

**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): July 30, 2021**

**Outset Medical, Inc.**

(Exact name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-39513**

(Commission File Number)

**20-0514392**  
(IRS Employer  
Identification No.)

**3052 Orchard Dr.,  
San Jose, California**  
(Address of Principal Executive Offices)

**95134**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: (669) 231-8200**

**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	OM	The Nasdaq Stock Market LLC

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 Result of Operations and Financial Condition.**

On August 5, 2021, Outset Medical, Inc. (the “**Company**”) issued a press release and will hold its second quarter 2021 earnings conference call announcing the Company’s financial results for the quarter ended June 30, 2021. A copy of the press release is furnished herewith as Exhibit 99.1 and incorporated herein by reference.

The information contained in this Item 2.02 and Exhibit 99.1 hereto 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, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended (the “**Securities Act**”), or the Exchange Act, except as expressly set forth by specific reference in such a filing.

## **Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On July 1, 2021, the Company filed a Current Report on Form 8-K reporting the appointment of Nabeel Ahmed as the Company’s Interim Chief Financial Officer, Principal Financial Officer and Principal Accounting Officer, effective July 16, 2021. On August 5, 2021, the Company announced the Board of Director’s approval of Mr. Ahmed’s transition to the permanent role of Chief Financial Officer, Principal Financial Officer and Principal Accounting Officer, effective July 30, 2021 (the “**Effective Date**”). Biographical and other information regarding Mr. Ahmed is included in the Company’s Current Report on Form 8-K filed on July 1, 2021, and is incorporated herein by reference.

In connection with Mr. Ahmed’s permanent appointment, on August 3, 2021, the Compensation Committee of the Board of Directors approved the following: (i) an \$80,000 increase in Mr. Ahmed’s annual base salary from \$305,000 to \$385,000, effective on the Effective Date, (ii) a 10% increase in Mr. Ahmed’s target bonus under the Company’s 2021 annual cash bonus program from 40% to 50% of his base salary for 2021, effective for the portion of the year beginning on the Effective Date, (iii) a restricted stock unit award to be granted to Mr. Ahmed on August 5, 2021, valued at \$362,500 as of the date of grant, 25% of which will vest on the one-year anniversary of the date of grant, and then quarterly over three years, subject to his continuous service through the applicable vesting date and (iv) a stock option award to be granted to Mr. Ahmed on August 5, 2021, valued at \$362,500 as of the date of grant, 25% of which will vest on the one-year anniversary of the date of grant, and then in 36 equal monthly installments thereafter, subject to his continuous service through the applicable vesting date. Mr. Ahmed has also entered into the Company’s standard Change in Control and Severance Agreement for executive officers (other than the Chief Executive Officer) effective as of the Effective Date, the form of which was previously filed by the Company as Exhibit 10.8 to Amendment No. 1 to the Company’s Registration Statement on Form S-1/A (Registration No. 333-248225), filed with the Securities and Exchange Commission on September 9, 2020.

There are no arrangements or understandings between Mr. Ahmed and any other persons pursuant to which he was appointed as Chief Financial Officer, Principal Financial Officer and Principal Accounting Officer. In addition, there are no family relationships between Mr. Ahmed and any other director or executive officer of the Company, and Mr. Ahmed has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

## **Item 7.01 Regulation FD Disclosure.**

On July 1, 2021, the Company issued a press release announcing the permanent appointment of Mr. Ahmed. A copy of the Company’s press release is furnished herewith as Exhibit 99.2 and incorporated herein by reference.

The information contained in this Item 7.01 and Exhibit 99.2 hereto shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such a filing.

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**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit Number</b>	<b>Description</b>
99.1	<a href="#">Press Release entitled "Outset Medical Reports Second Quarter 2021 Financial Results" dated August 5, 2021</a>
99.2	<a href="#">Press release entitled "Outset Medical Names Nabeel Ahmed as Chief Financial Officer" dated August 5, 2021</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**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 thereunto duly authorized.

