



Investor Presentation

November 2020

NASDAQ: KRMD

FORWARD-LOOKING STATEMENTS / NON-GAAP MEASURES



This presentation contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as : "expect," "plan," "goals," "believe," "intend," "see," "could," "should," and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding our long-term growth potential and sustainability, our strategic growth initiatives and long-term financial goals, issues expected with U.S. plasma supply, expected increase in IG supply, and the potential impact of COVID-19 in the market. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: impact of COVID-19; introduction of competitive products; availability of insurance reimbursement; changes in U.S. Food and Drug Administration regulations; changes to health care policies; success of our research and development efforts; our ability to raise capital if or when needed; acceptance of and demand for new and existing products; expanded market acceptance of the FREEDOM Syringe Infusion System; our ability to obtain required governmental approvals; success in enforcing and obtaining patents; continued performance by principal suppliers; continued customer preference to work through distributors; continued service of key personnel and attracting and maintaining new personnel; and general economic and business conditions. Any forward-looking statement made by us is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Non-GAAP Adjusted EBITDA

Adjusted EBITDA excludes from net income / (loss): income tax expense, depreciation and amortization, interest income, net, reorganization charges, discontinued product expense, litigation expenses including stock-based settlement expense, manufacturing initiative expenses, and stock option expense

Non-GAAP Measures

This presentation includes the non-GAAP financial measure of "Adjusted EBITDA," that is not in accordance with, nor an alternate to, generally accepted accounting principles and may be different from non-GAAP measures used by other companies. In addition, this non-GAAP measure is not based on any comprehensive set of accounting rules or principles. Non-GAAP financial measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. They are limited in value because they exclude charges that have a material effect on our reported results and, therefore, should not be relied upon as the sole financial measures to evaluate our financial results. The non-GAAP financial measure is meant to supplement, and to be viewed in conjunction with, GAAP financial results. A reconciliation of our non-GAAP measure is included in this presentation.

Core Business



PIDD & CIDP Patients

Chronic patient population
Treatment necessary regardless of macro-disruptions
Large addressable market
High recurring revenue component

