



# Q2 FY2025 Earnings

January 30, 2025

# Presentation of financial information & forward-looking statements

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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](https://investor.resmed.com)).

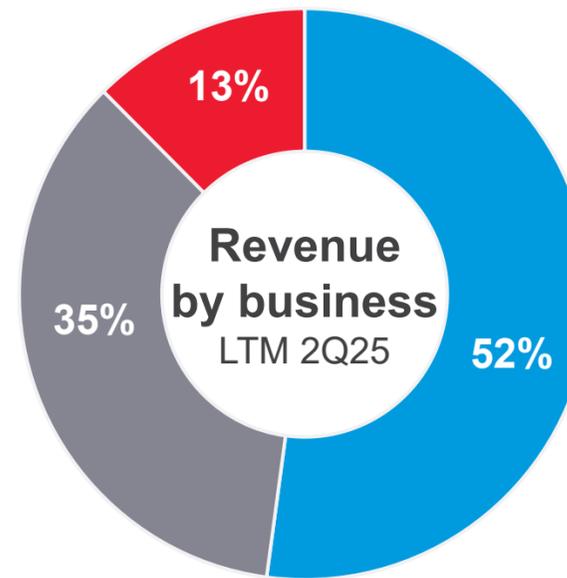
In addition to historical information, this presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on ResMed’s current expectations of future revenue or earnings, new product development, new product launches, new markets for its products, integration of acquisitions, leveraging of strategic investments, litigation, and tax outlook. The words “believe,” “expect,” “intend,” “anticipate,” “will continue,” “will,” “estimate,” “plan,” “future” and other similar expressions, and negative statements of such expressions, generally identify forward-looking statements, including, in particular, statements regarding expectations of future revenue or earnings, expenses, new product development, new product launches, new markets for our products, the integration of acquisitions, our supply chain, domestic and international regulatory developments, litigation, tax outlook, and the expected impact of macroeconomic conditions on our business.

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.

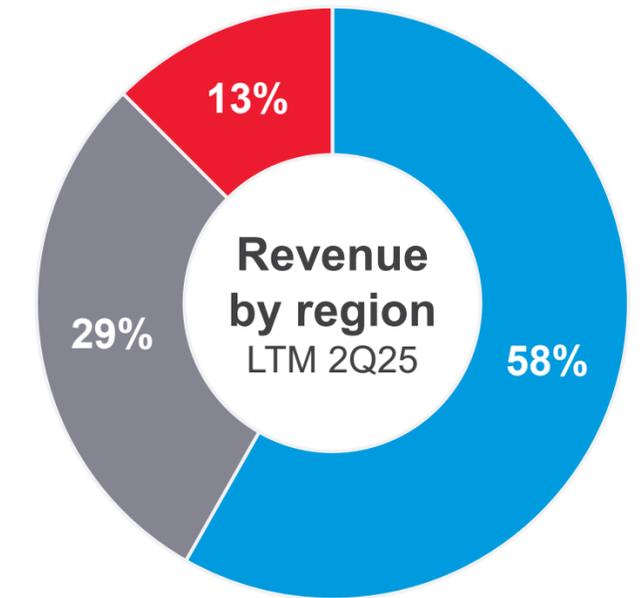
# ResMed | The global leader in connected and digital health

## Key Statistics<sup>1</sup>

<b>Headquarters</b>	San Diego, CA
<b>Founded</b>	1989
<b>LTM 2Q25 revenue</b>	\$4.9B
<b>Listed (NYSE, ASX)</b>	1995, RMD
<b>Market cap<sup>2</sup></b>	~\$38B
<b>Countries served</b>	140+
<b>Total employees</b>	~10,000



- Devices
- Masks & Other
- OOH RCS



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

## Our businesses

### Sleep Health

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

### Breathing Health

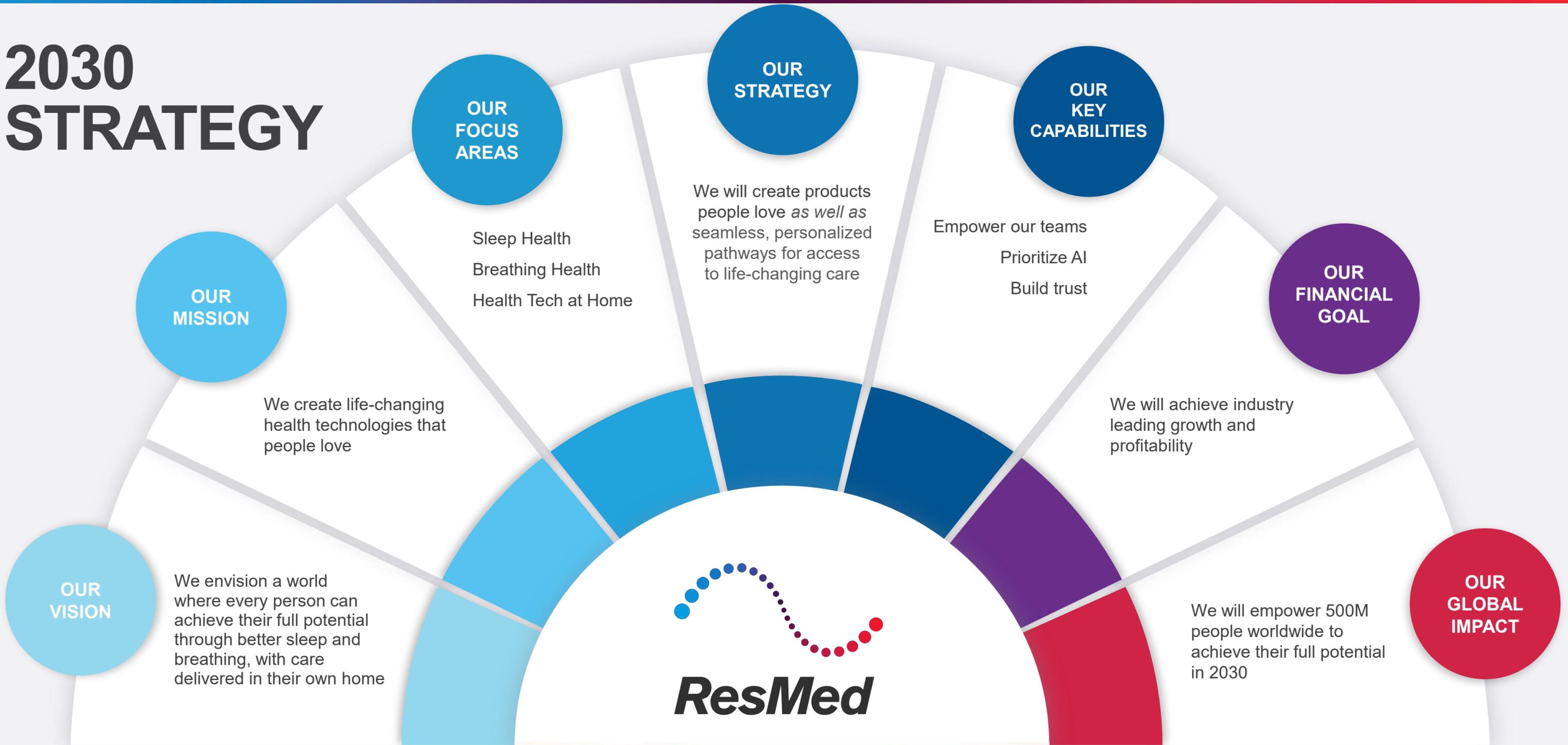
Improving the lives of patients with COPD, and other key chronic respiratory diseases on their healthcare journey – lowering costs, preventing hospitalization, and creating end-to-end care solutions (was respiratory care)

