select Market)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class	Outstanding at July 31, 2025
Common	24,685,714

ICU MEDICAL, INC. AND SUBSIDIARIES
Form 10-Q
June 30, 2025

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Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of present and historical fact, contained in this Quarterly Report on Form 10-Q, including, without limitation, statements regarding: our future results of operations and financial position, business strategy and approach; the anticipated benefits and costs associated with our purchase agreement with OPF (as defined below); expected capital expenditures; anticipated consumer demand; supply chain constraints; timing and resolution of the 2025 Warning Letter (as defined below); the expected impact of macroeconomic developments, such as foreign exchange, inflation and interest rates, and new accounting and tax regulations; tariffs; the impact of the One Big Beautiful Bill Act (the "OBBBA"); as well as plans and objectives of management for future operations, are forward-looking statements. Without limiting the foregoing, in some cases, you can identify forward-looking statements by terms such as "aim," "may," "will," "should," "expect," "exploring," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential," "seeks," or "continue" or the negative of these terms or other similar expressions, although not all forward-looking statements contain these words. No forward-looking statement is a guarantee of future results, performance, or achievements, and one should avoid placing undue reliance on such statements.

The forward looking statements in this Quarterly Report on Form 10-Q are only predictions and are based largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q and are subject to a number of known and unknown risks, uncertainties and assumptions, including without limitation, the following:

- our failure to compete successfully with our competitors and maintain market share;
- significant decline in demand for our products;
- our inability to fund substantial investment in product development and recover such investment through commercial product sales;
- prolonged periods of inflation, rising interest rates and the impact of foreign currency exchange rates as a result of the current global macroeconomic and geopolitical conditions, for example, armed conflicts between Ukraine and Russia and in Israel;
- significant changes in U.S. trade, tax or other policies that restrict imports or increase import tariffs for certain countries, particularly Mexico and Costa Rica, will escalate trade wars and will have a material adverse effect on our results of operations.
- continuing pressures to reduce healthcare costs and inadequate coverage and reimbursement;
- disruptions at the FDA, other government agencies or notified bodies caused by funding shortages, global health concerns, layoffs or turnover of personnel;
- failure to protect our information technology systems against security breaches, service interruptions, or misappropriation of data;
- our exposure to risks related to foreign currency exchange rates;
- damage to any of our manufacturing facilities or disruption to our supply chain network;
- our dependence on single and limited source third-party suppliers, which subjects our business and results of operations to risks of supplier business interruptions, and a loss or degradation in performance in our suppliers;
- our failure to achieve expected operating efficiencies or expense reductions associated with cost reduction and restructuring efforts;
- significant sales through our distributors;
- additional risks from international sales, related to competition with larger international companies and established local companies and our possibly higher cost structure;
- actual or perceived failures to comply with foreign, federal, and state data privacy and security laws, regulations and standards, or certain fraud and abuse and transparency laws;
- our failure to defend and enforce our patents or other proprietary rights and the cost of enforcing and of defending patent claims or claims of other proprietary rights; and expiration of our patents;
- our failure to effectively complete the integration of our business resulting from the Smiths Medical acquisition or manage our growth and changes to our business resulting from any other future acquisitions;
- our use of a significant portion of our cash on hand and incurrence of a substantial amount of debt to finance the Smiths Medical acquisition, which could adversely affect our business, including by restricting our ability to engage in additional transactions or incur additional indebtedness; and

- our ability to comply with applicable laws, rules and regulations, including, without limitation, matters raised in a warning letter issued by the FDA in 2025, regarding modifications to our cleared MedFusion™ Model 4000 Syringe Infusion Pump and CADD™ Solis VIP Ambulatory Infusion Pump that could affect the safety or effectiveness of these devices and could impact our continued commercial activity.

For a more detailed discussion of these and other factors, see the information under the sections entitled "Summary Risk Factors," Part I. Item 1A. "Risk Factors" and Part II. Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (the "2024 Annual Report on Form 10-K") filed with the Securities and Exchange Commission (the "SEC"), and the sections in this Quarterly Report on Form 10-Q entitled Part II. Item 1A "Risk Factors" and Part I. Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations," in each case as updated by our periodic filings with the SEC.

Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond our control, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

PART I - FINANCIAL INFORMATION
Item1. Financial Statements (Unaudited)

ICU MEDICAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except par value data and treasury shares)

	June 30, 2025	December 31, 2024
	(Unaudited)	(1)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 300,025	$ 308,566
Accounts receivable, net of allowance for doubtful accounts $13,541 at June 30, 2025 and $12,977 at December 31, 2024	179,495	182,828
Inventories	616,474	584,676
Prepaid expenses and other current assets	84,121	81,531
Assets held for sale	—	284,382
TOTAL CURRENT ASSETS	1,180,115	1,441,983
PROPERTY, PLANT AND EQUIPMENT, net	452,442	442,746
OPERATING LEASE RIGHT-OF-USE ASSETS	58,888	53,295
GOODWILL	1,501,920	1,432,772
INTANGIBLE ASSETS, net	698,009	740,789
DEFERRED INCOME TAXES	23,068	24,211
OTHER ASSETS	61,322	65,097
INVESTMENTS IN UNCONSOLIDATED AFFILIATES	131,625	3,038
TOTAL ASSETS	$ 4,107,389	$ 4,203,931
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 168,820	$ 148,020
Accrued liabilities	313,798	306,923
Current portion of long-term debt	—	51,000
Income tax payable	159	17,328
Liabilities held for sale	—	32,911
TOTAL CURRENT LIABILITIES	482,777	556,182
LONG-TERM DEBT	1,337,731	1,531,858
OTHER LONG-TERM LIABILITIES	96,289	66,745
DEFERRED INCOME TAXES	43,220	48,814
INCOME TAX LIABILITY	31,596	35,097
COMMITMENTS AND CONTINGENCIES (Note 20)		
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 — 24,686 shares at June 30, 2025 and 24,518 shares at December 31, 2024; and outstanding — 24,685 shares at June 30, 2025 and 24,517 shares at December 31, 2024	2,469	2,452
Additional paid-in capital	1,435,935	1,412,118
Treasury stock, at cost (43 shares at June 30, 2025 and 571 shares at December 31, 2024)	(6)	(92)
Retained earnings	710,020	690,158
Accumulated other comprehensive loss	(32,642)	(139,401)
TOTAL STOCKHOLDERS' EQUITY	2,115,776	1,965,235
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 4,107,389	$ 4,203,931

(1) December 31, 2024 balances were derived from audited consolidated financial statements.

The accompanying notes are an integral part of these condensed consolidated financial statements.

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
TOTAL REVENUES	$ 548,866	$ 596,455	$ 1,153,568	$ 1,163,110
COST OF GOODS SOLD	340,802	389,027	735,395	770,438
GROSS PROFIT	208,064	207,428	418,173	392,672
OPERATING EXPENSES:				
Selling, general and administrative	159,392	159,549	316,625	317,206
Research and development	21,867	23,390	45,158	45,232
Restructuring, strategic transaction and integration	16,218	17,136	32,915	33,241
Change in fair value of contingent earn-out	—	(339)	—	(44)
TOTAL OPERATING EXPENSES	197,477	199,736	394,698	395,635
INCOME (LOSS) FROM OPERATIONS	10,587	7,692	23,475	(2,963)
INTEREST EXPENSE, NET	(20,549)	(23,841)	(42,580)	(47,613)
OTHER INCOME (EXPENSE), NET	1,818	(3,384)	55	(5,725)
GAIN ON SALE OF BUSINESS	41,823	—	41,823	—
INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY IN EARNINGS OF UNCONSOLIDATED AFFILIATES	33,679	(19,533)	22,773	(56,301)
PROVISION FOR INCOME TAXES	(1,178)	(1,873)	(5,748)	(4,576)
NET INCOME (LOSS) FROM CONSOLIDATED COMPANIES	32,501	(21,406)	17,025	(60,877)
EQUITY IN EARNINGS OF UNCONSOLIDATED AFFILIATES	2,837	—	2,837	—
NET INCOME (LOSS)	$ 35,338	$ (21,406)	$ 19,862	$ (60,877)
NET INCOME (LOSS) PER SHARE				
Basic	$ 1.43	$ (0.88)	$ 0.81	$ (2.51)
Diluted	$ 1.43	$ (0.88)	$ 0.80	$ (2.51)
WEIGHTED AVERAGE NUMBER OF SHARES				
Basic	24,645	24,393	24,593	24,295
Diluted	24,708	24,393	24,746	24,295

The accompanying notes are an integral part of these condensed consolidated financial statements.

ICU MEDICAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (Unaudited)
(In thousands)

	Three months ended June 30,		Six months ended June 30,	
	2025	**2024**	**2025**	**2024**
NET INCOME (LOSS)	$ 35,338	$ (21,406)	$ 19,862	$ (60,877)
Other comprehensive income (loss), net of tax:				
Cash flow hedge adjustments, net of tax of $(415) and $(2,054) for the three months ended June 30, 2025 and 2024, respectively, and $(2,247)and $(25) for the six months ended June 30, 2025 and 2024, respectively.	(8,816)	(6,382)	(14,701)	(22)
Foreign currency translation adjustment, net of tax of $0 for all periods	81,569	(15,865)	121,460	(38,682)
Other comprehensive income (loss), net of tax	72,753	(22,247)	106,759	(38,704)
COMPREHENSIVE INCOME (LOSS)	$ 108,091	$ (43,653)	$ 126,621	$ (99,581)

The accompanying notes are an integral part of these condensed consolidated financial statements.

ICU MEDICAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Unaudited)
(Amounts in thousands)

	Common Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount					
Balance, January 1, 2025	**24,518**	**$ 2,452**	**$ 1,412,118**	**$ (92)**	**$ 690,158**	**$ (139,401)**	**$ 1,965,235**
Issuance of restricted stock and exercise of stock options	152	9	(8,299)	8,423	—	—	133
Tax withholding payments related to net share settlement of equity awards	(59)	—	—	(8,391)	—	—	(8,391)
Stock compensation	—	—	12,179	—	—	—	12,179
Other comprehensive income, net of tax	—	—	3	—	—	34,006	34,009
Net loss	—	—	—	—	(15,476)	—	(15,476)
Balance, March 31, 2025	**24,611**	**$ 2,461**	**$ 1,416,001**	**$ (60)**	**$ 674,682**	**$ (105,395)**	**$ 1,987,689**
Issuance of restricted stock and exercise of stock options	77	8	5,480	351	—	—	5,839
Tax withholding payments related to net share settlement of equity awards	(2)	—	—	(297)	—	—	(297)
Stock compensation	—	—	14,457	—	—	—	14,457
Other comprehensive income, net of tax	—	—	(3)	—	—	72,753	72,750
Net income	—	—	—	—	35,338	—	35,338
Balance, June 30, 2025	**24,686**	**$ 2,469**	**$ 1,435,935**	**$ (6)**	**$ 710,020**	**$ (32,642)**	**$ 2,115,776**

	Common Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount					
Balance, January 1, 2024	**24,144**	**$ 2,414**	**$ 1,366,493**	**$ (262)**	**$ 807,846**	**$ (53,081)**	**$ 2,123,410**
Issuance of restricted stock and exercise of stock options	378	27	(6,847)	6,970	—	—	150
Tax withholding payments related to net share settlement of equity awards	(110)	—	—	(11,400)	—	—	(11,400)
Stock compensation	—	—	11,598	—	—	—	11,598
Other comprehensive loss, net of tax	—	—	—	—	—	(16,457)	(16,457)
Net loss	—	—	—	—	(39,471)	—	(39,471)
Balance, March 31, 2024	**24,412**	**$ 2,441**	**$ 1,371,244**	**$ (4,692)**	**$ 768,375**	**$ (69,538)**	**$ 2,067,830**
Issuance of restricted stock and exercise of stock options	21	2	(1,537)	4,459	—	—	2,924
Tax withholding payments related to net share settlement of equity awards	(3)	—	—	(285)	—	—	(285)
Stock compensation	—	—	10,998	—	—	—	10,998
Other comprehensive loss, net of tax	—	—	(2)	—	—	(22,247)	(22,249)
Net loss	—	—	—	—	(21,406)	—	(21,406)
Balance, June 30, 2024	**24,430**	**$ 2,443**	**$ 1,380,703**	**$ (518)**	**$ 746,969**	**$ (91,785)**	**$ 2,037,812**

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

	Six months ended June 30,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 19,862	$ (60,877)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	99,110	110,844
Noncash lease expense	9,308	10,524
Stock compensation	26,636	22,596
Loss (gain) on disposal of property, plant and equipment and other assets	1,753	(78)
Debt issuance costs amortization	3,482	3,411
Change in fair value of contingent earn-out liability	—	(44)
Undistributed equity in earnings of unconsolidated affiliates	(2,837)	—
Net gain on sale of business	(41,823)	—
Other	8,037	12,781
Changes in operating assets and liabilities, net of amounts acquired:		
Accounts receivable	16,691	6,715
Inventories	(29,213)	21,095
Prepaid expenses and other current assets	(9,208)	(12,638)
Other assets	(5,682)	(11,124)
Accounts payable	14,382	9,432
Accrued liabilities	(19,835)	20,245
Income taxes, including excess tax benefits and deferred income taxes	(28,125)	(5,138)
Net cash provided by operating activities	62,538	127,744
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(34,317)	(35,382)
Proceeds from sale of business	209,464	—
Proceeds from sale of assets	42	692
Intangible asset additions	(4,541)	(5,364)
Proceeds from sale and maturities of investment securities	—	500
Net cash provided by (used in) investing activities	170,648	(39,554)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal repayments of long-term debt	(247,750)	(25,500)
Proceeds from exercise of stock options	5,972	3,074
Payments on finance leases	(885)	(518)
Payments of contingent earn-out liability	—	(2,600)
Tax withholding payments related to net share settlement of equity awards	(8,688)	(11,685)
Net cash used in financing activities	(251,351)	(37,229)
Effect of exchange rate changes on cash	9,624	(2,535)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(8,541)	48,426
CASH AND CASH EQUIVALENTS, beginning of period	308,566	254,222
CASH AND CASH EQUIVALENTS, end of period	$ 300,025	$ 302,648

The accompanying notes are an integral part of these condensed consolidated financial statements.

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

	Six months ended June 30,	
	2025	**2024**
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES:		
Purchases of property, plant, and equipment in accounts payable	$ 13,253	$ 3,868
Equity method investment - noncash (see Note 4)	$ 125,826	

The accompanying notes are an integral part of these condensed consolidated financial statements.

Note 1: Basis of Presentation

The accompanying unaudited interim condensed consolidated financial statements of ICU Medical, Inc., ("ICU" or the "Company"), a Delaware corporation, have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S.") and pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") and reflect all adjustments, consisting of only normal recurring adjustments, which are, in the opinion of management, necessary for a fair statement of the consolidated results for the interim periods presented. Results for the interim period are not necessarily indicative of results for the full year. Certain information and footnote disclosures normally included in annual consolidated financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Annual Report on Form 10-K of ICU for the year ended December 31, 2024.

We develop, manufacture and sell innovative medical products used in infusion therapy, vascular access, and vital care applications. ICU's product portfolio includes ambulatory, syringe, and large volume IV pumps and safety software; dedicated and non-dedicated IV sets, needlefree IV connectors, peripheral IV catheters, closed system transfer devices, pharmacy compounding systems, and sterile IV solutions, as well as a range of respiratory, anesthesia, patient monitoring, and temperature management products. We sell the majority of our products globally through our direct sales force and through independent distributors throughout the U.S. and internationally. We also sell certain products on an original equipment manufacturer basis to other medical device manufacturers. All subsidiaries are wholly owned and are included in the condensed consolidated financial statements. All intercompany balances and transactions have been eliminated.

Certain reclassifications have been made to the prior year financial statements and footnotes to conform to the presentation used in the current year. On the condensed consolidated balance sheet, we combined prepaid income taxes with the "prepaid expenses and other current assets" line item. On the condensed consolidated statement of cash flows, we combined provision for doubtful accounts, provision for warranty, returns and field action, and usage of spare parts with the "other" line item. In Note 12: Prepaid Expenses and Other Current Assets we combined deferred costs, deferred tax charge and foreign exchange contracts with the "other" line item. In Note 16: Accrued Liabilities we combined operating lease liability, restructuring accrual, accrued sales taxes and other taxes, accrued freight, accrued audit and professional services, distribution fees, warranties and returns, legal accrual, defined benefit plan, foreign exchange forward contracts with the "other" line item. These reclassifications had no impact on the reported results of operations.

Note 2: New Accounting Pronouncements

Recently Issued Accounting Standards Not Yet Adopted

In October 2023, the FASB issued ASU 2023-06, Disclosure Improvements - Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative. The amendments in this update modify the disclosure or presentation requirements of a variety of Topics in the Accounting Standards Codification ("ASC") in response to the SEC's Release No. 33-10532, Disclosure Update and Simplification Initiative, and align the ASC's requirements with the SEC's regulations. For entities within the scope, the guidance will be applied prospectively with the effective date for each amendment to be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. If the SEC has not removed the related disclosure from its regulations by June 30, 2027, the amendments will be removed from the Codification and will not become effective. We are currently assessing what impact this guidance will have on the Company's consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740) - Improvements to Income Tax Disclosures. The amendments in this update expand disclosures in an entity's income tax rate reconciliation table and regarding cash taxes paid information. The update will be effective for annual periods beginning after December 15, 2024 and is applicable to our Annual Report on Form 10-K for the fiscal year December 31, 2025, with early application permitted. We are currently assessing the effect of this update on the Company's consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses. The guidance requires disclosure of disaggregated income statement expense information about specific categories (including purchases of inventory, employee compensation, depreciation, and intangible asset amortization) in the notes to financial statements. In January 2025, FASB released ASU 2025-01 to clarify the guidance will be effective for annual periods beginning after December 15, 2026. This update will be applicable to our Annual Report on Form 10-K for the fiscal year December 31, 2027,

with early application permitted. We are currently assessing the effect of this update on our consolidated financial statements and related disclosures.

Note 3: Restructuring, Strategic Transaction and Integration

Restructuring, strategic transaction and integration expenses were $16.2 million and $32.9 million for the three and six months ended June 30, 2025, respectively, as compared to $17.1 million and $33.2 million for the three and six months ended June 30, 2024, respectively.

Restructuring

During the three and six months ended June 30, 2025 restructuring charges were $8.2 million and $15.0 million, respectively, as compared to $7.7 million and $13.0 million for the three and six months ended June 30, 2024, respectively, and were primarily related to facility closure costs and severance costs.

The following table summarizes the activity in our restructuring-related accrual by major type of cost for the three and six months ended June 30, 2025 (in thousands), which is included in accrued liabilities and other long-term liabilities on the condensed consolidated balance sheets:

	Severance Pay and Benefits	Retention and Facility Closure Costs	Total
Accrued balance, January 1, 2025	$ 9,538	$ 407	$ 9,945
Charges incurred	2,401	4,397	6,798
Payments	(3,482)	(2,905)	(6,387)
Other[(1)]	(900)	—	(900)
Currency translation	155	14	169
Accrued balance, March 31, 2025	$ 7,712	$ 1,913	$ 9,625
Charges incurred	4,289	3,934	8,223
Payments	(3,930)	(2,538)	(6,468)
Currency translation	287	95	382
Accrued balance, June 30, 2025	$ 8,358	$ 3,404	$ 11,762

[(1)] Relates to prior year accrued restructuring charges for estimated severances costs that were reclassed to other accounts during the three months ended March 31, 2025.

Strategic Transaction and Integration Expenses

We incurred and expensed $8.0 million and $17.9 million in strategic transaction and integration expenses during the three and six months ended June 30, 2025, respectively, as compared to $9.4 million and $20.2 million in strategic transaction and integration expenses during the three and six months ended June 30, 2024, respectively, which are included in restructuring, strategic transaction and integration expenses in our condensed consolidated statements of operations. The strategic transaction and integration expenses during the three and six months ended June 30, 2025 and 2024 were primarily related to ongoing consulting expenses and employee costs incurred to integrate our Smiths Medical business acquired in 2022. The three and six months ended June 30, 2025 also included transaction costs related to the sale of a 60% ownership in our IV Solutions business in the second quarter of 2025.

Note 4: Assets Held For Sale and Disposal of Business

Assets Held For Sale

On November 12, 2024, we entered into a purchase agreement (the "Agreement") with Otsuka Pharmaceutical Factory America, Inc., a Delaware corporation ("OPF") to divest a controlling interest in our IV Solutions business. As of December 31, 2024, we concluded the initial criteria for classification as held for sale were met, and accordingly we presented the IV Solution's net assets as held for sale in our condensed consolidated balance sheet.

The following table summarizes the carrying values of the assets and liabilities presented as held for sale in our condensed consolidated balance sheet as of December 31, 2024 (in thousands):

	As of December 31, 2024
Assets:	
Accounts receivable, net of allowance of $465 at December 31, 2024	$ 13,331
Inventories	88,656
Prepaid expenses and other current assets	4,140
Property, plant and equipment, net	155,426
Other assets	22,829
Total assets held for sale	$ 284,382
Liabilities:	
Accounts payable	$ 13,533
Accrued liabilities	19,378
Total liabilities held for sale	$ 32,911
Net assets held for sale	$ 251,471

Disposal of IV Solutions Business

On May 1, 2025, we sold to OPF a 60% ownership interest in Otsuka ICU Medical LLC (the "joint venture"), an entity we formed in 2025 and to which we contributed the net assets of our IV Solutions business. Upon the sale and as a result of a loss of control, we derecognized the net assets that comprised our IV Solutions business and recorded our retained 40% ownership interest at its estimated fair value as an equity method investment in the joint venture (see Note 11: Investment Securities). We have the ability to exercise significant influence over operating and financial policies of the joint venture, primarily through having two of the five seats on its Board of Directors.

Preliminary cash proceeds from the sale, subject to conventional purchase price adjustments, were $209.5 million. We also are entitled to contingent consideration if the joint venture exceeds planned revenues or gross margin for the year ended December 31, 2026. Additionally, we have agreed to provide commercial, logistics, administrative, and other services, including continuing to provide certain manufacturing services for component parts for a period of up to five years from transaction close (see below table). Certain logistic and warehouse costs incurred on behalf of and reimbursed by the joint venture are pass-through expenses and net to zero within cost of goods sold in the condensed consolidated statement of operations. Other services are provided in exchange for fixed fee arrangements or reimbursement of our costs, depending on the respective terms of service negotiated. Fees charged for the services are recorded as reductions to the costs incurred to provide such services in the condensed consolidated statement of operations. Those services provided under fixed price arrangements were determined to be at less than fair value and, as such, we recognized an unfavorable contract liability of $20.2 million to account for the difference between the fair value of services to be provided and the estimated cost of providing such services over the five years from transaction close. The unfavorable contract liability is presented within other liabilities in our condensed consolidated balance sheet, with the current portion included in accrued liabilities. This liability is being released to our condensed consolidated statement of operations as reduction to the costs incurred to provide the respective services within selling, general and administrative expenses.

For the three and six months ended June 30, 2025, we recognized $2.6 million in fixed and variable service fees related to reimbursed expenses under the various transition service agreements and $0.7 million related to the release of the unfavorable contract liability. The fees, reimbursements and release of unfavorable contract liability serve to reduce the same line items as their respective incurred expenses within cost of goods sold or selling, general, and administrative expenses in our condensed consolidated statement of operations.

Fair value for our retained 40% ownership interest was determined using a market approach based on the proceeds received from OPF for its 60% controlling ownership interest. Fair value for services was estimated using a market approach

based on observable margins for comparable services and the difference between the fair value of services and the estimated cost to provide the services through the term of the services agreement was discounted using our effective borrowing rate.

The combined effect of the transaction was a gain of $41.8 million, comprising the sum of a $45.6 million gain from the disposal of a 60% ownership interest in the joint venture, a $16.4 million gain from the difference between the fair value of our retained 40% ownership interest in the joint venture and our carrying value of that same proportionate ownership interest, and a $20.2 million unfavorable contract liability recorded upon disposition. The gain is presented as a separate line item in our condensed consolidated statement of operations. No gain related to contingent consideration was recorded. We will record such gain, if any, if and when the measurement period has ended and we have concluded that a payment will be received.

As part of the transaction, we provided OPF a call option to acquire our retained 40% ownership in the joint venture. Additionally, OPF provided us with a put option giving us the right to compel OPF to purchase our retained 40% ownership interest in the joint venture. The call and put options are exercisable at certain specified dates and for specified amounts based on certain historical financial metrics as set forth in the joint venture's Operating Agreement beginning five years after the closing. The call and put options were not recorded in our condensed consolidated financial statements since they do not meet the definition of a derivative specifically due to the absence of a net settlement feature.

Related Party Transactions

We account for our retained 40% interest in the joint venture as an equity method investment (see Note 11: Investment Securities), having the ability to exercise significant influence over operating and financial policies of the joint venture, primarily through having two of the five seats on its Board of Directors. Additionally, in connection with the closing of the transaction on May 1, 2025, we entered into certain agreements with OPF, which cover the governance of the joint venture and require us to provide certain commercial, logistics, manufacturing supply, administrative, and other services for a period of up to five years from transaction close.

The following table presents condensed consolidated financial statement data resulting from transactions with the joint venture (in thousands):

	Three months ended June 30,	Six months ended June 30,
	2025	2025
Condensed consolidated statement of operations:		
Manufacturing services agreement revenue	$ 3,513	$ 3,513
Manufacturing services agreement cost of goods sold	$ (3,101)	$ (3,101)
Service fees - Otsuka ICU Medical LLC (cost of goods sold)	$ 117	$ 117
Service fees - Otsuka ICU Medical LLC (selling, general & administrative)	$ 2,074	$ 2,074
Equity in earnings of unconsolidated affiliates	$ 2,837	$ 2,837

The joint venture is a pass-through entity for income tax purposes and, as such, does not record income tax at the entity level. We record our equity in earnings of unconsolidated affiliates before any related income tax recognized as a separate line item in our condensed consolidated statements of operations. Income taxes on our share of the joint venture's earnings are included within provision for income taxes in our consolidated statements of operations.

As of June 30, 2025, a $10.4 million related-party payable to the joint venture was included within accrued liabilities in our condensed consolidated balance sheet.

Note 5: Revenue

Revenue Recognition

Our business units are Consumables, Infusion Systems and Vital Care. The vast majority of our sales of these products within these business units are made on a stand-alone basis to hospitals and distributors. Revenue is typically recognized upon

transfer of control of the products, which we deem to be at point of shipment. For purposes of revenue recognition for our software licenses and renewals, we consider the control of these products to be transferred to a customer at a certain point in time; therefore, we recognize revenue at the start of the applicable license term.

Payment is typically due in full within 30 days of delivery or the start of the contract term. Revenue is recorded in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. We include variable consideration in net sales only to the extent that a significant reversal in revenue is not probable when the uncertainty is resolved. Our variable consideration includes distributor chargebacks, product returns and end customer rebates with distributor chargebacks representing the majority and subject to the greatest judgment.

Chargebacks are the difference between the prices we charge our distribution customers at the time they purchase our products and the contracted prices we have with the end customer, most often in the U.S. and Canada. When a distributor sells our products to one of our contracted end customers, the distributor typically will claim a refund from us for the chargeback amount which we process as a credit to the distributor.

In estimating the transaction price to present as net revenue for sales to distributors, we must estimate the expected chargeback amount that we will refund to the distributor after they sell our product to a contracted end customer. Determining the appropriate chargeback reserve requires judgment around the following assumptions:

(i) The estimated chargeback amount (the difference between the price we invoice the distributor and the contractually agreed price with specified end customers); and

(ii) The estimated period of time between the sale to the distributor and the receipt of a chargeback claim.

For purposes of estimating the expected chargeback amount, we utilize actual recent historical chargebacks paid to the specific distributor for similar products as determined at either a product or product-family level. While individual chargeback rates can vary significantly depending on the product and contracted prices with distributors and end customers, our chargeback reserve estimate is not overly sensitive to those individual price changes due to the long-term nature of our distributor and end customer contracts as well as consistency in purchasing patterns. Additionally, the use of the actual chargeback history to calculate an average chargeback rate has historically resulted in a reasonable estimation of overall current contract rates.

For purposes of estimating the period of time between the sale to the distributor and the receipt of a chargeback claim, we utilize several sources of information including actual inventory quantities of our products on hand at distributors. This inventory on hand information is received from the distributors or, when specific quantities are not provided, estimated by using the targeted days of inventory on hand for distributors. Historical experience of actual chargebacks paid has indicated that use of this information has reasonable predictive value of outstanding chargebacks and accounts for the variability of purchasing patterns and expected timing and volume of sales to end customers. The value of the chargeback reserve generally represents approximately two months of obligation due to the timing difference between the initial sale to a distributor and the processing of a chargeback claim after the product is sold to the end customer.

The chargeback reserve estimates change from period-to-period primarily based on changes in revenue from/and the inventory levels of distributors. Our judgments regarding the information used to calculate the chargeback reserve are consistent from period to period; however, on a regular basis, we evaluate the adequacy of the chargeback reserve to reassess and ensure that the variable consideration is appropriately constrained, and the likelihood of future revenue reversal is not probable. We use metrics including chargeback provision as a percentage of gross revenue, movements in inventory on hand at distributors, trends in accrued versus paid chargebacks and impacts from price changes and similar metrics.

The chargeback reserve reflects a reasonable estimate of the amount of consideration using the expected value method and is recorded as a reduction of accounts receivable, net on the consolidated balance sheets.

We also offer certain volume-based rebates to both our distribution and end customers, which is recorded as variable consideration when calculating the transaction price. Rebates are offered on both a fixed and tiered/variable basis. In both cases, we use information available at the time, including current contractual requirements, our historical experience with each customer and forecasted customer purchasing patterns, to estimate the most likely rebate amount.

