



# KORU Medical Systems

Investor Presentation  
January 2024

# Forward Looking Statement

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 expectations for future performance, including but not limited to the size of our target market, trends in macroeconomic healthcare spending (including the trend of moving healthcare from hospitals to homes), future revenues, expansion opportunities, progress in meeting Vision 2026 goals (including predicted future revenues, cash flows, and EBITDA margin), new patient starts, conversion of competitive users to the Company's prefilled system, the penetration in CIDP with PFS, the launch of a new pump and consumables platform, the generation of clinical evidence, the conversion of ePump systems, additional penetration in current markets, the geographic expansion into new markets, the use of pharmaceutical partners, future growth in the SCIG Market, claims related to the Freedom System, access to innovative pipeline positions, the projected growth of PFS, upcoming product launches, the extension into international markets (including projections that the Company will increase its internal revenue by 2X by 2026), trends in next generation technologies over existing products and services, timelines for novel therapy collaborations with the Company, expectations on launch dates, patient populations, infusions per year per patient, the total estimated infusions per year and the peak sales opportunity for the Company in those markets, recurring revenues in core business, future growth opportunities through novel therapies, increased gross margins, future investment decisions by the Company, and positive cash flows for the Company in the future. Forward-looking statements are neither historical facts nor assurances of future performance and 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: new SCIG patient starts, growth of the SCIG market, plasma supply, clinical trial activity, market penetration of prefill syringes; supply chain and labor availability and pricing; third party contractor execution; timely receipt of other receivable credits; inflationary impacts; ability to reduce inventory; success of geographic expansion; effects of war and other global conflict; 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 obtain financing or raise capital if or when needed; acceptance of and demand for new and existing products; expanded market acceptance of the FREEDOM Syringe Infusion System and any new product we introduce; 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; and general economic and business conditions, as well as those risks and uncertainties included under the captions "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 available on the SEC website at [www.sec.gov](http://www.sec.gov) [sec.gov] and on our website at [www.korumedical.com/investors](http://www.korumedical.com/investors) [korumedical.com]. 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.

Revenues: All references to revenue(s) in this presentation refer to net revenues.



**Delivering transformational subcutaneous infusion systems that simplify, enhance, and enable drug delivery in the home and the clinic**



