Earnings Conference Call

Fiscal Q4 and Full Year 2022

December 20, 2022

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Forward-Looking Statements

Safe Harbor Statement Regarding Forward-Looking Statements

This presentation contains express or implied "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995 and other securities laws. These forward-looking statements concern our current expectations regarding our future results from operations, performance, financial condition, goals, strategies, plans and achievements. These forward-looking statements are subject to various known and unknown risks, uncertainties and other factors, and you should not rely upon them except as statements of our present intentions and of our present expectations, which may or may not occur. When we use words such as "believes," "expects," "anticipates," "estimates," "plans," "intends", “pursue”, “will” or similar expressions, we are making forward-looking statements. For example, embecta is using forward-looking statements when it discusses its fiscal 2023 and strategic priorities for fiscal 2023, including our expectations to strengthen our base business, separate and stand-up, and invest for growth. Although we believe that our forward-looking statements are based on reasonable assumptions, our expected results may not be achieved, and actual results may differ materially from our expectations. In addition, important factors that could cause actual results to differ from expectations include, among others: (i) competitive factors that could adversely affect embecta’s operations, (ii) any events that adversely affect the sale or profitability of embecta’s products or the revenue delivered from sales to its customers, (iii) any failure by BD to perform of its obligations under the various separation agreements entered into in connection with the separation and distribution; (iv) increases in operating costs, including fluctuations in the cost and availability of raw materials or components used in its products, the ability to maintain favorable supplier arrangements and relationships, and the potential adverse effects of any disruption in the availability of such items; (v) changes in reimbursement practices of governments or private payers or other cost containment measures; (vi) the adverse financial impact resulting from unfavorable changes in foreign currency exchange rates, as well as regional, national and foreign economic factors, including inflation, deflation, and fluctuations in interest rates; (vii) the impact of changes in U.S. federal laws and policy that could affect fiscal and tax policies, healthcare and international trade, including import and export regulation and international trade agreements; (viii) any continuing impact of the COVID-19 pandemic or geopolitical instability, including disruptions in its operations and supply chains; (ix) new or changing laws and regulations, or changes in enforcement practices, including laws relating to healthcare, environmental protection, trade, monetary and fiscal policies, taxation and licensing and regulatory requirements for products; (x) the expected benefits of the separation from BD; (xi) risks associated with embecta’s indebtedness; (xii) the risk that embecta’s separation from BD will be more difficult or costly than expected; (xiii) risks associated with not completing strategic collaborative partnerships and acquisitions to innovative technologies, complementary product lines, and new markets; and (xiv) the other risks described in our periodic reports filed with the Securities and Exchange Commission (“SEC”), including under the caption “Risk Factors” in our Information Statement dated February 11, 2022, filed with the SEC on February 11, 2022 as Exhibit 99.1 to our Current Report on Form 8-K and our most recent Annual Report on Form 10-K, as further updated by our Quarterly Reports on Form 10-Q we have filed or will file hereafter. Except as required by law, we undertake no obligation to update any forward-looking statements appearing in this presentation.

Agenda and Presenters

Today's topics:

- ✓ Enterprise highlights
- ✓ Revenue and earnings review
- ✓ Guidance
- ✓ Strategic priorities
- ✓ Q&A

Dev Kurdikar
Chief Executive Officer

Jake Elguicze
Chief Financial Officer

Pravesh Khandelwal
Vice President, Investor Relations

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Advance every day together

Mission
To develop and provide solutions that make life better for people living with diabetes

Vision
A life unlimited by diabetes

Fiscal Year 2022 Highlights

On November 1, we kicked off **Diabetes Awareness Month** by inviting advocacy groups and people with diabetes to join us on stage to ring the **Nasdaq Opening Bell.**

- ✓ Completed spinoff from BD on April 1, 2022
- ✓ Diverse and experienced leadership team and Board of Directors in place from Day 1
- ✓ Strong execution notwithstanding challenging operating environment
- ✓ Making progress in standing up systems and processes in order to exit transition service agreements
- ✓ Continued to advance the development of our type 2 closed loop insulin delivery system utilizing our proprietary patch pump technology
- ✓ Entered into partnership agreements to expand our offerings in certain markets, including Intuity Medical's innovative POGO Automatic® Blood Glucose Monitoring System in the U.S.

