

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): January 10, 2024



INTEGER HOLDINGS CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation)

1-16137
(Commission File Number)

16-1531026
(I.R.S. Employer Identification No.)

5830 Granite Parkway, Suite 1150
Plano, Texas 75024
(Address of Principal Executive Offices) (Zip Code)
(214) 618-5243
(Registrant's telephone number, including area code)
Not Applicable
(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:

- ☐ 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	ITGR	New York Stock Exchange

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 January 10, 2024, Integer Holdings Corporation (the “Company”) issued a press release announcing its preliminary unaudited sales for the fourth quarter and year ended December 31, 2023. A copy of the release is furnished with this report as Exhibit 99.1 and is incorporated by reference into this Item 2.02.

The information contained in this report under Items 2.02 and 7.01 and Exhibits 99.1 and 99.2 are being furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. The information contained in this report under Items 2.02 and 7.01 and Exhibits 99.1 and 99.2 shall not be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure.

As part of the press release attached hereto as Exhibit 99.1, the Company also announced the acquisition of Pulse Technologies, Inc. The full text of the press release is attached hereto as Exhibit 99.1.

In addition, on January 3, 2024, the Company announced that Joseph Dziedzic, President and Chief Executive Officer, would deliver a presentation to analysts and investors at the 42nd Annual J.P. Morgan Healthcare Conference on Wednesday, January 10, 2024, at 4:30 p.m. PT (7:30 p.m. ET). A copy of the presentation slides for this presentation are furnished with this report as Exhibit 99.2 and are incorporated by reference into this Item 7.01, and will also be made available on the Company’s website at www.integer.net, under “Investor Relations - News & Events.”

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
<u>99.1</u>	<u>Press release dated January 10, 2024</u>
<u>99.2</u>	<u>Slide presentation dated January 10, 2024</u>
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.

INTEGER HOLDINGS CORPORATION

Date: January 10, 2024

By: /s/ McAlister Marshall

McAlister Marshall

Senior Vice President, General Counsel and Corporate Secretary

Integer Holdings Corporation Announces Preliminary Unaudited Sales Results and Acquisition of Pulse Technologies

~ Preliminary unaudited full year 2023 sales increase 16% versus 2022 ~
 ~ Acquisition adds highly differentiated micro machining capability in high growth end markets ~
 ~ Schedules conference call for fourth quarter and full year 2023 results ~

PLANO, Texas, Jan. 10, 2024 (GLOBE NEWSWIRE) -- Integer Holdings Corporation (NYSE:ITGR), a leading medical device outsource manufacturer, today announced fourth quarter 2023 preliminary unaudited sales are expected to be in the range of \$411 million to \$413 million, an increase of 10% to 11% compared to fourth quarter 2022. Preliminary unaudited full year 2023 sales are expected to be in the range of \$1.595 billion to \$1.597 billion, an increase of 16% compared to full year 2022.

The preliminary unaudited sales results for the fourth quarter and full year ended December 31, 2023 are based on information available to management as of the date of this release. These preliminary results are subject to changes, that may be material, in connection with completion of the Company's standard year-end closing procedures and the completion of our independent registered public accounting firm's year-end audit.

Pulse Technologies Acquisition

Additionally, Integer announced the acquisition of Pulse Technologies, Inc., a privately-held technology, engineering and contract manufacturing company focused on complex micro machining of medical device components for high growth structural heart, heart pump, electrophysiology, leadless pacing, and neuromodulation markets. Based in Quakertown, Pennsylvania, Pulse Technologies also provides proprietary advanced technologies, including Hierarchical Surface Restructuring (HSR™), Scratch-Free Surface Finishes, and Titanium Nitride Coatings.

Consistent with Integer's tuck-in acquisition strategy, the acquisition of Pulse Technologies further increases Integer's end-to-end development capabilities and manufacturing footprint in targeted growth markets and provides customers with expanded capabilities, capacity and resources to accelerate products time to market.

"The acquisition of Pulse Technologies is directly aligned with Integer's strategy to expand our capabilities and capacity in targeted growth markets," said Payman Khales, Integer President, Cardio & Vascular. "We were immediately impressed with Pulse Technologies' long-standing customer relationships, technical talent, unique technologies, shared values, and capacity for growth. The company shares Integer's commitment to quality, innovation and enhancing the lives of patients, and we are thrilled to welcome their 250 associates to the Integer team."

Joe Rosato, Pulse owner, President and CEO, said, "Our founders Bob Walsh and Frank Henofer started Pulse Technologies over 31 years ago with a focus on implantable medical components and assemblies serving high growth sectors of the market. With years of prudent investments in R&D and advanced technology, we have been successful servicing the world's largest MedTech OEMs. The acquisition by Integer, with their global scale and best-in-class capabilities, will accelerate our growth opportunities and will further enhance our value proposition to our most valued customers."

