



# 43<sup>rd</sup> Annual J.P. Morgan Healthcare Conference

Mick Farrell – Chairman & CEO

Dr. Carlos Nunez – Chief Medical Officer

January 13, 2025

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

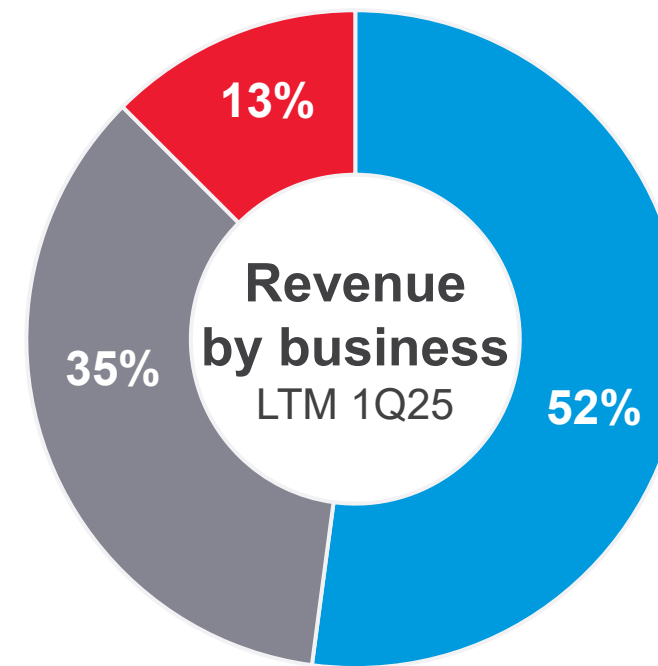
In addition to historical information, this presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on ResMed’s current expectations of future revenue or earnings, new product development, 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.

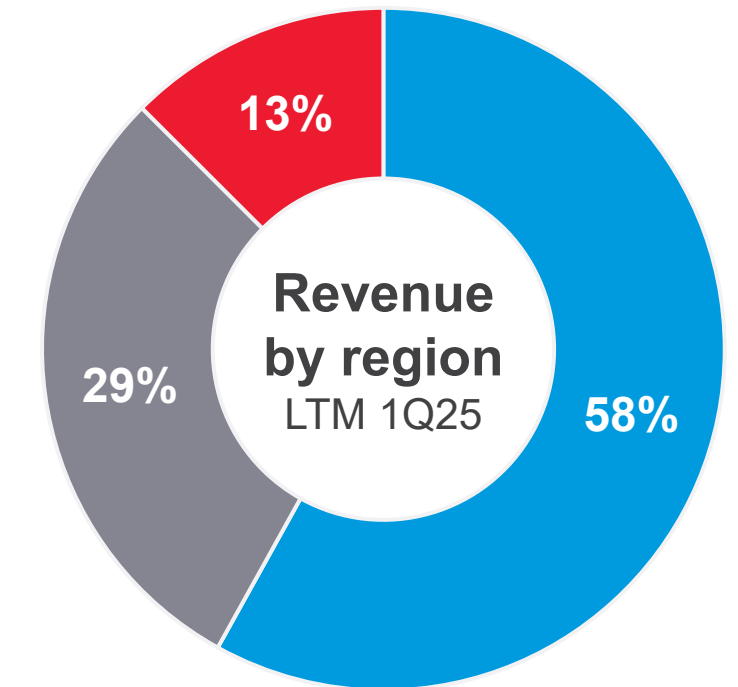
# ResMed | The global leader in connected and digital health

## Key Statistics

Headquarters	San Diego, CA
Founded	1989
LTM 1Q25 Revenue	\$4.8B
Listed (NYSE, ASX)	1995, RMD
LTM 1Q25 Operating Margin (non-GAAP/GAAP)	33%   30%
Countries served	140+
Total employees	~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

