



**Q2 2021**  
**Canaccord Conference**

August 12, 2021

NASDAQ: KRMD

# FORWARD-LOOKING STATEMENTS / NON-GAAP MEASURES

This presentation contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 regarding our growth drivers, expanding our market potential and clinical trial opportunities, among others. Forward-looking statements are neither historical facts nor assurances of future performance and are based only on our current beliefs, expectations and assumptions. Forward-looking statements are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements.

Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: impact of COVID-19; introduction of competitive products; availability of insurance reimbursement; changes in U.S. Food and Drug Administration regulations; changes to health care policies; success of our research and development efforts; our ability to raise capital if or when needed; acceptance of and demand for new and existing products; expanded market acceptance of the FREEDOM Syringe Infusion System; our ability to obtain required governmental approvals; success in enforcing and obtaining patents; continued performance by principal suppliers; continued customer preference to work through distributors; continued service of key personnel and attracting and maintaining new personnel; the costs, duration and ultimate outcome of litigation; and general economic and business conditions. Any forward-looking statement made by us is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

## **Non-GAAP Adjusted EBITDA**

Adjusted EBITDA excludes from net loss: income tax expense, depreciation and amortization, interest income, net, reorganization charges, discontinued product expense, litigation expense, manufacturing initiative expenses, and stock-based compensation expense.

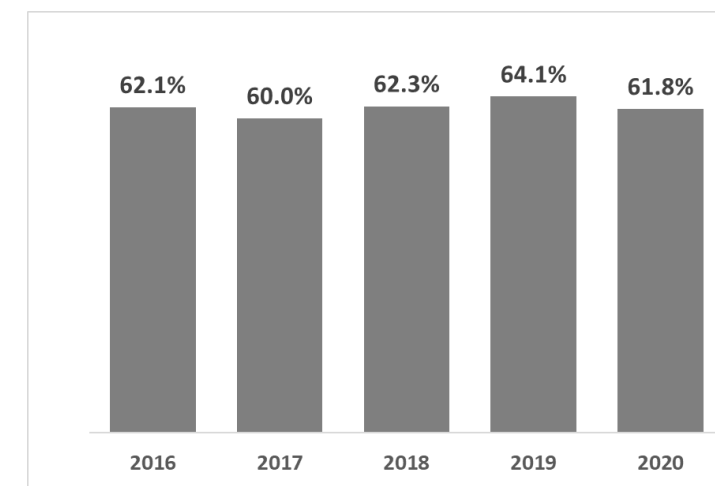
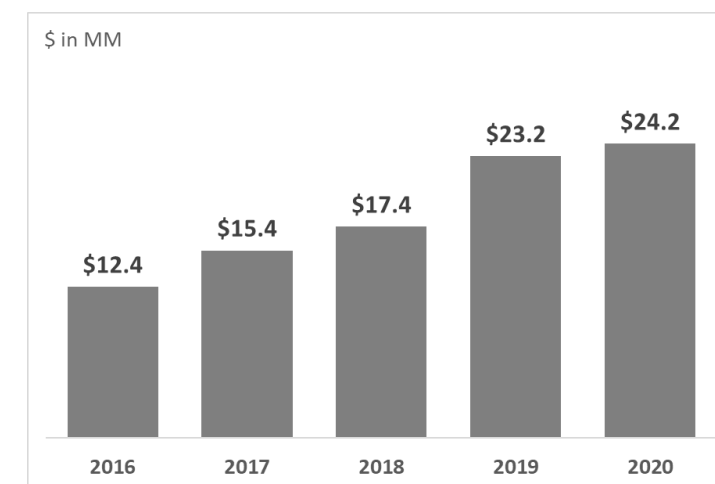
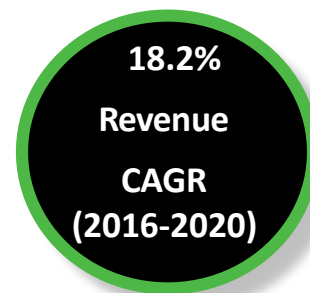
## **Non-GAAP Measures**

This presentation includes the non-GAAP financial measure of "Adjusted EBITDA" that is not in accordance with, nor an alternate to, generally accepted accounting principles and may be different from non-GAAP measures used by other companies. In addition, this non-GAAP measure is not based on any comprehensive set of accounting rules or principles. Non-GAAP financial measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. They are limited in value because they exclude charges that have a material effect on our reported results and, therefore, should not be relied upon as the sole financial measures to evaluate our financial results. The non-GAAP financial measure is meant to supplement, and to be viewed in conjunction with, GAAP financial results. A reconciliation of our non-GAAP measure is included in an attachment to this press release.

