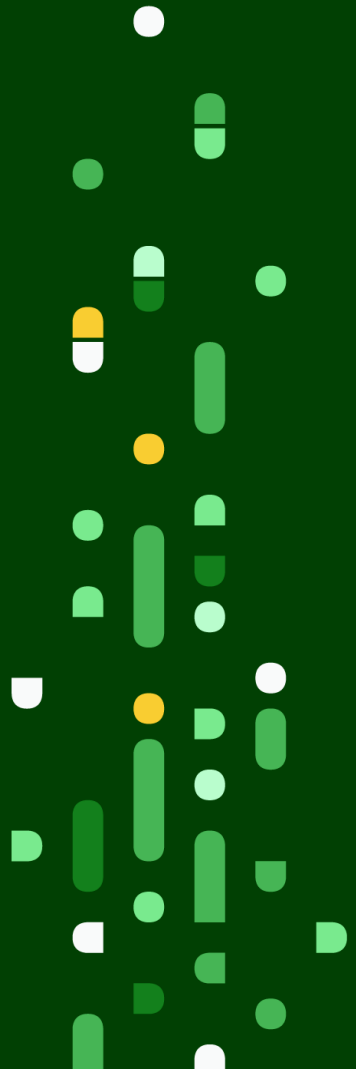
Omnicell

Investor Presentation

November 2, 2021



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 2021 guidance, 2025 targets, growth targets, other expectations and other non-historical information. Without limiting the foregoing, statements including the words, “expect,” “intend,” “will,” “plan,” “potential,” “anticipate,” “believe,” “forecast,” “guidance,” “outlook,” “goals,” “target,” “estimate,” and “projects” 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 or growth rates will not differ, perhaps substantially, from the targets and expectations contained in this presentation.

Such statements include, but are not limited to, Omnicell’s projected bookings, revenues, Non-GAAP EBITDA, Non-GAAP earnings per share, growth rates, total addressable market and margin expansion; planned new products and services and the related expected benefits; and statements about Omnicell’s strategy, objectives, and vision. 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) risks related to outbreaks of contagious diseases or other adverse public health epidemics including the ongoing COVID-19 pandemic, including the duration and any resurgences of the COVID-19 pandemic (including the emergence of new variants of the COVID-19 virus), (ii) unfavorable general economic and market conditions, including due to economic disruption caused by public health crises such as the COVID-19 pandemic, (iii) Omnicell’s ability to take advantage of the growth opportunities in medication management across all care settings, (iv) Omnicell’s ability to develop and commercialize new products and enhance existing products, (v) Omnicell’s ability to deliver on our vision of the autonomous pharmacy and the impact that advanced automation, data intelligence and expert services will have on patient care, (vi) risks to growth and acceptance of Omnicell’s products and services, including competitive conversions, and growth in the overall demand for medication management and supply chain solutions and medication adherence solutions generally, (vii) risks presented by the transition to selling more products and services on a subscription basis, (viii) risks related to the availability and sources of raw materials and components or price fluctuations, shortages, or interruptions of supply, as well as a failure for raw materials and components to satisfy our supply requirements, (ix) Omnicell’s dependence on a limited number of suppliers for certain components, equipment, and raw materials, (x) risks presented by a failure to manage inventory properly, (xi) potential increased competition, (xii) potential regulatory changes, (xiii) Omnicell’s ability to improve sales productivity to grow product bookings, (xiv) Omnicell’s ability to acquire companies, businesses or technologies and successfully integrate such acquisitions, (xv) the outcome of any legal proceedings to which Omnicell is a party, (xvi) Omnicell’s ability to recruit and retain skilled and motivated personnel, and (xvii) other risks and uncertainties described in the “Risk Factors” section of Omnicell’s most recent Annual Report on Form 10-K and subsequent quarterly reports on Form 10-Q, as well as in Omnciell’s other reports filed with or furnished to the United States Securities and Exchange Commission, 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 undertakes no obligation to update such 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 2021 non-GAAP revenues, non-GAAP EBITDA, non-GAAP earnings per share, non-GAAP operating margin and non-GAAP EBITDA margin, guidance with respect to 2021 total non-GAAP revenues, non-GAAP product revenues, non-GAAP service revenues, non-GAAP EBITDA and non-GAAP earnings per share, and targeted non-GAAP operating margin and targeted non-GAAP EBITDA margin. Reconciliations of the 2021 non-GAAP financial measures, as well as non-GAAP revenues, non-GAAP gross profit, non-GAAP gross profit margin, non-GAAP operating expenses, non-GAAP income from operations, non-GAAP net income and non-GAAP free cash flow, to the most directly comparable GAAP measures are included in the Appendix to this presentation. Our 2021 guidance for total non-GAAP revenues, non-GAAP product revenues, non-GAAP service revenues, non-GAAP EBITDA and non-GAAP earnings per share, and our non-GAAP operating margin target and non-GAAP EBITDA margin target, 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 to investors. These items may also have a material impact on GAAP earnings per share, total revenues, product revenues, and service revenues 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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Vision

The Autonomous Pharmacy will transform the pharmacy care delivery model by enabling the provider to practice at the top of their license.