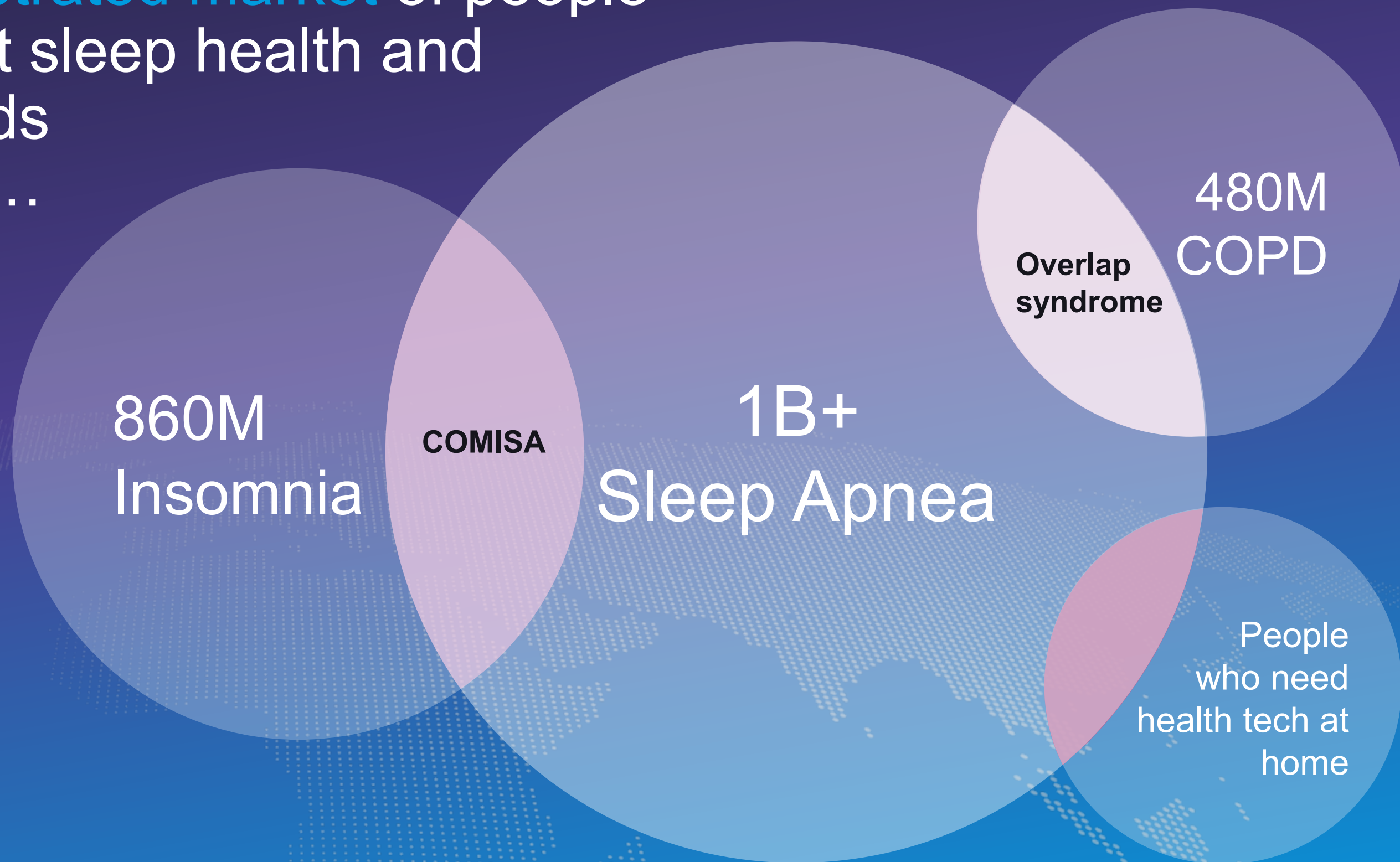
Providing a network of residential care software (RCS) management solutions (previously called out-of-hospital SaaS) that help home medical equipment and other providers deliver personalized care, measurable results, and improved outcomes

# Our foundation

Large and underpenetrated market of people worldwide with unmet sleep health and breathing health needs – *this is an epidemic...*



**2.3B+**  
PEOPLE



# Our opportunity | Leveraging megatrends in the global marketplace



— Consumers are more **focused on their health** than ever before



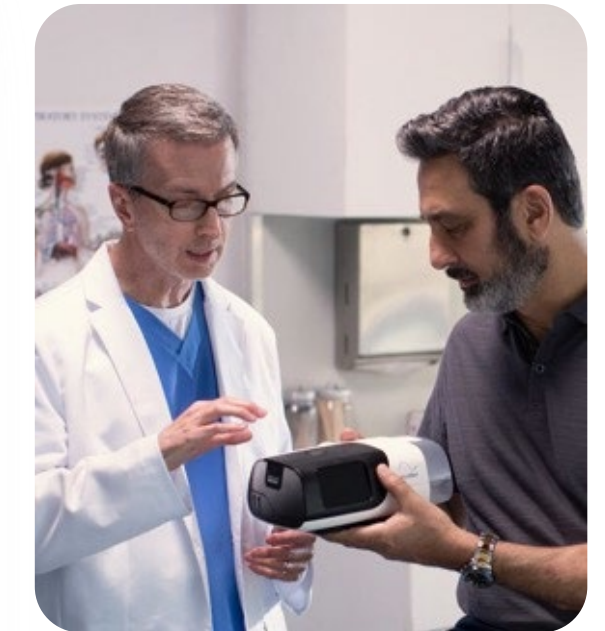
— Wearables from Apple, Samsung spotlight on **sleep apnea and sleep quality in general**



— Consumers demand an **elevated experience** for healthcare products



— **AI and digital health** are changing how healthcare is delivered



— Pressure on healthcare systems is massive and **payer/providers are laser-focused on preventative care**

## Pressure on healthcare systems is massive

**~81M:** expected 65+ population by 2040, more than double the number in 2000<sup>1</sup>

**42%** increase in demand for clinicians from 65+ population by 2034<sup>2</sup>

**13M:** projected shortage of nurses by 2030<sup>3</sup>

**44%** growth in demand for long-term services and support settings projected between 2020 and 2035<sup>4</sup>

## AI and digital health are changing how healthcare is delivered

**1.82x** increase in home and virtual care expected by 2034<sup>5</sup>

**\$10.8B:** U.S. digital health funding in 2023<sup>6</sup>

**30%** administrative tasks that can be automated or reassigned using AI<sup>7</sup>

**\$250B+:** current U.S. healthcare spend that can be virtualized<sup>8</sup>

**95%** post-acute care providers acknowledge importance of interoperability in serving patients<sup>9</sup>



1. Administration on Aging's "2021 Profile of Older Americans" November 2022 ([https://acl.gov/sites/default/files/Profile%20of%20OA/2021%20Profile%20of%20OA/2021ProfileOlderAmericans\\_508.pdf](https://acl.gov/sites/default/files/Profile%20of%20OA/2021%20Profile%20of%20OA/2021ProfileOlderAmericans_508.pdf))  
2. AAMC's "Aging patients and doctors drive nation's physician shortage" June 2021  
3. International Council of Nurses; "Recover to Rebuild; March 2023. ([https://www.icn.ch/sites/default/files/2023-07/ICN\\_Recover-to-Rebuild\\_report\\_EN.pdf#zoom=50](https://www.icn.ch/sites/default/files/2023-07/ICN_Recover-to-Rebuild_report_EN.pdf#zoom=50))  
4. National Center for Health Workforce Analysis' "Long-Term Services and Support: Demand Projections, 2020-2035" November 2022 (<https://bhw.hrsa.gov/sites/default/files/bureau-health-workforce/LTSS-Projections-Factsheet.pdf>)  
5. Accenture "Health Industries" webpage (<https://www.accenture.com/us-en/industries/health>)

