

**natus**<sup>®</sup>



# Investor Presentation

April 2021

## Healthcare solutions with one thing in mind. You.

Natus is the global brand clinicians depend on when diagnosing and treating disorders of the central nervous and sensory systems to improve patient outcomes with the most comprehensive product solutions, localized service and continuing customer education.



**natus**®

# Forward-Looking Statements

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This presentation contains forward-looking statements, which are generally statements that are not historical facts. Forward-looking statements can be identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates”, “plans”, “will”, “outlook” and similar expressions. Forward-looking statements are based on management's current plans, estimates, assumptions and projections, and speak only as of the date they are made. These forward-looking statements include, without limitation, statements regarding creating a more efficient operating model, creating a stronger and more profitable company, enhancing focus on operational excellence, positioning the company for growth and driving long-term value for stakeholders. These statements relate to current estimates and assumptions of our management as of the date of this press release and involve known and unknown risks, uncertainties and other factors that may cause actual results, levels of activity, performance, or achievements to differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements are only predictions and the actual events or results may differ materially. Natus cannot provide any assurance that its future results or the results implied by the forward-looking statements will meet expectations. The Company's future results could differ materially due to a number of factors, including the ability of the Company to realize the anticipated benefits from its new structure or from its consolidation strategy, effects of competition, the Company's ability to successfully integrate and achieve its profitability goals from recent acquisitions, the demand for Natus products and services, the impact of adverse global economic conditions and changing governmental regulations, including foreign exchange rate changes, on the Company's target markets, the Company's ability to expand its sales in international markets, the Company's ability to maintain current sales levels in a mature domestic market, the Company's ability to control costs, risks associated with bringing new products to market, and the Company's ability to fulfill product orders on a timely basis, as well as those factors identified under the heading Item 1A “Risk Factors” in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018. Natus disclaims any obligation to update information contained in any forward looking statement, except as required by law.

# Our Vision

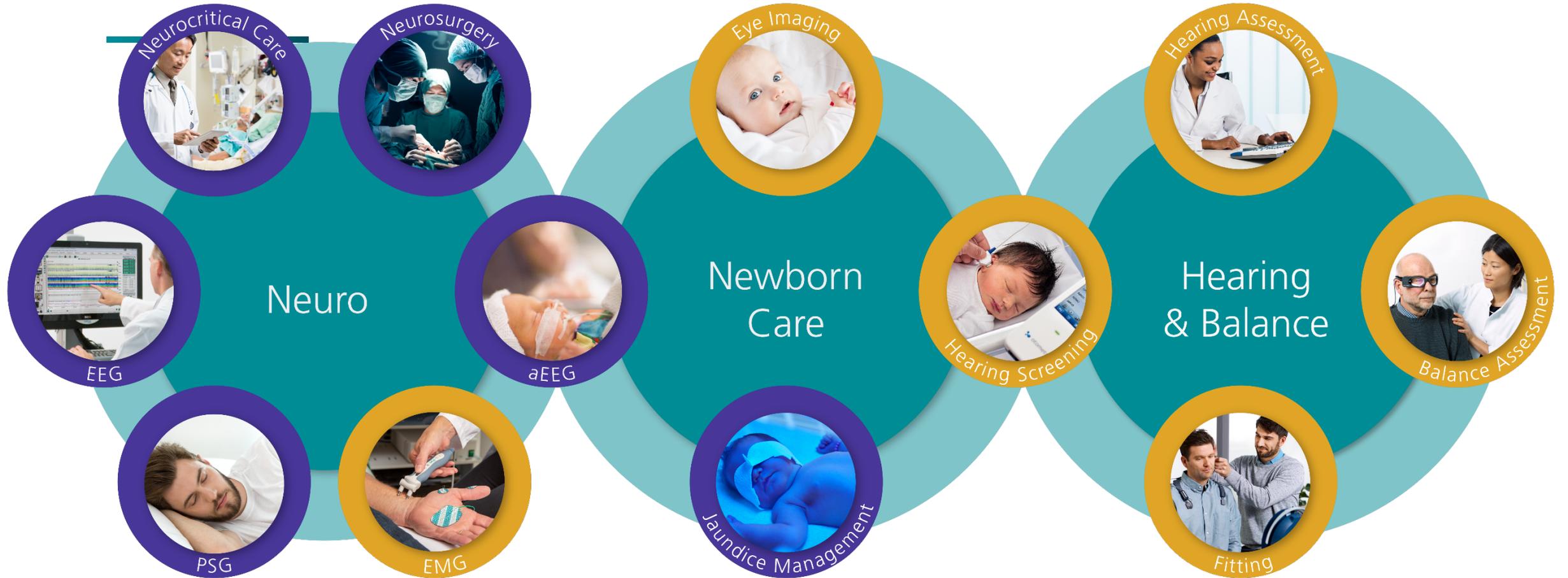
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Providing innovative healthcare solutions focused on the diagnosis and treatment of central nervous and sensory system disorders for patients of all ages.



