
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 5, 2026

EMBECTA CORP.
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-41186
(Commission
File Number)

87-1583942
(IRS Employer
Identification No.)

300 Kimball Drive, Suite 300, Parsippany, New Jersey
(Address of principal executive offices)

07054
(Zip Code)

Registrant's telephone number, including area code: (862) 401-0000

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	EMBC	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On February 5, 2026, Embecta Corp. issued a press release (the “Press Release”) regarding its results for the quarter ended December 31, 2025. The Press Release is furnished as Exhibit 99.1 to this report.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following is furnished as an exhibit to this report:

[99.1](#) Press Release, dated February 5, 2026.

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EMBECTA CORP.

Dated: February 5, 2026

By: /s/ Jacob Elguicze
Jacob Elguicze
Chief Financial Officer



FOR IMMEDIATE RELEASE

Embecta Corp. Reports First Quarter Fiscal 2026 Financial Results

PARSIPPANY, N.J., Feb 5, 2026 (GLOBE NEWSWIRE) – Embecta Corp. (“embecta” or the “Company”) (Nasdaq: EMBC), a global diabetes care company, today reported financial results for the three month period ended December 31, 2025.

"During the first quarter our results were largely consistent with our expectations," said Devdatt (Dev) Kurdikar, President and Chief Executive Officer of embecta.

Mr. Kurdikar added, "As we look ahead, we remain focused on pursuing initiatives that will transform the company into a broad-based medical supplies company which serves chronic care patients and drug delivery partners. This includes maintaining our global leadership position in core injection products, expanding our product portfolio, and creating additional financial flexibility through ongoing debt reduction. Given our performance during the first quarter, coupled with our outlook for the remainder of the year, we are maintaining our previously provided guidance for key financial reporting metrics."

First Quarter Fiscal Year 2026 Financial Highlights:

- Reported revenues of \$261.2 million, down 0.3% on a reported basis; down 2.0% on an adjusted constant currency basis
 - U.S. revenues decreased 7.6% on both a reported and adjusted constant currency basis
 - International revenues increased 8.4% on a reported basis, and 4.6% on an adjusted constant currency basis
- Gross profit and margin of \$161.7 million and 61.9%, compared to \$157.1 million and 60.0% in the prior year period
- Adjusted gross profit and margin of \$163.5 million and 62.6%, compared to \$164.2 million and 62.7% in the prior year period
- Operating income and margin of \$83.3 million and 31.9%, compared to \$28.7 million and 11.0% in the prior year period
- Adjusted operating income and margin of \$79.3 million and 30.4%, compared to \$80.5 million and 30.7% in the prior year period
- Net income and earnings per diluted share of \$44.1 million and \$0.74, compared to \$0.0 million and \$0.00 in the prior year period
- Adjusted net income and adjusted earnings per diluted share of \$42.3 million and \$0.71, compared to \$38.3 million and \$0.65 in the prior year period
- Adjusted EBITDA and margin of \$97.2 million and 37.2%, compared to \$97.3 million and 37.2% in the prior year period
- Announced a dividend of \$0.15 per share

Strategic Highlights:

- *Strengthen core business*
 - Advanced the brand transition program in International markets with significant completion anticipated by the end of calendar year 2026
 - Strengthened U.S. Medicare business by contracting with an additional Medicare Part D payer for exclusive access and renewing advantaged formulary status with the previously contracted top 3 Medicare Part D payers
 - Finalized product design and completed assembly line equipment installation for market-appropriate pen needles and syringes; manufacturing validation process in progress
- *Expand product portfolio*
 - Advanced over one third of the greater than 30 identified potential B2B generic partners either into contract negotiations or have executed contracts
 - Continued to make progress on expanding availability of appropriately sized GLP-1 retail packaging for use with weekly injection therapies
- *Increase financial flexibility*
 - Reduced debt during the fiscal year 2026 first quarter by paying down approximately \$37.5 million of outstanding principal under the term loan B facility that had an interest rate of 300 basis points over the secured overnight financing rate ("SOFR"), with a 0.50% SOFR floor

Adjusted Constant Currency Revenue Growth is based upon Reported Revenues, adjusted to exclude, depending on the period presented, the items described in Adjusted Revenues and to eliminate the impact of translating the results of international subsidiaries at different currency exchange rates from period to period. The impact of changes in foreign currency may vary significantly from period to period, and such changes generally are outside of the control of our management. We believe that this measure facilitates a comparison of our operating performance exclusive of currency exchange rate fluctuations that do not reflect our underlying performance or business trends. These results should be considered in addition to, not as a substitute for, results reported in accordance with GAAP. Results on an Adjusted constant currency revenue 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.

