



# 41<sup>st</sup> Annual J.P. Morgan Healthcare Conference

Mick Farrell - CEO

January 9, 2023

# 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. 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.

# ResMed provides 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**



**~940M**  
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

**~880M**  
with insomnia

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

\*>30% of the global population

# ResMed's big data analyses demonstrates the effectiveness of CPAP treatment

## ALASKA STUDY

PAP treatment continuation is key: PAP could help to **increase the chances of survival** of sleep apnea patients.

**CPAP treatment is a case of life or death**

n = 170,000 patients

Therapy **TERMINATION** during the 1<sup>st</sup> year

Therapy **CONTINUATION** throughout the 1<sup>st</sup> year



**+39%**  
chances of **Survival**



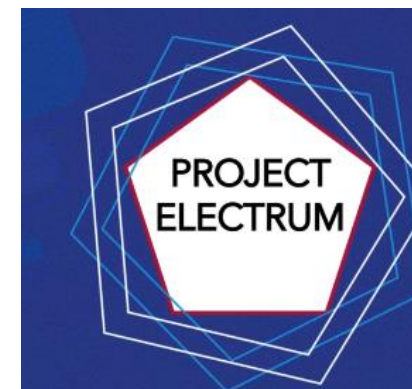
**-25%**

Reduced risk of developing **Hypertension**



**-23%**

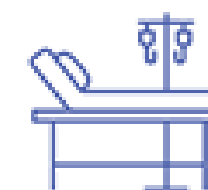
Reduced risk of developing **Heart Failure**



n = 719 patients

Total health cost per patient declined by **\$3,418** in year 1 of PAP usage

For each additional hour of PAP usage up to 7 hours per night, the study observed



**5.0%-9.9%**

reduction in hospitalisations



**4.4%-6.6%**

reduction in ER visits

**SCIENTIFICALLY PROVEN CLINICAL, HEALTH, AND ECONOMIC BENEFITS**

# Evolving healthcare, demographic, and political trends provide sustainable growth opportunities for ResMed

Healthcare continues to rise in importance as a major topic on social and political agendas around the world

Chronic health issues driven by aging populations in industrial economies

Increasing healthcare spending as a percentage of GDP

Increased labor costs and acute staffing shortages

Ongoing need and preference for care outside the hospital

- ResMed **digital health assets** can be leveraged to lower long-term cost of care and slow chronic disease progression
- Leading position in **sleep and respiratory care** is a key advantage as providers focus on lowering the long-term total cost of care

- Global footprint and **market leadership** in sleep, respiratory care, and digital health enables ResMed to address chronic disease crisis
- Evidence from ResMed's **data-rich outside-hospital ecosystem** helps to lower overall healthcare costs and improve quality of life