**Outset Medical, Inc.**

Date: August 5, 2021

By: \_\_\_\_\_ /s/Nabeel Ahmed  
**Nabeel Ahmed**  
**Chief Financial Officer**

## Outset Medical Reports Second Quarter 2021 Financial Results

*2021 Revenue Guidance Range Updated to \$97 million to \$100 million*

**San Jose, CA – August 5, 2021** – Outset Medical, Inc. (Nasdaq: OM) (“Outset” or the “Company”), a medical technology company pioneering a first-of-its-kind technology to reduce the cost and complexity of dialysis, today reported financial results for the second quarter ended June 30, 2021.

### Recent Highlights

- Recorded net revenue of \$25.2 million in the second quarter of 2021, a 115% increase compared to \$11.7 million in the second quarter of 2020
- Achieved gross margin of 4.2% in the second quarter of 2021 compared to (40.6%) in the second quarter of 2020
- Appointed former Amazon AWS Health AI executive Jean-Olivier Racine as Chief Technology Officer
- Appointed Edwards Life Sciences Corporate VP Katie Szyman to the Board of Directors
- Announced several multi-year sales agreements with innovative dialysis care providers to drive home hemodialysis adoption with Tablo

“In the first half of 2021, we delivered best-in-class revenue growth and steady gross margin improvement driven by a team that is dedicated to, and united around, transforming the dialysis experience for patients and providers,” said Leslie Trigg, President and Chief Executive Officer. “With new home console bookings up substantially in the second quarter, and both current and new customers purchasing Tablo for acute use, our integrated commercial strategy is working as expected. We remain confident in our ability to execute on each of our key strategic initiatives for 2021 and in our long-term growth prospects.”

### Second Quarter 2021 Financial Results

Revenue for the second quarter of 2021 was \$25.2 million, representing an increase of 115% compared to \$11.7 million in the second quarter of 2020. Product revenue for the second quarter of 2021 was \$20.6 million, representing an increase of 113% compared to \$9.7 million in the second quarter of 2020. Service and other revenue for the second quarter of 2021 was \$4.6 million, representing an increase of 124% compared to \$2.0 million in the second quarter of 2020.

Total gross profit for the second quarter of 2021 was \$1.0 million, compared to a gross loss of (\$4.8) million for the second quarter of 2020. Total gross margin for the second quarter of 2021 was 4.2%, compared to (40.6%) in the second quarter of 2020. Product gross loss for the second quarter of 2021 was (\$1.4) million, compared to (\$5.6) million of product gross loss in the second quarter of 2020. Product gross margin for the second quarter of 2021 was (7.0%), compared to (57.7%) in the second quarter of 2020. Service and other gross profit for the second quarter of 2021 was \$2.5 million, compared to \$0.8 million of service and other gross profit in the second quarter of 2020. Service and other gross margin for the second quarter of 2021 was 54.5%, compared to 40.6% in the second quarter of 2020.

Operating expenses for the second quarter of 2021 were \$31.0 million, including research and development (R&D) expenses of \$8.0 million, sales and marketing (S&M) expenses of \$13.2 million, and general and administrative (G&A) expenses of \$9.7 million. This compared to operating expenses of \$20.1 million, including R&D expenses of \$6.1 million, S&M expenses of \$9.2 million, and G&A expenses of \$4.8 million in the second quarter of 2020.

Excluding stock-based compensation expense, non-GAAP operating expenses for the second quarter of 2021 were \$27.1 million, including R&D expenses of \$7.4 million, S&M expenses of \$12.2 million, and G&A expenses of \$7.5 million.

Second quarter 2021 net loss was (\$30.2) million, or (\$0.66) per share, compared to net loss of (\$26.5) million, or (\$4.58) per share, for the same period in 2020. On a non-GAAP basis, net loss for the second quarter of 2021 was (\$26.3) million, or (\$0.57) per share, compared to non-GAAP net loss of (\$25.8) million, or (\$4.46) per share for the same period in 2020.

Total cash, including restricted cash, cash equivalents and short-term investments, was \$429.5 million as of June 30, 2021. The Company generated approximately \$149.1 million in net proceeds from its April 2021 public offering.

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### **Full Year 2021 Financial Guidance**

Outset projects revenue for the full year 2021 to range from \$97 million to \$100 million, which represents approximately 94% to 100% growth over the Company's fiscal year 2020 revenue. This updated guidance compares to prior 2021 revenue guidance of \$92 million to \$97 million.