Products sold and supported in 100+ countries. Key customers include hospitals, physician offices and clinics, laboratories, audiologists, government agencies, and group purchasing organizations

# Our Markets



Central Nervous System

Sensory System

# Investment Highlights

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- Leadership position in our markets
- Building a platform for growth
  - Strategic investments in product innovation
  - Focus on new and refreshed products to drive growth
  - Developing cloud based platform for management of diagnostic data
- Focused on quality and patient outcomes
- Increasing margins and cash flow

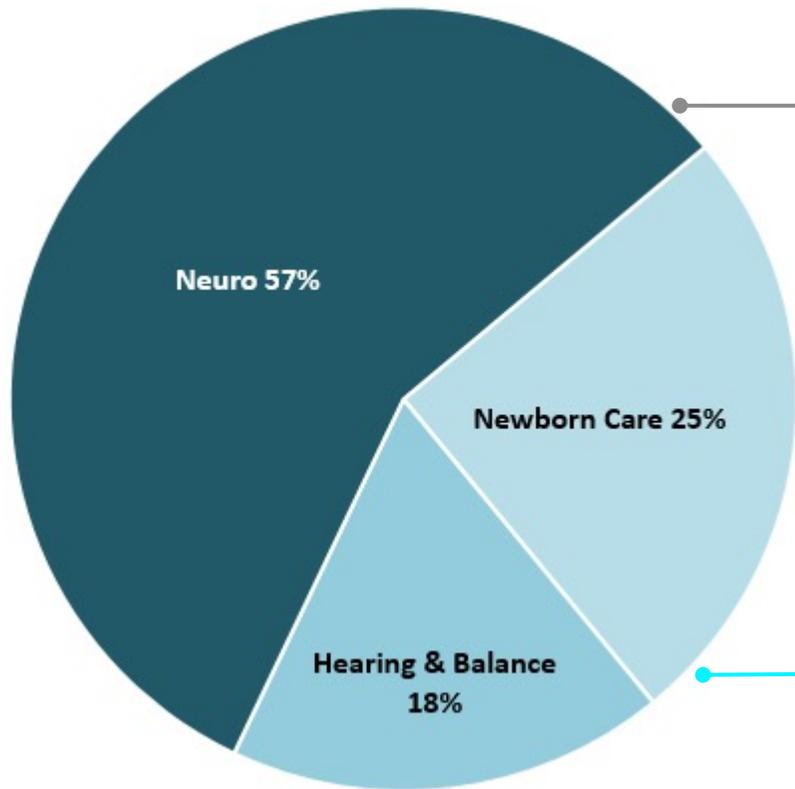
# Product Innovation and Refreshed Products

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- **Newborn Care**
  - Retcam Envision – ROP diagnostic
  - Babybe – Connects mother and baby through mattress
  - NICView II – Improved camera and workflow
- **Neuro**
  - Software and Data Management – Intraoperative monitoring
  - Holberg – AI to read EEG scans
  - Xactrodes – Grid and strip electrodes
- **Hearing and Balance**
  - Otoscan – Digital ear scan
  - Virtual Reality Goggle - Balance diagnostics



# Diversified Products & Solutions



Note: Product family split (%) based on FY20 actual results.

- EEG  
Electroencephalography
- EMG  
Electromyography
- PSG  
Polysomnography
- Neurosurgery
- Newborn Hearing Screening
- Brain Injury
- Phototherapy
- Nursery Products
- Hearing Aid Fitting
- Hearing Diagnostics
- Balance
- Hearing Screening

#1 Market Share

#1 Market Share

#2 Market Share

# Cash Flow Adjusted for Extraordinary Items

(\$'s in millions)

	2016	2017	2018	2019	2020	Q121
Cashflow from Operations	\$ 72.7	\$ 19.7	\$ 33.0	\$ 60.7	\$ 34.4	\$24.7
Extraordinary Remediation Expenses	-	5.1	5.2	-	-	-
Cash Restructuring Expenses*	1.5	0.9	18.3	10.1	2.0	0.2
Cash Acquisition related expenses**	2.5	4.5	2.0	2.1	1.8	0.0
Cash paid for other non-GAAP items ^	-	-	-	-	(0.0)	(1.9)
Adjusted Cashflow from Operations	\$ 76.7	\$ 30.3	\$ 58.6	\$ 72.9	\$ 38.2	\$23.0
Cash Taxes Paid (Refunded)	\$ 16.3	\$ 5.7	\$ 9.2	\$ 6.5	\$ 6.8	\$ (0.3)
Cash Interest Paid	\$ 0.0	\$ 4.5	\$ 6.2	\$ 4.6	\$ 3.1	\$ 0.5

\*Includes Executives Transition Cost

\*\*Excludes Purchase Considerations

^ Q121 includes \$2.9M received for COVID relief in Canada

# 2020 Quarterly Results and 2021 Guidance

	Q1'20 Actual	Q2'20 Actual	Q3'20 Actual	Q4'20 Actual	Q1'21 Actual	Q2'21 Guidance	FY'21 Guidance
Revenue (\$Ms)	\$109.4	\$84.8	\$102.8	\$118.7	\$114.90	\$112.0 - \$116.0	\$463.5 - \$473.5
EPS	\$0.04	(\$0.13)	\$0.09	\$0.39	\$0.16	\$0.26 - \$0.32	\$1.11 - \$1.26
Average Shares Outstanding	33.8M	33.8M	33.8M	33.9M	33.8M	33.9M - 34.1M	33.9M - 34.1M

\*The GAAP guidance and reconciliation between GAAP and Non-GAAP are available in our earnings releases in the investors section of our website at [natus.com](http://natus.com).

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Thank You

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