First Quarter Fiscal Year 2026 Results:

Revenues by geographic region are as follows:

<i>Dollars in millions</i>	Three months ended December 31,						% Increase/(decrease)			
	2025			2024			Reported Revenue Growth	Currency Impact	Adjustment Impact	Adjusted Constant Currency Revenue Growth
	Reported Revenues	Adjustment	Adjusted Revenues	Reported Revenues	Adjustment	Adjusted Revenues				
United States	\$ 130.9	\$ —	\$ 130.9	\$ 141.7	\$ —	\$ 141.7	(7.6)%	— %	— %	(7.6)%
International	130.3	—	130.3	120.2	—	120.2	8.4	3.8	—	4.6
Total	\$ 261.2	\$ —	\$ 261.2	\$ 261.9	\$ —	\$ 261.9	(0.3)%	1.7 %	— %	(2.0)%

Revenues by product family are as follows:

<i>Dollars in millions</i>	Three months ended December 31,						% Increase/(decrease)			
	2025			2024			Reported Revenue Growth	Currency Impact	Adjustment Impact	Adjusted Constant Currency Revenue Growth
	Reported Revenues	Adjustment	Adjusted Revenues	Reported Revenues	Adjustment	Adjusted Revenues				
Pen Needles	\$ 185.5	\$ —	\$ 185.5	\$ 191.1	\$ —	\$ 191.1	(2.9)%	1.5 %	— %	(4.4)%
Syringes	30.7	—	30.7	28.4	—	28.4	8.1	2.8	—	5.3
Safety	37.3	—	37.3	34.2	—	34.2	9.1	1.8	—	7.3
Other ¹	3.6	—	3.6	3.4	—	3.4	5.9	2.9	—	3.0
Contract Manufacturing	4.1	—	4.1	4.8	—	4.8	(14.6)	2.1	—	(16.7)
Total	\$ 261.2	\$ —	\$ 261.2	\$ 261.9	\$ —	\$ 261.9	(0.3)%	1.7 %	— %	(2.0)%

¹ Other includes product sales for swabs and other accessories.

The Company's revenues decreased by \$0.7 million, or 0.3%, to \$261.2 million for the three months ended December 31, 2025 as compared to revenues of \$261.9 million for the three months ended December 31, 2024. Changes in revenues are driven by the volume of goods that the Company sells, the prices it negotiates with customers, and changes in foreign exchange rates. The decrease in revenues was driven by \$7.8 million of unfavorable changes in price and a \$0.7 million decrease in contract manufacturing revenues related to sales of non-diabetes products to Becton, Dickinson and Company ("BD"), partially offset by \$4.6 million associated with the positive impact of foreign currency translation primarily due to the weakening of the U.S. dollar and \$3.2 million of favorable changes in volume.

Fiscal Year 2026 Updated Financial Guidance:

For fiscal year 2026, the Company now expects:

Dollars in millions, except percentages and per share data	Current	Previous ⁽¹⁾
Reported Revenues	\$1,071 - \$1,093	\$1,071 - \$1,093
Reported Revenue Growth (%)	(0.9)% - 1.1%	(0.9)% - 1.1%
<i>Impact of F/X (%)</i>	<i>1.2%</i>	<i>1.2%</i>
<i>Impact of Italian Payback Measure ⁽²⁾ (%)</i>	<i>(0.1)%</i>	<i>(0.1)%</i>
Adjusted Constant Currency Revenue Growth (%)	(2.0)% - 0.0%	(2.0)% - 0.0%
Adjusted Operating Margin (%)	29.0% - 30.0%	29.0% - 30.0%
Adjusted Earnings per Diluted Share	\$2.80 - \$3.00	\$2.80 - \$3.00

(1) Previous guidance was issued on Nov 25, 2025.

