



Q2 FY2024 Earnings

January 24, 2024

Presentation of financial information & forward-looking statements

Historical financial and operating data in this presentation reflect the consolidated results of ResMed Inc., its subsidiaries, and its legal entities, for the periods indicated.

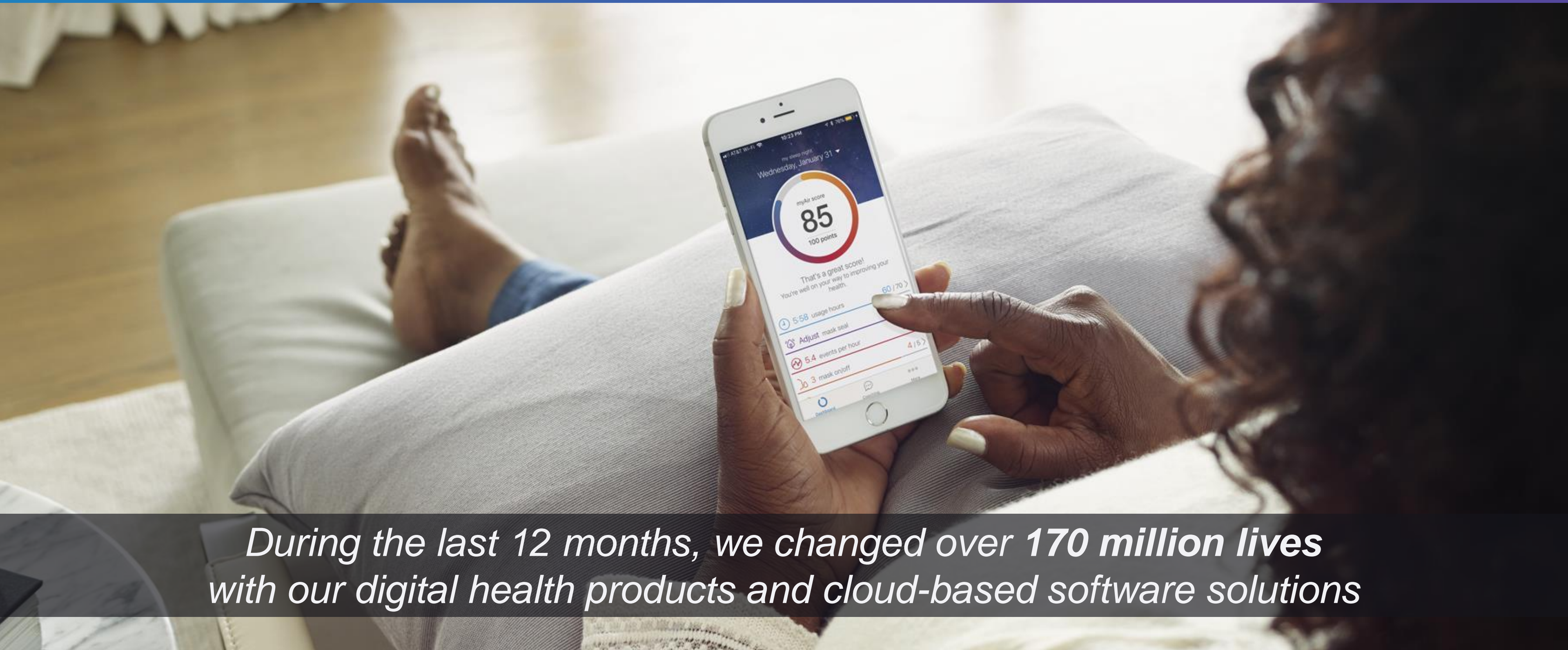
This presentation includes financial information prepared in accordance with accounting principles generally accepted in the United States, or GAAP, as well as other financial measures referred to as non-GAAP. The non-GAAP financial measures in this presentation, which include non-GAAP Income from Operations, non-GAAP Net Income, and non-GAAP Diluted Earnings per Share, should be considered in addition to, but not as substitutes for, the information prepared in accordance with GAAP. For reconciliations of the non-GAAP financial measures to the most comparable GAAP measures, please refer to the earnings release associated with the relevant reporting period, which can be found on the investor relations section of our corporate website (investor.resmed.com).

In addition to historical information, this presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on ResMed’s current expectations of future revenue or earnings, new product development, new product launches, new markets for its products, integration of acquisitions, leveraging of strategic investments, litigation, and tax outlook. Forward-looking statements can generally be identified by terminology such as “believe,” “expect,” “intend,” “anticipate,” “will continue,” “will,” “estimate,” “plan,” “future,” and other similar expressions or variations of these terms, the negative of these terms, or other comparable terminology.

ResMed’s expectations, beliefs, and forecasts are expressed in good faith and are believed to have a reasonable basis, but actual results could differ materially from those stated or implied by these forward-looking statements. ResMed assumes no obligation to update the forward-looking information in this presentation, whether as a result of new information, future events, or otherwise. For further discussion of the various factors that could impact actual events or results, please review the “Risk Factors” identified in ResMed’s quarterly and annual reports filed with the SEC. All forward-looking statements included in this presentation should be considered in the context of these risks. Investors and prospective investors are cautioned not to unduly rely on our forward-looking statements.

Our mission is to change 250 million lives in 2025

We're proud to offer digital and connected health solutions that help those with sleep apnea, COPD, and other respiratory diseases live happier, healthier lives in the comfort of home or care setting of their choice

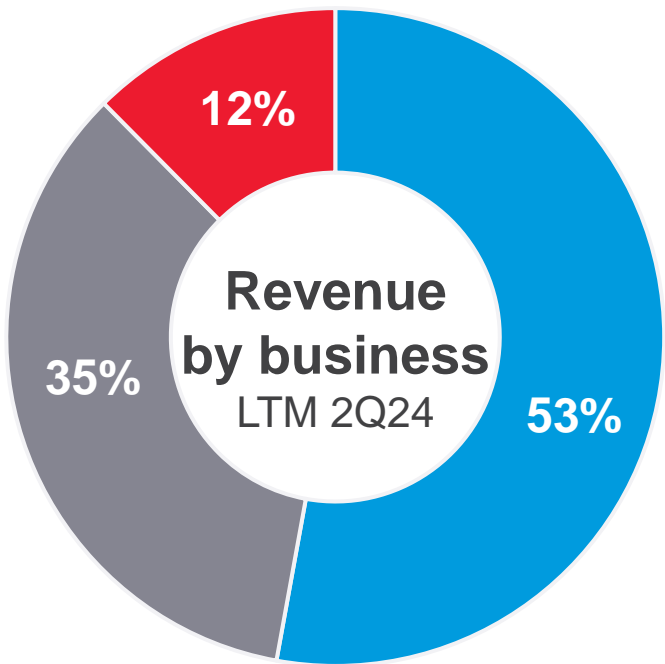


*During the last 12 months, we changed over **170 million lives** with our digital health products and cloud-based software solutions*