### Residential Care Software (RCS)

Providing a network of residential care software (RCS) management solutions (previously called out-of-hospital SaaS) that help home medical equipment and other providers deliver personalized care, measurable results, and improved outcomes

<sup>1</sup>As of 12/31/24 | <sup>2</sup>As of 1/30/25

# 2030 STRATEGY



**OUR VALUES**

- Resolute integrity
- Resourceful innovation
- Responsible quality
- Respectful diversity
- Resounding impact

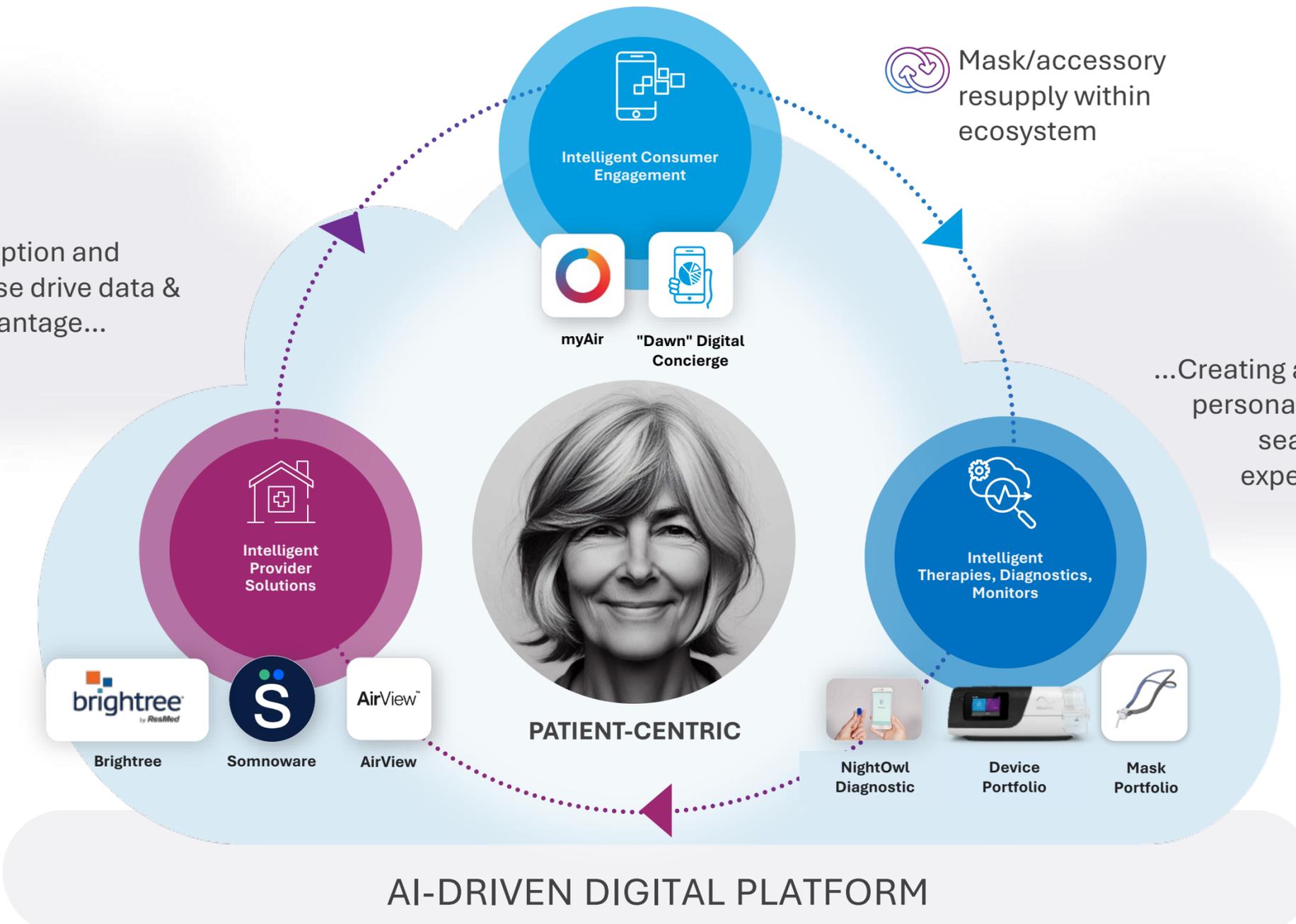


**OUR BEHAVIORS**

- Drive collaboration
- Develop people
- Optimize for ResMed
- Lead others with purpose
- Own the results

# We integrate intelligent products and solutions to drive better experience, lower costs, and improve outcomes

Scale in adoption and installed base drive data & insights advantage...