Transaction Financial Highlights

- Integer acquired Pulse Technologies for approximately \$140 million, subject to customary purchase price adjustments, offset by an expected \$15 million NPV tax benefit over 15 years, plus additional consideration contingent on achieving specific revenue growth targets through 2025.
- Pulse Technologies' estimated full year 2023 sales are approximately \$42 million with 2023 adjusted EBITDA^(a) expected to be approximately \$11 million.
- Integer expects Pulse Technologies' sales growth and adjusted EBITDA margin to be accretive.
- The transaction closed on January 5, 2024 utilizing borrowings under Integer's existing revolving credit facility. Integer anticipates it will stay within the 2.5x – 3.5x leverage target following the transaction.

Forward-looking financial information with respect to the transaction will be provided as part of Integer's fourth quarter earnings release and conference call.

(a) Adjusted EBITDA is defined as net income adjusted for the following items: interest expense, depreciation and amortization expense, as well as items affecting comparability, including adjustments to eliminate expenses associated with executive compensation costs and above market lease expense, and add certain expenses to align with Integer's accounting policies. A GAAP reconciliation of Adjusted EBITDA to anticipated net income has not been included because Pulse Technologies has not yet completed its financial closing procedures for the three months and fiscal year ended December 31, 2023 and such reconciliation could not be produced without unreasonable effort.

Fourth Quarter and Full Year 2023 Earnings Release and Conference Call

Integer plans to release financial and operational results for fourth quarter and full year 2023 at 7 a.m. Central Time (CT) / 8 a.m. Eastern Time (ET) on Thursday February 15, 2024. Following the release, Integer management will host a webcast at 8 a.m. CT / 9 a.m. ET to discuss these results. Other forward-looking and material information may also be discussed during this call.

Conference call details:

- Date: Thursday, February 15, 2024
- Time: 8 a.m. CT / 9 a.m. ET
- Domestic dial-in number: (888) 330-3567
- International dial-in number: (646) 960-0842
- Conference ID: 9252310
- Webcast Registration: [ITGR Q4 2023 Earnings Call](#)

An audio replay will be available for seven days and can be accessed by dialing (800) 770-2030 or (647) 362-9199 and using Conference ID 9252310. The conference call will also be available live or via archived replay on the Investor Relations section of the Integer website at [investor.integer.net](#).

From time to time, the Company posts information that may be of interest to investors on its website at [investor.integer.net](#). To automatically receive Integer financial news by email, please visit [investor.integer.net](#) and subscribe to email alerts.

About Integer®

Integer Holdings Corporation (NYSE:ITGR) is one of the largest medical device outsource (MDO) manufacturers in the world serving the cardiac, neuromodulation, vascular, portable medical and orthopedics markets. Integer provides innovative, high-quality medical technologies that enhance the lives of patients worldwide. In addition, the Company develops batteries for high-end niche applications in energy, military, and environmental markets. The Company's brands include Greatbatch Medical®, Lake Region Medical® and Electrochem®. Additional information is available at www.integer.net.

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Media Relations:

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214.618.4216

Forward-Looking Statements

Some of the statements contained in this press release are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding fourth quarter 2023 preliminary unaudited sales and preliminary unaudited full year 2023 sales; statements regarding Integer’s ability to stay within its 2.5x-3.5x leverage target following the acquisition of Pulse Technologies; statements regarding estimated full year 2023 sales and adjusted EBITDA of Pulse Technologies; expectations regarding the accretive nature of Pulse Technologies’ sales growth and adjusted EBITDA margin and the benefits of the acquisition; and other events, conditions or developments that will or may occur in the future. You can identify forward-looking statements by terminology such as “outlook,” “projected,” “may,” “will,” “should,” “could,” “expect,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “project,” or “continue” or variations or the negative of these terms or other comparable terminology. These statements are only predictions. Actual events or results may differ materially from those stated or implied by these forward-looking statements. In evaluating these statements and our prospects, you should carefully consider the factors set forth below.

Although it is not possible to create a comprehensive list of all factors that may cause actual results to differ from the results expressed or implied by our forward-looking statements or that may affect our future results, some of these factors and other risks and uncertainties that arise from time to time are described in Item 1A “Risk Factors” of our Annual Report on Form 10-K and in our other periodic filings with the SEC and include the following:

- operational risks, such as the duration, scope and impact of global supply chain issues and the military conflicts between Russia and Ukraine and between Israel and Hamas, including the evolving economic, social and governmental environments and their effects on our associates, suppliers and customers as well as the global economy; our dependence upon a limited number of customers; pricing pressures that we face from customers; our reliance on third party suppliers for raw materials, key products and subcomponents; the competitive labor market and our ability to attract, train and retain a sufficient number of qualified associates; the potential for harm to our reputation caused by quality problems related to our products; the dependence of our energy market-related revenues on the conditions in the oil and natural gas industry; interruptions in our manufacturing operations; our dependence upon our information technology systems and our ability to prevent cyber-attacks and other failures; and our dependence upon our senior management team and technical personnel;
- strategic risks, such as the intense competition we face and our ability to successfully market our products; our ability to respond to changes in technology; our ability to develop new products and expand into new geographic and product markets; and our ability to successfully identify, make and integrate acquisitions to expand and develop our business in accordance with expectations, including our ability to successfully integrate Pulse Technologies into our business and risks inherent with the acquisition of Pulse Technologies in the achievement of expected results, including whether the acquisition will be accretive and within the expected time frame;
- financial risks, such as our significant amount of outstanding indebtedness and our ability to remain in compliance with financial and other covenants under our senior secured credit facilities; economic and credit market uncertainties that could interrupt our access to capital markets, borrowings or financial transactions; financial and market risks related to our international operations and sales; our complex international tax profile; and our ability to realize the full value of our intangible assets; and
- legal and compliance risks, such as regulatory issues resulting from product complaints, recalls or regulatory audits; the potential of becoming subject to product liability or intellectual property claims; our ability to protect our intellectual property and proprietary rights; our ability and the cost to comply with environmental regulations; our ability to comply with customer-driven policies and third party standards or certification requirements; our ability to obtain necessary licenses for new technologies; legal and regulatory risks from our international operations, including trade regulation; and the fact that the healthcare industry is highly regulated and subject to various regulatory changes.

Except as may be required by law, we assume no obligation to update forward-looking statements in this press release whether to reflect changed assumptions, the occurrence of unanticipated events or changes in future operating results, financial conditions or prospects, or otherwise.



42nd Annual JP Morgan Healthcare Conference

January 10, 2024

Presentation of Financial Information & Forward-Looking Statements

Important Information

This presentation contains summarized information concerning Integer Holdings Corporation (the "Company") and its business, operations, financial performance and trends. The historical financial and operating data contained herein reflect the consolidated results of the Company for the periods indicated. No representation is made that the information in this presentation is complete. For additional financial and business-related information, as well as information regarding business and product line trends, see the Company's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), as well other reports filed with the SEC from time-to-time. Such reports are or will be available in the investor relations section of our corporate website (investor.integer.net) and the SEC's website (www.sec.gov).

Non-GAAP Financial Measures. This presentation includes financial information prepared in accordance with accounting principles generally accepted in the United States ("GAAP") as well as other financial measures referred to as non-GAAP. These non-GAAP financial measures are not calculated in accordance with GAAP and are not meant to be considered in isolation from or as a substitute for the information prepared in accordance with GAAP.

Forward Looking Statements. Some of the statements contained in this presentation whether written or oral may be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements relating to future sales, expenses, and profitability; future development and expected growth of our business and industry; our ability to execute our business model and our business strategy, including completion and integration of current or future acquisition targets; having available sufficient cash and borrowing capacity to meet working capital, debt service and capital expenditure requirements for the next twelve months; projected capital spending; and other events, conditions or developments that will or may occur in the future. You can identify forward-looking statements by terminology such as "may," "will," "should," "could," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "projects," "sustain," or "continue" or variations or the negative of these terms or other comparable terminology. These statements are based on the Company's current expectations and speak only as of date of this presentation. The Company's actual results could differ materially from those stated or implied by such forward-looking statements. Except as required by law, the Company assumes no obligation to update forward-looking information, including information in this presentation, to reflect changed assumptions, the occurrence of unanticipated events or changes in future operating results, financial conditions or prospects or otherwise.

Integer Snapshot



Integer is one of the largest medical device outsource manufacturers in the world

2023 Sales
Outlook
at Midpoint

~\$1.6
Billion

% Sales
by End
Markets⁽¹⁾

Medical Sales (97%)

Non-Medical (3%)