Other Growth Drivers



Clinical Trials

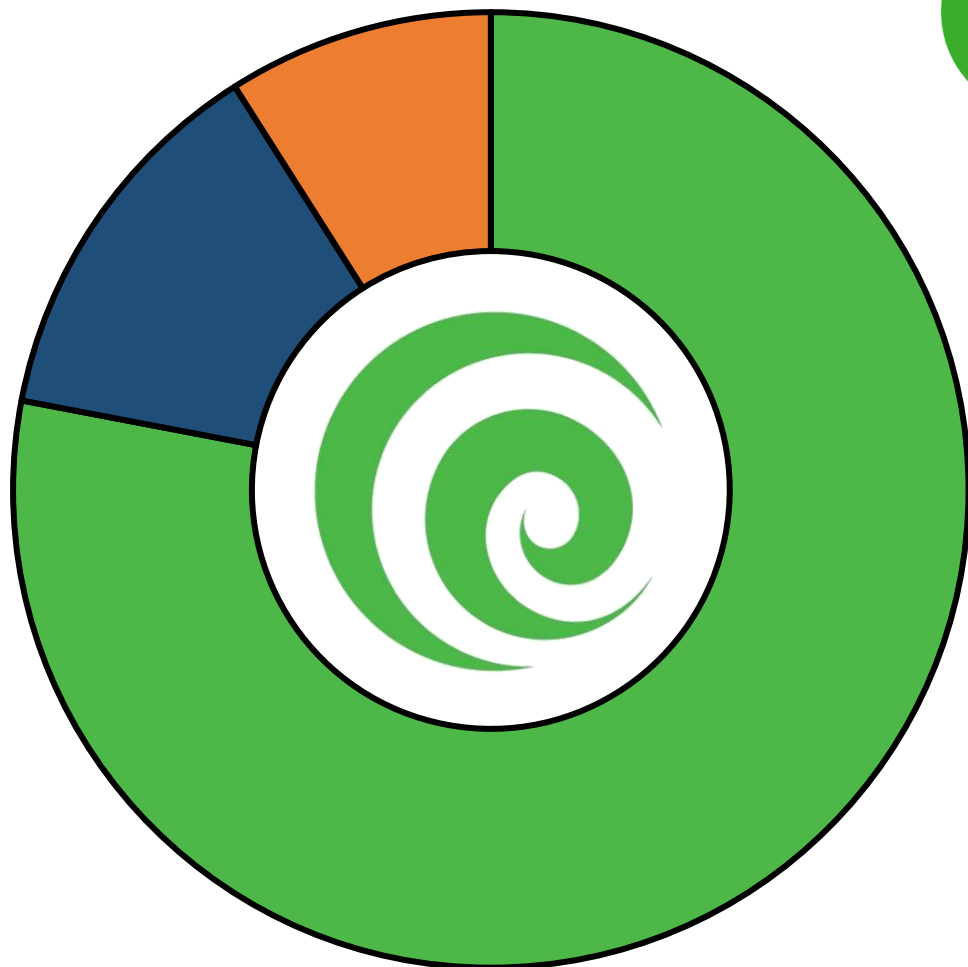


Geographic Expansion



Expanded Drug Indications

Potential to significantly expand Total Addressable Market
Inconsistent quarterly contribution
Q3 2020 COVID-19 impact



Representative YTD 2020 Revenue Profile

NASDAQ: KRMD



Core Business / U.S. PIDD + CIDP Patients

- Chronic disease state
- Large addressable markets
- High recurring revenue component; minimal patient churn
- Growth aligned with that of Ig market



Clinical Trials

- Potential to significantly expand Total Addressable Market
- Approvals add to Core Business
- Utilize “off-the-shelf” product; customize where necessary
- Creates new and strengthens existing pharmaceutical relationships
- Position us to participate in new clinical trials



International Sales

- A developing revenue stream
- Potential to significantly expand Total Addressable Market

KORU MEDICAL SYSTEMS

PUTTING THE PATIENT FIRST WITH EASY-TO-USE HOME INFUSION SOLUTIONS



KORU Medical Systems manufactures and sells the Freedom Integrated Infusion System that allows chronically-ill patients to self-administer *subcutaneous infusion therapy* in their homes



Supporting the Migration to At-Home Healthcare



Pursuing Multiple Growth Pathways



Clinical Trial Activity



Benefitting from Secular Growth Trends



Lowering Costs; Delivering Improved Outcomes



Strong Core Business

KORU'S POSITIONING

LEVERAGING OUR CORE STRENGTHS TODAY TO DRIVE GROWTH TOMORROW



- 

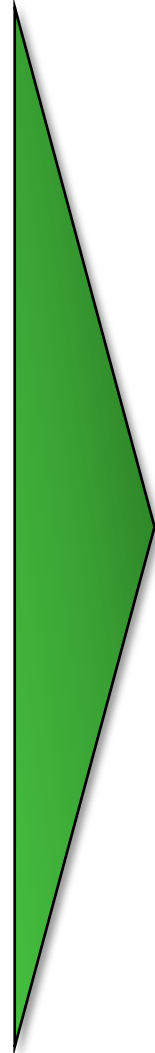
Significant Market Share and Growth Potential
- 





Differentiated Technology
- 

Strong Pharma Relationships
- 

Premium Customer Retention / Recurring Revenue Component
- 

Value Proposition Across The Care Continuum



Growing Adoption and Opportunity in Current Space (Ig)	Expanded Indications for Existing Therapies (e.g. Secondary Immunodeficiency)
	
Expand Outside the United States	Support Drug Development for New Disease States
	

OUR CORE BUSINESS OPPORTUNITY
 UNDERPENETRATED MARKETS = COMPELLING GROWTH OPPORTUNITY
 EXCLUDES OTHER DISEASE STATES AND SECONDARY IMMUNE DEFICIENCY DISEASES

Primary Immunodeficiency Disease
 400+ immune diseases
\$750
 Annual Recurring Revenue
 Per PIDD Patient

\$375 M
 Total U.S.
 Addressable Market



500,000
 Undiagnosed U.S.
 PIDD Population



5%
 Total U.S. Market
 Penetration (KRMD)

Market leader
High patient retention

6,000,000
 Estimated Global PIDD Patient
 Population; High Potential for
 Additional Diagnosis

**Chronic Inflammatory
 Demyelinating Polyneuropathy**
 Expanded Indication
\$1,500
 Annual Recurring Revenue Per Patient
 (Assumes 2 treatments per week)