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Delivering Strong Results and Building Momentum

FY 2020 Actuals

$1.002B	$892.2M	$159.4M	$2.54
Product Bookings	Total Revenue	Non-GAAP EBITDA	Non-GAAP EPS

FY 2021 Guidance*

$1.13-$1.17B	$1.129-$1.134B	$235-$238M	$3.80-$3.85
Product Bookings	Total GAAP and Non-GAAP Revenues	Non-GAAP EBITDA	Non-GAAP EPS

Projected Long-Term Value Upside

- ✓ Clear leadership position in the digital transformation of healthcare with $70B+ TAM
- ✓ Targeting 14-15% 2021-2025 revenue CAGR (organic 11-12%, inorganic 3%)
- ✓ Targeting ~400bps increase in Non-GAAP EBITDA margins from 2021-2025
- ✓ High revenue visibility from recurring revenue, long-term sole-source agreements and strong product backlog
- ✓ Targeting ~50% 2020-2025 revenue CAGR for SaaS, Subscription Software & Tech-Enabled Services

DISCLAIMER: See Appendix for a reconciliation of 2020 non-GAAP EBITDA and 2020 non-GAAP EPS to their most directly comparable GAAP financial measures. 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.
*Includes the expected contribution of FDS Amplicare, which closed on September 9, 2021.

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Well-Positioned for Continued Growth and Shareholder Value Creation

1. Category creator positioned to transform the pharmacy care delivery model
2. Leading strategic partner to health systems in large and growing market segments
3. Resilient, high-visibility revenue accelerated by high-growth SaaS, Subscription Software & Tech-Enabled Services
4. Demonstrated track record of growth and margin enhancement with more expected to come

Leveraging our market-leading installed base to drive recurring revenue growth in advanced services

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1 Omnicell Provides Solutions for an Expensive and Error-Prone Medication Management Reality

Medication Management is Expensive and Error-Prone

Safety

- **25,000** Errors Annually in Hospitals[1]
- **4** Errors Per Day in Outpatient Pharmacies[2]
- **47 million** Doses Lost to Drug Diversion[4]
- **1** Error Per 200 Drug Dispenses[1,5]

Financial

- **Global: $1,331B**
  US: $549B
  Projected Annual Medication Spend ~~Spending~~[3]
- **39%** Drop in Margins for For-Profit Health System[4]
- **18.5%** Drug Spend Increase (5x Inflation)[4]

Efficiency

- **75%** Pharmacist Tasks Are Non-Clinical[4]
- **3,000-4,500** SKUs of Drugs Managed in Systems[4]
- **20-30%** Prescriptions Are Never Filled[4]
- **250+** Active Drug Shortages[4]

Compliance

- **341+** Compliance Requirements[4]
- **$39 billion** Annual Spend in Compliance Admin[4]

People

- **50%+** Pharmacists Experience High Burnout[4]
- **1 in 4** Hospitals Cut Staff to Manage Costs[4]
- **Numerous Problems** Directly Correlated to Safety and Patient Satisfaction[4]

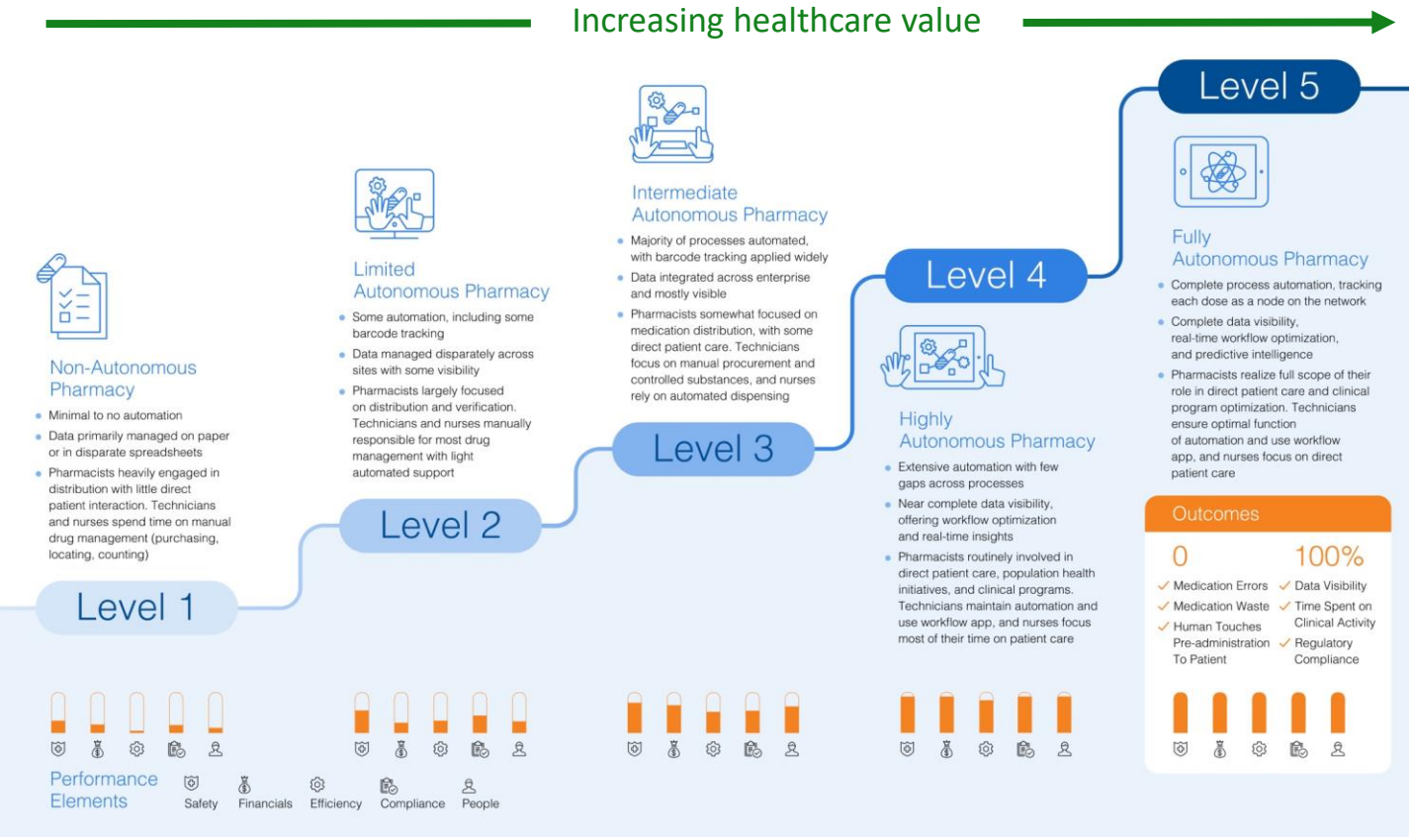
Omnicell's Current Solutions Deliver Results[6]