52%

Cardio &
Vascular

39%

CRM &
Neuromod

6%

Portable
Medical &
AS&O

3%

Electrochem

✓ 11,000+
associates



✓ 17 mfg. sites &
9 R&D centers
worldwide



✓ 500+
R&D
Associates



✓ ~70% of sales
under LTA



✓ ~ 700
patents



Differentiated Global Footprint



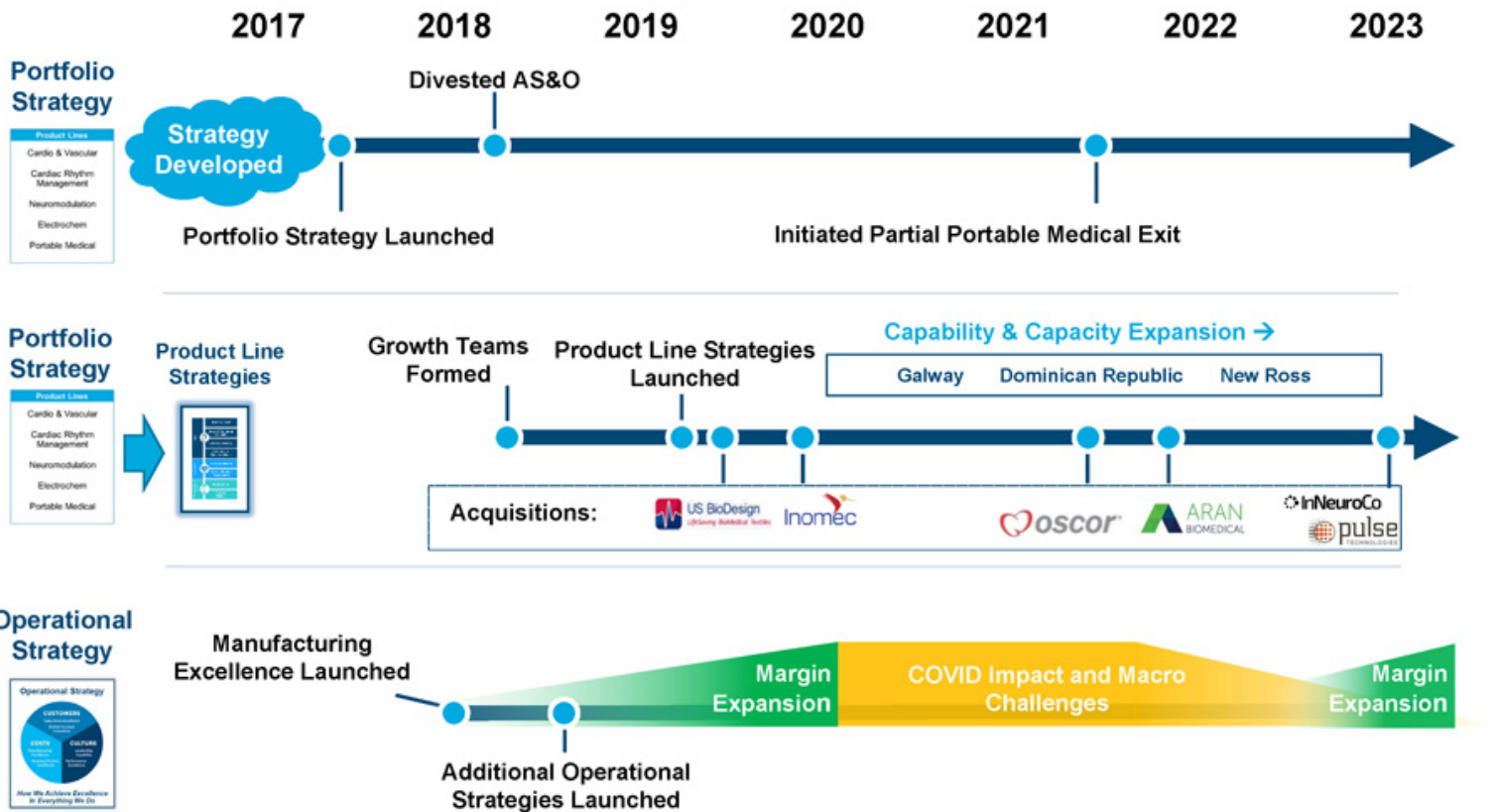
Our vision is to enhance the lives of patients worldwide by being our customers' partner of choice for innovative technologies and services

(1) End market sales based on 2023 sales

Integer Investment Thesis



Integer's Strategy Journey



Executing strategy to deliver sustained outperformance

New Revenue Generation Cycle Times



Existing Product Transfers		
Process Dev 1 – 2 years	Reg 0 – 6 months	Begin Manufacturing Ramp