# Move of Healthcare from Hospital to the Home Driving Large and Growing Subcutaneous Infusion Opportunity (>10mL)

**15**

Launched  
Subcutaneous Drugs  
since 2010

**23**

Subcutaneous Drugs  
>10 mL in Phase  
II/Phase III  
development

**\$2.5B**<sup>(1)</sup>

Total Addressable Market



**Global SClg Opportunity**

**\$480M**<sup>(1)</sup>

Total global addressable market  
with <20% SClg penetration



**Novel Therapies Opportunity**

**\$2B**<sup>(1)</sup>

Total global addressable market  
with current collaborations

# KORU Medical is Well Positioned to Capitalize on Large Volume Subcutaneous Opportunity



## Accelerating Growth in Profitable Core Business

**Leading US share position**  
*+2M patient infusions per year*

**Recurring revenue**  
*generated by +30k chronic patients*

**Low-cost go-to-market**  
*Pharmaceutical and Specialty Pharmacy model  
1000's of trained nurses*

**Expansion opportunities**  
*New countries, new markets, new products*



## Expanding our Market with Novel Therapies

**Clinic ready commercial platform**  
*Scalable and Reimbursed*

**Robust pipeline**  
*Multiple potential launches by 2026*

**New in-clinic opportunities**  
*8 drug launches since 2016*

**Commercial opportunity**  
*\$80M by 2031*



## Differentiated Product Portfolio

**Only FDA approved prefilled platform**

**Multiple new innovations**

**Patient centric portfolio**  
*comfort, convenience, connected*



## Pathway to Profitability

**Cash flow breakeven**  
*by end of 2024*

**2x Revenue**  
*by 2026*

**EBITDA margin +10%**  
*by 2026*

# Commercial Strategy for Accelerated Growth

*US and OUS Regions are Uniquely Positioned to Win in SClg*

## Accelerate Growth With Prefilled Syringes

New patient starts

Convert competitive users to KORU's prefilled system

Drive penetration in CIDP with PFS

## Maximize Innovation for Impact

Launch new pump and consumables platform

Generate clinical evidence

Convert ePump systems

## Accelerated Growth in International Segment

Drive deeper penetration in current markets

Win consumables with ePumps

Geographic expansion in new markets, with pharmaceutical partners

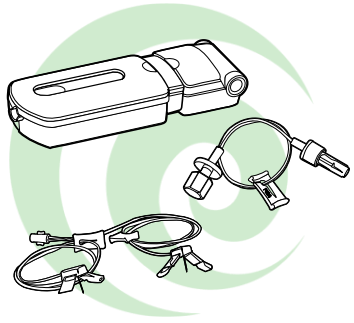
**Leverage Commercial Excellence and Pharmaceutical Partnership to Propel Growth**

**Accelerating Core Growth to +19% CAGR - \$45-\$50M Revenue by 2026**

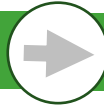
# KORU Freedom System Offers ...

**Proven Platform + Speed to Clinic + Commercial Market Access = Assured Delivery Success**

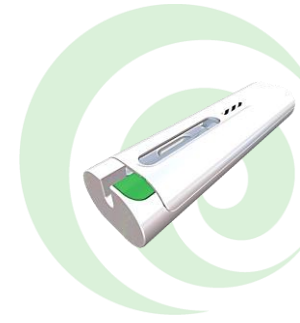
## Marketed Today



- 1 Fast Delivery – 10 mL/min**
- 2 Broad patient compliance**
- 3 Simple, low cost, sustainable**
- 4 Clinic ready and scalable**



## Next Generation



- + Reduced size**
- + Improved convenience**
- + Increased comfort**
- + Electronic dose tracking**

**Commercial Access**



**Approved & marketed in 35 countries**



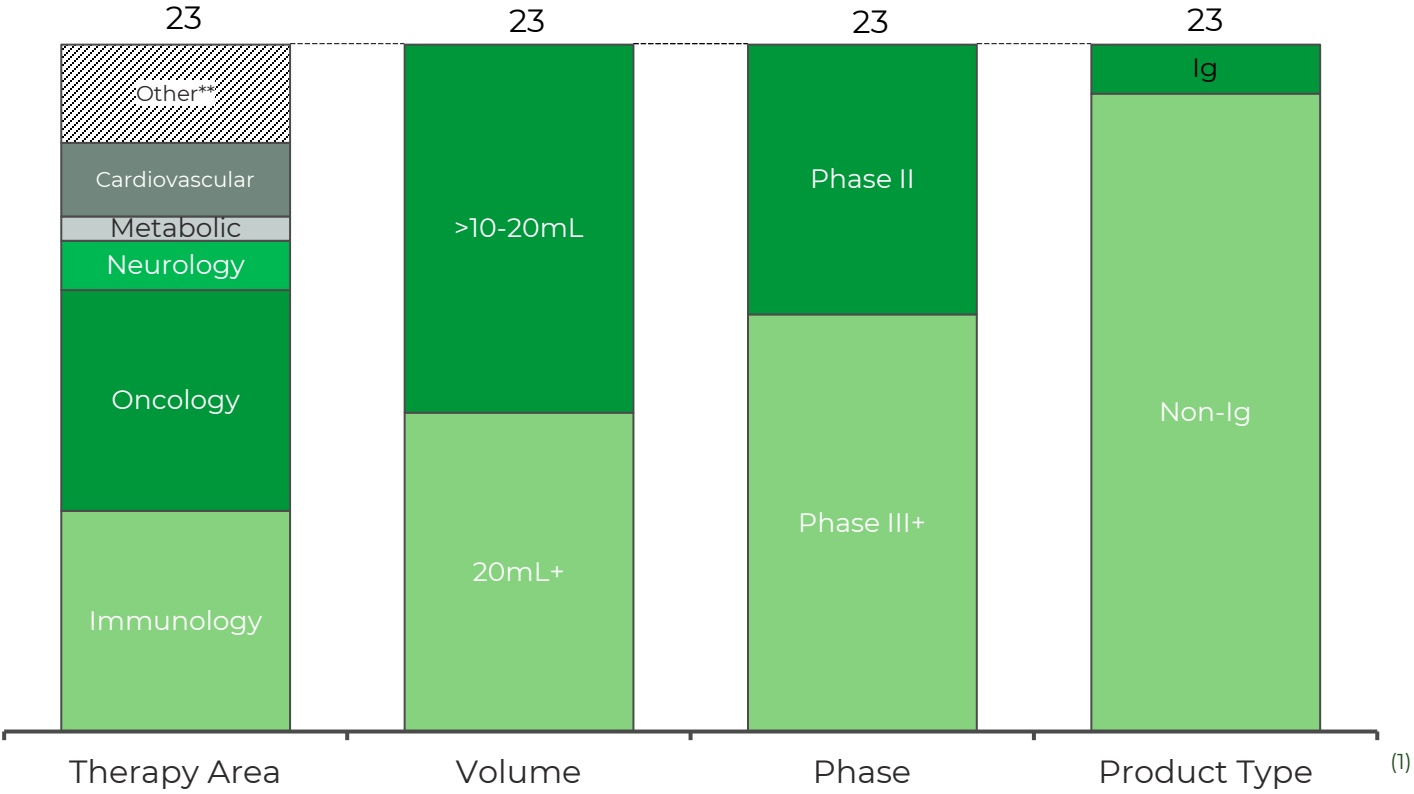
**Separate reimbursement**  
Medicare ~\$35/tx<sup>1</sup>