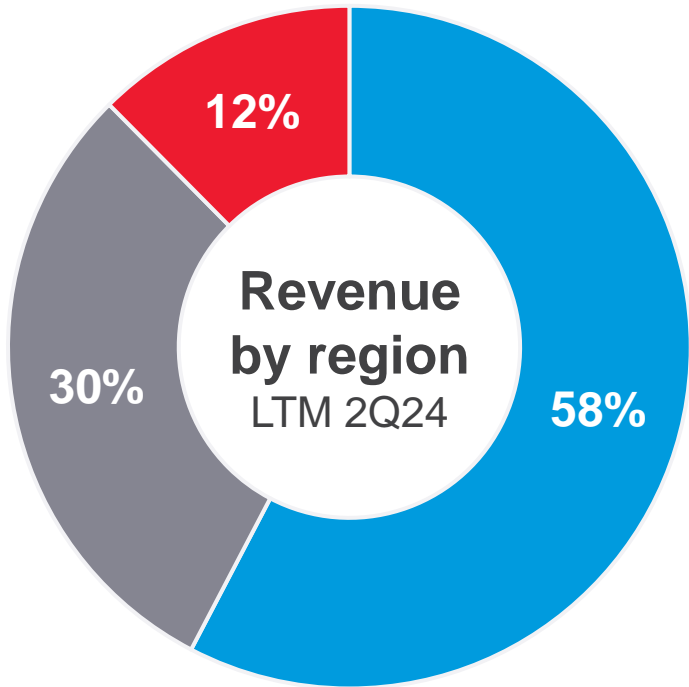
ResMed | The global leader in connected and digital health

Key Statistics¹

| | |
|-------------------------|---------------|
| Headquarters | San Diego, CA |
| Founded | 1989 |
| LTM 2Q24 revenue | \$4.5B |
| Listed (NYSE, ASX) | 1995, RMD |
| Market cap ² | ~\$26B |
| Countries served | 140+ |
| Total employees | >10,000 |



- Devices
- Masks & Other
- OOH SaaS



- U.S., Canada, and Latin America
- Europe, Asia, and Other
- OOH SaaS (U.S. & Germany)

Our businesses

Sleep Apnea

Delivering a market-leading patient experience through innovative solutions that lower overall costs for treating sleep apnea patients and improve clinical outcomes by leveraging global digital health solutions

Respiratory Care

Improving the lives of patients with COPD, asthma, and other key chronic respiratory diseases on their healthcare journey – lowering costs, preventing hospitalization, and creating end-to-end care solutions

Software as a Service (SaaS)

Providing a network out-of-hospital healthcare SaaS management solutions that help providers deliver more personalized care, measurable results, and improved health outcomes across large populations

¹As of 12/31/23
²As of 1/24/24, date of Q2 2024 earnings



ResMed 2025: a patient-centric, digitally-enabled strategy



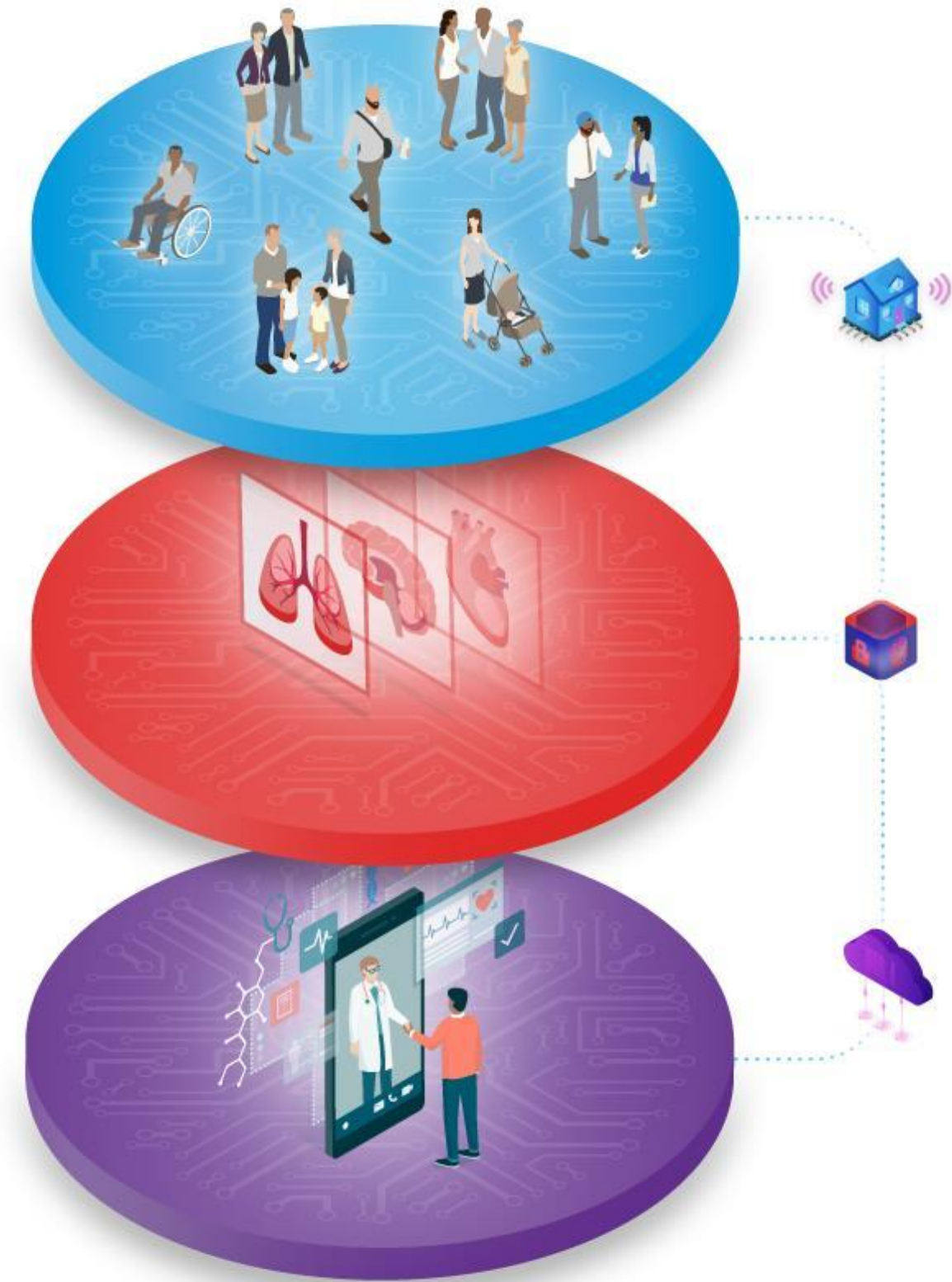
250 million lives improved
in out-of-hospital healthcare
in 2025!