# ALLOWING CHRONICALLY-ILL PATIENTS TO SELF-ADMINISTER SUBCUTANEOUS THERAPY IN THEIR HOMES

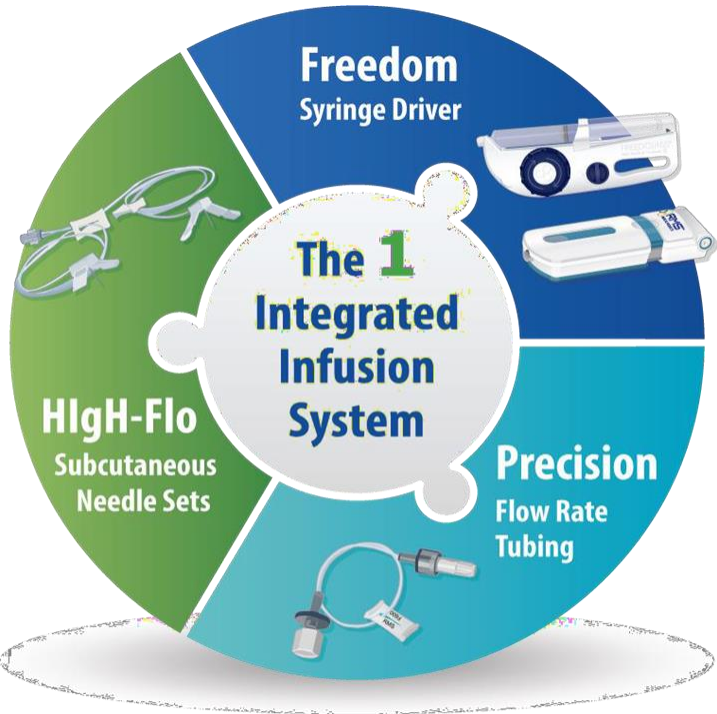


- **Manufacture and sell innovative, easy-to-use mechanical infusion system**
- **Leading share position in growing SCIg drug therapy** (Hizentra<sup>®</sup>, Xembify<sup>®</sup>, Cuvitru<sup>®</sup>, Cutaquig<sup>®</sup>) to patients suffering from chronic primary immune deficiency disorders: Primary Immunodeficiency (PIDD) and Chronic Inflammatory Demyelinating Polyneuropathy (CIDP)
- Capitalizing on accelerating **shift** from institutional care **to lower-cost home** and **alternative site settings**
- Pursuing **TAM expansion** with 70 targeted large volume (>10ml) new drug therapies
- Well-capitalized with **no debt, simple capital structure**
- Attractive economics: **high product loyalty with low churn; recurring revenue** via razor / razor blade model; strong **operating leverage and cash flow potential** as company grows.



# PUTTING THE PATIENT FIRST

EASY-TO-USE HOME INFUSION SOLUTIONS



Source: Hizentra



### Wearable

*Freedom to move*



### Customizable

*Drug volume & infusion times*



### Easy-to-use

*3 simple steps*



### Fully Mechanical

*No batteries or electricity required*



### Patient Comfort

*Constant pressure throughout infusion*



### Broad Applications


*Simple delivery solution for multiple therapies and disease states*





# Building the Next Phase of Value Creation at KORU Medical





LEVERAGING OUR CORE STRENGTHS TODAY TO DRIVE GROWTH TOMORROW

- 

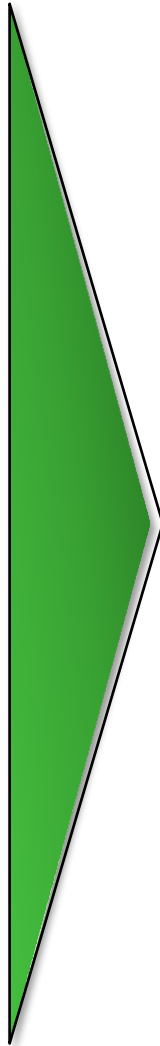
**Significant Market Share and Growth Potential**
- 





