



Citi 2021 Healthcare Services Virtual Conference

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Forward Looking Statements and Non-GAAP Financial Measures

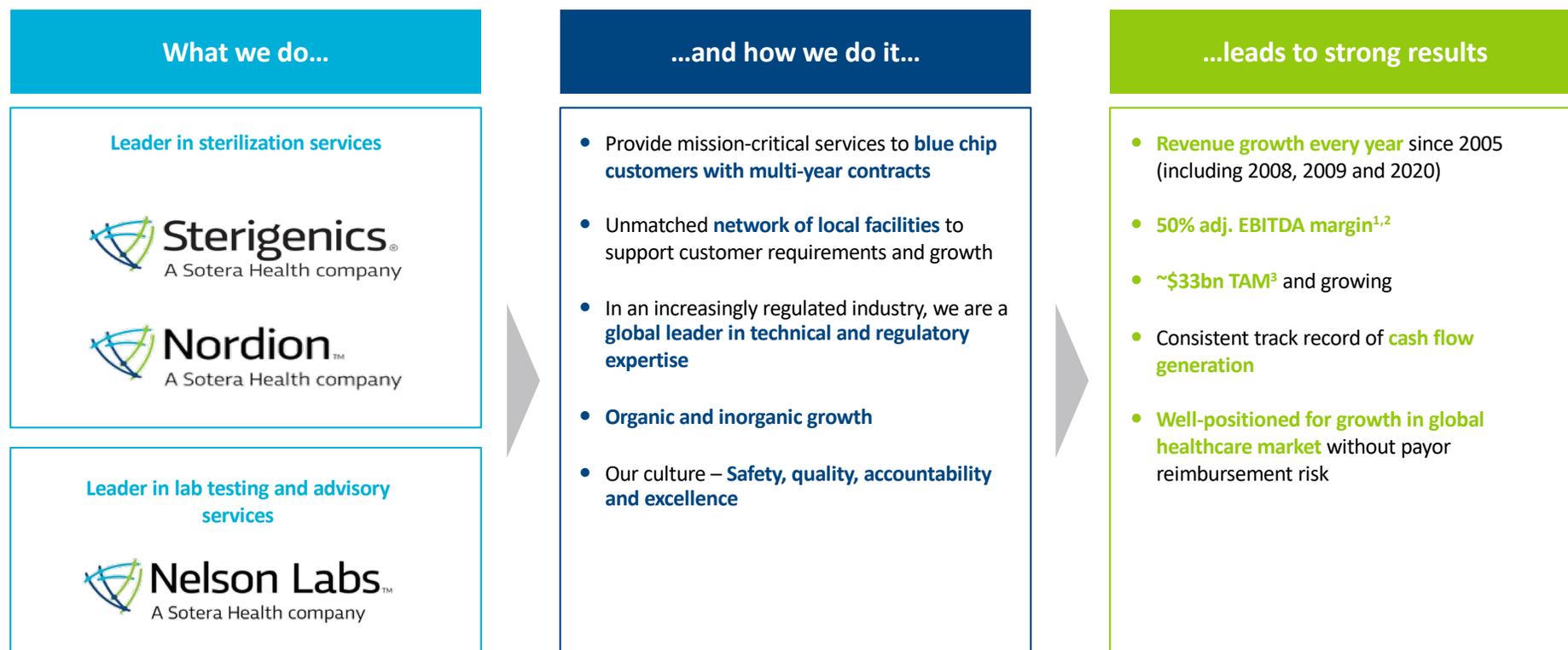
Certain statements made in this presentation are forward-looking statements that reflect our plans, beliefs, expectations and current views with respect to, among other things, future events and financial performance. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and are often characterized by the use of words such as “believes,” “estimates,” “expects,” “projects,” “may,” “intends,” “plans” or “anticipates,” or by discussions of strategy, plans or intentions. Such forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause our actual results, performance or achievements, or industry results, to differ materially from historical results or any future results, performance or achievements expressed, suggested or implied by such forward-looking statements. These statements are based on our historical performance and on our current plans, estimates and projections in light of information currently available to us, and therefore you should not place undue reliance on them. Potential risks and uncertainties that could cause our actual results to differ materially from these forward-looking statements include, without limitation, (i) any disruption in the availability or supply of ethylene oxide (EO) or Co-60; (ii) changes in industry trends, environmental, health and safety regulations or preferences; (iii) the impact of current and future legal proceedings and liability claims, including litigation related to purported exposure to emissions of EO from our facilities in Illinois, Georgia and New Mexico, and the possibility that other claims will be made in the future relating to these or other facilities; (iv) our ability to increase capacity at existing facilities, renew leases for our facilities and build new facilities in a timely and cost-effective manner; (v) the risks of doing business internationally; (vi) any inability to pursue strategic transactions or find suitable acquisition targets and (vii) the numerous risks described in the Company’s filings with the SEC, including under the headings “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in the final prospectus dated November 19, 2020 (filed with the SEC on November 23, 2020) for the Company’s initial public offering (the “prospectus”). The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. Forward-looking statements made in this presentation speak only as of the date of this presentation, and we undertake no obligation to update them in light of new information or future events, except as required by law.