Purpose • Empower people to live **happier, healthier,**
and **higher quality lives** in the comfort of
their home

Growth Focus • Global health epidemics in **sleep apnea,**
COPD, other major chronic conditions,
and **SaaS** solutions that improve care in
out-of-hospital settings

Growth Advantage • Transform care through **innovative solutions** and
tech-driven integrated care to drive superior
outcomes, experiences, and efficiency

Growth Foundations • High-performing, diverse, and entrepreneurial people
• Industry-leading innovation and business excellence
• Digital health technology and scientific leadership



We provide market-leading solutions for four of the world's most prevalent and significant chronic diseases

In our primary market, ***sleep apnea***, the global prevalence is **enormous and growing**¹



~1B
with sleep apnea

Our secondary markets of COPD, asthma, and insomnia provide additional opportunities for **digital health innovation** and **improved health outcomes**

~480M
with COPD

~330M
with asthma

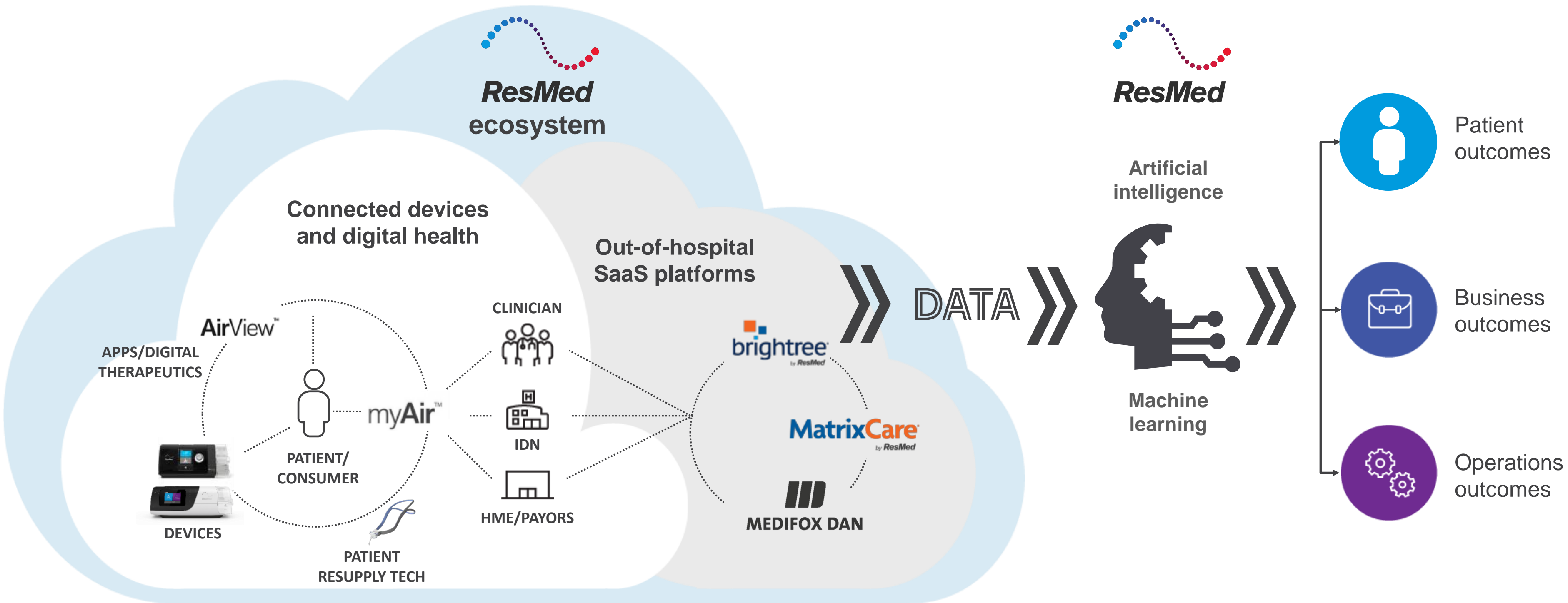
~870M
with insomnia

We are leveraging our leadership position and capabilities to improve the lives of more than **2.5 billion people**² with sleep apnea, insomnia, COPD, and asthma

¹ OSA prevalence expected to be 1.4B by 2050; more than 80% remain undiagnosed

² >30% of the global population

We do this by delivering digital health solutions that *improve* outcomes and *lower* costs



Focused on interoperability so our solutions work with the broader healthcare ecosystem

Priorities that guide our daily focus

Grow and differentiate our core sleep apnea, COPD, and asthma businesses across global markets

Deliver world-leading medical devices and digital health technology to engage physicians, providers, and patients

Build the world's best software solutions network for healthcare that is delivered outside the hospital

Our triple aim:

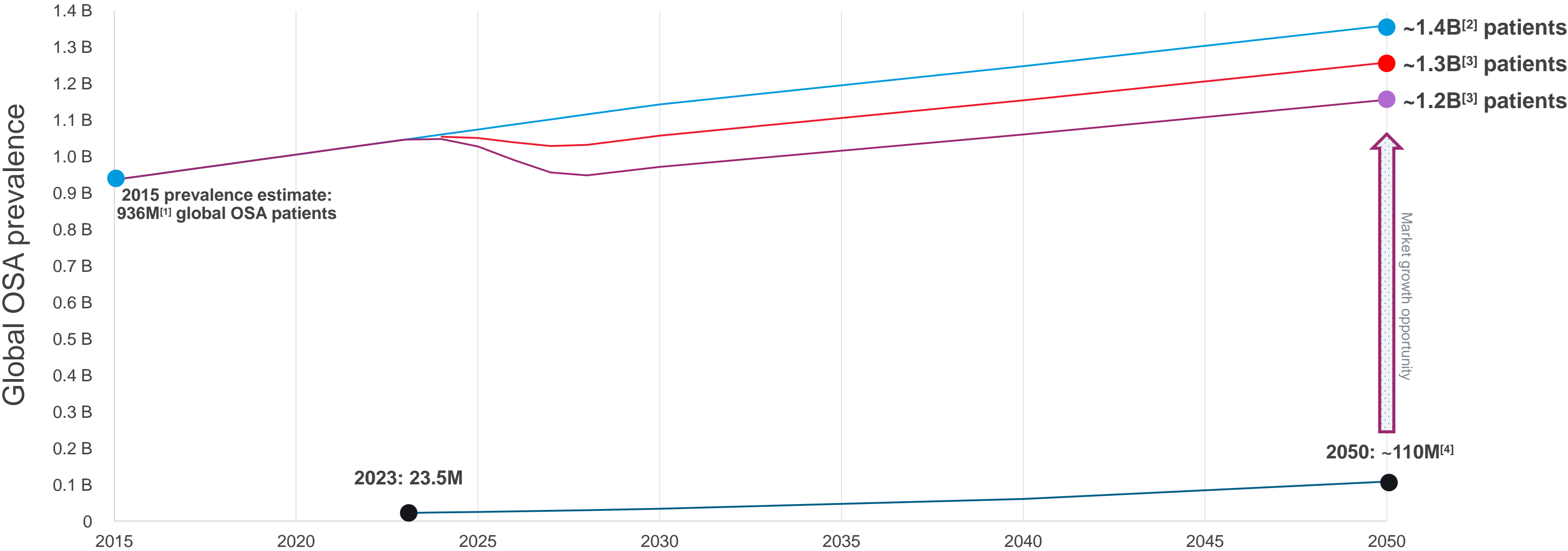
- I. Slow chronic disease progression
- II. Reduce overall healthcare system costs
- III. Improve the quality of life for the patient

Empower people to live happier, healthier, and higher quality lives in the comfort of their homes

ResMed has a very large, under-penetrated opportunity to reach and serve OSA patients globally, including a broad range of pharma impact scenarios

- TAM without pharma impact
- TAM mid-pharma impact
- TAM high-pharma impact
- ResMed Connected Devices in market

Global OSA patient prevalence from latest epidemiology data



[1] Benjafield AV, Ayas NT, Eastwood PR, et al. Estimation of the global prevalence and burden of obstructive sleep apnoea: a literature-based analysis. Lancet Respir Med. Aug 2019;7(8):687-698.