- **Enhanced Patient Safety**
- **99.999997%** Accuracy with Full Medication Barcode Scanning
- **66%** Reduction in IV Costs Insourcing vs. Outsourcing
- **10%** Increase in Prescription Volume
- **54%** Reduction of Nurse Medication Retrieval Time
- **200-300%** More Doses Stored[7]
- **Greatly Increased Data Visibility and Regulatory Compliance**
- **74%** Time Saved By Nurses
- **80%** Time Saved By Pharmacists

1. Poon, China, Churchill, et al. Ann Intern Med 2006; 145(6):426-434.
2. Flynn, Barker, Carnahan Am J Pharm Assoc 2003: 43:191-200.
3. Global Medicine Spending and Usage Trends, IQVIA, April 2021. Gross spend estimate before any rebates/discounts; Excludes COVID-19 vaccines.
4. Autonomous Pharmacy White Paper and Industry publications.
5. 0.5% Non-IV Dispensing Errors.
6. Statistics below are based on Omnicell customer outcomes, Omnicell estimates.
7. Relative to conventional robots of similar size.

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1 Autonomous Pharmacy Framework



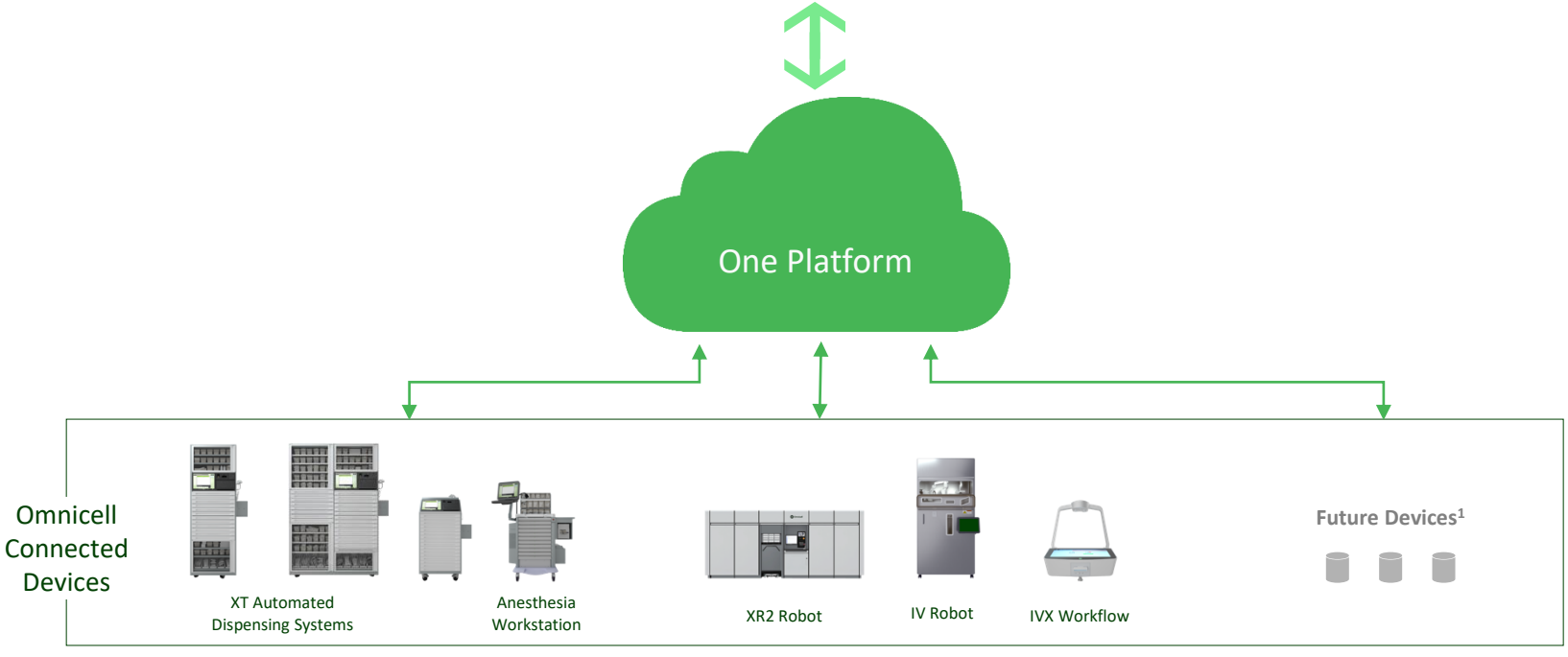
- In 2019, leading health systems jointly created a framework analyzing the technological maturity of pharmacies
- The group determined there was a significant opportunity to drive greater healthcare value
- The group established a 5-level framework and noted that the majority of the industry was at Level 2 today
- As customers move to higher levels, they substantially increase efficiency, safety and compliance while reducing costs
- Omnicell provides solutions to facilitate this evolution and drive tremendous value for customers

NOTE: Autonomous Pharmacy White Paper and Industry publications.