## Driving value for patients, providers, and ResMed

- + Improve patient experience<sup>1</sup>
- + Increase long-term adherence<sup>4</sup>
- + Lower cost of delivery<sup>2</sup>
- + Improve health and business outcomes<sup>5</sup>
- + Solve labor and clinical staff shortages with automation<sup>3</sup>
- + Improve QOL outcomes<sup>6</sup>

1. Malhotra et al CHEST 2018  
 2. Wimms et al. Lancet Respir Med 2019 MERGE, Project Electrum  
 3. Munafo, et al. Sleep Breath 2016  
 4. Hwang, et al., AJRCCM 2017, Malhotra et al CHEST 2018, Benjafield, et al. AJRCCM 2018 (abstract)  
 5. Pepin JL et al. Chest 2022, Wimms et al. Lancet Respir Med 2019 MERGE, Munafo, et al. Sleep Breath 2016  
 6. Wimms et al. Lancet Respir Med 2019 MERGE

# ResMed is the *global leader* in connected & digital health

Nearly **21 billion nights** of respiratory medical data



**30.5+ million**  
patients in AirView™



**28+ million**  
100% cloud connectable devices worldwide



**3.8+ million**  
diagnostic tests processed in the cloud



**155+ million**  
accounts in Residential Care Software network



**320+ API**  
calls per second from integrators



**9.3+ million**  
patients have signed up for myAir™

# ResMed's 2030 operating model accelerates ability to reach consumers where they are, execute and unlock value



## PRODUCT-LED

Focused and strategic roadmap  
*... increase product velocity*



## CUSTOMER-CENTRIC

Dynamic global revenue team  
*... increase profitable growth*

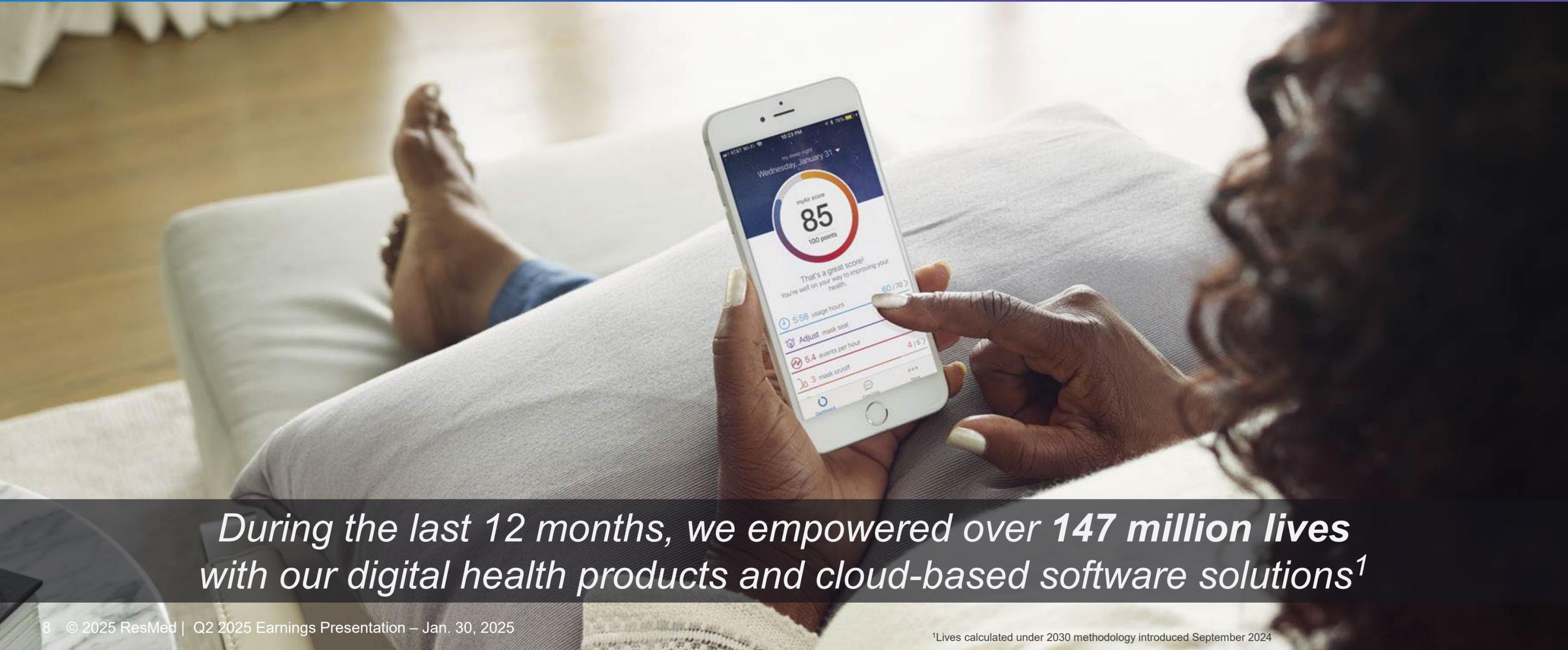


## BRAND-ENHANCED

Unified global marketing team  
*... increase brand awareness and ROI*

# ***Our goal is to empower 500 million lives in 2030***

*We're proud to offer connected and digital health tech solutions that help those with sleep and breathing health challenges live happier, healthier lives with care in the comfort of the home or care setting of their choice*



*During the last 12 months, we empowered over 147 million lives with our digital health products and cloud-based software solutions<sup>1</sup>*

