Dexcom

Dexcom Investor Presentation

August 2022



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The risks and uncertainties that may cause actual results to differ materially from DexCom's current expectations are more fully described in DexCom's annual report on Form 10-K for the period ended December 31, 2021, as filed with the Securities and Exchange Commission on February 14, 2022, its most recent quarterly report on Form 10-Q for the period ended June 30, 2022, as filed with the Securities and Exchange Commission on July 28, 2022, and its other reports, each as filed with the Securities and Exchange Commission. DexCom assumes no obligation to update any such forward-looking statement after the date of this report or to conform these forward-looking statements to actual results.

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Dexcom at the core of effective care

What we want to reinforce today:

- Diabetes care remains a largely unmet global need and we are providing better health outcomes
- Our core US market has a significant runway for further growth
- International markets present major opportunities for geographic expansion and broader access
- Dexcom CGM is a platform technology to address the needs of many different customers
- Dexcom product performance is unmatched, with G7 a significant step forward for the industry

Strong 2021 Performance

27% Revenue Growth

2021 revenue of approximately $2.45B, representing growth of more than 27%[1] over 2020

Added more than 300K customers during 2021. Ended the year with more than 1.25M globally

Enhanced

Efficiency and scale

Gross margin outperformed expectations as greater manufacturing efficiencies offset strategic access initiatives and the initial scale-up of G7

Full year gross margin landed 300+ bps above initial 2021 guidance and expanded from 2020 levels

Advanced several initiatives to broaden access and improve awareness:

- Introduced Dexcom ONE
- Doubled US salesforce and invested behind a substantial DTC campaign
- Meaningfully expanded access in our international markets
- Published results of MOBILE study in *JAMA*

FDA cleared

for two key software solutions

Received FDA clearance for two key software solutions that enhance Dexcom's connected ecosystem: our real-time API offering and Dexcom app-in-app module

1. Includes approximately 1% growth derived from non-CGM revenue acquired in conjunction with Dexcom's acquisition of its distributor in Australia and New Zealand.

2022 Outlook as of July 28, 2022

FY22 Guidance

Revenue of $2.86 – 2.91 billion
(~17 – 19% Growth)

Considerations

- CGM access and awareness momentum globally
- Final year of significant US channel shift
- FX headwinds of ~$40 million for the full-year
- Gross margin impact as G7 manufacturing scales
- Strong year-over-year operating expense leverage