(2) Reflects the recognition of changes in estimates associated with the Italian payback measure relating to certain prior years since 2015 recorded in Revenues.

We are unable to present a quantitative reconciliation of our expected adjusted operating margin, and expected adjusted earnings per diluted share as we are unable to predict with reasonable certainty, and without unreasonable effort the impact and timing of any 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.

Balance Sheet, Liquidity and Other Updates

As of December 31, 2025, the Company had approximately \$204.4 million in cash and equivalents and restricted cash and \$1.379 billion of debt principal outstanding, and no amount drawn on its \$500 million Revolving Credit Facility.

The Company's Board of Directors declared a quarterly cash dividend of \$0.15 for each issued and outstanding share of the Company's common stock. The dividend is payable on March 17, 2026 to stockholders of record at the close of business on February 27, 2026.

First Quarter Fiscal Year 2026 Earnings Conference Call:

Management will host a conference call at 8:00 a.m. Eastern Time (ET) on February 5, 2026 to discuss the results of the quarter, provide an update on its business, and host a question and answer session. Those who would like to participate may access the live webcast [here](#), or access the teleconference [here](#). The live webcast can also be accessed via the company's website at investors.embecta.com.

A webcast replay of the call will be available beginning at 11:00 a.m. ET on February 5, 2026, via the embecta investor relations website and archived on the website for one year.

Condensed Consolidated Statements of Income
Embeckta Corp.
(Unaudited, in millions, except per share data)

	Three Months Ended December 31,	
	2025	2024
Revenues	\$ 261.2	\$ 261.9
Cost of products sold	99.5	104.8
Gross Profit	\$ 161.7	\$ 157.1
Operating expenses:		
Selling and administrative expense	77.6	81.1
Research and development expense	4.6	20.3
Other operating (income) expense, net	(3.8)	27.0
Total Operating Expenses	\$ 78.4	\$ 128.4
Operating Income	\$ 83.3	\$ 28.7
Interest expense, net	(24.1)	(27.9)
Other income (expense), net	(0.3)	(1.5)
Income (Loss) Before Income Taxes	\$ 58.9	\$ (0.7)
Income tax provision (benefit)	14.8	(0.7)
Net Income	\$ 44.1	\$ —
Net Income per common share:		
Basic	\$ 0.75	\$ —
Diluted	\$ 0.74	\$ —

Condensed Consolidated Balance Sheets
Embecta Corp.
(in millions, except share and per share data)

	December 31, 2025	September 30, 2025
	(Unaudited)	
Assets		
Current Assets		
Cash and equivalents	\$ 201.3	\$ 225.5
Restricted cash	3.1	3.1
Trade receivables, net (net of allowance for doubtful accounts of \$2.0 million and \$1.8 million as of December 31, 2025 and September 30, 2025, respectively)	159.2	145.6
Inventories:		
Materials	52.4	50.0
Work in process	14.3	11.7
Finished products	115.1	116.9
Total Inventories	\$ 181.8	\$ 178.6
Amounts due from Becton, Dickinson and Company	—	3.3
Prepaid expenses and other	74.8	75.3
Total Current Assets	\$ 620.2	\$ 631.4
Property, Plant and Equipment, Net	248.9	257.2
Goodwill and Intangible Assets	22.1	22.4
Deferred Income Taxes and Other Assets	172.5	179.9
Total Assets	\$ 1,063.7	\$ 1,090.9
Liabilities and Equity		
Current Liabilities		
Accounts payable	\$ 72.1	\$ 74.2
Accrued expenses	111.6	98.9
Amounts due to Becton, Dickinson and Company	—	16.3
Salaries, wages and related items	31.3	49.4
Current debt obligations	9.5	9.5
Current finance lease liabilities	3.5	3.4
Income taxes	6.7	9.8
Total Current Liabilities	\$ 234.7	\$ 261.5
Deferred Income Taxes and Other Liabilities	61.0	62.6
Long-Term Debt	1,352.9	1,388.7
Non Current Finance Lease Liabilities	28.2	28.7
Contingencies		
Embecta Corp. Equity		
Common stock, \$0.01 par value		
Authorized - 250,000,000		
Issued and outstanding - 59,211,992 as of December 31, 2025 and 58,496,113 as of September 30, 2025	\$ 0.6	\$ 0.6
Additional paid-in capital	81.8	80.0
Accumulated deficit	(411.1)	(445.6)
Accumulated other comprehensive loss	(284.4)	(285.6)
Total Equity	(613.1)	(650.6)
Total Liabilities and Equity	\$ 1,063.7	\$ 1,090.9