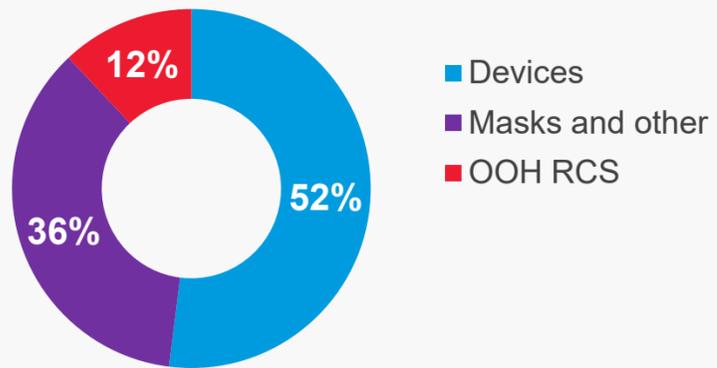
# Financial Results



# Q2 FY25 financial results

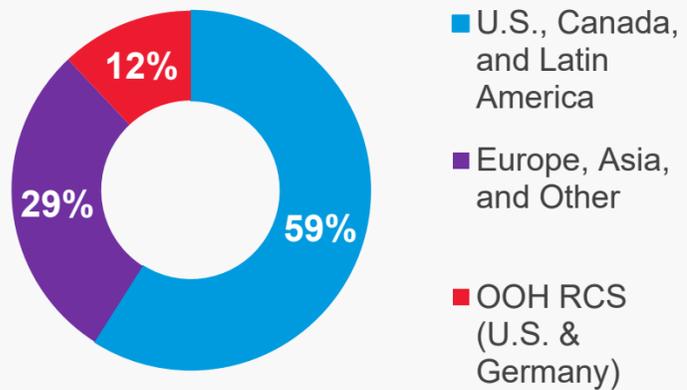
## Revenue by Business

Q2 FY25

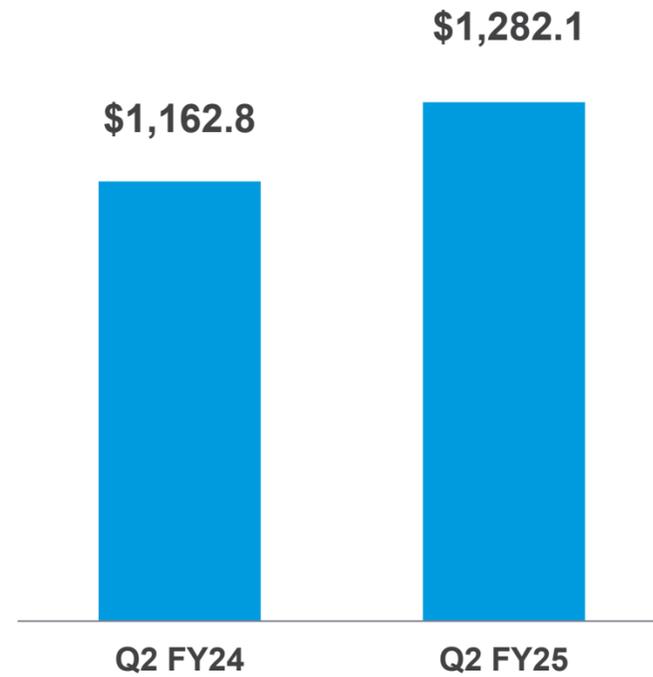


## Revenue by Region

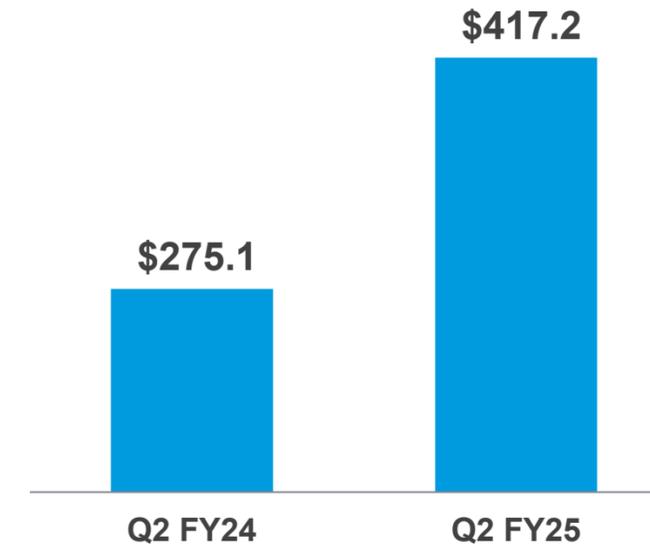
Q2 FY25



## Revenue (\$M)



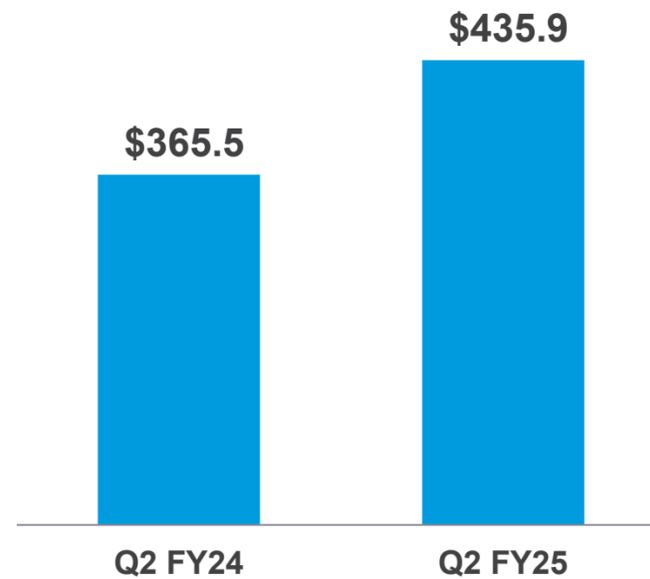
## GAAP Operating Income (\$M)