6. Rock Health Digital Health Venture Funding Database; data through March 31, 2024 (<https://rockhealth.com/insights/q1-2024-digital-health-funding-great-reset-expectations/>)  
7. Brookings' "Automation and Artificial Intelligence: How machines are affecting people and places" January 2019; <https://www.brookings.edu/research/automation-and-artificialintelligence-how-machines-affect-people-and-places/>  
8. McKinsey & Company's "Telehealth: A quarter-trillion-dollar post-COVID-19 reality?" July 2021; <https://www.mckinsey.com/industries/healthcare/our-insights/telehealth-a-quarter-trillion-dollar-post-covid-19-reality#may29>  
9. ResMed's "99% of Hospitals and Physicians More Likely to Refer Patients to Post-Acute Care Providers Who Can Support Interoperability: Survey by Brightree, MatrixCare" April 2023; <https://www.matrixcare.com/press-release/99-of-hospitals-and-physicians-more-likely-to-refer-patients-to-post-acute-care-providers-who-can-support-interoperability-survey-by-brightree-matrixcare/>

# Significant synergies between Residential Care Software and our core business

## Revenue synergies

### Device and accessory resupply



Facilitates resupply revenue to customers on ResMed devices to maintain treatment

### Identifying sleep and breathing health risk



Assists with identification of sleep apnea, COPD and other conditions

### Getting on therapy



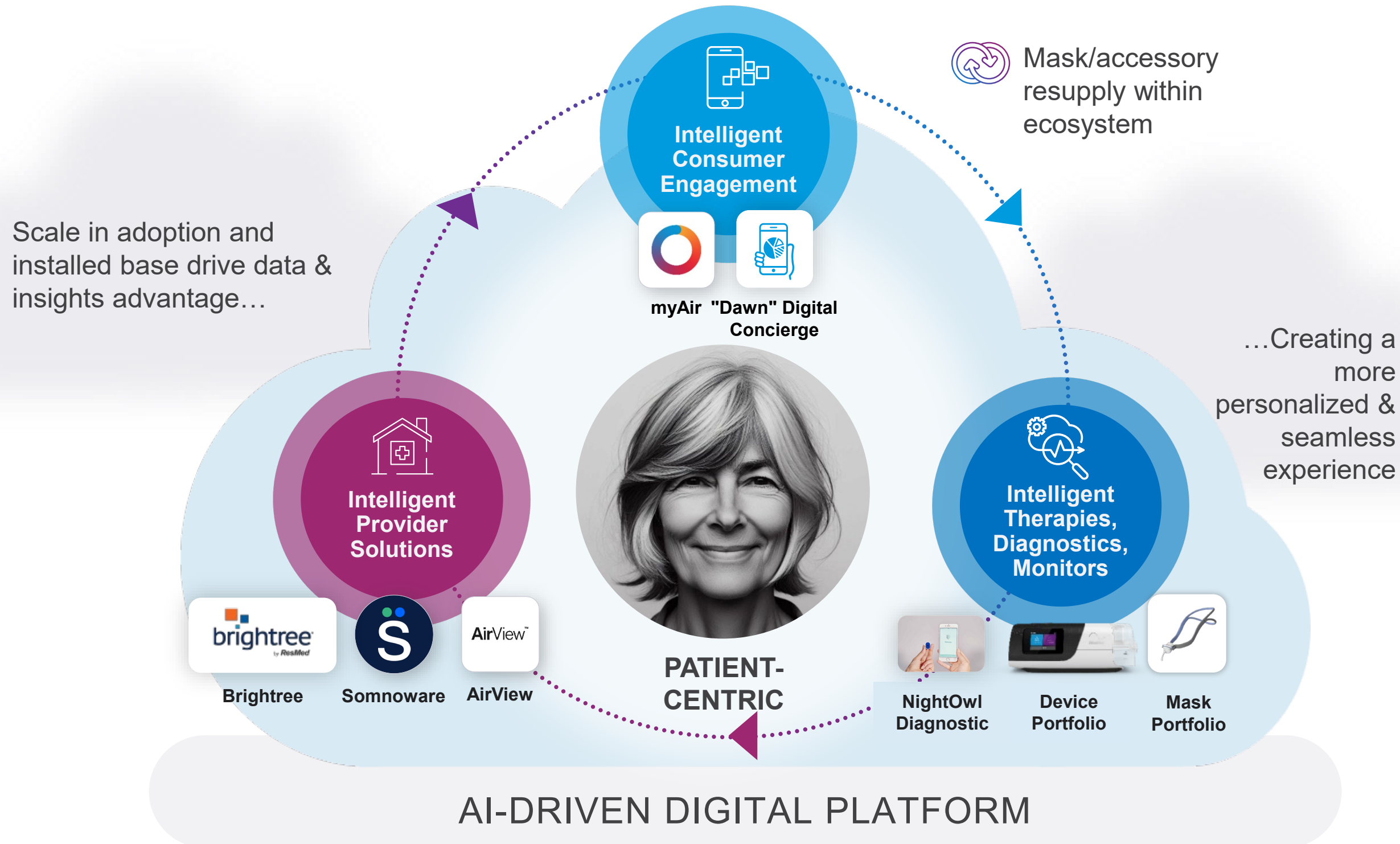
Helps patients get the right ResMed products for their condition