**Differentiated Technology**
- 

**FDA (510K) and CE Mark Approved**
- 

**Premium Patient Retention / Recurring Revenue Component**
- 

**Specialty Pharmacy Relationships**



Protecting and Growing Core SubQ IG Market	Innovate in Novel Therapies
 <ul style="list-style-type: none"> <li>• Value Added Services</li> <li>• Category Innovation</li> <li>• IV to SubQ Penetration</li> </ul>	 <ul style="list-style-type: none"> <li>• &gt; 10ml Volume</li> <li>• Clinical Leadership in Large Volume SubQ Infusion</li> </ul>
Geographic Expansion	Building the Foundation
 <ul style="list-style-type: none"> <li>• Germany</li> <li>• France</li> </ul>	 <ul style="list-style-type: none"> <li>• Quality First</li> <li>• Strong Teams and Culture</li> <li>• Operational Excellence</li> </ul>



# CORE BUSINESS: GROWING NUMBER OF SCIg DRUGS



## CSL Behring

First SCIg therapy cleared to treat PIDD (2010)

Cleared to treat CIDP (2018)

Collaborative approach: KORU Medical + Pharma companies



Source: Hizentra

*KORU Medical's Freedom60® is featured at [www.hizentra.com](http://www.hizentra.com) and in a national advertising campaign for Hizentra® SCIg therapy*



# ~\$250M TOTAL U.S. ADDRESSABLE MARKET FOR PIDD & CIPD

EXCLUDES OTHER DISEASE STATES AND SECONDARY IMMUNE DEFICIENCY DISEASES

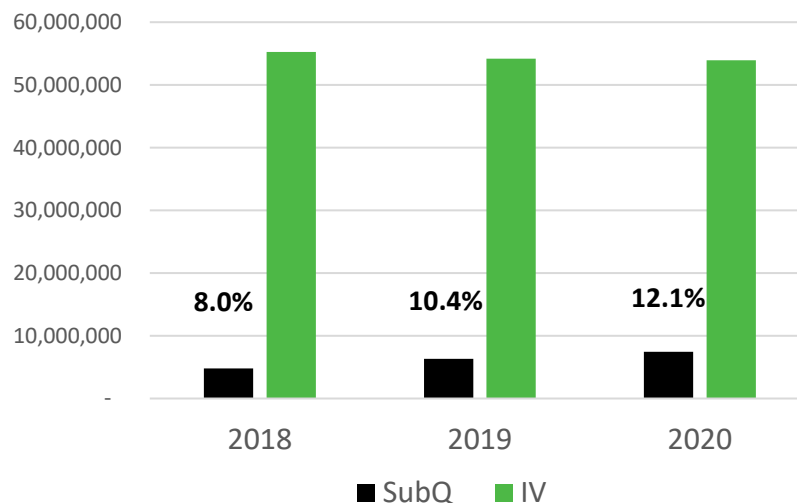


KORU Medical's  
U.S. Addressable Markets (2,3)

**PIDD**  
\$185 - \$260 M

**CIDP**  
\$25 - \$36 M

Ig Replacement Therapy (Grams)<sup>(1)</sup>



**cutaquiq**<sup>®</sup>  
Subcutaneous human immunoglobulin (SCIg)  
16.5% (165 g/mL)

**Cuvitru**  
[Immune Globulin Subcutaneous (Human)] 20%

**Xembify**<sup>®</sup>  
(immune globulin subcutaneous human-klhw) 20%

**HyQvia**  
[Immune Globulin Infusion 10% (Human) with Recombinant Human Hyaluronidase]

**Hizentra**<sup>®</sup>  
Immune Globulin Subcutaneous (Human)  
20% Liquid



**350+**  
Chronic Disorders

**12%**  
Market Penetration

**~\$750**  
Recurring Revenue  
Per Patient Per Year

A neurological disorder

**2018:** Hizentra<sup>®</sup> becomes first and only SCIg for treatment of CIDP

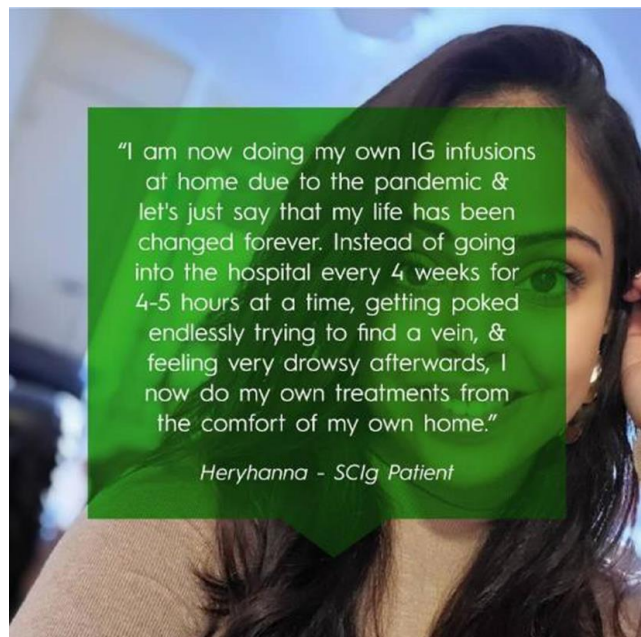
Twice a week dosing vs. once a week for PIDD patients