We also warrant products against defects and have a policy permitting the return of defective products, for which we accrue and expense at the time of sale using information available at that time and our historical experience. We also provide for extended service-type warranties, which we consider to be separate performance obligations. We allocate a portion of the

transaction price to the extended service-type warranty based on its estimated relative selling price, and recognize revenue over the period the warranty service is provided.

Arrangements with Multiple Performance Obligations

We also enter into arrangements which include multiple performance obligations. The most significant judgments related to these arrangements include:

- Identifying the various performance obligations of these arrangements.
- Estimating the relative standalone selling price of each performance obligation, typically using a directly observable method or calculated on a cost plus margin basis method.

Revenue Disaggregated

The following table represents our revenues disaggregated by product line (in thousands):

	Three months ended June 30,		Six months ended June 30,	
Product line	**2025**	**2024**	**2025**	**2024**
Consumables	$ 273,133	$ 261,816	$ 539,359	$ 505,855
Infusion Systems	167,696	163,638	333,996	320,976
Vital Care	108,037	171,001	280,213	336,279
Total Revenues	$ 548,866	$ 596,455	$ 1,153,568	$ 1,163,110

The following table represents our revenues disaggregated by geography (in thousands):

	Three months ended June 30,		Six months ended June 30,	
Geography	**2025**	**2024**	**2025**	**2024**
United States	$ 335,432	$ 383,140	$ 723,676	$ 749,295
Europe, the Middle East and Africa	99,059	95,310	194,747	193,699
APAC	58,404	61,224	117,816	113,077
Other Foreign	55,971	56,781	117,329	107,039
Total Revenues	$ 548,866	$ 596,455	$ 1,153,568	$ 1,163,110

Contract Balances

The following table presents the changes in our contract balances for the six months ended June 30, 2025 and 2024 (in thousands), which is included in accrued liabilities and other long-term liabilities on the condensed consolidated balance sheets:

	Contract Liabilities
Beginning balance, January 1, 2025	$ 39,403
Equipment revenue recognized	(33,525)
Equipment revenue deferred due to implementation	30,365
Software revenue recognized	(6,348)
Software revenue deferred due to implementation	2,473
Government grant income recognized[1]	(1,024)
Other deferred revenue recognized	(1,156)
Other deferred revenue	390
Ending balance, June 30, 2025	$ 30,578
Beginning balance, January 1, 2024	$ 42,177
Equipment revenue recognized	(16,951)
Equipment revenue deferred due to implementation	20,593
Software revenue recognized	(10,232)
Software revenue deferred due to implementation	10,427
Government grant income recognized[1]	(1,029)
Other deferred revenue recognized	(1,602)
Other deferred revenue	423
Ending balance, June 30, 2024	$ 43,806

[1] The government grant income deferred is amortized over the life of the related depreciable asset as a reduction to depreciation expense.

Our contract liabilities are included in accrued liabilities or other long-term liabilities in our condensed consolidated balance sheet based on the expected timing of revenue recognition.

As of June 30, 2025, revenue from remaining performance obligations is as follows:

	Recognition Timing	
(in thousands)	**< 12 Months**	**> 12 Months**
Equipment deferred revenue	$ 12,295	$ 403
Software deferred revenue	6,670	1,877
Government grant deferred income[1]	2,064	6,318
Other deferred revenue[2]	890	61
Total	$ 21,919	$ 8,659

[1] The government grant deferred income is amortized over the life of the related depreciable asset as a reduction to depreciation expense.

[2] Other deferred revenue includes pump development programs, purchased training and extended warranty.

Note 6: Segment Data

The Company has a single operating and reportable segment. The Company derives revenues from the manufacture and sale of our medical products which are used in infusion therapy, vascular access, and vital care applications. Our product portfolio includes ambulatory, syringe, and large volume IV pumps and safety software; dedicated and non-dedicated IV sets, needlefree IV connectors, IV catheters, sharps safety products, and sterile IV solutions; closed system transfer devices and pharmacy compounding systems; as well as a range of respiratory, anesthesia, patient monitoring, and temperature management

products. Our product lines, as disclosed in Note 5: Revenue, were determined to be a single operating segment as discrete financial information by product-line is limited to revenue and standard cost. Other cost of sale expenses, which include above-site manufacturing costs, manufacturing variances and supply chain costs including freight and warehousing are not allocated to individual product lines. Similarly, quality, regulatory and other operating expenses are only provided to our chief operating decision maker ("CODM") at the consolidated level.

For information on disaggregation of revenues by product-line and geography, see Note 5: Revenue.

Our chief executive officer is our CODM. Our CODM uses net profit (loss) to manage our business activities on a consolidated basis and to evaluate and assess the performance of the Company when determining how to allocate capital resources. Our segment performance is monitored and resource allocation is determined during the consolidated annual budget/forecast processes. The measure of segment assets is reported on the consolidated balance sheets as total assets. Expenditures for additions to long-lived assets were $22.0 million and $38.9 million for the three and six months ended June 30, 2025 and $21.9 million and $40.7 million for the three and six months ended June 30, 2024, respectively.

The following table presents information about our segment revenue, segment profit or loss, and significant segment expenses (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
REVENUES	$ 548,866	$ 596,455	$ 1,153,568	$ 1,163,110
Less:				
Standard COGS[1]	249,816	298,429	543,224	581,430
Quality remediation/recall[2]	5,706	3,924	15,686	11,422
Other COGS[3]	85,280	86,674	176,485	177,586
Selling, general and administrative	159,392	159,549	316,625	317,206
Research and development	21,867	23,390	45,158	45,232
Restructuring and integration	16,218	17,136	32,915	33,241
Other segment items[4]	(46,157)	238	(47,626)	228
Interest expense	23,065	26,648	48,328	53,066
Income tax provision	1,178	1,873	5,748	4,576
Equity in earnings of unconsolidated affiliates	(2,837)	—	(2,837)	—
Consolidated net income (loss)	$ 35,338	$ (21,406)	$ 19,862	$ (60,877)

[1] Represents the average annual budgeted cost of producing each good sold in the period.
[2] Represents significant labor and material costs to replace or repair a product outside the scope of standard warranty and compliance costs related to quality systems and manufacturing operations.
[3] Includes costs related to capitalized manufacturing variances to standard COGS, supply chain and logistics costs including freight, inventory management and reserves, hardware service, quality and regulatory, and operations and supply chain management costs.
[4] Includes changes in fair value of contingent earn-out, interest income, gain/loss on disposition of assets, gain/loss on foreign exchange, other miscellaneous income/expense, and gain on sale of business.

For information on depreciation expense, see Note 14: Property, Plant, & Equipment. For information on amortization expense, see Note 15: Goodwill and Intangible Assets, Net.

Significant Customers

We sell products worldwide, on credit terms on an unsecured basis, as an OEM supplier, to independent medical supply distributors and directly to end customers. The manufacturers and distributors, in turn, sell our products to healthcare providers. For the three and six months ended June 30, 2025, our consolidated worldwide net sales to a single distributor were 19%, and 18%, respectively, and for the three and six months ended June 30, 2024, were 17%.

Geographic Information

The table below presents our gross long-lived assets, consisting of property, plant and equipment, by country or region (in thousands):

	As of	
	June 30, 2025	**December 31, 2024**
Costa Rica	160,676	156,149
Mexico	117,835	111,043
Other LATAM	64,060	55,451
Canada	1,918	5,284
Italy	34,560	29,124
Spain	19,914	17,141
Czech Republic	13,804	11,909
Other Europe	11,580	11,445
APAC	29,754	27,550
Total Foreign	$ 454,101	$ 425,096
United States*	628,671	610,547
Worldwide Total	$ 1,082,772	$ 1,035,643

*As of December 31, 2024, we presented within the assets held for sale line item in our consolidated balance sheet, the gross long-lived assets that were part of a disposal group that met the criteria as held for sale during the fourth quarter of 2024 (See Note 4: Assets Held For Sale and Disposal of Business).

Note 7: Leases

We determine if an arrangement is a lease at inception. Our operating lease assets are separately stated in operating lease right-of-use ("ROU") assets and our financing lease assets are included in other assets on our condensed consolidated balance sheets. Our lease liabilities are included in accrued liabilities and other long-term liabilities on our condensed consolidated balance sheets. We have elected not to recognize an ROU asset and lease liability for leases with terms of twelve months or less.

Lease ROU assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Most of our leases do not provide an implicit rate; therefore, we use our incremental borrowing rate, which is the rate incurred to borrow on a collateralized basis over a similar term based on the information available at commencement date. Our lease ROU assets exclude lease incentives and initial direct costs incurred. Our lease terms include options to extend when it is reasonably certain that we will exercise that option. All of our leases have stated lease payments, which may include fixed rental increases. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

Our leases are for corporate, research and development and sales and support offices, manufacturing and distribution facilities, device service centers and certain equipment. Our leases have original lease terms of one year to fifteen years, some of which include options to extend the leases for up to an additional five years. For all of our leases, we do not include optional periods of extension in our current lease terms because we determined the exercise of options to extend is not reasonably certain.

The following table presents the components of our lease cost (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Operating lease cost	$ 5,103	$ 5,638	$ 10,129	$ 11,452
Finance lease cost — interest	107	47	161	80
Finance lease cost — reduction of ROU asset	623	301	812	555
Short-term lease cost	5	—	7	—
Total lease cost	$ 5,838	$ 5,986	$ 11,109	$ 12,087

Interest expense on our finance leases is included in interest expense, net in our condensed consolidated statements of operations. The reduction of the operating and finance ROU assets is included as noncash lease expense in costs of goods sold and selling, general and administrative expenses in our condensed consolidated statements of operations.

The following table presents the supplemental cash flow information related to our leases (in thousands):

	Six months ended June 30,	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 8,906	$ 11,730
Operating cash flows from finance leases	$ 161	$ 80
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	$ 11,654	$ 8,650
Finance leases	$ 1,713	$ 1,202

The following table presents the supplemental balance sheet information related to our operating leases (in thousands, except lease term and discount rate):

	As of	
	June 30, 2025	December 31, 2024
Operating leases		
Operating lease right-of-use assets	$ 58,888	$ 53,295
Accrued liabilities	$ 13,201	$ 15,695
Other long-term liabilities	49,431	40,777
Total operating lease liabilities	$ 62,632	$ 56,472
Weighted-Average Remaining Lease Term		
Operating leases	6.6 years	5.8 years
Weighted-Average Discount Rate		
Operating leases	5.31 %	4.90 %

The following table presents the supplemental balance sheet information related to our finance leases (in thousands, except lease term and discount rate):

	As of	
	June 30, 2025	December 31, 2024
Finance leases		
Finance lease right-of-use assets	$ 4,372	$ 3,259
Accrued liabilities	$ 1,535	$ 1,066
Other long-term liabilities	3,053	2,332
Total finance lease liabilities	$ 4,588	$ 3,398
Weighted-Average Remaining Lease Term		
Finance leases	3.2 years	3.5 years
Weighted-Average Discount Rate		
Finance leases	5.96 %	5.63 %

As of June 30, 2025, the maturities of our operating and finance lease liabilities for each of the next five years and thereafter are approximately (in thousands):

	Operating Leases	Finance Leases
Remainder of 2025	$ 8,207	$ 911
2026	14,802	1,691
2027	12,305	1,311
2028	9,660	823
2029	7,830	248
2030	4,562	47
Thereafter	16,686	—
Total Lease Payments	74,052	5,031
Less imputed interest	(11,420)	(443)
Total	$ 62,632	$ 4,588

Note 8: Net Income (Loss) Per Share

Basic net income (loss) per share is computed by dividing net income (loss) by the weighted-average number of common shares outstanding during the period. Diluted income (loss) per share is computed by dividing net income (loss) by the weighted-average number of common shares outstanding during the period plus dilutive securities. Dilutive securities include outstanding common stock options and unvested restricted stock units, less the number of shares that could have been purchased with the proceeds from the exercise of the options, using the treasury stock method. Options and restricted stock units that are anti-dilutive are not included in the treasury stock method calculation. A net loss for the three and six months ended June 30, 2024 causes all of the potentially dilutive common shares to be antidilutive and, accordingly, they were not included in the computation of diluted earnings per share, and basic and diluted net loss per share are equal for each of these periods.

The following table presents the calculation of net earnings per common share (“EPS”) — basic and diluted (in thousands, except per share data):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income (loss)	$ 35,338	$ (21,406)	$ 19,862	$ (60,877)
Weighted-average number of common shares outstanding (basic)	24,645	24,393	24,593	24,295
Dilutive securities[1]	63	—	153	—
Weighted-average common and common equivalent shares outstanding (diluted)	24,708	24,393	24,746	24,295
EPS — basic	$ 1.43	$ (0.88)	0.81	$ (2.51)
EPS — diluted	$ 1.43	$ (0.88)	0.80	$ (2.51)
Total anti-dilutive stock options and restricted stock awards	65	216	40	202

[1] Due to the net loss for the three and six months ended June 30, 2024, there are no potentially dilutive common shares included in the computation of diluted earnings per share.

Note 9: Derivatives and Hedging Activities

Hedge Accounting and Hedging Program

The purposes of our cash flow hedging programs are to manage the foreign currency exchange rate risk on forecasted revenues and expenses denominated in currencies other than the functional currency of the operating unit, and to manage floating interest rate risk associated with future interest payments on the variable-rate term loans issued in 2022. We do not issue derivatives for trading or speculative purposes.

To receive hedge accounting treatment, all hedging relationships are formally documented at the inception of the hedge, and the hedges must be highly effective in offsetting changes to future cash flows on hedged transactions. The derivative instruments we utilize, including various foreign exchange contracts and interest rate swaps, are designated and qualify as cash flow hedges. Our derivative instruments are recorded at fair value on the condensed consolidated balance sheets and are classified based on the instrument's maturity date. We record gains or losses from changes in the fair values of the derivative instruments as a component of other comprehensive income (loss) and we reclassify those gains or losses into earnings in the same line item associated with the forecasted transaction and in the same period during which the hedged transaction affects earnings. If the underlying forecasted transaction does not occur, or it becomes probable that it will not occur, we reclassify the gain or loss on the related derivative instrument from accumulated other comprehensive loss into earnings immediately.

Foreign Currency Exchange Rate Risk

Foreign Exchange Forward Contracts

We enter into foreign exchange forward contracts to hedge a portion of our forecasted foreign currency-denominated revenues and expenses to minimize the effect of foreign exchange rate movements on the related cash flows. These contracts are agreements to buy or sell a quantity of a currency at a predetermined future date and at a predetermined exchange rate. Our foreign exchange forward contracts hedge exposures principally denominated in Mexican Pesos ("MXN"), Euros ("EUR"), Czech Koruna ("CZK"), Japanese Yen ("JPY"), Swedish Krona ("SEK"), Danish Krone ("DKK"), Chinese Renminbi ("CNH"), Canadian Dollar ("CAD"), U.S. Dollar ("USD") and Australian Dollar ("AUD") and have varying maturities with an average term of approximately nine months. The total notional amount of these outstanding derivative contracts as of June 30, 2025 was $137.6 million, which included the notional equivalent of $31.3 million in CAD, $41.8 million in EUR, $38.8 million in MXN, $16.9 million in USD and $8.8 million in other foreign currencies, with terms currently through January 2026.

Floating Interest Rate Risk

In 2022, we entered into interest rate swaps to reduce the interest rate volatility on our variable-rate term loan A and variable-rate term loan B (see Note 18: Long-Term Debt). We exchange, at specified intervals, the difference between fixed and floating interest amounts calculated by reference to an agreed-upon notional amount. Effective March 30, 2022, the term loan A swap, as amended, has an initial notional amount of $300.0 million, reducing to $150.0 million evenly on a quarterly basis excluding its final maturity on March 30, 2027. We pay a fixed rate of 1.32% and will receive the greater of 3-months USD Secured Overnight Financing Rate ("SOFR") or (0.15)%. The total notional amount of this outstanding derivative as of June 30, 2025 was approximately $197.4 million. Effective March 30, 2022, the term loan B swap, as amended, has an initial notional amount of $750.0 million, reducing to $46.9 million evenly on a quarterly basis through its final maturity on March 30, 2026. We pay a fixed rate of 1.17% and will receive the greater of 3-months USD SOFR or 0.35%. The total notional amount of this outstanding derivative as of June 30, 2025 was approximately $140.6 million.

In June 2023, we entered into an additional interest rate swap that hedges both term loan A and term loan B interest payments. The total notional amount of the swap is $300.0 million. The hedge matures on June 30, 2028. We pay a fixed rate of 3.88% and will receive 3-months USD SOFR.

These swaps effectively convert the relevant portion of the floating-rate term loans to fixed rates.

The following table presents the fair values of our derivative instruments included within the Condensed Consolidated Balance Sheets (in thousands):

	Derivatives Designated as Cash Flow Hedging Instruments		
Condensed Consolidated Balance Sheet Location	**Foreign Exchange Contracts**	**Interest Rate Swaps**	**Gross Derivatives**
As of June 30, 2025			
Prepaid expenses and other current assets	$ 3,434	$ —	$ 3,434
Total assets	$ 3,434	$ —	$ 3,434
Accrued liabilities	$ 2,971	$ —	$ 2,971
Other long-term liabilities	—	2,084	2,084
Total liabilities	$ 2,971	$ 2,084	$ 5,055
As of December 31, 2024			
Prepaid expenses and other current assets	$ 6,716	$ 11,038	$ 17,754
Other assets	—	5,724	5,724
Total assets	$ 6,716	$ 16,762	$ 23,478
Accrued liabilities	$ 7,391	$ —	$ 7,391
Total liabilities	$ 7,391	$ —	$ 7,391

We recognized the following (losses) gains on our derivative instruments designated as cash flow hedges in other comprehensive income before reclassifications to net income (loss) (in thousands):

	(Losses) Gains Recognized in Other Comprehensive Income (Loss)			
	Three months ended June 30,		Six months ended June 30,	
	2025	**2024**	**2025**	**2024**
Derivatives designated as cash flow hedging instruments:				
Foreign exchange forward contracts	$ 1,830	$ (3,965)	$ 1,656	$ 975
Interest rate swaps	(7,974)	4,512	(12,065)	17,905
Total derivatives designated as cash flow hedging instruments	$ (6,144)	$ 547	$ (10,409)	$ 18,880

The following table presents the effects of our derivative instruments designated as cash flow hedges on the Condensed Consolidated Statements of Operations (in thousands):

		Gains (Losses) Reclassified From Accumulated Other Comprehensive Income (Loss) into Income			
		Three months ended June 30,		Six months ended June 30,	
	Location of Gains (Losses) Recognized in Net Loss	2025	2024	2025	202
Derivatives designated as cash flow hedging instruments:					
Foreign exchange forward contracts	Total revenues	$ 164	$ 633	$ 874	$
Foreign exchange forward contracts	Cost of goods sold	(393)	1,059	(1,407)	
Interest rate swaps	Interest expense	3,316	7,291	7,072	
Total derivatives designated as cash flow hedging instruments		$ 3,087	$ 8,983	$ 6,539	$

As of June 30, 2025, we expect an estimated $0.5 million in deferred gains on the outstanding foreign exchange contracts and an estimated $0.3 million in deferred losses on the interest rate swaps will be reclassified from accumulated other comprehensive loss to net income during the next 12 months concurrent with the underlying hedged transactions also being reported in net income.

Note 10: Fair Value Measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There are three levels of inputs that may be used to measure fair value:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or
- Level 3: unobservable inputs that are supported by little or no market activity and that are significant to the fair values of the assets or liabilities.

Recurring Fair Value Measurements

We measure certain assets and liabilities on a recurring basis, including contingent earn-out liabilities and derivative financial instruments.

Contingent Earn-out Liabilities

In 2022, we acquired Smiths Medical with a combination of cash consideration and share consideration issued at closing. Total consideration for the acquisition included a potential earn-out payment of $100.0 million in cash contingent on our common stock achieving a certain volume-weighted average price (the "Price Targets") from the closing date to either the third or fourth anniversary of closing and provided Smiths beneficially owns at least 50.0% of the shares of common stock issued at closing at the time the Price Target is achieved. For the three and six months ended June 30, 2024, the change in fair market value of the earn-out was $(0.3) million and $— million, respectively, and is included in income from operations in a separate line. During July 2024, Smiths sold 1.2 million common shares of ICU Medical, Inc. The sale of shares when combined with other sales in prior periods renders Smiths unable to achieve the contingent consideration based on certain price targets during the third and fourth anniversary of closing as Smiths no longer meets the required minimum beneficial ownership percentage. Accordingly, the valuation of the contingent earn-out liability as of December 31, 2024 was zero.

In November 2021, we acquired a small foreign infusion systems supplier. Total consideration for the acquisition included a potential earn-out payment of up to $2.5 million, consisting of (i) a cash payment of $1.0 million contingent on the achievement of certain revenue targets for the annual period ended December 31, 2022 and, separately, (ii) a cash payment of $1.5 million contingent upon obtaining certain product-related regulatory certifications. As of December 31, 2022, the measurement period related to the contingent earn-out based on certain revenue targets ended and based on the actual revenue achieved during the measurement period the fair value of the contingent earn-out was determined to be zero as the minimum threshold for earning the earn-out was not met. As of December 31, 2024, the earn-out measurement period related to certain product-related regulatory certifications had ended and the product-related regulatory certification had not been achieved, accordingly, the estimated fair value for the contingent consideration was reduced to zero.

In August 2021, we entered into an agreement with one of our international distributors whereby that distributor would not compete with us in a specific territory for a three-year period that ended September 2024. The terms of the agreement included a contingent earn-out payment. The contingent earn-out payment could not exceed $6.0 million and was to be earned based on certain revenue targets over a twelve-month measurement period determined by the highest four consecutive quarters commencing over a two-year period starting on the closing date of the agreement and provided that the distributor is in compliance with its obligations under the agreement. As of December 31, 2023, the earn-out measurement period ended. The fair value of the contingent earn-out was determined to be $3.4 million and was paid out in the first quarter of 2024.

Foreign Exchange Contracts and Interest Rate Contracts

The fair value of our Level 2 foreign exchange contracts is estimated using observable market inputs such as known notional value amounts, spot and forward exchange rates. These inputs relate to liquid, heavily traded currencies with active markets which are available for the full term of the derivative.

The fair value of our Level 2 interest rate swaps is estimated using a pricing model that reflects the terms of the contracts, including the period to maturity, and relies on observable market inputs such as known notional value amounts and USD interest rate curves.

Our assets and liabilities measured at fair value on a recurring basis consisted of the following Level 1, 2 and 3 inputs as defined above (in thousands):

	Fair value measurements as of June 30, 2025			
	Total carrying value	**Quoted prices in active markets for identical assets (level 1)**	**Significant other observable inputs (level 2)**	**Significant unobservable inputs (level 3)**
Assets:				
Foreign exchange contracts:				
Prepaid expenses and other current assets	$ 3,434	$ —	$ 3,434	$ —
Total Assets	$ 3,434	$ —	$ 3,434	$ —
Liabilities:				
Foreign exchange contracts:				
Accrued liabilities	$ 2,971	$ —	$ 2,971	$ —
Interest rate swaps:				
Other long-term liabilities	2,084	—	2,084	—
Total Liabilities	$ 5,055	$ —	$ 5,055	$ —

	Fair value measurements as of December 31, 2024			
	Total carrying value	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)
Assets:				
Foreign exchange forwards:				
Prepaid expenses and other current assets	$ 6,716	$ —	$ 6,716	$ —
Interest rate contracts:				
Prepaid expenses and other current assets	11,038	—	11,038	—
Other assets	5,724	—	5,724	—
Total Assets	$ 23,478	$ —	$ 23,478	$ —
Liabilities:				
Foreign exchange contracts:				
Accrued liabilities	$ 7,391	$ —	$ 7,391	$ —
Total Liabilities	$ 7,391	$ —	$ 7,391	$ —

Nonrecurring Fair Value Measurements

We measure certain items on a nonrecurring basis due to particular circumstances or when specific transactions occur such as a retained investment resulting from a partial sale. On May 1, 2025, we measured our retained equity method investment in Otsuka ICU Medical LLC (see Note 11: Investment Securities) at fair value in connection to the sale of a 60% interest of our IV Solutions business (see Note 4: Assets Held for Sale and Disposal of Business). The fair value was estimated using a market-based approach and is classified as a Level 3 fair value measurement.

Note 11: Investment Securities

Investments in Non-Marketable Equity Securities

Investments in Unconsolidated Affiliates

We hold equity method investments in certain entities. We apply the equity method of accounting for investments in unconsolidated affiliates when we determine we have a significant influence, but not a controlling interest in the investee. We determine whether we have significant influence by considering key factors such as ownership interest, representation on the board of directors, participation in policy making decisions, business relationship and material intra-entity transactions, among other factors. Our equity method investments are reported at cost and adjusted each period for our share of the investee's income or (loss) and dividend paid, if any. We eliminate any intra-entity profits to the extent of our beneficial interest. We assess our equity method investments for impairment on an annual basis or whenever events or circumstances indicate that the carrying value of the investment may not be recoverable.

On April 24, 2025, the Company completed the formation of the Otsuka ICU Medical LLC (“joint venture”) and transferred the assets, liabilities and operations that comprise the IV Solutions business to the joint venture. Pursuant to the agreement, we sold 60% of our IV Solutions business to OPF and the Company retained 40% ownership interest in the business. The initial investment was recorded in the amount of $125.8 million. As provided under the joint venture's Operating Agreement, each of OPF and the ICU Medical Entities have been granted certain exclusive call and put options, respectively, with respect to the ICU Medical Entities' remaining ownership interest in the joint venture. Such options are exercisable at certain specified dates and for such amounts as are set forth in the Operating Agreement beginning five years after the transaction closing. If exercised, they could effectively eliminate the Company’s ownership interest. See Note 4: Assets Held for Sale and Disposal of Business for more information.

We also own approximately 20% non-marketable equity interest in a nonpublic company and entered into a three-year distribution agreement where we have the exclusive rights to market, sell and distribute the company's products in exchange for a cash payment of $3.3 million. In addition, we were granted an exclusive license for all of the seller's intellectual property. At the expiration of the distribution agreement we have the right but not the obligation to acquire the remaining interest in the business.

Our investment in unconsolidated affiliates consist of the following (in thousands):

	As of	
	June 30, 2025	December 31, 2024
Otsuka ICU Medical LLC	$ 128,662	$ —
Other equity method investment	2,963	3,038
	$ 131,625	$ 3,038

Our recorded share of our investees' income was $2.8 million for the three and six months ended June 30, 2025. There were no such balances in 2024. We did not receive any dividend distributions from these investments during the three and six months ended June 30, 2025 and 2024.

Note 12: Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following (in thousands):

	As of	
	June 30, 2025	December 31, 2024
Other prepaid expenses and receivables*	$ 29,645	$ 17,312
Prepaid insurance and property taxes*	6,358	10,284
VAT/GST receivable	10,031	4,445
Interest rate contracts**	—	11,038
Prepaid income taxes	14,810	11,244
Other*	23,277	27,208
	$ 84,121	$ 81,531

*As of December 31, 2024, certain prepaid expense account balances that are part of a disposal group that met the criteria for assets held for sale during the fourth quarter of 2024 were combined with other disposal group assets and presented as a separate line item "Assets Held For Sale" in our consolidated balance sheet (See Note 4:Assets Held For Sale and Disposal of Business).

**See Note 9: Derivatives and Hedging Activities

Note 13: Inventories

Inventories are stated at the lower of cost or net realizable value with cost determined using the first-in, first-out method. Inventory costs include material, labor and overhead related to the manufacturing of our products.

Inventories consist of the following (in thousands):

	As of	
	June 30, 2025	December 31, 2024
Raw materials	$ 283,874	$ 265,275
Work in process	48,317	37,528
Finished goods	284,283	281,873
Total inventories	$ 616,474	$ 584,676

As of December 31, 2024, inventory account balances that are part of a disposal group that met the criteria for assets held for sale during the fourth quarter of 2024 were combined with other disposal group assets and presented as a separate line item "Assets Held For Sale" in our consolidated balance sheets (See Note 4:Assets Held For Sale and Disposal of Business).

Note 14: Property, Plant and Equipment

Property, plant and equipment consists of the following (in thousands):

	As of	
	June 30, 2025	**December 31, 2024**
Machinery and equipment[1]	$ 421,294	$ 400,861
Land, building and building improvements[1]	178,951	177,089
Molds	101,730	96,318
Computer equipment and software[1]	122,202	122,208
Furniture and fixtures[1]	27,866	27,871
Instruments placed with customers[2]	142,010	124,290
Construction in progress[1]	88,719	87,006
Total property, plant and equipment, cost[1]	1,082,772	1,035,643
Accumulated depreciation[1]	(630,330)	(592,897)
Property, plant and equipment, net[1]	$ 452,442	$ 442,746

(1) As of December 31, 2024, certain property, plant and equipment category account balances that are part of a disposal group that met the criteria for assets held for sale during the fourth quarter of 2024 were combined with other disposal group assets and presented as a separate line item "Assets held For Sale" in our consolidated balance sheets.

(2) Instruments placed with customers consist of drug-delivery and monitoring systems placed with customers under operating leases.

Depreciation expense was $16.9 million and $33.8 million for the three and six months ended June 30, 2025, respectively, as compared to $22.3 million and $44.7 million for the three and six months ended June 30, 2024, respectively. Depreciation expense included in costs of goods sold was $15.4 million and $30.2 million, for the three and six months ended June 30, 2025, respectively, as compared to $19.4 million and $38.8 million for the three and six months ended June 30, 2024, respectively.

