

FINANCIAL TRENDING SCHEDULES

FINANCIAL INFORMATION PRESENTED

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Balance Sheets Trend

(\$ in thousands, except per share data; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Balance Sheets (GAAP)										
ASSETS										
Current assets:										
Cash and cash equivalents	\$ 25,668	\$ 15,593	\$ 20,187	\$ 24,272	\$ 40,604	\$ 38,615	\$ 32,142	\$ 23,674	\$ 42,156	\$ 34,137
Accounts receivable, net	198,041	221,939	215,982	224,325	250,513	236,526	226,327	238,277	237,154	240,504
Inventories	173,313	194,458	210,459	208,766	225,282	228,931	232,158	239,716	262,869	272,335
Refundable income taxes	3,682	4,627	9,725	2,003	2,056	3,030	4,832	1,998	2,848	9,072
Contract assets	66,343	70,408	71,427	71,927	80,929	80,010	86,637	85,871	90,873	97,212
Prepaid expenses and other current assets	27,743	25,988	28,837	27,005	29,605	28,816	27,248	28,132	32,673	23,720
Total current assets	494,790	533,013	556,617	558,298	628,989	615,928	609,344	617,668	668,573	676,980
Property, plant and equipment, net (PP&E)	273,866	280,461	282,330	317,243	330,995	348,895	364,283	407,954	448,712	466,296
Goodwill	923,594	978,559	965,118	982,192	986,906	985,982	979,886	1,011,007	1,043,876	1,042,183
Other intangible assets, net	792,395	841,122	816,001	819,889	811,460	797,594	779,115	783,146	828,854	813,727
Deferred income taxes	5,702	6,149	6,117	6,247	6,363	6,447	6,398	7,001	7,026	6,858
Operating lease assets	75,521	75,777	73,023	74,809	72,532	70,281	67,418	81,632	83,243	81,345
Other long-term assets	42,174	43,006	39,267	35,708	36,305	36,217	32,905	34,245	35,725	39,023
Total assets	\$ 2,608,042	\$ 2,758,087	\$ 2,738,473	\$ 2,794,386	\$ 2,873,550	\$ 2,861,344	\$ 2,839,349	\$ 2,942,653	\$ 3,116,009	\$ 3,126,412
LIABILITIES AND STOCKHOLDERS' EQUITY										
Current liabilities:										
Current portion of long-term debt	\$ 15,250	\$ 15,250	\$ 15,250	\$ 18,188	\$ 10,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -
Accounts payable	90,018	103,111	101,152	110,780	124,280	107,507	108,351	120,293	116,220	119,446
Income taxes payable	1,350	259	1,357	10,923	11,053	3,036	2,282	3,896	5,963	461
Operating lease liabilities	10,700	10,762	10,601	10,362	10,222	10,075	9,977	8,692	8,550	8,729
Accrued expenses and other current liabilities	55,764	68,344	70,402	73,499	69,920	74,214	82,491	88,088	70,696	77,355
Total current liabilities	173,082	197,726	198,762	223,752	225,475	199,832	203,101	220,969	201,429	205,991
Long-term debt	814,382	931,889	923,396	907,073	992,469	980,398	941,383	959,925	1,140,724	1,118,529
Deferred income taxes	170,908	178,695	176,835	160,671	153,028	152,926	151,386	145,625	145,199	144,101
Operating lease liabilities	64,262	64,436	62,017	64,049	61,975	59,988	57,325	72,339	74,294	71,935
Other long-term liabilities	21,058	21,890	22,399	21,385	22,667	22,545	22,805	24,753	29,352	31,946
Total liabilities	1,243,692	1,394,636	1,383,409	1,376,930	1,455,614	1,415,689	1,376,000	1,423,611	1,590,998	1,572,502
Stockholders' equity:										
Common stock	33	33	33	33	33	33	33	33	34	34
Additional paid-in capital	716,589	722,175	727,050	731,393	709,171	715,715	721,283	727,435	725,247	730,157
Retained earnings	625,691	646,527	662,584	680,701	693,766	717,737	744,994	771,351	791,859	823,105
Accumulated other comprehensive income (loss)	22,037	(5,284)	(34,603)	5,329	14,966	12,170	(2,961)	20,223	7,871	614
Total stockholders' equity	1,364,350	1,363,451	1,355,064	1,417,456	1,417,936	1,445,655	1,463,349	1,519,042	1,525,011	1,553,910
Total liabilities and stockholders' equity	\$ 2,608,042	\$ 2,758,087	\$ 2,738,473	\$ 2,794,386	\$ 2,873,550	\$ 2,861,344	\$ 2,839,349	\$ 2,942,653	\$ 3,116,009	\$ 3,126,412