Condensed Consolidated Statements of Cash Flows
Embeckta Corp.
(Unaudited, in millions)

	Three Months Ended December 31,	
	2025	2024
Operating Activities		
Net Income	\$ 44.1	\$ —
Adjustments to net income to derive net cash provided by operating activities:		
Depreciation and amortization	10.3	9.4
Amortization of debt issuance costs	1.9	2.1
Impairment of property, plant and equipment	—	10.4
Gain on sale of certain intellectual property rights and long-lived assets	(10.1)	—
Amortization of cloud computing arrangements	2.6	2.5
Stock-based compensation	5.9	8.9
Deferred income taxes	3.4	2.3
Change in operating assets and liabilities:		
Trade receivables, net	(12.0)	5.8
Inventories	(3.5)	(4.5)
Due from/due to Becton, Dickinson and Company	—	15.8
Prepaid expenses and other	2.0	9.6
Accounts payable, accrued expenses and other current liabilities	(23.8)	(40.8)
Income and other net taxes payable	(1.8)	(26.3)
Other assets and liabilities, net	(1.8)	(0.5)
Net cash provided by (used for) operating activities	\$ 17.2	\$ (5.3)
Investing Activities		
Capital expenditures	\$ (0.6)	\$ (1.5)
Proceeds from the sale of certain intellectual property rights and long-lived assets	10.1	—
Net cash provided by (used for) investing activities	\$ 9.5	\$ (1.5)
Financing Activities		
Payments on long-term debt	\$ (37.5)	\$ (32.4)
Payments related to tax withholding for stock-based compensation	(4.8)	(3.7)
Payments on finance lease	(0.4)	(0.3)
Dividend payments	(8.9)	(8.8)
Net cash used for financing activities	\$ (51.6)	\$ (45.2)
Effect of exchange rate changes on cash and equivalents and restricted cash	0.7	(5.5)
Net Change in Cash and equivalents and restricted cash	\$ (24.2)	\$ (57.5)
Opening Cash and equivalents and restricted cash	228.6	274.2
Closing Cash and equivalents and restricted cash	\$ 204.4	\$ 216.7

About 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) Adjusted Revenues, (ii) earnings before interest, taxes, depreciation, and amortization (“EBITDA”), (iii) Adjusted EBITDA and Adjusted EBITDA Margin, (iv) Adjusted Gross Profit and Adjusted Gross Profit Margin, (v) Adjusted Constant Currency Revenue Growth, (vi) Adjusted Operating Income and Adjusted Operating Income Margin, (vii) Adjusted Net Income and Adjusted Earnings Per Diluted Share, and (viii) Free Cash Flow. 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. However, the presentation of these measures has limitations as an analytical tool and should not be considered in isolation, or as a substitute for the company’s results as reported under GAAP. Because not all companies use identical calculations, the presentations of these non-GAAP measures may not be comparable to other similarly titled measures of other companies. The Company uses non-GAAP financial measures in its operational and financial decision making, and believes that it is useful to exclude certain items in order to focus on what it regards to be a meaningful alternative representation of the underlying operating performance of the business.

