



ICON Q2 2024 Results
Period Ended June 30, 2024



Forward Looking Statement

Statements included in this presentation which are not historical facts are forward-looking statements. Such forward-looking statements are made pursuant to the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 (the “PSLRA”). Forward-looking statements include statements regarding our financial guidance and outlook, and may be identified by the use of future tense or other forward looking words such as “believe”, “expect”, “anticipate”, “should”, “may”, “strategy”, or other variations or comparable terminology. The forward looking statements involve a number of risks and uncertainties and are subject to change at any time. In the event such risks or uncertainties materialize, our results could be materially adversely affected. The risks and uncertainties include, but are not limited to, dependence on the pharmaceutical industry and certain clients, the need to regularly win projects and then to execute them efficiently and correctly, the challenges presented by rapid growth, competition and the continuing consolidation of the industry, the dependence on certain key executives, changes in the regulatory environment and other factors identified in the Company’s SEC reports, including the Form 20-F filed on February 23, 2024 and any future filings with the SEC. The Company has no obligation under the PSLRA to update any forward looking statements and does not intend to do so.

This presentation includes selected non-GAAP financial measures including, but not limited to, adjusted EBITDA and adjusted earnings per share. For a presentation of the most directly comparable GAAP financial measures, please refer to the press release section titled “Condensed Consolidated Statement of Operations”. Please also refer to the Appendix of this presentation for reconciliations of Non-GAAP financial measures contained herein to the most directly comparable GAAP financial measures. While non-GAAP financial measures are not superior to or a substitute for the comparable GAAP measures, we believe certain non-GAAP information is more useful to investors for historical comparison purposes.

The full-year 2024 guidance adjusted earnings per share measures are provided on a non-GAAP basis without a reconciliation to the most directly comparable GAAP measure because the company is unable to predict with a reasonable degree of certainty certain items contained in the GAAP measures without unreasonable efforts. For the same reasons, the company is unable to address the probable significance of the unavailable information.

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The world's leading CRO, powered by healthcare intelligence



ICON's **leading, scaled offering** positions us well for further penetration across the market



Positive underlying CRO market dynamics with stabilization in biotech & strength in large pharma