Note 15: Goodwill and Intangible Assets, Net

Goodwill

The following table presents the changes in the carrying amount of our goodwill (in thousands):

	Total
Balance as of January 1, 2025	$ 1,432,772
Currency translation	69,148
Balance as of June 30, 2025	$ 1,501,920

Intangible Assets, Net

Intangible assets, carried at cost less accumulated amortization and amortized on a straight-line basis, were as follows (in thousands):

	Weighted-Average Amortization Life in Years	June 30, 2025		
		Cost	Accumulated Amortization	Net
Patents	10	$ 38,718	$ 24,148	$ 14,570
Customer contracts	12	10,202	7,300	2,902
Non-contractual customer relationships	8	563,987	273,327	290,660
Trademarks	1	5,425	5,425	—
Trade name	15	18,245	8,967	9,278
Developed technology[1]	10	627,611	262,023	365,588
Non-compete	3	9,100	9,100	—
Total amortized intangible assets		$ 1,273,288	$ 590,290	$ 682,998
Internally developed software[2]		$ 15,011		$ 15,011
Total intangible assets		$ 1,288,299	$ 590,290	$ 698,009

(1) Developed technology primarily consists of acquired patented technologies and internally developed software. Upon completion of development, the assets are amortized over their estimated useful lives.
(2) Internally developed software will be reclassified to developed technology and amortized when the projects are complete and the assets are ready for their intended use.

	Weighted-Average Amortization Life in Years	December 31, 2024		
		Cost	Accumulated Amortization	Net
Patents	10	$ 36,811	$ 22,913	$ 13,898
Customer contracts	12	9,818	6,994	2,824
Non-contractual customer relationships	8	546,404	236,267	310,137
Trademarks	1	5,425	5,425	—
Trade name	15	18,239	8,357	9,882
Developed technology[1]	10	619,540	227,869	391,671
Non-compete	3	9,100	9,100	—
Total amortized intangible assets		$ 1,245,337	$ 516,925	$ 728,412
Internally developed software[2]		$ 12,377		$ 12,377
Total intangible assets		$ 1,257,714	$ 516,925	$ 740,789

(1) Developed technology primarily consists of acquired patented technologies and internally developed software. Upon completion of development, the assets are amortized over their estimated useful lives.
(2) Internally developed software will be reclassified to developed technology and amortized when the projects are complete and the assets are ready for their intended use. During 2024, we reclassified $33.2 million to developed technology.

Intangible assets with definite lives are amortized on a straight-line basis over their estimated useful lives. Intangible asset amortization expense was $32.7 million and $65.3 million for the three and six months ended June 30, 2025, respectively, as compared to $33.1 million and $66.2 million during the three and six months ended June 30, 2024, respectively. Intangible asset amortization expense included in cost of goods sold was $1.0 million and $2.1 million, for the three and six months ended June 30, 2025, respectively. There were no such balances for the three and six months ended June 30, 2024.

As of June 30, 2025 estimated annual amortization for our intangible assets for each of the next five years and thereafter is approximately (in thousands):

Remainder of 2025	$ 65,763
2026	132,233
2027	121,100
2028	120,502
2029	117,406
2030	53,264
Thereafter	72,730
Total	$ 682,998

Note 16: Accrued Liabilities

Accrued liabilities consist of the following (in thousands):

	As of	
	June 30, 2025	December 31, 2024
Salaries and benefits	$ 83,464	$ 60,815
Incentive compensation	42,796	59,445
Deferred revenue	21,919	30,358
Italy medical device payback provision[(1)]	29,287	23,937
Field service corrective action[(2)]	25,488	32,844
Other	110,844	99,524
	$ 313,798	$ 306,923

(1) Related to potential payments associated with the IMDP (as defined below) as a result of 2015 legislation enacted requiring medical device companies to make payments to the Italian government based on regional expenditure ceilings (see Note 20: Commitments and Contingencies for further details).

(2) Primarily includes field corrective actions associated with certain products in connection with a 2021 Warning Letter (as defined below) received by Smiths Medical from the FDA following an inspection of Smiths Medical's Oakdale, Minnesota Facility (see Note 20: Commitments and Contingencies for further details).

As of December 31, 2024, certain accrued liability account balances that were part of a disposal group that met the criteria for assets held for sale during the fourth quarter of 2024 were presented as a separate line item "Liabilities held for sale" in our consolidated balance sheet (See Note 4:Assets Held For Sale and Disposal of Business).

Note 17: Income Taxes

Income taxes were accrued at an estimated effective tax rate of 3% and 25% for the three and six months ended June 30, 2025, respectively, as compared to (10)% and (8)% for the three and six months ended June 30, 2024, respectively.

The effective tax rate for the three and six months ended June 30, 2025 differs from the federal statutory rate of 21% principally because of the effect of the mix of U.S. and foreign incomes, section 162(m) excess compensation, federal and state valuation allowance, and tax credits. The effective tax rate during the three and six months ended June 30, 2025 included a tax expense of $6.1 million related to the sale of a 60% interest of our IV solutions business. Additionally, there were unrecognized tax benefits released as a result of the expiration of statute of limitations during the three and six months ended June 30, 2025 of $5.0 million.

The Company regularly assesses the realizability of deferred tax assets and records a valuation allowance to reduce the deferred tax assets to the amount that is more likely than not to be realized. In assessing the realizability of our deferred tax assets, we weigh all available positive and negative evidence. This evidence includes, but is not limited to, historical earnings, scheduled reversal of taxable temporary differences, tax planning strategies and projected future taxable income. Due to the weight of objectively verifiable negative evidence, the Company recorded a change to the valuation allowance against certain

U.S. federal and state deferred tax assets, resulting in a $2.7 million tax benefit and $3.7 million tax expense during the three and six months ended June 30, 2025, respectively. The significant piece of objectively verifiable negative evidence evaluated was the recent U.S. cumulative losses. The company's ability to use our deferred tax assets depends on the amount of taxable income in future periods. Based on current earnings and anticipated future earnings along with expected changes in our deferred tax asset and liability balances, it is likely that the current valuation allowance position will be adjusted during the year. An additional valuation allowance may be required beyond the current year if future earnings are not sufficient to support the realization of deferred tax assets.

In December 2022, the European Union (EU) agreed to implement Pillar Two, the OECD's global minimum tax rate of 15% for multinationals that meet a global revenue threshold. All of the EU countries and some of the non-EU countries in which we operate have enacted or have announced plans to enact legislation to adopt Pillar Two. The Pillar Two legislation has been effective for our fiscal year beginning January 1, 2024. For fiscal year 2025, we have considered the impact of Pillar Two on our tax provision and effective tax rate. However, the Pillar Two rules continue to evolve and their application may alter our tax obligations in certain countries in which we operate for fiscal periods beyond 2025 as we continue to assess the impact of tax legislation in these jurisdictions.

On July 4, 2025, the U.S. enacted H.R. 1 "A bill to provide for reconciliation pursuant to Title II of H. Con. Res. 14", commonly referred to as the One Big Beautiful Bill Act ("OBBBA"). The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We are currently assessing its impact on our consolidated financial statements as additional guidance becomes available and uncertainty remains regarding the timing and interpretation by tax authorities in affected jurisdictions. As the legislation was signed into law after the close of our second quarter, the impacts are not included in our operating results for the three and six months ended June 30, 2025.

The effective tax rate for the three and six months ended June 30, 2024 differs from the federal statutory rate of 21% principally because of the effect of the mix of U.S. and foreign incomes, state income taxes, section 162(m) excess compensation, federal and state valuation allowance, and tax credits. Additionally, there were unrecognized tax benefits released as a result of the expiration of statute of limitations during the three and six months ended June 30, 2024 of $3.9 million and $4.0 million, respectively.

The Company recorded a valuation allowance of $10.4 million and $20.5 million tax expense, against certain U.S. federal and state deferred tax assets during the three and six months ended June 30, 2024, respectively. The significant piece of objectively verifiable negative evidence evaluated was the recent U.S. cumulative losses.

Note 18: Long-Term Debt

2022 Credit Agreement

In 2022, in connection with the acquisition of Smiths Medical, we entered into a Credit Agreement (the "Credit Agreement") with Wells Fargo Bank, National Association, Wells Fargo Securities, LLC, Barclays Bank PLC and certain other financial institutions (the "Lenders") for $2.2 billion of senior secured credit facilities. The senior secured credit facilities include (i) a five-year Tranche A term loan of $850.0 million (the "Term Loan A"), (ii) a seven-year Tranche B term loan of $850.0 million (the "Term Loan B") and (iii) a five-year revolving credit facility of $500.0 million (the "Revolving Credit Facility"), with separate sub-limits of $50.0 million for letters of credit and swingline loans (collectively, the "Senior Secured Credit Facilities"). We used the proceeds from borrowings under the Term Loan A and the Term Loan B (collectively, the "Term Loans") to fund a portion of the cash consideration for the purchase of Smiths Medical and the related fees and expenses incurred in connection with the acquisition. We did not incur borrowings under the Revolving Credit Facility on the closing date of the acquisition. The proceeds from any future borrowings under the Revolving Credit Facility may be used for working capital and other general corporate purposes.

In connection with entering into the Credit Agreement in 2022, we incurred $37.8 million in debt discount and issuance costs, which were allocated to the Term Loan A, the Term Loan B and the Revolving Credit Facility based on lender commitment amounts relative to each type of fees paid. The lender and third-party discount and issuance costs allocated to the Term Loan A and the Term Loan B were $15.8 million and $13.4 million, respectively, the current unamortized balances are reflected as a direct deduction from the face amount of the corresponding term loans on the condensed consolidated balance sheets. These costs are being amortized to interest expense over the respective terms of the loans using the effective interest

method. The issuance costs allocated to the Revolving Credit Facility were $8.6 million, which are capitalized and included in prepaid expenses and other current assets and other assets on our condensed consolidated balance sheets. These costs are being amortized to interest expense over the term of the Revolving Credit Facility using the straight-line method.

The net funds received from the Term Loan A and the Term Loan B, after deducting debt issuance costs, were $834.2 million and $836.6 million, respectively.

Maturity Dates

The maturity date for the Term Loan A and the Revolving Credit Facility is January 6, 2027, and the maturity date for the Term Loan B is January 6, 2029. Pursuant to the terms and conditions of the Credit Agreement, the maturity dates of the Term Loans and the Revolving Credit Facility may be extended upon our request, subject to the consent of the Lenders.

Interest Rate Terms

In general, the Term Loans and borrowings under the Revolving Credit Facility denominated in U.S. dollars bear interest, at our option, on either: (1) the Base Rate, as defined below, plus the applicable margin, as indicated below ("Base Rate Loans") or (2) the Adjusted Term Secured Overnight Financing Rate ("Adjusted Term SOFR"), as defined below, plus the applicable margin, as indicated below ("Term SOFR Loans").

The Base Rate is defined as the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 0.50% and (c) Adjusted Term SOFR (as defined below) for a one-month period plus, in each case, 1.00%.

Adjusted Term SOFR is the rate per annum equal to (a) the Term SOFR plus (b) the Term SOFR Adjustment. Term SOFR is the forward-looking term rate based on SOFR and is calculated separately for Term SOFR Loans and Base Rate Loans, as specified in the Credit Agreement. The Term SOFR Adjustment is a percentage per annum of 0.10% for Base Rate Loans and between 0.10% to 0.25% for Term SOFR Loans based on the applicable interest period.

Revolving Credit Facility Commitment Fee

The Revolving Credit Facility has a per annum commitment fee at an initial rate of 0.25% which is applied to the available amount of the Revolving Credit Facility. Effective on the first Adjustment Date, as defined in the Credit Agreement, occurring subsequent to our quarter ended June 30, 2022, the commitment fee is determined by reference to the leverage ratio in effect from time to time as set forth in the table below.

Applicable Interest Margins

The Term Loan A and borrowings under the Revolving Credit Facility have an initial applicable margin of 0.75% per annum for Base Rate Loans and 1.75% per annum for Term SOFR Loans.

Effective on the first Adjustment Date, as defined in the Credit Agreement, occurring subsequent to our quarter ended June 30, 2022, the applicable margin for the Term Loan A and borrowings under the Revolving Credit Facility is determined by reference to the leverage ratio in effect from time to time as set forth in the following table:

Leverage Ratio	Applicable Margin for Term SOFR Loans	Applicable Margin for Base Rate Loans	Commitment Fee R
Greater than 4.00 to 1.0	2.25%	1.25%	0.35%
Less than or equal to 4.00 to 1.0 but greater than 3.00 to 1.0	2.00%	1.00%	0.30%
Less than or equal to 3.00 to 1.0 but greater than 2.50 to 1.0	1.75%	0.75%	0.25%
Less than or equal to 2.50 to 1.0 but greater than 2.00 to 1.0	1.50%	0.50%	0.20%
Less than or equal to 2.00 to 1.0	1.25%	0.25%	0.15%

The Term Loan B has an initial applicable margin of 1.5% per annum for Base Rate Loans and 2.5% per annum for Term SOFR Loans.

Effective on the first Adjustment Date, as defined in the Credit Agreement, occurring subsequent to our quarter ended June 30, 2022, the applicable margin for the Term Loan B is determined by reference to the leverage ratio in effect from time to time as set forth in the following table:

Leverage Ratio	Applicable Margin for Term SOFR Loans	Applicable Margin for Base Rate Loans
Greater than 2.75 to 1.0	2.50%	1.50%
Less than 2.75 to 1.0	2.25%	1.25%

Principal Payments

Principal payments on the Term Loans are due on the last day of each calendar quarter commencing on June 30, 2022.

The Term Loan A amortizes in nineteen consecutive quarterly installments in an amount equal to 2.50% of the original principal amount in each of the first two years, 5.00% in each of the third and fourth years and 7.50% in the fifth year, with a final payment of the remaining outstanding principal balance due on the maturity date.

The Term Loan B matures in twenty-seven consecutive quarterly installments in an amount equal to 0.25% of the original principal amount, with a final payment of the remaining outstanding principal balance due on the maturity date.

We may borrow, prepay and re-borrow amounts under the Revolving Credit Facility, in accordance with the terms and conditions of the Credit Agreement, with all outstanding amounts due at maturity.

For the six months ended June 30, 2025 and 2024, total principal payments on the Term Loans were $247.8 million and $25.5 million, respectively. During the first quarter of 2025 we made a prepayment of $35.0 million on Term Loan B. During the second quarter of 2025 we made a prepayment of $200 million on Term Loan A, which was paid with the proceeds from the sale of our IV Solutions business, see Note 4: Assets Held For Sale and Disposal of Business.

Interest Payments

Interest payments on Base Rate Loans are payable quarterly in arrears on the last business day of each calendar quarter and the applicable maturity date. Interest periods on Term SOFR Loans are determined, at our option, as either one, three or six months and will be payable on the last day of each interest period and the applicable maturity date. In the case of any interest periods of more than three months' duration, the interest payment are payable on each day prior to the last day of such interest period that occurs at three-month intervals.

The commitment fee on the Revolving Credit Facility is payable quarterly in arrears on the third business day following the last day of each calendar quarter and at the maturity date. The commitment fee is included in interest expense in our condensed consolidated statements of operations.

Guarantors and Collateral

Our obligations under the Credit Agreement are unconditionally guaranteed, on a joint and several basis, by ICU Medical, Inc. and certain of our existing subsidiaries.

Debt Covenants

The Credit Agreement contains affirmative and negative covenants, including certain financial covenants. The negative covenants include restrictions regarding the incurrence of liens and indebtedness, certain merger and acquisition transactions, asset sales and other dispositions, other investments, dividends, share purchases and payments affecting subsidiaries, changes in nature of business, fiscal year or organizational documents, prepayments and redemptions of subordinated and other junior debt, transactions with affiliates, and other matters.

The financial covenants include the Senior Secured Leverage Ratio and the Interest Coverage Ratio, both defined below, and pertain to the Term Loan A and the Revolving Credit Facility.

The Senior Secured Leverage Ratio is defined, at any measurement date, as the ratio of: (a) all Funded Debt, as defined in the Credit Agreement, that is secured by a lien on any asset or property minus the lesser of (i) all unrestricted cash and cash equivalents and (ii) $500.0 million, to (b) Consolidated EBITDA, as defined in the Credit Agreement, for the most recently completed four fiscal quarters, calculated on a pro forma basis. The maximum Senior Secured Leverage Ratio is 4.50 to 1.00 until June 30, 2024. Thereafter, the maximum Senior Secured Leverage Ratio is 4.00 to 1.00, with limited permitted exception.

The Interest Coverage ratio is defined, at any measurement date, as the ratio of Consolidated EBITDA, as defined in the Credit Agreement, to Consolidated Interest Expense, as defined in the Credit Agreement, paid or payable in cash, for the most recently completed four fiscal quarters. The minimum Interest Coverage ratio is 3.00 to 1.00.

We were in compliance with all financial covenants as of June 30, 2025.

The Credit Agreement contains customary events of default, including, among others: non-payments of principal and interest; breach of representations and warranties; covenant defaults; cross-defaults and cross-acceleration to certain other material indebtedness; the existence of bankruptcy or insolvency proceedings; certain events under ERISA; material judgments; and a change of control. If an event of default occurs and is not cured within any applicable grace period or is not waived, the administrative agent and the Lenders are entitled to take various actions, including, without limitation, the acceleration of all amounts due and the termination of commitments under the Senior Secured Credit Facilities.

The carrying values of our long-term debt consist of the following (in thousands):

	Effective Interest Rate	As of June 30, 2025	Effective Interest Rate	As of December 31, 2
Senior Secured Credit Facilities:				
Term Loan A — principal	7.16 %	$ 559,688	8.03 %	$ 77
Term Loan B — principal	7.50 %	789,500	8.38 %	82
Revolving Credit Facility — principal	— %	—	— %	
Less unamortized debt issuance costs[(1)]		(11,457)		(1
Total carrying value of long-term debt		1,337,731		1,58
Less current portion of long-term debt		—		5
Long-term debt, net		$ 1,337,731		$ 1,53

[(1)] Comprised of $4.4 million and $7.0 million relating to the Term Loan A and the Term Loan B, respectively, as of June 30, 2025. Comprised of $6.1 million and $8.0 million relating to the Term Loan A and the Term Loan B, respectively, as of December 31, 2024.

As of June 30, 2025, the aggregate amount of principal repayments of our long-term debt (including any current portion) for each of the next five years and thereafter is approximately (in thousands):

Remainder of 2025	$
2026	
2027	5
2028	
2029	7
2030	
Total	$ 1,3

The following table presents the total interest expense related to our long-term debt (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Contractual interest	$ 23,868	$ 31,851	$ 50,756	$ 64,126
Amortization of debt issuance costs	1,783	1,704	3,483	3,411
Commitment fee — Revolving Credit Facility	342	379	717	758
Total long-term debt-related interest expense	$ 25,993	$ 33,934	54,956	68,295

We currently hedge against the contractual interest expense on our long-term debt (see Note 9: Derivatives and Hedging Activities).

Note 19: Stockholders' Equity

Treasury Stock

In August 2019, our Board approved a share purchase plan to purchase up to $100.0 million of our common stock. This plan has no expiration date. During the three months ended June 30, 2025 and 2024, we did not purchase any shares of our common stock under our share purchase plan. As of June 30, 2025, all of the $100.0 million available for purchase was remaining under the plan. We are currently limited on share purchases in accordance with the terms and conditions of our Credit Agreement (see Note 18: Long-Term Debt).

For the six months ended June 30, 2025, we withheld 61,066 shares of our common stock from employee vested restricted stock units in consideration for $8.7 million in payments made on the employees' behalf for their minimum statutory income tax withholding obligations. For the six months ended June 30, 2024, we withheld 112,876 shares of our common stock from employee vested restricted stock units in consideration for $11.7 million in payments made on the employees' behalf for their minimum statutory income tax withholding obligations. Treasury stock is used to issue shares for stock option exercises and restricted stock grants.

Accumulated Other Comprehensive (Loss) Income ("AOCI")

The components of AOCI, net of tax, were as follows (in thousands):

	Foreign Currency Translation Adjustments	Unrealized Losses on Cash Flow Hedges	Other Adjustments	Total
Balance as of January 1, 2025	$ (146,942)	$ 5,722	$ 1,819	$ (139,401)
Other comprehensive income (loss) before reclassifications	39,890	(3,260)	—	36,630
Amounts reclassified from AOCI	—	(2,624)	—	(2,624)
Other comprehensive income (loss)	39,890	(5,884)	—	34,006
Balance as of March 31, 2025	$ (107,052)	$ (162)	$ 1,819	$ (105,395)
Other comprehensive income (loss) before reclassifications	81,569	(6,524)	—	75,045
Amounts reclassified from AOCI	—	(2,292)	—	(2,292)
Other comprehensive income (loss)	81,569	(8,816)	—	72,753
Balance as of June 30, 2025	$ (25,483)	$ (8,978)	$ 1,819	$ (32,642)

	Foreign Currency Translation Adjustments	Unrealized Gains (Losses) on Cash Flow Hedges	Other Adjustments	Total
Balance as of January 1, 2024	$ (76,784)	$ 21,884	$ 1,819	$ (53,081)
Other comprehensive (loss) income before reclassifications	(22,817)	13,908	—	(8,909)
Amounts reclassified from AOCI	—	(7,548)	—	(7,548)
Other comprehensive (loss) income	(22,817)	6,360	—	(16,457)
Balance as of March 31, 2024	$ (99,601)	$ 28,244	$ 1,819	$ (69,538)
Other comprehensive (loss) income before reclassifications	(15,865)	436	—	(15,429)
Amounts reclassified from AOCI	—	(6,818)	—	(6,818)
Other comprehensive loss	(15,865)	(6,382)	—	(22,247)
Balance as of June 30, 2024	$ (115,466)	$ 21,862	$ 1,819	$ (91,785)

Note 20: Commitments and Contingencies

Legal Proceedings

From time to time, we are involved in various legal proceedings, most of which are routine litigation, in the normal course of business. Our management does not believe that the resolution of the unsettled legal proceedings that we are involved with will have a material adverse impact on our financial position or results of operations.

Off-Balance Sheet Arrangements

In the normal course of business, we have agreed to indemnify our officers and directors to the maximum extent permitted under Delaware law and to indemnify customers as to certain intellectual property matters or other matters related to sales of our products. There is no maximum limit on the indemnification that may be required under these agreements.
Although we can provide no assurances, we have never incurred, nor do we expect to incur, any material liability for indemnification.

Contingencies

Prior to being acquired, during 2021, Smiths Medical received a Warning Letter from the U.S. Food and Drug Administration ("FDA") following an inspection of Smiths Medical’s Oakdale, Minnesota Facility (the "2021 Warning Letter"). The 2021 Warning Letter cited, among other things, failures to comply with FDA's medical device reporting requirements and failures to comply with applicable portions of the Quality System Regulation. A provision for the estimated costs related to the field service corrective actions identified as of the closing date of the acquisition was recorded on the opening acquired balance sheet of Smiths Medical in the amount of $55.1 million. The initial estimate recorded was based on a probability-weighted estimate of the costs required to settle the obligation related to known field corrective actions. The actual costs to be incurred are dependent upon the scope of the work necessary to achieve regulatory clearance, including potential additional field corrective actions, and could differ from the original estimate. For the three and six months ended June 30, 2025, we recorded a net reversal to the provision of $2.4 million and $0.7 million, respectively, to adjust the estimated cost to complete the field corrective actions to the amounts expected to be incurred based on historical experience. As of June 30, 2025, approximately $25.8 million of the $32.6 million of accrued field service corrective action recorded was related to the 2021 Warning Letter.

In 2015, legislation was enacted in Italy which requires medical device companies to make payments to the Italian government if Italy's medical device expenditures for certain years exceeded annual regional expenditure ceilings. Since its enactment, the legislation has been subject to appeals in the Italian court system. In the third quarter of 2024, Italy's Constitutional Court issued two judgments, one of which confirmed the legitimacy of the legislation on the Italy Medical Device Payback ("IMDP"); however, litigation proceedings are still pending and the ultimate resolution remains unknown. Recent examination of the legislation by the Italian Government has prompted potential amendments that if converted into law, could result in an opportunity for companies to settle certain historical periods (2015-2018) for less than the original assessed value. Therefore, the timing and amount of payments could ultimately differ from our current expectations (see Note 16: Accrued Liabilities for details on amounts accrued for potential payments related to the IMDP).

In April 2025, the Company received a warning letter from the FDA following an inspection of Smiths Medical's Oakdale, Minnesota Facility that occurred from July 23, 2024 through August 9, 2024 (the "2025 Warning letter"). The 2025 Warning Letter noted changes the Company made to the MedFusion™ Model 4000 Syringe Infusion Pump and CADD™ Solis VIP Ambulatory Infusion Pump that could affect the safety or effectiveness of these devices and therefore require new 510(k) clearance. The Company is seeking clearance for its next generation of MedFusion and CADD infusion pumps and submitted 510(k) applications to the FDA in July 2025. The Company cannot, however, give any assurances that the FDA will be satisfied with its response or its expected timing to address the matters cited in the 2025 Warning Letter. Until the matters cited in the 2025 Warning Letter are resolved to the FDA's satisfaction, additional legal or regulatory action may be taken without further notice. As a result, the outcome and the financial impact of the 2025 Warning Letter cannot be predicted at this time. Accordingly, no loss contingency has been recorded for the 2025 Warning Letter, and the likelihood of loss is not considered probable and reasonably estimable as of June 30, 2025.

Commitments

We have non-cancelable operating lease agreements where we are contractually obligated to pay certain lease payment amounts (see Note 7: Leases).

Note 21: Collaborative and Other Arrangements

On February 3, 2017, we entered into two Manufacturing and Supply Agreements ("MSAs") whereby (i) Pfizer would manufacture and supply us with certain agreed upon products for an initial five-year term with a one-time two-year option to extend and (ii) we will manufacture and supply Pfizer certain agreed upon products for a term of five or ten years depending on the product, also with a one-time two-year option to extend. We no longer purchase products from Pfizer under the MSA as described in (i) above.

The MSA described in (ii) above provides each party with mutually beneficial interests and is jointly managed by both Pfizer and ICU. On January 1, 2021, we amended our MSA with Pfizer, whereby we manufacture and supply certain agreed upon products to Pfizer. The MSA was amended on December 31, 2024 to extend the term through 2027 for certain Solutions and Abboject products and ICU's rights and obligations relating to such Solutions products have been assigned as of January 24, 2025 to the joint venture. The terms of the MSA with Pfizer relating to ICU are immaterial. Changes to the terms of the MSA include (i) amendments to our level of supply of products to Pfizer and (ii) updates to our supply price for 2025.

Note 22: Accounts Receivable Purchase Program

On January 19, 2023, we entered into a revolving $150 million uncommitted receivables purchase agreement with Bank of The West, which was subsequently acquired by BMO Bank, N.A. ("BMO") in February 2023. This agreement provided for a less expensive form of capital. The discount rate applied to the sold receivables equals a rate per annum equal to the sum of (i) an applicable margin, plus (ii) Term SOFR for a period equal to the discount period which is calculated with respect to the payment terms of the specific receivable. The accounts receivable sold have payment terms ranging between 30 and 60 days, and are related to customer accounts with good credit history. The transfer of the purchased accounts receivable under the agreement is intended to be an absolute and irrevocable transfer constituting a true sale as the transferred receivables have been isolated beyond the reach of the Company and our creditors, even in bankruptcy or other receivership. We do not retain effective control over the sold receivables and BMO has the right upon purchase to pledge and/or exchange the transferred assets without restrictions. The Company acts as collection agent for BMO and collection services are undertaken by our accounts receivable personnel in their normal course of business and collected funds are remitted to BMO. We do not have any continuing involvement with the sold receivables other than the collection services which does not provide us with more than a trivial benefit. The discount rate has been negotiated net of consideration for the collection services, the cost of collection is immaterial to the Company; therefore, we did not separately record any related servicing assets or liabilities related to the sold receivables.

The following table presents information in connection with the purchase program (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Trade receivables sold[1]	$ 10,009	$ 172,755	$ 10,009	$ 348,447
Cash received in exchange for trade receivables sold[2]	9,978	171,682	9,978	346,282
Loss on sale of receivables[3]	32	1,073	32	2,165

(1) Represents carrying value of trade receivables sold to BMO.
(2) Cash proceeds received from BMO.
(3) Reflected in other expense, net in our condensed consolidated statement of operations.

As of June 30, 2025, cash remaining to be collected on behalf of BMO was $10.0 million which has been removed from our condensed consolidated balance sheets as of June 30, 2025 and is reflected as cash provided by operating activities in the condensed consolidated statement of cash flows in each respective period. As of December 31, 2024, we were not actively utilizing the program and there were no outstanding balances to be collected on behalf of BMO.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with the condensed consolidated financial statements and accompanying notes in this Quarterly Report on Form 10-Q, as well as the audited consolidated financial statements and related notes thereto included in our 2024 Annual Report on Form 10-K. This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under the caption entitled "Forward-Looking Statements" in this section and Part I, Item 1A. "Risk Factors" in our 2024 Annual Report on Form 10-K as may be further updated from time to time in our other filings with the SEC.

When used in this Quarterly Report on Form 10-Q, the terms "we," "us," and "our" refer to ICU Medical, Inc. ("ICU" or the "Company") and its consolidated subsidiaries included in our condensed consolidated financial statements unless context requires otherwise.

Business Overview and Highlights

We develop, manufacture, and sell innovative medical products used 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. Our product portfolio includes ambulatory, syringe, and large volume IV pumps and safety software; dedicated and non-dedicated IV sets, needlefree IV connectors, peripheral IV catheters, and sterile IV solutions; closed system transfer devices and pharmacy compounding systems; as well as a range of respiratory, anesthesia, patient monitoring, and temperature management products.

Products

Our primary product offerings are described below.

Consumables

Our Consumables business unit includes Infusion Therapy, Oncology, Vascular Access and Tracheostomy products.

