

November 7, 2024



Q3 2024

Supplemental Financial Information



Use of Non-GAAP Financial Measures



Inogen has presented certain financial information in accordance with U.S. GAAP and also on a non-GAAP basis for the three and nine months ended September 30, 2024, and September 30, 2023. Management believes that non-GAAP financial measures, taken in conjunction with U.S. GAAP financial measures, provide useful information for both management and investors by excluding certain non-cash and other expenses that are not indicative of Inogen's core operating results. Management uses non-GAAP measures to compare Inogen's performance relative to forecasts and strategic plans, to benchmark Inogen's performance externally against competitors, and for certain compensation decisions. Non-GAAP information is not prepared under a comprehensive set of accounting rules and should only be used to supplement an understanding of Inogen's operating results as reported under U.S. GAAP. Inogen encourages investors to carefully consider its results under U.S. GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. Reconciliations between U.S. GAAP and non-GAAP results are presented in the accompanying tables of this release.

Q3 2024 Results

Revenue by region and category



Total by Category	Q3 Revenue	Year-Over-Year Change	% of Total Revenue
Business-to-business domestic sales	\$23.4 million	35.1%	26.3%
Business-to-business international sales	\$32.3 million	26.2%	36.4%
Direct-to-consumer domestic sales	\$19.2 million	(23.2)%	21.6%
Rental revenue	\$13.9 million	(13.1)%	15.7%
Total revenue	\$88.8 million	5.8%	100%
Total constant currency revenue	\$88.8 million	6.0%	100%

Due to rounding, numbers presented may not add up precisely to the totals provided.

Operating Expense and Net Loss

(in thousands)



	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Operating expense				
Research and development	\$ 3,518	\$ 4,489	\$ 15,712	\$ 14,126
Sales and marketing	26,361	26,091	78,914	81,438
General and administrative	19,257	17,011	54,956	50,487
Impairment charges	—	32,894	—	32,894
Total operating expense	<u>49,136</u>	<u>80,485</u>	<u>149,582</u>	<u>178,945</u>
Loss from operations	<u>(7,792)</u>	<u>(46,721)</u>	<u>(31,130)</u>	<u>(80,404)</u>
Other income (expense)				
Interest income, net	1,041	1,801	3,777	4,972
Other income (expense)	687	(398)	964	176
Total other income, net	<u>1,728</u>	<u>1,403</u>	<u>4,741</u>	<u>5,148</u>
Loss before provision (benefit) for income taxes	<u>(6,064)</u>	<u>(45,318)</u>	<u>(26,389)</u>	<u>(75,256)</u>
Provision (benefit) for income taxes	<u>(101)</u>	<u>401</u>	<u>(258)</u>	<u>638</u>
Net loss	<u>\$ (5,963)</u>	<u>\$ (45,719)</u>	<u>\$ (26,131)</u>	<u>\$ (75,894)</u>

Reconciliation of GAAP to Non-GAAP

Adjusted EBITDA *(in thousands)*



Non-GAAP EBITDA and Adjusted EBITDA	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Net loss (GAAP)	\$ (5,963)	\$ (45,719)	\$ (26,131)	\$ (75,894)
Non-GAAP adjustments:				
Interest income, net	(1,041)	(1,801)	(3,777)	(4,972)
Provision (benefit) for income taxes	(101)	401	(258)	638
Depreciation and amortization	5,314	4,614	15,924	13,008
EBITDA (non-GAAP)	(1,791)	(42,505)	(14,242)	(67,220)
Stock-based compensation	1,474	1,779	5,704	8,484
Acquisition-related expenses	127	960	784	1,981
Restructuring-related and other charges	—	1,416	—	3,426
Impairment charges	—	32,894	—	32,894
Change in fair value of earnout liability	650	—	1,830	—
Adjusted EBITDA (non-GAAP)	<u>\$ 460</u>	<u>\$ (5,456)</u>	<u>\$ (5,924)</u>	<u>\$ (20,435)</u>

Reconciliation of GAAP to Non-GAAP



Adjusted Net Loss *(in thousands)*

Non-GAAP Adjusted Net Loss and Diluted EPS	Three months ended September 30,			
	Net Loss		Diluted EPS	
	2024	2023	2024	2023
Financial Results (GAAP)	\$ (5,963)	\$ (45,719)	\$ (0.25)	\$ (1.97)
Non-GAAP adjustments:				
Amortization of intangibles	1,107	205		
Stock-based compensation	1,474	1,779		
Acquisition-related expenses	127	960		
Restructuring-related and other charges ⁽¹⁾	—	1,416		
Impairment charges	—	32,894		
Change in fair value of earnout liability	650	—		
Income tax impact of adjustments ⁽²⁾	—	—		
Adjusted	<u>\$ (2,605)</u>	<u>\$ (8,465)</u>	<u>\$ (0.11)</u>	<u>\$ (0.36)</u>

Non-GAAP Adjusted Net Loss and Diluted EPS	Nine months ended September 30,			
	Net Loss		Diluted EPS	
	2024	2023	2024	2023
Financial Results (GAAP)	\$ (26,131)	\$ (75,894)	\$ (1.11)	\$ (3.28)
Non-GAAP adjustments:				
Amortization of intangibles	3,227	284		
Stock-based compensation	5,704	8,484		
Acquisition-related expenses	784	1,981		
Restructuring-related and other charges ⁽¹⁾	—	3,426		
Impairment charges	—	32,894		
Change in fair value of earnout liability	1,830	—		
Income tax impact of adjustments ⁽²⁾	—	—		
Adjusted	<u>\$ (14,586)</u>	<u>\$ (28,825)</u>	<u>\$ (0.62)</u>	<u>\$ (1.25)</u>

(1) Charges represent the costs associated with workforce reductions and other restructuring-related activities.

(2) Income tax impact of adjustments represents the tax impact related to the non-GAAP adjustments listed above and reflects an effective tax rate of 0% for the three and nine months ended September 30, 2024 and 2023.

Stock-Based Compensation

(in thousands)



	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Stock-based compensation expense by type of award:				
Restricted stock units and restricted stock awards	\$ 1,362	\$ 1,682	\$ 5,367	\$ 8,164
Employee stock purchase plan	112	97	337	320
Total stock-based compensation expense	<u>\$ 1,474</u>	<u>\$ 1,779</u>	<u>\$ 5,704</u>	<u>\$ 8,484</u>

	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Cost of revenue	\$ 123	\$ 164	\$ 448	\$ 401
Research and development	68	358	453	1,192
Sales and marketing	363	(255)	1,221	1,177
General and administrative	920	1,512	3,582	5,714
Total stock-based compensation expense	<u>\$ 1,474</u>	<u>\$ 1,779</u>	<u>\$ 5,704</u>	<u>\$ 8,484</u>



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