[2] Internal ResMed analysis based on World Bank forecasted population growth for those aged 30-69 across 193 countries

[3] Mid-to-high impacts ranging from ~7.5% to 15% OSA prevalence reduction due to weight-loss pharma, with impact starting in 2024 and ramping by 2029

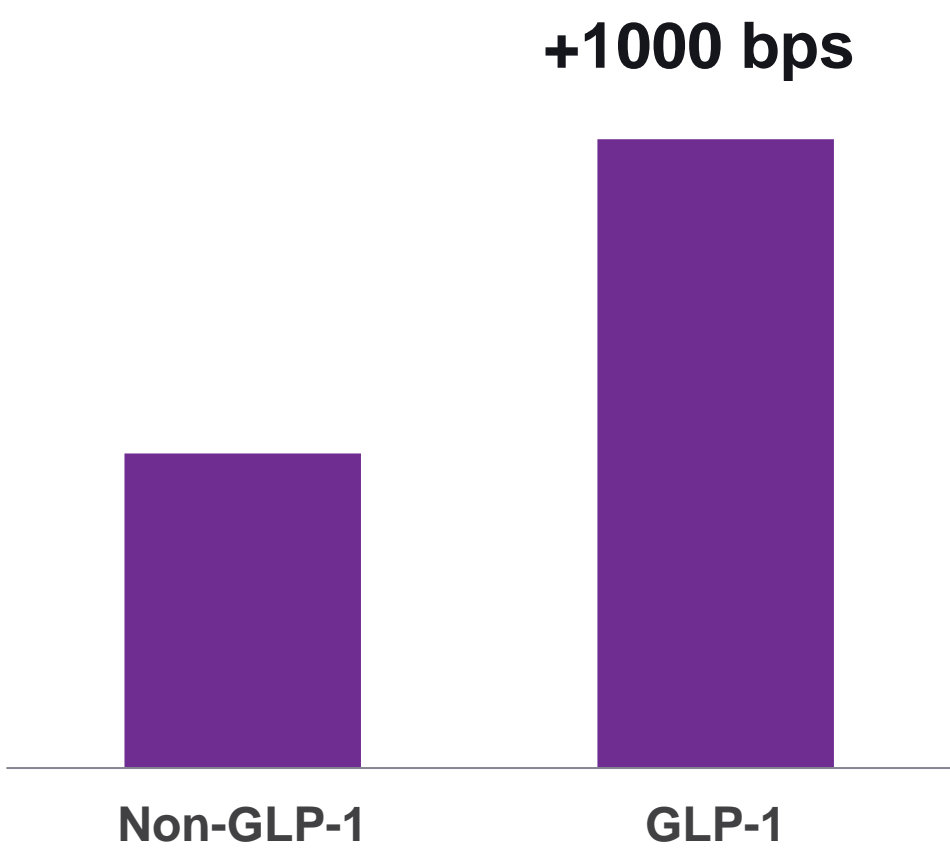
[4] Historical growth in ResMed connected device volumes ranges from 5-6% YOY; Growth here shown as 6%; Note revenue growth historically exceeds device volume growth with recurring revenue from masks, accessories & software.



Real-world data analysis in Sleep Apnea (OSA) population shows a significant **positive correlation** between GLP-1s and PAP therapy

GLP-1 initiated^{1,2} vs. non-GLP-1 initiated OSA patients¹

Likely to initiate PAP therapy³



Patients with an OSA diagnosis **and** prescribed a GLP-1 drug are **10% more likely** to initiate PAP therapy

Large real-world data analysis: n = 529,000 patients with *GLP-1 initiation, sleep apnea diagnosis, and Rx for PAP therapy*⁵

Source: IQVIA LRX data and Diagnostic claims, July 2021 – September 2023

1. Total patients with an OSA diagnosis claim from July 2021 – September 2023; those who were diagnosed with OSA prior to July 2021 are not included in this analysis.

2. GLP-1 initiation is defined by presence of GLP-1 claim at any point from July 2021 – September 2023 (n=529k patients); initiation does not demonstrate GLP-1 treatment adherence, so patients may not be actively taking GLP-1s today.

3. Values show absolute percentage difference in presence of any PAP-related claim from July 2021 – September 2023 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.

4. Values show absolute percentage difference in presence of any PAP-related claim at each timepoint post PAP setup from July 2021 – September 2023 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.

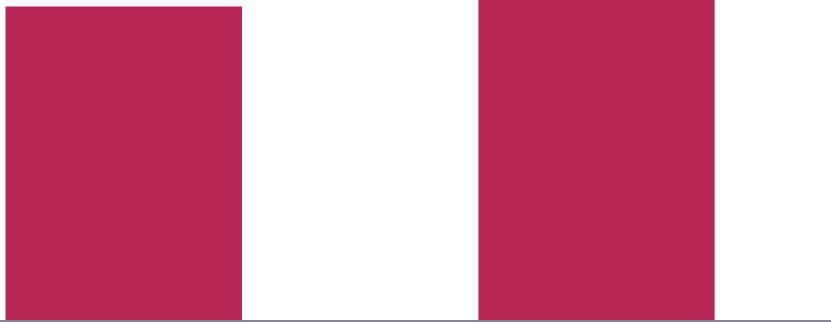
5. Majority of patients in the study population were prescribed newer GLP-1 drugs: semaglutide or tirzepatide

Real-world data analysis in Sleep Apnea (OSA) population shows a significant **positive correlation** between GLP-1s and PAP therapy

GLP-1 initiated^{1,2} vs. non-GLP-1 initiated OSA patients¹

PAP resupply rates⁴
1-year post-setup

+300 bps



Non-GLP-1

GLP-1

PAP resupply rates⁴
2-years post-setup

+500 bps



Non-GLP-1

GLP-1

Patients with an OSA diagnosis *and* prescribed a GLP-1 drug have **higher PAP resupply rates** 1-year and 2-years post-setup

Large real-world data analysis: n = 529,000 patients with *GLP-1 initiation, sleep apnea diagnosis, and Rx for PAP therapy*⁵