Infusion Therapy

Our Infusion Therapy products include non-dedicated infusion sets, extension sets, needle-free connectors, and disinfection caps. Infusion sets used in hospitals and ambulatory clinics consist of flexible sterile tubing running from an IV bag or bottle containing a drug product or solution to a catheter inserted in a patient's vein that may or may not be used with an infusion pump. Disinfection caps are used to actively disinfect access points into the infusion sets and catheters. Our primary Infusion Therapy products are:

- Clave™ needlefree products, including the MicroClave, MicroClave Clear, and NanoClave™ brand of connectors, accessories, extension and administration sets used for the administration of IV fluids and medications;
- Neutron™ catheter patency device, used to help maintain patency of central venous catheters;
- Tego™ needlefree connector utilized to access catheters for hemodialysis and apheresis applications; and
- ClearGuard™, SwabCap™ and SwabTip™ disinfection caps.

Oncology

Closed System Transfer Devices ("CSTD") and hazardous drug compounding systems are used to prepare and deliver hazardous IV medications such as those used in chemotherapy, which, if released, can have harmful effects on the healthcare worker and environment. Our primary Oncology products are:

- ChemoLock™ CSTD ("Chemolock"), which utilizes a proprietary needlefree connection method, is used for the preparation and administration of hazardous drugs. ChemoLock is used to limit the escape of hazardous drug or vapor concentrations, block the transfer of environmental contaminants into the system, and eliminates the risk of needlestick injury;

- ChemoClave™ ("Chemoclave"), an ISO Connection standard and universally compatible CSTD used for the preparation and administration of hazardous drugs. ChemoClave utilizes standard ISO luer locking connections, making it compatible with all brands of needlefree connectors and pump delivery systems. ChemoClave also is used to limit the escape of hazardous drug or vapor concentrations, block the transfer of environmental contaminants into the system, and eliminate the risk of needlestick injury; and

- Deltec® GRIPPER® non-coring needles for portal access.

The preparation of hazardous drugs typically takes place in a pharmacy where drugs are removed from vials and prepared for delivery to a patient. Those prepared drugs are then transferred to a nursing unit where the chemotherapy is administered via an infusion pump set to a patient. Components of the ChemoClave and ChemoLock product lines are used both in pharmacies and on the nursing floors for the preparation and administration of hazardous drugs.

Vascular Access

Our Vascular Access products are used by clinicians to access the patients' bloodstream to deliver fluids and medication or to obtain blood samples. Our primary Vascular Access products are:

- Jelco® safety and conventional peripheral IV catheters and sharps safety devices for hypodermic injection, designed to help prevent accidental needlestick injury;

- Safe-T Wing® venipuncture and blood collection devices;

- Port-A-Cath® implantable ports;

- Portex® arterial blood sampling syringes;

- PowerWand® midline catheters; and

- Cleo® subcutaneous infusion catheters and sets.

Tracheostomy

Our tracheostomy products are used in the placement of a secure airway using both surgical and percutaneous insertion techniques. Our primary Tracheostomy products are:

- Portex BLUselect® PVC tracheostomy tubes, which feature an inner cannula as well as a Suctionaid option for above the cuff suctioning and vocalization capability;

- Portex Bivona® silicone tracheostomy tubes, which offer the added benefits of comfort and mobility and come in a variety of configurations suited to meet the clinical needs of neonatal through adult patients; and

- Portex BLUperc® percutaneous insertion kits, which allow for safe placement of the tracheostomy tube at the bedside.

Infusion Systems

We offer a comprehensive portfolio of infusion pumps, dedicated IV sets, software and professional services to meet the wide range of infusion needs. Our primary Infusion System products are:

Large Volume Pump ("LVP") Hardware:

- Plum Duo™ and Plum Solo™ precision infusion pumps, which recently received FDA 510(k) clearance during April 2025, are a new category of precision pumps that bring unprecedented accuracy and unmatched usability in a flexible, clinician-friendly single or dual channel design, capable of delivering up to four compatible medications through a single pump (dual channel). These pumps provide ±3% delivery accuracy, regardless of the placement of the medication bag or pump, or positioning of the patient. Designed with clinical efficiency in mind, Plum precision pumps simplify workflows with fewer alarm and setup burdens, smarter guidance, and more focused care. The pumps feature vibrant high-definition displays that provide clear, critical information at a glance. Combined with LifeShield™ IV safety software, Plum precision pumps are fully IV-EHR interoperable and provide a future-ready platform to enhance safety and efficiency across all IV touchpoints.

- Plum 360™ infusion pumps feature the unique Plum cassette system that helps to enhance patient safety and workflow efficiency. PlumSet™ dedicated IV sets include an air trap to help minimize interruptions and a direct connection to the secondary line that eliminates the risk of common setup errors and enables concurrent delivery of two compatible medications through a single line. Plum 360 has been named Best in KLAS for eight years in a row (2018, 2019, 2020, 2023 – Best in KLAS Smart Pump Traditional; 2021, 2022, 2023, 2024, 2025 Best in KLAS Smart Pump EMR Integrated) and was the first medical device to be awarded UL Cybersecurity Assurance Program Certification.

Ambulatory Infusion Hardware:

- CADD™ ambulatory infusion pumps and disposables, including administration sets and medication cassette reservoirs, serve as a single pain management platform across all types of IV pain management therapies and all clinical care areas from the hospital to outpatient treatment.

Syringe Infusion Hardware:

- Medfusion™ syringe infusion pumps are designed for the administration of fluids and medication to address the needs of the most vulnerable patients requiring precisely controlled infusion rates. Focused on delivery accuracy, the Medfusion 4000 can deliver from a comprehensive portfolio of syringes to meet syringe pump guidance to deliver medication from the smallest syringe size possible.

IV Medication Safety Software:

- LifeShield™ infusion safety software for Plum precision pumps (Plum Solo, Plum Duo) is an enterprise-wide platform designed with the input of pharmacists, nurses and administrators to empower health systems to raise the bar in IV performance. The system's hybrid architecture provides cloud-based functionality to allow access anywhere with on-premise management providing security and control.

- ICU Medical MedNet™ software is an enterprise-class medication management platform that can help reduce medication errors, improve quality of care, streamline workflows and maximize revenue capture. ICU Medical MedNet connects our industry-leading Plum 360 smart pumps to a hospital's electronic health record ("EHR"), asset tracking systems, and alarm notification platforms to further enhance infusion safety and efficiency.

- PharmGuard™ medication safety software for Medfusion 4000 syringe and CADD-Solis™ pumps allows for customized drug libraries to support the standardization of protocols for medication administration throughout the facility.

Professional Services:

- In addition to the products above, our teams of clinical and technical experts work with customers to develop safe and efficient infusion systems, providing customized and personalized configuration, implementation, and data analytics services to optimize our infusion hardware and software.

Vital Care

Our Vital Care business unit includes IV Solutions, Hemodynamic Monitoring, General Anesthesia and Respiratory, Temperature Management Solutions and Regional Anesthesia/Pain Management products.

IV Solutions

Our IV Solutions products include a broad portfolio of injection, irrigation, nutrition and specialty IV solutions including:

- IV Therapy and Diluents, including Sodium Chloride, Dextrose, Balanced Electrolyte Solutions, Lactated Ringer's, Ringer's, Mannitol, Sodium Chloride/Dextrose and Sterile Water.

- Irrigation, including Sodium Chloride Irrigation, Sterile Water Irrigation, Physiologic Solutions, Ringer's Irrigation, Acetic Acid Irrigation, Glycine Irrigation, Sorbitol-Mannitol Irrigation, Flexible Containers and Pour Bottle Options.

On May 1, 2025, at the closing of our transaction with OPF (as defined below), we transferred certain interests, including our IV Solutions product line, to OPF. See "Disposition of our IV Solutions Business and Prepayment of a portion of our Long-term Obligations" further below for more information on this transaction.

Hemodynamic Monitoring

Our Hemodynamic Monitoring products are designed to help clinicians get accurate real-time access to patients' hemodynamic and cardiac status with an extensive portfolio of monitoring systems and advanced sensors & catheters. Measurements provided by our systems help clinicians determine how well the heart is pumping blood and how efficiently oxygen from the blood is being used by the tissues. Our Hemodynamic Monitoring products include:

- Cogent™ 2-in-1 hemodynamic monitoring system;
- CardioFlo™ hemodynamic monitoring system;
- TDQ™ and OptiQ™ cardiac output monitoring catheters;
- TriOx™ venous oximetry catheters;
- Transpac™ blood pressure transducers;
- SafeSet™ closed blood sampling and conservation system; and
- MEDEX® LogiCal® Pressure Monitoring System and components.

General Anesthesia & Respiratory

We offer a broad range of anesthesia systems and devices and breathing circuits, ventilation, respiratory and specialty airway products that maintain patients' airways before, during and after surgery. Our primary Anesthesia & Respiratory products are:

- Portex® acapella® bronchial hygiene products used to mobilize pulmonary secretions to facilitate the opening of airways in patients with chronic respiratory diseases such as chronic obstructive pulmonary disease, or COPD, asthma and cystic fibrosis.

Temperature Management Solutions

Temperature Management solutions systems are used in perioperative and critical care settings to help monitor and regulate patient temperature. Our primary Temperature Management products include:

- Level 1® rapid infusion, fluid warming, routine blood and fluid warming, irrigation fluid warming, convective patient warming and temperature probes.

Regional Anesthesia/Pain Management Trays

We offer a comprehensive range of Portex® regional anesthesia/pain management trays and components. Our primary products include:

- Epidural Trays;

- Spinal Trays;
- Combined (CSE) Trays;
- Peripheral Nerve Block Trays; and
- Specialty Trays (Lumbar Puncture, Amniocentesis, Myelogram).

In the U.S. a substantial amount of our products are sold to group purchasing organization member hospitals. We believe that as healthcare providers continue to either consolidate or join major buying organizations, the success of our products will depend, in part, on our ability, either independently or through strategic relationships, to secure long-term contracts with large healthcare providers and major buying organizations.

Global Economic Challenges

In recent years, we have experienced, and may continue to experience, significant impacts to our business as a result of global economic challenges, resulting from, among other events, health pandemics and geopolitical conflicts which have resulted in fluctuating inflation rates, especially with respect to freight costs driven by higher fuel prices, increased cost and shortages of raw materials, supply chain disruptions, higher interest rates and volatility on foreign currency exchange rates.

2025 Events

The U.S. administration has continued to engage in trade discussions and impose tariffs on imports from other countries. Certain of these tariffs have been subsequently paused or modified, and the situation remains highly fluid. For example, most recently, on July 31, 2025, the U.S. announced that the 10% baseline reciprocal tariff on imports from all countries would be raised to 15% for certain countries, including Costa Rica.

A meaningful portion of our global revenues are from products manufactured in our Costa Rica and Mexico manufacturing facilities and imported into the U.S. Currently the majority of products manufactured in our Mexico facilities are exempted from tariffs under the United States-Mexico-Canada Agreement ("USMCA"). If, however, the USMCA exemptions were eliminated in the future, our tariff expense for products manufactured in Mexico would increase substantially. The tariffs as currently implemented are likely to have a material impact on our business, financial condition and results of operations through the incurrence of additional costs; however, the extent to which the imposition of tariffs, possible delays and exemptions may have a material impact remains fluid. These tariffs did not significantly impact our results of operations for the three and six months ended June 30, 2025. During the second quarter of 2025, we incurred $12.3 million in tariffs, of which $8.6 million was capitalized and $3.7 million was expensed.

In June 2025, a conflict between Israel and Iran and the subsequent U.S. intervention, as well as the resulting and potentially escalating tensions in the region, caused volatility with respect to oil prices. In particular, if Iran seeks to close the Strait of Hormuz, it could create an oil supply shortage that could significantly drive up prices, increase inflation and slow economic growth.

Based on current economic conditions we expect foreign currency rates, freight costs and interest rates to remain subject to volatility in the market.

While we continually monitor the ongoing and evolving impact of the above events on our operations the overall impact remains uncertain and may not be fully reflected in our results of operations until future periods. The overall impact to our results of operations will depend on a number of factors, many of which are out of our control, none of which can be fully predicted at this time. See "Part I. Item 1A. Risk Factors" in our 2024 Annual Report on Form 10-K as updated in this Quarterly Report on Form 10-Q for a discussion of risks and uncertainties.

Disposition of our IV Solutions Business and Prepayment of a portion of our Long-term Obligations

On April 24, 2025, pursuant to a purchase agreement (the "Agreement") with Otsuka Pharmaceutical Factory America, Inc. a Delaware corporation ("OPF") (described in Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements), we completed the formation of Otsuka ICU Medical LLC (the "joint venture") and transferred the assets, liabilities and operations that comprise our IV Solutions product line to the joint venture. On May 1, 2025, at the closing under the Agreement, we sold a 60% interest in the joint venture to OPF for preliminary cash consideration paid at closing of $209.5 million, comprising the estimated sales price. On May 1, 2025, we used $200.0 million of those proceeds to pay down a portion of our outstanding Term Loan A (as defined below) long-term debt.

Consolidated Results of Operations

We present income statement data in Part I, Item 1. "Financial Statements." The following table shows, for the three and six months ended June 30, 2025 and 2024, the percentages of each income statement caption in relation to total revenue:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Total revenues	100 %	100 %	100 %	100 %
Gross profit	38 %	35 %	36 %	34 %
Selling, general and administrative expenses	29 %	27 %	27 %	27 %
Research and development expenses	4 %	4 %	4 %	4 %
Restructuring, strategic transaction and integration expenses	3 %	3 %	3 %	3 %
Change in fair value of contingent earn-out	— %	— %	— %	— %
Other operating (income) expense, net	— %	— %	— %	— %
Total operating expenses	36 %	34 %	34 %	34 %
Income (loss) from operations	2 %	1 %	2 %	— %
Interest expense, net	(4)%	(4)%	(4)%	(4)%
Other income (expense), net	— %	(1)%	— %	— %
Gain on sale of business	8 %	— %	4 %	— %
Income (Loss) before income taxes and equity in earnings of unconsolidated affiliates	6 %	(4)%	2 %	(4)%
Provision for income taxes	— %	— %	— %	— %
Net income (loss) from consolidated companies	6 %	(4)%	2 %	(4)%

Seasonality/Quarterly Results

There are no significant seasonal aspects to our business. We can experience fluctuations in net sales as a result of variations in the ordering patterns of our largest customers, which may be driven more by production scheduling and customer inventory levels, and less by seasonality. Our expenses often do not fluctuate in the same manner as net sales, which may cause fluctuations in operating income that are disproportionate to fluctuations in our revenue.

Non-GAAP Financial Measures

In addition to comparing changes in revenue on a U.S. GAAP basis, we also compare the changes in revenue from one period to another using constant currency. The presentation of revenues on a constant currency basis is a non-GAAP financial measure that excludes the impact of fluctuations in foreign currency exchange rates that occurred between the comparative periods. We provide constant currency information to enhance the visibility of underlying business trends, excluding the effects of changes in foreign currency translation rates. We believe this information is useful to investors to facilitate comparisons and better identify trends in our business. Our constant currency revenues reflect current period local currency revenues at prior period's average exchange rates. We consistently apply this approach to revenues for all currencies where the functional currency is not the U.S. dollar. These results should be considered in addition to, not as a substitute for, results reported in accordance with GAAP. Revenues on a constant currency basis, as we present them, may not be comparable to similarly titled measures used by other companies and are not measures of performance presented in accordance with GAAP.

Consumables

The following table summarizes our total Consumables revenue (in millions, except percentages):

	Three months ended June 30,				Six months ended June 30,			
	2025	2024	$ Change	% Change	2025	2024	$ Change	% Change
Consumables revenue (GAAP)	$ 273.1	$ 261.8	$ 11.3	4.3 %	$ 539.4	$ 505.9	$ 33.5	6.6 %
Impact of foreign currency exchange rate changes	(2.5)				0.4			
Consumables revenue on a constant currency basis (non-GAAP)	$ 270.6				$ 539.8			
$ Change in constant currency	$ 8.8				$ 33.9			
% Change in constant currency	3.4 %				6.7 %			

Consumables revenue increased for the three and six months ended June 30, 2025, as compared to the same periods in the prior year, primarily due to new customer installations and increased demand for our Infusion Consumables and Oncology product lines.

Infusion Systems

The following table summarizes our total Infusion Systems revenue (in millions, except percentages):

	Three months ended June 30,				Six months ended June 30,			
	2025	2024	$ Change	% Change	2025	2024	$ Change	% Change
Infusion Systems (GAAP)	$ 167.7	$ 163.7	$ 4.0	2.4 %	$ 334.0	$ 321.0	$ 13.0	4.0 %
Impact of foreign currency exchange rate changes	(0.5)				2.5			
Infusion Systems on a constant currency basis (non-GAAP)	$ 167.2				$ 336.5			
$ Change in constant currency	$ 3.5				$ 15.5			
% Change in constant currency	2.1 %				4.8 %			

Infusion Systems revenue increased for the three and six months ended June 30, 2025, as compared to the same periods in the prior year, primarily due to increased sales of LVP pump hardware and dedicated sets.

Vital Care

The following table summarizes our total Vital Care revenue (in millions, except percentages):

	Three months ended June 30,				Six months ended June 30,			
	2025	2024	$ Change	% Change	2025	2024	$ Change	% Change
Vital Care (GAAP)	$ 108.0	$ 171.0	$ (63.0)	(36.8)%	$ 280.2	$ 336.3	$ (56.1)	(16.7)%
Impact of foreign currency exchange rate changes	(1.4)				—			
Vital Care on a constant currency basis (non-GAAP)	$ 106.6				$ 280.2			
$ Change in constant currency	$ (64.4)				$ (56.1)			
% Change in constant currency	(37.7)%				(16.7)%			

Vital Care revenue decreased for the three and six months ended June 30, 2025, as compared to the same periods in the prior year, primarily due to lower IV Solutions sales resulting from the sale of a controlling ownership interest in our IV Solutions business on May 1, 2025 (see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements).

Gross Margins

For the three and six months ended June 30, 2025, gross margins were 37.9% and 36.3%, respectively, as compared to 34.8% and 33.8% for the three and six months ended June 30, 2024, respectively. The increases in gross margin for the three and six months ended June 30, 2025, as compared to the same periods in the prior year, were primarily driven by the impact of the sale of a 60% interest of our IV Solutions business on May 1, 2025, a lower margin business. Gross margin also increased as a result of price increases, higher production levels, the impact of foreign exchange, lower supply chain costs and the realization of integration synergies. These improvements were partially offset by an increase in tariff costs.

Selling, General and Administrative ("SG&A") Expenses

The following table summarizes our total SG&A Expenses (in millions, except percentages):

	Three months ended June 30,				Six months ended June 30,			
	2025	2024	$ Change	% Change	2025	2024	$ Change	% Change
SG&A	$ 159.4	$ 159.5	$ (0.1)	(0.1)%	$ 316.6	$ 317.2	$ (0.6)	(0.2)%

SG&A expenses slightly decreased for the three months ended June 30, 2025, as compared to the same period in the prior year, primarily due to a decrease of $2.6 million in depreciation and amortization expense, $2.4 million in compensation costs, and $1.7 million in dealer fees, which when combined with other smaller category increases, were mostly offset by an increase of $2.9 million in stock based compensation and $2.6 million in legal fees. Depreciation and amortization expense decreased primarily due to the disposal of certain assets related to the sale of a 60% interest of our IV Solutions business (see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements). Compensation costs decreased primarily due to service fee income recorded in the same line as the related personnel expenses for services provided to the joint venture (see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements). Dealer fees decreased due to the timing of end customer sales. Stock based compensation increased due to a change in the probability of meeting a certain earning potential related to a performance equity award. Legal fees increased due to services performed during the current year related to various legal matters.

SG&A expenses slightly decreased for the six months ended June 30, 2025, as compared to the same period in the prior year, primarily due to a decrease of $5.0 million in depreciation and amortization, $2.5 million in compensation costs, and $1.6 million in bad debt and warranty expense, which when combined with other smaller category increases, were mostly offset by an increase of $3.2 million in stock based compensation, $2.8 million in legal fees, and $2.6 million in professional services. Depreciation and amortization expense decreased primarily due to the disposal of certain assets related to the sale of a 60% interest of our IV Solutions business (see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements). Compensation costs decreased primarily due to service fee income recorded in the same line as the related personnel expenses for services provided to the joint venture (see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements). Bad debt expense decreased as a result of the quarterly assessment of our reserves related to our accounts receivable. Stock based compensation increased due to a change in the probability of meeting a certain earning potential related to a performance equity award. Legal fees increased due to services performed during the current year related to various legal matters. Professional services increased due to increase in audit and consulting fees.

Research and Development ("R&D") Expenses

The following table summarizes our total R&D Expenses (in millions, except percentages):

	Three months ended June 30,				Six months ended June 30,			
	2025	2024	$ Change	% Change	2025	2024	$ Change	% Change
R&D	$ 21.9	$ 23.4	$ (1.5)	(6.4)%	$ 45.2	$ 45.2	$ —	— %

R&D expenses decreased for the three months ended June 30, 2025, as compared to the same period in the prior year, primarily related to lower headcount and employment expense in support of ongoing R&D projects. R&D expenses for the three months ended June 30, 2025 generally included decreased compensation and benefit expenses, consulting fees, production

supplies, samples, travel costs, utilities and other miscellaneous administrative costs incurred in our ongoing R&D projects. R&D expenses were flat for the six months ended June 30, 2025, as compared to the same period in the prior year.

Restructuring, Strategic Transaction and Integration Expenses

Restructuring, strategic transaction and integration expenses were $16.2 million and $32.9 million for the three and six months ended June 30, 2025, respectively, as compared to $17.1 million and $33.2 million for the three and six months ended June 30, 2024, respectively.

Restructuring charges

Restructuring charges were $8.2 million and $15.0 million for the three and six months ended June 30, 2025, respectively, as compared to $7.7 million and $13.0 million for the three and six months ended June 30, 2024. The restructuring costs for the three and six months ended June 30, 2025 were primarily related to facility closure costs and severance costs. The restructuring costs for the three and six months ended June 30, 2024 were primarily related to severance costs. As of June 30, 2025, we expect to pay the majority of our outstanding restructuring charges during the next twelve months.

Strategic transaction and integration expenses

Strategic transaction and integration expenses were $8.0 million and $17.9 million for the three and six months ended June 30, 2025, respectively, as compared to $9.4 million and $20.2 million for the three and six months ended June 30, 2024. The strategic transaction and integration expenses during the three and six months ended June 30, 2025 were primarily related to ongoing consulting expenses, and employee costs incurred to integrate our Smiths Medical business acquired in 2022, and transaction costs related to the sale of a 60% interest of our IV Solutions business. The strategic transaction and integration expenses during the three and six months ended June 30, 2024 were primarily related to ongoing consulting expenses and employee costs incurred to integrate our Smiths Medical business.

Change in Fair Value of Contingent Earn-out

For the three months ended June 30, 2024, we recorded a gain of $0.3 million related to adjusting the contingent earn-out related to the Smiths Medical acquisition. The change in the fair value of the contingent earn-out for the six months ended June 30, 2024 was essentially flat. As of December 31, 2024, Smiths Medical had sold all of its ownership interest in ICU Medical shares. Smiths Medical no longer holds the shares necessary to meet the minimum beneficial ownership percentage required to earn the contingent earn-out. Accordingly, the Smiths Medical contingent earn-out was adjusted to zero during 2024.

Interest Expense, net

The following table presents interest expense, net (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	**2024**	**2025**	**2024**
Interest expense	$ (23,065)	$ (26,648)	$ (48,328)	$ (53,066)
Interest income	2,516	2,807	5,748	5,453
Interest expense, net	$ (20,549)	$ (23,841)	$ (42,580)	$ (47,613)

Interest expense, net for the three and six months ended June 30, 2025 and 2024 primarily included the contractual interest incurred on borrowings under the Credit Agreement, the per annum commitment fee charged on the available amount of the revolving credit facility contained in the Credit Agreement, the amortization of debt issuance costs incurred in connection with entering into the Credit Agreement (see Note 18: Long-Term Debt in our accompanying condensed consolidated financial statements), the impact of the interest rate swaps, and interest income. Additionally, interest expense for the three and six months ended June 30, 2025, includes the interest accretion on an unfavorable contract loss provision (see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements). The interest expense component decreased for the three and six months ended June 30, 2025, as compared to the respective prior year periods,

primarily due to decreases in the applicable SOFR reference rate and due to lower long-term obligation principal balances after the prepayment of $35 million on our Term Loan B in March 2025 and the prepayment of $200 million on our Term loan A in May 2025 using the proceeds from the sale of a 60% interest of our IV Solutions business.

Other Income (Expense), net

The following table presents other income (expense), net (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Foreign exchange gain (loss), net	$ 1,943	$ (2,419)	141	(4,143)
(Loss) Gain on disposition of assets	(57)	$ 12	(227)	77
Other miscellaneous (expense) income, net	(68)	(977)	141	(1,659)
Other income (expense), net	$ 1,818	$ (3,384)	$ 55	$ (5,725)

For the three and six months ended, June 30, 2025 and 2024, the foreign exchange gains were primarily related to the weakening of the U.S. dollar relative to certain foreign currencies, most notably including the British Pound in the second quarter of 2025 and the strengthening of the U.S. dollar relative to foreign currencies, including the Mexican peso and Argentine peso in the second quarter of 2024.

Gain on Sale of Business

For the three and six months ended, June 30, 2025, the gain on the sale of business of $41.8 million comprised of the sum of a $45.6 million gain from the disposal of a 60% ownership interest in the joint venture, a $16.4 million gain from the difference between the fair value of our retained 40% ownership interest in the joint venture and our carrying value of that same proportionate ownership interest, and a $20.2 million unfavorable contract loss (see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements).

Income Taxes

For the three and six months ended June 30, 2025 and 2024, income taxes were accrued at an estimated effective tax rate of 3% and 25%, respectively, as compared to (10)% and (8)% for the three and six months ended June 30, 2024, respectively.

The effective tax rate for the three and six months ended June 30, 2025 differs from the federal statutory rate of 21% principally because of the effect of the mix of U.S. and foreign incomes, section 162(m) excess compensation, federal and state valuation allowance, and tax credits. The effective tax rate during the three and six months ended June 30, 2025 included a tax expense of $6.1 million related to the sale of a 60% interest of our IV solutions business. Additionally, there were unrecognized tax benefits released as a result of the expiration of statute of limitations during the three and six months ended June 30, 2025 of $5.0 million.

The Company regularly assesses the realizability of deferred tax assets and records a valuation allowance to reduce the deferred tax assets to the amount that is more likely than not to be realized. In assessing the realizability of our deferred tax assets, we weigh all available positive and negative evidence. This evidence includes, but is not limited to, historical earnings, scheduled reversal of taxable temporary differences, tax planning strategies and projected future taxable income. Due to the weight of objectively verifiable negative evidence, the Company recorded a change to the valuation allowance against certain U.S. federal and state deferred tax assets, resulting in a $2.7 million tax benefit and $3.7 million tax expense during the three and six months ended June 30, 2025, respectively. The significant piece of objectively verifiable negative evidence evaluated was the recent U.S. cumulative losses. The Company's ability to use our deferred tax assets depends on the amount of taxable income in future periods. Based on current earnings and anticipated future earnings along with expected changes in our deferred tax asset and liability balances, it is likely that the current valuation allowance position will be adjusted during the year. An additional valuation allowance may be required beyond the current year if future earnings are not sufficient to support the realization of deferred tax assets.

In December 2022, the European Union (EU) agreed to implement Pillar Two, the OECD's global minimum tax rate of 15% for multinationals that meet a global revenue threshold. All of the EU countries and some of the non-EU countries in which we operate have enacted or have announced plans to enact legislation to adopt Pillar Two. The Pillar Two legislation has been effective for our fiscal year beginning January 1, 2024. For fiscal year 2025, we have considered the impact of Pillar Two on our tax provision and effective tax rate. However, the Pillar Two rules continue to evolve and their application may alter our tax obligations in certain countries in which we operate for fiscal periods beyond 2025 as we continue to assess the impact of tax legislation in these jurisdictions.

On July 4, 2025, the U.S. enacted H.R. 1 "A bill to provide for reconciliation pursuant to Title II of H. Con. Res. 14", commonly referred to as the One Big Beautiful Bill Act ("OBBBA"). The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We are currently assessing its impact on our consolidated financial statements as additional guidance becomes available and uncertainty remains regarding the timing and interpretation by tax authorities in affected jurisdictions. As the legislation was signed into law after the close of our second quarter, the impacts are not included in our operating results for the three and six months ended June 30, 2025.

The effective tax rate for the three and six months ended June 30, 2024 differs from the federal statutory rate of 21% principally because of the effect of the mix of U.S. and foreign incomes, state income taxes, section 162(m) excess compensation, federal and state valuation allowance, and tax credits. Additionally, there were unrecognized tax benefits released as a result of the expiration of statute of limitations during the three and six months ended June 30, 2024 of $3.9 million and $4.0 million, respectively.

The Company recorded a valuation allowance of $10.4 million and $20.5 million tax expense, against certain U.S. federal and state deferred tax assets during the three and six months ended June 30, 2024, respectively. The significant piece of objectively verifiable negative evidence evaluated was the recent U.S. cumulative losses.

Equity in Earnings of Unconsolidated Affiliates

For the three and six months ended June 30, 2025, we recorded equity in earnings of unconsolidated affiliates of $2.8 million related to our 40% proportionate share of the earnings of the joint venture (see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements).

Liquidity and Capital Resources

We regularly evaluate our liquidity and capital resources, including our access to external capital, to assess our ability to meet our principal cash requirements, which include working capital requirements, planned capital investments in our business, commitments, acquisition restructuring and integration expenses, investments in quality systems and quality compliance objectives, payment of interest expense, repayment of outstanding borrowings, income tax obligations and acquisition opportunities in accordance with our growth strategy.