Time to
Manufacturing
Ramp

1 – 2+
Years

Integer Revenue Profile Across Cycle



Development → Clinical → Manufacturing Ramp

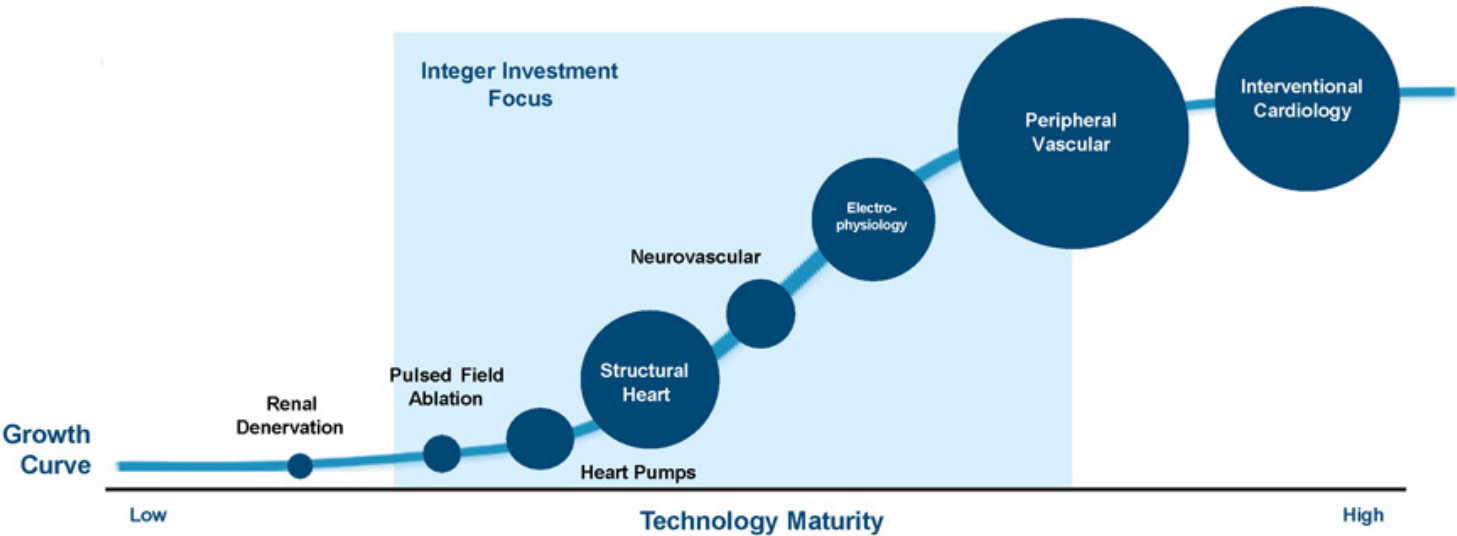
New 510k Products (Class II) Developed w/ Customers			
Product Development 2 – 3 years	Clinical / Regulatory 0.5 – 1 year	Market Intro. ~1 year	Begin Manufacturing Ramp

3 – 5+
Years

New PMA Products (Class III) Developed w/ Customers			
Product Development 3 – 5 years	Clinical / Regulatory 1 – 3 years	Market Intro. ~1 year	Begin Manufacturing Ramp

5 – 9+
Years

Integer is uniquely positioned to serve customers and generate revenue across the entire development cycle



Target Growth Markets

Structural Heart

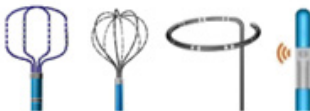
\$11.6 billion 2024 Market,
14% '24 – '28E CAGR