Source: IQVIA LRX data and Diagnostic claims, July 2021 – September 2023

- 1. Total patients with an OSA diagnosis claim from July 2021 – September 2023; those who were diagnosed with OSA prior to July 2021 are not included in this analysis.
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- 3. Values show absolute percentage difference in presence of any PAP-related claim from July 2021 – September 2023 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.
- 4. Values show absolute percentage difference in presence of any PAP-related claim at each timepoint post PAP setup from July 2021 – September 2023 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.
- 5. Majority of patients in the study population were prescribed newer GLP-1 drugs: semaglutide or tirzepatide

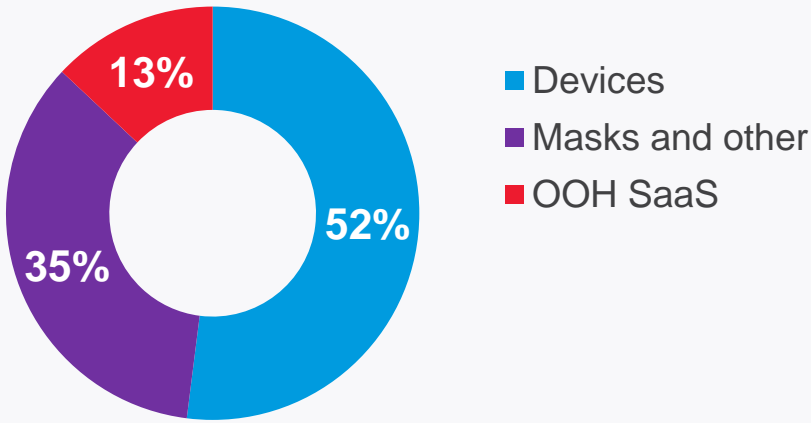
Financial Results