Key Strategic Objectives

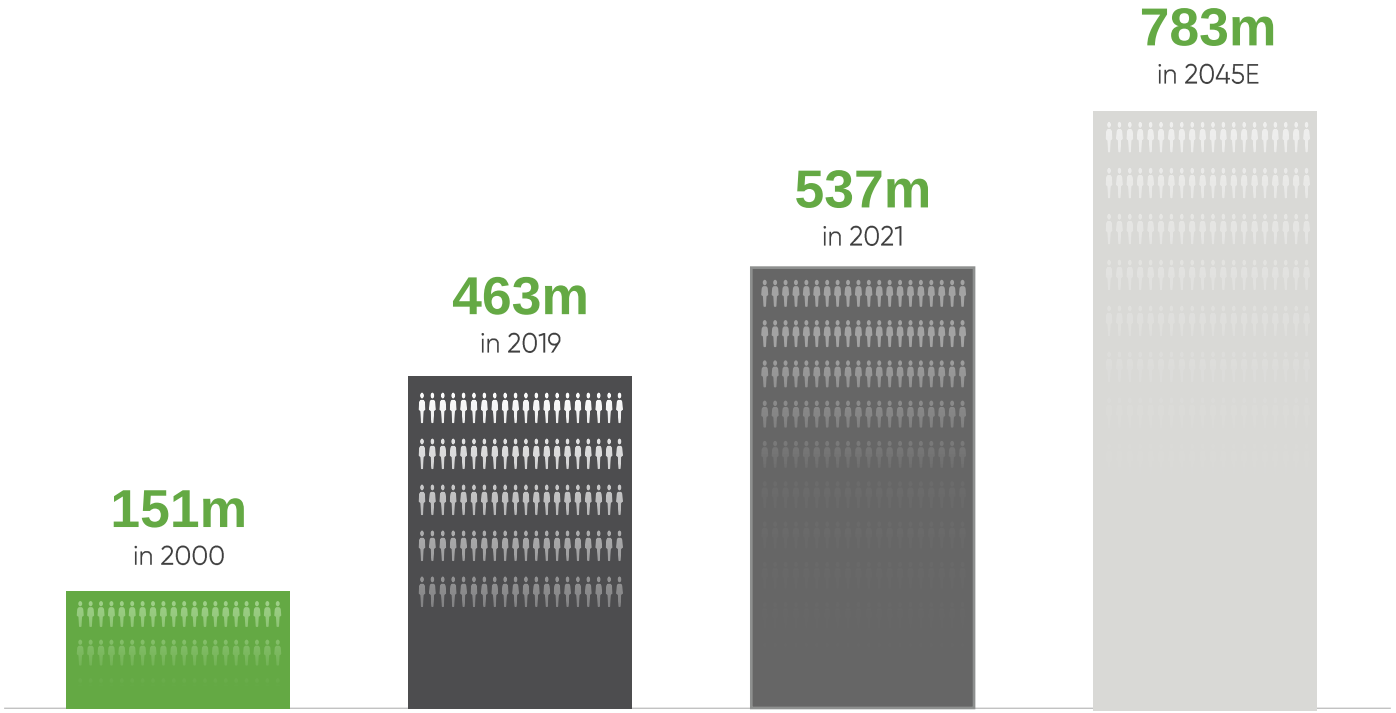
- Global rollout of G7
- Expand Dexcom ONE to new international markets
- Advance access for T2 NIIT through multiple pathways
- Continue to drive scale, including Malaysia buildout

Dexcom is well-positioned to continue its growth momentum and advance its product pipeline and market opportunities in 2022

A global crisis that remains uncontrolled

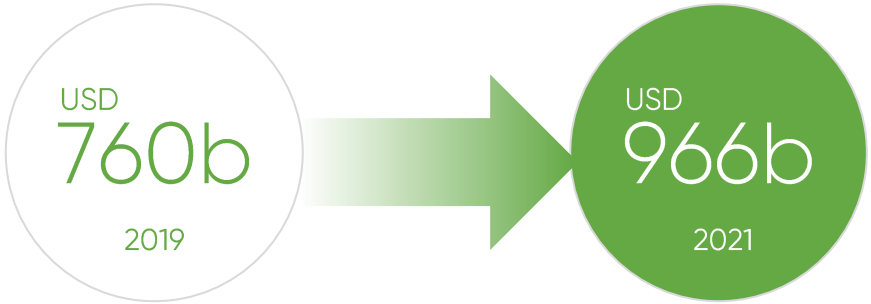
Diabetes Diagnosis and Cost

Adults (aged 20-79) with Diabetes Globally



Source: IDF Atlas, 10th edition (2021)