For the three month periods ended December 31, 2025 and 2024, the reconciliation of (1) GAAP Revenues ("Reported Revenues") to Adjusted Revenues, and (2) GAAP Net income to EBITDA and Adjusted EBITDA was as follows (unaudited, in millions):

	Three Months Ended December 31,	
	2025	2024
Reported Revenues	\$ 261.2	\$ 261.9
Italian payback measure	—	—
Adjusted Revenues	\$ 261.2	\$ 261.9
GAAP Net Income	\$ 44.1	\$ —
Interest expense, net	24.1	27.9
Income tax benefit	14.8	(0.7)
Depreciation and amortization	10.3	9.4
EBITDA	\$ 93.3	\$ 36.6
Stock-based compensation expense ⁽¹⁾	5.9	9.0
One-time stand up costs ⁽²⁾	4.8	10.4
European regulatory initiative-related costs ("EU MDR") ⁽³⁾	0.2	0.4
Amortization of cloud computing arrangements ⁽⁴⁾	2.6	2.5
(Income) expense associated with the discontinued patch pump program ⁽⁵⁾	(9.6)	38.4
Adjusted EBITDA	\$ 97.2	\$ 97.3
Adjusted EBITDA Margin	37.2 %	37.2 %

- (1) Represents stock-based compensation expense incurred during the three months ended December 31, 2025 and 2024, respectively. For the three months ended December 31, 2025, \$5.0 million is recorded in Selling and administrative expense, \$0.8 million is recorded in Cost of products sold, and \$0.1 million is recorded in Research and development expense. For the three months ended, December 31, 2024, \$7.4 million is recorded in Selling and administrative expense, \$0.9 million is recorded in Other operating (income) expense, net, \$0.6 million is recorded in Cost of products sold, and \$0.1 million is recorded in Research and development expense.
- (2) One-time stand-up costs incurred primarily include: (i) product registration, labeling, and brand transition costs; (ii) warehousing and distribution set-up costs; (iii) legal costs associated with patents and trademark work; (iv) temporary headcount resources within accounting, tax, finance, human resources, regulatory and IT; and (v) one-time business integration and IT related costs primarily associated with our global ERP implementation. For the three months ended December 31, 2025, approximately \$3.1 million is recorded in Other operating (income) expense, net, \$1.4 is recorded in Cost of products sold, and \$0.3 million is recorded in Research and development expense. For the three months ended December 31, 2024, approximately \$10.2 million is recorded in Other operating (income) expense, net and \$0.2 million is recorded in Cost of products sold.
- (3) Represents costs required to develop processes and systems to comply with regulations such as the 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. For the three months ended December 31, 2025, \$0.2 million is recorded in Research and development expense. For the three months ended December 31, 2024, \$0.3 million is recorded in Research and development expense and \$0.1 million is recorded in Cost of products sold.
- (4) Represents amortization of implementation costs associated with cloud computing arrangements recognized in Other operating (income) expense, net.
- (5) Represents income and expenses incurred during the three months ended December 31, 2025 and 2024 associated with the discontinued patch pump program, excluding those program costs classified above within Depreciation and amortization and Stock-based compensation expense. These items are primarily one-time in nature that we do not view as fundamental to operate our core business. The items primarily consist of severance-related costs, asset impairments, contract termination costs, a gain on sale of certain assets, and other operating costs. For the three months ended December 31, 2025, a \$10.1 million gain is recorded in Other operating (income) expense, net, a \$0.4 million charge is recorded in Research and development expense, and a \$0.1 million charge is recorded in Cost of products sold. For the three months ended December 31, 2024, \$18.0 million is recorded in Research and development expense, \$13.4 million is recorded in Other operating (income) expense, net, \$6.5 million is recorded in Cost of products sold, and \$0.5 million is recorded in Selling and administrative expense.

For the three month periods ended December 31, 2025 and 2024, the reconciliations of (1) GAAP Revenues ("Reported Revenues") to Adjusted Revenues (2) GAAP Gross Profit and Gross Margin to Adjusted Gross Profit and Adjusted Gross Margin, (3) GAAP Operating Income and Operating Margin to Adjusted Operating Income and Adjusted Operating Income Margin, (4) GAAP Net Income Per Diluted Share to Adjusted Net Income Per Diluted Share, and (5) Free Cash Flow are as follows (unaudited in millions, except per share amounts): were as follows (unaudited in millions, except per share amounts):

	Three Months Ended December 31,	
	2025	2024
Reported Revenues	\$ 261.2	\$ 261.9
Italian payback measure	—	—
Adjusted Revenues	<u>\$ 261.2</u>	<u>\$ 261.9</u>
GAAP Gross Profit	\$ 161.7	\$ 157.1
GAAP Gross Profit Margin	61.9 %	60.0 %
Amortization of intangible assets ⁽¹⁾	0.3	0.3
One-time stand up costs ⁽²⁾	1.4	0.2
EU MDR ⁽³⁾	—	0.1
Expense associated with the discontinued patch pump program ⁽⁴⁾	0.1	6.5
Adjusted Gross Profit	\$ 163.5	\$ 164.2
Adjusted Gross Profit Margin	62.6 %	62.7 %

(1) Amortization of intangible assets is recorded in Cost of products sold.