## Infrastructure synergies

### Innovation and scale across ResMed's interoperability fabric



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



## 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 **20 billion nights** of respiratory medical data



**29.5+ million**  
patients in AirView™



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



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



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



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



**8.8+ 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

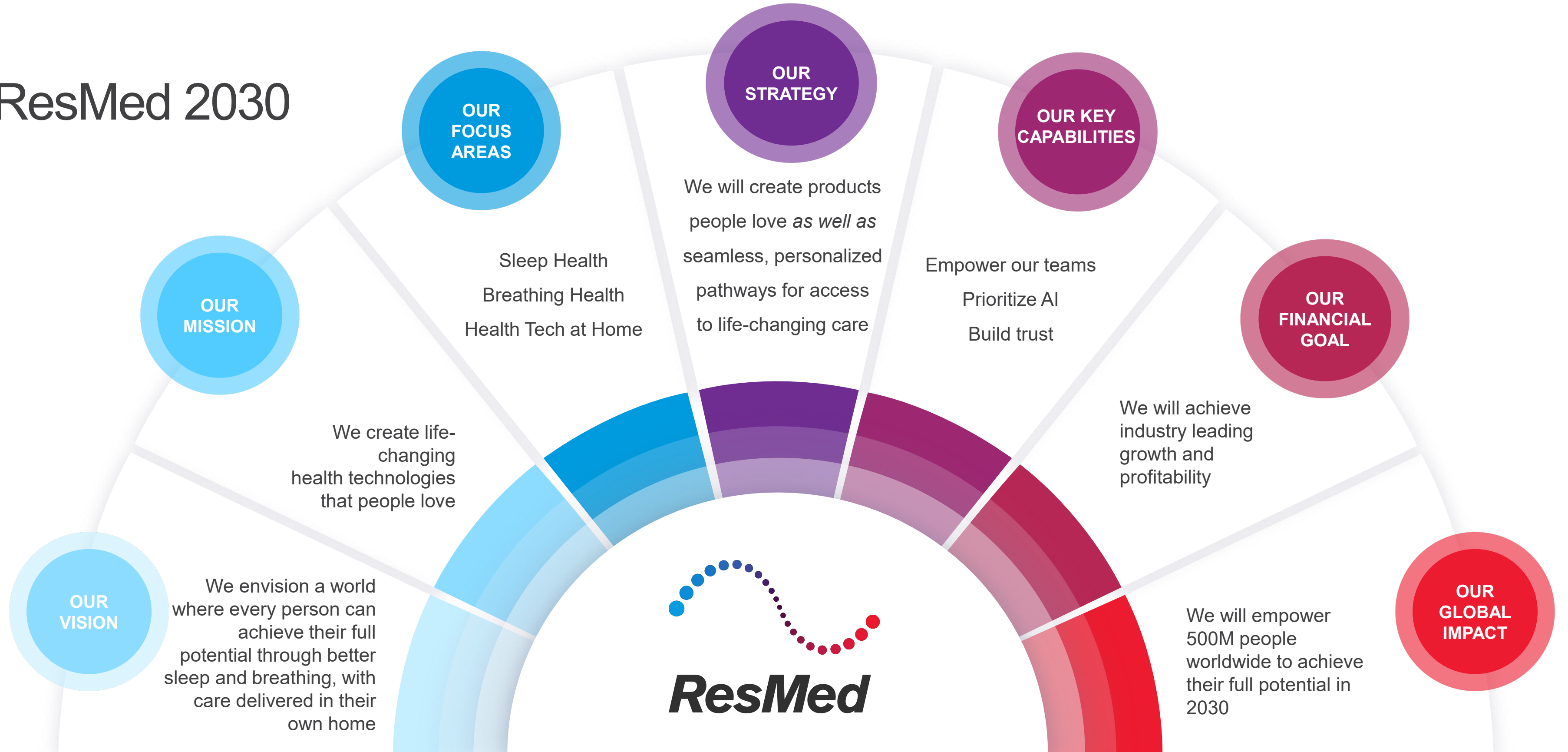
Dynamic global revenue team  
... *increase profitable growth*



## BRAND-ENHANCED

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

# ResMed 2030



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

## OUR VALUES



## OUR BEHAVIORS

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

We're building and launching AI/ML solutions that help make better business and clinical decisions that *improve outcomes* and *lower costs*



# How we accelerate market growth

## WE WILL...

Create amazing products and solutions that people love.

- + Releasing products at an unprecedented velocity with new product team structure
- + Delivering more consumer-friendly products integrated as a digital ecosystem

Drive brand leadership and market engagement.

- + Driving consumer loyalty through omnichannel, person-centric engagement
- + Activating prescribers and raising awareness through educational campaigns

Transform our position in main geographies and accelerate expansion into high-growth markets.

- + Accelerating major and high-growth markets across the Americas, APAC and EMEA
- + Implementing comprehensive and scalable sales strategy customized by region

Form strategic partnerships and execute disciplined M&A for expanded reach and impact.

- + Partnering with healthcare players and big tech to reach and help many more people sleep and breathe better
- + Pursuing disciplined M&A to acquire key products and capabilities to accelerate our strategy execution

Develop new channels and business models.

- + Leveraging omnichannel success in APAC across major markets
- + Deploying subscription models to help patients stay engaged with therapy and brand

**...while driving strong operating leverage through our key capabilities**

**Record of operational excellence** enhanced by new 2030 Operating Model

**Consistent, strong cash generation** to fund growth initiatives

**Leading AI capabilities** powering the shift to a digital connected leader

# Data-driven sleep apnea therapy – *improve patient adherence*

- **AirSense 11 is a two-way communication data platform**
  - Both cellular and Bluetooth connectivity
  - **Seamless pairing with myAir app** and directly to the cloud
    - Very rich **consumer experience** on myAir app
    - Patient questions and prompts **on the device**
  - **Built for Over-the-Air (OTA) upgrades**
    - Add new features without new hardware
- **Improved patient adherence**
  - **>50% uptake** of myAir patient engagement app vs ~25% on AS10
  - Up to **87% adherence** with use of myAir, AirView, AirSense ecosystem
- **Even more streamlined provider workflows and lower costs**
- **Improved patient management**
  - Capability for Patient Reported Outcomes Metrics (**PROMs**) for providers, payers and comprehensive health systems

## AirSense™ 11



AirSense 11 is the device platform enabling us to deploy AI/ML into sleep therapy

Redefine PAP therapy

# Consumer-centric design: our new AirTouch™ N30i mask



**New fabric-wrapped frame** with full surround soft-touch, quick-drying fabric sleeve provides extra comfort and instant appeal

**New ComfiSoft™ cushion** fuses fabric and silicone to create a soft and secure seal

— Delivering comfort and appeal consumers desire<sup>1</sup>...

