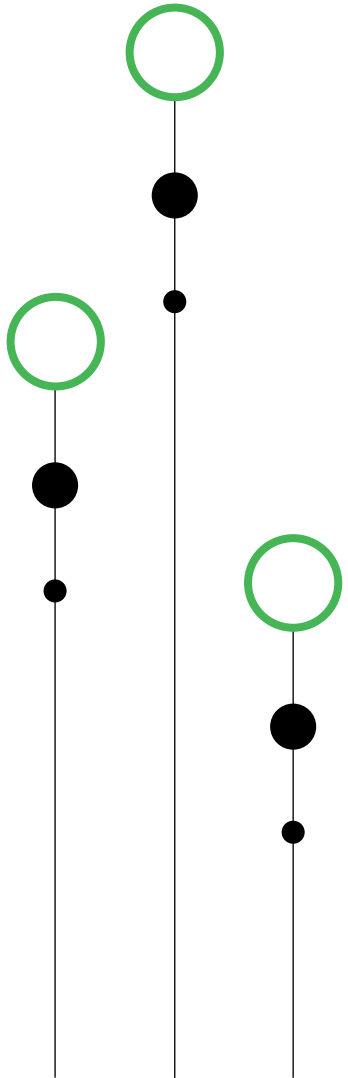
Omnicell

Investor Relations



February 8, 2024

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of federal securities laws. These forward-looking statements include statements with respect to 2024 guidance, strategic and growth opportunities, other expectations and other non-historical information. Without limiting the foregoing, statements including the words "expect," "intend," "may," "will," "should," "would," "could," "plan," "potential," "anticipate," "believe," "forecast," "guidance," "outlook," "goals," "target," "estimate," "seek," "predict," "project," and similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to the occurrence of many events outside Omnicell's control and are subject to various risks and uncertainties, including those described below. Among other things, there can be no assurance that Omnicell's actual results will not differ, perhaps substantially, from the targets and expectations contained in this presentation.

Such statements also include, but are not limited to, Omnicell's projected bookings, revenues, including product, service, technical services and Advanced Services revenues, respectively, non-GAAP EBITDA, and non-GAAP earnings per share; planned and existing products and services and the related expected benefits; and statements about Omnicell's strategy, objectives, promise and purpose, including its corporate responsibility (innovation, environment, social and governance) goals and strategies, transitioning to selling more products and services on a subscription basis, and growth opportunities. Actual results and other events may differ significantly from those contemplated by forward-looking statements due to numerous factors that involve substantial known and unknown risks and uncertainties. These risks and uncertainties include, among other things, (i) unfavorable general economic and market conditions, including the impact and duration of inflationary pressures, (ii) Omnicell's ability to take advantage of growth opportunities and develop and commercialize new solutions and enhance existing solutions, (iii) reduction in demand in the capital equipment market or reduction in the demand for or adoption of our solutions, systems, or services, (iv) delays in installations of our medication management solutions or our more complex medication packaging systems, (v) risks related to Omnicell's investments in new business strategies or initiatives, including its transition to selling more products and services on a subscription basis, and its ability to acquire companies, businesses, or technologies and successfully integrate such acquisitions, (vi) ability to realize the benefits of our expense containment initiatives, (vii) restructuring may take longer than expected, costs may be greater than anticipated or that the savings may be less than anticipated; (viii) the Company's efforts may have an adverse impact on the Company's internal programs, and Omnicell's ability to recruit and retain skilled and motivated personnel and may be distracting to management, (ix) risks related to failing to maintain expected service levels when providing our Advanced Services or retaining our Advanced Services customers, (x) Omnicell's ability to meet the demands of, or maintain relationships with, its institutional, retail, and specialty pharmacy customers, (xi) risks related to climate change, legal, regulatory or market measures to address climate change and related emphasis on ESG matters by various stakeholders, (xii) changes to the 340B Program, (xiii) Omnicell's substantial debt, which could impair its financial flexibility and access to capital, (xiv) covenants in our credit agreement could restrict our business and operations, (xv) continued and increased competition from current and future competitors in the medication management automation solutions market and the medication adherence solutions market, (xvi) risks presented by government regulations, legislative changes, fraud and anti-kickback statues, products liability claims, the outcome of legal proceedings, and other legal obligations related to healthcare, privacy, data protection, and information security, including any potential governmental investigations and enforcement actions, litigation, fines and penalties, exposure to indemnification obligations or other liabilities, and adverse publicity as a result of the previously disclosed ransomware incident, (xvii) any disruption in Omnicell's information technology systems and breaches of data security or cyber-attacks on its systems or solutions, including the previously disclosed ransomware incident and any potential adverse legal, reputational, and financial effects that may result from it and/or additional cybersecurity incidents, as well as the effectiveness of business continuity plans during any future cybersecurity incidents, (xviii) risks associated with operating in foreign countries, (xix) Omnicell's ability to recruit and retain skilled and motivated personnel, (xx) Omnicell's ability to protect its intellectual property, (xxi) risks related to the availability and sources of raw materials and components or price fluctuations, shortages, or interruptions of supply, (xxii) Omnicell's dependence on a limited number of suppliers for certain components, equipment, and raw materials, as well as technologies provided by third-party vendors, (xxiii) fluctuations in quarterly and annual operating results may make our future operating results difficult to predict, (xxiv) failing to meet (or significantly exceeding) our publicly announced financial guidance, and (xxv) other risks and uncertainties further described in the "Risk Factors" section of Omnicell's most recent Annual Report on Form 10-K, as well as in Omnicell's other reports filed with or furnished to the United States Securities and Exchange Commission ("SEC"), available at www.sec.gov. Forward-looking statements should be considered in light of these risks and uncertainties. Investors and others are cautioned not to place undue reliance on forward-looking statements. All forward-looking statements contained in this presentation speak only as of the date of this presentation. Omnicell assumes no obligation to update any such statements publicly, or to update the reasons actual results could differ materially from those expressed or implied in any forward-looking statements, whether as a result of changed circumstances, new information, future events, or otherwise, except as required by law.