Sources of Liquidity

Our current primary sources of liquidity are cash and cash equivalents, cash flows from our operations including access to borrowing arrangements and cash flows from our accounts receivable purchase program.

Funds generated from operations are held in cash and cash equivalents. During the six months ended June 30, 2025, our cash and cash equivalents decreased by $8.5 million from $308.6 million at December 31, 2024 to $300.0 million at June 30, 2025. This decrease was primarily due to principal payments of $47.8 million made during the first quarter of 2025 on our Term Loan B. During the second quarter of 2025, $200.0 million of the $209.5 million received in cash consideration for the sale of a 60% interest in our IV Solutions business was used to pay down a portion of our Term Loan A.

2022 Credit Agreement and Access to Capital

As discussed in Note 18: Long-Term Debt to our accompanying condensed consolidated financial statements, we entered into the Credit Agreement with various lenders on January 6, 2022 in connection with the closing of the Smiths Medical acquisition. The Credit Agreement provides for a five-year term loan A facility of $850.0 million (the "Term Loan A"), a seven-

year term loan B facility of $850.0 million (the "Term Loan B") and a five-year revolving credit facility of $500.0 million (the "Revolving Credit Facility") (collectively, the "Senior Secured Credit Facilities"). The proceeds from the term loans were used to finance a portion of the cash consideration for the Smiths Medical acquisition. The outstanding aggregate principal amount of the term loans is $1.3 billion as of June 30, 2025, which includes the Term Loan A that will mature in January 2027 and the Term Loan B that will mature in January 2029. The proceeds of future borrowings under the Revolving Credit Facility, which expires in January 2027, may be used as a source of liquidity to support our ongoing working capital requirements and other general corporate purposes. There are no outstanding borrowings under the Revolving Credit Facility as of June 30, 2025. As part of entering into the Senior Secured Credit Facilities, we were assigned issuer and Term Loan B credit ratings. At the date of issuance of this report, our issuer and Term Loan B credit ratings assigned and outlook were as follows:

	Issuer/Term Loan B Credit Ratings	Outlook
Moody's	B1/B1	Stable
Fitch	BB/BB+	Negative
Standard & Poor's	BB-/BB-	Negative

The Credit Agreement contains financial covenants that pertain to the Term Loan A and the Revolving Credit Facility. Specifically, we were required to maintain a Senior Secured Leverage Ratio of no more than 4.00 to 1.00 and an Interest Coverage Ratio of no less than 3.00 to 1.00 (defined and discussed in greater detail in Note 18: Long-Term Debt to our accompanying condensed consolidated financial statements). We were in compliance with these financial covenants as of June 30, 2025.

In January 2023, we entered into a receivables purchase agreement with Bank of the West, which was subsequently acquired by BMO Bank, N.A. ("BMO") in February 2023. This agreement accelerates our access to capital, which we utilize on an as needed basis (see Note 22: Accounts Receivable Purchase Program).

We believe that our existing cash and cash equivalents along with cash flows expected to be generated from future operations, the funds received and accessible under the Senior Secured Credit Facilities and funds received under the accounts receivable program will provide us with sufficient liquidity to finance our cash requirements for the next twelve months and the foreseeable future. In the event that we experience downturns, cyclical fluctuations in our business that are more severe or longer than anticipated, fail to achieve anticipated revenue and expense levels, or have significant unplanned cash expenditures, we may need to obtain or seek alternative sources of capital or financing, and we can provide no assurances that the terms of such capital or financing will be available to us on favorable terms, if at all. Our ability to generate cash flows from operations, issue debt or enter into other financing arrangements on acceptable terms could be adversely affected if there is a material decline in the demand for our products or in the solvency of our customers or suppliers, deterioration in our key financial ratios or credit ratings or other significantly unfavorable changes in economic conditions. See Part I. Item 1A. "Risk Factors" in our 2024 Annual Report on Form 10-K for discussion of the risks and uncertainties associated with our debt financing.

Uses of Liquidity

Capital Expenditures

As of June 30, 2025, our range for estimated 2025 planned capital expenditures is $75 million to $95 million, which has been reduced from the previously disclosed $90 million to $110 million range in our 2024 Annual Report on Form 10-K due to the impact of the IV Solutions business disposal.

Contractual Obligations

Our principal commitments at June 30, 2025 include both short and long-term future obligations.

Operating Leases

We have non-cancelable operating lease agreements where we are contractually obligated for certain lease payment amounts. For more information regarding our operating lease obligations, (see Note 7: Leases to our accompanying condensed consolidated financial statements).

Long-term Debt

In January 2022, we incurred borrowings under Senior Secured Credit Facilities. The principal repayment obligations and estimated interest payments on the term loans and estimated commitment fee payments on the revolver are estimated in the table below. Interest payments on the term loans were estimated using an Adjusted Term SOFR rate and an applicable margin of 1.75% for Term Loan A and 2.50% for Term Loan B and the revolver commitment fees were estimated using the rate of 0.25%. The applicable margin rate and commitment fee rate will change from time to time in accordance with a preset pricing grid based on the leverage ratio (see Note 18: Long-Term Debt to our accompanying condensed consolidated financial statements for pricing grids related to the Senior Secured Credit Facilities).

We expect to fund these capital expenditures and contractual obligations with our existing cash and cash equivalents and cash generated from our future operations. During the second quarter of 2025 we used $200.0 million of the $209.5 million in proceeds received from the sale of a 60% interest of our IV Solutions business to prepay Term Loan A principal payments. In the first quarter of 2025 we prepaid $35.0 million in Term Loan B principal payments. Due to these prepayments, there are no principal payments due on Term Loan A until 2027 or on Term Loan B until 2029.

	(in millions)				
	Remainder of 2025	**2026**	**2027**	**2028**	**2029**
Term Loan A Principal Payments	$ —	$ —	$ 559.7	$ —	$ —
Term Loan A Interest Payments	17.7	30.7	0.5	—	—
Term Loan B Principal Payments	—	—	—	—	789.5
Term Loan B Interest Payments	28.0	47.8	44.3	44.4	0.7
Revolver Commitment Fee	0.6	1.3	—	—	—
	$ 46.3	$ 79.8	$ 604.5	$ 44.4	$ 790.2

Other Future Capital Investments

Other future capital investments include restructuring and integration expenses along with spending to support quality systems and quality compliance objectives, which includes acquired field action liabilities. As of June 30, 2025, there have been no material changes to our range of $90 million to $110 million for estimated 2025 other future capital investments previously disclosed in our 2024 Annual Report on Form 10-K.

Contingent Payments

In 2015, legislation was enacted in Italy, which requires medical device companies to make payments to the Italian government if Italy's medical device expenditures for certain years exceeded annual regional expenditure ceilings. Since its enactment, the legislation has been subject to appeals in the Italian court system. In the third quarter of 2024, Italy's Constitutional Court issued two judgments, one of which confirmed the legitimacy of the legislation on the Italy Medical Device Payback ("IMDP"); however, litigation proceedings are still pending and the ultimate resolution remains unknown. As of June 30, 2025, we have accrued $29.3 million for potential payments related to the IMDP, which is classified within our accrued liabilities; however, recent examination of the legislation by the Italian Government has prompted potential amendments that if converted into law, could result in an opportunity for companies to settle certain historical periods (2015-2018) for less than the original assessed value. Therefore, the timing and amount of payments could ultimately differ from our current expectations.

Indemnifications

In the normal course of business, we have agreed to indemnify our officers and directors to the maximum extent permitted under Delaware law and to indemnify customers as to certain intellectual property matters related to sales of our products. There is no maximum limit on the indemnification that may be required under these agreements. Although we can provide no assurances, we have never incurred, nor do we expect to incur, any liability for indemnification.

Historical Cash Flows

Cash Flows from Operating Activities

Our net cash provided by operations for the six months ended June 30, 2025 was $62.5 million. The changes in operating assets and liabilities included a $16.7 million decrease in accounts receivable and a $14.4 million increase in accounts payable. Offsetting these amounts was a $29.2 million increase in inventories, a $9.2 million increase in prepaid expenses and other current assets, a $5.7 million increase in other assets, $19.8 million decrease in accrued liabilities, and $28.1 million in net changes in income taxes, including excess tax benefits and deferred income taxes. The decrease in accounts receivable was primarily due to the sale of accounts receivable as part of our accounts receivable purchase program with BMO (see Note 22: Accounts Receivable Purchase Program) and the amount and timing of revenues. The increase in accounts payable was due to the timing of payments. The increase in inventory was primarily to build inventory safety stock levels and the impact of the capitalization of tariffs in our accounting. The increase in prepaid expenses and other current assets was primarily due to an increase in the payment of miscellaneous prepaid invoices. The increase in other assets was due to the purchase of spare parts. The decrease in accrued liabilities was primarily due to payout of annual bonuses and operating lease payments. The net changes in income taxes was a result of the timing of payments.

Our net cash provided by operations for the six months ended June 30, 2024 was $127.7 million. The changes in operating assets and liabilities included a $6.7 million decrease in accounts receivable, a $21.1 million decrease in inventories, a $9.4 million increase in accounts payable, and a $20.2 million increase in accrued liabilities. Offsetting these amounts was a $12.6 million increase in prepaid expenses and other current assets, a $11.1 million increase in other assets, and $5.1 million in net changes in income taxes, including excess tax benefits and deferred income taxes. The decrease in accounts receivable was primarily due to the amount and timing of revenues. The decrease in inventory was primarily due to our focus on reducing inventory levels. The increase in accounts payable was due to the timing of payments. The increase in prepaid expenses and other current assets was primarily due to increase in deferred costs related to infusion pumps sold and the payment of other miscellaneous prepaid invoices. The increase in other assets was due to the purchase of spare parts. The net changes in income taxes was a result of recording the current deferred provision, the timing of payments, and valuation allowance. The increase in accrued liabilities was primarily due to employee costs.

Cash Flows from Investing Activities

The following table summarizes the changes in our investing cash flows (in thousands):

	Six months ended June 30,			
	2025	2024	Change	
Investing Cash Flows:				
Purchases of property, plant and equipment	$ (34,317)	$ (35,382)	$ 1,065	(1)
Proceeds from sale of business	209,464	—	$ 209,464	(2)
Proceeds from sale of assets	42	692	(650)	
Intangible asset additions	(4,541)	(5,364)	823	
Proceeds from sale of investment securities	—	500	(500)	(3)
Net cash provided by (used in) investing activities	$ 170,648	$ (39,554)	$ 210,202	

(1) Our purchases of property, plant and equipment may vary from period to period based on additional investments needed to support new and existing products and expansion of our manufacturing facilities.

(2) In 2025, we sold a 60% ownership interest in our IV Solutions business to OPF, see Note 4: Assets Held For Sale and Disposal of Business to our accompanying condensed consolidated financial statements.

(3) Proceeds from the sale of our investment securities may vary from period to period based on the maturity dates of the investments.

Cash Flows from Financing Activities

The following table summarizes the changes in our financing cash flows (in thousands):

	Six months ended June 30,			
	2025	2024	Change	
Financing Cash Flows:				
Principal payments on long-term debt	$ (247,750)	$ (25,500)	$ (222,250)	(1)
Proceeds from exercise of stock options	5,972	3,074	2,898	(2)
Payments on finance leases	(885)	(518)	(367)	
Payment of contingent earn-out liability	—	(2,600)	2,600	(3)
Tax withholding payments related to net share settlement of equity awards	(8,688)	(11,685)	2,997	(4)
Net cash used in financing activities	$ (251,351)	$ (37,229)	$ (214,122)	

(1) Relates to scheduled principal payments and prepayments on the Senior Secured Credit Facilities. In March 2025, we prepaid $35.0 million on our Term Loan B and in May 2025 we used $200.0 million received from the sale of a 60% interest in our IV Solutions business to pay down a portion of our Term Loan A.

(2) Proceeds from the exercise of stock options will vary from period to period based on the volume of options exercised and the exercise price of the specific options exercised.

(3) During the first quarter of 2024, we paid $3.4 million in cash related to the settlement of a contingent earn-out to one of our international distributors. Of the $3.4 million, the amount recorded as the acquisition date fair value, which is considered financing cash flows, was $2.6 million (see Note 10: Fair Value Measurements).

(4) During the six months ended June 30, 2025, our employees surrendered 61,066 shares of our common stock from vested restricted stock unit awards as consideration for approximately $8.7 million in minimum statutory withholding obligations paid on their behalf. During the six months ended June 30, 2024, our employees surrendered 112,876 shares of our common stock from vested restricted stock unit awards as consideration for approximately $11.7 million in minimum statutory withholding obligations paid on their behalf.

Our common stock purchase plan, which authorized the repurchase of up to $100.0 million of our common stock, was approved by our Board of Directors in August 2019. This plan has no expiration date. As of June 30, 2025, all of the $100.0 million available for purchase was remaining under the plan. We are limited on share purchases in accordance with the terms and conditions of our Credit Agreement (see Note 18: Long-Term Debt in our accompanying condensed consolidated financial statements).

Critical Accounting Policies

In our 2024 Annual Report on Form 10-K, we identified the critical accounting policies which affect our more significant estimates and assumptions used in preparing our consolidated financial statements. There have been no material changes to our critical accounting policies from those previously disclosed in our 2024 Annual Report on Form 10-K.

New Accounting Pronouncements

See Note 2: New Accounting Pronouncements Not Yet Adopted to the accompanying condensed consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Credit Facility

In connection with the Smiths Medical acquisition on January 6, 2022 we entered into the Senior Secured Credit Facilities totaling approximately $2.2 billion consisting of a variable-rate term loan A facility of $850.0 million, a variable-rate term loan B facility of $850.0 million and a revolving credit facility of $500.0 million. We are exposed to changes in interest rates on all of these variable-rate debt instruments.

The term loan A facility currently bears interest based on Adjusted Term SOFR plus an applicable margin of 1.75% per year. The term loan B facility currently bears interest based on Adjusted Term SOFR subject to a 0.50% floor plus an applicable margin of 2.50%. We used a sensitivity analysis to measure our interest rate risk exposure. If the SOFR rate increases or decreases 1% from June 30, 2025, the additional annual interest expense or savings related to the term loans would amount to approximately $13.5 million.

In order to mitigate and offset a portion of this interest rate risk exposure associated with these debt instruments we entered into interest rate swaps to achieve a targeted mix of fixed and variable-rate debt. The term loan A swap has an initial notional amount of $300.0 million, reducing to $150.0 million evenly on a quarterly basis through its final maturity on March 30, 2027 and we will pay a fixed rate of 1.32% and will receive the greater of 3-month USD SOFR or (0.15)%. The term loan B swap has an initial notional amount of $750.0 million, reducing to $46.9 million evenly on a quarterly basis through its final maturity on March 30, 2026 and we will pay a fixed rate of 1.17% and will receive the greater of 3-month USD SOFR or 0.35%. In June 2023, we entered into an additional swap with a notional amount of $300.0 million with a maturity date of June 30, 2028 and we will pay a fixed rate of 3.8765% starting on June 30, 2023 and receive 3-month USD SOFR. See Note 9: Derivatives and Hedging Activities to our accompanying condensed consolidated financial statements.

Accounts Receivable Purchase Program

Our accounts receivable purchase program with BMO bears discount rates tied to SOFR. These variable discount rates would affect the amount of factoring costs we incur, and the amount of cash we receive upon the sales of accounts receivable under this program. A 1% change in SOFR rates on the accounts receivable sales would not have a material impact on our results of operations (see Note 22: Accounts Receivable Purchase Program to our accompanying condensed consolidated financial statements).

Foreign Currency Exchange Rate Risk

We transact business globally in multiple currencies, some of which are considered volatile. Our international revenues and expenses and working capital positions denominated in these foreign currencies expose us to the risk of fluctuations in foreign currency exchange rates against the U.S. dollar. As the receiver of foreign currencies we are adversely affected by the strengthening of the U.S. dollar and other currencies relative to the operating unit functional currency. Our hedging policy attempts to manage these risks to an acceptable level. We manage our foreign currency exposures on a consolidated basis to take advantage of net exposures and natural offsets, which are then further reduced by the gains and losses of our hedging instruments. Gains and losses on the hedging instruments offset gains and losses on the hedged forecasted transactions and reduce the earnings volatility related to foreign exchange, however we do not hedge our entire foreign exchange exposure and are still subject to earnings volatility due to foreign currency exchange rate risk.

Our foreign currency exchange forward contracts hedge a portion of our forecasted foreign currency-denominated revenues and expenses (principally U.S. Dollar, Euros, Mexican Pesos, Czech Koruna, Japanese Yen, Swedish Krona, Danish Krone, Canadian Dollar, Australian Dollar, and Chinese Renminbi) that differ from the functional currency of the operating unit. These derivative contracts are designated and qualify as cash flow hedges (see Note 9: Derivatives and Hedging Activities to the condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q). We performed a sensitivity analysis to estimate changes in the fair value of our foreign exchange derivatives due to potential changes in near-term foreign currency exchange rates. At June 30, 2025, the effect of a hypothetical 10% weakening in the actual foreign currency exchange rates used for the applicable currencies would result in an estimated increase in the fair value of these outstanding derivative contracts by approximately $2.5 million.

Item 4. Controls and Procedures

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this Quarterly Report. Based on the evaluation, our principal executive officer and principal financial officer concluded that, as of June 30, 2025, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Certain legal proceedings in which we are involved are discussed in Part I, Item 1. "Financial Statements" of this Form 10-Q in Note 20. Commitments and Contingencies to the Condensed Consolidated Financial Statements, and is incorporated herein by reference.

Item 1A. Risk Factors

In evaluating an investment in our common stock, investors should consider carefully, among other things, the risk factors previously disclosed in Part I, Item 1A of our 2024 Annual Report on Form 10-K, as well as the information contained in this Quarterly Report, in each case, as updated by our other filings with the SEC. There have been no material changes to the risk factors disclosed in Part I, Item 1A of our 2024 Annual Report on Form 10-K, except as set forth below.

We derive a significant portion of our revenues from non-U.S. sales and from products manufactured at our non-U.S. facilities which are then imported to the U.S. We are therefore subject to risks of doing business in other countries, including those related to tariffs, retaliatory counter measures and further escalation of trade tensions.

The imposition of tariffs by the U.S. government and retaliatory tariffs imposed by other foreign governments is expected to increase our costs. Where possible, we may address increasing supply chain costs in pricing; however, we operate to a large extent under long-term contracts whereby pricing is fixed for a set period of time. The tariffs as currently implemented are likely to have a material impact on our business, financial condition and results of operations; however, the extent to which the imposition of tariffs, possible delays and exemptions may have a material impact remains fluid.

Additionally, the imposition of higher tariffs could undermine the competitiveness of a U.S. based company in the global market and could result in termination of orders by customers, lower demand for products and the loss of market share.

A meaningful portion of our global revenues is from products manufactured in our Costa Rica and Mexico manufacturing facilities which are then imported into the U.S. We expect revenues from goods manufactured in Costa Rica and Mexico and imported to the U.S. to remain a significant portion of our revenues for the foreseeable future.

The U.S. administration has continued to engage in trade discussions and impose tariffs on imports from other countries. Certain of these tariffs have been subsequently paused or modified, and the situation remains highly fluid. For example, most recently, on July 31, 2025, the U.S. announced that the 10% baseline reciprocal tariff on imports from all countries would be raised to 15% for certain countries, including Costa Rica. As to the majority of products manufactured in our Mexico facilities, these are currently exempted from tariffs under the United States-Mexico-Canada Agreement ("USMCA"). If, however, the USMCA exemptions were eliminated in the future, our tariff expense for products manufactured in Mexico would increase substantially.

These actions have resulted, and are expected to further result, in retaliatory measures on U.S. goods by other foreign governments. If maintained, these recently announced tariffs, and the potential escalation of trade disputes could pose a risk to our business that could further affect our financial condition or results of operations and/or cash flows, as well as, our long-term investment strategies. The extent and duration of the tariffs and the resulting impact on general economic conditions and on our business are uncertain and are expected to be impacted by various factors, such as negotiations between U.S. and affected countries, the responses of other countries or regions, exemptions or exclusions that already exist or may be granted, availability and cost of alternative sources of our products and materials, and our ability to offset the effects of any tariffs that might be imposed.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchase of Equity Securities

The following is a summary of our stock repurchasing activity during the second quarter of 2025:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of a publicly announced program	Approximate dollar value of shares that may yet be purchased under the program[1]
04/01/2025 — 04/30/2025	—	$ —	—	$ 100,000,000
05/01/2025 — 05/31/2025	—	$ —	—	$ 100,000,000
06/01/2025— 06/30/2025	—	$ —	—	$ 100,000,000
Second quarter of 2025 total	—	$ —	—	$ 100,000,000

[1] Our common stock purchase plan, which authorized the repurchase of up to $100.0 million of our common stock, was authorized by our Board of Directors and publicly announced in August 2019. This plan has no expiration date. We are not obligated to make any purchases under our stock purchase program. Subject to applicable state and federal corporate and securities laws and any restrictions on share purchases under our debt agreements, purchases under a stock purchase program may be made at such times and in such amounts as we deem appropriate. Purchases made under our stock purchase program can be discontinued at any time we feel additional purchases are not warranted. We are limited on share purchases in accordance with the terms and conditions of our Credit Agreement (see Note 18: Long-Term Debt in our accompanying condensed consolidated financial statements).

Item 5. Other Information

(a) None.
(b) None.

(c) During the three months ended June 30, 2025, none of the Company's directors or "officers" (as defined in Rule 16a-1(f) of the Exchange Act) adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" intended to satisfy the affirmative defense of Rule 10b5-1(c) or a “non-Rule 10b5-1 trading arrangement,” each as defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Filed/ Furnished Herewith
2.1	Share Sale and Purchase Agreement, dated September 8, 2021, by and between Smiths Group International Holdings Limited, a private limited company incorporated in England and Wales, and ICU Medical, Inc., a Delaware corporation. Filed as an Exhibit to Registrant's Current Report on Form 8-K filed on September 8, 2021 (File No. 001-34634).	
2.2	Put Option Deed from ICU Medical, Inc., a Delaware corporation to Smiths Group International Holdings Limited, a private limited company incorporated in England and Wales. Filed as an Exhibit to Registrant's Current Report on Form 8-K filed on September 8, 2021 (File No. 001-34634).	
2.3	Purchase Agreement, dated November 12, 2024, by and between ICU Medical, Inc., a Delaware corporation, ICU Medical Sales, Inc., a Delaware corporation and Otsuka Pharmaceutical Factory America, Inc., a Delaware corporation. Filed as an Exhibit to Registrant’s Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2024, filed on November 12, 2024 (File No. 001-34634)	
3.1	Registrant's Certificate of Incorporation, as amended and restated. Filed as an Exhibit to Registrant's Current Report on Form 8-K filed on June 10, 2014 (File No. 001-34634).	
3.2	Registrant's Bylaws, as amended and restated. Filed as an Exhibit to Registrant's Current Report on Form 8-K filed on November 3, 2023 (File No. 001-34634).	
10.1	Third Amendment to ICU Medical, Inc. Amended and Restated 2011 Stock Incentive Plan. Filed as an Exhibit to Registrant’s Current Report on Form 8-K filed on May 14, 2025 (File No. 001-34634).	
10.2†	Amended and Restated Operating Agreement of Otsuka ICU Medical LLC	*
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	*
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	*
32.1	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	**
101.INS	XBRL Instance Document - this instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	*
101.SCH	XBRL Taxonomy Extension Schema Document	*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	*
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	*

* Filed herewith.
** Furnished herewith.
† Certain portions of this exhibit have been redacted pursuant to Item 601(b)(2)(ii) and Item 601(b)(10)(iv) of Regulation S-K, as applicable. The Company agrees to furnish supplementally an unredacted copy of the exhibit to the SEC upon its request.

Signature

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 thereunto duly authorized.

ICU Medical, Inc.

(Registrant)

/s/ Brian M. Bonnell Date: August 7, 2025

Brian M. Bonnell
Chief Financial Officer
(Principal Financial Officer and Authorized Officer)

Certain information marked as [***] has been excluded from this exhibit because it is both (i) not material and (ii) is the type that the Registrant customarily and actually treats as private or confidential.

EXECUTION VERSION

AMENDED AND RESTATED OPERATING AGREEMENT
OF
OTSUKA ICU MEDICAL LLC

This **AMENDED AND RESTATED OPERATING AGREEMENT** (this "***Agreement***") of **OTSUKA ICU MEDICAL LLC** (the "***Company***"), is made effective as of May 1, 2025 (the "***Effective Date***"), by the members listed on **EXHIBIT A** attached hereto or who are otherwise subsequently admitted as members of the Company pursuant to the terms of this Agreement (each a "***Member***" and collectively, the "***Members***"). Capitalized terms used but not otherwise defined in this Agreement shall have the meaning given such terms on **EXHIBIT B** attached hereto. The Original Operating Agreement (as defined below) is hereby amended and restated in its entirety by this Agreement.

BACKGROUND

WHEREAS, the Certificate of Formation of the Company was filed with the Secretary of State of the State of Delaware on January 22, 2025;

WHEREAS, on January 22, 2025, 2025, ICU Medical and ICU Medical Affiliate entered into a Limited Liability Company Agreement to provide for the governance of the Company (the "***Original Operating Agreement***");

WHEREAS, on April 24, 2025, ICU Medical and ICU Medical Affiliate contributed the Contributed Assets and Assumed Liabilities to the Company in exchange for [***] of the Company, upon the terms and subject to the conditions of that certain Contribution Agreement, dated as of April 24, 2025, by and among the Company, ICU Medical, and ICU Medical Affiliate (the "***Contribution Agreement***");

WHEREAS, concurrent with the execution of this Agreement, OPF-US is purchasing [***] from ICU Medical and ICU Medical Affiliate, upon the terms and subject to the conditions set forth in that certain Purchase Agreement (the "***Purchase Agreement***"), dated as of November 12, 2024, by and among the Company, OPF-US, ICU Medical and ICU Medical Affiliate (the "***Cross Purchase***"); and

WHEREAS, the execution and delivery of this Agreement is a condition to the closing of the Cross Purchase, and a material inducement to the willingness of each Member to consummate the Cross Purchase, and the parties desire to enter into this Agreement for the purposes of setting forth the Members' agreements regarding the governance and operations of the Company and the terms and conditions of the Members' interests in the Company.

NOW, THEREFORE, in consideration of the covenants and other agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Purpose. The Company has been formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Delaware Limited Liability Company Act, as amended from time-to-time (the "***Act***"), including the development and operation of the Business (as defined in the Purchase Agreement).

2. Powers. In furtherance of its purposes, but subject to all of the provisions of this Agreement, the Company shall have the power and is hereby authorized to do all things and engage in all such activities as may be necessary, convenient or incidental to the conduct of the business of the Company, and have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Act.

3. Fiscal Year; Principal Business Office. Except as may otherwise be required by the U.S. federal tax laws, the fiscal year of the Company for both financial and tax reporting purposes shall end on December 31 of each year ("***Fiscal Year***"). The principal business office of the Company shall be located at 3900 West Howard Lane, Austin, Texas 78728, or at such other location as may hereafter be determined by the Board of Directors.

4. Registered Office. The address of the registered office of the Company in the State of Delaware is 251 Little Falls Drive, Wilmington, County of New Castle, Delaware 19808, and the name and address of the registered agent for service of process on the Company in the State of Delaware is Corporation Service Company, or such other agent or office in the State of Delaware as the Board of Directors may from time to time designate.

5. Members.

(a) Unit Register. The names, mailing and email addresses, and Units of the Members shall be reflected in a unit register attached to this Agreement as **EXHIBIT A** and as updated by the Company from time to time in accordance with this Agreement (as so updated, the "***Unit Register***").

(b) Admission of Additional Members. Subject to the terms and conditions of this Agreement, including but not limited to Section 7(d)(iii)(C), any person acceptable to the Board of Directors may become a Member of the Company by the purchase of new Units for such consideration as the Board of Directors shall determine in accordance with the terms of this Agreement (each an "***Additional Member***"). Each Additional Member shall: (i) agree to be bound by the provisions of this Agreement; (ii) execute and deliver such documents as the Board of Directors deems appropriate in connection therewith; and (iii) contribute to the Company the agreed upon capital contribution in exchange for the Units purchased by such Additional Member. Each Additional Member shall have all the rights and obligations of a Member holding the class and series of Units purchased by such Additional Member as specified on the Unit Register. The admission of Additional Members shall not be a cause for dissolution of the Company. Upon the admission of any Additional Members pursuant to this Section 5(b), the Unit Register shall be appropriately amended.

(c) Affiliate Transactions.

(i) Any transactions, including loans and the sale or transfer of any material assets, between any Member or its Affiliates, on the one hand, and the Company, on the other hand, that could reasonably be expected to impact any calculation of Enterprise Value as of a specified date shall be on arms' length terms.

(ii) [***]

6. Limited Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Members shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member of the Company.

7. Management.

(a) Board of Directors.