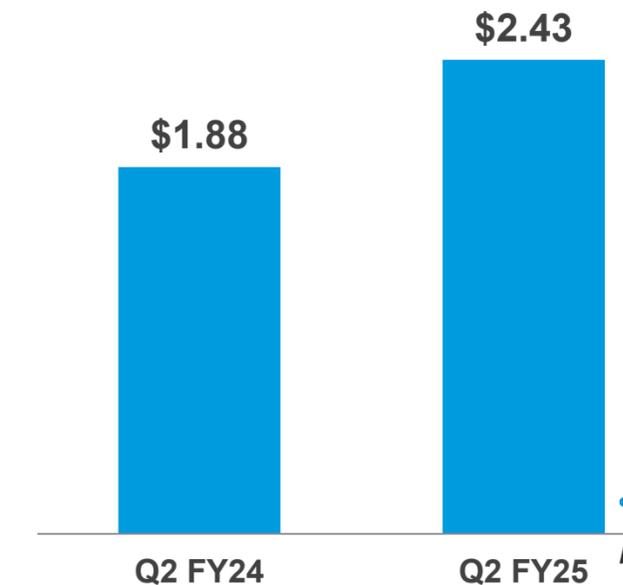
## GAAP EPS



## Non-GAAP Operating Income (\$M)



## Non-GAAP EPS



NOTE: See reconciliation to GAAP in Appendix

# Solid balance sheet

Total debt outstanding	<b>\$673M</b>
Less: Cash & cash equiv.	<b>\$522M</b>
Net Debt	<b>\$151M</b>
Unused borrowing capacity	<b>\$1,500M</b>