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1 Omnicell's Autonomous Pharmacy is a New Category of Solutions That Fundamentally Improves Provider Outcomes

Omnicell One™	CPDS	IV RIIS	EnlivenHealth™	Omnicell340B	Future Services[1]

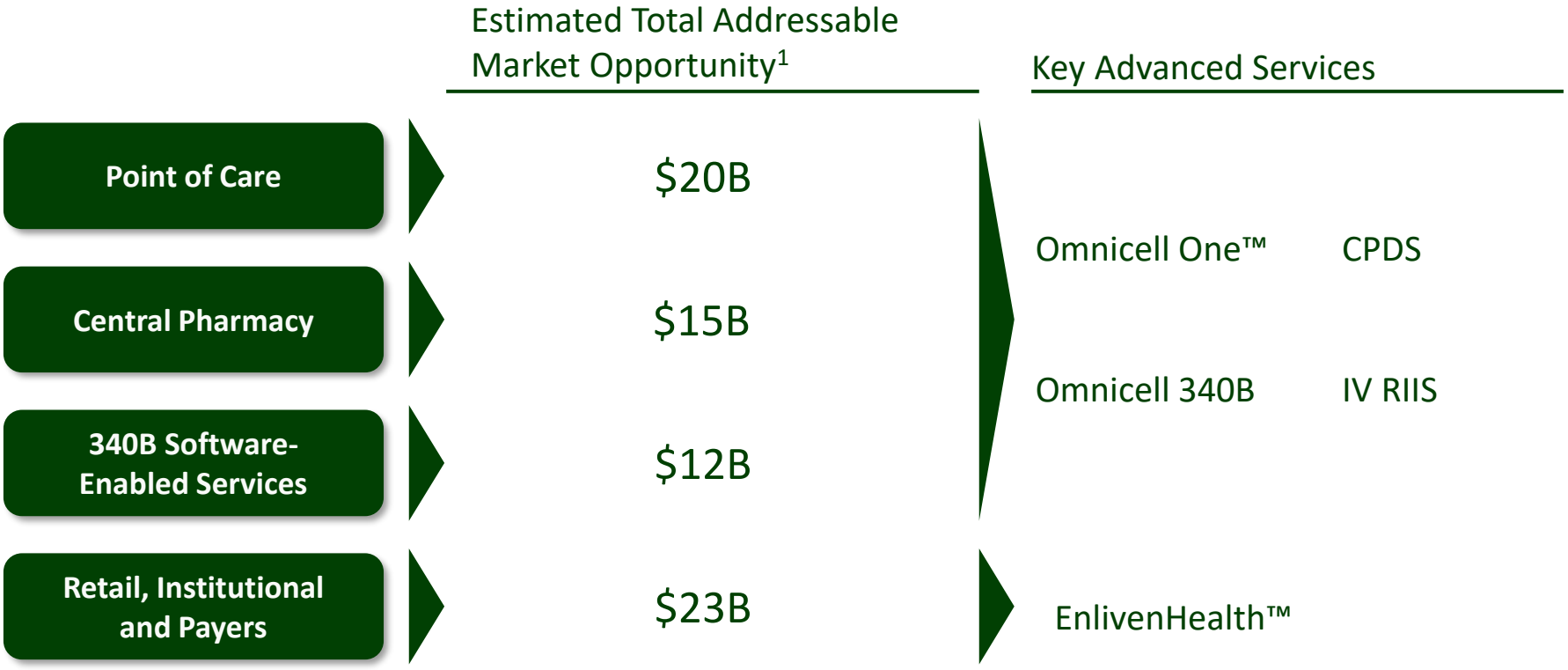


1.Future services and future devices represent potential future technology that is under development and may or may not ever become generally available to the commercial marketplace. Omnicell makes no commitment with regard to such potential future technology.

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2 Leader in Large and Growing Segments

Omnicell is growing its leadership position across a $70B+ total addressable market



1. Represents estimated cumulative TAM over 10 years and includes North America, UK, Germany, France, Spain, Kingdom of Saudi Arabia, UAE & Qatar.

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3 Resilient and High-Visibility Revenue

Robust Backlog

- Robust product backlog

Deep Customer Relationships

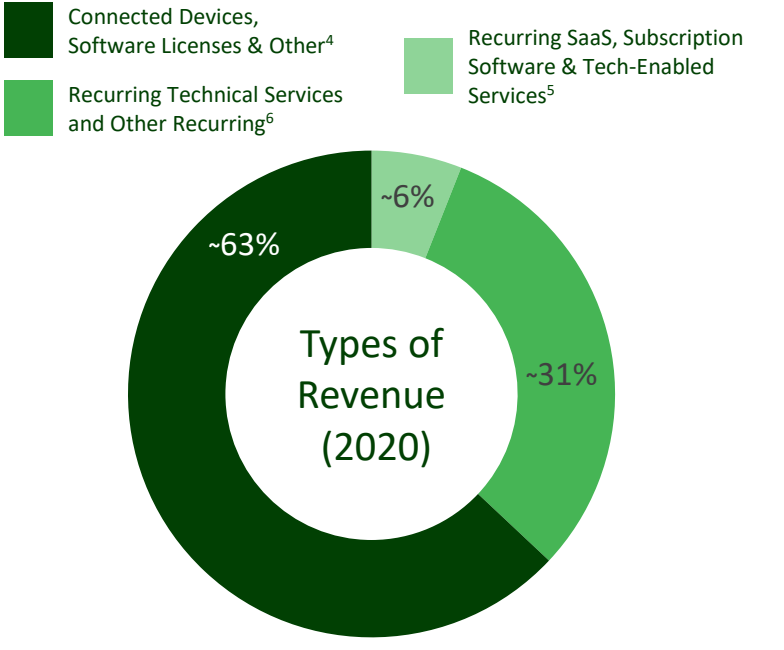
- **151** of the top 300 U.S. health systems in long-term, sole-source agreements[1,2]