\$37.5 M
 Total U.S. Addressable
 Market



25,000
 U.S. CIDP Population

US PIDD patient population data from <https://www.cslbehring.com/patients/find-your-disease/immunodeficiency-and-autoimmune-diseases>
 Global PIDD patient population data: <https://www.businesswire.com/news/home/20200915005293/en/European-Medicines-Agency-Approves-Label-Update-for-HYQVIA®-Human-Normal-Immunoglobulin-10-and-Recombinant-Human-Hyaluronidase-Expanding-its-Use-to-a-Broader-Group-of-Patients-with-Secondary-Immunodeficiencies>
 CIDP patient population (2018) from <https://www.ajmc.com/journals/supplement/2018/examining-therapies-cidp/chronic-inflammatory-demyelinating-polyneuropathy-considerations-for-diagnosis-management-and-population-health>.
 Other figures are KORU Medical estimates.

SCIg Offers Meaningful Benefits to Patients



1 Self-administer at home without the need for a nurse



2 Infuse under the skin, not through a vein

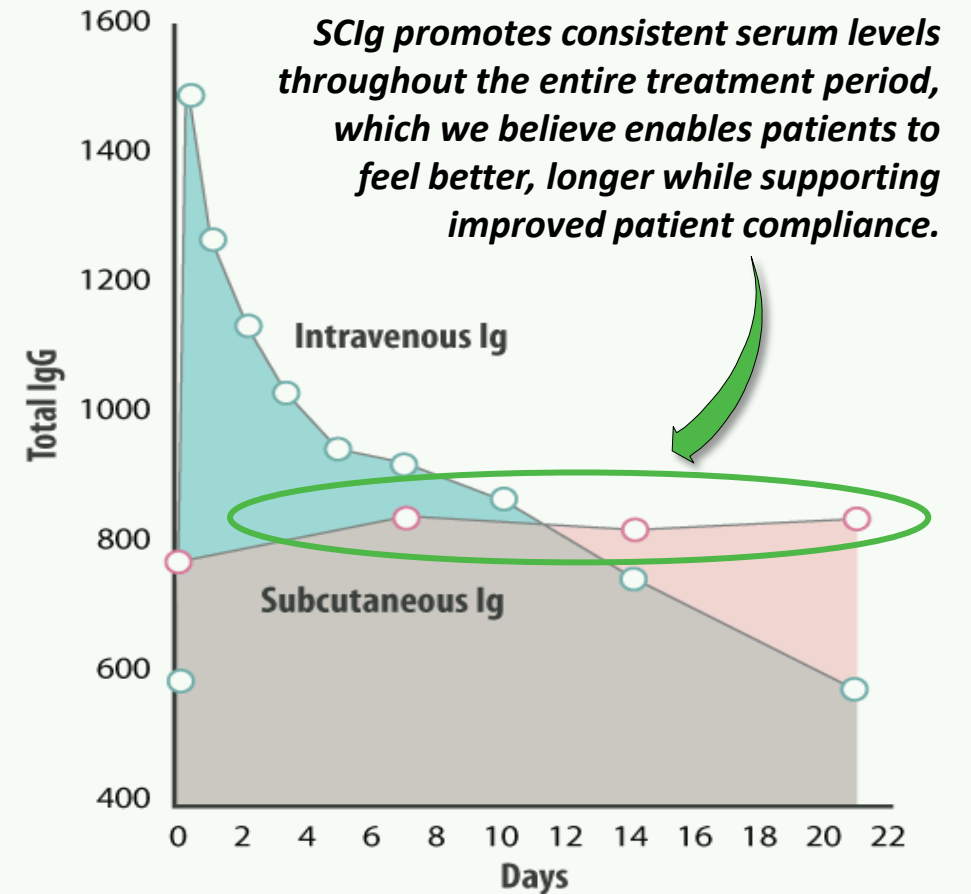


3 Freedom to go about daily activities with minimal interruption

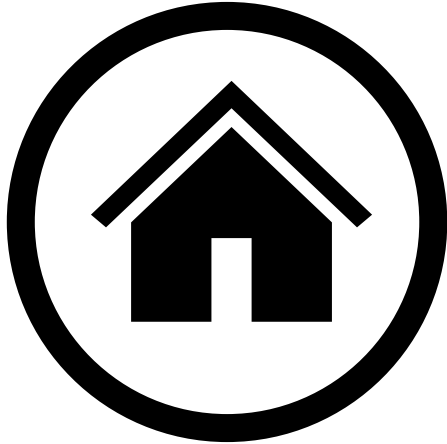