Q2 FY24 financial results

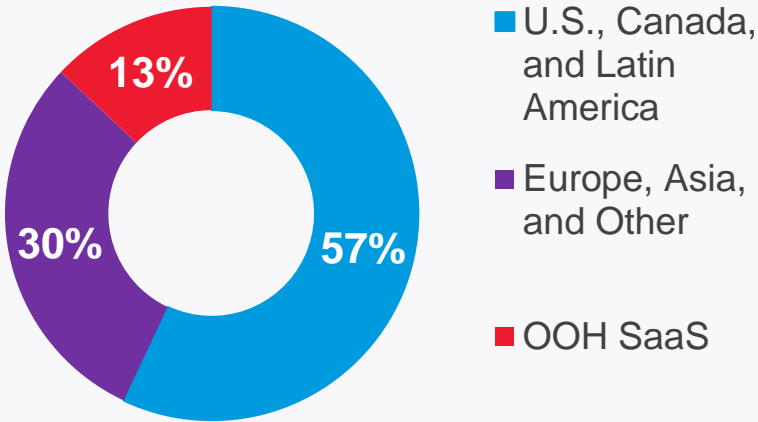
Revenue by Business

Q2 FY24

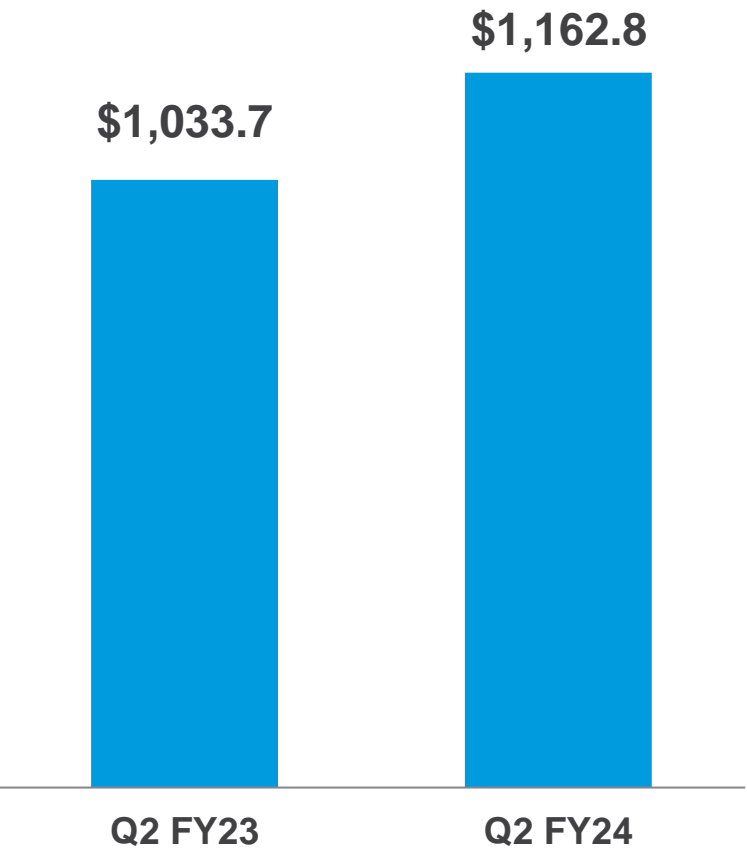


Revenue by Region

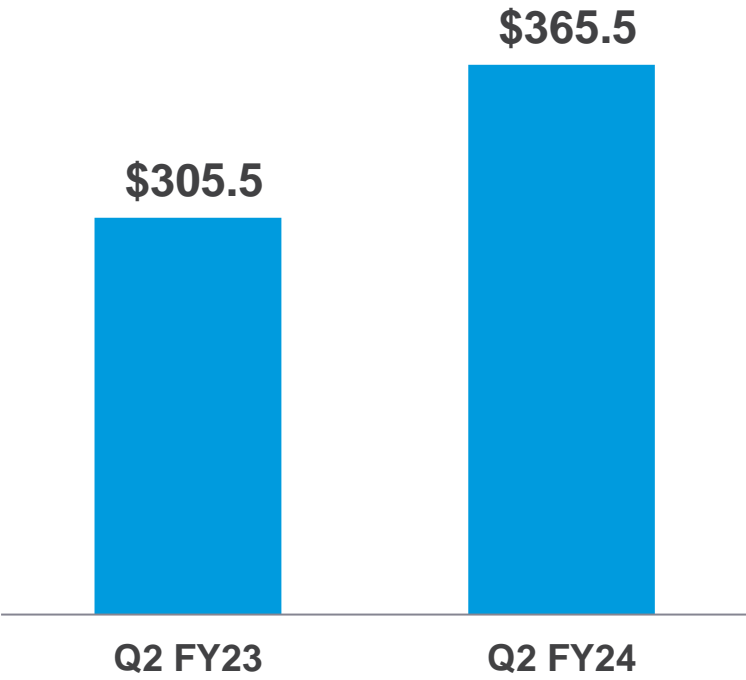
Q2 FY24



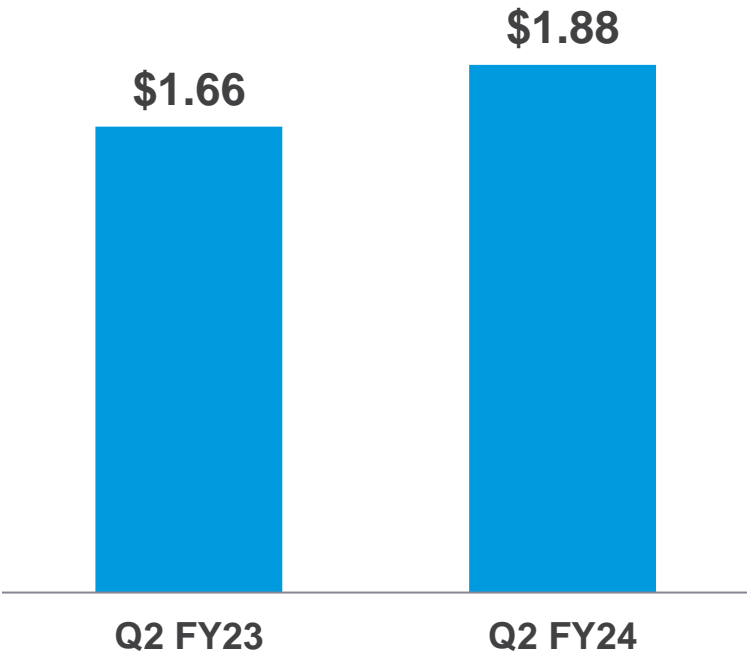
Revenue (\$M)



Non-GAAP Operating Income (\$M)



Non-GAAP EPS



NOTE: See reconciliation to GAAP in Appendix



Solid balance sheet

| | |
|---------------------------|----------|
| Total debt outstanding | \$1,227M |
| Less: Cash & cash equiv. | \$210M |
| Net Debt | \$1,016M |
| Unused borrowing capacity | \$955M |



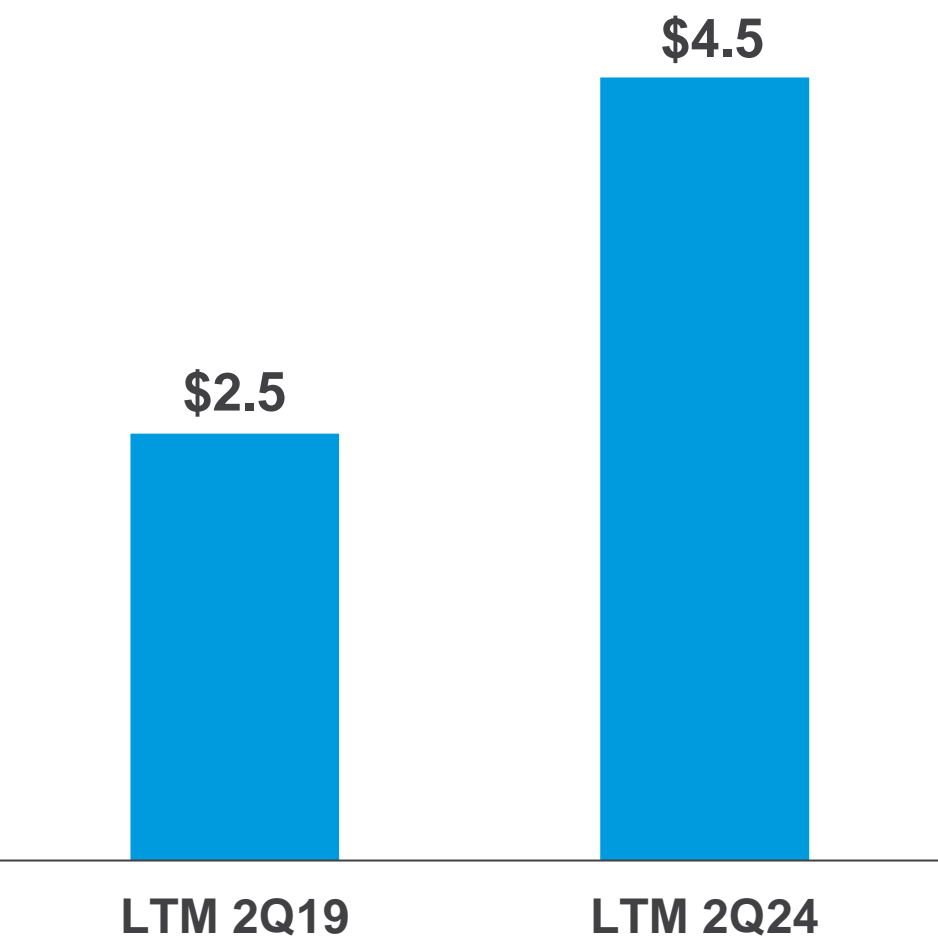
Low leverage and strong cash flow provide financial flexibility

Track record of strong financial returns for shareholders

(Financial data as of December 31, 2023)

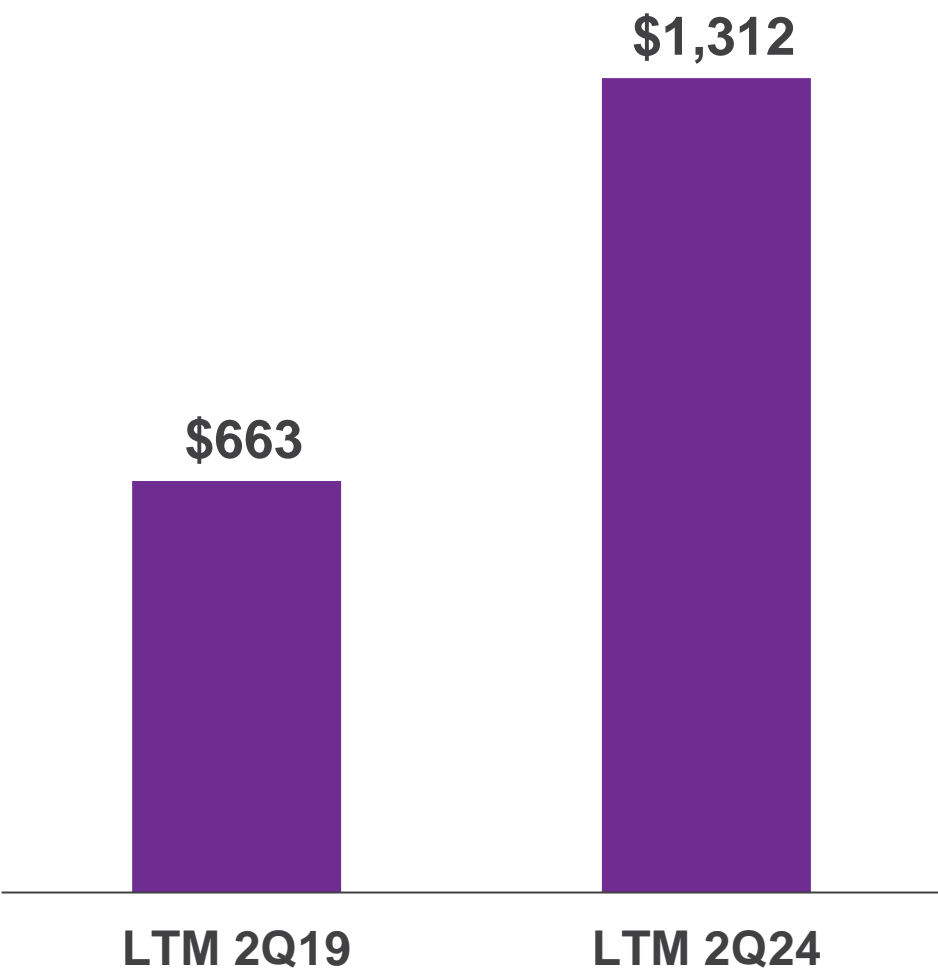
Revenue (\$B)