ResMed technology improves health outcomes and millions of patients' lives

# ResMed 2025 Strategy: *a patient-centric, digitally-enabled future*



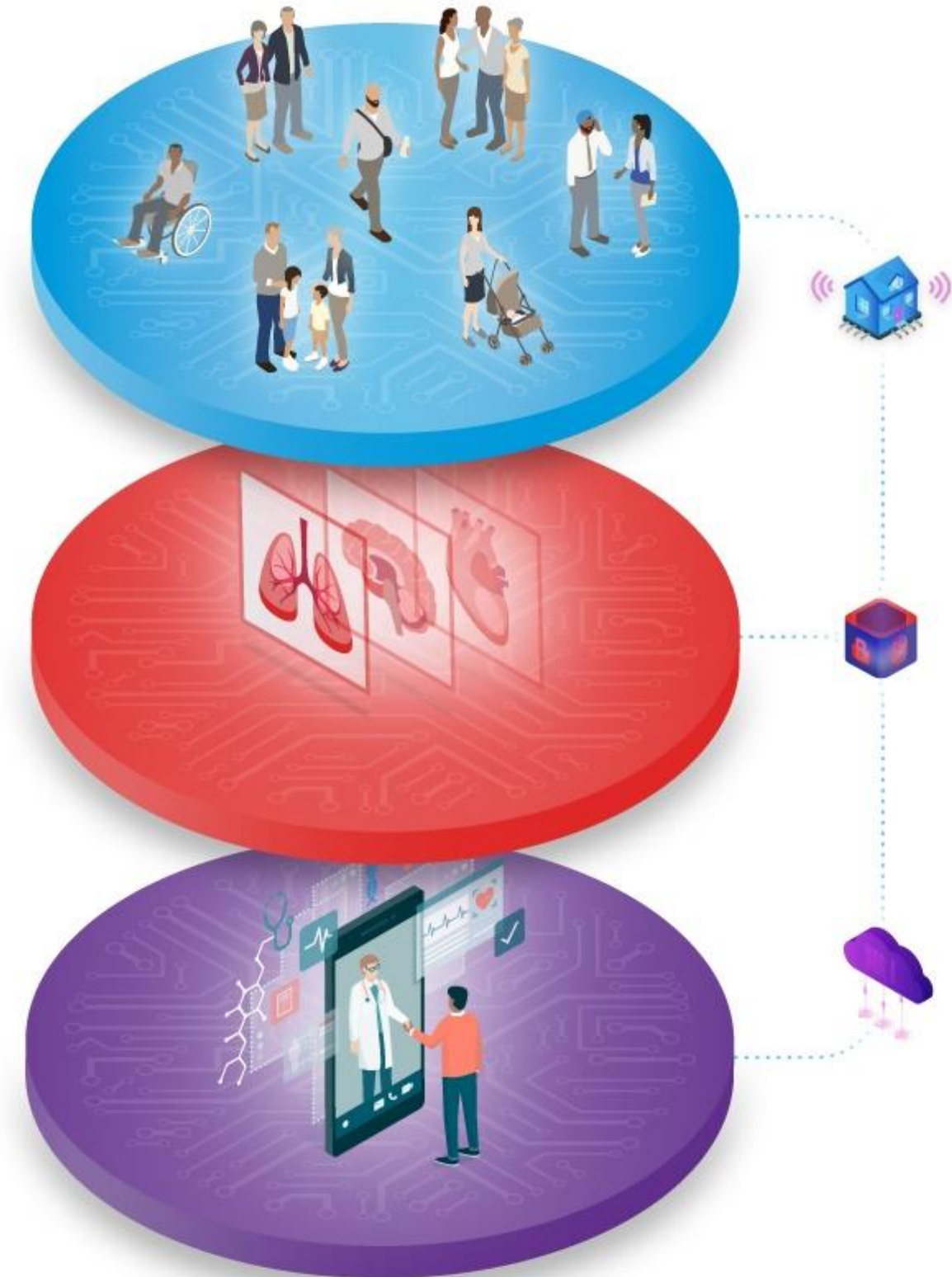
250 million lives improved in out-of-hospital healthcare in 2025!

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

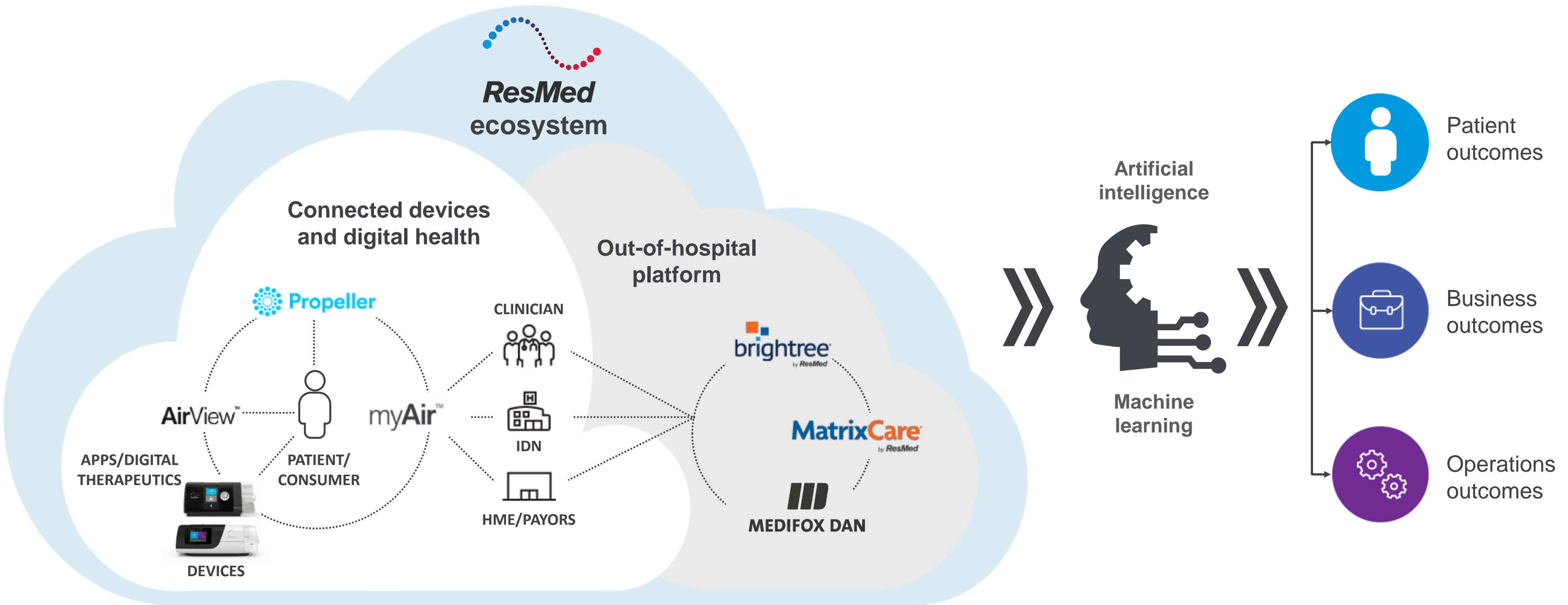
**Growth Focus** • Global health epidemics in **sleep apnea, COPD**, other major chronic conditions, and **SaaS** solutions that improve care in out-of-hospital settings