Additional strategic partnership success with top 30 pharma customer in Q2

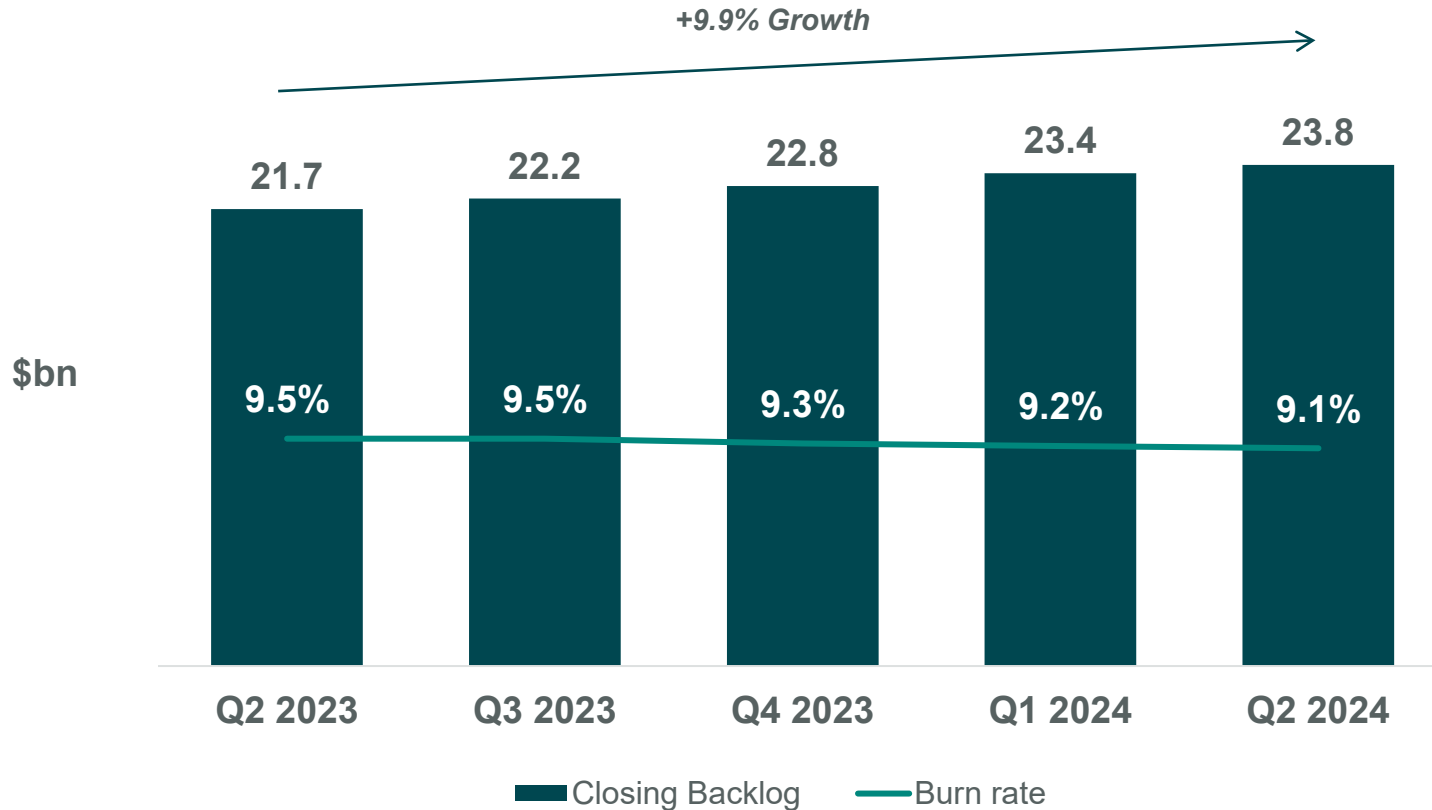


Optimize capital deployment through **increased M&A and potential share repurchase**