This presentation includes Adjusted EBITDA, which is an unaudited financial measure not based on any standardized methodology prescribed by GAAP. Adjusted EBITDA may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. Adjusted EBITDA should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. See the appendix for a reconciliation of net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, to Adjusted EBITDA.

This presentation also contains estimates and other statistical data made by independent parties and by the Company relating to market size and growth and other data about the Company’s industry and estimated total addressable market. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified this market data. While we are not aware of any misstatements regarding any industry or similar data presented herein, such data involve risks and uncertainties and are subject to change based on various factors, including those described under the headings of “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in the prospectus. In addition, projections, assumptions and estimates of the Company’s future performance and the future performance of the markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk.

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Safeguarding Global Health® through our sterilization services, lab testing and advisory services



Our capabilities, scale and knowhow are not easily replicated.... Our customers depend on our mission-critical services in any economic environment

¹ Reflects 09/30/20 LTM

² See Appendix for reconciliation to the most comparable GAAP metric

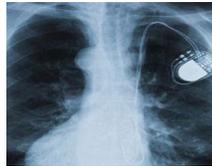
³ Estimated total addressable market for terminal sterilization and outsourced medical and pharmaceutical lab testing in 2019

Our breadth of services touches all key medical device and pharmaceutical categories

Medical device



In-vitro diagnostics and analytical tools



Cardiovascular implantables



Orthopedic and ophthalmic implants



Endoscopy



Collection Swabs



Personal protective equipment



Drug delivery



Vascular catheters



Surgical kits

Pharmaceutical



Inhalation



Injectables



Biologics



Ophthalmic



Oral



Topical



Suppository



Pharma packaging



Non-injectable sterile fluids

Our sterilization services generally represent a small fraction of the total end product costs

Why we are a global leader in our markets

	Strong financial profile	Revenue growth since 2005 50% adj. EBITDA margin ^{1,2} Excellent visibility
	Barriers to entry drive attractive returns	Track record Expertise Scale
	Large and growing total addressable market	~\$33bn TAM ³
	Strong industry dynamics	Essential and regulated markets
	Trusted partner at scale	50 sterilization and 13 labs global facilities 800+ lab tests
	Operational excellence	Consistent revenue growth since 2005
	Platform geared for continued M&A	2 transformational and 7 bolt-on acquisitions ⁴
	Established and experienced management team	M&A execution Capital deployment

¹ 09/30/20 LTM; ² See Appendix for reconciliation to the most comparable GAAP metric; ³ Management estimates for 2019; ⁴ Since 2013

Appendix

Reconciliation of net income

(\$ millions)	LTM	Nine months ended September 30,		Year ended December 31,	
	09/30/20	2020	2019	2019	2018
Net income (loss)^(a)	(\$21.9)	\$5.9	\$7.3	(\$20.4)	(\$5.9)
Amortization expense ^(a)	\$79.8	\$59.8	\$60.0	\$80.0	\$79.9
Impairment of long-lived assets and intangible assets ^(b)	-	-	\$5.8	\$5.8	\$85.1
Gain on sale of Medical Isotopes business ^(c)	-	-	-	-	(\$95.9)
Share-based compensation ^(d)	\$5.8	\$4.0	\$15.1	\$16.9	\$6.9
One-time bonuses ^(e)	\$1.5	-	\$0.5	\$2.0	-
(Gain) loss on foreign currency and embedded derivatives ^(f)	(\$10.4)	(\$4.8)	\$8.3	\$2.7	\$14.1
Acquisition and divestiture related charges, net ^(g)	\$3.4	\$3.0	(\$0.7)	(\$0.3)	\$1.2
Business optimization project expenses ^(h)	\$5.2	\$2.5	\$1.5	\$4.2	\$8.8
Plant closure expenses ⁽ⁱ⁾	\$3.0	\$2.4	\$1.1	\$1.7	-
Loss on extinguishment of debt ^(j)	\$30.2	-	-	\$30.2	-
Professional services relating to Willowbrook and Atlanta facilities ^(k)	\$28.8	\$25.4	\$7.8	\$11.2	\$4.7
Accretion of Asset Retirement Obligation ^(l)	\$2.1	\$1.5	\$1.5	\$2.1	\$1.4
COVID-19 expenses ^(m)	\$2.4	\$2.4	-	-	-
Income tax benefit associated with pre-tax adjustments ⁽ⁿ⁾	(\$40.1)	(\$24.9)	(\$20.4)	(\$35.6)	(\$25.0)
Adj. net income	\$89.6	\$77.1	\$87.9	\$100.4	\$75.3
Interest expense, net ^(a)	\$210.4	\$167.1	\$114.5	\$157.7	\$143.3
Depreciation ^(o)	\$63.9	\$47.3	\$50.1	\$66.7	\$66.9
Income tax provision (benefit) applicable to adj. net income ^(p)	\$37.3	\$15.2	\$33.0	\$55.1	\$55.1
Adj. EBITDA	\$401.3	\$306.8	\$285.5	\$379.9	\$340.6