Global Diabetes Related Health Expenditures

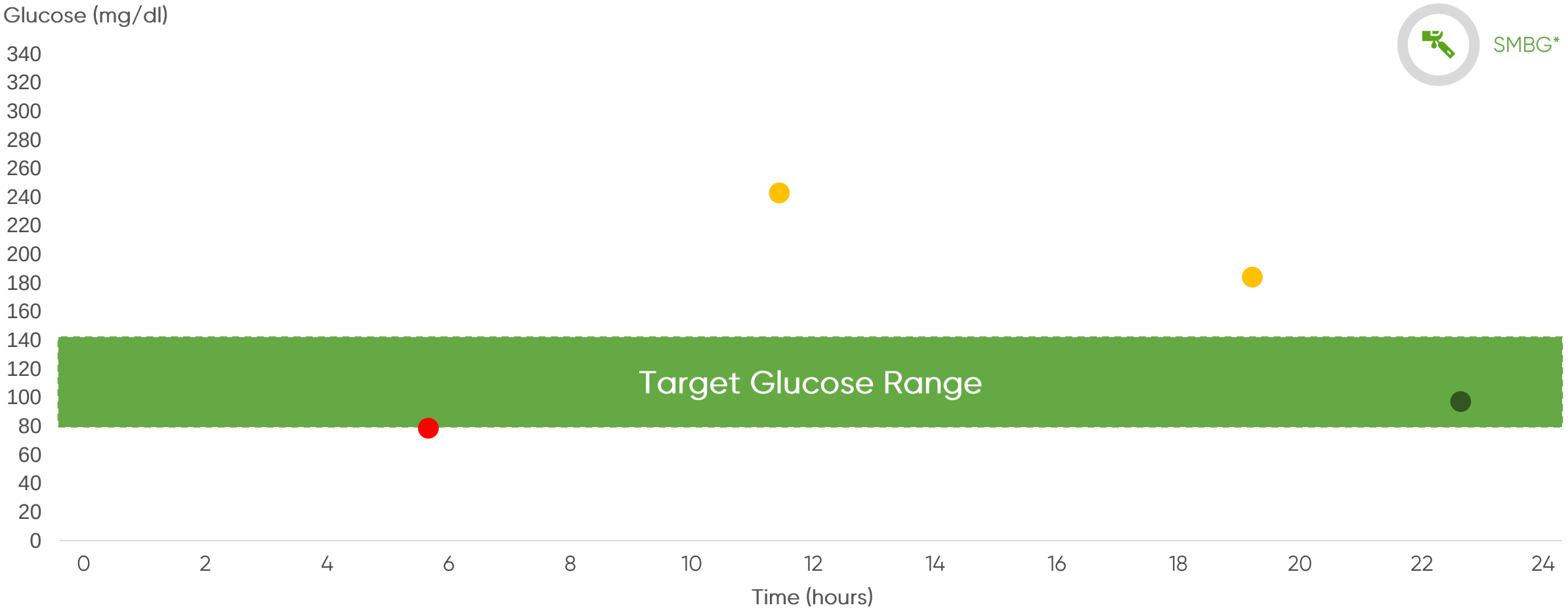


+27%

increase

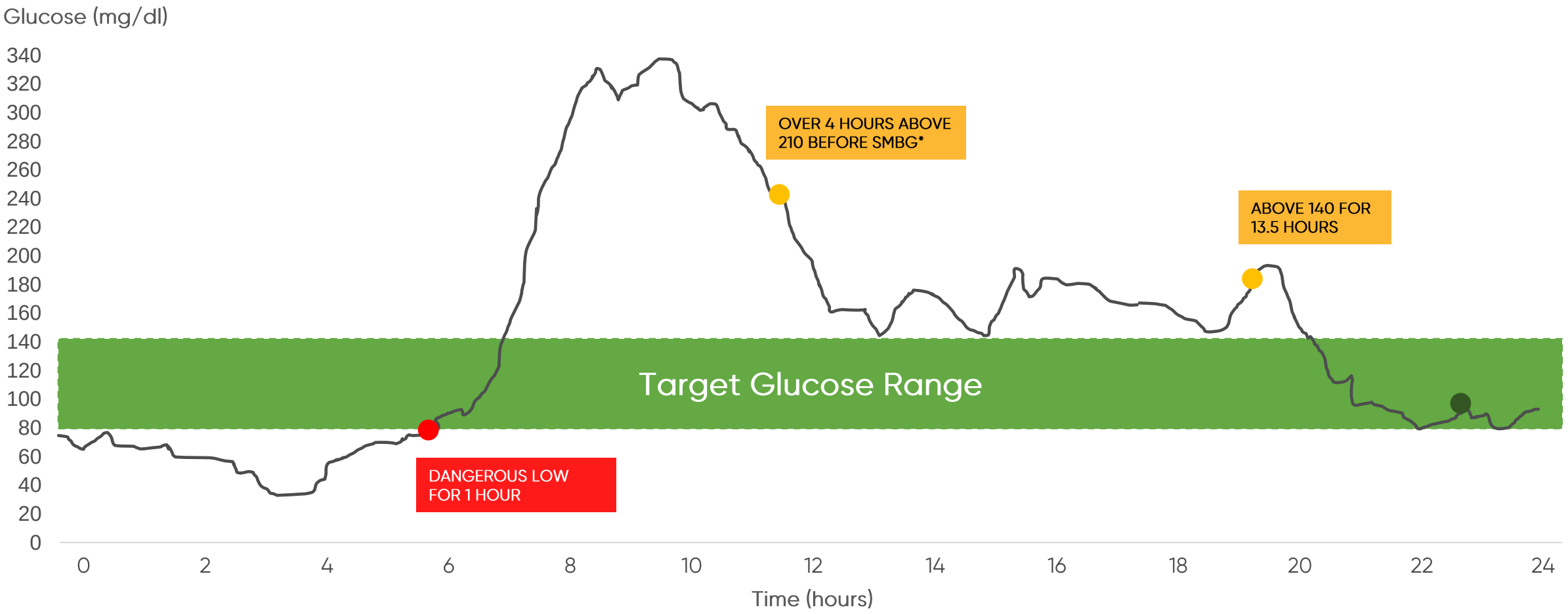
Past 2 Years

Intermittent glucose monitoring is not enough for intensive insulin management…