Non-GAAP Financial Information

This presentation contains financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"), including Q4-2023 non-GAAP gross margin, non-GAAP operating expense, non-GAAP EBITDA, and non-GAAP earnings per share, 2017 and Q4-2023 liquidity and 2017 and Q4-2023 net debt/EBITDA, guidance with respect to 2024 non-GAAP EBITDA and non-GAAP earnings per share. Reconciliations of the 2017 and Q4-2023 non-GAAP financial measures to the most directly comparable GAAP measures are included in the Appendix to this presentation. Our 2024 guidance for non-GAAP EBITDA and non-GAAP earnings per share, exclude certain items, which include, but are not limited to, unusual gains and losses, costs associated with future restructurings, acquisition-related expenses, and certain tax and litigation outcomes. These excluded items may be significant. We do not provide a reconciliation of forward-looking non-GAAP guidance or targets to the comparable GAAP measures as these items are inherently uncertain and difficult to estimate and cannot be predicted without unreasonable effort. We believe such a reconciliation would imply a degree of precision that could be confusing or misleading to investors. These items may also have a material impact on GAAP earnings per share and GAAP net income in future periods. As such, these forward-looking non-GAAP financial measures are limited in their utility for evaluating our future operating results in accordance with GAAP.

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Our Promise

Outcomes. Defined and Delivered.



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Our Purpose

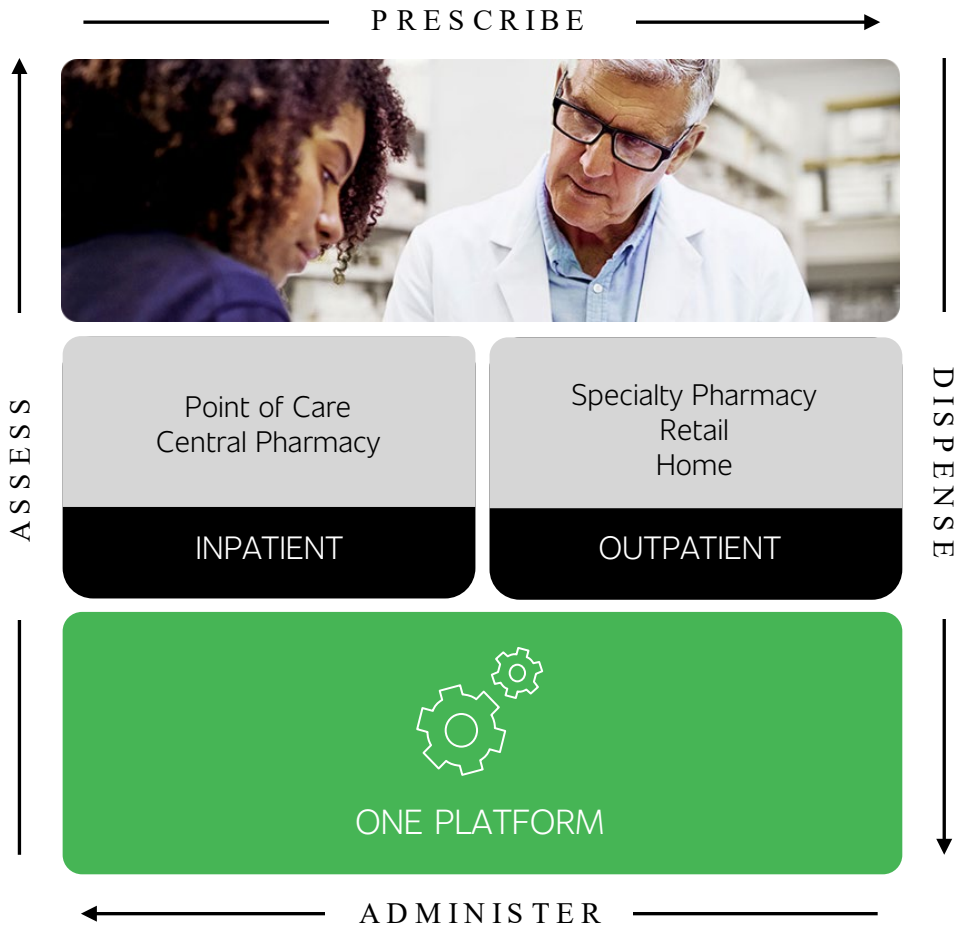
To be the healthcare providers' most trusted partner to enable the Autonomous Pharmacy transformation