**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



# ResMed's digital health solutions improve outcomes and lower costs



We provide end-to-end digital health solutions for sleep apnea, COPD, and outside-hospital care

# We transform medical data into actionable outcomes at scale

Over **12.5 billion nights** of medical sleep apnea, COPD, and asthma data



**20.5+ million**  
patients on AirView<sup>™</sup>



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



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



**125+ million**  
accounts in out-of-hospital care network



**~100 API**  
calls per second from integrators



**5+ million**  
patients have signed up for myAir<sup>™</sup>



# Priorities that guide our daily focus, and our triple-aim

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:

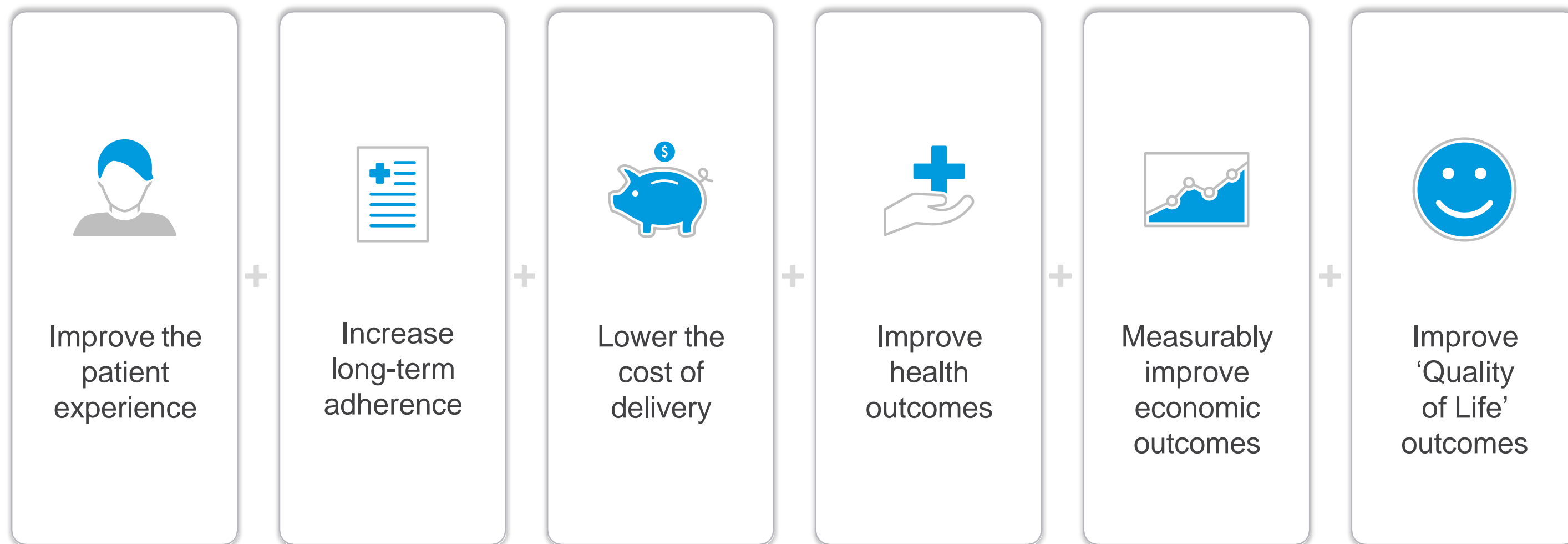
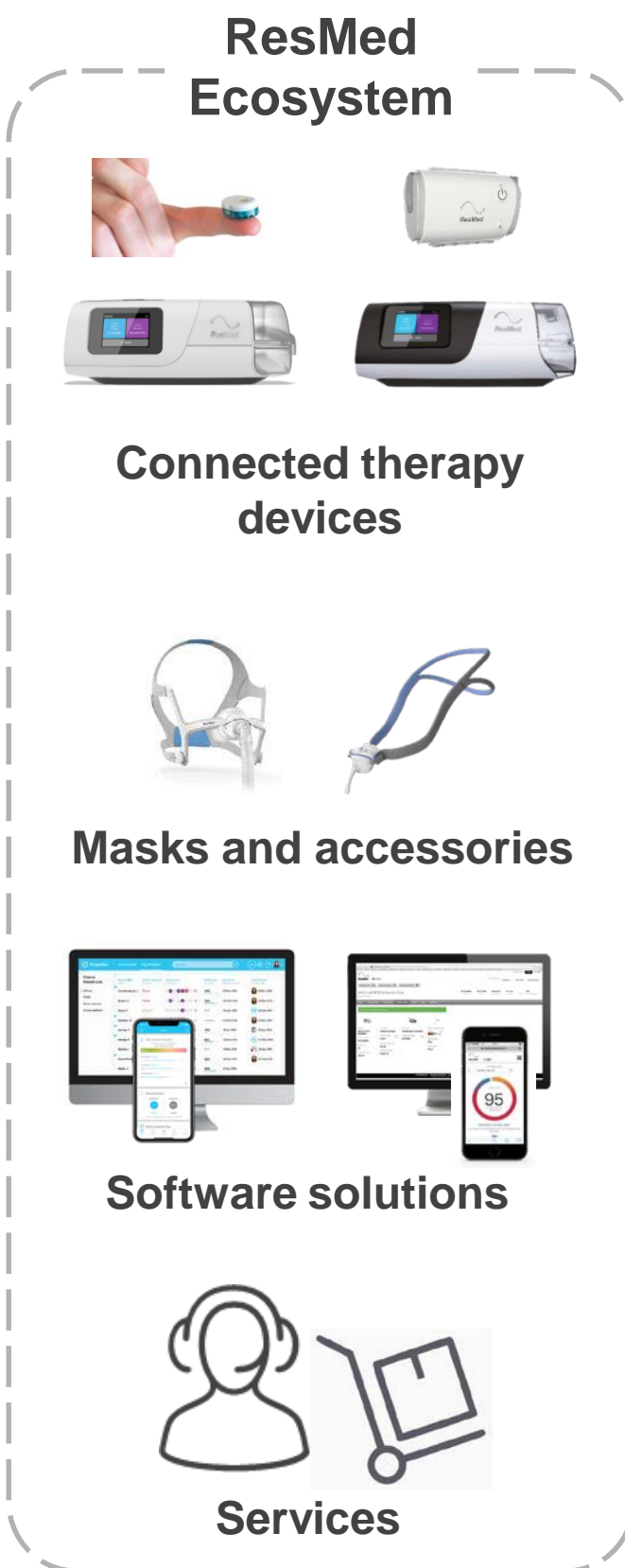
- I. Slow chronic disease progression
- II. Reduce overall healthcare system costs
- III. Improve the quality of life for the patient

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

# Our Business: Sleep & Respiratory Care



# Our **vision** is to empower people to take control of their health so they can live happier and healthier lives



Our **business promise** is to deliver patient-centric therapies and solutions through an ecosystem of intelligent data products

# We have enormous opportunity to create value with all stakeholders across our healthcare communities



## Patients

**85% of patients are lost in the funnel** between initial identification and the first year of compliance

Primary opportunity to increase adherence: better **mask comfort and more first-time/best-fit options**



## Clinicians

60% of MDs spend **less than 25 minutes with patients**

Non-specialist physicians repeatedly do not identify respiratory patients eligible for treatment: **incredible clinician education opportunity**



## Payers

Care management programs cover <1% of some health system populations today, and **can't scale without digital health**

COPD readmission costs an **additional \$1.5-2.0 billion per year in the US**



## HMEs / HCPs

84% of HMEs said **reimbursement documentation** requires the most time and effort