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embecta Delivered on Second Half Fiscal Year 2022 Expectations

(Dollars in millions, except percentages)	2H'22 Guidance – May'22	2H'22 Guidance – August'22	2H'22 Actual Results
Revenue	**~$555**	**~$555**	**~$566**
As Reported %	*~(7.0%)*	*~(7.0%)*	*(5.1%)*
Constant Currency %	*~(3.5%)*	*~(3.0%)*	*(1.2%)*
F/X %	*~(3.5%)*	*~(4.0%)*	*(3.9%)*
Contract Manufacturing	*~$15*	*~$10*	*~$15*
Adjusted Gross Margin %	**Low-60%s**	**Mid-60%s**	**67.2%**
Adjusted EBITDA Margin %	**Low-30%s**	**Mid-30%s**	**36.3%**
Transition Services Agreement Expense	**~$35**	**~$35**	**~$35**

Note: Adjusted Gross Margin and Adjusted EBITDA Margin are non-GAAP measures. Please see Appendix for definitions of Adjusted Gross Margin and Adjusted EBITDA Margin, as well as reconciliations of these measures to the most comparable measures under GAAP.

Q4 and Fiscal Year 2022 vs. Fiscal Year 2021 Revenue

(Dollars in millions)	Three Months Ended		% Increase / Decrease		
	September 30, 2022	September 30, 2021	As-Reported Revenue Growth	Currency Impact	Constant Currency Revenue Growth
U.S.	$149.9	$159.3	(5.9%)	0.0%	(5.9%)
International	$124.7	$141.5	(11.9%)	(9.6%)	(2.3%)
Total	**$274.6**	**$300.8**	**(8.7%)**	**(4.5%)**	**(4.2%)**

Overall Constant Currency Drivers

- Unfavorable impact due to rebate reserve reversal which occurred during the fourth quarter of 2021
- Unfavorable impact due to decisions to exit certain legacy customer relationships
- Partially offset by contract manufacturing revenue in FY’22

(Dollars in millions)	Twelve Months Ended		% Increase / Decrease		
	September 30, 2022	September 30, 2021	As-Reported Revenue Growth	Currency Impact	Constant Currency Revenue Growth
U.S.	$600.3	$609.4	(1.5%)	0.0%	(1.5)%
International	$529.2	$555.9	(4.8%)	(5.4%)	0.6%
Total	**$1,129.5**	**$1,165.3**	**(3.1%)**	**(2.6%)**	**(0.5%)**

Overall Constant Currency Drivers

- Unfavorable impact due to rebate reserve reversal which occurred during FY’21
- Unfavorable impact due to decisions to exit certain legacy customer relationships
- Partially offset by contract manufacturing revenue in FY’22

Note: Constant currency is a non-GAAP measure. Please see Appendix for the definitions of Constant Currency, as well as a reconciliation of this measure to the revenues under GAAP.

Q4 2022 Financial Highlights

Gross Profit	• Q4’22 GAAP and adjusted gross profit and margin of $176.9 million and 64.4%, compared to Q4’21 GAAP and adjusted gross profit and margin of $209.7 million and 69.7%

Net Income	• Q4’22 GAAP net loss of $17.2 million
	  • Inclusive of an impairment charge of $58.9 million related to the abandonment of certain manufacturing production lines in the United States that are no longer expected to be completed
	  • $5.5 million charge related to purchase commitments associated with the abandonment of the assets noted above
	• Q4’21 GAAP net income of $97.1 million

Adjusted EBITDA	• Q4’22 adjusted EBITDA and margin of $87.2 million and 31.8%, compared to $131.6 million and 43.8% in the prior year period

Note: embecta was spun-off from BD on April 1, 2022. Financial results during the pre-spin period were presented on the carve-out basis of accounting and do not purport to reflect what embecta’s financial results would have been had embecta operated as a standalone public company. Therefore, financial results for the three-month periods ended September 30, 2022, and September 30, 2021, are not meaningfully comparable.