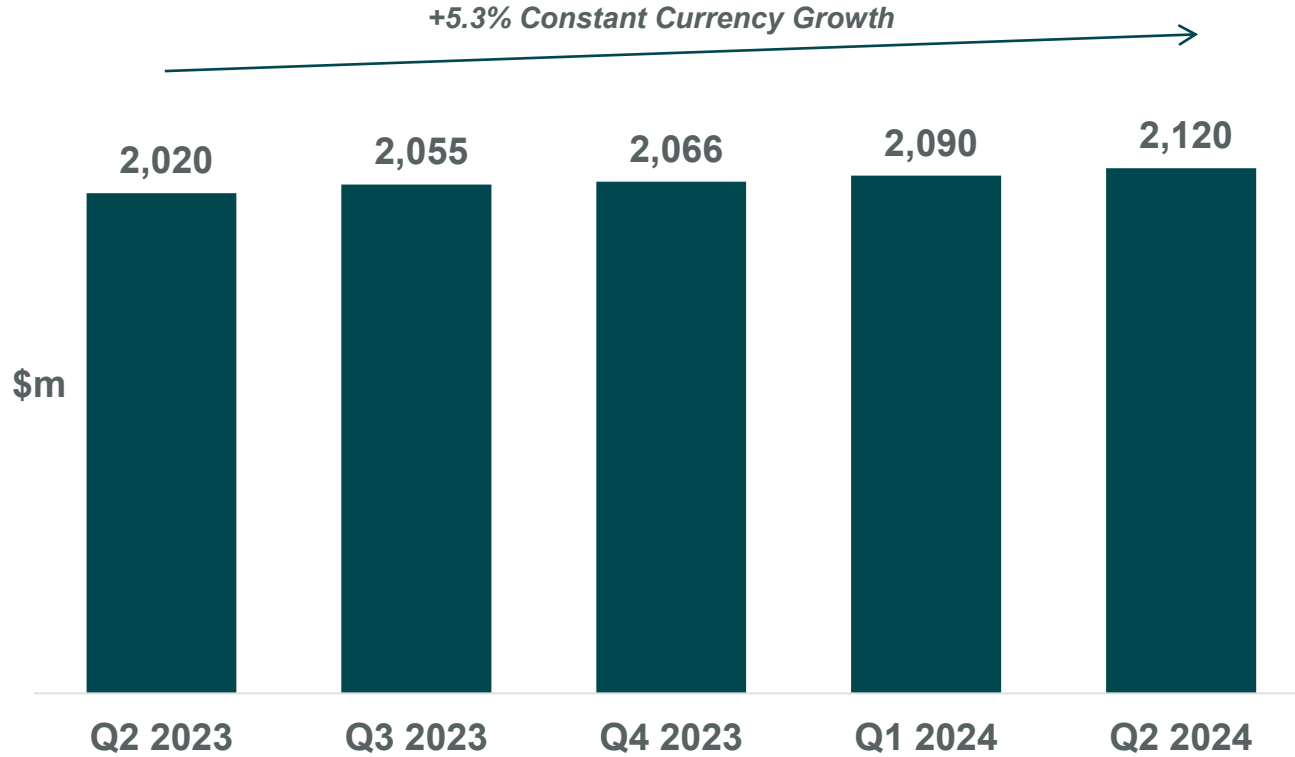


Strengthened balance sheet position following successful debt refinancing

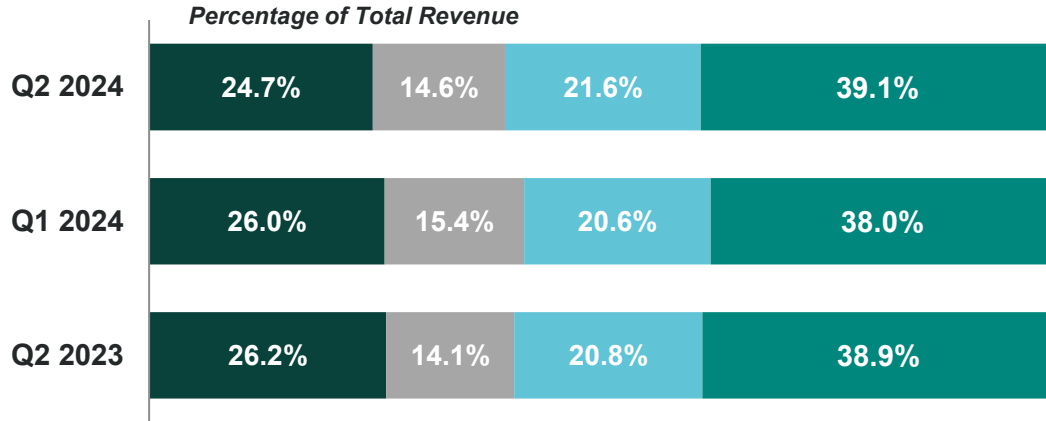
Backlog Metrics



Revenue



Customer Concentration & Diversification



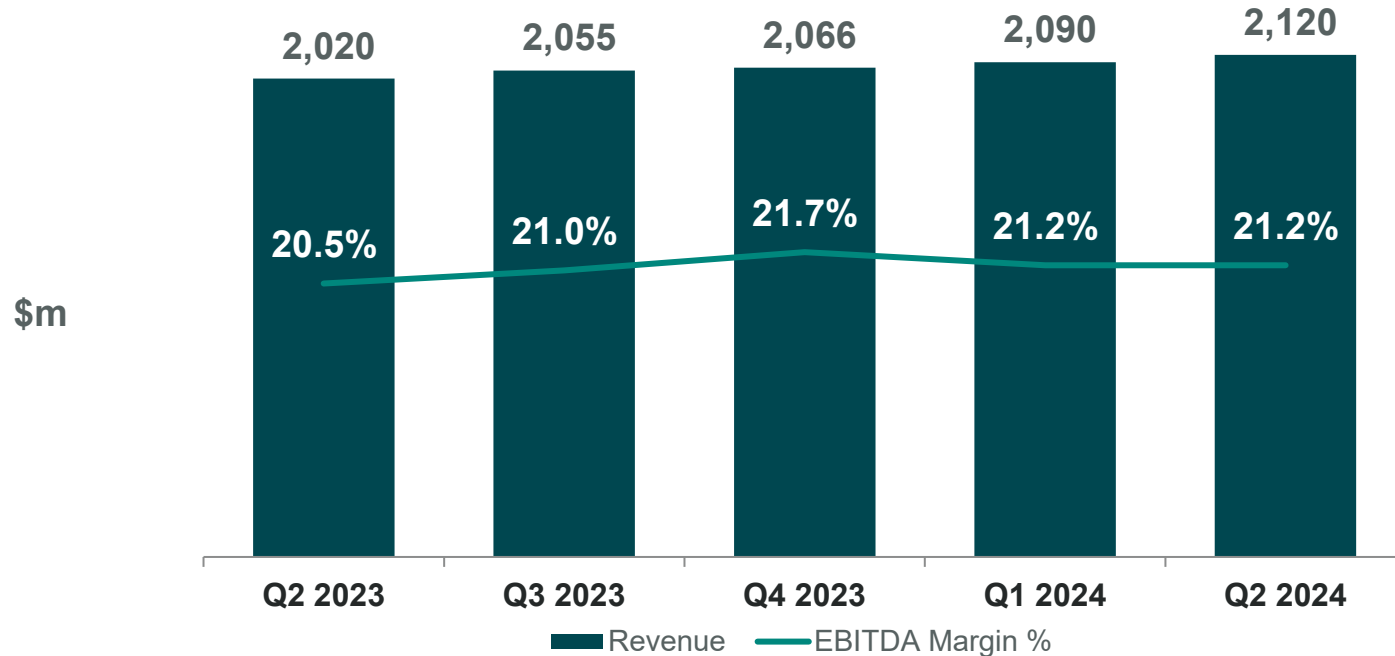
Average revenue per customer (Q2 2024):