96.7%

rated AT N30i to be **appealing or very appealing** for its look and feel

94.4%

said AT N30i was **comfortable or very comfortable**

94.4%

**prefer the feeling** of the fabric material on their face to the silicone material of their own mask

89.8%

found AT N30i provided a **good or excellent level of freedom** in sleeping positions

92.6%

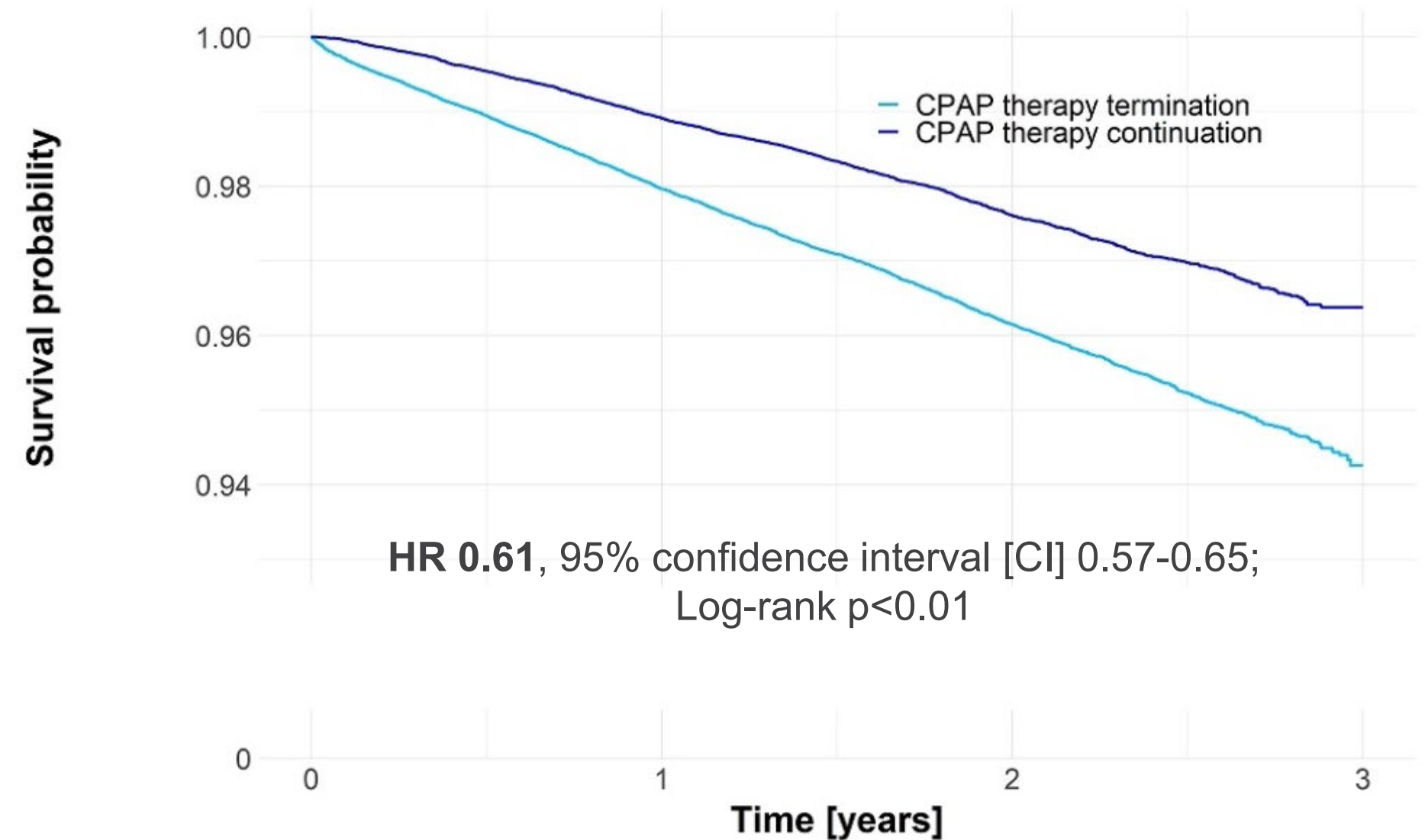
**prefer AT N30i** over their own mask for long-term use with CPAP therapy

<sup>1</sup>ResMed conducted an external, 90-day, take-home study of the AirTouch N30i mask with 120 adults who had been on PAP therapy for OSA (≥ 6 months) and were using either the AirFit N30i or DreamWear nasal masks. The study took place at two sites in the U.S. from May 31 to November 6, 2023.