**Established channel with thousands of trained nurses**

# Substantial growth opportunities >10mL that KORU is well-positioned to serve

## >10 mL Pipeline Subcutaneous Drugs (2023)



**>60%**  
In late clinical development (phase III) with potential to drive near-term revenues

A **substantial majority** of the 10mL+ pipeline assets **are non-Ig** and offer further commercial opportunity

Notes: \* Excludes unspecified and <10mL assets, max dosing volume used in analysis, for assets in earlier developmental phase (phase 2 or early phase 3) with unspecified or undisclosed dosing volume, max dosing volume of approved assets with same indication and/or drug class was used as estimation; \*\* Other includes anesthesia infiltration and genitourinary





# Novel Therapies Current Collaborations

**15 Total Collaborations** | +1/-1 in Q3 2023

**18 Open Opportunities** | +3 in Q3 2023

**\$2.5B TAM<sup>(1)</sup> | 2M<sup>(2)</sup> Global Patient Population**

Expanded Indications to Current Label (lg)	Patient Population (000's)	Phase I	Phase II	Phase III	Launch Date
Immunology /Neurology	630	[Progress bar]			2024
		[Progress bar]			2026
		[Progress bar]			2026
		[Progress bar]			2024
		[Progress bar]			2024-2025
		[Progress bar]			2027
Immunology (New Pump Innovation)		[Progress bar]			2025

New Therapy Areas	Patient Population (000's)	Phase I	Phase II	Phase III	Launch Date
 	15	[Progress bar]			Launched
Nephrology	2	[Progress bar]			2025
Endocrinology	10	[Progress bar]			2026/27
Hematology	133	[Progress bar]			2027
Respiratory	239	[Progress bar]			2028
Gastroenterology	393	[Progress bar]			5+ years
Nephrology	540	[Progress bar]			5+ years
Nephrology	2	[Progress bar]			5+ years
<b>Total</b>	<b>1,964</b>				



1.TAM based on patient population, expected treatment frequency. Not adjusted for clinical risk. 2. Global patient population includes all collaborations, including core SCiG market 3.Launch dates are based on most recent estimation and are subject to change

# Strong Recurring Revenue in Core Business, Future Growth Opportunities Through Novel Therapies

1-3 Years to Launch	3+ Years to Launch	5+ Years to Launch
<b>5 collaborations</b>	<b>6 collaborations</b>	<b>3 collaborations</b>
<i>4 Immunology / Neurology (SClg)</i>	<i>3 Immunology (SClg)</i>	<i>1 Gastroenterology</i>
<i>1 Nephrology</i>	<i>1 Hematology</i>	<i>2 Nephrology</i>
<i>1 Respiratory</i>		
<i>1 Endocrinology</i>		
<b>Revenue drivers 2023-2025</b>	<b>Revenue drivers 2026-2028</b>	<b>Revenue drivers 2029+</b>