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Fiscal Year 2023 Financial Guidance

Dollars in millions, except per share and percentages	Low	High
Revenue	**$1,050**	**$1,073**
As-Reported %	*(7.0%)*	*(5.0%)*
Constant Currency %	*(2.0%)*	*0.0%*
F/X %	*(5.0%)*	
Contract Manufacturing	*$5*	*$10*
Adjusted Gross Margin	**~ 62%**	
Adjusted Operating Margin	**~ 25%**	
Adjusted Diluted EPS	**$1.75**	**$2.00**
Adjusted EBITDA Margin	**~ 30%**	

Note: We are unable to present a quantitative reconciliation of our expected adjusted gross margin, expected adjusted operating margin, expected Adjusted EPS or expected adjusted EBITDA margin as we are unable to predict with reasonable certainty and without unreasonable effort the impact and timing of certain one-time items. The financial impact of these one-time items is uncertain and is dependent on various factors, including timing, and could be material to our Condensed Consolidated Statements of Income.

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Strategic Priorities for Fiscal Year 2023

1 Strengthen base business

- Maintain core injection business revenue
- Navigate through operating environment; manage costs

2 Separate and stand-up

- Continue to execute on ERP Implementation
- Manage through the temporary suspension of manufacturing operations associated with the regulatory approvals and transitions, including for inspections, at our Suzhou, China facility
- Execute separation projects (e.g., setting up distribution networks and back-office functions, initiating product and brand transitions)

3 Invest in growth

- Advance insulin patch pump development
- Seek M&A and partnership opportunities

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Thank you

Appendix

Non-GAAP financial measures

In evaluating our operating performance, we supplement the reporting of our financial information determined under GAAP with certain non-GAAP financial measures including (i) earnings before interest, taxes, depreciation, and amortization ("EBITDA"), (ii) Adjusted EBITDA, as further defined below, (iii) adjusted gross profit and adjusted gross profit margin, and (iv) Constant Currency revenue growth. These non-GAAP financial measures are indicators of our performance that are not required by, or presented in accordance with, GAAP. They are presented with the intent of providing greater transparency to financial information used by us in our financial analysis and operational decision-making. We believe that these non-GAAP measures provide meaningful information to assist investors, stockholders and other readers of our consolidated financial statements in making comparisons to our historical operating results and analyzing the underlying performance of our results of operations. Additionally, EBITDA and Adjusted EBITDA are important metrics for debt investors who utilize debt-to-EBITDA ratios. These non-GAAP financial measures are not intended to be, and should not be, considered separately from, or as an alternative to, the most directly comparable GAAP financial measures.

We believe EBITDA is an important valuation measurement for management and investors given the effect non-cash charges such as amortization related to acquired intangible assets and depreciation of capital equipment have on net income. Additionally, we regard EBITDA as a useful measure of operating performance and cash flow before the effect of interest, taxes, depreciation and amortization and as a complement to operating income, net income and other GAAP financial performance measures. We define Adjusted EBITDA as EBITDA excluding certain items that affect comparability of operating results and the trend of earnings. These adjustments are either non-cash or irregular in nature, may not be indicative of our past and future performance and are therefore excluded to allow investors to better understand underlying operating trends. The following are examples of the types of adjustments that are excluded: (i) stock-based compensation, (ii) non-cash long-lived fixed asset, goodwill and/or intangible asset impairment charges, (iii) restructuring-related costs, (iv) various costs that will enable the Company to operate as a stand-alone publicly traded company, and (v) other significant items management deems irregular or non-operating in nature. We use Adjusted EBITDA when evaluating operating performance because we believe the exclusion of such adjustments is necessary to help provide an accurate measure of on-going core operating results and to evaluate comparative results period over period.

Each reporting period, we face currency exposure that arises from translating the results of our worldwide operations to the U.S. dollar at exchange rates that fluctuate from the beginning of such period. A stronger U.S. dollar, compared to the prior-year period, resulted in an unfavorable foreign currency translation impact to our revenues as compared to the prior-year period. We evaluate our results of operations on both a reported and a Constant Currency basis, which excludes the impact of fluctuations in foreign currency exchange rates by comparing results between periods as if exchange rates had remained constant period-over-period. As exchange rates are an important factor in understanding period-to-period comparisons, we believe the presentation of results on a Constant Currency basis in addition to reported results helps improve investors' ability to understand our operating results and evaluate our performance in comparison to prior periods. We calculate Constant Currency percentages by converting our current-period local currency financial results using the prior-period foreign currency exchange rates and comparing these adjusted amounts to our current-period results. These results should be considered in addition to, not as a substitute for, results reported in accordance with GAAP. Results on a Constant Currency basis, as we present them, may not be comparable to similarly titled measures used by other companies and are not measures of performance presented in accordance with GAAP.