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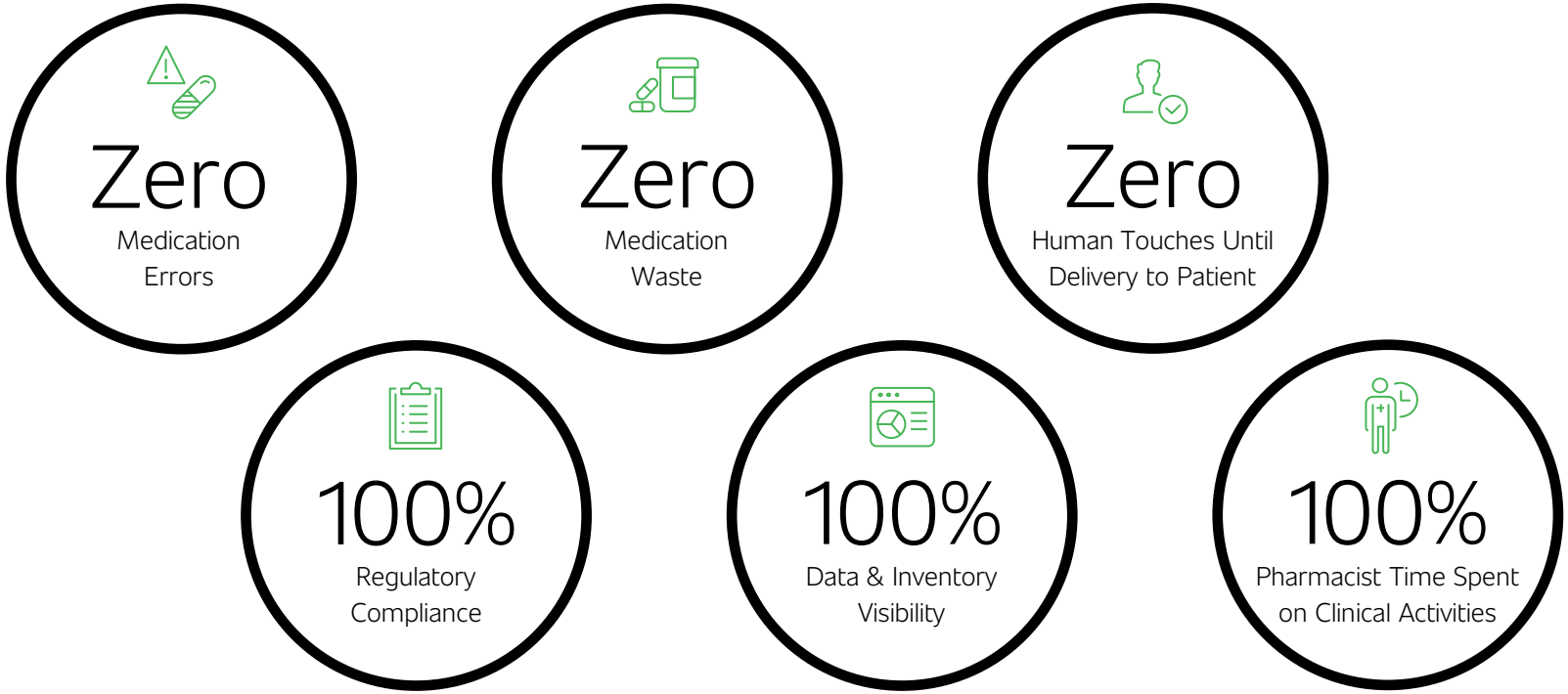
Our Strategy

Omnicell is transforming pharmacy care through outcomes-centric innovation combining robotics, smart devices, intelligent software, and expert services designed to optimize clinical and business outcomes across all settings of care.



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What is the Industry Vision of the Autonomous Pharmacy?



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The Industry Vision of the Autonomous Pharmacy

Replacing manual, error-prone activities with automated processes that are designed to be safer and more efficient.

- Formation of a collaborative Advisory Board
- 20 key opinion leaders from US
- Published in the American Journal of Health System Pharmacists
- Is becoming a standard reference to define the future



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Transforming Medication Management Across All Settings of Care







Robotics
Technology designed to automate manual tasks to enhance safety and optimize labor.

Smart Devices
Streamlining workflows expected to achieve pharmacy and nursing efficiency, putting focus back on care.

Software
Connected intelligence intended to drive data-driven performance optimization.

Services
Onsite and remote experts dedicated to optimizing your technology in an effort to deliver outcomes.

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Revenue Growth Drivers

Deep Customer Relationships & Robust Backlog

- Strong position within the top 300 U.S. health systems
- Robust backlog of $1.143 Billion as of 12/31/2023

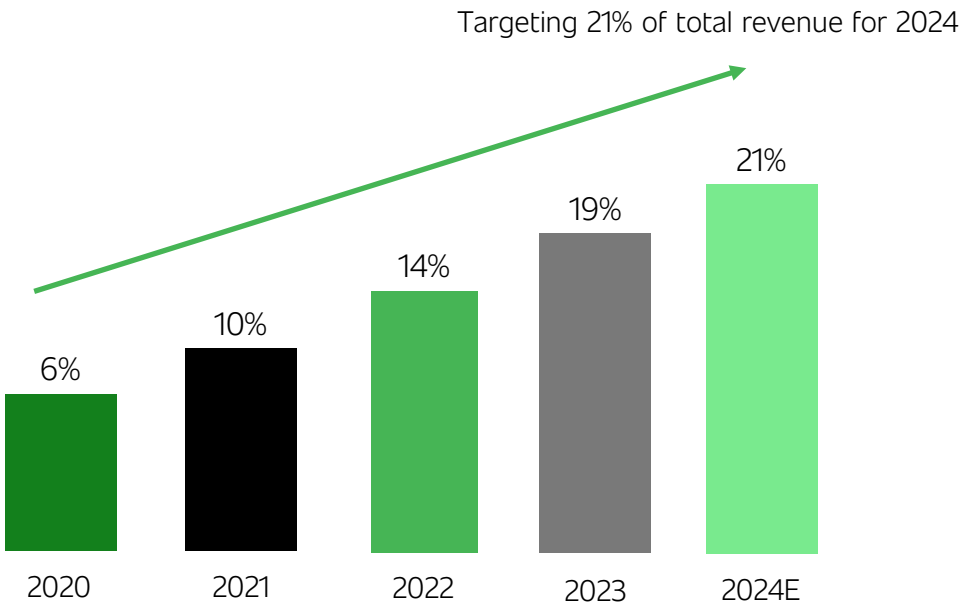
Multiple Growth Drivers

- Customers increasingly turning to Omnicell for our platform-based approach to medication management
- Expansion opportunities within existing customer base
- Advanced Services expand our Total Addressable Market (TAM)
- Continued opportunities for competitive conversions