Balance Sheets Trend

(\$ in thousands, except per share data; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
TOTAL DEBT:										
Current portion of long-term debt	\$ 15,250	\$ 15,250	\$ 15,250	\$ 18,188	\$ 10,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -
Long-term debt	814,382	931,889	923,396	907,073	992,469	980,398	941,383	959,925	1,140,724	1,118,529
Total debt	<u>\$ 829,632</u>	<u>\$ 947,139</u>	<u>\$ 938,646</u>	<u>\$ 925,261</u>	<u>\$ 1,002,469</u>	<u>\$ 985,398</u>	<u>\$ 941,383</u>	<u>\$ 959,925</u>	<u>\$ 1,140,724</u>	<u>\$ 1,118,529</u>
NET TOTAL DEBT (Non-GAAP)⁽¹⁾ & LEVERAGE RATIO (Non-GAAP)⁽²⁾										
Revolving credit facility	\$ 24,300	\$ 145,300	\$ 140,300	\$ 140,300	\$ 119,040	\$ 108,640	\$ 81,247	\$ 99,000	\$ 279,000	\$ 256,000
Term A loan ("TLA Facility")	464,125	461,188	458,250	455,313	400,000	392,500	375,000	375,000	375,000	375,000
Term B loan ("TLB Facility")	348,250	347,375	346,500	335,625	-	-	-	-	-	-
Convertible notes due 2028	-	-	-	-	500,000	500,000	500,000	500,000	500,000	500,000
Total principal amount of debt outstanding	836,675	953,863	945,050	931,238	1,019,040	1,001,140	956,247	974,000	1,154,000	1,131,000
Unamortized discount and debt issuance costs	(7,043)	(6,724)	(6,404)	(5,977)	(16,571)	(15,742)	(14,864)	(14,075)	(13,276)	(12,471)
Total debt	<u>\$ 829,632</u>	<u>\$ 947,139</u>	<u>\$ 938,646</u>	<u>\$ 925,261</u>	<u>\$ 1,002,469</u>	<u>\$ 985,398</u>	<u>\$ 941,383</u>	<u>\$ 959,925</u>	<u>\$ 1,140,724</u>	<u>\$ 1,118,529</u>
Total principal amount of debt outstanding	\$ 836,675	\$ 953,863	\$ 945,050	\$ 931,238	\$ 1,019,040	\$ 1,001,140	\$ 956,247	\$ 974,000	\$ 1,154,000	\$ 1,131,000
LESS: Cash and cash equivalents	(25,668)	(15,593)	(20,187)	(24,272)	(40,604)	(38,615)	(32,142)	(23,674)	(42,156)	(34,137)
Net Total Debt (Non-GAAP)	<u>\$ 811,007</u>	<u>\$ 938,270</u>	<u>\$ 924,863</u>	<u>\$ 906,966</u>	<u>\$ 978,436</u>	<u>\$ 962,525</u>	<u>\$ 924,105</u>	<u>\$ 950,326</u>	<u>\$ 1,111,844</u>	<u>\$ 1,096,863</u>
Trailing 4 quarters Adjusted EBITDA (from Statement of Operations schedule)				256,101	268,241	278,644	296,283	309,336	324,229	339,049
Leverage ratio (Non-GAAP)				3.5	3.6	3.5	3.1	3.1	3.4	3.2

Balance Sheets Trend

(\$ in thousands, except per share data; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
OTHER DEBT-RELATED RATIOS AND RATES										
Total net leverage ratio (calculated in accordance with the applicable credit agreement governing the Senior Secured Credit Facilities):										
Maximum allowed	5.50	5.50	5.50	5.50	5.50	5.50	5.00	5.00	5.00	5.00
Actual	2.8	3.1	3.1	2.9	3.1	2.9	2.7	2.6	2.8	2.7
Interest coverage ratio of adjusted EBITDA (calculated in accordance with the applicable credit agreement governing Senior Secured Credit Facilities):										
Minimum required	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Actual	12.8	13.0	11.0	8.7	7.7	7.9	7.7	9.2	8.5	8.0
Applicable interest rate spreads (bp), end of period (transitioned index from LIBOR to SOFR during 1Q 2023):										
Revolving credit facility (LIBOR/SOFR +) US loans	150	150	175	175	175	150	150	150	150	150
Revolving credit facility (EURIBOR +) Euro loans	N/A	N/A	N/A	N/A	175	150	150	150	150	150
TLA Facility (LIBOR/SOFR +)	150	150	175	175	175	150	150	150	150	150
TLB Facility (LIBOR/SOFR +)	250	250	250	250	N/A	N/A	N/A	N/A	N/A	N/A
Weighted average contractual interest rates, end of period:										
Revolving credit facility	1.96%	3.21%	4.87%	6.13%	4.76%	4.92%	6.47%	7.08%	6.93%	6.94%
TLA Facility (excluding rate swap impact, if applicable)	1.96%	3.17%	4.87%	6.13%	6.66%	6.70%	6.92%	6.96%	6.93%	6.94%
TLB Facility	3.00%	4.17%	5.62%	6.88%	N/A	N/A	N/A	N/A	N/A	N/A
Convertible Senior Notes due 2028 ("2028 Convertible Notes"):										
Fixed interest rate	N/A	N/A	N/A	N/A	2.125%	2.125%	2.125%	2.125%	2.125%	2.125%
Effective interest rate	N/A	N/A	N/A	N/A	2.76%	2.76%	2.76%	2.76%	2.76%	2.76%
Weighted average interest rates, periodic:										
Effective interest rate on borrowings (GAAP)	2.83%	3.16%	4.47%	6.00%	6.99%	4.52%	4.91%	5.14%	5.20%	5.31%
Less: Impact of loss on extinguishment of debt	0.00%	0.00%	0.00%	0.05%	1.79%	0.02%	0.04%	0.00%	0.00%	0.00%
Adjusted effective interest rate on borrowings (Non-GAAP)	2.83%	3.16%	4.47%	5.95%	5.20%	4.50%	4.87%	5.14%	5.20%	5.31%