*As compared to Self Monitoring of Blood Glucose (SMBG)

Intermittent glucose monitoring is not enough for intensive insulin management...



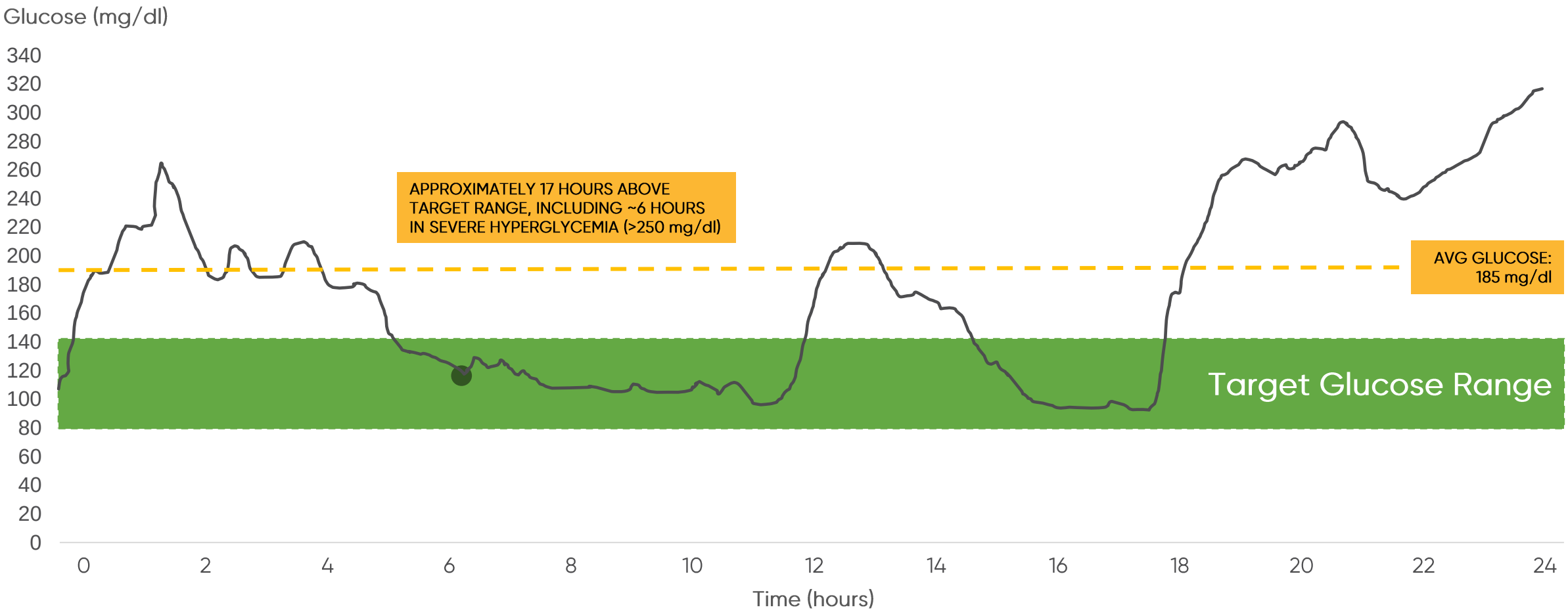
*As compared to Self Monitoring of Blood Glucose (SMBG). Illustrative example.