### **Webcast and Conference Call Details**

Outset will host a conference call today, August 5, 2021, at 2:00 p.m. PT / 5:00 p.m. ET to discuss its second quarter 2021 financial results. The dial-in numbers are (833) 614-1409 for domestic callers and (914) 987-7130 for international callers. The conference ID is 7927579. A live webcast of the conference call will be available on the Investor Relations section of the Company's website at <https://investors.outsetmedical.com>. The webcast will be archived on the website following the completion of the call.

### **Use of Non-GAAP Financial Measures**

The Company may report non-GAAP results for gross profit/loss, gross margin, operating expenses, operating margins, net income/loss, basic and diluted net income/loss per share, other income/loss, and cash flows. These non-GAAP financial measures are in addition to, and not a substitute for, or superior to, financial measures calculated in accordance with GAAP. The Company's financial measures under GAAP include stock-based compensation expense, as listed in the itemized reconciliations between GAAP and non-GAAP financial measures included in this press release. Management has excluded the effects of this non-cash expense item in non-GAAP measures to assist investors in analyzing and assessing past and future operating performance and period-to-period comparisons. There are limitations related to the use of non-GAAP financial measures because they are not prepared in accordance with GAAP, may exclude significant expenses required by GAAP to be recognized in the Company's financial statements, and may not be comparable to non-GAAP financial measures used by other companies. The Company encourages investors to carefully consider its results under GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. Reconciliations between GAAP and non-GAAP results are presented in the Appendix A of this press release.

### **Forward-Looking Statements**

This press release contains 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. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are based on management's current assumptions and expectations of future events and trends, which affect or may affect the Company's business, strategy, operations or financial performance, and actual results and other events may differ materially from those expressed or implied in such statements due to numerous risks and uncertainties. Forward-looking statements include, but are not limited to, statements about the Company's possible or assumed future results of operations and financial position, including expectations regarding projected revenues, profitability and outlook, statements regarding the Company's overall business strategy, plans and objectives of management, as well as the Company's expectations regarding the continuing impact of the COVID-19 pandemic on the Company and its operations as well as the impact on its customers and suppliers. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Factors that could cause actual results or other events to differ materially from those contemplated in this press release can be found in the Risk Factors section of Outset's public filings with the Securities and Exchange Commission, including Outset's latest annual and quarterly reports. Because forward-looking statements are inherently subject to risks and uncertainties, you should not rely on these forward-looking statements as predictions of future events. These forward-looking statements speak only as of their date and, except to the extent required by law, the Company undertakes no obligation to update these statements, whether as a result of any new information, future developments or otherwise.

### **About Outset Medical, Inc.**

Outset is a medical technology company pioneering a first-of-its-kind technology to reduce the cost and complexity of dialysis. The Tablo® Hemodialysis System, FDA cleared for use from the hospital to the home, represents a significant technological advancement that transforms the dialysis experience for patients and operationally simplifies it for providers. Tablo serves as a single enterprise solution that can be utilized across the continuum of care, allowing dialysis to be delivered anytime, anywhere and by anyone. The integration of water purification and on-demand dialysate production enables Tablo to serve as a dialysis clinic on wheels, with 2-way wireless data transmission and a proprietary data analytics platform powering a new holistic approach to dialysis care. Tablo is a registered trademark of Outset Medical, Inc.