Statements of Operations Trend

(\$ in thousands, except per share data; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Statements of Operations (GAAP)										
Sales	\$ 310,912	\$ 350,081	\$ 342,680	\$ 372,423	\$ 378,785	\$ 400,044	\$ 404,693	\$ 413,151	\$ 414,805	\$ 436,202
Cost of sales	229,437	257,184	255,962	274,507	282,112	294,240	299,137	302,895	304,965	316,809
Gross profit	81,475	92,897	86,718	97,916	96,673	105,804	105,556	110,256	109,840	119,393
Operating expenses:										
Selling, general and administrative	39,560	41,786	38,195	41,037	41,886	45,827	42,102	45,804	46,929	47,117
Research, development and engineering	16,083	14,871	16,123	13,841	19,092	16,883	14,539	13,257	15,753	16,104
Restructuring and other charges	3,335	3,533	3,142	6,173	1,529	1,518	840	7,682	7,881	986
Total operating expenses	58,978	60,190	57,460	61,051	62,507	64,228	57,481	66,743	70,563	64,207
Operating income	22,497	32,707	29,258	36,865	34,166	41,576	48,075	43,513	39,277	55,186
Interest expense	5,968	7,773	10,676	14,215	17,254	11,459	11,967	12,690	14,671	15,278
(Gain) loss on equity investments	2,404	320	2,887	2,025	155	(134)	3,451	2,219	(1,136)	7
Other (income) loss, net	177	191	(1,300)	33	760	359	580	(724)	1,007	(127)
Income from continuing operations before taxes	13,948	24,423	16,995	20,592	15,997	29,892	32,077	29,328	24,735	40,028
Provision for income taxes	2,581	3,587	938	3,502	2,932	5,921	4,820	2,971	4,227	8,782
Income from continuing operations	\$ 11,367	\$ 20,836	\$ 16,057	\$ 17,090	\$ 13,065	\$ 23,971	\$ 27,257	\$ 26,357	\$ 20,508	\$ 31,246
Discontinued operations:										
Income from discontinued operations before taxes	-	-	-	1,323	-	-	-	-	-	-
Provision for income taxes	-	-	-	296	-	-	-	-	-	-
Income from discontinued operations	\$ -	\$ -	\$ -	\$ 1,027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net income	\$ 11,367	\$ 20,836	\$ 16,057	\$ 18,117	\$ 13,065	\$ 23,971	\$ 27,257	\$ 26,357	\$ 20,508	\$ 31,246
Basic earnings per share:										
Income from continuing operations	\$ 0.34	\$ 0.63	\$ 0.48	\$ 0.52	\$ 0.39	\$ 0.72	\$ 0.82	\$ 0.79	\$ 0.61	\$ 0.93
Income from discontinued operations	-	-	-	0.03	-	-	-	-	-	-
Basic earnings per share	0.34	0.63	0.48	0.55	0.39	0.72	0.82	0.79	0.61	0.93
Diluted earnings per share (Diluted EPS):										
Income from continuing operations	\$ 0.34	\$ 0.62	\$ 0.48	\$ 0.51	\$ 0.39	\$ 0.71	\$ 0.81	\$ 0.78	\$ 0.59	\$ 0.88
Income from discontinued operations	-	-	-	0.03	-	-	-	-	-	-
Diluted earnings per share	0.34	0.62	0.48	0.54	0.39	0.71	0.81	0.78	0.59	0.88
Weighted average shares outstanding:										
Basic	33,091	33,111	33,145	33,161	33,258	33,312	33,346	33,364	33,478	33,600
Diluted	33,302	33,350	33,336	33,438	33,575	33,686	33,774	33,987	34,993	35,529

Statements of Operations Trend

(\$ in thousands, except per share data; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Adjusted Operating Income (Non-GAAP)⁽³⁾										
Operating income from continuing operations (GAAP)	\$ 22,497	\$ 32,707	\$ 29,258	\$ 36,865	\$ 34,166	\$ 41,576	\$ 48,075	\$ 43,513	\$ 39,277	\$ 55,186
Non-GAAP adjustments for Adjusted Operating Income:										
Amortization of intangible assets	11,604	12,285	12,126	12,298	12,924	13,107	13,105	13,394	13,437	13,698
Certain legal expenses	-	-	-	-	-	-	-	-	-	354
Restructuring and restructuring-related charges	1,753	884	3,258	3,370	1,805	3,116	703	4,820	1,905	2,177
Acquisition and integration costs	1,936	3,333	597	4,209	382	556	777	1,729	6,335	1,056
Other general expenses	296	205	626	61	83	26	28	1,973	118	(1,173)
Medical device regulations	110	182	320	493	502	534	205	364	275	278
Other adjustments	(189)	83	(2)	(12)	-	909	1,319	1,187	472	272
Inventory step-up amortization	798	-	-	-	-	-	-	590	1,056	-
Total non-GAAP adjustments	16,308	16,972	16,925	20,419	15,696	18,248	16,137	24,057	23,598	16,662
Adjusted operating income (Non-GAAP)	\$ 38,805	\$ 49,679	\$ 46,183	\$ 57,284	\$ 49,862	\$ 59,824	\$ 64,212	\$ 67,570	\$ 62,875	\$ 71,848

Adjusted Net Income (Non-GAAP)⁽⁴⁾

Income from continuing operations (GAAP)	\$ 11,367	\$ 20,836	\$ 16,057	\$ 17,090	\$ 13,065	\$ 23,971	\$ 27,257	\$ 26,357	\$ 20,508	\$ 31,246
Non-GAAP adjustments for Adjusted Income:										
Amortization of intangible assets	11,604	12,285	12,126	12,298	12,924	13,107	13,105	13,394	13,437	13,698
Certain legal expenses	-	-	-	-	-	-	-	-	-	354
Restructuring and restructuring-related charges	1,753	884	3,258	3,370	1,805	3,116	703	4,820	1,905	2,177
Acquisition and integration costs	1,936	3,333	597	4,209	382	556	777	1,729	6,335	1,056
Other general expenses	296	205	626	61	83	26	28	1,973	118	(1,173)
(Gain) loss on equity investments, net	2,404	320	2,887	2,025	155	(134)	3,451	2,219	(1,136)	7
Loss on extinguishment of debt	-	-	-	114	4,393	38	87	-	-	-
Medical device regulations	110	182	320	493	502	534	205	364	275	278
Other adjustments	(189)	83	(2)	(12)	-	909	1,319	1,187	472	272
Inventory step-up amortization	798	-	-	-	-	-	-	590	1,056	-
Tax and other non-recurring adjustments, after tax	(38)	134	115	2,089	66	63	120	116	106	274
Total non-GAAP adjustments before tax	18,674	17,426	19,927	24,647	20,310	18,215	19,795	26,392	22,568	16,943
Tax provision related to non-GAAP adjustments	3,962	3,611	4,196	4,707	4,315	3,814	4,081	5,356	4,409	3,205
Total non-GAAP adjustments after tax	14,712	13,815	15,731	19,940	15,995	14,401	15,714	21,036	18,159	13,738
Adjusted net income (Non-GAAP)	\$ 26,079	\$ 34,651	\$ 31,788	\$ 37,030	\$ 29,060	\$ 38,372	\$ 42,971	\$ 47,393	\$ 38,667	\$ 44,984