**~\$80M<sub>(1)</sub>**  
Total commercialization revenue opportunity from current collaborations by 2031

**~\$250M<sub>(1)</sub>**  
Total commercialization revenue opportunity from current collaborations at peak year

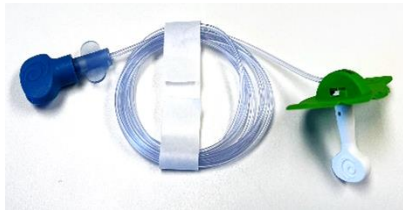
# Our Pipeline of Product Solutions Supports Our Objectives ... Increased Market Penetration, Share Gain and Accelerated Growth



**SClg**



**50mL PFS on-label**



**Best-in-class infusion set**



**Ig Pump**

**Novel Therapies**



**Customized best-in-class infusion set**

**NT Pump**



**Needle Inserter**

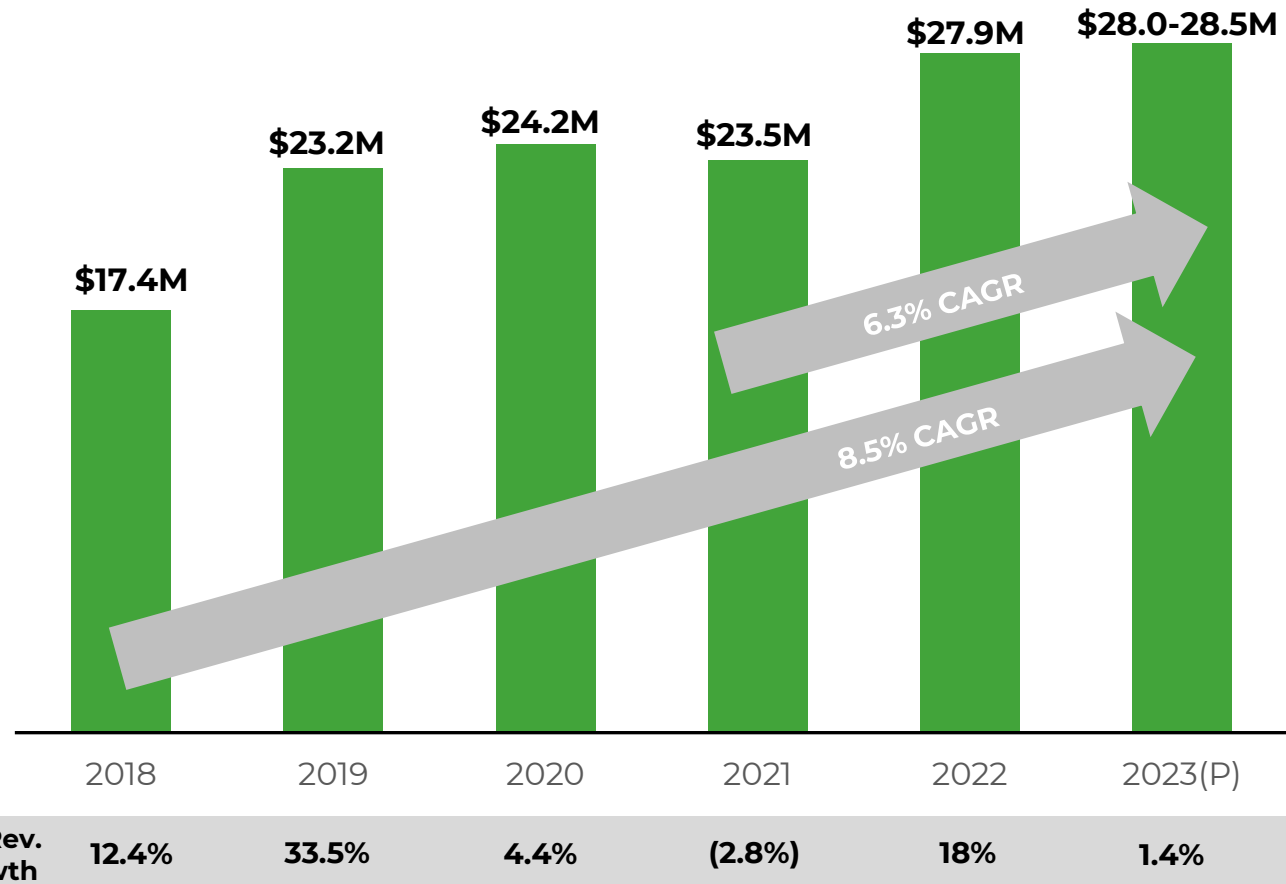


**Connectivity**



# History of Strong Revenue Growth

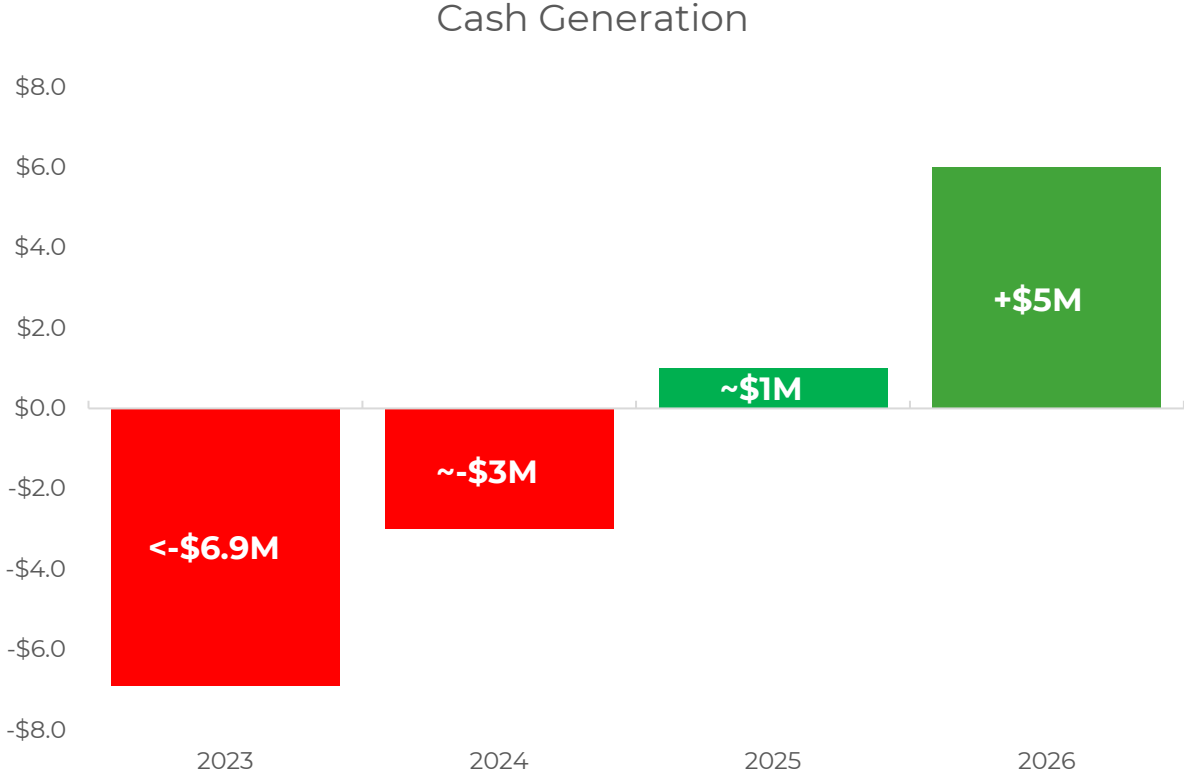
Annual Total Revenue  
(FYE) December; in Millions



	3Q23	3Q22
<b>Revenue</b>	\$7.0M	\$7.8M
<b>Gross Margin</b>	62.0%	55.7%
<b>OpEx</b>	\$6.1M	\$5.9M
<b>Net Income</b>	(\$1.4)	(\$1.2)
<b>EPS</b>	(0.03)	(0.03)
<b>Ending Cash Balance</b>	\$10.7M	\$17.4M