25-50% of patients who comply in the 90-day window are **not on treatment after one year**



Solving these pain points will enable more patients to receive more long-term care at home

# We are driving a strategy that unlocks value for customers



**Innovating our device-centric and software-system solutions**



**Accelerating commercial and patient pathway innovation**



**Driving business outcomes through medical evidence**

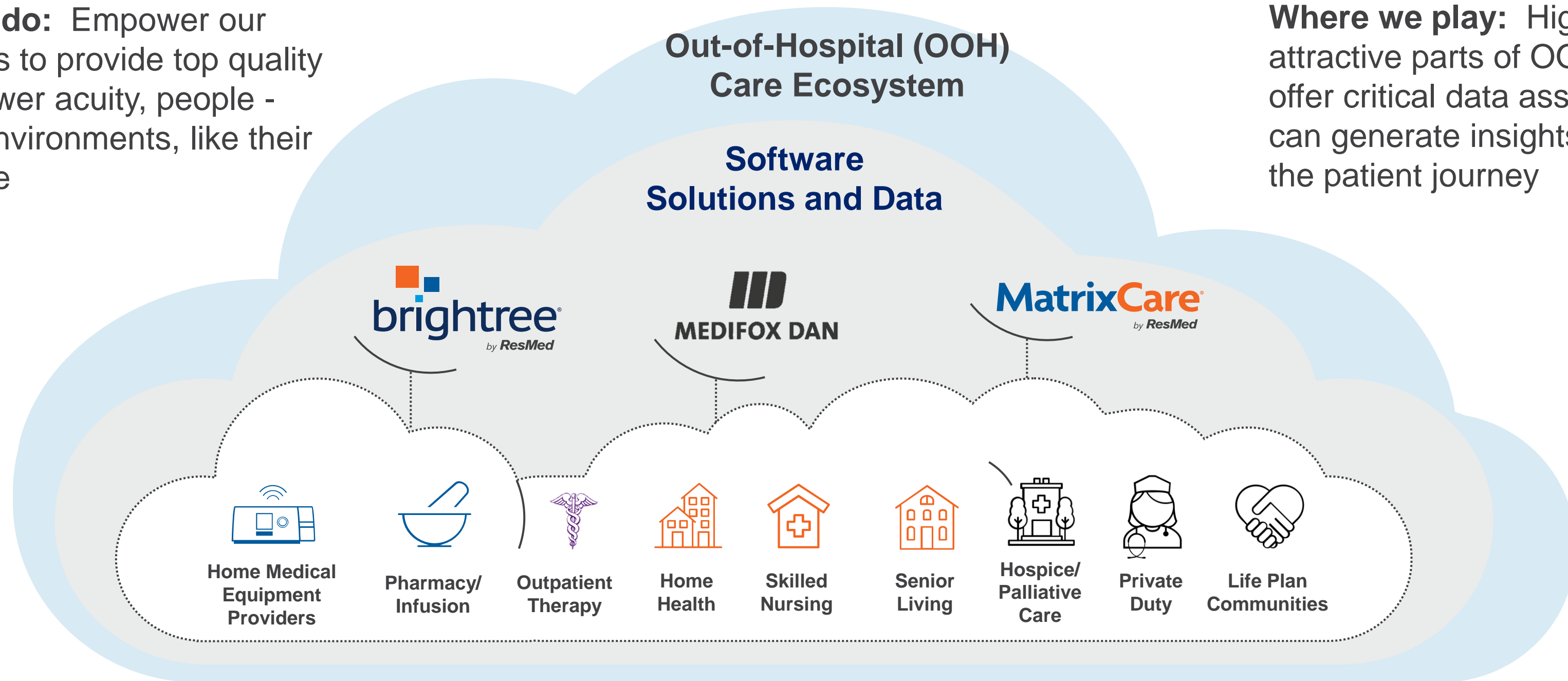
# Our Business: Software as a Service (SaaS)



# Our SaaS business vertical delivers mission-critical software and data solutions for out-of-hospital providers

**What we do:** Empower our customers to provide top quality care in lower acuity, people-friendly environments, like their own home