Statements of Operations Trend

(\$ in thousands, except per share data; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Adjusted EPS (Non-GAAP)⁽⁵⁾ & Adjusted Weighted Average Shares (Non-GAAP)⁽⁶⁾										
Diluted EPS from continuing operations (GAAP)	\$ 0.34	\$ 0.62	\$ 0.48	\$ 0.51	\$ 0.39	\$ 0.71	\$ 0.81	\$ 0.78	\$ 0.59	\$ 0.88
Non-GAAP adjustments (per share) for Adjusted EPS:										
Amortization of intangible assets	0.28	0.29	0.29	0.29	0.30	0.31	0.31	0.31	0.32	0.32
Certain legal expenses	-	-	-	-	-	-	-	-	-	0.01
Restructuring and restructuring-related charges	0.04	0.02	0.08	0.08	0.04	0.07	0.02	0.12	0.05	0.05
Acquisition and integration costs	0.05	0.08	0.02	0.10	0.01	0.01	0.02	0.04	0.15	0.02
Other general expenses	0.01	0.01	0.01	-	-	-	-	0.04	-	(0.02)
(Gain) loss on equity investments, net	0.06	0.01	0.07	0.05	-	-	0.08	0.05	-	-
Loss on extinguishment of debt	-	-	-	-	0.10	-	-	-	(0.03)	-
Medical device regulations	-	-	0.01	0.01	0.01	0.01	-	0.01	0.01	0.01
Other adjustments	-	-	-	-	-	0.02	0.03	0.03	0.01	0.01
Inventory step-up amortization	0.02	-	-	-	-	-	-	0.01	0.02	0.01
Tax adjustments	-	-	-	0.06	-	-	-	-	-	-
Adjusted EPS (Non-GAAP)	\$ 0.78	\$ 1.04	\$ 0.95	\$ 1.11	\$ 0.87	\$ 1.14	\$ 1.27	\$ 1.39	\$ 1.14	\$ 1.30
Weighted average shares for diluted EPS (GAAP)	33,302	33,350	33,336	33,438	33,575	33,686	33,774	33,987	34,993	35,529
Less: 2028 Convertible Notes capped call contract impact	-	-	-	-	-	-	-	-	(1,028)	(1,050)
Adjusted weighted average shares (non-GAAP)	33,302	33,350	33,336	33,438	33,575	33,686	33,774	33,987	33,965	34,479

Statements of Operations Trend

(\$ in thousands, except per share data; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
EBITDA (Non-GAAP)⁽⁷⁾ & Adjusted EBITDA (Non-GAAP)⁽⁸⁾										
Income from continuing operations (GAAP)	\$ 11,367	\$ 20,836	\$ 16,057	\$ 17,090	\$ 13,065	\$ 23,971	\$ 27,257	\$ 26,357	\$ 20,508	\$ 31,246
Interest expense	5,968	7,773	10,676	14,215	17,254	11,459	11,967	12,690	14,671	15,278
Provision for income taxes	2,581	3,587	938	3,502	2,932	5,921	4,820	2,971	4,227	8,782
Depreciation ^(a)	10,736	10,666	10,479	10,736	10,877	11,005	11,100	11,324	12,036	12,814
Amortization of intangible assets and financing leases ^(a)	11,806	12,545	12,413	12,610	13,249	13,438	13,447	13,763	13,943	14,278
EBITDA (Non-GAAP)	42,458	55,407	50,563	58,153	57,377	65,794	68,591	67,105	65,385	82,398
Stock-based compensation ^(a)	4,639	5,483	4,668	4,783	6,041	5,499	5,482	6,148	6,828	5,751
Certain legal expenses	-	-	-	-	-	-	-	-	-	354
Restructuring and restructuring-related charges	1,753	884	3,258	3,370	1,805	3,116	703	4,820	1,905	2,177
Acquisition and integration costs	1,936	3,333	597	4,209	382	556	777	1,729	6,335	1,056
Other general expenses	296	205	626	61	83	26	28	1,973	118	(1,173)
(Gain) loss on equity investments, net	2,404	320	2,887	2,025	155	(134)	3,451	2,219	(1,136)	7
Medical device regulations	110	182	320	493	502	534	205	364	275	278
Other adjustments	(189)	83	(2)	(12)	-	909	1,319	1,187	472	272
Inventory step-up amortization	798	-	-	-	-	-	-	590	1,056	-
Adjusted EBITDA (Non-GAAP)	\$ 54,205	\$ 65,897	\$ 62,917	\$ 73,082	\$ 66,345	\$ 76,300	\$ 80,556	\$ 86,135	\$ 81,238	\$ 91,120
Trailing 4 quarters Adjusted EBITDA (to Balance Sheets schedule for Leverage Ratio)				\$ 256,101	\$ 268,241	\$ 278,644	\$ 296,283	\$ 309,336	\$ 324,229	\$ 339,049

^(a) When applicable, excludes amounts included in Restructuring and restructuring-related charges.