Customer Retention

- **99%+** customer retention[3]

Point of Care Installed Base nearly midway in Upgrade Cycle

- **48%** through XT series replacement cycle[2]



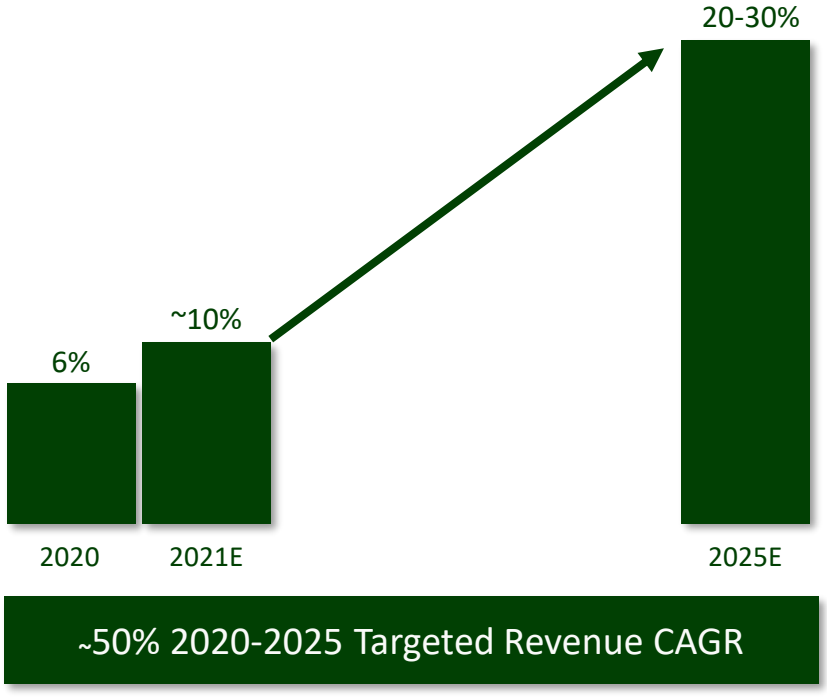
High revenue visibility from recurring revenue, sole-source agreements and backlog

1. As defined by Definitive Healthcare.
2. As of 9/30/2021.
3. Measured over the past year on a revenue basis.
4. High visibility revenue based on backlog, pipeline, and LTSS agreements.
5. Includes Central Pharmacy Dispense Services (XR2aaS), EnlivenHealth, IV RIIS Service, Omnicell 340B, Omnicell One Service and RobotRX Service (Pak Plus).
6. Includes revenue from Consumables.

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3 Advanced Services Accelerating Recurring Revenue Growth

SaaS, Subscription Software & Tech-Enabled Services (% of Total Revenue)



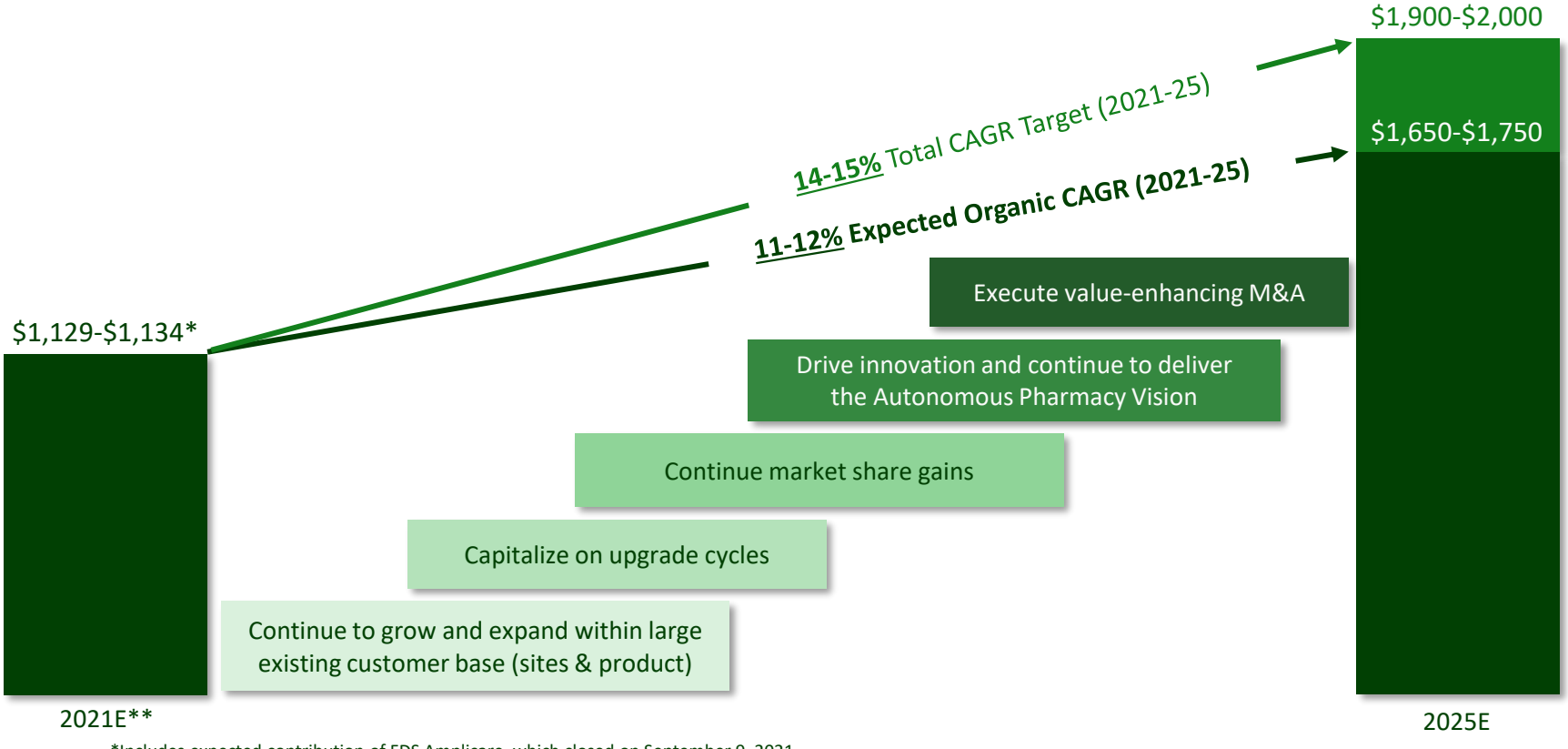
- ✓ Leveraging established channel and strong customer relationships
- ✓ Strong demand driven by increasing provider digitization and need to evolve medication supply chain
- ✓ Omnicell's cloud-based services designed to enable better outcomes
- ✓ Subscription-based, recurring revenue streams
- ✓ Significantly increases core addressable market
- ✓ High margin unit economics