...and non-intensive type 2 diabetes management



*As compared to Self Monitoring of Blood Glucose (SMBG)

...and non-intensive type 2 diabetes management



*As compared to Self Monitoring of Blood Glucose (SMBG). Illustrative example drawn from a pilot program involving Dexcom CGM use in Type 2 NIIT.



We can do more

Glucose (mg/dl)

340
320
300
280
260
240
220
200
180
160
140
120
100
80
60
40
20
0

APPROXIMATELY 17 HOURS ABOVE TARGET RANGE, INCLUDING ~6 HOURS IN SEVERE HYPERGLYCEMIA (>250 mg/dl)

AVG GLUCOSE 145 mg/dl

Target Glucose Range

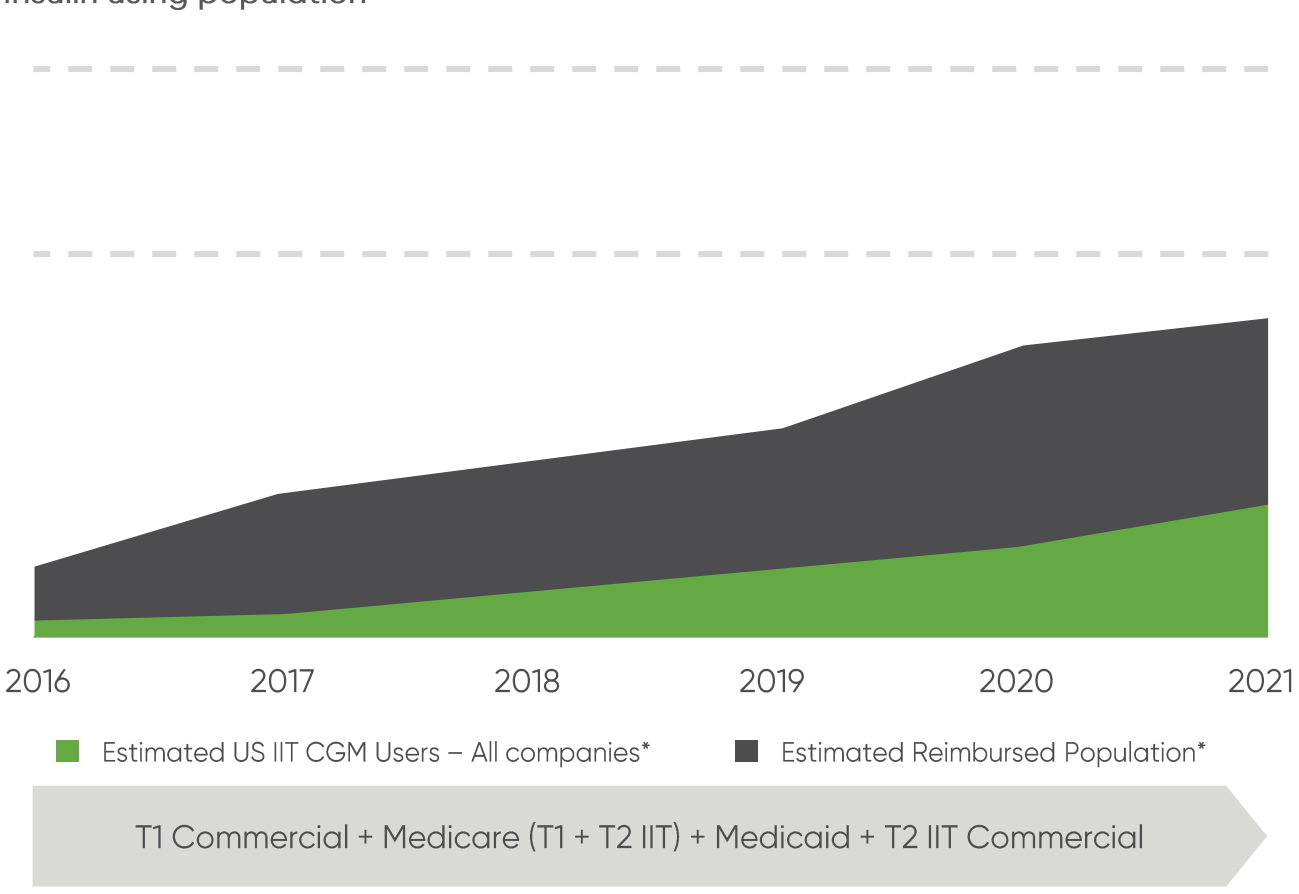
0 2 4 6 8 10 12 14 16 18 20 22 24

Time (hours)

*As compared to Self Monitoring of Blood Glucose (SMBG). Illustrative example drawn from a pilot program involving Dexcom CGM use in Type 2 NIIT.

Core US market – momentum and opportunity remain significant

Insulin using population



*Dexcom market research and Wall Street research. Estimated Reimbursed Population based on Dexcom market research.