Adjusted Gross Margin Reconciliation

Dollars in Millions, except percentages	Three Months Ended		Twelve Months Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Revenue	**$274.6**	**$300.8**	**$1,129.5**	**$1,165.3**
Cost of sales	97.7	91.1	354.6	364.9
Gross Profit	**176.9**	**209.7**	**774.9**	**800.4**
Gross Margin	***64.4%***	***69.7%***	***68.6%***	***68.7%***
Stock-based compensation expense	—	—	0.2	—
Impairment losses	—	—	—	13.8
Adjusted Gross Profit [1]	**$176.9**	**$209.7**	**$775.1**	**$814.2**
Adjusted Gross Profit Margin	***64.4%***	***69.7%***	***68.6%***	***69.9%***

(1) Adjusted Gross Profit is calculated by excluding impairment losses and the portion of stock-based compensation expense allocated to Cost of sales associated with the modification of employee share awards on the Separation Date.

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Adjusted EBITDA Reconciliation

Dollars in millions	Three Months Ended		Twelve Months Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net income (loss)	**($17.2)**	**$97.1**	**$223.6**	**$414.8**
Interest expense, net	21.8	—	46.2	—
Income taxes	(10.3)	19.5	33.0	80.1
Depreciation and amortization	7.5	8.9	31.7	38.3
EBITDA	**1.8**	**125.5**	**334.5**	**533.2**
Stock-based compensation expense	4.4	3.2	18.7	12.8
One-time stand up costs (1) (2)	15.0	2.7	38.2	4.8
Other costs associated with impairment (3) (6)	5.5	—	5.5	—
European regulatory initiative-related costs (“EU MDR”) (4)	0.9	0.2	1.9	0.9
Restructuring-related costs (5)	0.7	—	2.2	—
Impairment losses (6)	58.9	—	58.9	13.8
Adjusted EBITDA	**$87.2**	**$131.6**	**$459.9**	**$565.5**
Adjusted EBITDA margin	***31.8%***	***43.8%***	***40.7%***	***48.5%***

Adjusted EBITDA Reconciliation – Continued

(1) One-time stand up costs incurred during the three months ended September 30, 2022 and 2021 primarily include costs to stand up the Company. Amounts for both periods are recorded in Other operating expenses. During 2022, the Company updated its definition for adjustments to include one-time stand up costs. This amount was not previously included as an adjustment for fiscal year 2021 as presented in embecta’s Registration Statement on Form 10.

(2) One-time stand up costs incurred during the twelve months ended September 30, 2022 and 2021 primarily include costs to stand up the Company. Approximately $37.3 million of the one-time stand up costs are recorded in Other operating expenses and $0.9 million are recorded in Selling, general and administrative expenses. For the twelve months ended September 30, 2021, $4.8 million of the one-time stand up costs are recorded in Other operating expenses. During 2022, the Company updated its definition for adjustments to include one-time stand up costs. This amount was not previously included as an adjustment for fiscal year 2021 as presented in embecta’s Registration Statement on Form 10.

(3) Represents the expected costs of purchase commitments associated with the abandonment and impairment of certain manufacturing lines. Please see footnote (6) below. These costs are recorded in Other operating expenses.

(4) Represents costs required to develop processes and systems to comply with regulations such as the European Union Medical Device Regulation ("EU MDR") and General Data Protection Regulation ("GDPR") which represent a significant, unusual change to the existing regulatory framework. We consider these costs to be duplicative of previously incurred costs and/or one-off costs, which are limited to a specific period of time. These costs were recorded in Research and development expense. During 2022, the Company updated its definition for adjustments to include costs associated with complying with EU MDR. This amount was not previously included as an adjustment for fiscal year 2021 as presented in embecta’s Registration Statement on Form 10.

(5) Represents restructuring-related costs recorded in Other operating expenses.