(2) One-time stand-up costs incurred are primarily attributed to brand transition.

(3) Represents costs required to develop processes and systems to comply with regulations such as the EU MDR and 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.

(4) Represents expenses incurred for the three months ended December 31, 2025 and December 31, 2024 associated with the discontinued patch pump program. These items are primarily one-time in nature that we do not view as fundamental to operate our core business. The costs primarily consist of asset impairments and other operating costs.

	Three Months Ended December 31,	
	2025	2024
GAAP Operating Income	\$ 83.3	\$ 28.7
GAAP Operating Income Margin	31.9 %	11.0 %
Amortization of intangible assets ⁽¹⁾	0.3	0.3
One-time stand up costs ⁽²⁾	4.8	10.4
EU MDR ⁽³⁾	0.2	0.4
Stock-based compensation expense ⁽⁴⁾	0.2	1.1
(Income) expense associated with the discontinued patch pump program ⁽⁵⁾	(9.5)	39.6
Adjusted Operating Income	\$ 79.3	\$ 80.5
Adjusted Operating Income Margin	30.4 %	30.7 %
GAAP Net Income	\$ 44.1	\$ —
Adjustments:		
GAAP Income tax benefit	14.8	(0.7)
Amortization of intangible assets ⁽¹⁾	0.3	0.3
One-time stand up costs ⁽²⁾	4.8	10.4
EU MDR ⁽³⁾	0.2	0.4
Stock-based compensation expense ⁽⁴⁾	0.2	1.1
(Income) expense associated with the discontinued patch pump program ⁽⁵⁾	(9.5)	39.6
Non-GAAP Income tax provision ⁽⁶⁾	(12.6)	(12.8)
Adjusted Net Income	\$ 42.3	\$ 38.3
GAAP Net Income per Diluted share	\$ 0.74	\$ —
Adjusted Net Income per Diluted share	\$ 0.71	\$ 0.65
Basic weighted average number of shares outstanding (in thousands)	58,796	57,952
Effect of dilutive securities:		
Stock awards and equity units (share equivalent)	494	670
Diluted weighted average shares outstanding (in thousands)	59,290	58,622

(1) Amortization of intangible assets is recorded in Cost of products sold.

(2) One-time stand-up costs incurred primarily include: (i) product registration, labeling, and brand transition costs; (ii) warehousing and distribution set-up costs; (iii) legal costs associated with patents and trademark work; (iv) temporary headcount resources within accounting, tax, finance, human resources, regulatory and IT; and (v) one-time business integration and IT related costs primarily associated with our global ERP implementation. For the three months ended December 31, 2025, approximately \$3.1 million is recorded in Other operating (income) expense, net, \$1.4 is recorded in Cost of products sold, and \$0.3 million is recorded in Research and development expense. For the three months ended December 31, 2024, approximately \$10.2 million is recorded in Other operating (income) expense, net and \$0.2 million is recorded in Cost of products sold.

(3) Represents costs required to develop processes and systems to comply with regulations such as the EU MDR and 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. For the three months ended December 31, 2025, \$0.2 million is recorded in Research and development expense. For the three months ended December 31, 2024, \$0.3 million is recorded in Research and development expense and \$0.1 million is recorded in Cost of products sold.

(4) Represents stock-based compensation expense recognized during the period associated with the incremental value of converted legacy BD share-based awards and one-time sign-on equity awards granted to certain members of the embecta leadership team in connection with the Company's separation from BD. For the three months ended December 31, 2025, \$0.2 million is recorded in Selling and administrative expense. For the three months ended December 31, 2024, \$1.1 million is recorded in Selling and administrative expense.