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**Outset Medical, Inc.**  
**Condensed Statements of Operations**  
*(in thousands, except per share amounts)*  
(unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2021	2020	2021	2020
<b>Revenue:</b>				
Product revenue	\$ 20,628	\$ 9,697	\$ 38,838	\$ 15,623
Service and other revenue	4,588	2,045	9,294	3,309
Total revenue	<u>25,216</u>	<u>11,742</u>	<u>48,132</u>	<u>18,932</u>
<b>Cost of revenue:</b>				
Cost of product revenue (2)	22,077	15,291	42,654	24,853
Cost of service and other revenue	2,087	1,215	4,137	2,407
Total cost of revenue	<u>24,164</u>	<u>16,506</u>	<u>46,791</u>	<u>27,260</u>
Gross profit (1)	1,052	(4,764)	1,341	(8,328)
Gross margin (1)	4.2 %	(40.6) %	2.8 %	(44.0) %
<b>Operating expenses:</b>				
Research and development (2)	8,032	6,053	15,602	11,891
Sales and marketing (2)	13,204	9,244	26,353	16,526
General and administrative (2)	9,722	4,848	18,968	8,374
Total operating expenses	<u>30,958</u>	<u>20,145</u>	<u>60,923</u>	<u>36,791</u>
Loss from operations	(29,906)	(24,909)	(59,582)	(45,119)
<b>Other income (expense):</b>				
Interest income and other income, net	164	67	276	527
Interest expense	(431)	(1,032)	(853)	(2,033)
Change in fair value of redeemable convertible preferred stock warrant liability	—	(631)	—	(530)
Loss before provision for income taxes	(30,173)	(26,505)	(60,159)	(47,155)
Provision for income taxes	35	—	74	—
Net loss	<u>\$ (30,208)</u>	<u>\$ (26,505)</u>	<u>\$ (60,233)</u>	<u>\$ (47,155)</u>
Net loss attributable to common stockholders, basic and diluted (3)	<u>\$ (30,208)</u>	<u>\$ (26,505)</u>	<u>\$ (60,233)</u>	<u>\$ (4,987)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.66)</u>	<u>\$ (4.58)</u>	<u>\$ (1.36)</u>	<u>\$ (0.98)</u>
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>45,680</u>	<u>5,784</u>	<u>44,228</u>	<u>5,086</u>



(1) Gross profit and gross margin by source consisted of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
<b>Gross profit</b>				
Product revenue	\$ (1,449)	\$ (5,594)	\$ (3,816)	\$ (9,230)
Service and other revenue	2,501	830	5,157	902
Total gross profit	\$ 1,052	\$ (4,764)	\$ 1,341	\$ (8,328)
<b>Gross margin</b>				
Product revenue	(7.0) %	(57.7) %	(9.8) %	(59.1) %
Service and other revenue	54.5 %	40.6 %	55.5 %	27.3 %
Total gross margin	4.2 %	(40.6) %	2.8 %	(44.0) %

(2) Include stock-based compensation expenses as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Cost of revenue	\$ 62	\$ 20	\$ 137	\$ 39
Research and development	643	134	1,808	252
Sales and marketing	1,052	101	2,794	183
General and administrative	2,180	428	5,050	789
Total stock-based compensation expenses	\$ 3,937	\$ 683	\$ 9,789	\$ 1,263

(3) A reconciliation of the net loss to net loss attributable to common stockholders is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net loss	\$ (30,208)	\$ (26,505)	\$ (60,233)	\$ (47,155)
Adjustment to redemption value on redeemable convertible preferred stock	—	—	—	(362)
Deemed dividend on settlement of accrued dividend*	—	—	—	42,530
Net loss attributable to common stockholders, basic and diluted	\$ (30,208)	\$ (26,505)	\$ (60,233)	\$ (4,987)

\* Deemed dividend on settlement of accrued dividend arose as a result of the terms and conditions associated with the Company's redeemable convertible preferred stock outstanding prior to the Company's initial public offering ("IPO"). These terms and conditions were described in the Company's previous SEC filings, including the 424(b) prospectus filed on September 16, 2020 in connection with the IPO.