**~25,000**  
U.S. Patient Population<sup>(2)</sup>

**~\$1,500**  
Recurring Revenue  
Per Patient Per Year

# PEACE OF MIND DURING UNCERTAIN TIMES

## SCIg with Freedom Infusion Systems: Your Peace of Mind During Uncertain Times



"I am now doing my own IG infusions at home due to the pandemic & let's just say that my life has been changed forever. Instead of going into the hospital every 4 weeks for 4-5 hours at a time, getting poked endlessly trying to find a vein, & feeling very drowsy afterwards, I now do my own treatments from the comfort of my own home."

*Heryhanna - SCIg Patient*

### Decreased Exposure:

Patient can administer infusions in the comfort of their home, eliminating the need to go to the hospital or infusion suite

### Time & Flexibility:

Therapy fits into the patient's schedule so they can live life and regain time spent commuting to and from appointments

### Ease of Use:

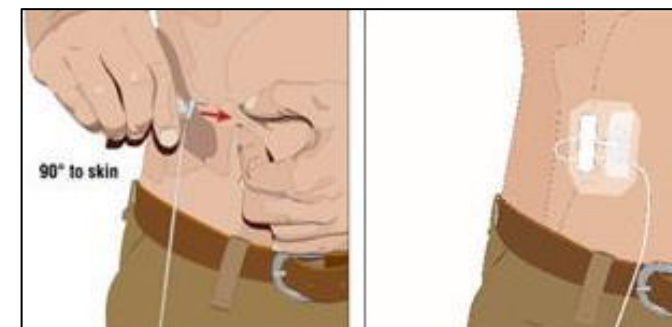
The Freedom Infusion System requires no batteries or electricity, assuring self-sufficiency and patient independence

### Improved Outcomes:

SCIg therapy using the Freedom Infusion System enables improved patient outcomes and quality of life when compared to IVIg

### Subcutaneous Infusion

A small needle is inserted into the tissue between the skin and muscle, rather than a vein, and connected to an infusion pump. Medication is absorbed slowly and steadily by the body.