Statements of Operations Trend

(\$ in thousands, except per share data; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Adjusted Interest Expense (Non-GAAP)⁽⁹⁾										
Interest expense on borrowings (GAAP)	\$ 5,896	\$ 7,687	\$ 10,580	\$ 14,074	\$ 17,124	\$ 11,353	\$ 11,947	\$ 12,545	\$ 14,525	\$ 15,124
Less: Loss on extinguishment of debt	-	-	-	(114)	(4,393)	(38)	(87)	-	-	-
Adjusted Interest Expense on Borrowings (Non-GAAP)	\$ 5,896	\$ 7,687	\$ 10,580	\$ 13,960	\$ 12,731	\$ 11,315	\$ 11,860	\$ 12,545	\$ 14,525	\$ 15,124
Add: Other interest expense	72	86	96	141	130	106	20	145	146	154
Adjusted Total Interest Expense (Non-GAAP)	\$ 5,968	\$ 7,773	\$ 10,676	\$ 14,101	\$ 12,861	\$ 11,421	\$ 11,880	\$ 12,690	\$ 14,671	\$ 15,278

Adjusted Effective Tax Rate (Non-GAAP)⁽¹⁰⁾

Effective tax rate from continuing operations (GAAP)	18.5%	14.7%	5.5%	17.0%	18.3%	19.8%	15.0%	10.1%	17.1%	21.9%
Impact on income tax provision related to Non-GAAP adjustments	1.7%	2.2%	8.1%	-2.8%	1.5%	0.3%	2.0%	4.7%	1.0%	-1.2%
Adjusted effective tax rate (Non-GAAP)	20.2%	16.9%	13.6%	14.2%	19.8%	20.1%	17.0%	14.8%	18.1%	20.7%

YEAR-TO-DATE

Effective tax rate from continuing operations (GAAP)	18.5%	16.1%	12.8%	14.0%	18.3%	19.3%	17.5%	15.5%	17.1%	20.1%
Impact on income tax provision related to Non-GAAP adjustments	1.7%	2.3%	4.0%	2.1%	1.5%	0.7%	1.3%	2.2%	1.0%	-0.6%
Adjusted effective tax rate (Non-GAAP)	20.2%	18.4%	16.8%	16.1%	19.8%	20.0%	18.8%	17.7%	18.1%	19.5%

Statements of Cash Flows Trend

(\$ in thousands; unaudited)



	2022				2023				2024	
	YTD 1Q	YTD 2Q	YTD 3Q	YTD 4Q	YTD 1Q	YTD 2Q	YTD 3Q	YTD 4Q	YTD 1Q	YTD 2Q
Statements of Cash Flows (GAAP)										
Cash flows from operating activities:										
Net income	\$ 11,367	\$ 32,203	\$ 48,260	\$ 66,377	\$ 13,065	\$ 37,036	\$ 64,293	\$ 90,650	\$ 20,508	\$ 51,754
Adjustments to reconcile net income to net cash provided by operating activities:										
Depreciation and amortization	22,542	45,753	68,645	91,991	24,126	48,569	73,116	98,841	26,185	53,410
Debt related charges included in interest expense	481	962	1,445	2,036	5,149	6,118	7,126	8,054	931	1,869
Inventory step-up amortization	798	798	798	798	-	-	-	590	1,056	1,056
Stock-based compensation	4,995	10,951	15,973	21,023	6,102	11,603	17,099	23,283	6,848	12,614
Non-cash lease expense	2,539	5,344	8,179	10,914	2,741	5,473	8,124	11,248	2,295	4,622
Non-cash (gain) loss on equity investments	2,404	2,724	5,611	7,636	155	21	3,472	5,691	(1,136)	(1,129)
Contingent consideration fair value adjustment	54	54	(347)	3,097	(265)	(265)	(526)	(736)	-	-
Other non-cash (gains) losses	1,274	7,456	3,720	5,854	(1,417)	(1,437)	(734)	4,379	805	1,408
Deferred income taxes	(709)	(969)	(969)	(17,498)	(5)	(4)	(5)	(9,490)	-	-
Changes in operating assets and liabilities, net of acquisitions:										
Accounts receivable	(15,998)	(37,642)	(33,496)	(41,380)	(24,206)	(9,742)	(58)	(7,437)	7,667	3,465
Inventories	(20,153)	(41,471)	(59,036)	(56,721)	(17,016)	(21,646)	(25,785)	(30,178)	(17,271)	(27,235)
Prepaid expenses and other assets	(458)	(783)	(1,255)	764	1,657	1,308	(1,473)	(930)	(4,208)	(744)
Contract assets	(1,754)	(6,189)	(7,698)	(7,543)	(8,819)	(7,983)	(14,863)	(13,646)	(5,255)	(11,666)
Accounts payable	14,997	25,554	25,524	26,038	12,877	797	(869)	(520)	2,669	7,069
Accrued expenses and other liabilities	(5,851)	(7,295)	(6,012)	(9,529)	(7,773)	1,781	7,401	7,908	(19,026)	(16,155)
Income taxes	1,633	(439)	(4,563)	12,524	(183)	(9,296)	(11,692)	(7,494)	1,171	(9,864)
Net cash provided by operating activities	18,161	37,011	64,779	116,381	6,188	62,333	124,626	180,213	23,239	70,474
Cash flows from investing activities:										
Acquisition of PP&E	(10,863)	(22,610)	(43,098)	(74,728)	(24,694)	(57,416)	(82,885)	(119,938)	(29,072)	(60,252)
Proceeds from sale of PP&E	465	587	636	639	-	50	100	173	-	-
Proceeds from return of capital from equity investments	-	-	-	304	-	-	-	-	-	-
Acquisitions, net of cash acquired	-	(126,636)	(126,636)	(126,636)	-	-	-	(43,602)	(139,126)	(138,544)
Net cash used in investing activities	(10,398)	(148,659)	(169,098)	(200,421)	(24,694)	(57,366)	(82,785)	(163,367)	(168,198)	(198,796)

Statements of Cash Flows Trend

(\$ in thousands; unaudited)