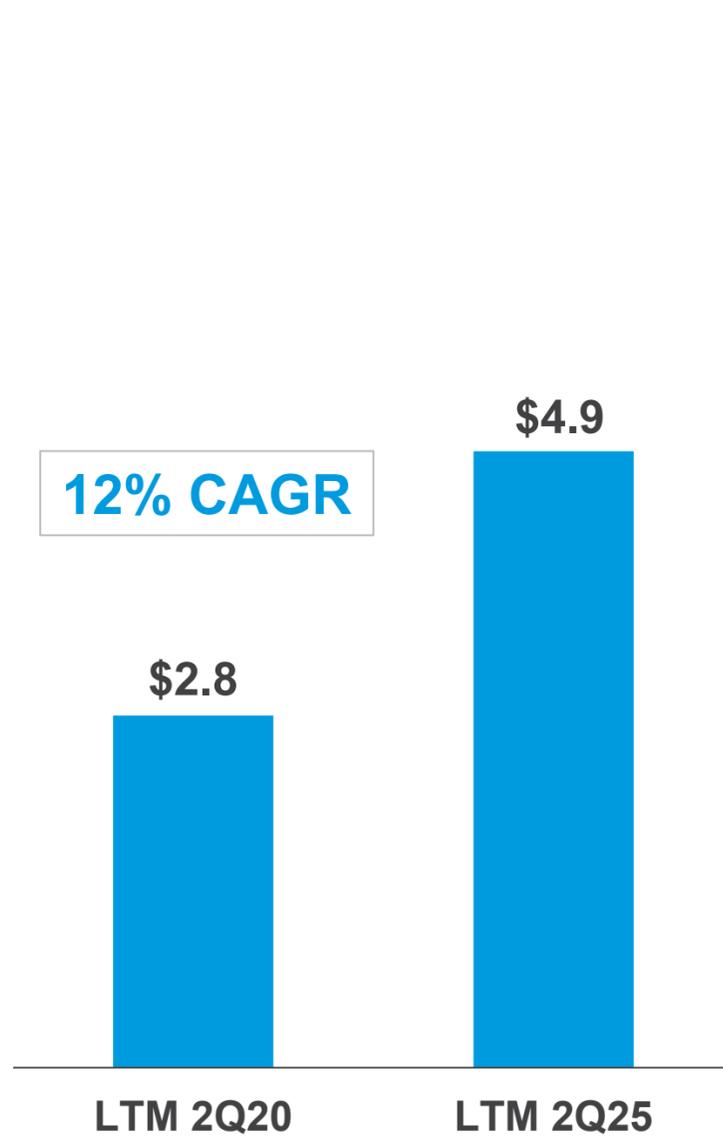


Low leverage and strong cash flow provide financial flexibility

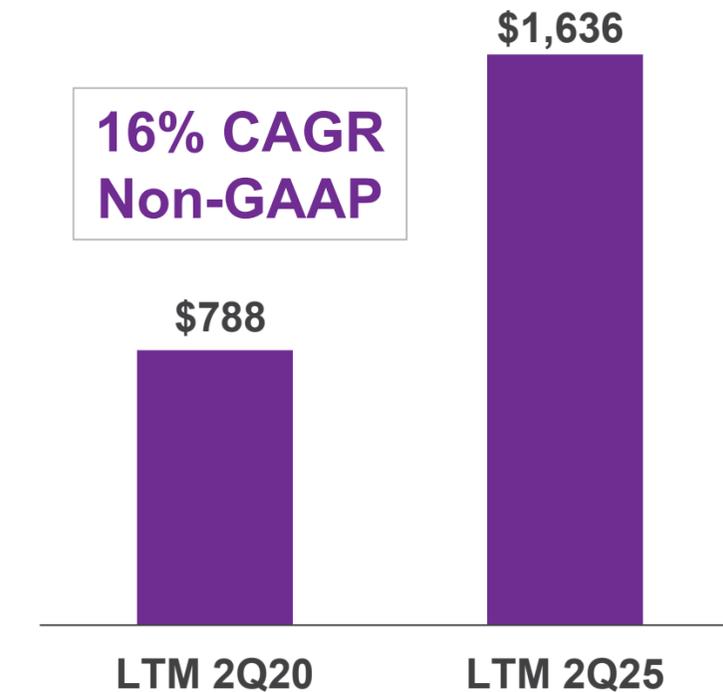
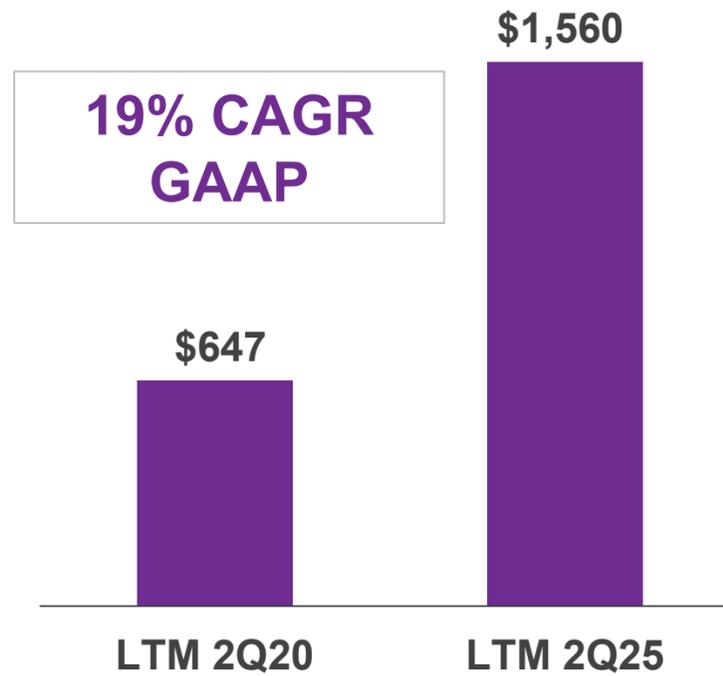
# Track record of strong financial returns for shareholders

(Financial data as of December 31, 2024)

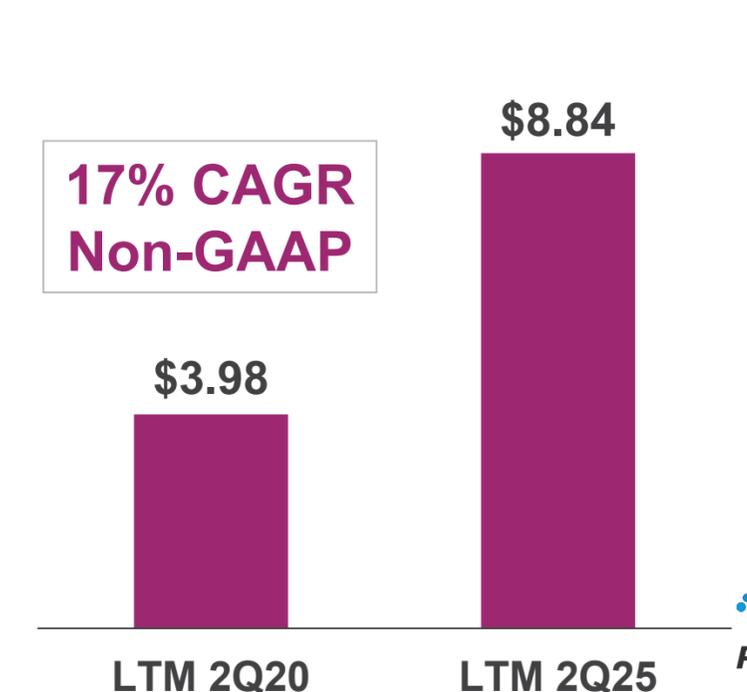
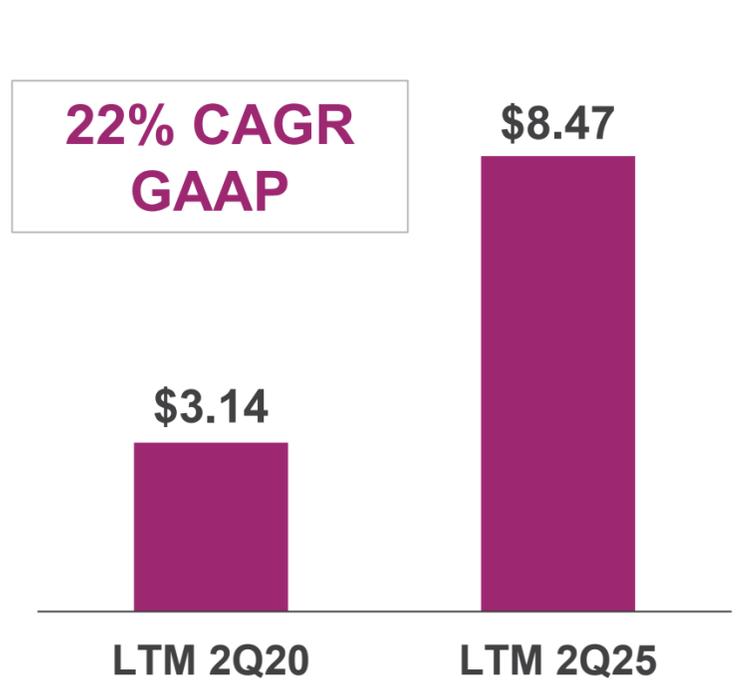
## Revenue (\$B)