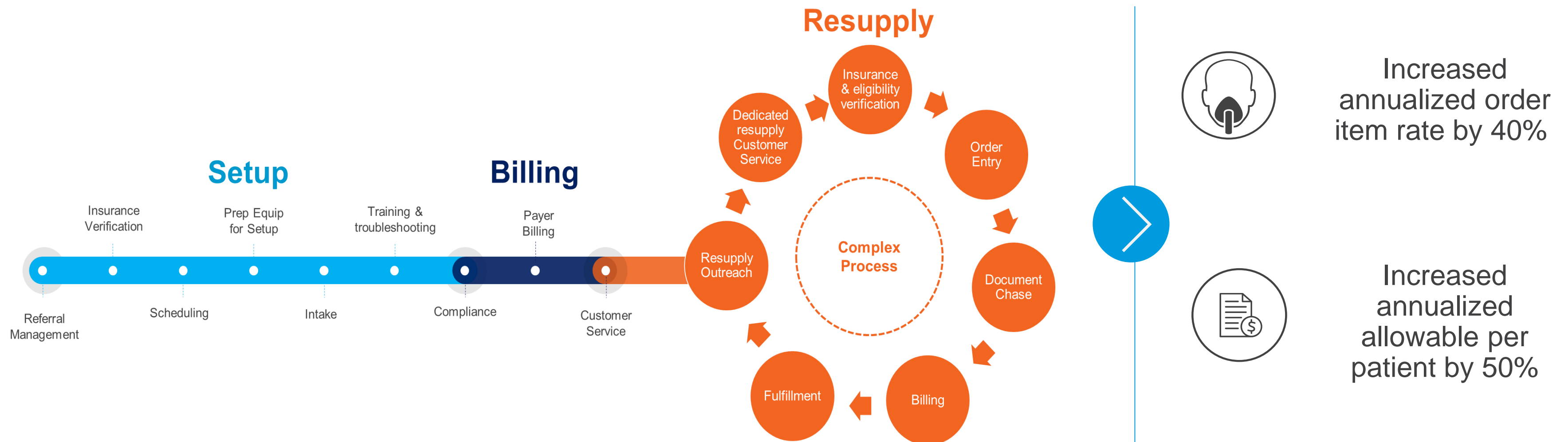
**Where we play:** High growth, attractive parts of OOH care that offer critical data assets where we can generate insights throughout the patient journey



ResMed is the strategic market leader in Digital Health solutions for outside hospital care

# ResMed SaaS serves a dual purpose: helping patients optimize their health while also creating value for sleep and respiratory stakeholders

- Regular replacement of masks and mask accessories is proven to drive longer-term adherence to PAP therapy and increased PAP therapy usage per day, lowering total healthcare system costs
- Brightree ReSupply with SNAP can **increase patient lifetime value for HME customers by 2x**



Case study for increased value for all stakeholders: patient, provider, physician, payer, and community



# Our SaaS business is uniquely positioned to address provider needs across the most important care settings

There is growing demand for greater coordination across provider markets



Home Medical  
Equipment  
Providers



Pharmacy / Infusion



Home  
Health



Hospice/  
Palliative  
Care



Private  
Duty



Skilled  
Nursing



Senior  
Living



Life Plan  
Communities

- Providers are diversifying and lines are blurring across the continuum of care; skilled nursing facility owners are moving into home-based care, and vice versa; seamless transfer is important for patient, physician, provider and payer
- We are working with existing and new customers to address their needs, holistically across the markets they serve
- Our solutions are supported by the breadth and depth of our data, as well as interoperability across care delivery settings

Differentiated value creation within SaaS portfolio through ongoing investments in innovation