(6) Relates to impairment charges incurred during fiscal years 2022 and 2021. The impairment incurred during 2022 is recorded in Impairment expense. During 2022, the Company updated its definition for adjustments to include fixed asset, goodwill and/or intangible asset impairment charges. For 2021, this amount was not previously included as an adjustment as presented in embecta’s Registration Statement on Form 10. The impairment charges recorded in 2022 and 2021 were recorded in Impairment Expense and Cost of products sold, respectively.

Second Half Fiscal Year 2022 Adjusted Gross Margin Reconciliation

Dollars in Millions, except percentages	Three Months Ended		Six Months Ended
	June 30, 2022	September 30, 2022	September 30, 2022
Revenue	**$291.1**	**$274.6**	**$565.7**
Cost of sales	88.2	97.7	185.9
Gross Profit	**202.9**	**176.9**	**379.8**
Gross Margin	***69.7%***	***64.4%***	***67.1%***
Stock-based compensation expense	0.2	—	0.2
Impairment losses	—	—	—
Adjusted Gross Profit (1)	**$203.1**	**$176.9**	**$380.0**
Adjusted Gross Profit Margin	***69.8%***	***64.4%***	***67.2%***

(1) Adjusted Gross Profit is calculated by excluding impairment losses and the portion of stock-based compensation expense allocated to Cost of sales associated with the modification of employee share awards on the Separation Date.

Second Half Fiscal Year 2022 Adjusted EBITDA Reconciliation

Dollars in millions	Three Months Ended		Six Months Ended
	June 30, 2022	September 30, 2022	September 30, 2022
Net income (loss)	**$62.4**	**($17.2)**	**$45.2**
Interest expense, net	19.5	21.8	41.3
Income taxes	11.2	(10.3)	0.9
Depreciation and amortization	9.1	7.5	16.6
EBITDA	**102.2**	**1.8**	**104.0**
Stock-based compensation expense	5.8	4.4	10.2
One-time stand up costs (1)	8.2	15.0	23.2
Other costs associated with impairment (2) (5)	—	5.5	5.5
European regulatory initiative-related costs (“EU MDR”) (3)	0.2	0.9	1.1
Restructuring-related costs (4)	1.5	0.7	2.2
Impairment losses (5)	—	58.9	58.9
Adjusted EBITDA	**$117.9**	**$87.2**	**$205.1**
Adjusted EBITDA Margin	***40.5%***	***31.8%***	***36.3%***

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Second Half Fiscal Year 2022 Adjusted EBITDA Reconciliation – Continued

(1) One-time stand up costs incurred during the six months ended September 30, 2022 primarily include costs to stand up the Company. Approximately $21.2 million of the one-time stand up costs are recorded in Other operating expenses, $1.8 million are recorded in Selling, general and administrative expenses, and $0.2 million are recorded in Cost of products sold. During 2022, the Company updated its definition for adjustments to include one-time stand up costs.

(2) Represents the expected costs of purchase commitments associated with the abandonment and impairment of certain manufacturing lines. Please see footnote (5) below. These costs are recorded in Other operating expenses.

(3) Represents costs required to develop processes and systems to comply with regulations such as the European Union Medical Device Regulation ("EU MDR") and General Data Protection Regulation ("GDPR") which represent a significant, unusual change to the existing regulatory framework. We consider these costs to be duplicative of previously incurred costs and/or one-off costs, which are limited to a specific period of time. These costs were recorded in Research and development expense. During 2022, the Company updated its definition for adjustments to include costs associated with complying with EU MDR.

(4) Represents restructuring-related costs recorded in Other operating expenses.

(5) Relates to an impairment charge incurred during the six months ended 2022. The impairment incurred during 2022 is recorded in Impairment expense. During 2022, the Company updated its definition for adjustments to include fixed asset, goodwill and/or intangible asset impairment charges.

Fiscal Year 2023 Financial Guidance Assumptions

Dollars in millions, except percentages	
Interest Expense, Net	~ $115 to ~$120
Adjusted Tax Rate	~ 25%
Weighted Average Shares (in millions)	~ 57.7
Foreign Exchange	
EUR/USD	~ 0.98
USD/YEN	~ 149
USD/CNY	~ 7.20

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