Transcatheter Delivery
Systems & Implants

Electrophysiology

\$8.0 billion 2024 Market,
7% '24 – '28E CAGR



Advanced
Diagnostics

Ablation
Catheters

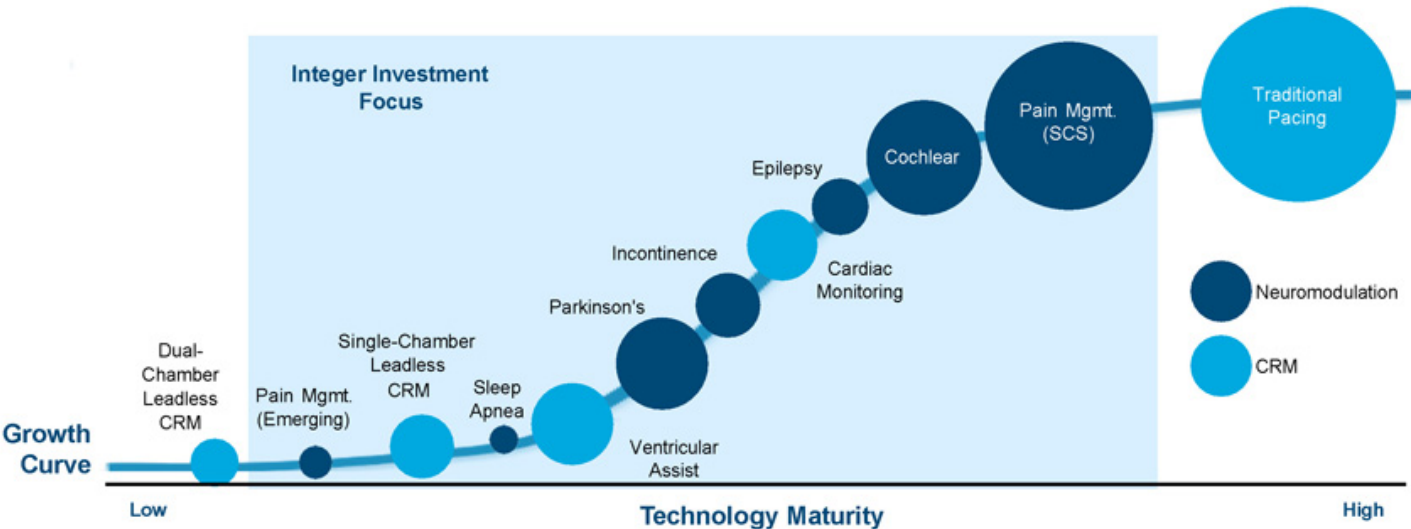
Neurovascular

\$3.7 billion 2024 Market,
8% '24 – '28E CAGR



Aspiration
Catheters

Thrombectomy
Devices



Target Growth Markets

Leadless Pacemaker & ICM

\$1.6 billion 2022 Market
13% '24 – '28E CAGR



Leadless Pacemakers



Implantable Cardiac Monitors

Neuromodulation

\$7.9 billion 2022 Market
9% '24 – '28E CAGR

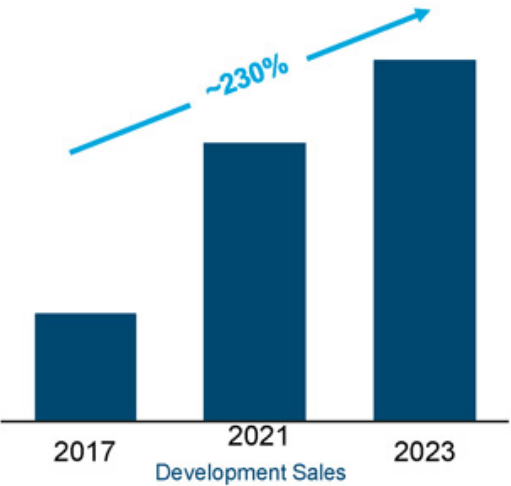


Implantable Pulse Generators

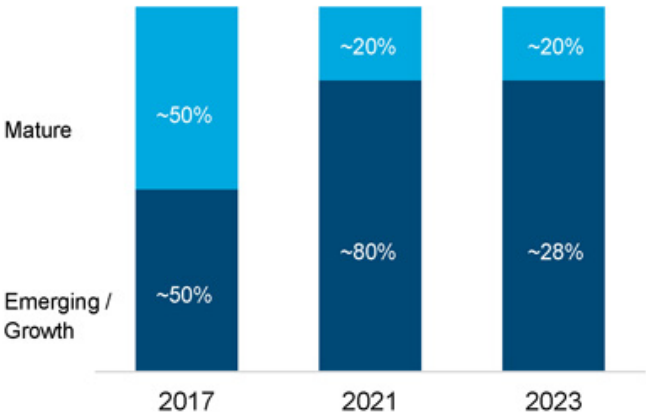


Implantable Leads

Product development sales +230% since strategy launch



Strategy delivering mix shift to high-growth markets

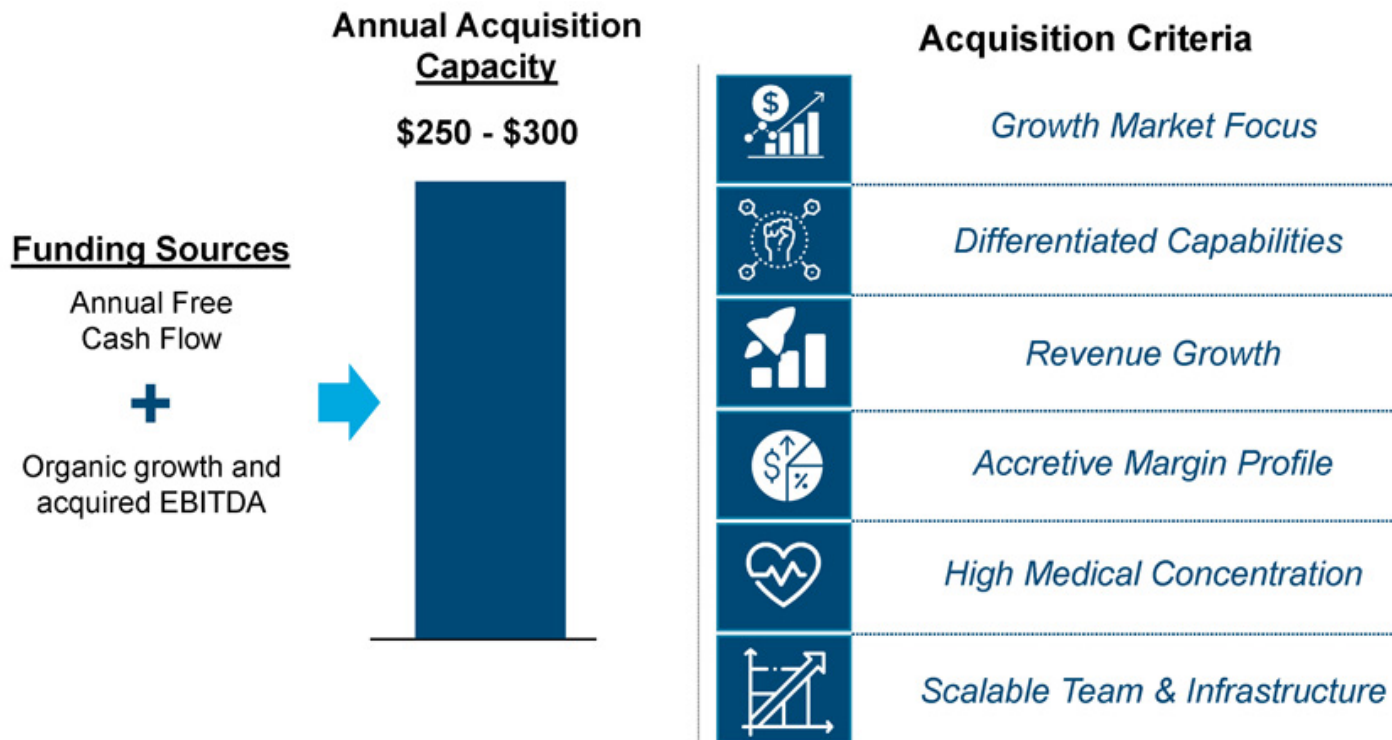


Strategy focused on being designed into our customers' products in high growth markets

Capacity & Capability to Continue Acquisition Strategy



(\$ in millions)



\$250 - \$300 million of annual acquisition capacity ... maintaining 2.5x - 3.5x leverage

Executing Targeted Inorganic Growth Strategy



Four Acquisitions in last 25 Months			
 Jan 2024	 Oct 2023	 Apr 2022	 Dec 2021
<ul style="list-style-type: none">▪ Leadless pacing▪ Neuromodulation▪ Heart pumps▪ Electrophysiology▪ Structural heart▪ Peripheral vascular	<ul style="list-style-type: none">▪ Aspiration catheters▪ Thrombectomy