**Outset Medical, Inc.**  
**Condensed Balance Sheets**  
*(in thousands, except per share amounts)*

	June 30, 2021 (Unaudited)	December 31, 2020
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 274,274	\$ 294,972
Short-term investments	121,934	19,898
Accounts receivable, net	16,411	6,468
Inventories	28,882	18,384
Prepaid expenses and other current assets	6,459	6,189
Total current assets	447,960	345,911
Restricted cash	33,311	33,311
Property and equipment, net	15,275	14,998
Operating lease right-of-use assets	7,752	8,253
Other assets	515	1,356
Total assets	\$ 504,813	\$ 403,829
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 2,364	\$ 4,948
Accrued compensation and related benefits	15,308	16,845
Accrued expenses and other current liabilities	9,256	7,903
Accrued warranty liability	3,073	2,913
Deferred revenue, current	4,373	3,201
Operating lease liabilities, current	1,069	882
Total current liabilities	35,443	36,692
Accrued interest, noncurrent	479	240
Deferred revenue, noncurrent	515	570
Operating lease liabilities, noncurrent	7,496	8,044
Term loan, noncurrent	29,718	29,674
Total liabilities	73,651	75,220
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 5,000 shares authorized, and no shares issued and outstanding as of June 30, 2021 and December 31, 2020	—	—
Common stock, \$0.001 par value; 300,000 shares authorized as of June 30, 2021 and December 31, 2020; 46,225 and 42,722 shares issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	46	43
Additional paid-in capital	985,436	822,624
Accumulated other comprehensive (loss) income	(28)	1
Accumulated deficit	(554,292)	(494,059)
Total stockholders' equity	431,162	328,609
Total liabilities and stockholders' equity	\$ 504,813	\$ 403,829

**Outset Medical, Inc.**  
**Condensed Statements of Cash Flows**  
*(in thousands)*  
(unaudited)

	<b>Six Months Ended June 30,</b>	
	<b>2021</b>	<b>2020</b>
Net cash used in operating activities	\$ (69,457)	\$ (44,059)
Net cash (used in) provided by investing activities	(104,267)	25,471
Net cash provided by financing activities	153,026	126,797
Net (decrease) increase in cash, cash equivalents and restricted cash	(20,698)	108,209
Cash, cash equivalents and restricted cash at beginning of the period	328,283	37,669
Cash, cash equivalents and restricted cash at end of the period <sup>(1)</sup>	<u>\$ 307,585</u>	<u>\$ 145,878</u>

(1) The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the accompanying condensed balance sheets that sum to the total of the amounts shown in the accompanying condensed statements of cash flows:

	<b>June 30,</b>	
	<b>2021</b>	<b>2020</b>
Cash and cash equivalents	\$ 274,274	\$ 141,871
Restricted cash	33,311	4,007
Total cash, cash equivalents and restricted cash*	<u>\$ 307,585</u>	<u>\$ 145,878</u>

\* The total cash, including restricted cash, cash equivalents and short-term investments as of June 30, 2021 was \$429.5 million; compared to \$148.4 million as of June 30, 2020.

**Outset Medical, Inc.**  
**Results of Operations – Non-GAAP**  
*(in thousands, except per share amounts)*  
(unaudited)

**Reconciliation between GAAP and non-GAAP net loss per share attributable to common stockholders:**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
GAAP net loss per share to common stockholders, diluted	\$ (0.66)	\$ (4.58)	\$ (1.36)	\$ (0.98)
Stock-based compensation expense	0.09	0.12	0.22	0.25
Non-GAAP net loss per share to common stockholders, diluted	<u>\$ (0.57)</u>	<u>\$ (4.46)</u>	<u>\$ (1.14)</u>	<u>\$ (0.73)</u>

**Reconciliation between GAAP and non-GAAP net loss attributable to common stockholders:**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
GAAP net loss attributable to common stockholders, diluted	\$ (30,208)	\$ (26,505)	\$ (60,233)	\$ (4,987)
Stock-based compensation expense	3,937	683	9,789	1,263
Non-GAAP net loss attributable to common stockholders, diluted	<u>\$ (26,271)</u>	<u>\$ (25,822)</u>	<u>\$ (50,444)</u>	<u>\$ (3,724)</u>