4 Consistent serum levels...which we believe enables patients to feel better, longer

Subcutaneous and Intravenous Serum Ig Level

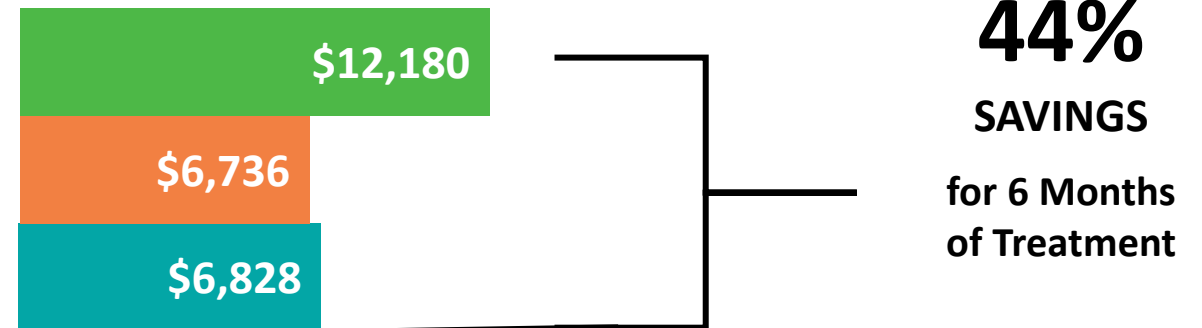


AT-HOME INFUSION: THE SAVINGS OPPORTUNITY ⁽¹⁾



Monthly Cost of Immune Deficiency Drugs for Privately Insured Individuals, 2018

Hospitals Physician Offices Patients' Home



“For certain administered specialty drugs, treatment at home can improve patients’ physical and mental well-being and reduce disruption of work schedules and family responsibilities, all without increasing the likelihood of adverse drug events or side effects.”

UNITEDHEALTH GROUP®

Reducing Specialty Drug Costs / September 2019

(1) UnitedHealth Group®: Reducing Specialty Drug Costs / September 2019.

CORE BUSINESS: GROWING NUMBER OF SCIg DRUGS



CSL Behring

First 20% SCIg therapy cleared to treat PIDD

Cleared to treat CIDP (2018)

Collaborative approach - KORU + Pharma companies



Source: www.hizentra.com

KORU Medical's Freedom60® is featured at www.hizentra.com and in a national advertising campaign for Hizentra® SCIg therapy