# Large real-world data show CPAP treatment decreases mortality rates by 39%

**Objective: to investigate the effects of CPAP therapy use on all-cause mortality in patients with OSA**

- ALASKA study<sup>1</sup> conducted using data from SNDS, one of the largest anonymized claims databases in the world representing over 99% of the French population
  - Included n=176,000 patients
  - New CPAP users aged 18+
- OSA patients who continued CPAP therapy over the 3-year study period were **39% more likely to survive** than those who discontinued CPAP therapy



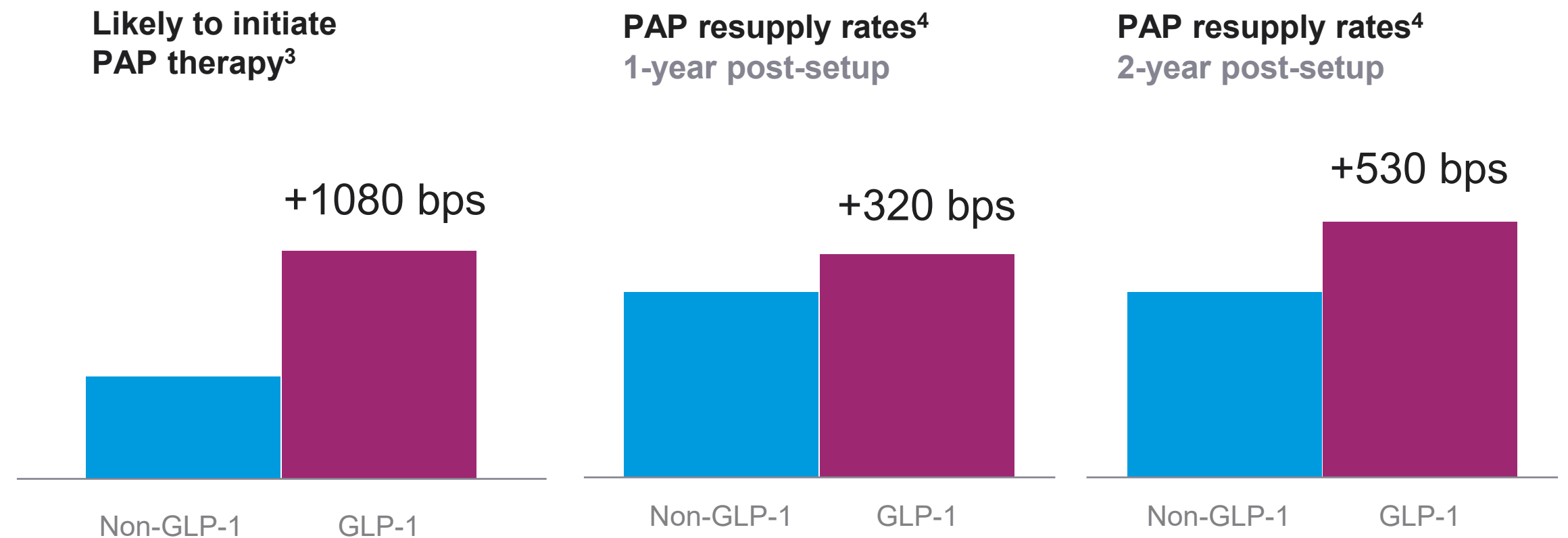
CPAP treatment is a case of life or death

<sup>1</sup>Pepin, et al. ERJ suppl (ERS) 2021

# 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 **10.8% 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 = 989,000 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 – June 2024

<sup>1</sup>Total patients with an OSA diagnosis claim from July 2021 – June 2024; those who were diagnosed with OSA prior to July 2021 are not included in this analysis.

<sup>2</sup>GLP-1 initiation is defined by presence of GLP-1 claim at any point from July 2021 – June 2024 (n=989k patients); initiation does not demonstrate GLP-1 treatment adherence, so patients may not be actively taking GLP-1s today.

<sup>3</sup>Values show absolute percentage difference in presence of any PAP-related claim from July 2021 – June 2024 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.

<sup>4</sup>Values show absolute percentage difference in presence of any PAP-related claim at each timepoint post PAP setup from July 2021 – June 2024 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.

<sup>5</sup>Majority of patients in the analysis population were prescribed newer GLP-1 drugs: semaglutide or tirzepatide

# Our opportunity | Significant funnel growth potential from consumer tech detection of sleep apnea



## Samsung® Galaxy Watch

FDA de novo clearance for moderate to severe sleep apnea detection (2024)



## Apple® Watch

FDA clearance for sleep apnea detection (2024)