13% CAGR



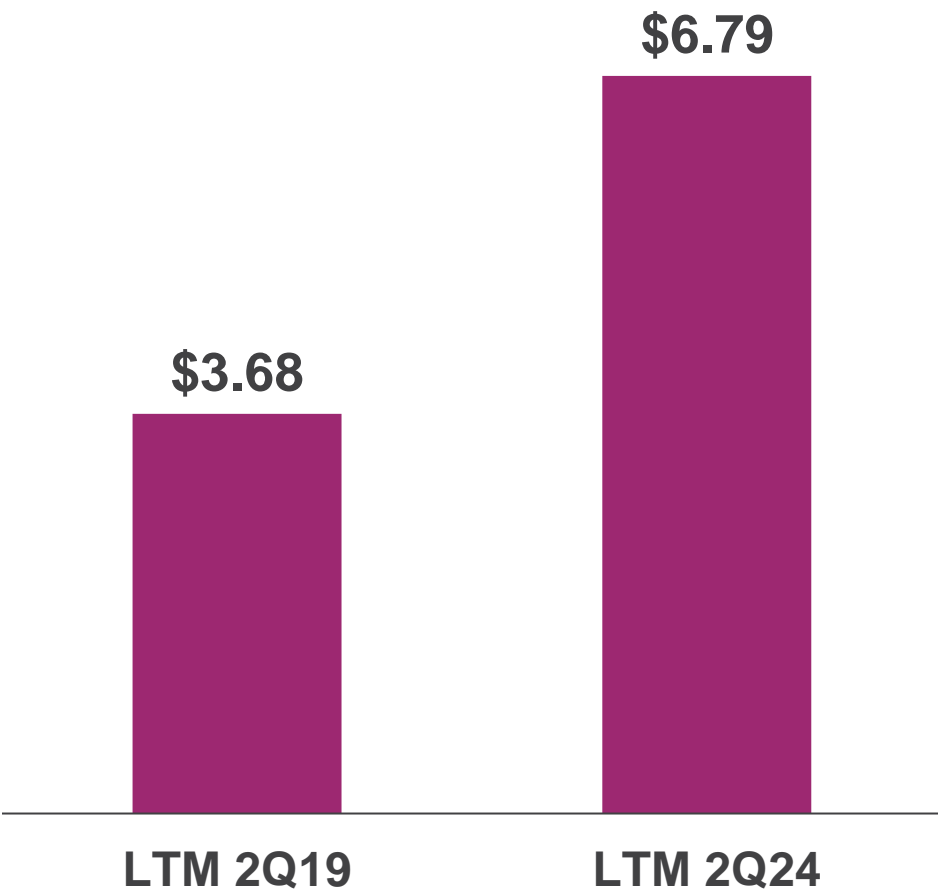
Non-GAAP Operating Income (\$M)

15% CAGR



Non-GAAP EPS

13% CAGR

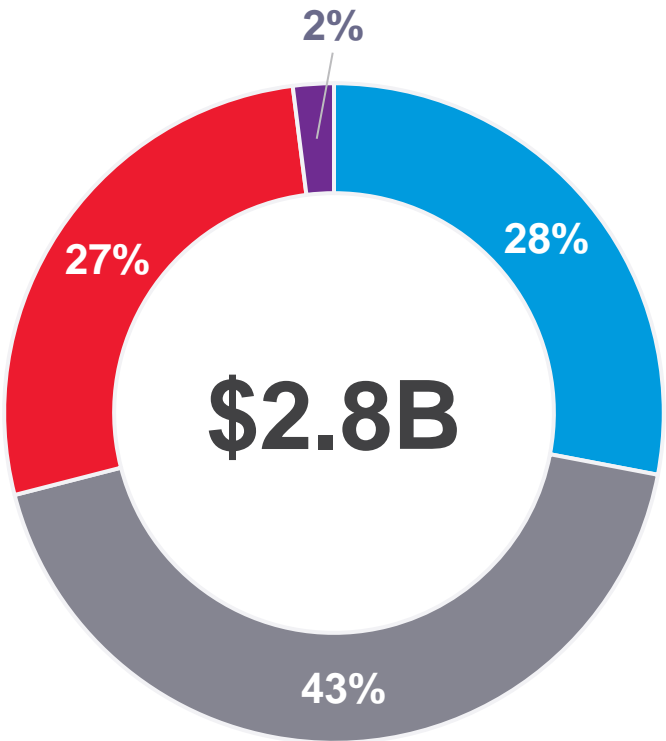


NOTE: See reconciliation to GAAP in Appendix

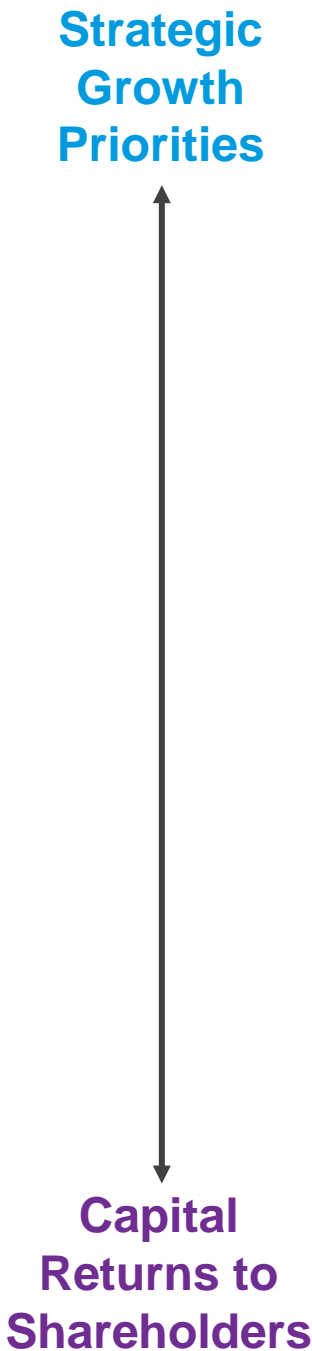


Strategic capital allocation framework

Capital deployed over last 3 years
(through December 31, 2023)



- Reinvest in R&D
- M&A
- Dividends
- Share repurchase ^(A)