## GAAP / Non-GAAP Operating Income (\$M)



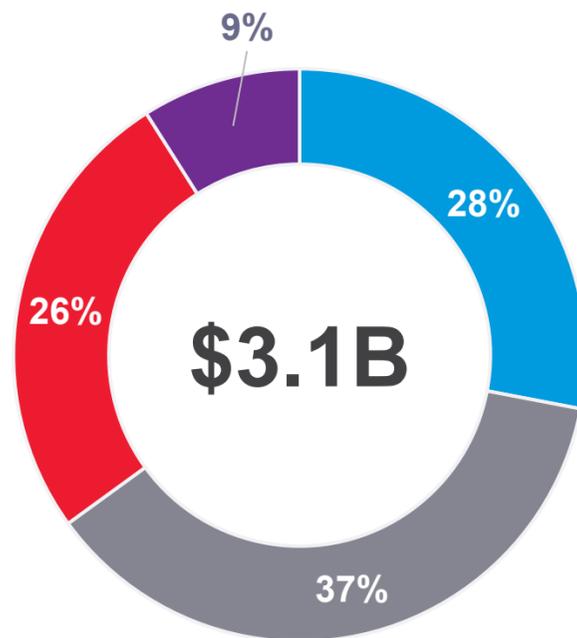
## GAAP / Non-GAAP EPS



NOTE: See reconciliation to GAAP in Appendix

# Strategic capital allocation framework prioritizes innovation

Capital deployed over last 3 years  
(through December 31, 2024)



- Reinvest in R&D
- M&A
- Dividends
- Share repurchase <sup>(A)</sup>

Strategic  
Growth  
Priorities

Capital  
Returns to  
Shareholders

**Reinvest for growth**

- Reinvest in product development for high-return organic growth
- 6-7% 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
- Continued share buyback program in 2Q25 at \$75M per quarter

Disciplined focus on ROIC and delivering total return

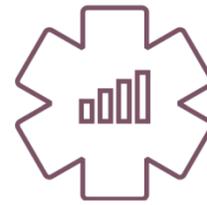
(A): ResMed resumed its buyback program during the quarter ended 12/31/23; program had been paused since the quarter ended 12/31/2019

# Driving long-term shareholder value



## Growth & Innovation

- Global leader in digital health for sleep and breathing health
- Long-term growth opportunities
- ~9,900 patents and designs
- 6-7% 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

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Website: [investor.resmed.com](http://investor.resmed.com)