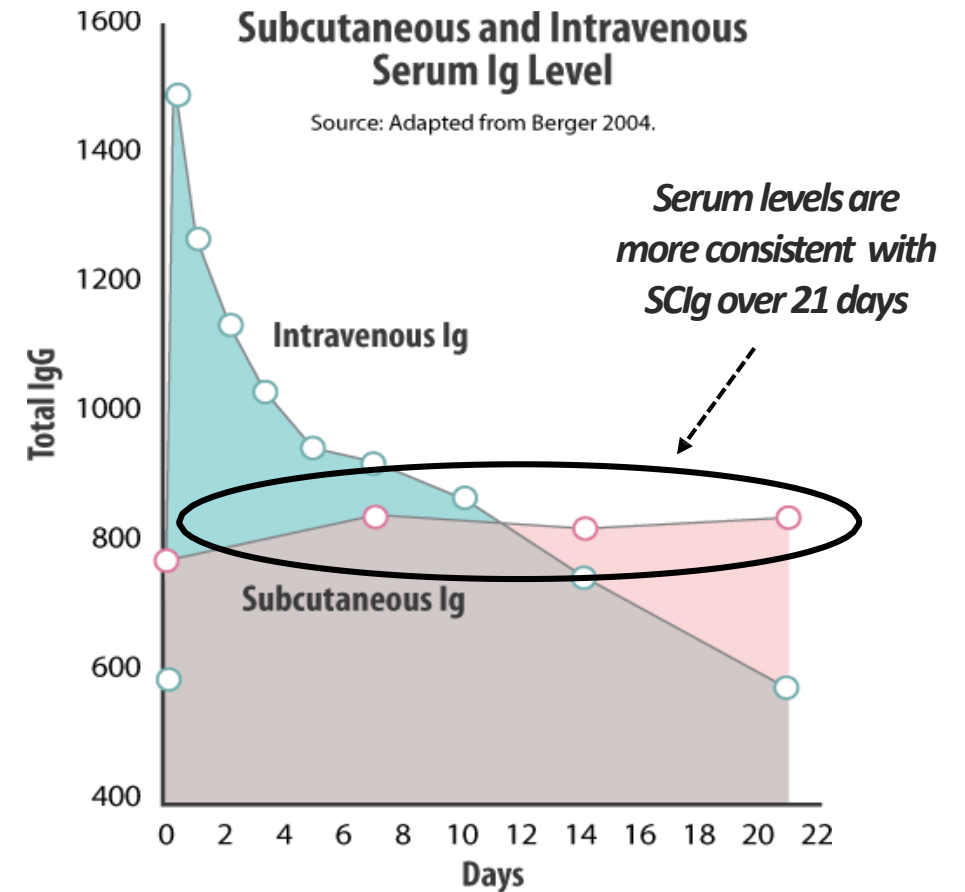




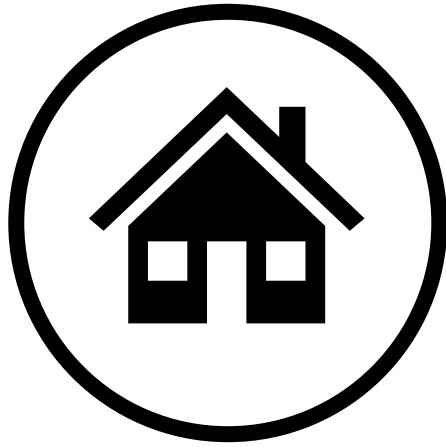
# BENEFITS OF SCIg COMPARED TO IVIg

IVIg	SCIg
Venous access required	Infuse into fat tissue, not vein
Healthcare professional required	Patient administered
Administer every 3-4 weeks	Administer weekly
Rapid absorption	Gradual absorption (24-72 hours)
Increased lethargy between treatments due to low trough levels	Fewer peaks and troughs due to consistent IG levels
Pre-medication commonly required	Pre-medication often not required
Systemic side effects possible	Reactions generally localized

## SCIg vs IVIg <sup>(1)</sup>



# AT-HOME INFUSION: THE SAVINGS OPPORTUNITY<sup>(1)</sup>



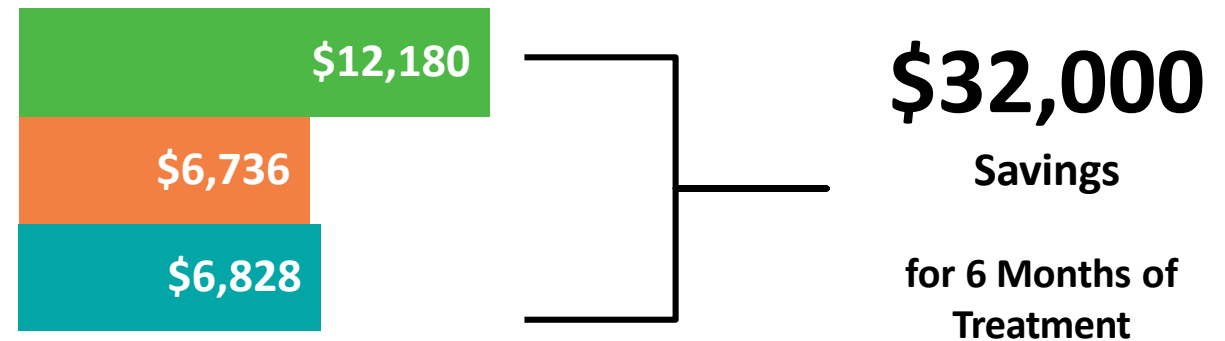
*“For certain administered specialty drugs, treatment at home can improve patients’ physical and mental well-being and reduce disruption of work schedules and family responsibilities, all without increasing the likelihood of adverse drug events or side effects.”*