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Advanced Services Accelerating Recurring Revenue Growth

Advanced Services
(% of Total Revenue)



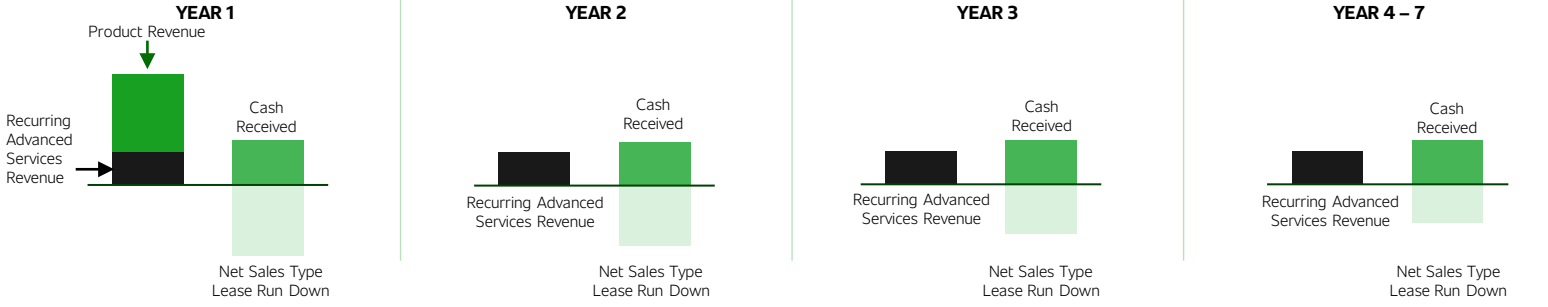
- Leveraging established channels and strong customer relationships
- Demand driven by increasing provider digitization and need to evolve medication supply chain
- Omnicell's cloud-based services designed to enable better outcomes
- Subscription-based, recurring revenue streams
- Advanced Services expand our TAM

NOTE: Includes Central Pharmacy Dispensing Service (service portion), IV Compounding Service (service portion), EnlivenHealth solutions, Specialty Pharmacy Services, 340B solutions, Inventory Optimization Service, and other software solutions.

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Advanced Services Business Model: Customer Example

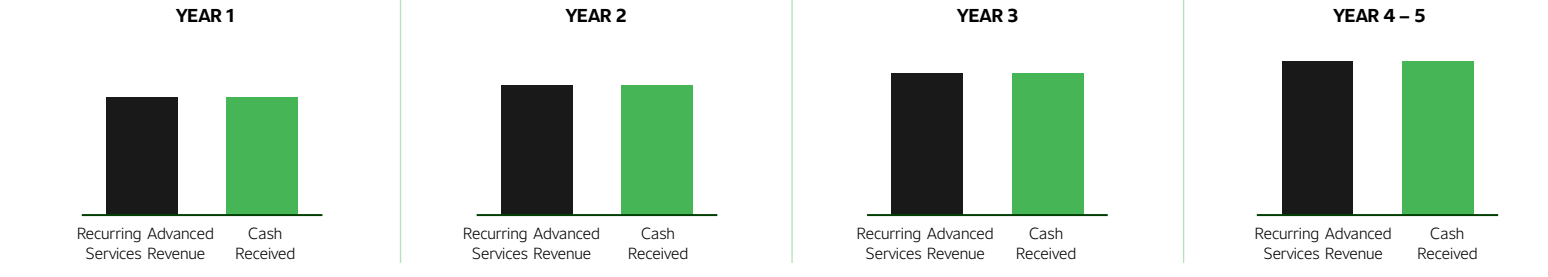
Tech-Enabled Services Model (IVCS and CPDS)