Access wins have created a sizable runway

- Our robust clinical evidence (DIAMOND, GOLD) laid the foundation for changes to standards of care for intensively managed diabetes.



- The US IIT market is now more than 85% reimbursed. Further Medicaid expansion is expected in 2022.
- Dexcom's MOBILE study drove further changes to standards of care in late 2021. This strengthens the case for broader access to CGM for all people using insulin.



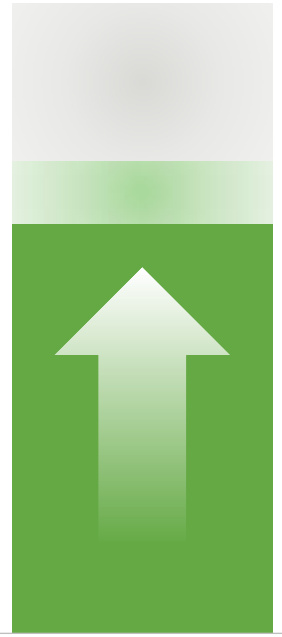
Excellent progress on migration to pharmacy

Pharmacy access leaves us well-positioned for long-term growth

We anticipate reaching our target 75% pharmacy mix in 2022

Target U.S. Commercial Pharmacy Mix: 75%

Current U.S. Commercial Pharmacy Mix



Easier to Prescribe

Primary Care Physicians are more likely to prescribe through the pharmacy channel[1]

In the US, there are:

- ~8K endocrinologists[2]
- ~225K primary care doctors[3]