UNITEDHEALTH GROUP®

Reducing Specialty Drug Costs / September 2019

## Monthly Cost of Immune Deficiency Drugs for Privately Insured Individuals, 2018

Hospitals Physician Offices Patients’ Home

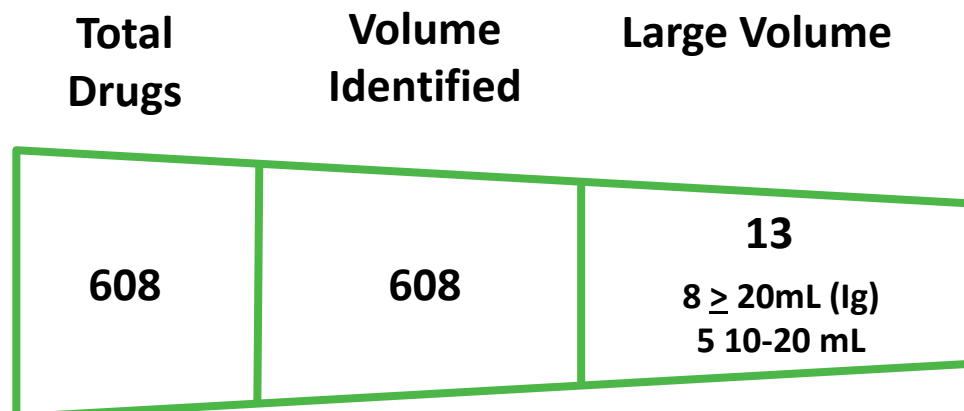


(1) UnitedHealth Group®: Reducing Specialty Drug Costs / September 2019

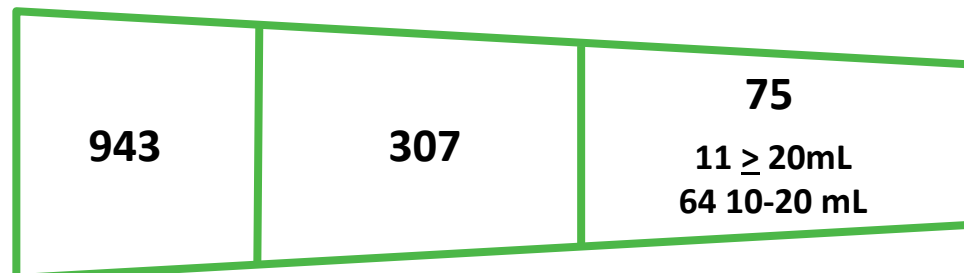
# Expanding Our Market Potential



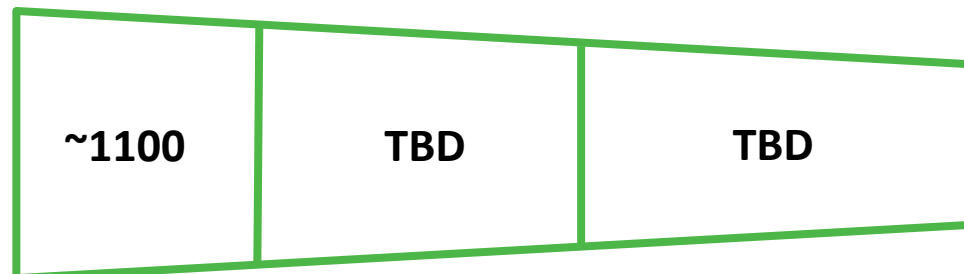
Segment 1: SC  
Drugs On Market



Segment 2: SC  
Drugs In  
Development

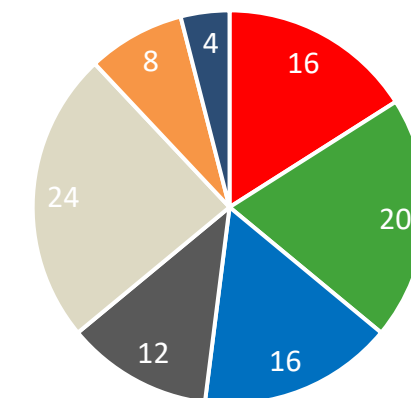


Segment 3: IV  
Drugs On Market



Source: Internal Company Estimates

High volume targets  
Therapeutic area %



- Immunology
- Oncology
- Neurology
- Hematology
- ID
- Pulmonology
- Cardiology

# CLINICAL TRIAL INITIATIVES: COMPLETED PHASE III HEMATOLOGY CLINICAL TRIAL USING FREEDOM SYSTEM



Paroxysmal Nocturnal Hemoglobinuria (PNH)  
15,000 Patients Worldwide Afflicted with PNH



## SIGNS AND SYMPTOMS OF PNH

Fatigue 80%<sup>10</sup>

Dysphagia 24%<sup>10,12</sup>

Dyspnea 64%<sup>10</sup>

Abdominal pain - 44%<sup>10</sup>

Erectile dysfunction\* 38%<sup>10,13</sup>

Hemoglobinuria 62%<sup>10</sup>

Anemia 88-94%<sup>11</sup>



Thrombosis causes 40 to 67% of deaths<sup>1,9</sup>

Renal Failure causes 8 to 18% of deaths<sup>1</sup>

Pulmonary Hypertension affects 47% of patients<sup>14</sup>

Source: <https://twitter.com/alexionpharma/status/1082966719524732928?lang=da>

*KRMD believes that its Freedom System will be used in several additional upcoming clinical trials focused on expanding indications and disease states for this same drug.*