CLINICAL TRIALS DEVELOPMENT PIPELINE*



Therapeutic Focus



Hematology



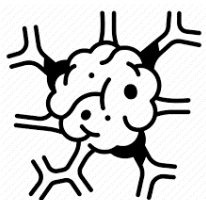
Nephrology



Neurology



Respiratory



Oncology



Acute Care
Instrumentation



Immunology / Inflammation



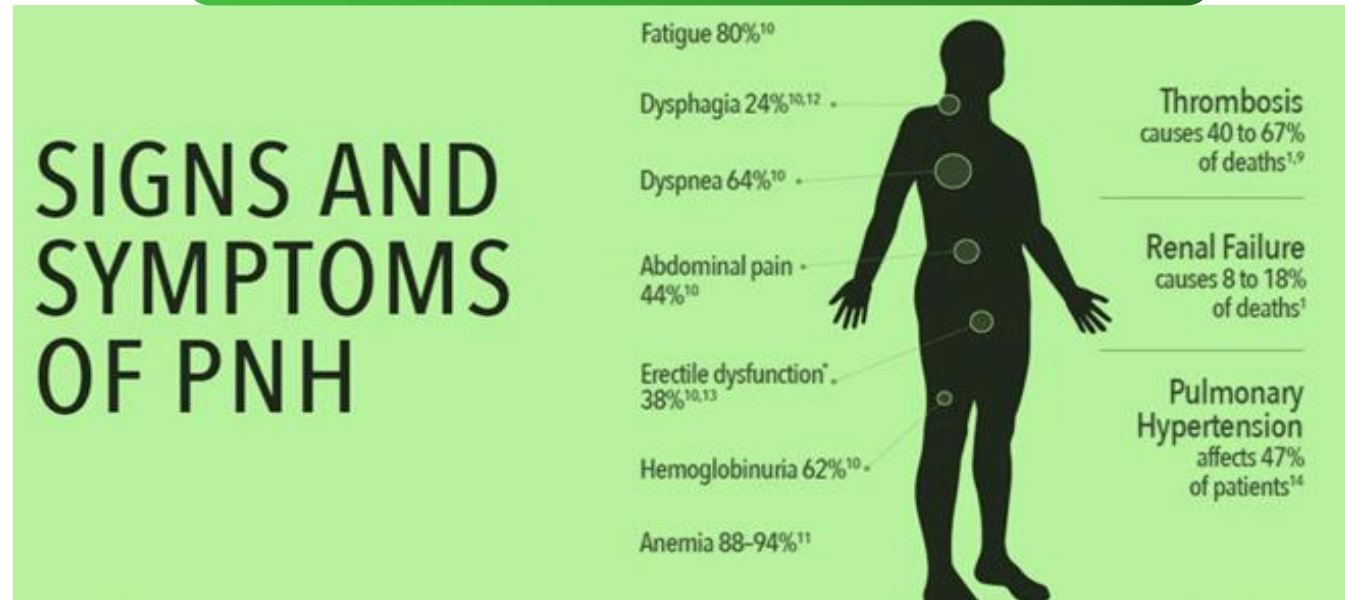
Primary + Secondary
Immunodeficiency

Total Addressable Patient Market Potential +100 M Worldwide**

CLINICAL TRIAL INITIATIVES: COMPLETED PHASE III HEMATOLOGY CLINICAL TRIAL USING FREEDOM SYSTEM



Paroxysmal Nocturnal Hemoglobinuria (PNH)
15,000 Patients Worldwide Afflicted with PNH



Source: <https://twitter.com/alexionpharma/status/1082966719524732928?lang=da>

This new PNH drug is advancing towards its planned 2021 U.S. / global launch

KRMD believes that its Freedom System will be used in several additional upcoming clinical trials focused on expanding indications and disease states for this same drug.