Broadens Customer Access

Majority of Type 2 patients treated in the Primary Care channel

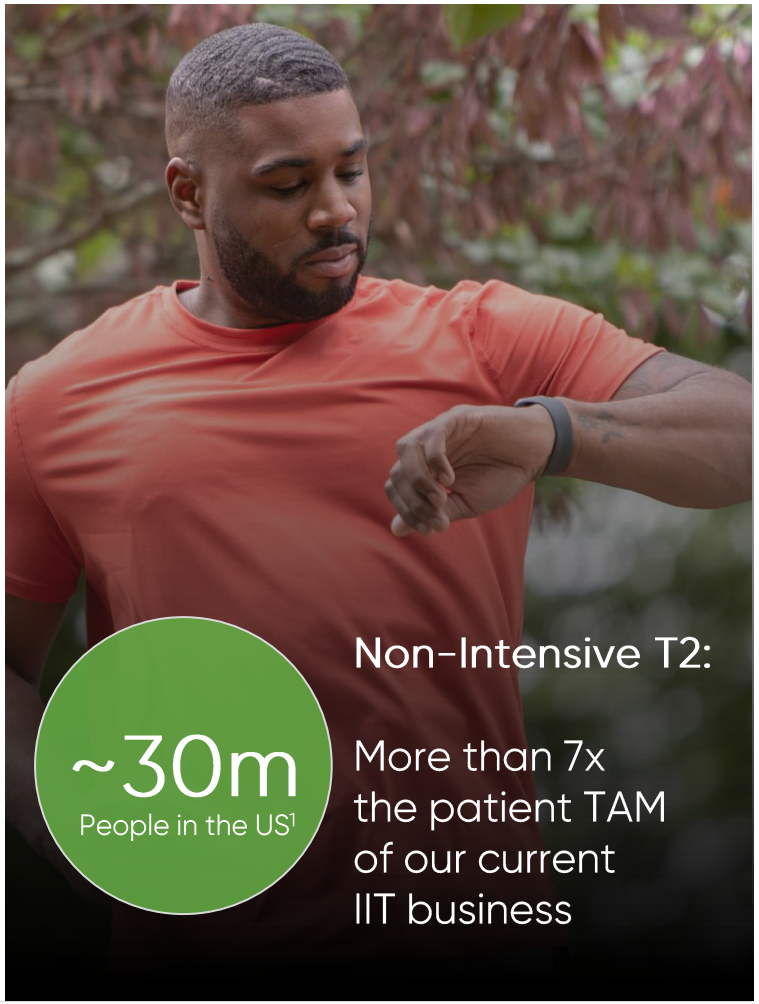
More Efficient Model

Pharmacy channel provides simplified operating expense structure relative to DME

1. Dexcom market research.
2. https://www.aamc.org/data-reports/workforce/interactive-data/active-physicians-largest-specialties-2019
3. https://www.aamc.org/media/54681/download?attachment

Multiple pathways to address the type 2 epidemic





1. Data from CDC 2020 diabetes statistics report, total people with diabetes less estimate of 4 million IIT.

Type 2 diabetes: 3 elements of an effective solution

User Engagement



Health Outcomes



Return on Investment



Type 2 in 2022: Leveraging evidence into early commercial traction

We are building a robust evidence base, with pilots and partnerships continuing to expand based on favorable CGM-driven results

Intermountain Healthcare

USD 417

cost savings per member per month[1]

Dexcom Real World Evidence

USD 424

cost savings per member per month[2]