delivery catheters▪ Steerable microcatheters▪ Balloon guide catheters▪ Radial access catheters	<ul style="list-style-type: none">▪ Structural heart▪ Neurovascular▪ Peripheral vascular▪ Endovascular	<ul style="list-style-type: none">▪ Electrophysiology▪ Neuromodulation▪ Peripheral vascular▪ Structural heart
			

Generating ~\$170 million of annualized sales with accretive margins

Transaction Profile

- Stock purchase closed on January 5, 2024
- ~250 associates located in Quakertown, Pennsylvania
- Estimated 2023 sales of ~\$42 million and 2023 adjusted EBITDA⁽¹⁾ of ~\$11 million

Strategic Fit

- Brings differentiated complex machining and manufacturing capabilities as well as proprietary technologies
- Revenue concentrated in high growth structural heart, heart pump, electrophysiology, leadless pacing, and neuromodulation products
- Long standing relationships with the leading MedTech OEMs as well as emerging innovators

Financials

- ~\$140 million purchase price plus additional consideration contingent on achieving specific revenue growth through 2025, offset by ~\$15 million NPV cash tax benefit
- Anticipate staying within 2.5x – 3.5x leverage target
- Expect accretive sales growth and adjusted EBITDA margin

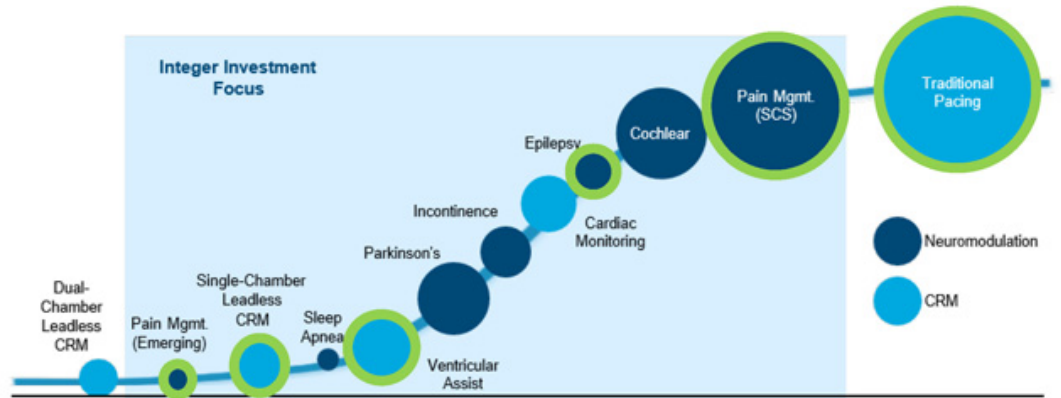


(1) Adjusted EBITDA is a non-GAAP financial measure; refer to "Non-GAAP Financial Measures" on Page 17 of this presentation