(i) Generally. Except as specifically set forth in this Agreement or as required by the Act, the Members hereby delegate all power and authority to manage, bind and act on behalf of, the Company to the managers of the Company (each a "**Director**") subject to and in accordance with the terms of this Agreement. Such Directors, collectively, shall constitute the "**Board of Directors**" and such term may be used in this Agreement to refer to all of the Directors as a whole. Such term is used for convenience only and is not intended by the parties to confer to the Board of Directors any additional power or authority other than that expressly and specifically conferred pursuant to and in accordance with the terms of this Agreement. In furtherance of the foregoing, the Board of Directors shall have the powers and authority of the board of directors of a corporation organized and existing under the General Corporation Law of the State of Delaware (the "**DGCL**"). In managing the business and affairs of the Company and in exercising their powers, the Board of Directors, a Task Group, or any other committee created by the Board of Directors and approved by the Members as provided in Section 7(d)(iii)(D), shall act by voting at meetings or by written consents in accordance with the DGCL as if the Board of Directors were a board of directors of a corporation organized under the DGCL. The Board of Directors may adopt such rules and procedures for the management of the Company not inconsistent with this Agreement or the Act. Any power not otherwise delegated pursuant to this Agreement or by the Board of Directors in accordance with the terms of this Agreement shall remain with the Board of Directors. Subject to any other approval rights contained herein, including in Sections 7(d)(i), 7(d)(ii) and 7(d)(iii), no action on behalf of the Company may be taken without the prior approval of the Board of Directors; provided, however, the Board of Directors may delegate power to act on behalf of the Company to a Task Group or any other committee of the Board of Directors or any Officer of the Company. No Director (acting in his, her or their capacity as such) will have any authority to bind the Company with respect to any matter, except pursuant to a resolution expressly authorizing such action, which resolution is duly adopted by the Board of Directors by the affirmative vote required for such matter pursuant to the terms of this Agreement.

(ii) Number. The Board of Directors shall initially be set and remain at five (5) Directors. The authorized number of Directors of the Company may not be increased or decreased without the express consent of the Members holding all of the then-outstanding Units (the "**Unanimous Members**").

(iii) Election. The holders of record of the Units, voting together as a single class, shall be entitled to elect the Directors. The Directors shall be so elected (A) at any meeting of

Members or (B) by written consent of the holders of a majority of the then-outstanding Units. Each Director so elected shall hold office until his or her successor is duly elected and qualified, or until his or her earlier resignation or removal. At any meeting held for the purpose of electing a Director: (1) the presence in person or by proxy of the holders of a majority of the outstanding Units shall constitute a quorum for the purpose of electing such Director; and (2) Directors shall be elected by the affirmative vote of a majority of the votes cast at the meeting.

(iv) Composition of the Board. Each Member shall be entitled to designate one (1) individual to the Board of Directors for each whole [***] interest of the outstanding Units held by such Member (which, in the case of ICU Medical and ICU Medical Affiliate, shall be determined on a combined basis). Each Member agrees to vote, or cause to be voted, all Units owned by such Member, or over which such Member has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that at each meeting of Members at which an election of directors is held or pursuant to any written consent of the Members, each of the individuals designated by the Members in accordance with the preceding sentence shall be elected to the Board of Directors. One (1) of the individuals designated by OPF-US shall serve as Chairman of the Board of Directors (the "***Chairman***"). The Chairman will (a) preside at all meetings of the Board of Directors and of the Members, (b) determine which member of a committee will serve as the chair of such committee, and (c) oversee and direct the annual performance review process for the Chief Financial Officer and Chief Operating Officer.

(v) Failure to Designate a Director. In the absence of any designation from the persons or entities with the right to designate a Director as specified above, the Director previously designated by them and then serving shall be reelected if still eligible to serve as provided herein.

(vi) Removal of Directors; Vacancies. Each Member also agrees to vote, or cause to be voted, all Units owned by such Member, or over which such Member has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that:

(A) no Director elected pursuant to Section 7(a)(iv) may be removed from office unless such removal is directed or approved by the affirmative vote of the Member entitled under Section 7(a)(iv) to designate such Director; and

(B) any vacancies created by the resignation, removal or death of a Director elected pursuant to Section 7(a)(iv) shall be filled pursuant to the provisions of Section 7(a)(iv).

(vii) Fiduciary Duties. Subject to the further provisions of this Section 7, in matters relating to the business and internal affairs of the Company of which the Board of Directors has decision-making authority, the Board of Directors (in its capacity as such) shall act in good faith in a manner in which it reasonably believes to be in the best interests of the Company and shall be subject to the fiduciary duties (including the duties of care and loyalty), in each case, to the same extent as such duties would apply to the Board of Directors were the Company a corporation incorporated under the DGCL. Each Director, Officer and each member, shareholder, partner, director, manager, officer, employee, representative or agent thereof (each, a "***Related Person***"), shall be entitled to rely in good faith on (i) the provisions of this Agreement, (ii) the records of the Company or its direct or indirect subsidiaries, and (iii) information, opinions, reports or statements presented by a Member, liquidating trustee, Officer or employee of the Company or its subsidiaries, a Task Group, committees of the Board of Directors, professionals or advisors to the Company, or by any other Person, as to matters the Director, Officer or Related Person reasonably and in good faith believes are within such other Person's professional or expert competence, including information, opinions, reports or statements as to the value

and amount of the assets, liabilities, profits or losses of the Company or its subsidiaries. Each Director, Officer and Related Person will not be responsible for and will have no liability for any loss or damage due to the fraud, bad faith, willful misconduct or negligence, whether of omission or commission, of any experts, professionals, independent contractors, employees or other agents of the Company or its subsidiaries unless the Director, Officer or Related Person engaged in fraud or a knowing violation of law.

(viii) Meetings. Meetings of the Board of Directors and any Task Group may be held at such times and on such schedule as agreed upon by a majority of the Board of Directors or the Directors on such Task Group (or, in the case of the Regulatory Task Group, a majority of the individuals then serving as members of the Regulatory Task Group), as applicable; provided, that each of the Board of Directors and each Task Group shall meet not less than once every calendar quarter, and the Board of Directors or such Task Group, as applicable, shall establish a schedule of all of its regular meetings at the beginning of each fiscal year, and an agenda for each such regular meeting shall be circulated to the applicable Directors or individuals serving on the Regulatory Task Group at least 14 days prior to the date of such regular meeting; provided further, that any Director may elect to attend any meeting of the Board of Directors telephonically or via videoconference and, upon such election, the Chairman shall arrange for such virtual or telephonic participation on behalf of such Director. Any Member having the right to appoint one or more Directors under Section (iv) may call a special meeting of the Board of Directors. Written notice of the date, time and place of any special meeting, along with a reasonable summary of the business to be transacted at, or the purpose of, such special meeting shall be given to each Director at least five (5) days prior thereto by or at the direction of the Chairman or the Member calling the meeting, respectively. Whenever any notice is required to be given to any Director or other individual serving on a Task Group under this Agreement or any provision of any applicable law, a waiver thereof in writing, signed at any time by the Director or other individual serving on a Task Group entitled to notice, whether before or after the time of the meeting, and filed with the Company records, shall be deemed the equivalent of the giving of such notice. A Director's or Task Group member's attendance at a meeting waives any required notice to the Director or Task Group member of the meeting unless such Director or Task Group member, as applicable, at the beginning of the meeting or promptly upon arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. A meeting of the Board of Directors or any committee thereof or a Task Group may be held by telephone conference or similar communications equipment through which all individuals participating in the meeting can hear each other and such participation in a meeting will constitute presence in person at the meeting.

(ix) Quorum. At all meetings of the Board of Directors or a Task Group, the presence of [***] shall constitute a quorum for the transaction of business; *provided that*, if at any properly noticed meeting of the Board of Directors or a Task Group, as applicable, a quorum is not present solely due to [***]. If a quorum shall not be present for any meeting of the Board of Directors or of a Task Group, the Chairman or a majority of the Directors or Task Group members present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Subject to Section 7(d)(i), at any meeting at which there is a quorum, the Board of Directors or a Task Group, as applicable, may take action on any matter by a majority of the votes cast, with each Director or Task Group member being entitled to cast one (1) vote. Any action taken by the Board of Directors by written consent or written resolution must be unanimously approved by each member of the Board of Directors.

(x) Compensation. No Director shall be entitled to any compensation from the Company in connection with their duties performed hereunder.

(b) Officers.

(i) Generally. The Board of Directors may, from time to time as it deems advisable, appoint one or more officers of the Company (the "**Officers**") and assign in writing titles (including, without limitation, Chief Operating Officer and Chief Financial Officer) to any such person and delegate any powers and duties to the Officers. Unless the Board of Directors decides otherwise, if the title is one commonly used for officers of a corporation incorporated under the DGCL, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with such office. Any two or more offices may be held by the same person. New offices may be created and filled by the Board of Directors.

(ii) Initial Officers. The following Officers of the Company shall be designated as follows:

(A) Chief Operating Officer: During the term of this Agreement, for so long as ICU Medical and ICU Medical Affiliate, on a combined basis, own a percentage of the outstanding Units in excess of the Ownership Threshold, an individual designated by ICU Medical and reasonably acceptable to OPF-US, who shall initially be Miguel Peña, shall serve as Chief Operating Officer of the Company.

(B) Chief Financial Officer: During the term of this Agreement, an individual designated by OPF-US and, for so long as ICU Medical and ICU Medical Affiliate, on a combined basis, own a percentage of the outstanding Units in excess of the Ownership Threshold, reasonably acceptable to ICU Medical, who shall initially be Nicole Nguyen, shall serve as Chief Financial Officer of the Company.

(iii) Removal; Vacancies. All Officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly appointed and qualified, unless sooner removed. Any Officer may be removed at any time by the Board of Directors, provided that the removal or replacement of an Officer shall require the approval of a majority of the Board of Directors. Other than with respect to the Chief Operating Officer and the Chief Financial Officer, who shall be elected pursuant to Section 7(b)(ii), if the office of any other Officer becomes vacant for any reason, the vacancy may be filled by the majority vote of the Board of Directors.

(iv) Fiduciary Duties. Each Officer (in their capacity as such) shall be deemed to have the same fiduciary duties that such Officer would have if the Company were a corporation incorporated under the DGCL and such Officer were a corresponding officer of that corporation.

(v) Delegation to Management. The Officers of the Company shall be, and by virtue of this Section 7(b)(v) hereby are, delegated the power and authority to manage the day-to-day operations of the Company, including all of the actions specified on Exhibit C (the details of which shall be approved by the Board of Directors and attached to this agreement as Exhibit C, which thereafter may be amended by the Board of Directors from time to time) (except for any item specified in Section 7(d)(i)(1) or Section 7(d)(i)(2)), all to the extent within, and subject to, the parameters and other limitations set forth in the then-current Annual Business Plan).

(c) Management Reports; Financial Information and Reporting; Inspection Rights.

(i) Management Reporting. The Officers of the Company shall regularly report on the operations of the Company to the Board of Directors and the Members, when and as circumstances reasonably dictate.

(ii) Annual Financial Statements. As soon as reasonably practicable after the end of each Fiscal Year of the Company, the Company will furnish to each of the Directors and the Members a balance sheet of the Company, as at the end of such Fiscal Year, and a statement of income and a statement of cash flows of the Company, for such Fiscal Year, all prepared in accordance with IFRS applied on a consistent basis and setting forth in each case in comparative form the figures for the previous Fiscal Year, all in reasonable detail. The Members will work together in good faith and use commercially reasonable efforts to establish reasonable procedures, and related timing requirements, for the preparation of audited annual financial statements that are sufficient to satisfy each Member's applicable reporting requirements.

(iii) Quarterly Financial Statements and Forecasts.

(A) The Company will furnish to each of the Directors and the Members, as soon as reasonably practicable after the end of each quarterly accounting period in each Fiscal Year of the Company, and in any event within five (5) business days thereafter (and with any final revisions thereto furnished within seven (7) business days after the end of the applicable accounting period), a balance sheet of the Company as of the end of each such quarterly period, a statement of income and a statement of cash flows of the Company for such period and for the current Fiscal Year to date (provided, however, that, during the Fiscal Year ending December 31, 2025, a statement of cash flow shall be provided within fifteen (15) days after the end of each quarter), prepared in accordance with IFRS applied on a consistent basis (except as noted therein), with the exception that no notes need be attached to such statements.

(iv) Annual Business Plan Information; Monthly Financial Information. The Company will furnish to each of the Members: (A) as soon as available (and in any event no later than seventy-five (75) days prior to the beginning of each Fiscal Year), a comprehensive operating budget forecast which shall include, (v) a profit and loss statement, a statement of cash flows and a balance sheet, in each case reflecting projections on a month-bymonth basis for such Fiscal Year, (w) information regarding expected employees, including number of employees (on an FTE basis, and shown by department and by designation/job title) and projected compensation for such Fiscal Year, and (x) subject to Section 7(c)(v), details of the Company's budget for capital expenditures for such Fiscal Year (the "***Annual Business Plan***"), all as approved by the Board of Directors (and as soon as available, any subsequent written revisions thereto); and (B) as soon as reasonably practicable after the end of each month, and in any event within six (6) business days thereafter, a balance sheet of the Company as of the end of each such month, a statement of income and a statement of cash flows of the Company for such month (provided, however, that, during the Fiscal Year ending December 31, 2025, a statement of cash flow shall be provided within fifteen (15) days after the end of each month), prepared in accordance with IFRS applied on a consistent basis (except as noted thereon), with the exception that no notes need be attached to such statements. In addition, concurrent with the delivery of such monthly financial statements, the Company will furnish to each of the Directors and the Members, for the current Fiscal Year to date, a comparison to plan for such period, including a comparison of financial results and key

operating metrics, and an updated forecast of its statement of income for the then-current quarter and Fiscal Year. The Annual Business Plan for Fiscal Year 2025 is attached hereto as Exhibit D.

(v) Capital Expenditures. The Company's budget for capital expenditures as set forth in the Annual Business Plan shall not exceed:

(A) [***] in any Fiscal Year during the term of this Agreement;

(B) [***] in the aggregate for the Initial Period; and

(C) for each five (5)-year period immediately following the Initial Period, an amount equal to (x) the average of the actual budget for capital expenditures for each of the Fiscal Years in the preceding five (5)-year period (in each case, as adjusted to reflect any change in the CPI (on a cumulative basis) since such year) multiplied by (y) five (5).

Notwithstanding the foregoing, no capital expenditures for Replacement Equipment incurred by the Company in connection with Section 2.3 of that certain Supply Agreement for Components, dated as of May 1, 2025, by and between the Company and ICU Medical, as such agreement may be amended, modified, supplemented or amended and restated from time to time, shall be counted against any limitations on capital expenditures in this Section 7(c)(v).

(vi) Inspection Rights. Each of the Directors and the Members shall have the right to visit and inspect any of the properties of the Company or any of its subsidiaries, and to discuss the affairs, finances and accounts of the Company or any of its subsidiaries with its Officers, and to review such information as is reasonably requested all at such reasonable times and as often as may be reasonably requested; *provided, however*, that such visits shall not materially impact the conduct of the Company's business.

(vii) Audit of Annual Financial Statements; OPF-US reimbursement of Certain Costs and Expenses. OPF-US may, at its sole discretion, require the Company to engage independent public accountants of national standing selected by the Board of Directors to audit the Company's annual financial statements prepared in accordance with Section 7(c)(2). OPF-US shall reimburse the Company for all reasonable, documented out-of-pocket costs and expenses incurred by the Company or ICU Medical in connection with such personnel training as may be required to ensure that the Company and/or ICU Medical has adequate capabilities necessary to prepare IFRS-compliant financial statements as required herein. In addition, OPFUS shall reimburse the Company for all reasonable, documented out-of-pocket costs and expenses, as well as personnel costs (which may include the cost of any additional personnel reasonably determined by ICU Medical to be reasonably necessary to hire in order to assist the Company with any such audit), incurred by the Company or ICU Medical with respect to any audit of the Company's financial statements as required by OPF-US.

(viii) Cumulative Transition Spend. The Officers of the Company, in consultation with each Member as necessary, shall report on a quarterly basis to the Board of Directors the Service Exit Costs, Transformation Service costs, One-Time Stand-Up Costs, and unreimbursed expenses related to OPF-US Funded Business Opportunities (and profit or loss from OPF-US Funded Business Opportunities), in each case for the prior calendar quarter and on a cumulative basis as from the Effective Date.

(d) Board of Directors Approval.

(i) Limitations on Authority of the Officers and the Directors.

(1) Without limiting the generality of Section 7(a)(i), neither the Officers nor the Directors shall, without the prior written consent of a majority of the Directors on the Board of Directors, which majority must include at least one (1) Director appointed by ICU Medical then in office:

(A) establish any Task Group, or terminate any such Task Group once established;

(B) cause or permit OPF-US, ICU Medical or ICU Medical Affiliate, or their respective officers, to take any action that is or would be inconsistent with the provisions of Section 7 of this Agreement;

(C) effect any change in the legal entity form of the Company or elect to convert the Company to an entity taxed as a corporation or make an election for to be taxed as a corporation for U.S. federal income tax purposes;

(D) approve an Annual Business Plan (i) for 2026 and (ii) thereafter, if such Annual Business Plan provides for revenue involving more than 5% less than the actual revenue realized in the prior fiscal year;

(E) approve or incur any indebtedness for borrowed money (including indebtedness provided by a Member) to the extent not set forth in or contemplated by the then-current Annual Business Plan (it being understood that such indebtedness in the Annual Business Plan will not be more than as necessary and appropriate to fund the activities contemplated thereby, taking into account available Cash);

(F) adopt, make or change any tax election or tax accounting method that, in each case, is reasonably expected to adversely affect any Member materially and disproportionately (as compared to the other Members); or

(G) take any action with respect to regulatory and/or FDA matters, including the submission of any FDA-related correspondence, the making of FDA-related filings or submissions or otherwise, inconsistent with the recommendations of the Regulatory Task Group; provided that such recommendations of the Regulatory Task Group are consistent with ICU Medical's past practices in the ordinary course of business.

(2) Without limiting the generality of Section 7(a)(i), neither the Officers nor the Directors shall, without the prior written consent of a majority of the Directors on the Board of Directors:

(A) pursue any Business Opportunity as described in Section 13;

(B) approve or accept the annual audited financial statements of the Company;

(C) approve or execute any material agreement with a customer or supplier other than as set forth or reflected in, or contemplated by, the then-current Annual Business Plan;

(D) approve the hiring of, or hire, any employee, or engage any contractor or consultant, or approve any changes to salary, wages or other compensation for any employee, contractor or consultant, whose annual cash compensation is expected to exceed $200,000, in each case to the extent not set forth in or contemplated by the then-current Annual Business Plan; or

(E) subject to Section 5(c), approve or effect the sale or transfer of any assets (including real property) to OPF-US, ICU Medical, ICU Medical Affiliate or any of their respective Affiliates.

(ii) Actions Requiring Unanimous Member Approval. Without limiting the generality of Section 7(a)(i), neither the Officers nor the Board of Directors shall amend, modify or repeal the Company's Certificate of Formation without the prior unanimous written consent or vote of the Members.

(iii) Actions Requiring Supermajority Member Approval. Without limiting the generality of Section 7(a)(i), neither the Officers nor the Board of Directors shall, without the prior written consent or vote of Members holding a majority of the then outstanding Units, which majority must include, for so long as ICU Medical and ICU Medical Affiliate own, on a combined basis, a percentage of the outstanding Units in excess of the Ownership Threshold, ICU Medical:

(A) other than pursuant to Section 10(b), make any distribution to any Member if there is then-currently [***];

(B) cause the Company to liquidate, dissolve or wind-up;

(C) accept new Members and/or authorize the issuance of additional Units (including to the existing Members) or designate a new class or series of Units if [***];

(D) establish any committee of the Board of Directors, or terminate any such committee once established; or

(E) authorize, consummate or enter into definitive documentation regarding a Sale Transaction, Acquisition Transaction or Initial Public Offering.

(e) FDA Regulatory Matters.

(i) Establishment of Regulatory Task Group. The Company hereby establishes a Task Group to deal with regulatory and/or FDA matters (the "**Regulatory Task Group**"). Subject to Section (d)(i)(1)(G), the Regulatory Task Group, under the guidance of the Designated Company Regulatory Resource, may take any action with respect to regulatory and/or FDA matters, including the submission of any FDA-related correspondence, the making of FDArelated filings or submissions or otherwise.

(ii) Designated Company Regulatory Resource. The Designated Company Regulatory Resource shall participate in all meetings held by the Regulatory Task Group. An individual designated by ICU Medical and reasonably acceptable to OPF-US shall be the initial Designated Company Regulatory Resource responsible for overseeing regulatory and/or FDA matters, including the submission of any FDA-related correspondence, the making of FDArelated filings or submissions or otherwise.

(iii) Termination and Replacement. Either OPF-US or ICU Medical may, at any time, provide notice to the other of its desire to replace the current Designated Company Regulatory Resource and, upon such notice, OPF-US and ICU Medical shall work together in good faith to remove the then-current Designated Company Regulatory Resource and, as promptly as reasonable practicable in order to ensure continuity in regulatory oversight and compliance, designate a new individual reasonably acceptable to both OPF-US and ICU Medical to serve as the Designated Company Regulatory Resource.

(f) Deadlock Resolution. If the Board of Directors fails to approve within thirty (30) days any action or matter presented to the Board of Directors for approval under Section 7(d)(i)(1) and if either OPF-US or ICU Medical in good faith believes that such failure will or with reasonable likelihood could have a material adverse effect on the Company, the business as conducted by the Company or the ability of the Company to carry out its business or the Annual Business Plan (a "***Deadlocked Matter***"), then the following procedures will be utilized to resolve the deadlock if so requested in a written notice by OPF-US or ICU Medical to the other:

(i) OPF-US and ICU Medical will cause their respective chief executive officers (or, if no chief executive officer is appointed, an officer of equivalent function) promptly to meet promptly thereafter and to endeavor in good faith to resolve the Deadlocked Matter within ninety (90) days after referral to them of such Deadlocked Matter (or, if mutually agreed by such representatives, a longer period of time).

(ii) Following such ninety (90)-day period (or any longer period mutually agreed by them), (A) if the Deadlocked Matter is with respect to the approval of the Annual Business Plan, the Company will continue to operate the Business in accordance with the last approved Annual Business Plan, and (B) if the Deadlocked Matter does not concern the Annual Business Plan, either OPF-US or ICU Medical shall have the option to submit such Deadlocked Matter to non-binding mediation administered by a neutral, independent mediator designated jointly by OPF-US and ICU Medical. During the period of negotiation and/or mediation with respect to any Deadlocked Matter pursuant to this Section (f), the Company will continue to operate in a manner consistent with its prior practices and this Agreement until such time as such Deadlocked Matter is resolved, and the Members shall use their respective commercially reasonable efforts to continue to operate the Company in a manner consistent with its prior practices and the last approved Annual Business Plan.

8. Units; Voting; OPF-US Call Option and ICU Medical Put Option.

(a) Units. After giving effect to the Cross Purchase, the Members hold the "***Units***" representing equity interests of the Company listed opposite their names on the Unit Register under the heading "***Units***". As of the Effective Date, [***] shall be authorized for issuance by the Company and such Units shall not have a specific class or series designation. Subject to the terms and conditions of this Agreement, including but not limited to Section 7(d)(iii)(C), the Board of Directors shall have the authority to designate new classes or series of Units, increase the number of Units authorized for issuance, issue Units in addition to those issued as of the date hereof (including, without limitation, Units which are subject to vesting or other substantial risks of forfeiture) and to fix and determine the relative rights, including voting rights, preferences, powers, privileges and restrictions of such Units, if applicable, without any further action on the part of any party. Subject to Section 7(d)(iii)(C), the Board of Directors shall have the authority to determine the capital contribution, if any, required to be made in connection with the issuance of new Units.

(b) Voting. Except as otherwise provided in this Agreement, Members will be entitled to vote based on the number of Units held by them at such time; each Unit will entitle the holder to one vote per Unit.

(c) OPF-US Call Option and ICU Medical Put Option.

(i) OPF-US Call Option. Subject to Section 8(c)(iii)(A), ICU Medical and ICU Medical Affiliate grant to OPF-US an exclusive right and option (the "***OPF-US Call Option***") to require ICU Medical, ICU Medical Affiliate and, as applicable, their Affiliates, to sell to OPF-US or any of its affiliates all of the Units and any other Company interests then-held by ICU Medical, ICU Medical Affiliate and, as applicable, their Affiliates, as of the date of exercise of the OPF-US Call Option (such Units and interests, collectively, the "***Option Securities***") for a cash purchase price equal to the Call Option Price.

(ii) ICU Medical Put Option. Subject to Section 8(c)(iii)(B), OPF-US grants to ICU Medical and ICU Medical Affiliate an exclusive right and option (the "***ICU Medical Put Option***") to require OPF-US to purchase from ICU Medical, ICU Medical Affiliate, and, as applicable, their Affiliates, all (and not some) of the Option Securities for a cash purchase price equal to the Put Option Price.

(iii) Exercise of OPF-US Call Option or ICU Medical Put Option.

(A) The OPF-US Call Option may be exercised upon delivery to ICU Medical and ICU Medical Affiliate (1) within the thirty (30)-day period prior to June 30 or December 31, in each case, (a) immediately following the end of the Initial Period, (b) following the seventh anniversary of the Effective Date, (c) following the tenth anniversary of the Effective Date, and (d) each calendar year commencing with the eleventh anniversary of the Effective Date or (2) within thirty (30) days following an OPF-US Triggering Event (and provided, in each case, that ICU Medical has not already timely delivered to OPF-US an ICU Medical Put Option Exercise Notice) of a written notice of OPF-US's election to exercise the OPF-US Call Option (the "***OPFUS Call Option Exercise Notice***"). Notwithstanding the foregoing, in the event of a Force Majeure Deferral, the OPF-US Call Option shall not be exercisable pursuant to clause (1) of the preceding sentence until the next available exercise period.

(B) The ICU Medical Put Option may be exercised upon delivery to OPF-US (1) within the thirty (30)-day period prior to June 30 or December 31, in each case, (a) immediately following the end of the Initial Period, (b) following the seventh anniversary of the Effective Date, or (c) following the tenth anniversary of the Effective Date and (d) each calendar year commencing with the eleventh anniversary of the Effective Date or (2) within thirty (30) days following an ICU Medical Triggering Event (and provided, in each case, that OPF-US has not already timely delivered to ICU Medical and ICU Medical Affiliate an OPF-US Call Option Exercise Notice), of a written notice of ICU Medical's election to exercise the ICU Medical Put Option (the "***ICU Medical Put Option Exercise Notice***").

(iv) Purchase.

(A) The Call/Put Closing Date shall occur only at the end of a calendar quarter following the calendar quarter in which the OPF-US Call Option Exercise Notice or the ICU Medical Put Option Exercise Notice, as applicable, was delivered. On the Call/Put Closing Date, against OPF-US's delivery of the Call Option Price or the Put Option Price, as applicable, ICU Medical

and ICU Medical Affiliate shall execute and deliver to OPF-US and the Company such instruments of assignment and transfer effecting the transfer of all right, title, and interest in the Option Securities to OPF-US as OPF-US shall reasonably request. Such instruments of assignment and transfer shall include representations and warranties with respect to the authority of ICU Medical and ICU Medical Affiliate, the full right and title to the Option Securities being held by ICU Medical and ICU Medical Affiliate, and the Option Securities being transferred free and clear of all liens, claims, and encumbrances (other than any restrictions under applicable securities laws). On the Call/Put Closing Date, OPF-US shall pay the Call Option Price or the Put Option Price, as applicable, to ICU Medical and ICU Medical Affiliate, in cash, by electronic transfer of immediately available funds in accordance with instructions given by ICU Medical.

(B) OPF-US shall be entitled to deduct and withhold from the Call Option Price or the Put Option Price, as applicable, any amounts that OPF-US is required to deduct and withhold under any applicable law. To the extent any such amounts are so deducted or withheld and actually paid, such amounts shall be treated for all purposes under this Agreement as having been paid to ICU Medical and ICU Medical Affiliate.

(C) ICU Medical and ICU Medical Affiliate shall cease to be the holders of the Option Securities on the Call/Put Closing Date.

(v) OPF-US shall not, and shall cause the Company not to, take any action which has as its intended purpose the effect of decreasing Cash in order to negatively impact Enterprise Value. ICU Medical and ICU Medical Affiliate shall not, and shall cause the Company not to, take any action which has as its intended purpose the effect of increasing Cash in order to positively impact Enterprise Value.

(d) No Member may Transfer all or any portion of its Units (or any interest therein) other than an Exempt Transfer during the Initial Period, provided, however, that on or after the occurrence of an OPF-US Triggering Event or an ICU Medical Triggering Event during the Initial Period, OPF-US or ICU Medical, respectively, may sell, transfer or assign, in whole or in part, directly or indirectly, its Units in the Company or any beneficial ownership therein without the approval of ICU Medical or OPF-US, respectively. For the avoidance of doubt, an Exempt Transfer shall not relieve any Member of its obligations hereunder.

(e) No later than thirty-five (35) days prior to the Call/Put Closing Date, the Company shall deliver to OPF-US, ICU Medical and ICU Medical Affiliate a statement specifying the applicable [***], as well as the calculation of the Enterprise Value applicable to such Call/Put Closing Date (a "***Statement of Enterprise Value***").

(i) Within fifteen (15) days after delivery to of a Statement of Enterprise Value, ICU Medical and OPF-US will each deliver to the Company a written response in which each of ICU Medical and OPF-US will either:

(A) agree with the Statement of Enterprise Value, in which case the Statement of Enterprise Value will be deemed final and binding on OPF-US, ICU Medical and ICU Medical Affiliate for purposes of this Section 8; or

(B) dispute the [***] and/or calculation of Enterprise Value applicable to such Call/Put Closing Date set forth in the Statement of Enterprise Value, by delivering to

the Company a written notice ("***Enterprise Value Dispute Notice***") setting forth in reasonable detail the basis for each such disputed item.

(ii) If OPF-US and ICU Medical fail to take either of the actions set forth in Section 8(e)(i), then the Statement of Enterprise Value will be deemed to have been irrevocably accepted, in which case, the Statement of Enterprise Value will be final and binding on Statement of Enterprise Value for purposes of this Section 8.

(f) If either OPF-US or ICU Medical timely delivers an Enterprise Value Dispute Notice, then the provisions of Section 1.3(e) and Section 1.3(f) of the Purchase Agreement shall apply, mutatis mutandis.