**There are 24 active opportunities. The funnel has accelerated in 2021**



	<b>IG</b>	<b>New Drugs</b>	<b>Total</b>
<b>Closed</b>	3	2	5
<b>Qualified Opportunity</b>	4	3	7
<b>Lead</b>	1	11	12
<b>Total Active</b>	<b>8</b>	<b>16</b>	<b>24</b>

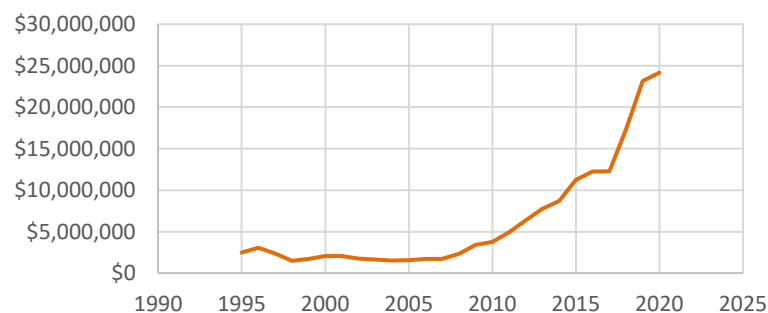


# COMPELLING VALUE PROPOSITION FOR BIOPHARMA



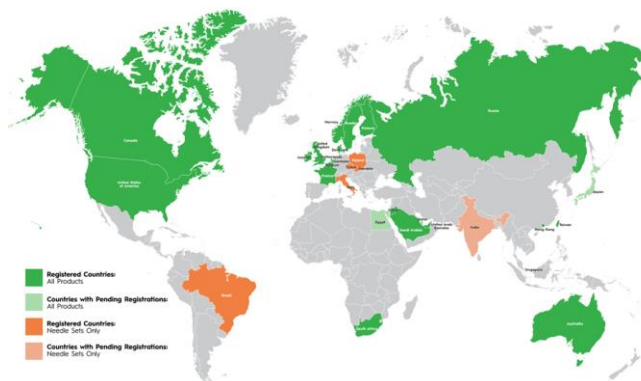
## Market Tested

KORU Medical Net Sales



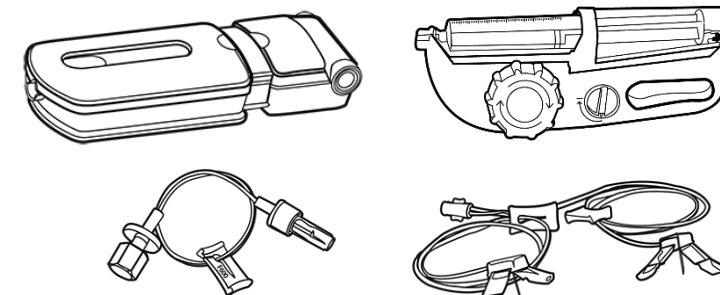
- Over 1.5 million annual infusions
- Used by tens of thousands of patients
- Adopted by pharmacies and thousands of infusion nurses

## Regulatory Acceptance



- Multiple US 510ks
- CE Marked
- Cleared in additional global markets

## Rapid Deployment



- Modular design allows faster time to clinic and adjustment to dose and formulation changes
- Track record of clinical development use

Supported by Cross Functional Team  
Medical Affairs, Regulatory, Quality, R&D, Manufacturing, Commercial