Areas of Focus

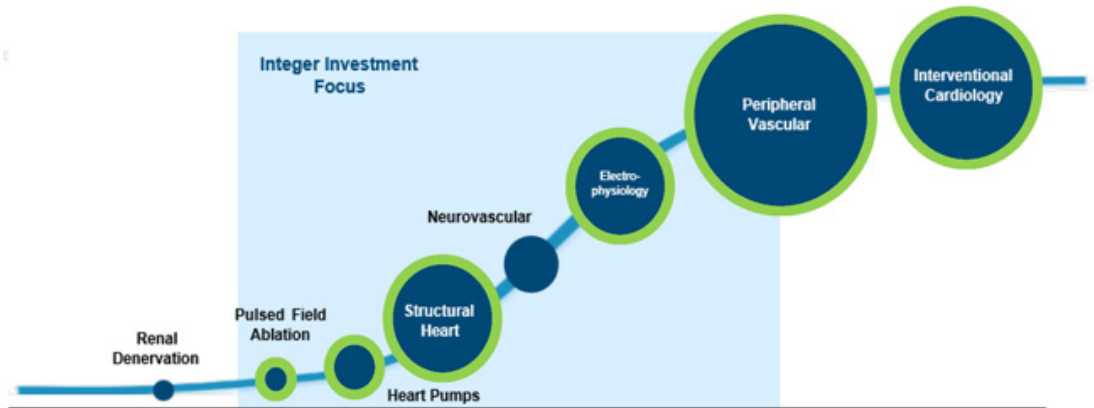
CRM & Neuromodulation:

- ✓ Leadless pacing
- ✓ Ventricular assist
- ✓ Deep brain stimulation
- ✓ Pain management
- ✓ Traditional pacing

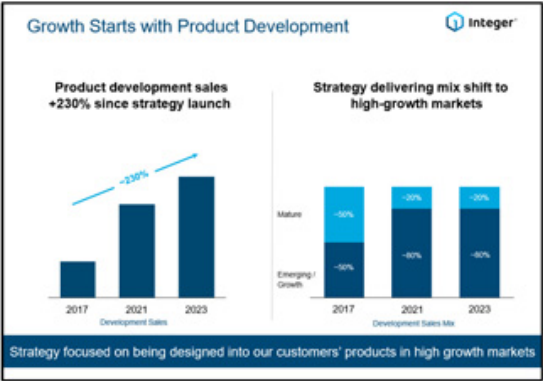


Cardio & Vascular:

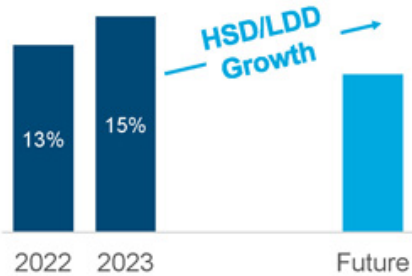
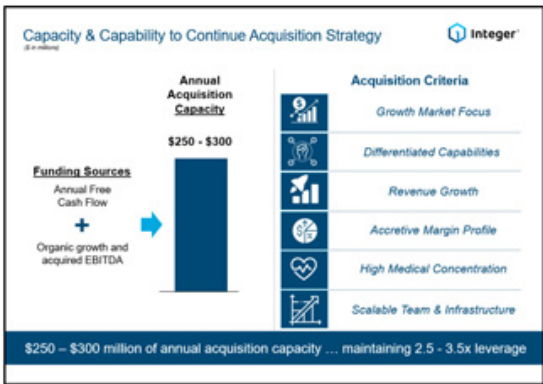
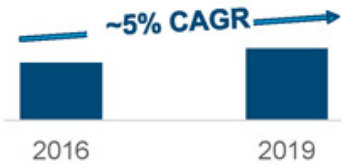
- ✓ Heart pumps
- ✓ Electrophysiology (incl. PFA)
- ✓ Structural heart
- ✓ Peripheral vascular
- ✓ Interventional cardiology



Integer Sales Growth at Market Rate



Sustained Above Market Growth

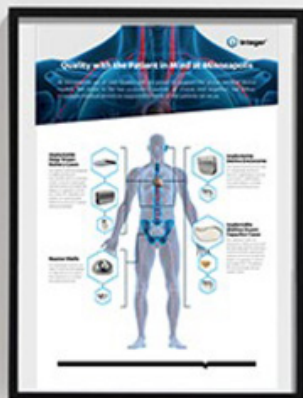


... to deliver high single digit / low double-digit sales growth

Integer Investment Thesis



Questions?



Non-GAAP Financial Measures



This presentation may contain the non-GAAP financial measures defined in the table below. A GAAP reconciliation of Adjusted EBITDA to anticipated net income has not been included because Pulse Technologies has not yet completed its financial closing procedures for the three months and fiscal year ended December 31, 2023 and such reconciliation could not be produced without unreasonable effort.

Non-GAAP Financial Measure Definitions for Pulse Technologies:

Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA")	Adjusted EBITDA is defined as net income adjusted for the following items: interest expense, depreciation and amortization expense, as well as items affecting comparability, including adjustments to eliminate expenses associated with executive compensation costs and above market lease expense, and add certain expenses to align with Integer's accounting policies.
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