Q1 FY2024 Earnings

October 26, 2023
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 “may”, “will”, “should”, “expects”, “intends”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential”, or “continue”, or variations of these terms, or 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 165 million lives with our digital health products and cloud-based software solutions.
ResMed | The global leader in connected and digital health

### Key Statistics

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarters</td>
<td>San Diego, CA</td>
</tr>
<tr>
<td>Founded</td>
<td>1989</td>
</tr>
<tr>
<td>LTM 1Q24 revenue</td>
<td>$4.4B</td>
</tr>
<tr>
<td>Listed (NYSE, ASX)</td>
<td>1995, RMD</td>
</tr>
<tr>
<td>Market cap</td>
<td>~$21B</td>
</tr>
<tr>
<td>Countries served</td>
<td>140+</td>
</tr>
<tr>
<td>Total employees</td>
<td>&gt;10,000</td>
</tr>
</tbody>
</table>

### 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

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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
Priorities that guide our daily focus

I. Grow and differentiate our core sleep apnea, COPD, and asthma businesses across global markets
II. Deliver world-leading medical devices and digital health technology to engage physicians, providers, and patients
III. 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 and underpenetrated addressable market through 2050, including the potential impact of aggressively adopted weight-loss-class drugs.

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**Global OSA patient population estimates and ResMed installed base of connected sleep devices**

- **2015 prevalence estimate:** 936M
- **2023:** ~22.5M ResMed connected devices sold to-date
- **2050 estimate based on historical growth:** ~109M ResMed connected devices sold
- **2050 without pharma impact:** ~1.4B patients
- **2050 high pharma impact:** ~1.2B patients

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[3] High impact of ~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.
Financial Results
Q1 FY24 financial results

### Revenue by Business
**Q1 FY24**
- Devices: 51%
- Masks and other: 36%
- OOH SaaS: 13%

### Revenue by Region
**Q1 FY24**
- U.S., Canada, and Latin America: 58%
- Europe, Asia, and Other: 29%
- OOH SaaS: 13%

### Key Metrics
- **Revenue ($M)**
  - Q1 FY23: $950.3
  - Q1 FY24: $1,102.3

- **Non-GAAP Operating Income ($M)**
  - Q1 FY23: $290.8
  - Q1 FY24: $318.8

- **Non-GAAP EPS**
  - Q1 FY23: $0.30
  - Q1 FY24: $0.50

(Click for full size)

NOTE: See reconciliation to GAAP in Appendix
## Solid balance sheet

<table>
<thead>
<tr>
<th>Component</th>
<th>LTM 1Q22</th>
<th>LTM 1Q23</th>
<th>LTM 1Q24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total debt outstanding</td>
<td>$527.1M</td>
<td>$461.5M</td>
<td>$934.9M</td>
</tr>
<tr>
<td>Less: Cash &amp; cash equiv.</td>
<td>$116.6M</td>
<td>$136.6M</td>
<td>$120.7M</td>
</tr>
<tr>
<td>Net Debt</td>
<td>$410.5M</td>
<td>$324.9M</td>
<td>$814.3M</td>
</tr>
<tr>
<td>Unused borrowing capacity</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Expect liquidity to improve as supply chain environment improves and inventory levels come down.
Track record of strong financial returns for shareholders

(Financial data as of September 30, 2023)

<table>
<thead>
<tr>
<th>Revenue ($B)</th>
<th>Non-GAAP Operating Income ($M)</th>
<th>Non-GAAP EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>13% CAGR</strong></td>
<td>$2.4 to $4.4</td>
<td>$3.68 to $6.56</td>
</tr>
<tr>
<td>LTM 1Q19</td>
<td>LTM 1Q24</td>
<td></td>
</tr>
<tr>
<td><strong>14% CAGR</strong></td>
<td>$639 to $1,252</td>
<td></td>
</tr>
<tr>
<td>LTM 1Q19</td>
<td>LTM 1Q24</td>
<td></td>
</tr>
<tr>
<td><strong>12% CAGR</strong></td>
<td>$1,252 to $6.56</td>
<td></td>
</tr>
<tr>
<td>LTM 1Q19</td>
<td>LTM 1Q24</td>
<td></td>
</tr>
</tbody>
</table>