- Top 1-5: c5% on average
- Top 6-10: c3% on average
- Top 11-25: c1.5% on average



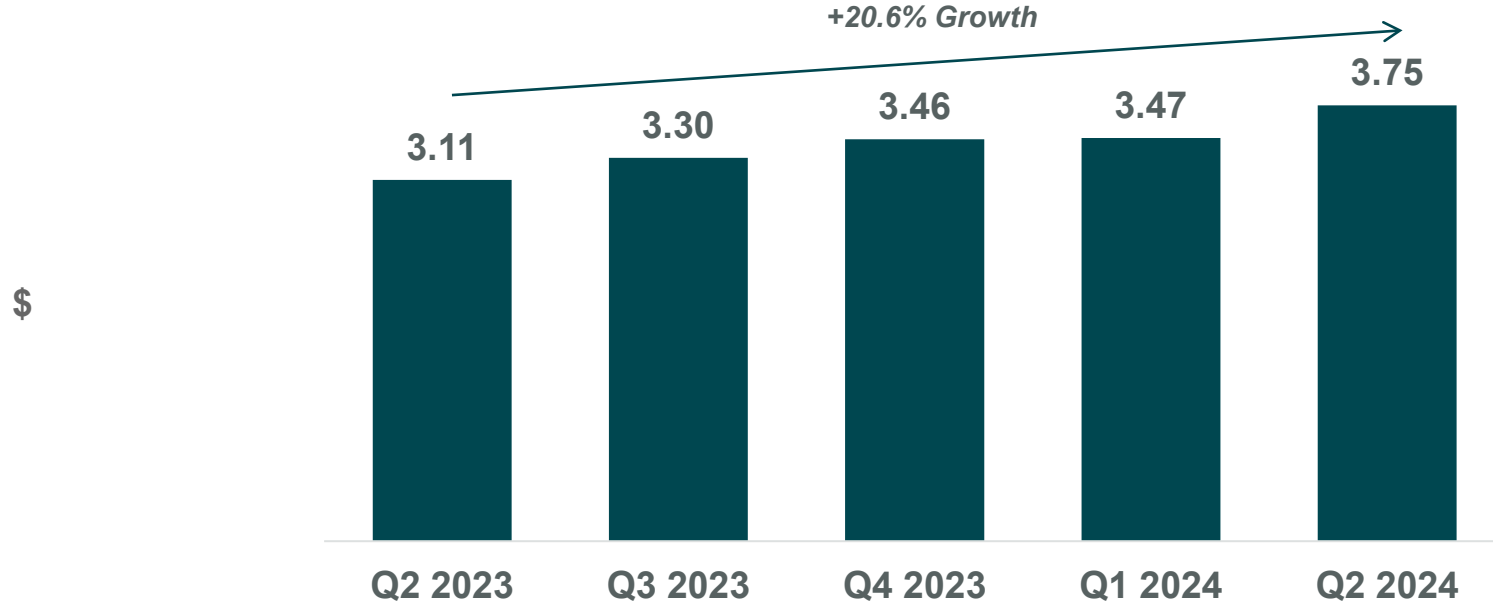
- Beginning in Q1 2024, customer segmentation aligned with GAAP reporting
- No particular concentration risk given average revenue contribution per customer