End of year 7

Net sales type lease balance: $0

SaaS and Software Subscriptions Model

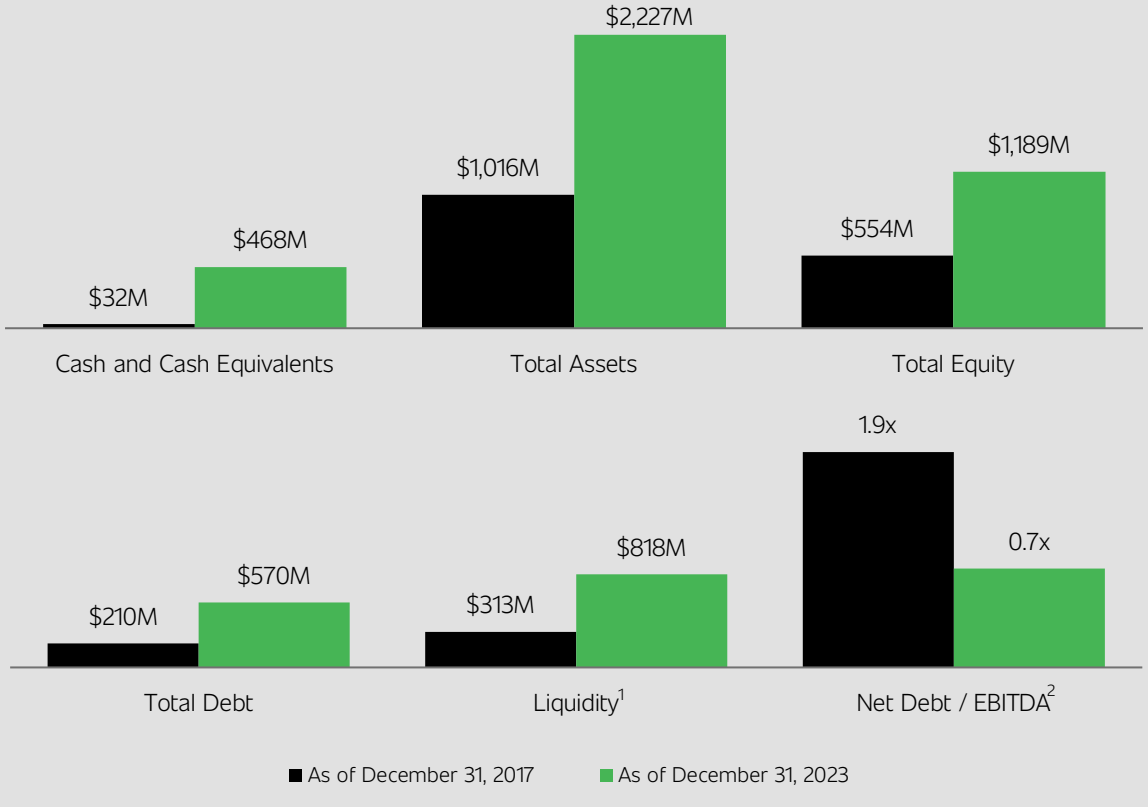


Transition to Advanced Services business model anticipated to provide: 1) Increased value to customers 2) Higher revenue versus previous model and 3) Highly visible, recurring revenue & cash flow

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Strong Balance Sheet

- As Omnicell reinvests in the transformation to Advanced Services, Free Cash Flow is expected to slow
- Liquidity and capital structure support growth strategy



1. Liquidity = Revolver Availability ($350M) + Cash and Cash Equivalents ($468M); As of October 10, 2023, the Company entered into a Second Amended and Restated Credit Agreement under which $350M of funds are available. The amount of Revolver Availability is dependent on financial covenants.
2. Net Debt / EBITDA = (Total Debt - Cash and Cash Equivalents) / Trailing Twelve Month Non-GAAP EBITDA

DISCLAIMER: See Appendix for a reconciliation of 2017 and Q4-2023 Net Debt / EBITDA and 2017 and Q4-2023 Liquidity to their most directly comparable GAAP financial measures.

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Backlog[1] ($Million)

By type:	As of December 31, 2023	As of December 31, 2022
Product Backlog	$611	$797
Advanced Services Backlog[2]	$532	$418
Total Backlog	**$1,143**	**$1,215**

By duration and type:	As of December 31, 2023	As of December 31, 2022
Short-Term Product Backlog	$378	$503
Long-Term Product Backlog	$233	$294
Short-Term Advanced Services Backlog[2]	$72	$49
Long-Term Advanced Services Backlog[2]	$460	$369
Total Backlog	**$1,143**	**$1,215**

1. Backlog is the dollar amount of bookings that have not yet been recognized as revenue. We consider backlog that is expected to be converted to revenues in more than twelve months to be long-term backlog. We believe a majority of long-term product backlog will be convertible into revenues in 12-24 months. Long-term Advanced Services backlog typically represents multi-year subscription agreements (usually with contractual terms of 2-7 years, some of which have not yet been implemented) that will be converted to revenue over the contractual term.
2. Includes only the value of Advanced Services non-cancelable contracts with minimum commitments.

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Total Year Revenue Composition

GAAP ($Million)	Recurring vs Non Recurring	Category	Actual TY-2022	Year over Year (YoY) Change %	Actual TY-2023	YoY Change %	Guidance TY-2024	YoY Change % (Mid-Point)
Connected Devices, Software Licenses, & Other[1]	Non Recurring	Product	$828	12%	$623	-25%	$605-$650	-11%
Consumables	Recurring	Product	$75	3%	$85	13%		
Technical Services	Recurring	Service	$207	0%	$226	9%	$220-$235	1%
Advanced Services[2]	Recurring	Service	$186	65%	$213	14%	$220-$235	7%
Total Revenue			**$1,296**	**14%**	**$1,147**	**-11%**	**$1,045-$1,120**	**-6%**
Advanced Services % of Total Revenue			**14%**		**19%**		**21%**	
Recurring % of Total Revenue			**36%**		**46%**			

1. Connected Devices, Software Licenses, and other include, but are not limited to, XT Series automated dispensing systems and products related to Central Pharmacy Dispensing Service and IV Compounding Service.
2. Includes Central Pharmacy Dispensing Service (service portion), IV Compounding Service (service portion), EnlivenHealth solutions, Specialty Pharmacy Services, 340B solutions, Inventory Optimization Service, and other software solutions.

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Financial Snapshot

Q4-2023	Results	YoY Change %
Total Revenues	$259 Million	-13%
Non-GAAP Gross Margin %	43.6%	-170bps
Non-GAAP Operating Expenses	$103 Million	-17%
Non-GAAP EBITDA	$24 Million	-8%
Non-GAAP Diluted Earnings Per Share	$0.33	0%

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See Appendix for a reconciliation of Q4-2023 Non-GAAP Gross Margin, Q4-2023 Non-GAAP Operating Expenses, Q4-2023 Non-GAAP EBITDA and Q4-2023 Non-GAAP Diluted Earnings Per Share to their most directly comparable GAAP financial measures.