(a) Represents amounts as determined by U.S. generally accepted accounting principles ("U.S. GAAP"); (b) For 2019, represents impairment charges related to the decision to not reopen the Willowbrook facility in September 2019. For 2018, represents impairment charges associated with the withdrawal of the GA-MURR project; (c) Represents the gain on the divestiture of the Medical Isotopes business in July 2018; (d) Represents non-cash share-based compensation expense. In 2019, also includes \$10.0 million of one-time cash share-based compensation expense related to the Class C Performance Vesting Units, which vested in the third quarter of 2019 based on the achievement of the aggregate distributions to the Class A Unitholder Members and the approval of the board of Topco Parent for accelerated vesting; (e) Represents one-time cash bonuses for members of management relating to capital markets activity in 2019; (f) Represents the effects of (i) fluctuations in foreign currency exchange rates, primarily related to remeasurement of intercompany loans denominated in currencies other than subsidiaries' functional currencies, and (ii) non-cash mark-to-fair value of embedded derivatives relating to certain customer and supply contracts at Nordion; (g) Represents (i) certain direct and incremental costs related to the acquisition of Toxikon Europe NV ("Nelson Europe") in 2017, Gibraltar Laboratories, Inc. ("Nelson Fairfield") in 2018 and Iotron Industries Canada, Inc. in July 2020, and certain related integration efforts as a result of those acquisitions, (ii) the earnings impact of fair value adjustments (excluding those recognized within amortization expense) resulting from the businesses acquired, and (iii) transition services income and non-cash deferred lease income associated with the terms of the divestiture of the Medical Isotopes business in 2018; (h) Represents professional fees, contract termination and exit costs, severance and other payroll costs, and other costs associated with business optimization and cost savings projects relating to the integrations of Nordion and Nelson Labs, including the divestiture of Medical Isotopes, the withdrawal from the GAMURR project, the Sotera Health rebranding, operating structure realignment and other process enhancement projects; (i) Represents professional fees, severance and other payroll costs, and other costs associated with the closure of the Willowbrook facility; (j) Represents one-time expenses incurred in connection with the refinancing of our debt capital structure in December 2019, including accelerated amortization of prior debt issuance and discount costs, premiums paid in connection with early extinguishment and debt issuance and discount costs incurred for the new debt; (k) Represents professional fees related to litigation associated with our EO sterilization facilities in Willowbrook and Atlanta and other related activities. See "Business—Legal Proceedings" in the prospectus; (l) Represents the non-cash accretion of asset retirement obligations related to Co-60 and gamma processing facilities, which are based on estimated site remediation costs for any future decommissioning of these facilities (without regard for whether the decommissioning services would be performed by employees of Nordion, instead of a third party) and are accreted over the life of the asset; (m) Represents non-recurring costs associated with the COVID-19 pandemic, including donations to related charitable causes and special bonuses for front-line personnel working on-site during lockdown periods; (n) Represents the tax benefit or provision associated with the reconciling items between net income (loss) and Adjusted Net Income. To determine the aggregate tax effect of the reconciling items, we utilized statutory income tax rates ranging from 0% to 35%, depending upon the applicable jurisdictions of each adjustment; (o) Includes depreciation of Co-60 held at gamma irradiation sites; (p) Represents the difference between income tax expense or benefit as determined under U.S. GAAP and the income tax benefit associated with pre-tax adjustments described in footnote (n)