

Dear Customer,

Subject: ICU Medical Service Levels and Remediation Plan

Thank you for outlining your concerns. Please find below a structured response addressing:

- Root causes of the current issues
- Challenges in mitigating the impact
- Actions underway to resolve the situation
- Expected timeline for return to normal operations

The primary driver of the reduced service levels currently being experienced is shipping delays caused by operational disruptions within our Netherlands distribution network.

These disruptions resulted from several concurrent factors:

- The Smiths Medical/ICU Medical integration cutover in February 2026
- Subsequent stabilisation activities
- Internal Resource constraints
- Technology-related interruptions
- Performance challenges experienced by our logistics partner, UPS, following implementation of a new global warehouse management system, temporarily reducing network processing capacity
- Increased operational complexity due to our warehouse consolidation initiative

Many of these factors have now been resolved apart from finalisation of the warehouse consolidation.

- The remaining consolidation activities have been paused to prioritise backorder recovery.

To accelerate recovery and improve service levels, we have implemented the following measures:

- Paused warehouse consolidation activities until 1 July
- Streamlined replenishment into the future operating model to improve throughput
- Deployed additional resources from other regions
- Prioritized critical and urgent customer orders to minimize patient impact

These actions are already delivering measurable improvements. Based on current progress, we anticipate a return to normal service levels by the end of June, with orders processed and shipped without material delay.

We will restart the consolidation activities on July 1st and aim to complete by beginning of September. At this time, we would be able to ship all orders from one location in Netherlands.

We remain fully committed to restoring full service as quickly as possible and appreciate your continued patience and support.

Yours sincerely,



Michael Jones

Director, Operations OUS

Hofspoor 3, 3994 VZ Houten

The Netherlands

M: NL +31 613 591 991

E: michael.jones@icumed.com