

August 6, 2024



Q2 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 six months ended June 30, 2024 and June 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. For future periods, Inogen is unable to provide a reconciliation of non-GAAP measures without unreasonable effort as a result of the uncertainty regarding, and the potential variability of, the amounts of interest income, interest expense, depreciation and amortization, stock-based compensation, provision (benefit) for income taxes, and certain other infrequently occurring items, such as impairment charges and acquisition-related costs, that may be incurred in the future.

Q2 2024 Results

Revenue by region and category



Total by Category	Q2 Revenue	Year-Over-Year Change	% of Total Revenue
Business-to-business domestic sales	\$21.3 million	16.5%	24.0%
Business-to-business international sales	\$30.5 million	31.1%	34.4%
Direct-to-consumer domestic sales	\$22.6 million	(15.6)%	25.4%
Rental revenue	\$14.3 million	(6.2)%	16.2%
Total revenue	\$88.8 million	6.1%	100%
Total constant currency revenue	\$88.8 million	6.2%	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 June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Operating expense				
Research and development	\$ 5,616	\$ 4,293	\$ 12,194	\$ 9,637
Sales and marketing	25,617	26,906	52,553	55,347
General and administrative	18,568	14,613	35,699	33,476
Total operating expense	49,801	45,812	100,446	98,460
Loss from operations	(7,064)	(11,768)	(23,338)	(33,683)
Other income (expense)				
Interest income, net	1,333	1,646	2,736	3,171
Other income, net	134	337	277	574
Total other income, net	1,467	1,983	3,013	3,745
Loss before provision for income taxes	(5,597)	(9,785)	(20,325)	(29,938)
Provision (benefit) for income taxes	(7)	41	(157)	237
Net loss	\$ (5,590)	\$ (9,826)	\$ (20,168)	\$ (30,175)

Reconciliation of GAAP to Non-GAAP

Adjusted EBITDA *(in thousands)*



Non-GAAP EBITDA and Adjusted EBITDA	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Net loss (GAAP)	\$ (5,590)	\$ (9,826)	\$ (20,168)	\$ (30,175)
Non-GAAP adjustments:				
Interest income, net	(1,333)	(1,646)	(2,736)	(3,171)
Provision (benefit) for income taxes	(7)	41	(157)	237
Depreciation and amortization	5,345	4,308	10,610	8,394
EBITDA (non-GAAP)	(1,585)	(7,123)	(12,451)	(24,715)
Stock-based compensation	1,814	3,263	4,230	6,705
Acquisition-related expenses	419	467	657	1,021
Restructuring-related and other charges ⁽¹⁾	—	201	—	2,010
Change in fair value of earnout liability	610	—	1,180	—
Adjusted EBITDA (non-GAAP)	\$ 1,258	\$ (3,192)	\$ (6,384)	\$ (14,979)

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

Reconciliation of GAAP to Non-GAAP



Adjusted Net Loss *(in thousands)*

Non-GAAP Adjusted Net Loss and Diluted EPS	Three months ended June 30,			
	Net Loss		Diluted EPS	
	2024	2023	2024	2023
Financial Results (GAAP)	\$ (5,590)	\$ (9,826)	\$ (0.24)	\$ (0.42)
Non-GAAP adjustments:				
Amortization of intangibles	1,188	53		
Stock-based compensation	1,814	3,263		
Acquisition-related expenses	419	467		
Restructuring-related and other charges ⁽¹⁾	—	201		
Change in fair value of earnout liability	610	—		
Income tax impact of adjustments ⁽²⁾	—	—		
Adjusted	<u>\$ (1,559)</u>	<u>\$ (5,842)</u>	<u>\$ (0.07)</u>	<u>\$ (0.25)</u>
Non-GAAP Adjusted Net Loss and Diluted EPS	Six months ended June 30,			
	Net Loss		Diluted EPS	
	2024	2023	2024	2023
Financial Results (GAAP)	\$ (20,168)	\$ (30,175)	\$ (0.86)	\$ (1.31)
Non-GAAP adjustments:				
Amortization of intangibles	2,120	79		
Stock-based compensation	4,230	6,705		
Acquisition-related expenses	657	1,021		
Restructuring-related and other charges ⁽¹⁾	—	2,010		
Change in fair value of earnout liability	1,180	—		
Income tax impact of adjustments ⁽²⁾	—	—		
Adjusted	<u>\$ (11,981)</u>	<u>\$ (20,360)</u>	<u>\$ (0.51)</u>	<u>\$ (0.88)</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 six months ended June 30, 2024 and 2023.

Stock-Based Compensation

(in thousands)



	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Stock-based compensation expense by type of award:				
Restricted stock units and restricted stock awards	\$ 1,696	\$ 3,177	\$ 4,005	\$ 6,482
Employee stock purchase plan	118	86	225	223
Total stock-based compensation expense	<u>\$ 1,814</u>	<u>\$ 3,263</u>	<u>\$ 4,230</u>	<u>\$ 6,705</u>

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Cost of revenue	\$ 145	\$ 153	\$ 325	\$ 237
Research and development	(75)	376	385	834
Sales and marketing	428	658	858	1,432
General and administrative	1,316	2,076	2,662	4,202
Total stock-based compensation expense	<u>\$ 1,814</u>	<u>\$ 3,263</u>	<u>\$ 4,230</u>	<u>\$ 6,705</u>



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