NOTE: See reconciliation to GAAP in Appendix
Strategic capital allocation framework

Disciplined focus on ROIC and delivering total return

**Capital deployed over last 3 years**
(through September 30, 2023)

- Capital Deployed: $2.7B
- 29% Reinvest for growth
- 44% Pursue M&A
- 27% Support dividends

**Strategic Growth Priorities**

- Reinvest in R&D
- M&A
- Dividends
- Share repurchase

**Capital Returns to Shareholders**

- Reinvest in product development for high-return organic growth
- 7% of revenue invested in R&D
- Actively evaluate potential acquisitions
- Pursue targets aligned with long-term strategic goals and financial objectives
- Regular return of cash to shareholders through dividend at a level that is meaningful and sustained
- Opportunistic repurchase of shares
- Expect to resume the share buyback program during 2Q24

(A): ResMed has not repurchased shares during the 3-year period ended September 30, 2023
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)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>September 30, 2023</td>
</tr>
<tr>
<td>Revenue</td>
<td>$1,102,321</td>
</tr>
<tr>
<td>GAAP cost of sales</td>
<td>$502,261</td>
</tr>
<tr>
<td>Less: Amortization of acquired intangibles (A)</td>
<td>(8,908)</td>
</tr>
<tr>
<td>Less: Astral field safety notification expenses (A)</td>
<td>(7,911)</td>
</tr>
<tr>
<td>Non-GAAP cost of sales</td>
<td>$485,442</td>
</tr>
<tr>
<td>GAAP gross profit</td>
<td>$600,060</td>
</tr>
<tr>
<td>GAAP gross margin</td>
<td>54.4 %</td>
</tr>
<tr>
<td>Non-GAAP gross profit</td>
<td>$616,879</td>
</tr>
<tr>
<td>Non-GAAP gross margin</td>
<td>56.0 %</td>
</tr>
</tbody>
</table>

Note regarding non-GAAP reconciliations

(A) ResMed adjusts for the impact of the amortization of acquired intangibles, acquisition-related expenses, Astral field safety notification 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)

<table>
<thead>
<tr>
<th>GAAP income from operations</th>
<th>Three Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>September 30, 2023</td>
</tr>
<tr>
<td>Amortization of acquired intangibles—cost of sales $8,908</td>
<td>$288,997</td>
</tr>
<tr>
<td>Amortization of acquired intangibles—operating expenses $12,479</td>
<td></td>
</tr>
<tr>
<td>Acquisition-related expenses $483</td>
<td></td>
</tr>
<tr>
<td>Astral field safety notification expenses $7,911</td>
<td></td>
</tr>
<tr>
<td>Non-GAAP income from operations $318,778</td>
<td></td>
</tr>
</tbody>
</table>

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)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>September 30, 2023</td>
<td>September 30, 2022</td>
</tr>
<tr>
<td>GAAP net income</td>
<td>$219,422</td>
<td>$210,476</td>
</tr>
<tr>
<td>Amortization of acquired intangibles—cost of sales</td>
<td>8,908</td>
<td>6,374</td>
</tr>
<tr>
<td>Amortization of acquired intangibles—operating expenses</td>
<td>12,479</td>
<td>7,950</td>
</tr>
<tr>
<td>Acquisition-related expenses</td>
<td>483</td>
<td>745</td>
</tr>
<tr>
<td>Astral field safety notification expenses</td>
<td>7,911</td>
<td>—</td>
</tr>
<tr>
<td>Income tax effect on non-GAAP adjustments</td>
<td>(8,019)</td>
<td>(3,458)</td>
</tr>
<tr>
<td>Non-GAAP net income (A)</td>
<td>$241,184</td>
<td>$222,089</td>
</tr>
<tr>
<td>GAAP diluted shares outstanding</td>
<td>147,486</td>
<td>147,134</td>
</tr>
<tr>
<td>GAAP diluted earnings per share</td>
<td>$1.49</td>
<td>$1.43</td>
</tr>
<tr>
<td>Non-GAAP diluted earnings per share (A)</td>
<td>$1.64</td>
<td>$1.51</td>
</tr>
</tbody>
</table>

Note regarding non-GAAP reconciliations

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