NOTE: Includes Central Pharmacy Dispense Services (XR2aaS), EnlivenHealth, IV RIIS Service, Omnicell 340B, Omnicell One Service and RobotRX Service (Pak Plus).

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4 Driving Profitable Growth Through Disciplined Execution

Expected Annual Revenue ($ in Millions)



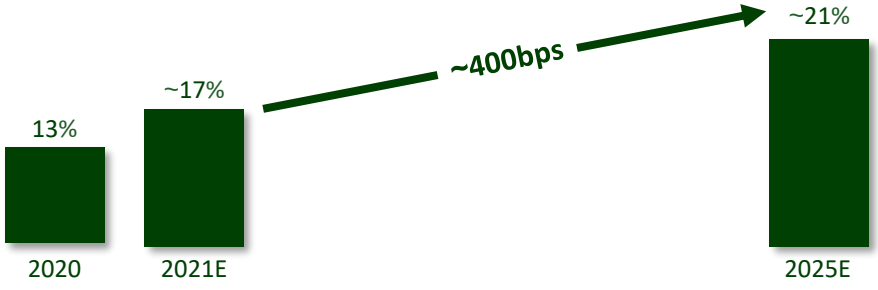
*Includes expected contribution of FDS Amplicare, which closed on September 9, 2021.

**GAAP and Non-GAAP Revenue. 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.

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4 Continuing to Drive Margin Expansion

Targeted Non-GAAP Operating Margin (%)



Targeted Non-GAAP EBITDA Margin (%)



Key Drivers of Margin Enhancement

- ✓ **Improving Business Mix** – SaaS, Subscription Software & Tech-Enabled Services targeted to represent 20-30% of revenue by 2025, supporting strong gross margins
- ✓ **Long-Term Customer Partnerships** – Sole-source agreements with 151 of the top 300 U.S. health systems[1,2] and many outside of the top 300
- ✓ **Economies of Scale** – Supply chain and operating expense volume leverage
- ✓ **Manufacturing Savings** – Cost productivity programs
- ✓ **Process Efficiencies** – Increasing virtualization of commercial and implementation processes

1. As of [9/30/2021]. 2. As defined by Definitive Healthcare.

DISCLAIMER: See Appendix for a reconciliation of 2020 non-GAAP operating margin and 2020 non-GAAP EBITDA margin to their most directly comparable GAAP financial measures. 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.

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4 Building on Our Track Record of Delivering Shareholder Value

Omnicell's Total Shareholder Return

Time Period	Omnicell (OMCL)	S&P Healthcare (XLV)	Outperformance
1 Year	+103%	+26%	+77%
3 Year	+165%	+60%	+105%
5 Year	+391%	+109%	+282%
10 Year	+972%	+371%	+601%

Omnicell has outperformed the S&P Healthcare Index on all timeframes

NOTE: Total shareholder returns are based on calendar year and assumes dividends reinvested as of 10/26/2021; all figures are rounded to the nearest whole number.
Past results are not indicative of future performance.

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Well-Positioned for Continued Growth and Shareholder Value Creation

1. Category creator positioned to transform the pharmacy care delivery model
   - Large portion of the healthcare sector: $1,250B annually globally
2. Leading strategic partner to health systems in large and growing market segments
   - Clear leadership position in the digital transformation of healthcare with $70B+ TAM
3. Resilient, high-visibility revenue accelerated by high-growth SaaS, Subscription Software & Tech-Enabled Services
   - Robust product backlog, long-term sole-source agreements and 99%+ customer retention
   - Targeting ~50% 2020-2025 revenue CAGR for SaaS, Subscription Software & Tech-Enabled Services
4. Demonstrated track record of growth and margin enhancement with more expected to come
   - Targeting 14-15% 2021-2025 total revenue CAGR (organic 11-12%, inorganic 3%)
   - Targeting ~400bps increase in Non-GAAP EBITDA margin from 2021-2025

Leveraging our market-leading installed base to drive recurring revenue growth in advanced services

DISCLAIMER: 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.