(5) Represents income and expenses incurred during the three months ended December 31, 2025 and 2024 associated with the discontinued patch pump program. These items are primarily one-time in nature that we do not view as fundamental to operate our core business. The items primarily consist of severance-related costs, asset impairments, contract termination costs, a gain on sale of certain assets, and other operating costs. During the three months ended December 31, 2025, a \$10.1 million gain is recorded in Other operating (income) expense, net, a \$0.5 million charge is recorded in Research and development expense, and a \$0.1 million charge is recorded in Cost of products sold. During the three months ended December 31, 2024, \$18.3 million is recorded in Research and development expense, \$14.3 million is recorded in Other operating (income) expense, net, \$6.5 million is recorded in Cost of products sold, and \$0.5 million is recorded in Selling and administrative expense.

(6) Represents the amount of tax expense that the Company estimates that it would record if it used non-GAAP results instead of GAAP results in the calculation of its tax provision. The non-GAAP effective tax rate for the three months ended December 31, 2025 was 23.0%. The non-GAAP effective tax rate for the three months ended December 31, 2024 was 25.0%.

Three Months Ended December 31,

	2025	2024
Net Cash Provided by (Used for) Operating Activities	\$ 17.2	\$ (5.3)
Less:		
Capital expenditures	(0.6)	(1.5)
Non-GAAP Free Cash Flow	\$ 16.6	\$ (6.8)

About Embecta

embecta is a global diabetes care company that is leveraging its nearly 100-year legacy in insulin delivery to empower people with diabetes to live their best life through innovative solutions, partnerships and the passion of approximately 2,000 employees around the globe. For more information, visit [embecta.com](https://www.embecta.com) or follow our social channels on [LinkedIn](#), [Facebook](#), and [Instagram](#).

Safe Harbor Statement Regarding Forward-Looking Statements

This press release 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, achievements, and anticipated product clearances, approvals and launches. 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," "intends," "plans," "pursue," "will," "goal" or similar expressions, we are making forward-looking statements. For example, embecta is using forward-looking statements when it discusses its fiscal 2026 financial guidance, executing on value creation drivers, transforming embecta into a broad-based medical supplies company serving chronic care patients and drug delivery partners, maintaining its global leadership position, expectations related to the impact of incremental tariffs, brand transition plan timing, our ability to expand in other markets, strengthening our core business, expanding our product portfolio, and increasing our financial flexibility, including through debt reduction. 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 inability to replace the services provided by BD under the transaction documents; (iii) any failure by BD to perform its obligations under the various separation agreements entered into in connection with the separation and distribution; (iv) any events that adversely affect the sale or profitability of embecta's products or the revenues delivered from sales to its customers; (v) increases in operating costs, including costs incurred from newly instituted tariffs by the U.S. government and certain foreign governments on raw materials and products, 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; (vi) the impact of the global trade environment resulting from newly instituted tariffs causing certain foreign governments, private purchasers and others to consider transitioning away from products originating from certain countries (including the U.S.) in favor of buying "local" products and local manufacturers and competitors to attempt to capitalize on these sentiments and engage in aggressive competitive pricing or other strategies to divert customers away from embecta; (vii) changes in reimbursement practices of governments or private payers or other cost containment measures; (viii) 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; (ix) 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; (x) any new pandemic, or any geopolitical instability, including disruptions in its operations and supply chains; (xi) 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; (xii) the expected benefits of the separation from BD; (xiii) risks associated with embecta's indebtedness; (xiv) the risk that ongoing dis-synergy costs, costs of restructuring and other costs incurred in connection with the separation from BD will exceed our estimates of these costs; (xv) the risk that it will be more difficult than expected to effect embecta's full separation from BD; (xvi) the risks related to timely and successfully completing the brand transition, including any resulting regulatory registration and license delays and interruptions in the transition of the rebranded products into commercial operations, networks, operations and end-to-end product flow and end-user access; (xvii) expectations related to the costs, profitability, timing and the estimated financial impact of, and charges and savings associated with, the restructuring plans we announced; (xviii) risks associated with not completing strategic collaborative partnerships and acquisitions for innovative technologies, complementary product lines, and new markets; and (xix) the other risks described in our periodic reports filed with the Securities and Exchange Commission, including under the caption "Risk Factors" in 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 release.

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