# Financials

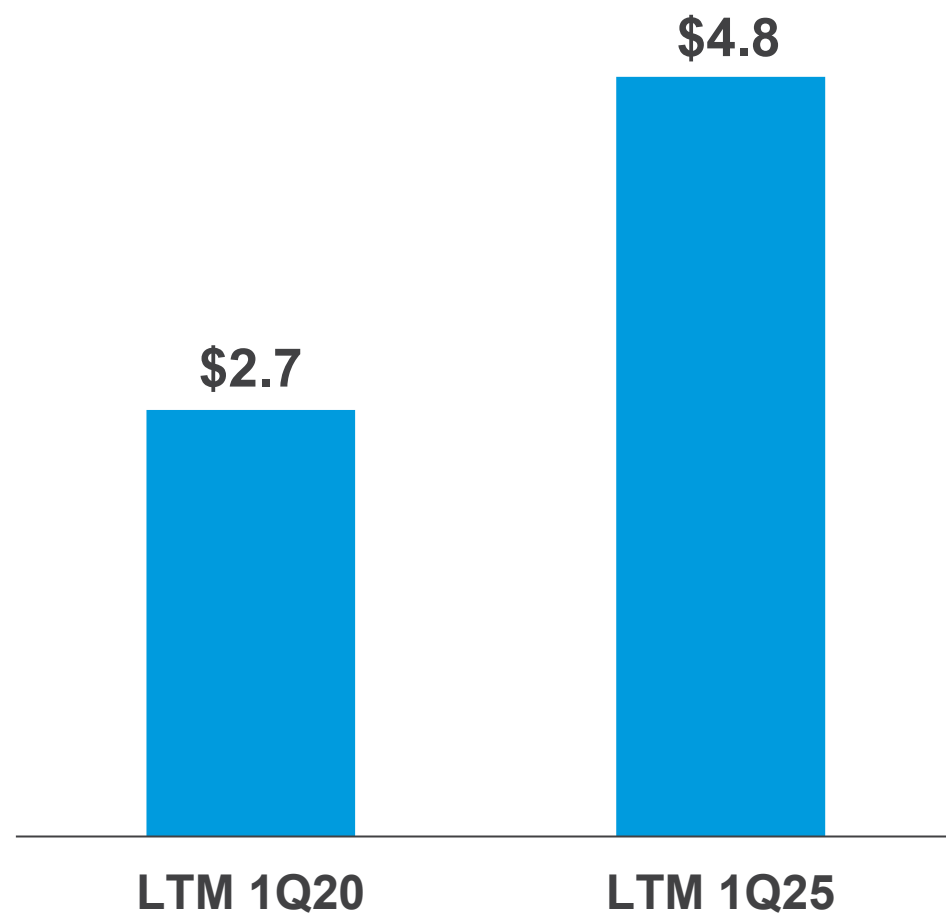


# Track record of strong financial returns for shareholders

(Financial data as of September 30, 2024)

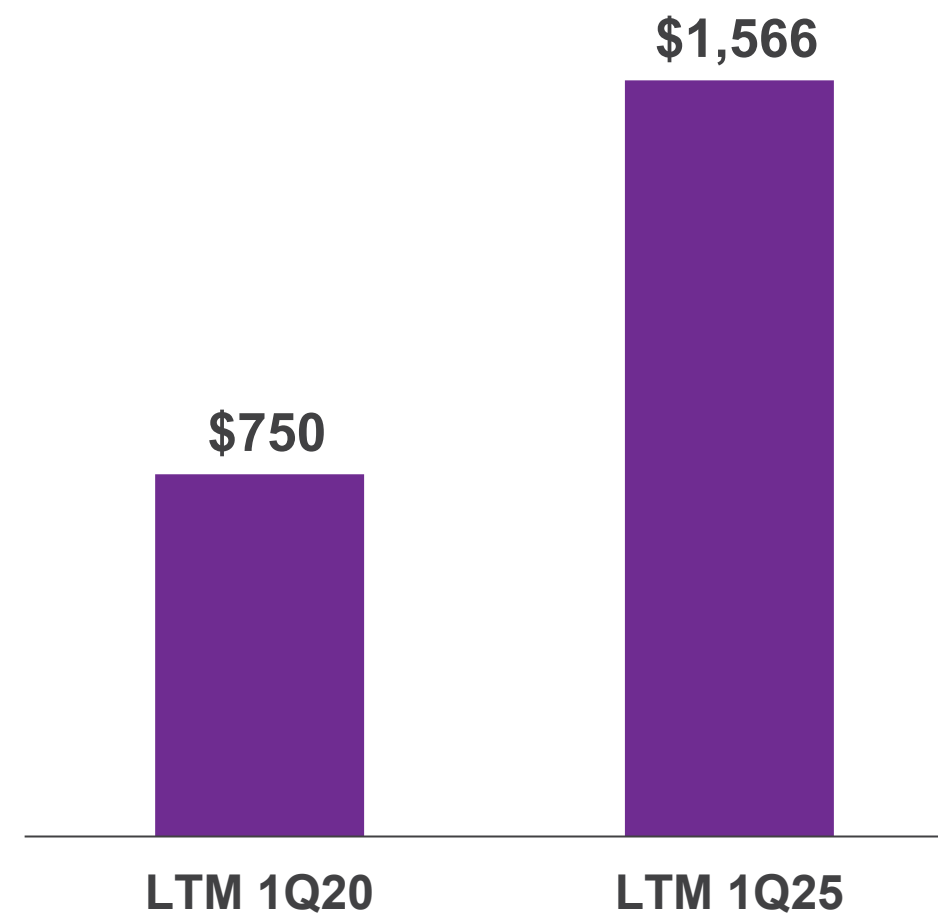
## Revenue (\$B)

12% CAGR



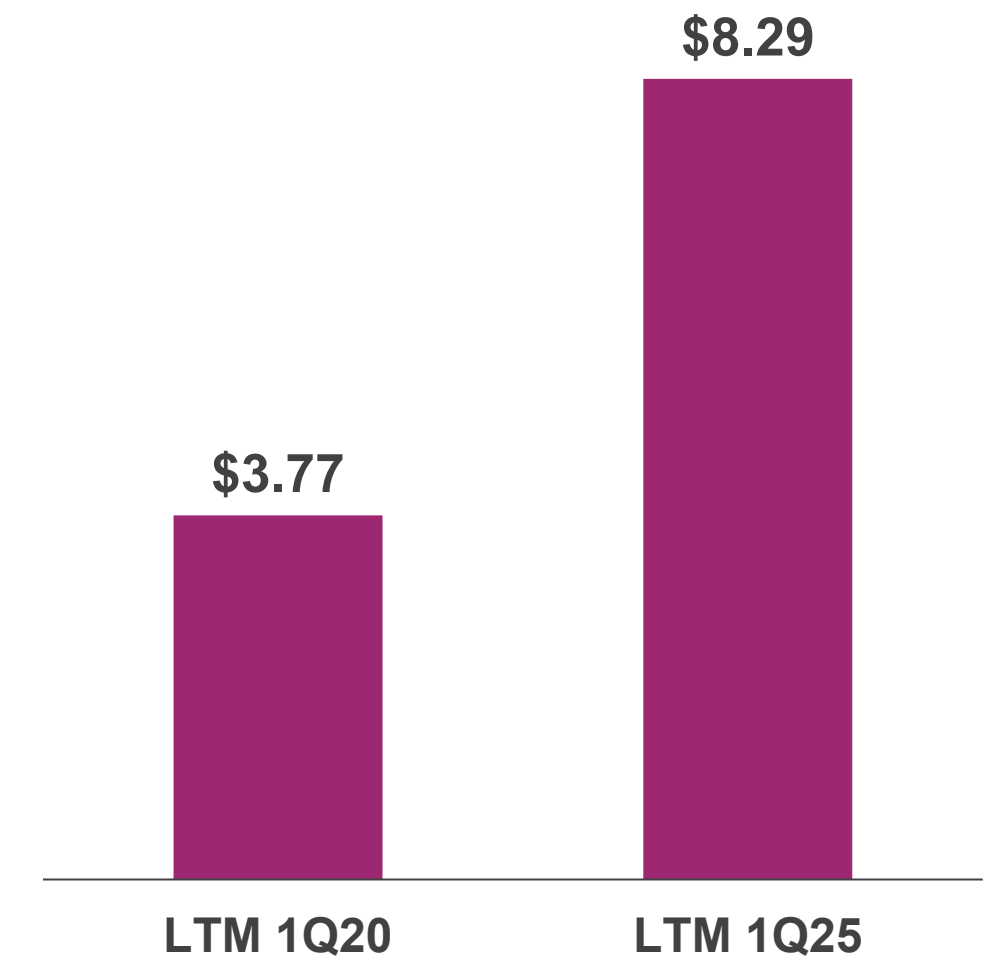
## Non-GAAP Operating Income (\$M)