Adjusted EBITDA Margin



Notes: All values exclude amortization, stock compensation, restructuring, FX and transaction-related / integration-related costs
Adjusted EBITDA Margin is a non-GAAP financial measure. Refer to "Forward Looking Statement" at the beginning of this presentation for a discussion of our non-GAAP financial measures

Adjusted Earnings per Share



Notes: All values exclude amortization, stock compensation, restructuring, FX and transaction-related / integration-related costs
Adjusted earnings per share is a non-GAAP financial measure. Refer to “Forward Looking Statement” at the beginning of this presentation for a discussion of our non-GAAP financial measures

Balance Sheet

\$m (unless otherwise stated)	30-Jun-24	31-Dec-23	30-Jun-23
Cash and Cash Equivalents + Available for Sale Investments	506.6	380.1	271.8
Total Debt	(3,437.9)	(3,775.6)	(4,312.1)
Net (Debt) / Cash	(2,931.4)	(3,395.5)	(4,040.3)
Net Debt / TTM Adj EBITDA Ratio *	1.7x	2.0x	2.5x
DSO (days)	51	47	52

* TTM Adjusted EBITDA to 30 June 2023 includes synergies. TTM Adjusted EBITDA for other periods presented above do not include synergies as the \$150 million synergy target was achieved

Cash Flow

Quarterly Cash Flow (\$m)	Q2 2024	Q1 2024	Q2 2023
Cash from Operating Activities	218.6	327.1	203.9
Capital Expenditure	(36.3)	(27.2)	(32.1)
Free Cash Flow*	182.4	300.0	171.7

TTM Cash Flow (\$m)	Q2 2024	Q1 2024	Q2 2023
Cash from Operating Activities	1,327.3	1,312.6	533.7
Capital Expenditure	(145.3)	(141.1)	(153.2)
Free Cash Flow*	1,182.1	1,171.5	380.5

* Excludes purchases of subsidiary undertakings

2024 Updated Financial Guidance & Outlook

	FY2023	FY2024 Guidance	% increase (FY2024 Guidance vs. FY2023 Actuals)	Notes
Revenue	\$8,120.2m	\$8,450m - \$8,550m	4.1% - 5.3%	<ul style="list-style-type: none"> Reduction of COVID-related revenue to c1.5-2% total FY2024 from previous expectation of c3-4% c\$20m FX headwind
Adjusted EPS*	\$12.79	\$15.00 - \$15.20	17.3% - 18.8%	

Key Assumptions for FY2024 Guidance

- Effective tax rate of 16.5%
- Excludes share repurchase activity
- Excludes additional M&A
- Free Cash Flow target of c\$1.1bn
- Updated Adjusted EBITDA* margin expansion of c80bps over FY2023
- Total interest expense in the range of \$200-210m
- Total capital expenditure spend in the range of \$150-200m

*Adjusted EBITDA and adjusted EPS exclude amortization, stock compensation, restructuring, FX and transaction-related / integration-related costs

Note: Adjusted EBITDA and adjusted EPS are non-GAAP financial measures. Refer to "Forward Looking Statement" at the beginning of this presentation for a discussion of our non-GAAP financial measures



Appendices

Reconciliation of Non-GAAP Measures (Adjusted EBITDA)

<i>\$000 except share and per share data</i>	Q2 2023	Q2 2024
Adjusted EBITDA		
Net income	115,598	146,910
Income tax expense	9,629	23,344
Net interest expense	84,257	59,603
Depreciation and amortization	145,059	149,635
Stock-based compensation expense ^(a)	16,598	14,964
Foreign currency losses/ (gains), net ^(b)	903	3,340
Restructuring ^(c)	35,661	45,789
Transaction and integration related costs ^(d)	12,701	6,820
Oncacare (gain) ^(g)	(6,160)	-
Adjusted EBITDA	414,246	450,405
<i>Adjusted EBITDA Margin %</i>	<i>20.5%</i>	<i>21.2%</i>