# BUILDING OUR FOUNDATION



**Innovation**



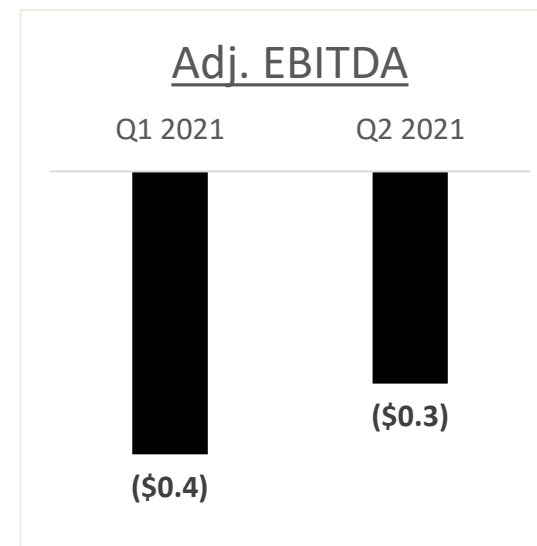
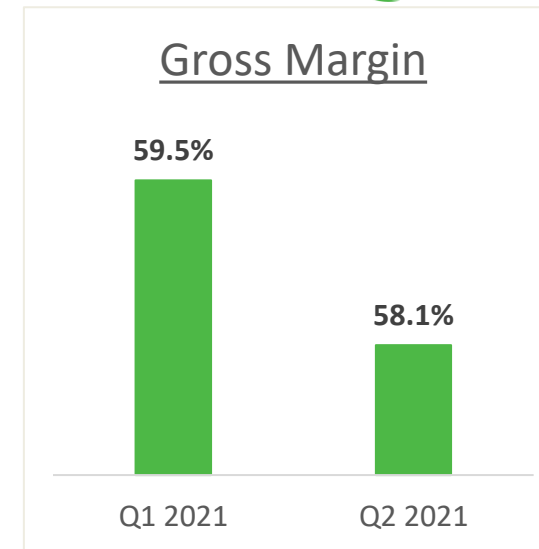
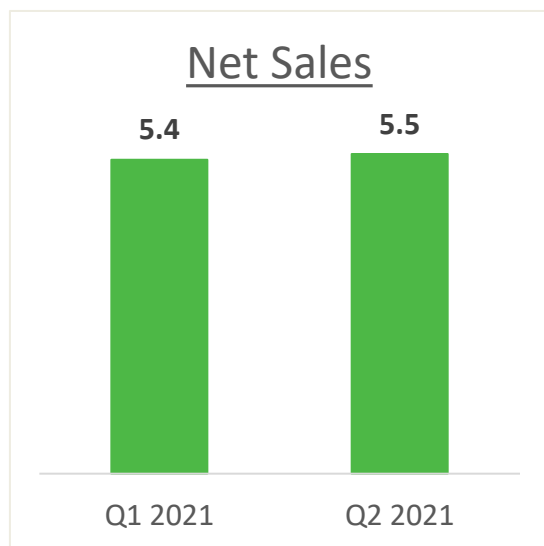
**Operational  
Excellence**



**Quality &  
Regulatory**

**Building a foundation set to drive KORU Medical as the market leader in the at home therapeutic drug delivery market**

# 2021 SEQUENTIAL QUARTERLY FINANCIAL SUMMARY (\$ in MMs)



\*Adjusted EBITDA excludes from net loss: income tax expense, depreciation and amortization, interest income, net, reorganization charges, discontinued product expense, litigation expense, manufacturing initiative expenses, and stock-based compensation expense

# BALANCE SHEET AND CAPITAL STRUCTURE



**\$26.5 M**  
**Cash & Cash Equivalents**  
June 30, 2021



**44.5 M**  
**Diluted Shares Outstanding**  
June 30, 2021

(\$ in millions)	June 30, 2021	December 31, 2020
Cash & Cash Equivalents	\$ 26.5	\$ 27.3
Current Assets	\$ 37.1	\$ 37.5
Total Assets	\$ 40.6	\$ 39.9
Total Liabilities	\$ 3.3	\$ 3.8
Shareholders' Equity	\$ 37.3	\$ 36.2

# KORU Medical - A Growth Opportunity With A Strong Foundation



**Supporting Migration  
to At-Home Care**



**Leading Market Share  
High Retention Rate**



**Expandable Patient Base in Core  
Addressable Markets \$250M**



**Pursuing New  
Drug Therapies  
70 Candidates**



**Building Our  
Foundation**



**Well Capitalized  
Strong Gross  
Margin Profile**



THANK YOU



**KORU**<sup>TM</sup>  
MEDICAL SYSTEMS

*NEW LIFE, NEW BEGINNINGS*

# RECONCILIATION

## Reconciliation of GAAP Net (Loss)/Income to Non-GAAP Adjusted EBITDA

	Q2 2021		Q1 2021	
GAAP Net Loss	\$	(1,124,549)	\$	(1,276,138)
Tax (Benefit)/Expense		(245,316)		(942,361)
Depreciation and Amortization		118,415		115,473
Interest Income, Net		(9,950)		(9,771)
Reorganization Charges		224,605		969,274
Discontinued Product Expense		—		—
Litigation Expense		—		—
Manufacturing Initiative Expenses		149,718		51,723
Stock-Based Compensation Expense		<u>605,172</u>		<u>734,184</u>
Non-GAAP Adjusted EBITDA**	\$	<u>(281,905)</u>	\$	<u>(357,616)</u>

\*\*Adjusted EBITDA excludes from net loss; income tax expense, depreciation and amortization, interest income, net, reorganization charges, discontinued product expense, litigation expense, manufacturing initiative expenses, and stock-based compensation expense