	2022				2023				2024	
	YTD 1Q	YTD 2Q	YTD 3Q	YTD 4Q	YTD 1Q	YTD 2Q	YTD 3Q	YTD 4Q	YTD 1Q	YTD 2Q
Cash flows from financing activities:										
Principal payments of term loans	(3,813)	(7,625)	(11,437)	(25,249)	(390,938)	(398,438)	(415,938)	(415,938)	-	-
Proceeds from issuance of long-term debt, net of discount	-	-	-	-	486,250	486,250	486,250	486,250	-	-
Proceeds from revolving credit facility	15,000	160,000	160,000	166,000	208,689	229,604	294,603	383,103	192,000	208,500
Payments of revolving credit facility	(10,000)	(34,000)	(39,000)	(45,000)	(232,500)	(263,443)	(353,993)	(424,801)	(12,000)	(51,500)
Purchase of capped calls	-	-	-	-	(35,000)	(35,000)	(35,000)	(35,000)	-	-
Payment of debt issuance costs	-	-	-	-	(1,055)	(2,181)	(2,181)	(2,181)	-	-
Proceeds from the exercise of stock options	-	-	-	150	555	1,948	2,303	2,303	313	742
Tax withholdings related to net share settlement of RSUs	(1,556)	(1,926)	(2,073)	(2,929)	(2,610)	(2,930)	(3,067)	(3,098)	(9,348)	(10,625)
Proceeds from contingent consideration	-	-	-	1,319	-	-	-	-	-	-
Payment of contingent consideration	(493)	(493)	(493)	(972)	-	(7,660)	(7,660)	(7,660)	-	-
Principal payments on finance leases	(166)	(353)	(585)	(843)	(275)	(557)	(854)	(992)	(8,386)	(8,956)
Other financing activities	-	-	-	-	-	-	-	-	715	607
Net cash provided by (used in) financing activities	(1,028)	115,603	106,412	92,476	33,116	7,593	(35,537)	(18,014)	163,294	138,768
Effect of foreign currency exchange rates on cash and cash equivalents	1,048	(6,247)	209	(2,049)	1,722	1,783	1,566	570	147	17
Net increase (decrease) in cash and cash equivalents	7,783	(2,292)	2,302	6,387	16,332	14,343	7,870	(598)	18,482	10,463
Cash and cash equivalents, beginning of period	17,885	17,885	17,885	17,885	24,272	24,272	24,272	24,272	23,674	23,674
Cash and cash equivalents, end of period	25,668	15,593	20,187	24,272	40,604	38,615	32,142	23,674	42,156	34,137

Free Cash Flow (Non-GAAP)⁽¹¹⁾

YEAR-TO-DATE

Net cash provided by operating activities	18,161	37,011	64,779	116,381	6,188	62,333	124,626	180,213	23,239	70,474
Less: Capital expenditures, net	(10,398)	(22,023)	(42,462)	(74,089)	(24,694)	(57,366)	(82,785)	(119,765)	(29,072)	(60,252)
Free cash flow (YTD)	7,763	14,988	22,317	42,292	(18,506)	4,967	41,841	60,448	(5,833)	10,222

QUARTER-TO-DATE

	7,763	7,225	7,329	19,975	(18,506)	23,473	36,874	18,607	(5,833)	16,055
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Sales Trend

(\$ in thousands; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Sales (GAAP)										
Medical Sales										
Cardio & Vascular	\$ 159,037	\$ 180,604	\$ 174,131	\$ 185,697	\$ 191,203	\$ 208,494	\$ 214,003	\$ 222,642	\$ 221,836	\$ 231,335
Cardiac Rhythm Management & Neuromodulation	123,324	135,945	130,631	142,680	145,139	153,411	159,221	152,806	156,257	167,635
Advanced Surgical, Orthopedics & Portable Medical	19,666	23,285	26,150	28,401	27,924	27,206	22,678	28,613	29,121	28,408
Total Medical Sales	302,027	339,834	330,912	356,778	364,266	389,111	395,902	404,061	407,214	427,378
Non-Medical Sales (Electrochem)	8,885	10,247	11,768	15,645	14,519	10,933	8,791	9,090	7,591	8,824
Total Sales (GAAP)	\$ 310,912	\$ 350,081	\$ 342,680	\$ 372,423	\$ 378,785	\$ 400,044	\$ 404,693	\$ 413,151	\$ 414,805	\$ 436,202

QUARTER OVER PRIOR YEAR QUARTER CHANGE (\$)

Medical Sales										
Cardio & Vascular					\$ 32,166	\$ 27,890	\$ 39,872	\$ 36,945	\$ 30,633	\$ 22,841
Cardiac Rhythm Management & Neuromodulation					21,815	17,466	28,590	10,126	11,118	14,224
Advanced Surgical, Orthopedics & Portable Medical					8,258	3,921	(3,472)	212	1,197	1,202
Total Medical Sales					62,239	49,277	64,990	47,283	42,948	38,267
Non-Medical Sales (Electrochem)					5,634	686	(2,977)	(6,555)	(6,928)	(2,109)
Total Sales (GAAP)					\$ 67,873	\$ 49,963	\$ 62,013	\$ 40,728	\$ 36,020	\$ 36,158

QUARTER OVER PRIOR YEAR QUARTER CHANGE (%)

Medical Sales										
Cardio & Vascular					20.2%	15.4%	22.9%	19.9%	16.0%	11.0%
Cardiac Rhythm Management & Neuromodulation					17.7%	12.8%	21.9%	7.1%	7.7%	9.3%
Advanced Surgical, Orthopedics & Portable Medical					42.0%	16.8%	-13.3%	0.7%	4.3%	4.4%
Total Medical Sales					20.6%	14.5%	19.6%	13.3%	11.8%	9.8%
Non-Medical Sales (Electrochem)					63.4%	6.7%	-25.3%	-41.9%	-47.7%	-19.3%
Total Sales (GAAP)					21.8%	14.3%	18.1%	10.9%	9.5%	9.0%

Sales Trend

(\$ in thousands; unaudited)