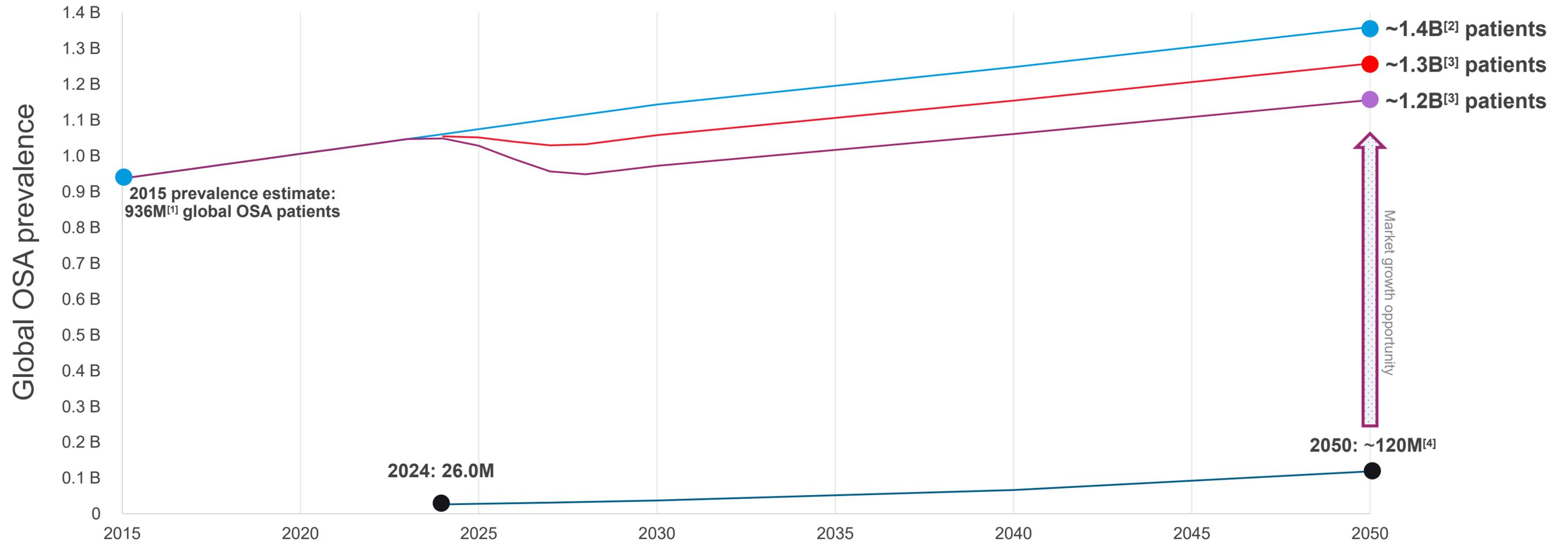
# APPENDIX



# 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

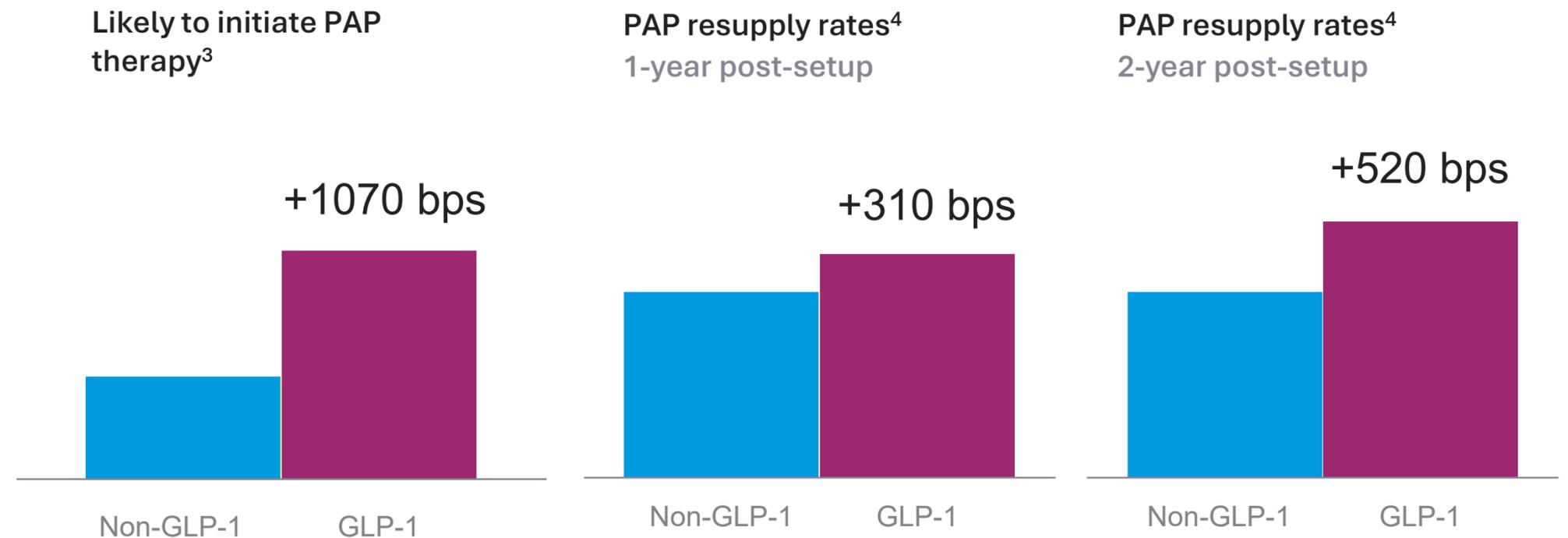
[4] Historical growth in ResMed connected device volumes ranges from 5-6% YOY; Growth here shown as 6%; Note revenue growth historically exceeds device volume growth with recurring revenue from masks, accessories & software.



# Real-world data analysis in Sleep Apnea population shows significant positive correlation between GLP-1s and PAP therapy

## GLP-1 initiated<sup>1,2</sup> vs. non-GLP-1 initiated OSA patients<sup>1</sup>

Patients with an OSA diagnosis **and** prescribed a GLP-1 drug are **10.7% more likely** to initiate PAP therapy and have **higher PAP resupply rates** 1-year and 2-years-post setup



Large real-world data analysis: n = 1,184,000 patients with GLP-1 initiation, sleep apnea diagnosis, and Rx for PAP therapy<sup>5</sup>

Source: IQVIA LRX data and Diagnostic claims, July 2021 – September 2024

1. Total patients with an OSA diagnosis claim from July 2021 – September 2024; 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 2024 (n=1,184k 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 2024 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 2024 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.

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

# 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, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Revenue	\$ 1,282,089	\$ 1,162,801	\$ 2,506,598	\$ 2,265,122
GAAP cost of sales	\$ 530,814	\$ 515,867	\$ 1,038,104	\$ 1,018,128
Less: Amortization of acquired intangibles <sup>(A)</sup>	(7,634)	(8,257)	(15,304)	(17,164)
Less: Masks with magnets field safety notification expenses <sup>(A)</sup>	—	(6,351)	—	(6,351)
Less: Astral field safety notification expenses <sup>(A)</sup>	—	—	—	(7,911)
Non-GAAP cost of sales	\$ 523,180	\$ 501,259	\$ 1,022,800	\$ 986,702
GAAP gross profit	\$ 751,275	\$ 646,934	\$ 1,468,494	\$ 1,246,994
GAAP gross margin	58.6 %	55.6 %	58.6 %	55.1 %
Non-GAAP gross profit	\$ 758,909	\$ 661,542	\$ 1,483,798	\$ 1,278,420
Non-GAAP gross margin	59.2 %	56.9 %	59.2 %	56.4 %

## Note regarding non-GAAP reconciliations

<sup>(A)</sup> 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, 2024	December 31, 2023	December 31, 2024	December 31, 2023
GAAP income from operations	\$ 417,243	\$ 275,094	\$ 804,554	\$ 564,091
Amortization of acquired intangibles—cost of sales <sup>(A)</sup>	7,634	8,257	15,304	17,164
Amortization of acquired intangibles—operating expenses <sup>(A)</sup>	11,047	11,577	22,451	24,056
Restructuring <sup>(A)</sup>	—	64,228	—	64,228
Masks with magnets field safety notification expenses <sup>(A)</sup>	—	6,351	—	6,351
Astral field safety notification expenses <sup>(A)</sup>	—	—	—	7,911
Acquisition-related expenses <sup>(A)</sup>	—	—	—	483
Non-GAAP income from operations	<u>\$ 435,924</u>	<u>\$ 365,507</u>	<u>\$ 842,309</u>	<u>\$ 684,284</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, 2024	December 31, 2023	December 31, 2024	December 31, 2023
GAAP net income	\$ 344,622	\$ 208,800	\$ 655,977	\$ 428,222
Amortization of acquired intangibles—cost of sales <sup>(A)</sup>	7,634	8,257	15,304	17,164
Amortization of acquired intangibles—operating expenses <sup>(A)</sup>	11,047	11,577	22,451	24,056
Restructuring expenses <sup>(A)</sup>	—	64,228	—	64,228
Masks with magnets field safety notification expenses <sup>(A)</sup>	—	6,351	—	6,351
Astral field safety notification expenses <sup>(A)</sup>	—	—	—	7,911
Acquisition-related expenses <sup>(A)</sup>	—	—	—	483
Income tax effect on non-GAAP adjustments <sup>(A)</sup>	(4,962)	(21,868)	(10,033)	(29,886)
Non-GAAP net income <sup>(A)</sup>	<u>\$ 358,341</u>	<u>\$ 277,345</u>	<u>\$ 683,699</u>	<u>\$ 518,529</u>
GAAP diluted shares outstanding	147,481	147,545	147,520	147,572
GAAP diluted earnings per share	\$ 2.34	\$ 1.42	\$ 4.45	\$ 2.90
Non-GAAP diluted earnings per share <sup>(A)</sup>	\$ 2.43	\$ 1.88	\$ 4.63	\$ 3.51

## Note regarding non-GAAP reconciliations

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