**Reconciliation between GAAP and non-GAAP results of operations:**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
<b>GAAP gross profit</b>	\$ 1,052	\$ (4,764)	\$ 1,341	\$ (8,328)
Stock-based compensation expense	62	20	137	39
Non-GAAP gross profit	<u>\$ 1,114</u>	<u>\$ (4,744)</u>	<u>\$ 1,478</u>	<u>\$ (8,289)</u>
<b>GAAP gross margin</b>	4.2 %	(40.6) %	2.8 %	(44.0) %
Stock-based compensation expense	0.2	0.2	0.3	0.2
Non-GAAP gross margin	<u>4.4 %</u>	<u>(40.4) %</u>	<u>3.1 %</u>	<u>(43.8) %</u>
<b>GAAP research and development expense</b>	\$ 8,032	\$ 6,053	\$ 15,602	\$ 11,891
Stock-based compensation expense	(643)	(134)	(1,808)	(252)
Non-GAAP research and development expense	<u>\$ 7,389</u>	<u>\$ 5,919</u>	<u>\$ 13,794</u>	<u>\$ 11,639</u>
<b>GAAP sales and marketing expense</b>	\$ 13,204	\$ 9,244	\$ 26,353	\$ 16,526
Stock-based compensation expense	(1,052)	(101)	(2,794)	(183)
Non-GAAP sales and marketing expense	<u>\$ 12,152</u>	<u>\$ 9,143</u>	<u>\$ 23,559</u>	<u>\$ 16,343</u>
<b>GAAP general and administrative expense</b>	\$ 9,722	\$ 4,848	\$ 18,968	\$ 8,374
Stock-based compensation expense	(2,180)	(428)	(5,050)	(789)
Non-GAAP general and administrative expense	<u>\$ 7,542</u>	<u>\$ 4,420</u>	<u>\$ 13,918</u>	<u>\$ 7,585</u>
<b>GAAP total operating expense</b>	\$ 30,958	\$ 20,145	\$ 60,923	\$ 36,791
Stock-based compensation expense	(3,875)	(663)	(9,652)	(1,224)
Non-GAAP total operating expense	<u>\$ 27,083</u>	<u>\$ 19,482</u>	<u>\$ 51,271</u>	<u>\$ 35,567</u>

## Outset Medical Names Nabeel Ahmed as Chief Financial Officer

**San Jose, CA – August 5, 2021** -- Outset Medical, Inc. (Nasdaq: OM) (“Outset”), a medical technology company pioneering a first-of-its-kind technology to reduce the cost and complexity of dialysis, today announced that Nabeel Ahmed, currently serving as Outset’s Interim Chief Financial Officer, has transitioned to the permanent role of Chief Financial Officer, effective immediately.

“Nabeel’s extensive experience across a variety of finance roles and his tenure as a leader at Outset give me great confidence in his ability to lead as Chief Financial Officer,” said Leslie Trigg, President and Chief Executive Officer. “I look forward to working closely with him as a member of the executive team as we continue to execute on our mission while delivering meaningful shareholder and stakeholder value.”

“I am thrilled to step into this role at such an exciting time for Outset,” said Nabeel Ahmed, Chief Financial Officer. “Our team, technology, and growth potential position us uniquely and I look forward to working toward continued success as we further scale commercially and operationally.”

Nabeel joined Outset in May 2020 as the company’s Vice President, Controller and has served as Interim Chief Financial Officer since July 16, 2021. Prior to joining the company, Nabeel served as Vice President, Finance at 8x8, Inc. (NYSE: EGHT), a communications platform provider and as Vice President, Finance at Vocera Communications, Inc. (NYSE: VCRA). Previously, he held various leadership positions in accounting and finance, including as CFO of Wanderful Media as well as CFO of MarketTools, Inc. Earlier in his career, Nabeel held various positions of increasing responsibility at Ernst & Young LLP and eBay, Inc. (NASDAQ: EBAY). Mr. Ahmed holds a Bachelor of Commerce from Laurentian University and an MBA from The Wharton School, University of Pennsylvania.

### **About Outset Medical, Inc.**

Outset is a medical technology company pioneering a first-of-its-kind technology to reduce the cost and complexity of dialysis. The Tablo Hemodialysis System, FDA cleared for use from the hospital to the home, represents a significant technological advancement that transforms the dialysis experience for patients and operationally simplifies it for providers. Tablo serves as a single enterprise solution that can be utilized across the continuum of care, allowing dialysis to be delivered anytime, anywhere and by anyone. The integration of water purification and on-demand dialysate production enables Tablo to serve as a dialysis clinic on wheels, with 2-way wireless data transmission and a proprietary data analytics platform powering a new holistic approach to dialysis care. Tablo is a registered trademark of Outset Medical, Inc.

### **Contact**

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