	2022				2023				2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Organic Sales Change (Non-GAAP)⁽¹²⁾										
Cardio & Vascular										
Quarter over Prior Year Quarter Change in Sales (GAAP)					20.2%	15.4%	22.9%	19.9%	16.0%	11.0%
Impact of foreign currency					-0.5%	0.1%	0.7%	0.2%	0.1%	0.1%
Impact of strategic exits and acquisitions					3.0%	0.0%	0.0%	2.8%	6.6%	6.7%
Quarter over Prior Year Quarter Change in Organic Sales (Non-GAAP)					17.7%	15.3%	22.2%	16.9%	9.3%	4.2%
Cardiac Rhythm Management & Neuromodulation										
Quarter over Prior Year Quarter Change in Sales (GAAP)					17.7%	12.8%	21.9%	7.1%	7.7%	9.3%
Impact of foreign currency					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impact of strategic exits and acquisitions					0.0%	0.0%	0.0%	0.0%	0.8%	1.0%
Quarter over Prior Year Quarter Change in Organic Sales (Non-GAAP)					17.7%	12.8%	21.9%	7.1%	6.9%	8.3%
Advanced Surgical, Orthopedics & Portable Medical										
Quarter over Prior Year Quarter Change in Sales (GAAP)					42.0%	16.8%	-13.3%	0.7%	4.3%	4.4%
Impact of foreign currency					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impact of strategic exits and acquisitions					50.0%	14.0%	-2.4%	9.8%	-17.1%	-1.1%
Quarter over Prior Year Quarter Change in Organic Sales (Non-GAAP)					-8.0%	2.8%	-10.9%	-9.1%	21.4%	5.5%
TOTAL MEDICAL SALES										
Quarter over Prior Year Quarter Change in Sales (GAAP)					20.6%	14.5%	19.6%	13.3%	11.8%	9.8%
Impact of foreign currency					-0.3%	0.1%	0.4%	0.1%	0.0%	0.0%
Impact of strategic exits and acquisitions					4.1%	0.5%	-1.7%	1.3%	3.2%	3.9%
Quarter over Prior Year Quarter Change in Organic Sales (Non-GAAP)					16.8%	13.9%	20.9%	11.9%	8.6%	5.9%
TOTAL NON-MEDICAL SALES (Electrochem)										
Quarter over Prior Year Quarter Change in Sales (GAAP)					63.4%	6.7%	-25.3%	-41.9%	-47.7%	-19.3%
Impact of foreign currency					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impact of strategic exits and acquisitions					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Quarter over Prior Year Quarter Change in Organic Sales (Non-GAAP)					63.4%	6.7%	-25.3%	-41.9%	-47.7%	-19.3%
TOTAL SALES										
Quarter over Prior Year Quarter Change in Sales (GAAP)					21.8%	14.3%	18.1%	10.9%	9.5%	9.0%
Impact of foreign currency					-0.3%	0.1%	0.3%	0.1%	0.0%	0.0%
Impact of strategic exits and acquisitions					3.9%	0.5%	-1.5%	1.3%	3.1%	3.8%
Quarter over Prior Year Quarter Change in Organic Sales (Non-GAAP)					18.2%	13.7%	19.3%	9.5%	6.4%	5.2%

BASIS OF PRESENTATION

Unless otherwise noted, all information presented in the schedules refers to continuing operations.

PERIOD END DATES

Quarter	2022				2023				2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Quarterly period end	04/01/22	07/01/22	09/30/22	12/31/22	03/31/23	06/30/23	09/29/23	12/31/23	03/29/24	06/28/24	09/27/24	12/31/24
Days in period	91	91	91	92	90	91	91	93	89	91	91	95

NON-GAAP FINANCIAL INFORMATION

The Company uses non-GAAP financial measures, including the measures provided in these schedules, to describe its operating results. Our management team believes that the presentation of these measures provides useful information to investors and that these measures may assist investors in evaluating the Company's operations period over period. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP.

- (1) Net Total Debt is calculated as total principal amount of debt outstanding less cash and cash equivalents.
- (2) Leverage ratio, sometimes referred to as Leverage or Debt Leverage, is calculated by dividing Net Total Debt by Adjusted EBITDA for the trailing 4 quarters.
- (3) Adjusted Operating Income is calculated by adding back amortization of intangible assets, certain legal expenses, restructuring and restructuring-related charges, acquisition and integration related costs, other general expenses, European Union medical device regulation incremental charges, other adjustments, and inventory step-up amortization, to operating income from continuing operations.
- (4) Adjusted Net Income is calculated by adding back amortization of intangible assets, certain legal expenses, restructuring and restructuring-related charges, acquisition and integration related costs, other general expenses, (gain) loss on equity investments, extinguishment of debt charges, European Union medical device regulation incremental charges, other adjustments, inventory step-up amortization, the income tax provision (benefit) related to these adjustments, and certain tax items that are outside the normal provision for the period, to income from continuing operations.
- (5) Adjusted EPS is calculated by dividing adjusted net income by adjusted weighted average shares. The per share impact of Non-GAAP adjustments to arrive at Adjusted EPS is calculated by dividing the dollar amount of the respective Non-GAAP adjustment by adjusted weighted average shares.
- (6) The weighted average shares used to calculate diluted EPS in accordance with GAAP includes dilution, when applicable, resulting from the potential conversion of our 2028 Convertible Notes. In connection with the issuance of the 2028 Convertible Notes, we entered into capped call contracts which are expected to reduce the potential dilution on our common stock in connection with any conversion of the 2028 Convertible Notes, subject to a cap. Adjusted weighted average shares consists of GAAP weighted average shares used to calculate diluted EPS, excluding, when applicable, dilution resulting from the potential conversion of our 2028 Convertible Notes expected to be offset by the capped call contracts.
- (7) Earnings before interest, taxes, depreciation and amortization ("EBITDA") is calculated by adding back interest expense, provision (benefit) for income taxes, depreciation expense, and amortization expense from intangible assets and financing leases, to income from continuing operations, which is the most directly comparable GAAP measure.
- (8) Adjusted EBITDA consists of EBITDA plus stock-based compensation, certain legal expenses (gains), restructuring and restructuring-related charges, acquisition and integration related costs, other general expenses, (gain) loss on equity investments, European Union medical device regulation incremental charges, other adjustments, and inventory step-up amortization.
- (9) Adjusted Interest Expense on Borrowings is defined as GAAP interest expense on borrowings, which includes only interest expense resulting from our debt facilities, less loss on extinguishment of debt. Adjusted Total Interest Expense is defined as GAAP total interest expense less loss on extinguishment of debt, and is calculated by adding back GAAP Other interest expense to Adjusted Interest Expense on Borrowings.
Adjusted effective interest rate on borrowings is calculated by subtracting from the effective interest rate on borrowings the impact of losses on extinguishment of debt, expressed as a percentage.
- (10) Adjusted Effective Tax Rate is calculated by adding or subtracting from the effective tax rate from continuing operations the impact of Non-GAAP adjustments, expressed as a percentage, to arrive at Adjusted Net Income.
- (11) Free Cash Flow is defined as Net cash provided by operating activities (as stated in our Statement of Cash Flows) reduced by capital expenditures (acquisition of property, plant, and equipment (PP&E), net of proceeds from sale of PP&E).