GEOGRAPHIC EXPANSION

FOCUSED ON GROWTH
IN CURRENT MARKETS



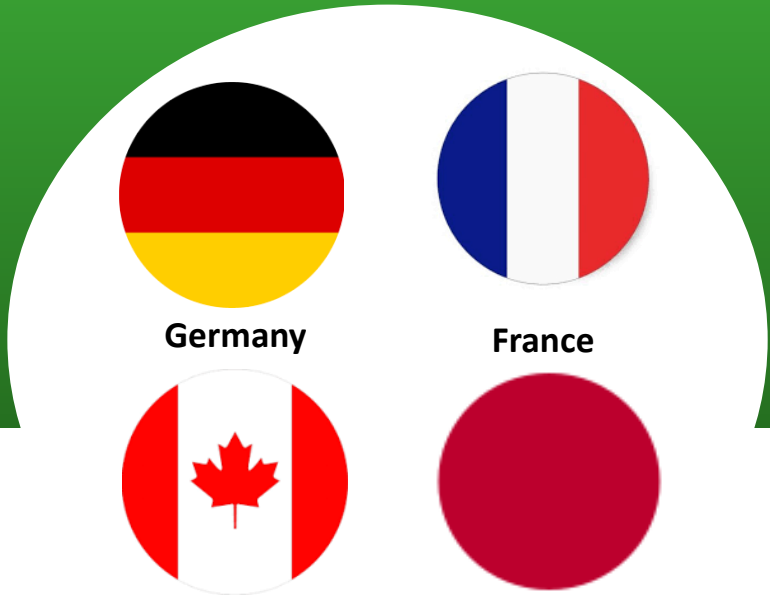
Nordic Countries



United Kingdom

NASDAQ: KRMD

ONGOING EXPANSION INITIATIVES
APPLICATIONS + APPROVALS



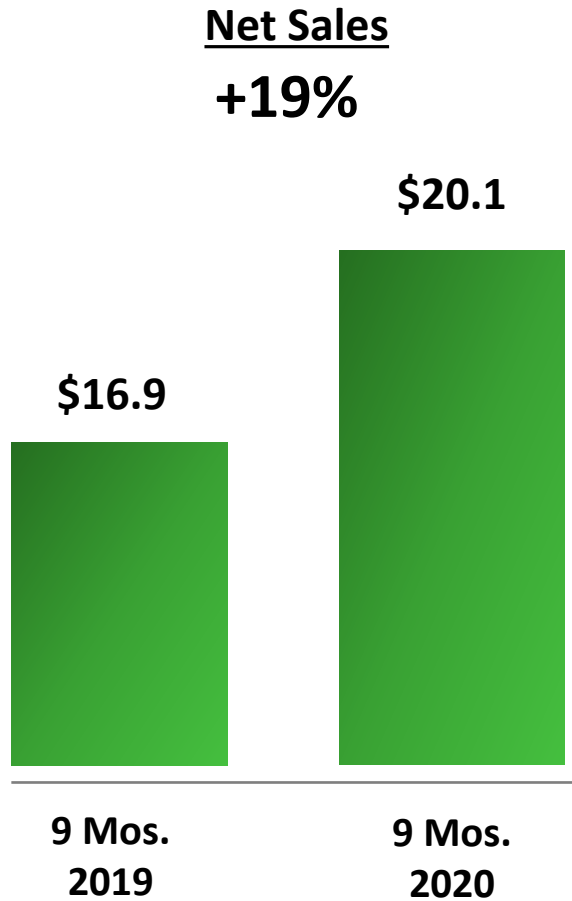
Germany

France

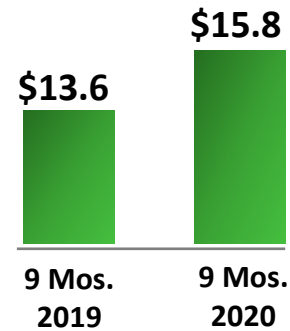
Canada

Japan

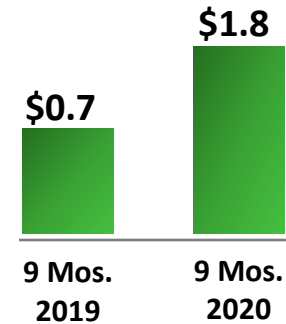
2020 NINE MONTH NET SALES (\$ in MM\$)



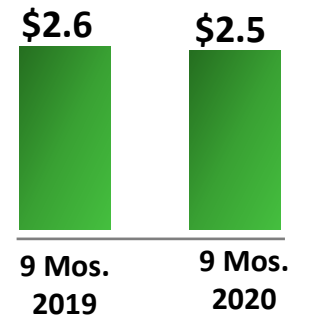
Core Business



Clinical Trials



International



BALANCE SHEET AND CAPITAL STRUCTURE



\$32.4 M
Cash & Cash Equivalents
 September 30, 2020



48.0 M
Diluted Shares Outstanding
 September 30, 2020



\$10 M
Share Repurchase
Plan Authorized

(\$ in millions)	September 30, 2020	December 31, 2019
Cash & Cash Equivalents	\$ 32.4	\$ 5.9
Current Assets	\$ 42.6	\$ 11.9
Total Assets	\$ 45.4	\$ 13.9
Total Liabilities	\$ 5.5	\$ 2.7
Shareholders' Equity	\$ 39.9	\$ 11.2

INVESTMENT CONCLUSIONS



**Leading Product
Market Share**



**Expandable Patient Base in
Core Addressable Markets**



**Exploring Multiple
Growth Pathways**



**Clinical Trial
Participation**



**Supporting Migration
to At-Home Care**



Well Capitalized



**YTD 2020
Adjusted EBITDA \$3.9 M
Cash Flow Positive**

RECONCILIATION OF GAAP NET INCOME TO NON-GAAP ADJUSTED EBITDA



	Nine Months Ended			
	September 30,			
		2020		2019
GAAP Net Income/(Loss)	\$	(377,435)	\$	644,606
Income Tax Expense		316,200		189,265
Depreciation and Amortization		297,801		252,594
Interest Income, Net		(23,690)		(59,091)
Reorganization Charges		—		354,926
Discontinued Product Expense		71,318		—
Litigation*		2,446,747		2,481,471
Manufacturing Initiative Expenses		194,804		120,386
Stock Option Expense		<u>1,011,140</u>		<u>640,775</u>
Non-GAAP Adjusted EBITDA**	\$	3,936,885	\$	4,624,932

*For the nine months ended September 30, 2020, litigation consisted of a \$2.2 million non-cash, stock-based settlement expense.

**Adjusted EBITDA excludes from net income / (loss): income tax expense, depreciation and amortization, interest income, net, reorganization charges, discontinued product expense, litigation expenses including stock-based settlement expense, manufacturing initiative expenses, and stock option expense.

THANK YOU



KORUTM
MEDICAL SYSTEMS

NEW LIFE, NEW BEGINNINGS