16% CAGR



## Non-GAAP EPS

17% CAGR



# Long-term targets driven by strong foundation and focused 2030 Strategy

## Near-term guidance



59% - 60%

Gross Margin

18% - 20% of revenue

SG&A

6% - 7% of revenue

R&D

## 5-year outlook



High single digits

Revenue Growth

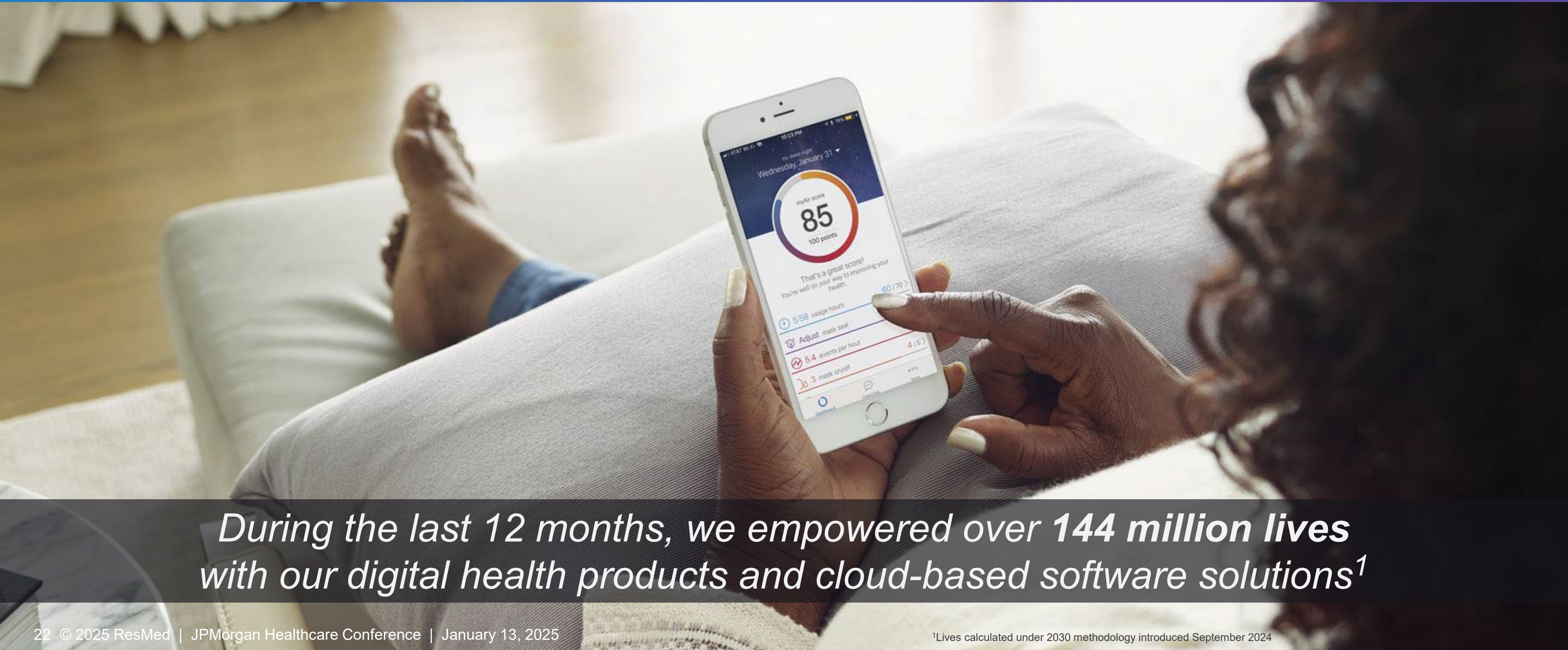
Earnings growth higher than revenue growth

### Underpinned by 2030 Strategy:

- + Increasing overall market growth via accelerating demand generation
- + Optimizing the patient pathway to diagnosis and therapy
- + Delivering on our pipeline of next-generation products
- + Continuing to drive operating excellence

# ***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 144 million lives with our digital health products and cloud-based software solutions<sup>1</sup>*

# Contact Investor Relations

Phone: (858) 836-5000

Email: [investorrelations@resmed.com](mailto:investorrelations@resmed.com)

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