# Financials

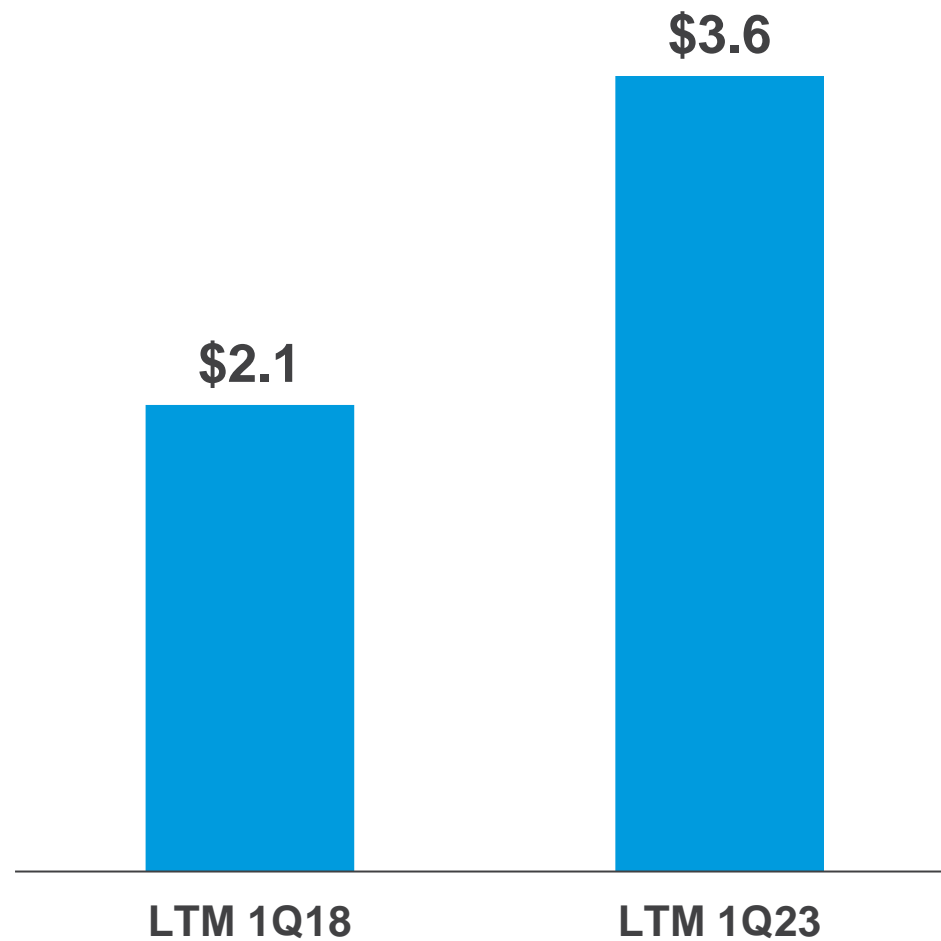


# Strong track record of financial returns for shareholders

(Financial data as of September 30, 2022)

## Revenue (\$B)

11% CAGR



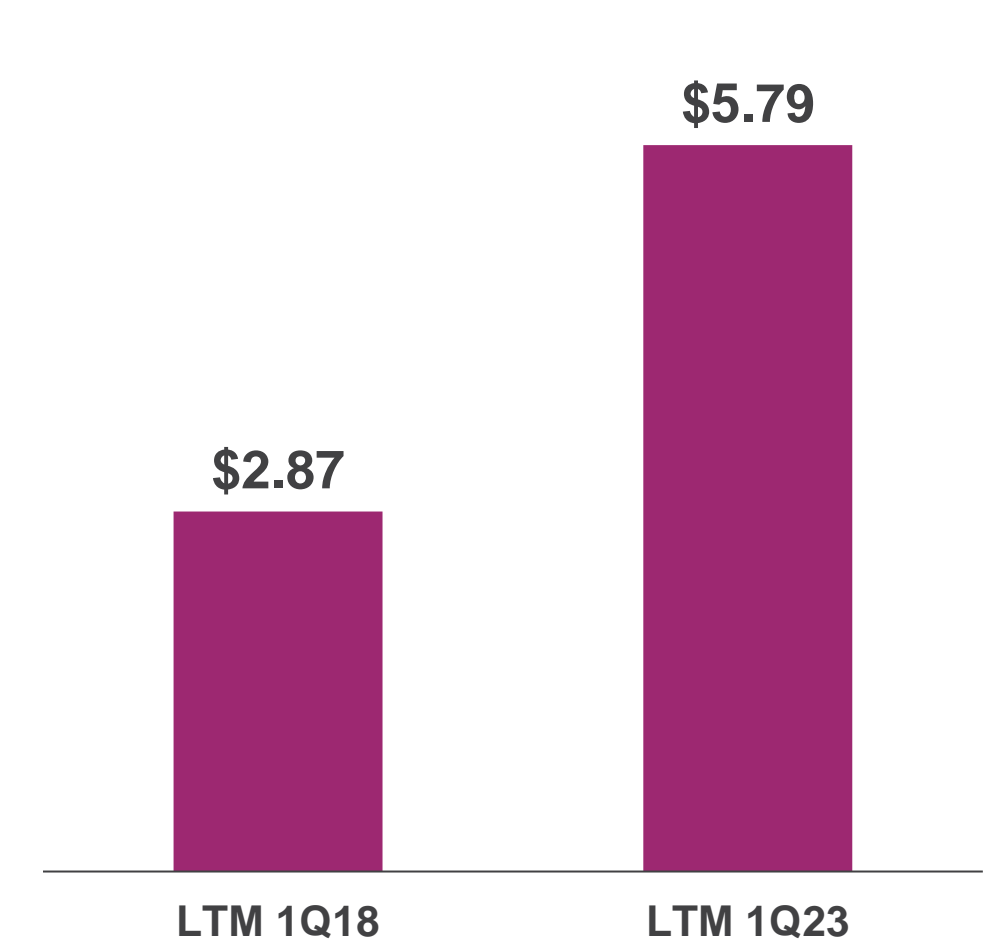
## Non-GAAP Operating Income (\$M)