2024 Guidance

	Q1-2024	TY-2024
Bookings[1]	Not guided	$750 Million -$875 Million
Total Revenues	$232-$242 Million	$1.045-$1.120 Billion
Product Revenues	$128-$133 Million	$605-$650 Million
Service Revenues	$104-$109 Million	$440-$470 Million
Technical Services Revenues	Not guided	$220-$235 Million
Advanced Services Revenues	Not guided	$220-$235 Million
Non-GAAP EBITDA	($2)-$4 Million	$90-$120 Million
Non-GAAP EPS	($0.10)-$0.00	$0.90-$1.40

We do not provide a reconciliation of forward-looking non-GAAP guidance to the comparable GAAP measures as these items are inherently uncertain and difficult to estimate and cannot be predicted without unreasonable effort.

1. We define bookings generally as: (i) the value of non-cancelable contracts for our connected devices, software products, and Advanced Services (although, for those Advanced Services contracts without a minimum commitment, bookings only includes the amount of revenue that has been recognized once the services have been provided); and (ii) for our consumables, the value of orders placed through our Omnicell Storefront online platform or through written or telephonic orders. We typically exclude technical services and other less significant items ancillary to our products and services, such as freight revenue from bookings.

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Long-Term Value Creation Opportunities

- Leadership position in the digital transformation of healthcare
- Emerging and scaling of Advanced Services offerings
- Platform adoption, expansion, market share gains, and upgrade cycles supporting growth
- Strong balance sheet should enable transformation to new business model

A Better Way: Our Environment, Social, Governance, and Innovation Strategy

Four Pillars of Our Strategy

Environment
Innovating for Energy Efficiency
Actively contribute to realize 1.5° Celsius future by 2030

Governance
Doing the Right Thing
Identify, prevent, and mitigate risk to Omnicell to create, preserve, and realize value

Social
Every Voice Counts
Create a culture of inclusivity, engagement, and well-being to be an employer of choice

Innovation
Accelerating for Perfection
Design and deliver our products to minimize our environmental footprint while maximizing patient outcomes



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A Better Way: Our Approach to ESG

Our Approach

- Omnicell uses a risk-based approach designed to strategically align our ESG goals and targets to address the risks we believe are most material to our organization
- In 2021, Omnicell identified 11 material topic areas that our internal and external stakeholders indicated are strategic or paramount to our business, and developed strategic goals and targets in response
- In 2022, we executed on strategic short-term actions and honed our strategy, making marked progress towards our targets and long-term goals
- Looking forward, we plan to continue reviewing these material topic areas to reflect the changing business and ESG&I landscape

Significance of Our Approach

- **Create a Competitive Advantage:** We believe our robust ESG program is a credible, authentic "differentiator" from our competition
- **Prepare Omnicell for Upcoming Regulation:** As the regulatory landscape shifts toward mandatory reporting and disclosure, measuring ESG progress should help prepare Omnicell to be compliant with future requirements
- **Enhance Resiliency with Relevant Goals & Targets:** Year over year improvement towards our strategically-aligned public goals and targets is expected to increase Omnicell's adaptability and resilience



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A Better Way: ESG in Action

Environment

- Decreased Scope 1 and 2 emissions in 2022 by 17% from 2021
- Conducted a Climate Risk Assessment to identify top risks to domestic operations and sites
- Implemented reusable foam inserts for XT cabinet drawer service shipments, reducing our foam packaging waste for single-deep drawers by 76% in 2022

Social

- Finalized creation of four Employee Resource Groups and established a Global Culture Committee
- Launched a charitable efforts platform, corporate matching program for employee donations, and paid Volunteer Time Off program intended to maximize social impact
- Introduced new talent development programs and enhanced performance reviews and employee feedback mechanisms

Governance

- Recent Board refreshment with 6 new Directors added since 2019
- Regularly evaluate Board composition
- Lead Independent Director with clear responsibilities
- Advancing our information security zero trust journey

Innovation

- Working to formalize a charitable product donation program by 2024
- Earned a 2022 Retail Excellence (REX) Award in the Technology and Automation category for EnlivenHealth from Drug Store News
- Exploring opportunities to incorporate innovative processes and materials – such as recycled materials – and reducing material waste in our product design

2022 ESG Report

Published third annual ESG Report in April 2023

90%

of Board is independent

50%

of Board are women or racially or ethnically diverse



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We Expect that Omnicell is Positioned to Win Based on Our Belief that:

Omnicell has the **right solutions and the right business model** to solve the medication management problem that the healthcare system is facing

Omnicell is positioned as the **leading strategic partner** to health systems in large and growing market segments

Omnicell is scaling Advanced Services to capitalize on the many growth opportunities ahead — with Advanced Services growth continuing to **drive recurring revenue growth**

With a track record of strong financial performance and disciplined execution, Omnicell is **poised to drive profitable growth**

Executing on our vision to deliver outcomes-centric innovation to advance the industry vision of the Autonomous Pharmacy