Covid Impact

# Positive Cash Flow Outlook



End of year cash balance guidance of \$10.5M+

## Investments Paving the Way for Future Growth, Positive Cash Flow and EBITDA

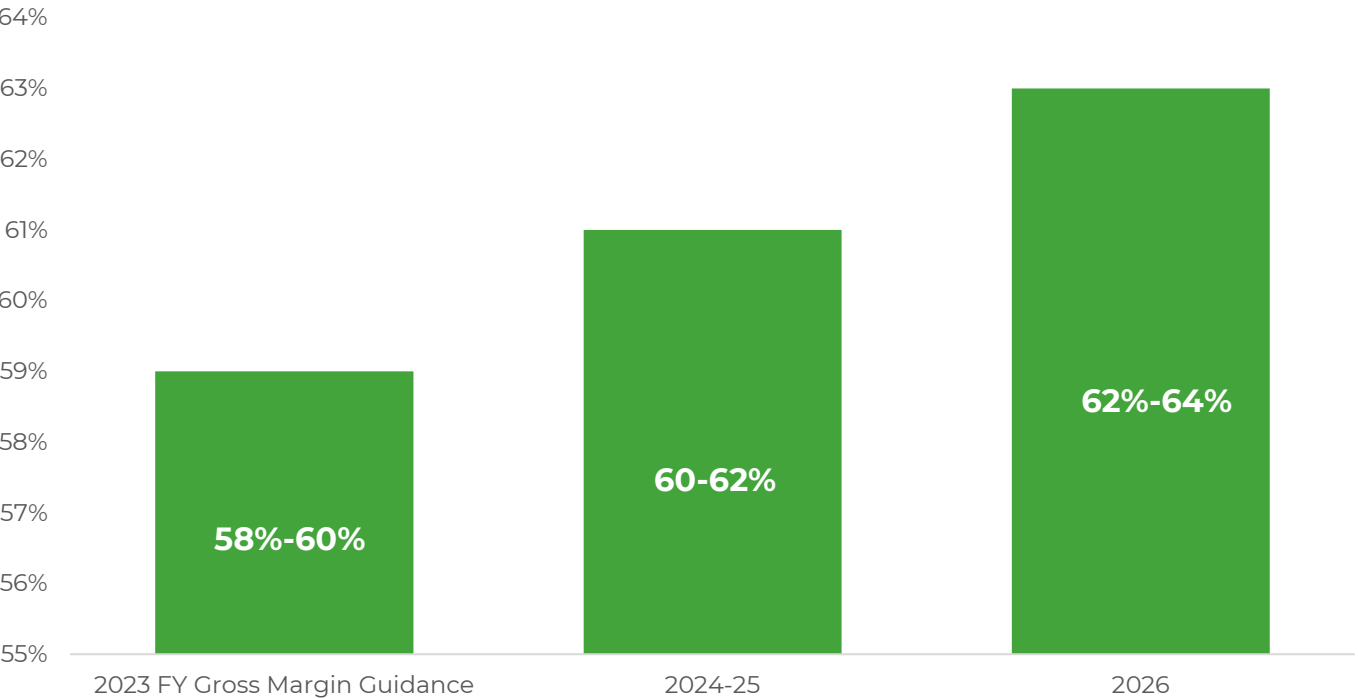
Cash flow break even in Q4 2024

Revenue growth & gross margin expansion

Targeted operating expenses and working capital improvements

Targeting EBITDA margin 10%+ in 2026

# Improved Gross Margin Profile



## Continuous Margin Improvement

Manufacturing footprint – outsourcing initiatives

NRE improvements from R&D insourcing

Productivity and efficiency gains

New products with improved ASPs

# Steady Progress Towards Vision 2026

<b>+20%</b> Revenue CAGR	➔	<b>10% Revenue CAGR through 2023 (19% in 2022)</b>
<b>5</b> Phase III Trials	➔	<b>2 in progress</b>
<b>1</b> commercialized NT drug indication	➔	<b>1 in 2022, 2-5 potential by 2026</b>
<b>8</b> New products/drug indications	➔	<b>4 completed</b>
<b>\$1.3B</b> TAM	➔	Current Outlook <b>\$2.5B</b>

**\$60M**  
Revenue by 2026

**\$200M**  
Revenue by 2031

# Experienced Pharma and Medtech Leaders Focused on Execution



**LINDA THARBY**  
Chief Executive Officer &  
President



**TOM ADAMS**  
Chief Financial Officer



**KEN MILLER**  
Chief Commercial  
Officer



**BRIAN CASE**  
Chief Technology  
Officer



**CHRIS PAZDAN**  
Senior Vice President of  
Operations



**BRENT RUTLAND**  
Vice President of Medical  
Affairs



**BRIAN HERZOG**  
Vice President of  
Biopharma Business  
Development

**Baxter**



**MCKESSON**





# Investment Highlights

- 1 Significant macro tailwinds towards healthcare in the home**
- 2 Accelerating growth in profitable core business**
- 3 Expanding our market with Novel Therapies**
- 4 Differentiated product portfolio**
- 5 Pathway to profitability**