9. Capital Accounts; Capital Contributions; Allocation of Net Income and Net Loss; Regulatory and Special Allocations; Tax Allocations; Compliance with Code Section 704(b).

(a) Capital Accounts; Capital Contributions.

(i) A capital account for each Member shall be established and maintained in accordance with Section 704(b) of the Internal Revenue Code of 1986, as amended (the "***Code***"), and the regulations promulgated thereunder. The Company's net income, net loss and items thereof shall be allocated to the capital accounts of the Members on an annual basis, at the end of each calendar year, unless otherwise required by law (and a period for which such allocations are made is referred to herein as an "***Accounting Period***").

(ii) If at any time after the second anniversary of the Effective Date, the Board of Directors deems it to be in the best interests of the Company to raise additional equity capital to properly carry out the Company's business and operations, the Company will provide written notice to each Member describing (i) the aggregate amount of additional equity capital to be raised, (ii) the aggregate number of Units to be issued in exchange for such capital, and (iii) the price per Unit at which Units will be sold to the Members in connection therewith. Each Member will have the right to contribute additional capital based on its percentage ownership interest of all then-outstanding Units. A Member shall exercise such right by giving written notice to the Company and the other Members within thirty (30) days following such Member's receipt of the notice from the Company regarding the equity capital to be raised, and by funding such Member's portion of such additional capital (based on its percentage ownership interest in all then outstanding Units) within twenty (20) days thereafter. If a Member elects not to contribute additional capital (either by notifying the Company and the other Members that it will not make the applicable contribution, by failing to notify the Company and the other Members of its decision regarding any election within the thirty (30) day period specified in the preceding sentence, or by failing to make the applicable capital contribution such Member elected to make within the twenty (20) day period specified in the preceding sentence), the other Members may fund the non-funding Member's portion of the additional capital in exchange for Units. For the avoidance of doubt, the Board of Directors may not request that any Member contribute any additional equity capital until the second anniversary of the Effective Date.

(b) Allocations of Net Income and Net Loss. Subject to the provisions of Section 9(d), and after all capital contributions and distributions for each Accounting Period have been reflected in the Members' capital accounts, the net income or net loss, if any, for each Accounting Period shall be credited to such Members' capital accounts in such manner so that as of the end of such Accounting Period, as nearly as possible, each Member's capital account shall be equal to the respective net amounts

which would be distributed to them (or for which they would be liable to the Company under this Agreement), determined as if the Company were to liquidate all of the assets of the Company for an amount equal to their book values (as maintained by the Company for purposes of, and as maintained pursuant to, the capital account maintenance provisions of Treasury Regulations Sections 1.704-1(b)(2)(iv)) and distribute the proceeds of such liquidation in the manner described in Section 10(a). For purposes of calculating a Member's capital account under this Section 9(b), any amounts such Member is obligated to restore (or deemed obligated to restore pursuant to the Treasury Regulations under Section 704(b) of the Code) shall be deemed to increase such Member's capital account balance.

(c) Qualified Income Offset. If any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5), or (6), items of Company income and gain shall be specially allocated to such Member in an amount and manner sufficient to eliminate the deficit balance in such Member's adjusted capital account balance created by such adjustments, allocations, or distributions as promptly as possible; provided that an allocation pursuant to this Section 9(c) shall be made only to the extent that a Member would have a deficit capital account in excess of such sum after all other allocations provided for in this Section 9 have been tentatively made as if this Section 9(c) were not in this Agreement. This Section 9(c) is intended to comply with the "***qualified income offset***" requirement of the Code (and as defined in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)) and shall be interpreted consistently therewith.

(d) Regulatory and Special Allocations. Notwithstanding the allocations set forth in Section 9(b), and in addition to the allocations set forth in Section 9(c), the Company's net income, net loss and items thereof shall also be allocated to the Members in the manner and to the extent required by the Treasury Regulations under Section 704 of the Code, including without limitation, the provisions thereof dealing with minimum gain chargebacks, partner minimum gain chargebacks, partnership nonrecourse deductions, partner nonrecourse deductions, and the provisions dealing with deficit capital accounts in Treasury Regulations Sections 1.704-2(g)(1), 1.704-2(i)(5), and 1.704-1(b)(2)(ii)(d).

(e) Tax Allocations. The income, gains, losses, deductions and expenses of the Company shall be allocated, for federal, state and local income tax purposes, among the Members in accordance with the allocation of such income, gains, losses, deductions and expenses among the Members for purposes of computing their capital accounts, except that if any such allocation is not permitted by the Code or other applicable law, the Company's subsequent income, gains, losses, deductions and expenses shall be allocated among the Members for tax purposes to the extent permitted by the Code and other applicable law, so as to reflect as nearly as possible the allocation set forth herein in computing their capital accounts. Notwithstanding the previous sentence, such tax items shall be allocated among the Members in a different manner to the extent required by Code Section 704(c) and the Treasury Regulations thereunder (dealing with contributed property), Treasury Regulations Sections 1.704-1(b)(2)(iv)(f) (dealing with revaluations of property), and 1.704-1(b)(4)(ii) (dealing with tax credit items), as determined by the Board of Directors. Allocations pursuant to this Section 9(e) are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's capital account or share of income, losses, other items or distributions pursuant to any provisions of this Agreement.

(f) Compliance with Code Section 704(b). The allocation provisions contained in this Section 9 are intended to comply with Code Section 704(b) and the Treasury Regulations promulgated thereunder, and will be interpreted and applied in a manner consistent therewith. If the Board of Directors, upon the advice of tax counsel, determines that it is prudent to modify the manner in which the capital accounts, or any debits or credits thereto, are computed in order to comply with such

Treasury Regulations or to reflect the economic sharing arrangement between the Members, then the Board of Directors is hereby authorized to make such modification, provided that without the prior written consent of any adversely affected Member (such consent not to be unreasonably withheld, conditioned or delayed), such modification cannot be made if it is reasonably expected to (i) have a material adverse effect upon the amount of cash or other property distributable to any Member or (ii) otherwise adversely affect any Member materially and disproportionately.

10. Distributions.

(a) Distributions Generally. Subject to Section 10(b), distributions may be made to the Members at the times and in the amounts determined by the Board of Directors in its sole discretion; provided, however, that any revenue generated by the Company will be used first to satisfy the operating needs of the Company, and to fund an appropriate operating reserve and pay any Tax Distributions; provided, further, that the Board of Directors shall not authorize any distributions in any form other than in cash. Except as otherwise provided in Section 11, distributions shall be made to the Members pro rata in accordance with the number of Units owned by such Member as set forth on the Unit Register.

(b) Tax Distributions. Unless prohibited by the Act and only to the extent the Company has Distributable Cash, no later than ninety (90) days following the end of each Fiscal Year, the Company shall make pro rata distributions under Section 10(a) ("***Tax Distributions***") to the extent necessary so that no Member receives less than the amount, estimated by the Board of Directors, to represent the assumed income tax liability that would be incurred by such Member with respect to such Member's allocable share of the Company's taxable net income for such Fiscal Year ("***Tax Liability***"), minus all cash distributions made to the Member pursuant to Section 10(a) during such Fiscal Year and (other than distributions made during the Fiscal Year that were required to be made under this Section 10(b) with respect to an earlier Fiscal Year), as determined in good faith by the Board of Directors. For purposes of clarity, the Tax Liability of any Member shall take into account (i) allocations under Section 704(c) of the Code and (ii) the impact of any adjustment under Section 743(b) of the Code. In calculating the amount of each Tax Distribution, the Company shall assume that each Member's Tax Liability is equal to the highest combined effective marginal U.S. federal, state and local corporate income tax rate applicable to such Member for the Fiscal Year with respect to a given type of income for such Fiscal Year (taking into account the federal deduction of state and local income taxes), as reasonably determined by the Board of Directors (which assumed rate shall be the same for all Members with respect to such Fiscal Year), multiplied by such Member's allocable share of the taxable income of the Company for such Fiscal Year. "***Distributable Cash***" means for any period the excess, if any, of (i) all amounts actually paid to and received by the Company during such period from customers of the Company as determined by the Board of Directors acting reasonably and in good faith over (ii) the sum of total cash disbursements for operating expenses made by the Company for such period and the amount, if any, of such cash receipts that the Board of Directors determines are to be reserved for the needs of the Company's business or activities acting reasonably and in good faith.

11. Tax Matters.

(a) Unless and until the Boad of Directors otherwise decides with the requisite consent set forth in Section 7(d)(i)(C), (i) the Members intend that the Company will be treated as a partnership for purposes of United States federal, state and local tax laws and further agree not to take any position or any action or to make any election (or cause the Company to make any election) inconsistent with such treatment and (ii) the Company shall not file any election pursuant to Treasury Regulations Section 301.7701-3(c) to be treated as an entity other than a partnership.

(b) OPF-US shall be the "partnership representative" within the meaning of Section 6223(a) of the Code (the "***Partnership Representative***") and any comparable provisions of state or local tax law. OPF-US shall appoint on behalf of the Company an individual (the "***Designated Individual***") through whom the Partnership Representative may act for purposes of implementing the provisions of this Section 11. The Designated Individual shall act under the supervision of, and shall report to, the Board of Directors. The Designated Individual, the Board of Directors and the other Members shall use their reasonable efforts to comply with the responsibilities outlined in this Section 11, the Partnership Tax Audit Rules and Code Section 6050K, and the regulations thereunder, and in doing so shall incur no liability to any other Member. Notwithstanding the Designated Individual's obligation to use his or her reasonable efforts in the fulfillment of his or her responsibilities, the Designated Individual shall not be required to incur any expenses for the preparation for, or pursuance of, administrative or judicial proceedings, unless the Company covers such expenses.

(c) The Company shall cause to be prepared and filed all necessary federal, state and local income tax returns for the Company and shall use all commercially reasonably efforts to furnish to each Member (i) an estimated Schedule K-1 within seventy-five (75) days following the end of such Fiscal Year, and (ii) a final Schedule K-1 within two hundred forty-five (245) days following the end of such Fiscal Year. Prior to issuing a final Schedule K-1, the Company shall, at least sixty (60) days prior to the due date for the Company's IRS Form 1065 (taking into account any extensions to file), provide each Member with a draft IRS Form 1065 (and all corresponding state income tax returns) and shall consider in good faith each Member's reasonable comments to such draft tax returns provided in writing within fifteen (15) days of the Company's delivery of such draft tax returns, and such Member shall identify any comments it believes are subject to Section 7(d)(i)(1)(F). In furtherance of the foregoing, the Company shall make available to any requesting Member (x) the tax workpapers prepared by or for the Company with respect to such tax returns and (y) representatives of the accountants who prepared the draft IRS Form 1065 (and all corresponding state income tax returns), in each case to respond to any reasonable requests for information regarding elections, accounting methods, or other positions taken in the draft tax returns. If the Company receives from any governmental authority written notice of an audit of an income tax return of the Company, the Company shall provide notice to the Members, and shall consult with the Members in good faith on how to respond to such audit. The Company shall make any elections the Board of Directors reasonably deems are in the best interests of the Members (including, if the Board of Directors so reasonably decides, an election under Section 6221(b) of the Code for any taxable year of the Company for which the Company qualifies to make such election), subject to Section 7(d)(i)(1)(F). Notwithstanding the foregoing, the Company shall make the election provided for in Section 754 of the Code for the taxable year of the Company in which the Cross Purchase takes place, and shall maintain a record of the adjustments to the basis of the Company's assets resulting from such election.

(d) Each Member shall furnish the Company on a timely basis with such information and forms as the Company may reasonably request to prepare and file the Company's tax returns, to comply with any laws or rules governing the obligations of withholding tax, to allow the Company or the Members to be subject to a reduced rate of tax, and to allow the Company to provide information pursuant to the Partnership Tax Audit Rules (including to make any election or computation thereunder).

(e) Payments Attributable to a Member. Except as otherwise provided in this Agreement, if the Company is required by law to make any payment to a governmental entity that is specifically attributable to a Member or a Member's status as such, (including, without limitation, non-U.S. taxes, U.S. federal or state withholding taxes, state personal property replacement taxes, state unincorporated business taxes, and any taxes arising under the Partnership Tax Audit Rules, then to the

extent distributions to such Member are not otherwise reduced pursuant to this Section 11(e), such Member shall indemnify the Company in full for the entire amount paid (including interest, penalties and related expenses) and shall contribute such amounts to the Company. Notwithstanding the foregoing, the Board of Directors may offset distributions
(including Tax Distributions) to which a Person is otherwise entitled under this Agreement against such Person's obligation to indemnify the Company under this Section 11(e). The Company may pursue and enforce all rights and remedies it may have against each Member under this Section 11(e), including instituting a lawsuit to collect such indemnification and contribution with interest calculated at a commercially reasonable rate, as determined by the Board of Directors (but not in excess of the highest rate per annum permitted by law). For the avoidance of doubt, any taxes, penalties and interest payable under the Partnership Tax Audit Rules by the Company or any fiscally transparent entity in which the Company owns an interest shall be treated as specifically attributable to the Members and the Board of Directors shall use commercially reasonable efforts to allocate the burden of (or any diminution in distributable proceeds resulting from) any such taxes, penalties or interest to those Members to whom such amounts are specifically attributable (whether as a result of their status, actions, inactions or otherwise), as reasonably determined by the Board of Directors in good faith.

(f) Combined Group Taxes. In the event a Member (or its direct or indirect owners) is obligated to pay taxes attributable to the assets or operations of the Company, as a result of the Member (or its direct or indirect owners) and the Company being treated as members of a combined, consolidated, unitary or other group of entities, the Company shall reimburse such Member for the amount of taxes paid that are attributable to the Company; provided that the reimbursement shall be no more than the amount of taxes that would have been paid by the Company if the Company were subject to such taxes on a standalone basis. An amount paid to a Member pursuant to this Section (f) shall be treated as a reimbursement for amounts paid on behalf of the Company and shall not be treated as a distribution to such Member for purposes of Section 10(a).

(g) The obligations and undertakings of each Member under this Section 11 shall survive each Member's withdrawal from the Company and/or the termination, dissolution, liquidation and winding up of the Company.

12. Confidentiality.

(a) Each Member shall (i) treat and hold as confidential any proprietary information of the Company and its subsidiaries that is provided to the Member by the Company and is not already generally available to the public or that does not become generally available after the date of this Agreement without any violation by such Member of his, her or its obligations hereunder (the "***Confidential Information***"), and (ii) refrain from using any of the Confidential Information except in the ordinary course operation (consistent with past custom and practice) of the Company and its subsidiaries (solely to the extent that such Member is involved in such activities as a Director, manager, Officer, employee or independent contractor of the Company or any of its subsidiaries); *provided, however*, that nothing in this Section 12 shall prevent any Member from disclosures of Confidential Information as required by law or disclosing to any and all parties the tax structure and tax aspects of the Company and its transactions. In the event that a Member is requested or required by applicable law or regulation or by oral question or request for information or documents in any legal or regulatory proceeding, interrogatory, subpoena, civil investigative demand or similar process to disclose any Confidential Information, such Member shall notify the Company promptly of the request or requirement so that the Company may seek an appropriate protective order or waive compliance with the provisions of this Section 12. If, in the absence of a protective order or the receipt of a waiver hereunder, a Member is, on the advice of counsel,

compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, such Member may disclose the Confidential Information to the tribunal; provided, that such Member shall use commercially reasonable efforts to obtain, at the request and expense of the Company, an order or other assurance that confidential treatment shall be accorded to such portion of the Confidential Information required to be disclosed as the Company shall designate.

(b) Each Member acknowledges and agrees that, in the event of a breach or threatened breach by such Member of any of the provisions of this Section 12, monetary damages shall not constitute a sufficient remedy. Consequently, in the event of any such breach or threatened breach, the Company may (and shall be entitled to), in addition to other rights and remedies existing in their favor, apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions of this Section 12, in each case without the requirement of posting a bond or proving actual damages.

13. Business Opportunities.

(a) During the Initial Period, if OPF or OPF-US (on their own or through any of their respective majority-owned subsidiaries, other than the Company) wishes to acquire, manage, own or operate or otherwise pursue an opportunity in any business that competes directly or indirectly with the Company Business in the United States or Canada (the "***Territory***"), (any such opportunity, a "***Business Opportunity***"), [***] OPF-US shall reimburse the Company any and all fees, costs and expenses (including purchase price and any deferred purchase price) incurred by the Company pursuant to the terms of the definitive agreement with respect to such Business Opportunity, as well as any and all (i) capital expenditures and (ii) fees, costs and expenses relating to research, regulatory approval and development, in each case in respect of any such products acquired pursuant to such Business Opportunity (an "***OPF-US Funded Business Opportunity***"). [***].

14. Exculpation and Indemnification.

(a) To the fullest extent permitted by applicable law, no Member, Director, Officer, Partnership Representative, Designated Company Regulatory Resource (if such Person is not an employee of the Company) or Designated Individual (each, a "***Covered Person***") shall (a) have any duty (fiduciary or otherwise), at law or in equity, to the Company or any Member (or any Affiliate thereof) except as expressly set forth in this Agreement or in any other written agreements or (b) be liable to the Company or any other entity or any person who has an interest in the Company, for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by this Agreement, except that, other than as set forth in Section 31, such Covered Person shall be liable for any such loss, damage or claim incurred by reason of (i) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law or (ii) any transaction from which the Director derived an improper personal benefit. To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by the Covered Person by reason of any act or omission performed or omitted by the Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on the Covered Person by this Agreement, except that a Covered Person shall not be entitled to be indemnified in respect of any loss, damage, claim, liability or expense (including reasonable expenses of investigation and reasonable attorneys' fees and expenses) (collectively, "***Damages***") incurred by the Covered Person by reason of gross negligence or willful misconduct with respect to such acts or omissions; provided, however, that

any indemnity under this Section 14 shall be provided out of and to the extent of Company assets only, and the Covered Persons shall not have personal liability on account thereof.

(b) Promptly after receipt by a Covered Person of notice of the commencement of any action, suit, proceeding, investigation or assertion of any claim in respect of which a claim for indemnification may be made hereunder, such Covered Person will give written notice thereof (the "***Indemnification Notice***") to the Company; provided that the failure to so notify the Company will not relieve the Company from any liability or obligation which the Company may have to the Covered Person under this Agreement (or otherwise), except to the extent of any material prejudice to the Company resulting from such failure. The Company will provide copies of each Indemnification Notice it receives to each Member promptly after the Company's receipt. If any such action, suit, proceeding or claim is brought against a Covered Person, the Company will be entitled to participate therein and, if it wishes to assume the defense thereof with counsel reasonably satisfactory to the Covered Person and gives written notice to the Covered Person of its election so to assume the defense thereof within thirty (30) days after it has received an Indemnification Notice, will be entitled to assume the defense thereof. Each Covered Person will be obligated to cooperate reasonably with the Company, at the expense of the Company, in connection with any such defense and negotiations with respect to the compromise or settlement of any such claim. The Company will not settle any claims without the prior written consent of the Covered Person (with such consent not to be unreasonably withheld, delayed or conditioned) unless such settlement is solely for monetary payment which is fully indemnified hereunder, is subject to confidentiality restrictions and contains an explicit and unconditional release of the Covered Person for all matters arising in connection with any such claim.

(c) The Company may advance to any Covered Person reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any action, suit or proceeding (except for those brought by the Company) if the Covered Person agrees in writing before any advancement that such Covered Person will promptly reimburse the Company for such fees, costs and expenses to the extent that the Board of Directors determines that such Covered Person was not entitled to indemnification under this Section 14 or if a judgment or other final adjudication adverse to the Covered Person establishes that such Covered Person's acts or omissions were otherwise of such a character that Delaware law would require that such amounts be repaid.

(d) The Company, at the direction of the Board of Directors, may indemnify and advance expenses to an employee or agent of the Company to the same extent and subject to the same conditions under which it may indemnify and advance expenses to Covered Persons under Sections 14(a) and 14(b).

(e) The rights accruing to each Covered Person under this Section 14 will not exclude any other right to which such Covered Person may be lawfully entitled.

(f) The Company will maintain insurance in an amount to be determined by the Board of Directors, at the Company's expense, to protect any Covered Person (and any employee, agent or representative of the Company) against Damages described in this Section 14 whether or not the Company would have the power to indemnify such Covered Person (or employee, agent or representative of the Company) against such Damages under the provisions of this Section 14. The Company may (but is not obligated to) enter into indemnification agreements with each of the Directors entitled to indemnification under this Section 14, in forms reasonably acceptable to the Board of Directors and such Directors.

(g) Notwithstanding anything contained herein to the contrary, any indemnity by the Company relating to the matters covered in this Section 14 will be provided out of and to the extent of Company assets only and no Member (unless such Member otherwise agrees in writing or is found in a final decision by a court of competent jurisdiction to have personal liability on account thereof) will have personal liability on account thereof or will be required to make additional capital contributions to help satisfy such indemnity of the Company.

(h) If this Section 14 or any portion of it is invalidated on any ground by any court of competent jurisdiction, then the Company will nevertheless indemnify persons specified in this Section 14 to the fullest extent permitted by any applicable portion of this Section 14 that has not been invalidated and to the fullest extent permitted by applicable law.

15. Right of First Refusal.

(a) Subject to Section 8(d), if at any time a Member (the "***Selling Member***") desires to assign, sell, offer to sell, pledge, mortgage, hypothecate, encumber, dispose of or effect any other like transfer or encumbrance (each, a "***Transfer***") of all or any portion of its Units (or any interest therein) other than an Exempt Transfer and/or obtains an offer to purchase such Units (a "***Third Party Offer***") from a proposed transferee (a "***Third Party***") which the Selling Member desires to accept, the Selling Member shall send a copy of the Third Party Offer (or, to the extent some or all of such Third Party Offer is unwritten, a detailed summary thereof) which shall include the identity of the Third Party and a summary of the terms of such Third Party Offer, to the other Members and to the Company, together with a written offer to sell the offered Units to the other Members or the Company, pro rata (based on the proportion that the Units held by each such other Member bears to the total Units then held by all Members other than the Selling Member), at the price and on the terms and conditions specified in the Third Party Offer.

(b) Upon receipt of the Third Party Offer and an offer to sell the offered Units from the Selling Member pursuant to the terms of Section 15(a), each other Member shall have twenty (20) days from the receipt of the written offer from the Selling Member to notify the Selling Member and the Company in writing of such Member's election to purchase all but not less than all of such Member's pro rata share of the offered Units. At the expiration of such twenty (20) day period, the Company shall promptly notify each Member that elects to purchase or acquire all the Units available to it (each a "***Fully Exercising Member***") of any other Member's failure to do likewise. During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Member may, by giving notice to the Company and the Selling Member, elect to purchase or acquire, in addition to its pro rata share of the offered Units, a portion of the remaining offered Units not subscribed for by the non-exercising Members in an amount equal to the proportion that the Units then held by such Fully Exercising Member bears to the Units then held by all Fully Exercising Members who also wish to purchase the remaining unsubscribed Units. If, upon the expiration of such thirty (30) day period, the other Members have not elected to purchase all the offered Units, the Company shall have ten (10) days thereafter to notify the Selling Member of the Company's election to purchase all but not less than all of the remaining offered Units.

(c) In the event the other Members and/or the Company elect to purchase all or any portion of the offered Units available for purchase as provided under Section 15(b), the closing of the sale of the offered Units to the other Members and/or the Company shall be held at the offices of the Company within five (5) days after the end of the thirty (30) day period or, if applicable, forty (40) day period, described under Section (b). Contemporaneously with such closing, the Selling Member shall transfer the

offered Units against receipt from the other Members and/or the Company of the purchase price and on the terms and conditions specified in the Third Party Offer. The obligation of the Selling Member, the other Members and/or the Company to proceed with the closing on the scheduled date for closing of the sale shall be conditioned upon and extended to a date which is ten (10) days following the last to occur of (i) the expiration (or earlier termination) of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and (ii) the receipt of all material governmental and regulatory consents, approvals and waivers that may be required in connection with the sale of the offered Units.

(d) In the event the other Members or the Company do not elect to purchase all of the offered Units available for purchase pursuant to Section (b) or the other Members and/or the Company do not purchase such offered Units within the sixty (60) day period referred to in Section 15(c), then the Selling Member shall be entitled to sell the offered Units to such Third Party, subject to compliance with Section 16.

16. Tag-Along Rights.

(a) If the right of first refusal provided in Section 15 is not exercised in full within the time provided in Section 15, each Member other than the Selling Member shall have the right, exercisable upon written notice to the Selling Member (with a copy to the Company), within forty-five (45) days after receipt of the Third Party Offer to participate in such Transfer of Units along with the Selling Member on the same terms and conditions (including price and form of consideration on a per-Unit basis) as set forth in the Third Party Offer (a "***Tag-Along Transaction***"). Such notice shall indicate the number of Units such Member wishes to sell (up to that number of shares determined under Section 16(b)) under such Member's right to participate. To the extent such Member exercises such right of participation in accordance with the terms and conditions set forth below, the number of Units that the Selling Member may Transfer in the transaction shall be correspondingly reduced.

(b) Each Member may sell all or any part of that number of Units equal to the product obtained by multiplying (i) the aggregate number of Units covered by the Third Party Offer and not purchased pursuant to Section 15, by (ii) a fraction, the numerator of which is the number of Units owned by such Member at the time of the Transfer, and the denominator of which is the total number of Units outstanding (including the Units held owned by the Selling Member) at the time of the Transfer.

(c) If a Member elects to participate in the Tag-Along Transaction (a "***Participant***"), it shall effect its participation in the Transfer by promptly delivering to the Selling Member for transfer to the prospective purchaser either a written notice stating the number of Units which such Participant elects to Transfer, or, if the Units are evidenced by one or more certificates, by delivering such certificate or certificates, duly endorsed for transfer. Such notice, or, if applicable, such certificate or certificates that the Participant delivers to the Selling Member pursuant to this Section 16(c) shall be transferred to the prospective purchaser in consummation of the Transfer of the Units pursuant to the terms and conditions specified in the Third Party Offer and the Selling Member shall concurrently therewith remit to such Participant that portion of the sale proceeds to which such Participant is entitled by reason of its participation in such Transfer. To the extent that any prospective purchaser or purchasers prohibits such assignment or otherwise refuses to purchase Units from a Participant exercising its tag-along rights hereunder, the Selling Member shall not sell to such prospective purchaser or purchasers any Units unless and until, simultaneously with such Transfer, the Selling Member shall purchase such Units from such Participant on the same terms and conditions specified in the Third Party Offer.

(d) The exercise or non-exercise of the rights of any Member hereunder to participate in one or more Transfers of Units made by any Selling Member shall not adversely affect its right to participate in subsequent Transfers of Units.

17. Drag-Along Rights.

(a) In the event that, subject to Section 8(d), OPF-US approves an offer (the "***Drag-Along Offer***") from a prospective purchaser that is not a Member or Affiliate of any Member (a "***Drag-Along Transferee***") to (i) purchase all outstanding Units of the Company or to (ii) acquire the Company in a Sale Transaction (each a "***Drag-Along Transaction***"), then OPF-US will (A) deliver a notice (the "***Drag-Along Notice***") with respect to such Drag-Along Offer to the Company and the other Member identifying the Drag-Along Transferee, the price offered and the other material terms and conditions of the Drag-Along Transaction, (B) request that the Drag- Along Transferee answer reasonable inquiries of all Members regarding the Drag-Along Offer, and (C) cooperate with the Drag-Along Transferee in connection with such Drag-Along Offer, including by providing reasonable access for the Drag-Along Transferee to the Company's books and records.

(b) Each Member, upon receipt of a Drag-Along Notice, will be obligated (and such obligation will be enforceable by the Company and the other Members) to: (i) sell its Units and participate in the Drag-Along Transaction described in such Drag-Along Notice; (ii) vote its Units in favor of the Drag-Along Transaction at any meeting of Members called to vote on or approve the Drag-Along Transaction and/or to consent in writing to the Drag-Along Transaction; (iii) use its reasonable efforts to cause any Director(s) designated by such Member to vote in favor of the Drag-Along Transaction at any meeting of the Board of Directors called to vote on or approve the Drag-Along Transaction and/or to consent in writing to the Drag-Along Transaction (to the extent a vote and/or consent of the Board of Directors is required in connection with such Drag-Along Transaction); (iv) waive all dissenters' or appraisal rights in connection with the Drag- Along Transaction; (v) enter into agreements of sale or merger agreements relating to the Drag- Along Transaction (but not to enter into any employment agreement, non-competition agreement or similar agreements); (vi) make representations, warranties or indemnifications with respect to title to its Units or ownership interest in the Company, but such Member shall not be required to make any other representations, warranties or indemnifications that would subject such Member to liability in excess of the proceeds to be distributed to such Member as a result of such Drag- Along Transaction; and (vii) otherwise take all reasonable actions necessary to cause the Company and the Members to consummate the Drag-Along Transaction. Notwithstanding anything to the contrary set forth in this Agreement, any Member who is not (through itself or through any affiliate of such Member) then providing services to the Company as an employee, director, consultant or service provider, shall in no event be required to enter into any non-competition, non-solicitation or other similar agreement or restrictive covenant.

(c) Any Drag-Along Offer (including the terms thereof) may be amended from time to time, and any such Drag-Along Notice may be rescinded, upon the written election of OPF27. US. The Company will give prompt written notice of any such amendment, modification or rescission to all the Members.