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Appendix



Omnicell, Inc.
Reconciliation of GAAP to Non-GAAP
(Unaudited, in thousands, except per share data and percentage)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	**2022**	**2023**	**2022**
Reconciliation of GAAP revenues to non-GAAP revenues:				
GAAP revenues	$258,847	$297,674	$1,147,112	$1,295,947
Acquisition accounting impact related to deferred revenues	—	40	—	903
Non-GAAP revenues	$258,847	$297,714	$1,147,112	$1,296,850
Reconciliation of GAAP gross profit to non-GAAP gross profit:				
GAAP gross profit	105,404	121,753	496,840	588,987
GAAP gross margin	*40.7%*	*40.9%*	*43.3%*	*45.4%*
Share-based compensation expense	1,799	2,460	8,288	9,067
Amortization of acquired intangibles	2,607	3,115	11,165	13,204
Acquisition accounting impact related to deferred revenues	—	40	—	903
Ransomware-related expenses, net of insurance recoveries	—	—	—	317
Severance-related expenses, net of reversals	2,987	7,418	3,089	8,018
Non-GAAP gross profit	112,797	134,786	519,382	620,496
Non-GAAP gross margin	*43.6%*	*45.3%*	*45.3%*	*47.8%*
Reconciliation of GAAP operating expenses to non-GAAP operating expenses:				
GAAP operating expenses	128,769	160,110	531,708	591,310
GAAP operating expenses % to total revenues	*49.7%*	*53.8%*	*46.4%*	*45.6%*
Share-based compensation expense	(10,388)	(15,056)	(47,012)	(59,180)
Amortization of acquired intangibles	(5,007)	(5,319)	(20,409)	(21,873)
Acquisition-related expenses	(244)	(246)	(982)	(2,155)
Impairment and abandonment of operating lease right-of-use and other assets related to facilities [(a)]	(1,587)	(3,992)	(10,007)	(9,382)
Impairment of certain long-lived assets	(1,610)	—	(1,610)	—
Ransomware-related expenses, net of insurance recoveries	624	(73)	808	(2,157)
Executive transition costs	—	—	(2,189)	—
Severance-related, net of reversals, and other expenses [(b)]	(7,098)	(11,364)	(12,450)	(16,785)
Non-GAAP operating expenses	103,459	124,060	437,857	479,778
Non-GAAP operating expenses as a % of total non-GAAP revenues	*40.0%*	*41.7%*	*38.2%*	*37.0%*

(a) For the year ended December 31, 2023, impairment charges of other assets were approximately $0.6 million related to property and equipment in connection with restructuring activities for optimization of certain leased facilities.

(b) For the three months and year ended December 31, 2022, other expenses included approximately $1.3 million and $2.0 million of certain litigation costs, respectively.

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Omnicell, Inc.
Reconciliation of GAAP to Non-GAAP
(Unaudited, in thousands, except per share data and percentage)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	**2022**	**2023**	**2022**
Reconciliation of GAAP loss from operations to non-GAAP income from operations:				
GAAP loss from operations	($23,365)	($38,357)	($34,868)	($2,323)
GAAP operating loss % to total revenues	*-9.0%*	*-12.9%*	*-3.0%*	*-0.2%*
Share-based compensation expense	12,187	17,516	55,300	68,247
Amortization of acquired intangibles	7,614	8,434	31,574	35,077
Acquisition accounting impact related to deferred revenues	—	40	—	903
Acquisition-related expenses	244	246	982	2,155
Impairment and abandonment of operating lease right-of-use and other assets related to facilities[(a)]	1,587	3,992	10,007	9,382
Impairment of certain long-lived assets	1,610	—	1,610	—
Ransomware-related expenses, net of insurance recoveries	(624)	73	(808)	2,474
Executive transition costs	—	—	2,189	—
Severance-related, net of reversals, and other expenses [(b)]	10,085	18,782	15,539	24,803
Non-GAAP income from operations	$9,338	$10,726	$81,525	$140,718
Non-GAAP operating margin (non-GAAP operating income as a % of total non-GAAP revenues)	*3.6%*	*3.6%*	*7.1%*	*10.9%*
Reconciliation of GAAP net income (loss) to non-GAAP net income:				
GAAP net income (loss)	(14,375)	(28,408)	(20,371)	5,648
Share-based compensation expense	12,187	17,516	55,300	68,247
Amortization of acquired intangibles	7,614	8,434	31,574	35,077
Acquisition accounting impact related to deferred revenues	—	40	—	903
Acquisition-related expenses	244	246	982	2,155
Impairment and abandonment of operating lease right-of-use and other assets related to facilities[(a)]	1,587	3,992	10,007	9,382
Impairment of certain long-lived assets	1,610	—	1,610	—
Ransomware-related expenses, net of insurance recoveries	(624)	73	(808)	2,474
Executive transition costs	—	—	2,189	—
Severance-related, net of reversals, and other expenses [(b)]	10,085	18,782	15,539	24,803
Amortization of debt issuance costs	1,258	1,043	4,397	4,164
Tax effect of the adjustments above [(c)]	(4,573)	(6,848)	(13,754)	(16,582)
Non-GAAP net income	15,013	14,870	86,665	136,271

(a) For the year ended December 31, 2023, impairment charges of other assets were approximately $0.6 million related to property and equipment in connection with restructuring activities for optimization of certain leased facilities.

(b) For the three months and year ended December 31, 2022, other expenses included approximately $1.3 million and $2.0 million of certain litigation costs, respectively.

(c) Tax effects calculated for all adjustments except share-based compensation expense, using an estimated annual effective tax rate of 21% for both fiscal years 2023 and 2022.