Reconciliation of Non-GAAP Measures (Adjusted Net Income & Adjusted EPS)

<i>\$000 except share and per share data</i>	Q2 2023	Q2 2024
Adjusted net income and adjusted diluted net income per Ordinary Share		
Net Income	115,598	146,910
Income tax expense	9,629	23,344
Amortization	114,617	116,489
Stock-based compensation expense ^(a)	16,598	14,964
Foreign currency losses/ (gains), net ^(b)	903	3,340
Restructuring ^(c)	35,661	45,789
Transaction and integration related costs ^(d)	12,701	6,820
Transaction-related financing costs ^(e)	3,401	16,697
Oncacare (gain) ^(g)	(6,160)	-
Adjusted tax expense ^(f)	(46,048)	(61,768)
Adjusted net income	256,900	312,585
Diluted weighted average number of Ordinary Shares outstanding	82,627,933	83,360,841
Adjusted diluted net income per Ordinary Share	3.11	3.75

Q2 2024 Adjusted Net Income Reconciliation

\$000 except share and per share data	Q2 2023			Q2 2024		
	GAAP	Adjustments	Non-GAAP	GAAP	Adjustments	Non-GAAP
Revenue	2,020,251	-	2,020,251	2,120,159	-	2,120,159
Costs and expenses:						
Direct costs (excluding depreciation and amortization) ^(a)	1,429,540	(6,421)	1,423,119	1,493,600	(7,299)	1,486,301
Selling, general and administrative ^{(a),(b)}	187,806	(4,920)	182,886	194,458	(11,005)	183,453
Depreciation and amortization	145,059	(114,617)	30,442	149,635	(116,489)	33,146
Transaction and integration related ^(d)	12,701	(12,701)	-	6,820	(6,820)	-
Restructuring ^(c)	35,661	(35,661)	-	45,789	(45,789)	-
Total costs and expenses	1,810,767	(174,319)	1,636,447	1,890,302	(187,402)	1,702,900
Income from operations	209,484	174,319	383,804	229,857	187,402	417,259
Net interest expense ^(e)	(84,257)	3,401	(80,856)	(59,603)	16,697	(42,907)
Income before income tax expense	125,227	177,720	302,948	170,254	204,099	374,352
Income tax expense ^(f)	(9,629)	(36,419)	(46,048)	(23,344)	(38,424)	(61,768)
Net Income	115,598	141,301	256,900	146,910	165,675	312,585
Diluted weighted average number of Ordinary Shares outstanding	82,627,933		82,627,933	83,360,841		83,360,841
Diluted net income per Ordinary Share	1.40		3.11	1.76		3.75

Reconciliation of Non-GAAP Measures Notes

- (a) Stock-based compensation expense represents the amount of recurring expense related to the company's equity compensation programs (inclusive of employer related taxes).
- (b) Foreign currency (gains)/losses, net relates to gains or losses that arise in connection with the revaluation, or settlement, of non-US dollar denominated assets and liabilities. We exclude these gains and losses from adjusted EBITDA and adjusted net income because fluctuations from period- to- period do not necessarily correspond to changes in our operating results.
- (c) Restructuring relates to charges incurred in connection with the company's realignments of its workforce, with the elimination of redundant positions as well as reviewing its global office footprint and optimizing its locations to best fit the requirements of the company.
- (d) Transaction and integration related costs include expenses associated with our acquisitions and any other costs incurred directly related to the integration of these acquisitions.
- (e) Transaction-related financing costs includes costs incurred in connection with changes to our long-term debt and amortization of financing fees. We exclude these costs from adjusted EBITDA and adjusted net income because they result from financing decisions rather than from decisions made related to our ongoing operations.
- (f) Represents the tax effect of adjusted pre-tax income at our estimated effective tax rate.
- (g) On April 20, 2023, the Company completed the purchase of the majority investor's 51% majority voting share capital of Oncacare Limited ("Oncacare"). This gave rise to an acquisition-related gain of \$6.2 million. This gain was excluded from adjusted EBITDA and adjusted net income.

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