(d) The obligations of the Members to sell their Units in connection with a Drag-Along Transaction pursuant to this Section 17 are subject to the satisfaction of the following conditions:

(i) all of the then outstanding Units (whether held by OPF-US or any other Member) will be subject to the same treatment, terms and conditions (including type of consideration);

(ii) the aggregate consideration will be distributed in accordance with the provisions set forth in Section 10(a);

(iii) any expenses incurred for the benefit of the Company or all Members, and any indemnities, holdbacks, escrows and similar items relating to the Drag-Along Transaction, will be paid or established by the Company, provided that all Members shall be responsible for any post-closing holdbacks, escrows and similar items and indemnities relating to title to their Units, pro rata based on their percentage ownership of then outstanding Units, to the extent of any consideration received on account of the Drag-Along Transaction; and

(iv) (A) the only representations, warranties or covenants that a Member shall be required to make in connection with the Drag-Along Transaction are representations and warranties with respect to such Member's ownership of the Units to be sold by such Member and such Member's ability to convey title thereto free and clear of encumbrances, and reasonable and customary covenants regarding confidentiality and publicity, (B) the liability of such Member with respect to any representation, warranty or covenant made by the Company in connection with the Drag-Along Transaction shall be several and not joint with any other Person in proportion to the proceeds distributed to such Member in connection with such Drag-Along Transaction and such liability shall be limited to the full amount of such proceeds, and (C) no Member shall be liable for the inaccuracy of any representation or warranty by any other Person (other than the Company, subject to the foregoing limitations) in connection with a Drag-Along Transaction.

18. Information Rights. Each Member's information and inspection rights in the Company shall be limited to the rights such Member would have as a stockholder of a corporation under Section 220 of the DGCL.

19. Dissolution.

(a) Except as otherwise set forth in this Agreement, the Company shall dissolve, and its affairs shall be wound up solely upon (i) subject to Section 7(d)(iii)(B), the Board of Directors' determination to dissolve the Company, or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act. Except as provided in this Section 19(a), no other event, including the death, retirement, withdrawal, resignation, expulsion, bankruptcy, insolvency, dissolution, liquidation, incapacity or adjudication of incompetency of a Member, or the occurrence of any other event that terminates the continued membership of a Member in the Company, will cause a dissolution of the Company.

(b) In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be distributed to the Members in accordance with Section 10(a); provided that all covenants and contained in this Agreement will continue to be fully binding upon the Members until such time as the assets or property or the proceeds from the sale thereof has been distributed pursuant to this Section 19 and the Company has terminated. The Board of Directors will be responsible for overseeing the winding up and dissolution of the Company. The Board of Directors may appoint a liquidating trustee to manage the liquidation and winding up of the Company. Any expenses of such liquidating trustee will be paid from the assets of the Company before the distribution of any proceeds to the Members, and such liquidating trustee will be entitled to exculpation and indemnification as if it were a Director pursuant to Section 14. The Board of Directors will take full account of the

Company's assets and liabilities, and the Company's affairs will be wound up in an orderly manner in accordance with the following procedures.

(c) Upon the dissolution and wind-up of the Company, the assets of the Company shall be liquidated or distributed under the direction of and to the extent determined by the Board of Director. Within a reasonable time after the effective date of dissolution of the Company, the Company's assets shall be distributed in the following manner and order.

(i) *First*, to creditors in satisfaction of indebtedness (other than any loans or advances that may have been made by any of the Members to the Company), whether by payment or the making of reasonable provision for payment, and the expenses of liquidation, whether by payment or the making of reasonable provision for payment, including the establishment of reasonable reserves (which may be funded by a liquidating trust) determined by the Board of Directors or the liquidating trustee, as the case may be, to be reasonably necessary for the payment of the Company's expenses, liabilities and other obligations (whether fixed, conditional, unmatured or contingent);

(ii) *Second*, to the payment of loans or advances that may have been made by any of the Members to the Company; and

(iii) *Third*, except as otherwise provided in Section 11, to the Members pro rata in accordance with the number of Units owned by such Member as set forth on the Unit Register as of immediately prior to the dissolution of the Company;

provided, that no payment or distribution in any of the foregoing categories shall be made until all payments in each prior category shall have been made in full, and provided, further, that if the payments due to be made in any of the foregoing categories exceed the remaining assets available for such purpose, such payments shall be made to the Persons entitled to receive the same pro rata in accordance with the respective amounts due to them.

20. Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company any right that it may have to maintain any action for partition with respect to the Company property.

21. Withdrawal of Member; No Dissolution. If a Member transfers all of its Units and the transferee of such Units is admitted as a Member pursuant to this Agreement, such person or entity shall be admitted to the Company as a Member effective on the effective date of the transfer or such other date as may be specified when the Member is admitted, and, immediately following such admission, the Member effecting the transfer shall cease to be a Member of the Company. Upon the resignation or withdrawal from the Company of the Member effecting the transfer, the resigning or withdrawing member shall not be entitled to any distributions (including any distributions under Section 18-604 of the Act) from and after the date of such resignation or transfer. The withdrawal of a Member by transfer of all or any of its Units shall not dissolve the Company, and the Company shall be continued.

22. Benefit and Binding Effect; Restriction on Assignment. Subject to the restrictions herein, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. Notwithstanding the foregoing, no Member may assign all or any part of its Units or rights nor delegate any of its duties hereunder except as expressly set forth herein. Nothing in this Agreement confers any rights or remedies under or by reason of this Agreement on any other persons or entities, nor does anything in this Agreement relieve or discharge the obligation or

liability of any third person to any party to this Agreement, nor does any provision of this Agreement give any third person any right of subrogation or action over or against any party to this Agreement.

23. Equitable and Other Remedies; Injunctive Relief. The remedies under this Agreement are cumulative and do not exclude any other remedies to which any person may be lawfully entitled, whether at law or in equity, or otherwise. Without limiting the generality of the foregoing, if (i) any Member (or any agent or Affiliate of any Member) breaches or violates or threatens to breach or violate, in whole or in part, any of the covenants or restrictions contained in or contemplated by this Agreement, or (ii) any Member, or any of its agents, breaches or violates, in whole or in part, any of such Member's covenants or restrictions in Section 12 or Section 13, each of the Company or the disclosing Member, as the case may be (each, a "***Non-Breaching Party***"), shall be entitled, upon application to any court of proper jurisdiction, to seek to obtain, either jointly or individually, temporary, preliminary and permanent injunctive relief to restrain and enjoin the Member or Members (or their respective agents or Affiliates) that are breaching or violating any such covenants (collectively, the "***Breaching Parties***"), from continuing such breach or violation, or to prevent any threatened breach or violation thereof from taking place (as the case may be). In or in connection with any such equitable proceeding, (a) each party that is alleged to be a Breaching Party stipulates that such breach or threatened breach, as the case may be, if not restrained and enjoined, will result in irreparable damage to the Non-Breaching Parties, for which damages, in and of themselves, would not be adequate, and (b) no Non-Breaching Party is required to post any bond or other security with respect thereto, or if nonetheless a bond is required, it may be posted without surety thereon.

24. Additional Documents and Acts. Each Member agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be reasonably requested by any other party in order to better evidence effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement and the transactions contemplated hereby.

25. Notices. Any notice or other communication to be given or to be served upon the Company or any party to this Agreement in connection with this Agreement must be in writing (which may include email or other electronic transmission) and shall be deemed given (i) at the time of personal delivery, or upon email transmission if receipt is acknowledged, otherwise on the next business day; (ii) one (1) business day following deposit for overnight delivery with a bonded courier holding itself out to the public as providing such service, or following deposit in the U.S. Mail for Express Mail overnight delivery; or (iii) three (3) business days following deposit in the U.S. Mail, registered or certified mail; and in any case postage prepaid and addressed to the party to whom such notice or communication is being given at the address of such party specified in **EXHIBIT A** hereto. Any party may, at any time by giving five (5) days' prior written notice (in the manner set forth above) to the other parties, designate a different address or email address to which such notices or communications shall be given thereafter. Any notice or other communication to be given or to be served upon either ICU Medical or ICU Medical Affiliate in connection with this Agreement shall be provided to ICU Medical.

26. Separability of Provisions. Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal. Upon a determination that any term or provision of Section 13 is invalid, unenforceable or illegal, a court of competent jurisdiction may modify the terms of such section to give effect to the original intent of the parties as closely as possible to the greatest extent possible.

27. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including .pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

28. Entire Agreement. This Agreement and the exhibits attached hereto constitute the entire agreement between the parties hereto with respect to the subject matter hereof, and supersede all prior understandings or agreements between the parties with respect to such subject matter.

29. Governing Law; Venue. This Agreement shall be governed by, and construed under, the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws. Each Member hereby consents to the exclusive jurisdiction of the state courts in the State of Delaware, in any action brought by a Member on a claim arising out of, under or in connection with this Agreement, or the transactions contemplated thereby.

30. Amendments. This Agreement may not be modified, altered, supplemented or amended except by the vote or consent of the Members.

31. Outside and Competing Activities.

(a) For the avoidance of doubt, each of ICU Medical, ICU Medical Affiliate, OPF-US and their respective Affiliates shall have the right at any time and from time to time to engage in and possess interests in other business ventures of any and every type and description, independently or with others, with no obligation to offer to the Company, any Member or any of their respective Affiliates the right to participate in, or share the results or profits of, those activities other than as set forth in Section 13. The Members acknowledge that the Directors may have time commitments beyond their obligations as Directors, and each Member hereby waives any and all rights and claims which they may otherwise have against each other Member, any Director and their respective Related Persons and Affiliates, as a result of any actions taken or activities conducted by any Director in respect of such other time commitments. [***]

(b) The Parties acknowledge and agree that the restrictions and limitations set forth in Section (a) are reasonable, valid in geographical and temporal scope and in all other respects, enforceable, and essential to protect the value of the Company's business. If a court, tribunal or antitrust regulator of competent jurisdiction determines that any term or provision contained in Sections (a) is invalid or unenforceable, the Parties agree that the court or tribunal will have the power to reduce the scope, duration or geographic area of the term or provision, to delete specific words or phrases or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision; provided, that any such reduction, deletion or replacement shall only be to the extent necessary to render such term or provision valid and enforceable.

(c) For the avoidance of doubt, any third-party acquiror of ICU Medical or ICU Medical Affiliate, and such acquiror's Affiliates (other than ICU Medical or ICU Medical Affiliate), shall not be deemed Affiliates of ICU Medical or ICU Medical Affiliate for the purposes of (and shall not be subject to or bound by) this Section 31; provided, however, that, in the event either ICU Medical or ICU Medical Affiliate (or their respective assets or businesses) are acquired by a third party that competes,

directly or indirectly, with the Solutions Business, ICU Medical shall (A) continue to perform its obligations in the ordinary course of business under the Commercial Agreement and the Services Agreement in accordance with the terms thereof, and (B) as soon as reasonably practicable, and in any event no later than twenty-four (24) months following the consummation of such acquisition, (1) transfer to the Company those sales and marketing assets and personnel reasonably necessary for the Company to market and sell the Existing Products as such activities are performed as of the closing date of such transaction, and (2) at OPFUS's election, transfer to the Company any logistics assets used primarily in connection with the distribution of the Existing Products as of the closing date of such transaction, and (3) discuss in good faith any additions necessary to the provision of commercially reasonable transition services for the Commercial Agreement and the Services Agreement, which services shall ensure the ability of the Company to stand-up post separation from ICU Medical; provided that it is not the intention of the parties that ICU Medical shall transfer any of its retained infrastructure utilized to provide Run Services, such as the ERP system. The parties agree the costs for separation and stand-up shall be borne as provided in the Commercial Agreement and Services Agreement, and the costs (including purchase price) for any tangible assets acquired by the Company, shall be borne by the Company. The parties also agree to negotiate in good faith definitive agreements for the provision of 'reverse' logistical services required by ICU Medical as a result of the transfer of logistics assets pursuant to the foregoing provisions.

32. Dispute Resolution. Other than Deadlocked Matters, in the case of any dispute arising between the Members, if the Members are unable to resolve such dispute, any legal suit, action or proceeding arising out of or based upon this Agreement, any transaction contemplated hereby or any obligation set forth herein may be instituted in the federal courts of the United States of America located in the Central District of California or the courts of the State of California located in Orange County, California, and each Member, by becoming a party to this Agreement, irrevocably (i) submits to the jurisdiction of such court for the purpose of any such action and (ii) waives, and agrees not to assert by way of motion, defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of such court, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper or that this Agreement may not be enforced in or by such court. Each Member consents to the service of process in any such action in such court by the delivery of such process by reputable international express courier (charges prepaid) at its address for notices specified in **EXHIBIT A** (as may be amended from time to time). Each Member acknowledges and agrees that any controversy arising out of or based upon this Agreement, the transactions contemplated hereby and the obligations set forth herein is likely to involve complicated and difficult issues and, therefore, irrevocably and unconditionally waives any right to a trial by jury in connection with any action brought pursuant to this Section 32. In addition, resort by either Member to negotiation, mediation or arbitration pursuant to this Agreement will not be construed under the doctrine of laches, waiver or estoppel to affect adversely the rights of either Member to pursue any such judicial relief.

[*Signature Page Follows*]

The undersigned, intending to be legally bound hereby, have duly executed this **AMENDED AND RESTATED OPERATING AGREEMENT e**ffective as of the date first above written.

OTSUKA PHARMACEUTICAL FACTORY AMERICA, INC.

By: /s/ [***]

Name: [***]

Title: [***]

[SIGNATURE PAGE TO AMENDED AND RESTATED OPERATING AGREEMENT]

The undersigned, intending to be legally bound hereby, have duly executed this **AMENDED AND RESTATED OPERATING AGREEMENT e**ffective as of the date first above written.

ICU MEDICAL, INC.

By: /s/ Brian Bonnell

Name: Brian Bonnell

Title: Chief Financial Officer and Treasurer

[SIGNATURE PAGE TO AMENDED AND RESTATED OPERATING AGREEMENT]

The undersigned, intending to be legally bound hereby, have duly executed this **AMENDED AND RESTATED OPERATING AGREEMENT e**ffective as of the date first above written.

ICU MEDICAL SALES, INC.

By: /s/ Brian Bonnell

Name: Brian Bonnell

Title: Chief Executive Officer, President
Secretary and Treasurer

[SIGNATURE PAGE TO AMENDED AND RESTATED OPERATING AGREEMENT]

EXHIBIT A

OTSUKA ICU MEDICAL LLC
UNIT REGISTRAR

[***]

EXHIBIT B

DEFINITIONS

The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The meaning of defined terms shall be equally applicable to the singular and plural forms of the defined terms. The terms "include" and "including" and variations thereof, are not limiting but rather shall be deemed to be followed by the words "without limitation."

"***Accounting Period***" has the meaning set forth in Section 9(a)(i).

"***Acquisition Transaction***" means the acquisition of or investment in, by the Company or any direct or indirect subsidiary or division of the Company, any other Person or business division thereof, whether by merger, consolidation, business combination, share exchange, reorganization, equity acquisition, equity investment or acquisition of all or substantially all of the business or assets of such Person or business line or otherwise.

"***Act***" has the meaning set forth in Section 1.

"***Additional Member***" has the meaning set forth in Section 5(b).

"***Affiliate***" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or other investment fund now or hereafter existing that is controlled by one or more general partners, managing members or investment adviser of, or shares the same management company or investment adviser with, such Person.

"***Agreement***" has the meaning set forth in the preamble.

"***Annual Business Plan***" has the meaning set forth in Section 7(c)(iv).

"***Antitrust Laws***" has the meaning set forth in the Purchase Agreement.

"***Austin Property***" has the meaning set forth in the Contribution Agreement.

"***Board of Directors***" has the meaning set forth in Section 7(a)(i).

"***Breaching Parties***" has the meaning set forth in Section 23.

"***Business Opportunity***" has the meaning set forth in Section 13(a).

"***Call Option Price***" shall mean a dollar amount equal to [***], minus (Y) the cumulative tax benefits or savings realized by ICU Medical and ICU Medical Affiliate as a result of the Company's expenditures described in subparagraph (X) of the definition of "Cumulative Transition Spend".

"***Call/Put Closing Date***" means the date on which the purchase and sale of the Option Securities pursuant to the OPF-US Call Option or ICU Medical Put Option shall be consummated, which date shall be the last day of a calendar quarter (or, if not a business day, the next business day).

"***Cash***" of any Person means the aggregate amount of all cash, cash equivalents and marketable securities held by such Person, including all outstanding security, customer or other deposits, deposits in transit, and any received and uncleared checks, wires or drafts and certificates of deposit of such Person (net of any outstanding checks, wires and drafts, issued by such Person); provided that, that "***Cash***" shall not include any cash and cash equivalents not freely useable and available because such cash or cash equivalents are subject to restrictions, taxes or limitations on use, or are held as security deposits, escrow accounts and other deposits held for the benefit of third parties. "***Cash***" shall be calculated by the parties in good faith to eliminate any increase thereof that directly results from one or more OPF-US Funded Business Opportunities pursued by the Company.

"***Chairman***" has the meaning set forth in Section 7(a)(iv).

"***Code***" has the meaning set forth in Section 9(a)(i).

"***Commercial Agreement***" means the Commercial Agreement dated May 1, 2025 by and between the Company and ICU, as it may be amended, amended and restated, supplemented or otherwise modified from time to time.

"***Company***" has the meaning set forth in the preamble.

"***Company Business***" means, other than Existing Products, the manufacturing, storage, marketing, commercialization, distribution and/or sale of IV solutions products, packaged in single bag, multichamber bag, plastic bottle or other formats, containing (a) standard injection or irrigation solutions such as Saline, Dextrose, or Lactated Ringers, (b) pre-mixed pharmaceutical products containing at least one active pharmaceutical ingredient, or (c) parenteral nutrition products.

"***Confidential Information***" has the meaning set forth in Section 12(a).

"***Covered Person***" has the meaning set forth in Section 14(a).

"***CPI***" means the U.S. Consumer Price Index, provided that if the CPI is discontinued, CPI shall mean the successor CPI or such other substitute index as is approved by the Board of Directors.

"***Cross Purchase***" has the meaning set forth in the Background section of this Agreement.

"***Cumulative Transition Spend***" means an amount (not less than $0) equal to (X) the sum of (a) Service Exit Costs (as defined in the Services Agreement and the Commercial Agreement), (b) costs of any Transformation Service (as defined in the Services Agreement), (c) One-Time Stand-Up Costs (as defined in the Services Agreement), and (d) any unreimbursed expenses related to OPF-US Funded Business Opportunities, in each case of (a) through (d), incurred by the Company from the Effective Date through the business day immediately preceding the Call/Put Closing Date, minus (Y) the cumulative cost-savings and/or other monetary benefits realized by the Company as a result of taking the actions pursuant to which the amounts described in subparagraph (X) above were incurred.

"***Damages***" has the meaning set forth in Section 14(a).

"***Deadlocked Matter***" has the meaning set forth in Section 7(f).

"***Designated Company Regulatory Resource***" means any employee, contractor or consultant providing services to the Company concerning regulatory and FDA-related matters.

"***Designated Individual***" has the meaning set forth in Section 11(b).

"***DGCL***" has the meaning set forth in Section 7(a)(i).

"***Director***" has the meaning set forth in Section 7(a)(i).

"***Distributable Cash***" has the meaning set forth in Section 10(b).

"***Drag-Along Notice***" has the meaning set forth in Section 17(a).

"***Drag-Along Offer***" has the meaning set forth in Section 17(a).

"***Drag-Along Transaction***" has the meaning set forth in Section 17(a).

"***Drag-Along Transferee***" has the meaning set forth in Section 17(a).

"***Effective Date***" has the meaning set forth in the preamble.

"***Enterprise Value***" means an amount, calculated in accordance with GAAP as of the last day of the calendar quarter preceding the calendar quarter in which the Call/Put Closing Date occurs, equal to [***].

"***Exempt Transfer***" means any Transfer by a Member of all (but not less than all) of its Units to (i) any of its Affiliates, provided that such Transfer is made pursuant to a transaction in which there is no consideration actually paid for such Transfer and such Affiliate delivers to the Company and the other Member a counterparty signature page to this Agreement as confirmation that such Affiliate shall be bound by and subject to all of the terms and conditions of this Agreement applicable to a Member (each such transferee, a "***Permitted Transferee***"), (ii) the other Member in accordance with Section 8, (iii) to any Person pursuant to Section 17 or (iv) in exchange for capital stock of the Company in connection with a transaction described in Section 7(d)(i)(C); provided, that with respect to clause (i) of the foregoing definition, any such Transfer by OPF-US or ICU Medical shall only be an Exempt Transfer if it is a Transfer of all (but not less than all) of its Units to an Affiliate that is a wholly owned subsidiary of OPF-US or ICU Medical, as applicable, that has delivered to the Company and the other Member a counterparty signature page to this Agreement as confirmation that such wholly owned subsidiary shall be bound by and subject to all of the terms and conditions of this Agreement applicable to a Member generally and to OPFUS or ICU Medical, as applicable, specifically.

"***Existing Products***" had the meaning given to such term in the Purchase Agreement.

"***Fiscal Year***" has the meaning set forth in Section 3.

"***Force Majeure Deferral***" means (i) a Force Majeure Event has occurred and continued for a period of not less than four (4) consecutive weeks during the applicable period in which [***] would be calculated upon exercise of the OPF-US Call Option, and (ii) either (A) the Board of Directors determines to not

raise additional equity capital for the purpose of assisting with the mitigation of the effects of such Force Majeure Event, or (B) the Board of Directors determines to raise additional equity capital for the purpose of assisting with the mitigation of the effects of such Force Majeure Event and, in connection therewith (x) ICU Medical provides any consent required under Section 7(d)(iii)(C) and (y) each of ICU Medical and ICU Medical Affiliate contribute its respective pro rata portion of such additional capital based on its percentage ownership interest of all then-outstanding Units.

"***Force Majeure Event***" means any event or cause that (i) is beyond a party's control, such as but not limited to, fires, explosion, flood, ice storms, disruption of transportation infrastructure, public health emergency, epidemics, pandemics, accidents, market-wide inability to obtain supplies at reasonable prices, market-wide shortages including shortage of raw materials, war, act of governmental authority, terrorism, and acts of God, and (ii) materially and adversely affects the normal day-to-day operations of the Company's manufacturing facility located at 3900 West Howard Lane, Austin, Texas.

"***Fraud***" means, with respect to a party, such party's actual and intentional misrepresentation of a material existing fact, made by such party with such party's actual knowledge of its falsity for the purpose of inducing the other party to act and upon which the other party justifiably relies with resulting losses. For the avoidance of doubt, "Fraud" shall not include any claim for equitable fraud, constructive fraud, promissory fraud, unfair dealings fraud, fraud by reckless or negligent misrepresentations or any tort based on negligence or recklessness.

"***Fully Exercising Member***" has the meaning set forth in Section 15(b).

"***GAAP***" shall mean generally accepted accounting principles in the United States, consistently applied using ICU Medical's historical accounting policies, practices, bases and procedures as applied as in prior fiscal years.

"***ICU Medical***" means ICU Medical, Inc., a Delaware corporation, or its Permitted Transferees.

"***ICU Medical Affiliate***" means ICU Medical Sales, Inc., a Delaware corporation, or its Permitted Transferees.

"***ICU Medical Put Option***" has the meaning set forth in Section 8(c)(ii).

"***ICU Medical Put Option Exercise Notice***" has the meaning set forth in Section 8(c)(iii)(B).

"***ICU Medical Triggering Event***" means (i) Fraud on the part of OPF-US or (ii) an acquisition of either ICU Medical or ICU Medical Affiliate (or their respective assets or businesses) by a third party that competes, directly or indirectly, with the Solutions Business.

"***IFRS***" means the International Financial Reporting Standards issued by the International Accounting Standards Board.

"***Indemnification Notice***" has the meaning set forth in Section 14(b).

"***Initial Period***" means the period commencing on the Effective Date and ending on the fifth (5th) anniversary of the Effective Date.

"***Initial Public Offering***" means an initial underwritten public offering of Units or other equity securities pursuant to an effective Registration Statement filed under the Securities Act (other than a registration (a) pursuant to a Registration Statement on Form S-8 (or other registration solely relating to an offering or sale to employees or directors of the Company pursuant to any employee stock plan or other employee benefit arrangement), (b) pursuant to a Registration Statement on Form S-4 (or similar form that relates to a transaction subject to Rule 145 under the Securities Act or any successor rule) or (c) in connection with any dividend or distribution reinvestment or similar plan).

"***Member***" has the meaning set forth in the preamble.

[***] calculated in accordance with GAAP.

"***Non-Breaching Party***" has the meaning set forth in Section 23.

"***Officers***" has the meaning set forth in Section 7(b)(i).

"***OPF***" means Otsuka Pharmaceutical Factory Inc.

"***OPF-US***" means Otsuka Pharmaceutical Factory America, Inc, a Delaware corporation, or its Permitted Transferees.

"***OPF-US Call Option***" has the meaning set forth in Section 8(c)(i).

"***OPF-US Call Option Exercise Notice***" has the meaning set forth in Section 8(c)(iii)(A).

"***OPF-US Triggering Event***" means (i) Fraud on the part of ICU Medical or (ii) an acquisition of either ICU Medical or ICU Medical Affiliate (or their respective assets or businesses) by a third party that competes, directly or indirectly, with the Solutions Business.

"***Option Securities***" has the meaning set forth in Section 8(c)(i).

"***Original Operating Agreement***" has the meaning set forth in the Background section of this Agreement.

"***Ownership Threshold***" shall mean [***].

"***Participant***" has the meaning set forth in Section 16(c).

"***Partnership Representative***" has the meaning set forth in Section 11(b).

"***Partnership Tax Audit Rules***" means Chapter 63 of the Code, as amended by the Bipartisan Budget Act of 2015 and as subsequently amended (and any Treasury Regulations or other guidance promulgated thereunder) and any similar or analogous provisions of state or local law.

"***Person***" means any individual, corporation, partnership, trust, limited liability company, association, or other entity.

"***Pfizer MSA***" shall mean that certain Manufacturing and Supply Agreement between ICU Medical and Pfizer Inc., dated February 3, 2017, including any extensions, addendums, amendments, revisions,

supplements or similar changes thereto, and including any agreement entered into between the Company and Pfizer Inc in replacement or substitution thereof.

"***Purchase Agreement***" has the meaning set forth in the Background section of this Agreement.

"***Put Option Price***" shall mean a dollar amount equal to [***] minus (Y) the cumulative tax benefits or savings realized by ICU Medical and ICU Medical Affiliate as a result of the Company's expenditures described in subparagraph (X) of the definition of "Cumulative Transition Spend".

"***Regulatory Task Group***" has the meaning set forth in Section 7(e)(i).

"***Related Person***" has the meaning set forth in Section 7(a)(vii).

"***Restricted Business***" has the meaning set forth in Section 31(a)(i).

"***Restricted Period***" means the period during which ICU Medical or ICU Medical Affiliate (or any of their Permitted Transferees), on the one hand, and OPF-US (or any of its Permitted Transferees), on the other hand, hold any Units in the Company, and, with respect to ICU Medical and ICU Medical Affiliate, for three (3) years thereafter.

"***Sale Transaction***" means any transaction involving: (i) the sale, license, disposition or acquisition of all the outstanding Units of the Company or all or substantially all of the business or assets of the Company or any direct or indirect subsidiary or division of the Company; (ii) any merger, consolidation, business combination, share exchange, reorganization, or similar transaction involving the Company or any direct or indirect subsidiary of the Company; or (iii) the sale or disposition of the Austin Property, in the case of each of (i), (ii) and (iii), to or involving a third party acquiror.

"***Services Agreement***" means the Services Agreement dated May 1, 2025 by and between the Company and ICU, as it may be amended, amended and restated, supplemented or otherwise modified from time to time.

"***Selling Member***" has the meaning set forth in Section 15(a).

"***Solutions Business***" means (X) the manufacturing, storage, marketing, commercialization, distribution and/or sale of IV solutions products packaged in single bag, multi-chamber bag or plastic bottle formats, containing (a) standard injection or irrigation solutions such as Saline, Dextrose, or Lactated Ringers or (b) solely in the case of ICU Medical, ICU Medical Sales and their Affiliates, pre-mixed pharmaceutical products containing at least one active pharmaceutical ingredient, in each case of clause (a) and (b), as conducted by ICU Medical, ICU Medical Sales or their Affiliates during the 12 month period immediately preceding the date of the Purchase Agreement, or (c) parenteral nutrition products, or (Y) any activities conducted by the Company during the Restricted Period.

"***Tag-Along Transactio***n" has the meaning set forth in Section 16(a).

"***Task Group***" means any task group established by the Board of Directors pursuant to Section 7(d)(i).

"***Tax Distributions***" has the meaning set forth in Section 10(b).

"***Tax Liability***" has the meaning set forth in Section 10(b).

"***Territory***" has the meaning set forth in Section 13(a).

"***Third Party***" has the meaning set forth in Section 15(a).

"***Third Party Offer***" has the meaning set forth in Section 15(a).

"***Transfer***" has the meaning set forth in Section 15(a).

[***] during the twelve (12)-month period ending as of the last day of the calendar month preceding the calendar month in which such determination is made, [***].

"***Unanimous Members***" has the meaning set forth in Section 7(a)(ii).

"***Unit Register***" has the meaning set forth in Section 5(a).

"***Units***" has the meaning set forth in Section 8(a).

EXHIBIT C

POWER AND AUTHORITY OF OFFICERS

[***]

EXHIBIT D

ANNUAL BUSINESS PLAN FOR FISCAL YEAR 2025

[***]

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Vivek Jain, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ICU Medical, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

/s/ Vivek Jain
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brian M. Bonnell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ICU Medical, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

/s/ Brian M. Bonnell
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of ICU Medical, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Vivek Jain, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 7, 2025	/s/ Vivek Jain
Date	Vivek Jain Chief Executive Officer (principal executive officer)

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of ICU Medical, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian M. Bonnell, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 7, 2025	/s/ Brian M. Bonnell
Date	Brian M. Bonnell Chief Financial Officer (principal financial officer)