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Omnicell, Inc.
Reconciliation of GAAP to Non-GAAP
(Unaudited, in thousands, except per share data and percentage)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Reconciliation of GAAP net income (loss) per share - diluted to non-GAAP net income per share - diluted:				
Shares - diluted GAAP	45,495	44,678	45,212	45,891
Shares - diluted non-GAAP [(d)]	45,532	44,993	45,439	45,417
GAAP net income (loss) per share - diluted	($0.32)	($0.64)	($0.45)	$0.12
Share-based compensation expense	0.26	0.39	1.22	1.51
Amortization of acquired intangibles	0.17	0.19	0.69	0.77
Acquisition accounting impact related to deferred revenues	—	0.00	—	0.02
Acquisition-related expenses	0.01	0.01	0.02	0.05
Impairment and abandonment of operating lease right-of-use and other assets related to facilities [(a)]	0.03	0.09	0.22	0.21
Impairment of certain long-lived assets	0.04	—	0.04	—
Ransomware-related expenses, net of insurance recoveries	(0.01)	0.00	(0.02)	0.05
Executive transition costs	—	—	0.05	—
Severance-related, net of reversals, and other expenses [(b)]	0.22	0.42	0.34	0.55
Amortization of debt issuance costs	0.03	0.02	0.10	0.09
Non-GAAP dilutive shares impact from convertible note hedge transaction [(d)]	—	—	—	0.00
Tax effect of the adjustments above [(c)]	(0.10)	(0.15)	(0.30)	(0.37)
Non-GAAP net income per share - diluted	$0.33	$0.33	$1.91	$3.00
Reconciliation of GAAP net income (loss) to non-GAAP EBITDA [(e)]:				
GAAP net income (loss)	(14,375)	(28,408)	(20,371)	5,648
Share-based compensation expense	12,187	17,516	55,300	68,247
Interest (income) and expense, net	(5,811)	(2,410)	(18,542)	(3,721)
Depreciation and amortization expense	21,723	22,088	87,319	86,931
Acquisition accounting impact related to deferred revenues	—	40	—	903
Acquisition-related expenses	244	246	982	2,155
Impairment and abandonment of operating lease right-of-use and other assets related to facilities [(a)]	1,587	3,992	10,007	9,382
Impairment of certain long-lived assets	1,610	—	1,610	—
Ransomware-related expenses, net of insurance recoveries	(624)	73	(808)	2,474
Executive transition costs	—	—	2,189	—
Severance-related, net of reversals, and other expenses [(b)]	10,085	18,782	15,539	24,803
Amortization of debt issuance costs	1,258	1,043	4,397	4,164
Provision for (benefit from) income taxes	(4,142)	(7,106)	263	(8,101)
Non-GAAP EBITDA	23,742	25,856	137,885	192,885
Non-GAAP EBITDA margin (non-GAAP EBITDA as a % of total non-GAAP revenues)	*9.2%*	*8.7%*	*12.0%*	*14.9%*

(a) For the year ended December 31, 2023, impairment charges of other assets were approximately $0.6 million related to property and equipment in connection with restructuring activities for optimization of certain leased facilities.

(b) For the three months and year ended December 31, 2022, other expenses included approximately $1.3 million and $2.0 million of certain litigation costs, respectively.

(c) Tax effects calculated for all adjustments except share-based compensation expense, using an estimated annual effective tax rate of 21% for both fiscal years 2023 and 2022.

(d) For the year ended December 31, 2022, non-GAAP diluted shares exclude approximately 0.5 million shares related to the impact of dilutive convertible senior notes for which the Company is economically hedged through its anti-dilutive convertible note hedge transaction.

(e) Defined as earnings before interest income and expense, taxes, depreciation, amortization, and share-based compensation, as well as excluding certain other non-GAAP adjustments.

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Omnicell, Inc.
Reconciliation of GAAP to Non-GAAP
(Unaudited, in thousands, except per share data and percentage)

	Three Months Ended December 31, 2023	Three Months Ended September 30, 2023	Three Months Ended June 30, 2023	Three Months Ended March 31, 2023	Year Ended December 31, 2017
Reconciliation of GAAP net income (loss) to non-GAAP EBITDA [(a)]:					
GAAP net income (loss)	$ (14,375)	$ 5,553	$ 3,451	$ (15,000)	$ 30,518
Share-based compensation expense	12,187	14,982	14,089	14,042	21,857
Interest (income) and expense, net	(5,811)	(5,247)	(4,410)	(3,074)	6,072
Depreciation and amortization expense	21,723	21,542	22,080	21,974	51,511
Acquisition accounting impact related to deferred revenues	-	-	-	-	1,252
Acquisition-related expenses	244	246	246	246	1,715
Impairment and abandonment of operating lease right-of-use and other assets related to facilities	1,587	-	-	8,420	-
Impairment of certain long-lived assets	1,610	-	-	-	-
Ransomware-related expenses, net of insurance recoveries	(624)	(184)	-	-	-
Executive transition costs	-	1,348	841	-	-
Severance-related, net of reversals, and other expenses	10,085	(581)	721	5,314	4,752
Amortization of debt issuance costs	1,258	1,048	1,046	1,045	-
Provision for (benefit from) income taxes	(4,142)	1,829	8,758	(6,182)	(26,006)
Non-GAAP EBITDA	$ 23,742	$ 40,536	$ 46,822	$ 26,785	$ 91,671

[(a)] Defined as earnings before interest income and expense, taxes, depreciation, amortization, and share-based compensation, as well as excluding certain other non-GAAP adjustments.

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Omnicell, Inc.
Reconciliation of GAAP to Non-GAAP
(Unaudited, in thousands, except per share data and percentage)

	Year Ended December 31, 2023
Convertible senior notes, net	$ 569,662
Cash and cash equivalents	(467,972)
Net debt	$ 101,690
Net debt/Non-GAAP EBITDA [(a)]	0.7

	Year Ended December 31, 2023
Revolver availability	$ 350,000
Cash and cash equivalents	467,972
Liquidity	$ 817,972

	Year Ended December 31, 2017
Long-term debt, current portion, net	$ 15,208
Long-term debt, net	194,917
Total debt, net	$ 210,125
Cash and cash equivalents	(32,424)
Net debt	$ 177,701
Net debt/Non-GAAP EBITDA [(a)]	1.9

	Year Ended December 31, 2017
Revolver availability	$ 280,500
Cash and cash equivalents	32,424
Liquidity	$ 312,924

[(a)] Net Debt / EBITDA = (Total Debt - Cash and Cash Equivalents) / Trailing Twelve Months Non-GAAP EBITDA

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