⁽¹²⁾ Organic Sales Change is reported sales growth adjusted to remove the impact of foreign currency, acquisitions and strategic exits. To calculate the impact of foreign currency on sales growth rates, we convert any sale made in a foreign currency by converting current period sales into prior period sales using the exchange rate in effect at that time and then compare the two, negating any effect foreign currency had on our transactional revenue. For acquisitions, we exclude the impact on the growth rate attributable to the contribution of acquisitions in all periods where there were no comparable sales. For strategic exits, for all periods presented we exclude the impact on the growth rate attributable to sales from the market being exited.

These non-GAAP financial measures exclude the following items, as applicable, for the relevant time periods as indicated in the accompanying non-GAAP reconciliations to the comparable GAAP financial measures:

- Depreciation expense, Amortization expense from intangible assets and Amortization expense from financing leases.
- Certain legal expenses associated with non-ordinary course legal matters.
- Restructuring and restructuring-related charges relate to discrete restructuring programs we initiate primarily to realign resources to better serve our customers and markets, improve operational efficiency and capabilities, and lower operating costs or improve profitability. Depending on the program, restructuring charges may include termination benefits, contract termination, facility closure and other exit and disposal costs. Restructuring-related expenses are directly related to the program and may include retention bonuses, accelerated depreciation, consulting expense and costs to transfer manufacturing operations among our facilities.
- Acquisition and integration costs are incremental costs that are directly related to a business or asset acquisition. These costs may include, among other things, professional, consulting and other fees, system integration costs, and fair value adjustments relating to contingent consideration. We acquired Oscor Inc., Oscor Caribe, LLC and Oscor Europe GmbH (collectively “Oscor”) in December 2021, Connemara Biomedical Holdings Teoranta, including its operating subsidiaries Aran Biomedical and Proxy Biomedical (collectively “Aran”) in April 2022, InNeuroCo, Inc. in October 2023 and Pulse Technologies in January 2024.
- Other general expenses, generally include gains and losses in connection with the disposal of property, plant and equipment. In addition, the second quarter of 2024 includes \$1.2 million of loss recoveries relating to property damage which occurred in the fourth quarter of 2023 at one of our manufacturing facilities. The fourth quarter of 2023 amount includes \$2.0 million of property loss and related expenses resulting from that event.
- Incremental costs of complying with the new European Union medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses.
- The accounting associated with our acquisitions require us to record inventory at its fair value, which is sometimes greater than the previous book value of inventory. The increase in inventory value is amortized to cost of sales over the period that the related inventory is sold. We exclude inventory step-up amortization from our non-GAAP financial measures because it is a non-cash expense that we do not believe is indicative of our ongoing operating results.
- Gains and losses on equity investments are generally unpredictable in nature. We do not consider owning equity interests to be a core part of our business strategy. As such, we exclude unrealized and realized gains and losses on our equity investments from our Non-GAAP financial measures, as we do not believe that these components of income or expense have a direct correlation to our ongoing or future core business operations. The third and fourth quarters of 2023 include impairment charges of \$3.3 million and \$2.0 million, respectively, related to investments in two of our non-marketable equity securities.
- Loss on extinguishment of debt consists of accelerated write-offs of unamortized deferred debt issuance costs and discounts which are included in interest expense. Charges in 2023 include a write off of \$4.4 million of unamortized discount and deferred debt issuance costs in connection with an amendment to our credit agreement, prepayments of portions of our TLA Facility, and full repayment of our TLB Facility. Charges prior to 2023 relate primarily to pre-payments made on our TLB Facility.
- Other adjustments include costs which impact period-to-period comparability and do not represent the underlying ongoing results of our business. For the 2023 periods, amounts relate to costs associated with leadership transitions and certain formal strategic projects. Leadership transition costs primarily include severance costs associated with the departure of executives and incremental costs associated with the related leadership transitions. Strategic projects primarily involve system reconfiguration to support our manufacturing excellence operational strategic imperative and investments in certain technology and platform development to align our capabilities to meet customer needs. Amounts prior to 2023 relate to a former customer that filed bankruptcy in November 2019 and are predominantly due to favorable settlements on supplier purchase order termination clauses and benefits recognized from the utilization or sale of previously reserved inventory.
- Certain tax items that may be non-recurring, unusual, infrequent and directly related to an event that is distinct and non-reflective of the Company’s normal business operations, including the enactment of the Tax Reform Act. These may include such items as the retroactive impact of significant changes in tax laws, including changes to statutory tax rates and one-time tax charges. For 2023 and 2022, tax adjustments predominately related to acquired foreign tax credits, including utilization, changes to uncertain tax benefits and associated interest. For 2023, tax adjustments also include equity investment impairments that are not deductible for tax purposes. For 2022, tax adjustments also include acquisition costs that are not deductible for tax purposes.
- The impact of foreign currency and acquisitions on the period presented.
- The income tax provision (benefit) related to these adjustments, based on the estimated tax impact related to the respective adjustment. Tax amounts are computed using a 21% U.S. tax rate, and the statutory tax rates applicable in foreign tax jurisdictions, as adjusted for the existence of net operating losses. Expenses that are not deductible for tax purposes (i.e. permanent tax differences) are added back at 100%.