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Financial Guidance

Includes anticipated FDS Amplicare contribution

	Q4 2021	FY 2021
Product Bookings	Not Provided	$1.130 - 1.170 Billion
Total GAAP and Non-GAAP Revenues	$308- 313 Million	$1.129- 1.134 Billion
GAAP and Non-GAAP Product Revenues	$219 - 222 Million	$808 - 811 Million
GAAP and Non-GAAP Service Revenues	$89 - 91 Million	$321 - 323 Million
Non-GAAP EBITDA	$58 - 61 Million	$235 - 238 Million
Non-GAAP EPS	$0.90 - $0.95	$3.80 - $3.85

DISCLAIMER: 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.

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Appendix

Omnicell Delivers a Suite of Innovative Solutions

Service

- Technical Services
- Professional Services
- Advisory Services

Intelligence

Omnicell One™

Omnicell 340B
- 340B Analysis
- 340B Split Billing

- Inventory Analytics
- Diversion Management
- Compliance
- EnlivenHealth™

Operational Support

Omnicell 340B
- 340B Split Billing
- Contract Pharmacy Management

- Inventory Management
- Operational Reporting

Automation / Connected Devices



Central Pharmacy
- XR2
- IV Robot
- IVX



Point of Care
- XT
- Anesthesia Workstation



Med Adherence
- VBM 200F
- Multimed Pack

Platform

Omnicell Data Platform

Outcomes

Safety
+
Financial Savings
+
Efficiency
+
Compliance
+
People

Hospital | Ambulatory | Post-Acute | Retail | U.S. | International

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Winning Go-To-Market Strategy

- Long-term strategic partnerships with key customers
- Over half of the Top 300 U.S. Health Systems [1] are current Omnicell customers
- 151 of those have entered into long-term sole source partnership agreements with Omnicell [2]
- Multiyear co-development plans with the majority of these long-term sole source partnership arrangements



1. As defined by Definitive Healthcare.
2. As of 9/30/21.

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Multiyear Co-Development Plan Example: Large Health System Customer

	Year 1	Year 2	Year 3	Year 4/5	KPI
New Hospital	$	$ $		$	Safety Efficiency
Medical Center 1	$	$ $		$	Safety Efficiency
University Campus	$	$			People Compliance
Medical Center 2	$			$	Safety Efficiency
Medical Center 3	$	$		$	Safety Efficiency
Medical Center 4	$		$	$	Financials Efficiency
Medical Center 5	$			$	Safety Compliance
Hospital	$	$		$	Safety Compliance
Medical Center 6		$		$	People Safety
Medical Center 7, 8 & 9	$	$			Financials Compliance

$ = PO | Projects: IT Infrastructure | PoC XT Series | Central Pharmacy Carousel | XR2 | Robot Upgrade | IV Workstation | Anesthesia Workstation

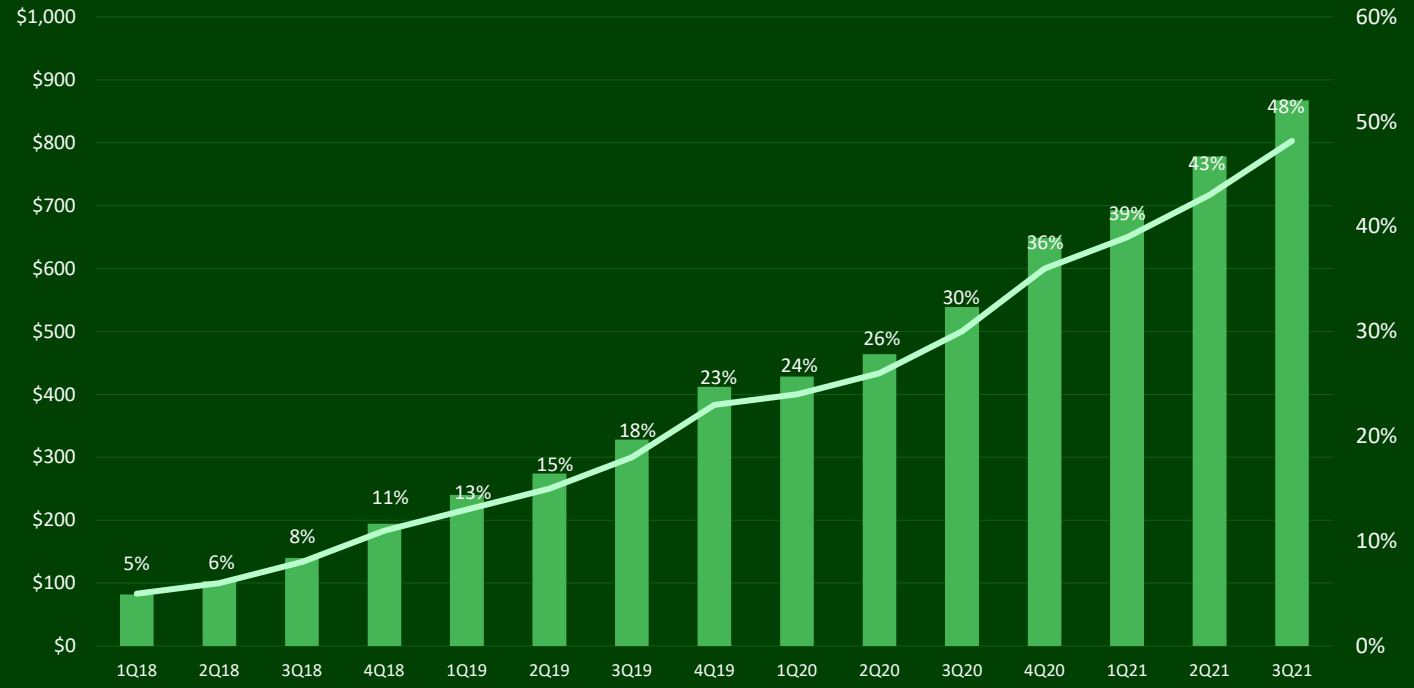
Strategic partner to health systems

Partnering for multiyear co-development plan to increase levels of automation in pharmacy

Driving KPIs and outcomes

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Point of Care (Only) Replacement Bookings



[1] As measured as a percentage of installed base as of December 2016.