Reinvest for growth

- Reinvest in product development for high-return organic growth
- 6% of revenue invested in R&D

Pursue M&A

- Actively evaluate potential acquisitions
- Pursue targets aligned with long-term strategic goals and financial objectives

Support dividends

- Regular return of cash to shareholders through dividend at a level that is meaningful and sustained

Share repurchases

- Opportunistic repurchase of shares
- Resumed share buyback program during 2Q24 (\$50M/qtr)

Disciplined focus on ROIC and delivering total return

(A): ResMed resumed its buyback program during the quarter ended 12/31/23; program had been paused since the quarter ended 12/31/2019

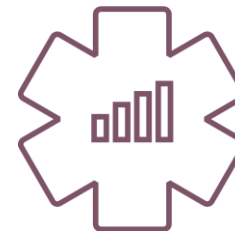


Driving long-term shareholder value



Growth & Innovation

- Global leader in digital health for sleep and respiratory care
- Long-term growth opportunities
- >9,700 patents and designs
- ~7% of revenue invested in R&D



Market Dynamics

- Underpenetrated markets in sleep and COPD
- Healthcare costs continue to increase
- Focus on improving patient outcomes
- Value-based technology solutions



Financial Results

- Historical revenue and profit growth
- Recurring revenue
- Operating excellence program
- Strong track record of disciplined capital deployment

ResMed is the global leader in connected & digital health

Contact Investor Relations

Phone: (858) 836-5971

Email: investorrelations@resmed.com

Website: investor.resmed.com

APPENDIX



Reconciliation of non-GAAP financial measures

The measures “non-GAAP gross profit” and “non-GAAP gross margin” exclude amortization expense from acquired intangibles related to cost of sales and are reconciled below:

(Unaudited; \$ in thousands, except for per share amounts)

| | Three Months Ended | | Six Months Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | December 31, 2023 | December 31, 2022 | December 31, 2023 | December 31, 2022 |
| Revenue | \$ 1,162,801 | \$ 1,033,744 | \$ 2,265,122 | \$ 1,984,038 |
| GAAP cost of sales | \$ 515,867 | \$ 454,029 | \$ 1,018,128 | \$ 863,514 |
| Less: Amortization of acquired intangibles ^(A) | (8,257) | (7,305) | (17,164) | (13,680) |
| Less: Masks with magnets field safety notification expenses ^(A) | (6,351) | — | (6,351) | — |
| Less: Astral field safety notification expenses ^(A) | — | — | (7,911) | — |
| Non-GAAP cost of sales | \$ 501,259 | \$ 446,724 | \$ 986,702 | \$ 849,834 |
| GAAP gross profit | \$ 646,934 | \$ 579,715 | \$ 1,246,994 | \$ 1,120,524 |
| GAAP gross margin | 55.6 % | 56.1 % | 55.1 % | 56.5 % |
| Non-GAAP gross profit | \$ 661,542 | \$ 587,020 | \$ 1,278,420 | \$ 1,134,204 |
| Non-GAAP gross margin | 56.9 % | 56.8 % | 56.4 % | 57.2 % |

Note regarding non-GAAP reconciliations

^(A) ResMed adjusts for the impact of the amortization of acquired intangibles, restructuring expenses, field safety notification expenses, acquisition-related expenses, and associated tax effects from their evaluation of ongoing operations, and believes that investors benefit from adjusting these items to facilitate a more meaningful evaluation of current operating performance.

ResMed believes that non-GAAP diluted earnings per share is an additional measure of performance that investors can use to compare operating results between reporting periods. ResMed uses non-GAAP information internally in planning, forecasting, and evaluating the results of operations in the current period and in comparing it to past periods. ResMed believes this information provides investors better insight when evaluating ResMed’s performance from core operations and provides consistent financial reporting. The use of non-GAAP measures is intended to supplement, and not to replace, the presentation of net income and other GAAP measures. Like all non-GAAP measures, non-GAAP earnings are subject to inherent limitations because they do not include all the expenses that must be included under GAAP.

Reconciliation of non-GAAP financial measures, cont'd

The measure “non-GAAP income from operations” is reconciled with GAAP income from operations below:

(Unaudited; \$ in thousands, except for per share amounts)

| | Three Months Ended | | Six Months Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | December 31, 2023 | December 31, 2022 | December 31, 2023 | December 31, 2022 |
| GAAP income from operations | \$ 275,094 | \$ 280,194 | \$ 564,091 | \$ 555,932 |
| Amortization of acquired intangibles—cost of sales ^(A) | 8,257 | 7,305 | 17,164 | 13,680 |
| Amortization of acquired intangibles—operating expenses ^(A) | 11,577 | 9,563 | 24,056 | 17,513 |
| Restructuring ^(A) | 64,228 | — | 64,228 | — |
| Masks with magnets field safety notification expenses ^(A) | 6,351 | — | 6,351 | — |
| Astral field safety notification expenses ^(A) | — | — | 7,911 | — |
| Acquisition-related expenses ^(A) | — | 8,412 | 483 | 9,157 |
| Non-GAAP income from operations | <u>\$ 365,507</u> | <u>\$ 305,474</u> | <u>\$ 684,284</u> | <u>\$ 596,282</u> |

Note regarding non-GAAP reconciliations

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Reconciliation of non-GAAP financial measures, cont'd

The measure “non-GAAP net income” and “non-GAAP diluted earnings per share” are reconciled with GAAP net income and GAAP diluted earnings per share in the table below:

(Unaudited; \$ in thousands, except for per share amounts)

| | Three Months Ended | | Six Months Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | December 31, 2023 | December 31, 2022 | December 31, 2023 | December 31, 2022 |
| GAAP net income | \$ 208,800 | \$ 224,914 | \$ 428,222 | \$ 435,392 |
| Amortization of acquired intangibles—cost of sales ^(A) | 8,257 | 7,305 | 17,164 | 13,680 |
| Amortization of acquired intangibles—operating expenses ^(A) | 11,577 | 9,563 | 24,056 | 17,513 |
| Restructuring expenses ^(A) | 64,228 | — | 64,228 | — |
| Masks with magnets field safety notification expenses ^(A) | 6,351 | — | 6,351 | — |
| Astral field safety notification expenses ^(A) | — | — | 7,911 | — |
| Acquisition-related expenses ^(A) | — | 8,412 | 483 | 9,157 |
| Income tax effect on non-GAAP adjustments ^(A) | (21,868) | (5,812) | (29,886) | (9,272) |
| Non-GAAP net income ^(A) | <u>\$ 277,345</u> | <u>\$ 244,382</u> | <u>\$ 518,529</u> | <u>\$ 466,470</u> |
| GAAP diluted shares outstanding | 147,545 | 147,405 | 147,572 | 147,367 |
| GAAP diluted earnings per share | \$ 1.42 | \$ 1.53 | \$ 2.90 | \$ 2.95 |
| Non-GAAP diluted earnings per share ^(A) | \$ 1.88 | \$ 1.66 | \$ 3.51 | \$ 3.17 |

Note regarding non-GAAP reconciliations

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