16% CAGR



## Non-GAAP EPS

15% CAGR

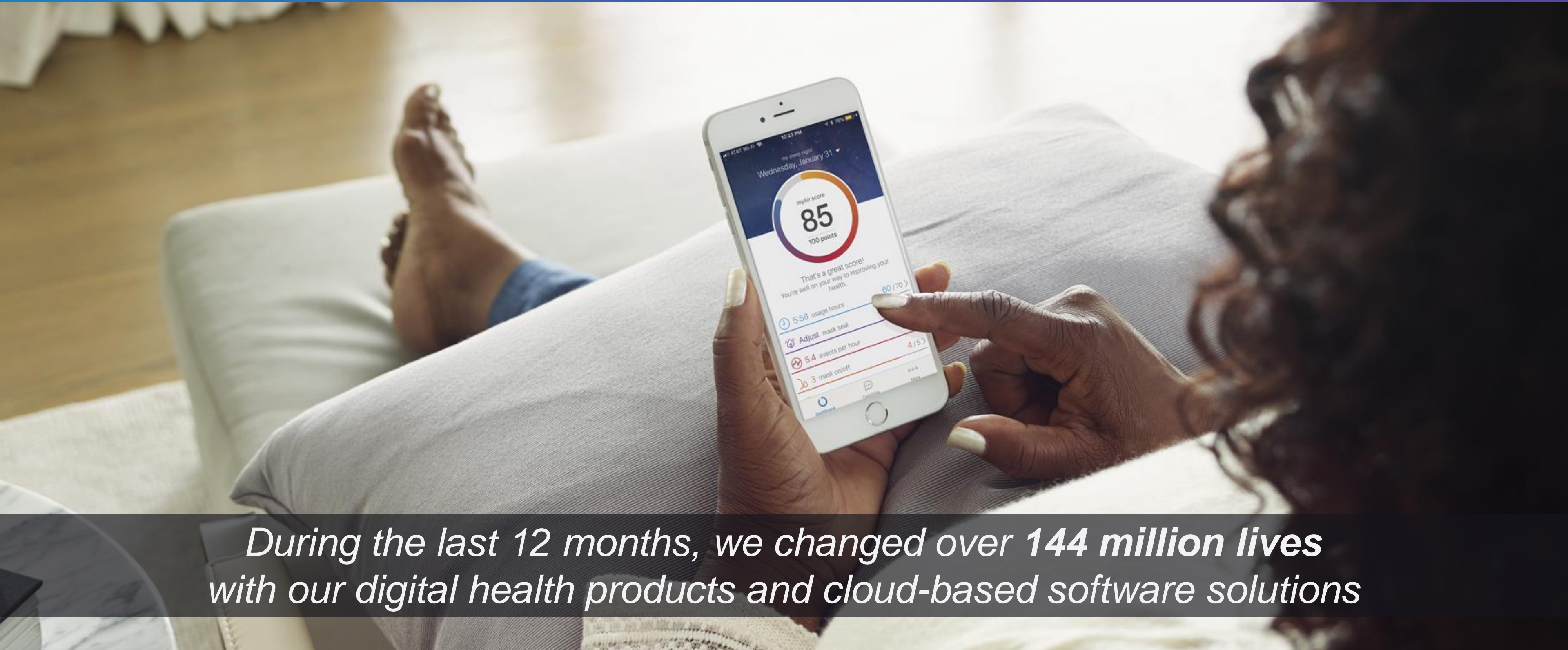


**Total shareholder return, TSR** (NYSE shares as of 09/30/2022): **1-yr (16)%** | **3-yr 66%** | **5-yr 199%**

NOTE: visit [investors.resmed.com](https://investors.resmed.com) for our financial reports and non-GAAP reconciliations

# ***Our goal 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, asthma, insomnia, and beyond... to live happier, healthier lives preferably in the comfort of their own home!*



*During the last 12 months, we changed over 144 million lives with our digital health products and cloud-based software solutions*

# Contact Investor Relations

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