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A Better Way: Omnicell's Strategic Approach to Corporate Responsibility

Innovation

Accelerating for Perfection

- Solution-driven meaningful outcomes in the areas of safety, financials, efficiency, compliance, and people
- Predictive analytics to help pharmacies manage inventory and improve performance
- Advanced robotics provide sorting, preparation, compounding, and dispensing solutions
- Effective medication adherence solutions and tools for improved patient outcomes

Environment

Innovating for Energy Efficiency

- We design our products to be more energy efficient
- Currently working with the EPA to receive Energy Star certification for our products
- Headquarters is LEED Platinum certified and includes a 151 kW solar array
- Company-wide

  ISO certification of our Environmental Management System

Social

Every Voice Counts

- 77% employee satisfaction score (ahead of 73% industry benchmark)
- Launched new Learning and Development Strategyand Talent Development curriculum in 2020
- Risk-based supplier management, auditing and oversight to ensure responsible sourcing

Governance

Acting With Integrity

- Strong business ethics oversight and compliance
- All of our manufacturing facilities are ISO quality certified and audited
- Robust cybersecurity and data privacy programs
- The Board of Director's Governance Committee is responsible for ESG, including oversight of targets and measuring outcomes

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

	Year Ended December 31, 2020
Reconciliation of GAAP gross profit to non-GAAP gross profit:	
GAAP gross profit	$413,292
GAAP gross margin	*46.30%*
Share-based compensation expense	7,469
Amortization of acquired intangibles	9,001
Severance-related expenses	2,564
Non-GAAP gross profit	$432,326
Non-GAAP gross margin	*48.50%*
Reconciliation of GAAP operating expenses to non-GAAP operating expenses:	
GAAP operating expenses	$377,766
GAAP operating expenses % to total revenues	*42.30%*
Share-based compensation expense	(37,228)
Amortization of acquired intangibles	(10,601)
Acquisition-related expenses	(5,603)
Severance-related and other expenses [(a)]	(9,385)
Non-GAAP operating expenses	$314,949
Non-GAAP operating expenses % to total revenues	*35.30%*
Reconciliation of GAAP income from operations to non-GAAP income from operations:	
GAAP income from operations	$35,526
GAAP operating income % to total revenues	*4.00%*
Share-based compensation expense	44,697
Amortization of acquired intangibles	19,602
Acquisition-related expenses	5,603
Severance-related and other expenses [(a)]	11,949
Non-GAAP income from operations	$117,377
Non-GAAP operating margin (non-GAAP operating income % to total revenues)	*13.20%*

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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, 2020
Reconciliation of GAAP net income to non-GAAP net income:	
GAAP net income	$32,194
Share-based compensation expense	44,697
Amortization of acquired intangibles	19,602
Acquisition-related expenses	5,603
Severance-related and other expenses [(a)]	11,949
Amortization of debt issuance costs	1,597
Amortization of discount on convertible senior notes	4,766
Tax effect of the adjustments above [(b)]	(9,139)
Non-GAAP net income	$111,269
Reconciliation of GAAP net income per share - diluted to non-GAAP net income per share - diluted:	
Shares - diluted GAAP	43,743
Dilution offset from convertible note hedge transaction [(c)]	—
Shares - diluted Non-GAAP	43,743
GAAP net income per share - diluted	$0.74
Share-based compensation expense	1.01
Amortization of acquired intangibles	0.45
Acquisition-related expenses	0.13
Severance-related and other expenses	0.27
Amortization of debt issuance costs	0.04
Amortization of discount on convertible senior notes	0.11
Tax effect of the adjustments above [(b)]	(0.21)
Non-GAAP net income per share - diluted	$2.54
Reconciliation of GAAP net income to non-GAAP EBITDA [(d)]:	
GAAP net income	$32,194
Share-based compensation expense	44,697
Interest (income) and expense, net	360
Depreciation and amortization expense	61,067
Acquisition-related expenses	5,603
Severance-related and other expenses [(a)]	11,949
Amortization of debt issuance costs	1,597
Amortization of discount on convertible senior notes	4,766
Income tax expense (benefit)	(2,845)
Non-GAAP EBITDA	$159,388
Non-GAAP EBITDA margin (non-GAAP EBITDA % to total revenues)	*17.90%*

(a) For the year ended December 31, 2020, other expenses included approximately $1.0 million of IP and legal entities restructuring costs, and $1.0 million of certain litigation costs.

(b) Tax effects calculated for all adjustments except tax benefits and expenses, and share-based compensation expense, using an estimated annual effective tax rate of 21% for fiscal year 2020.

(c) Non-GAAP diluted shares exclude the impact of dilutive convertible senior notes for which the Company is economically hedged through its anti-dilutive convertible note hedge transaction.

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

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Omnicell, Inc.
Reconciliation of GAAP to Non-GAAP
(Unaudited, in thousands)

	Year Ended December 31, 2020
Reconciliation of GAAP net cash provided by operating activities to non-GAAP free cash flow:	
GAAP net cash provided by operating activities	$185,870
Software development for external use	(32,024)
Purchases of property and equipment	(22,842)
Non-GAAP free cash flow	$131,004

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