onduo

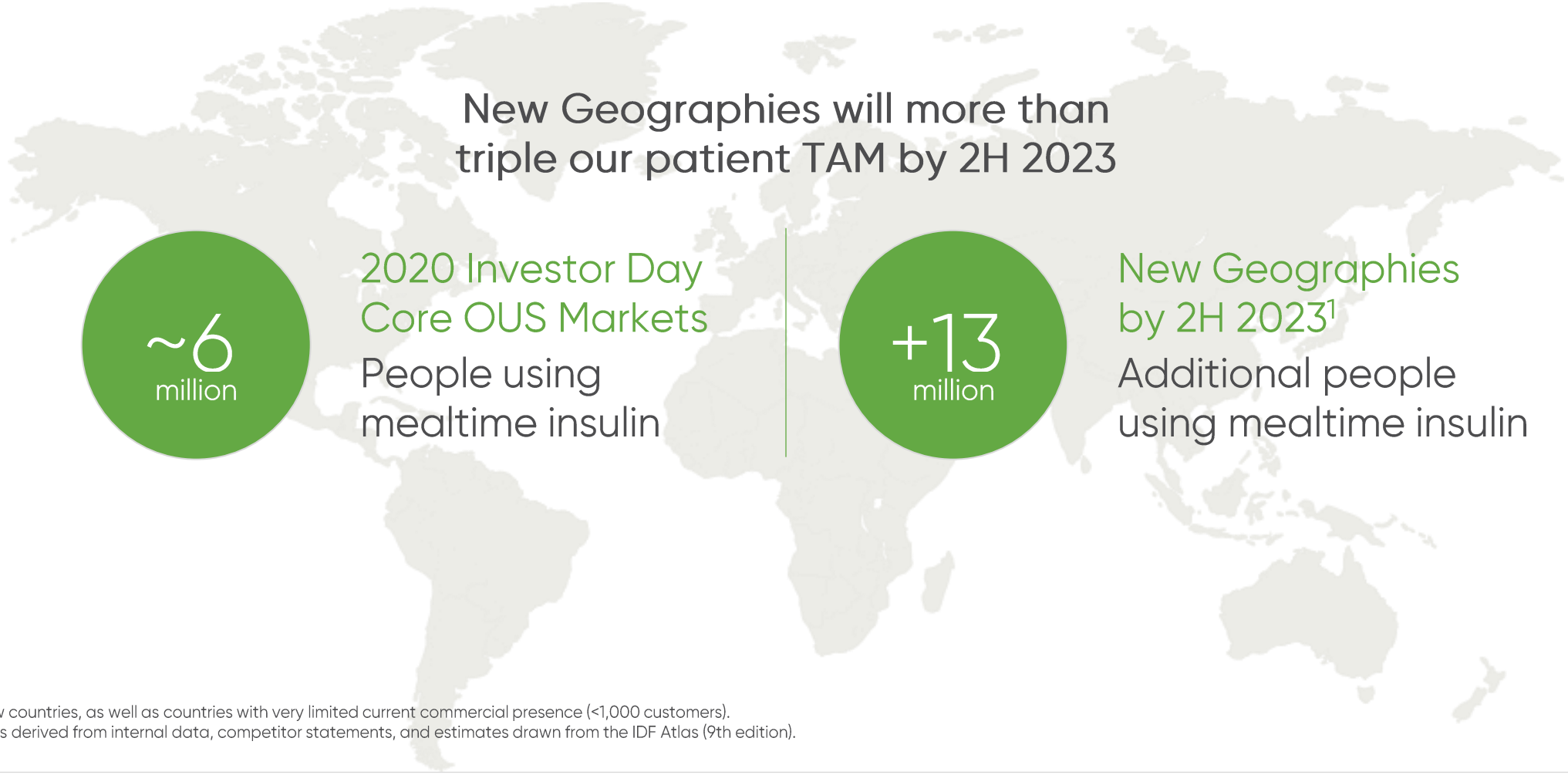
Glucose control drives medication change, weight loss, and cardio / metabolic outcomes[3]

welldoc

Average Time in Range improvement of nearly 3 hours per day[4]

1. Compared to SMBG cohort. For the published results see Isaacson B, Kaufusi S, Sorensen J, et al. Demonstrating the Clinical Impact of Continuous Glucose Monitoring Within an Integrated Healthcare Delivery System. *JDST*. September 2020.
2. Includes real-world claims data for a combination of Type 2 intensive and non-intensive Dexcom customers. Link here
3. Majithia et al., "Glycemic Outcomes in Adults With Type 2 Diabetes Participating in a Continuous Glucose Monitor–Driven Virtual Diabetes Clinic: Prospective Trial," *JMIR* 22:8 (2020).
4. 2021 Dexcom / Welldoc pilot conducted with a Fortune 100 company. Consists predominantly of people with non-intensively managed Type 2 diabetes, after 24 weeks of CGM wear. Includes a reduction of average glucose of 54 mg/dL (+8.6 hours increase in TIR) for participants who started with average glucose >180 mg/dL

On track to achieve goal of tripling OUS TAM



New Geographies will more than triple our patient TAM by 2H 2023

~6 million

2020 Investor Day Core OUS Markets

People using mealtime insulin

+13 million

New Geographies by 2H 2023[1]

Additional people using mealtime insulin

1. Includes new countries, as well as countries with very limited current commercial presence (<1,000 customers).

Note: Market sizes derived from internal data, competitor statements, and estimates drawn from the IDF Atlas (9th edition).

Gaining market share internationally

Expanding International TAM through access and awareness

- Entering New Geographies
- Reducing Administrative Barriers
- Gaining Reimbursement
- Leveraging E-Commerce Platform
- Going Direct in Strategic Markets



Improving Access

- Increased or improved access for nearly 1 million individuals in 2021 in existing or core international markets

Driving Market Share Gains

- Outpacing the broader market following international access wins
- Well-positioned to extend growth momentum

Dexcom ONE: Expanding access via software differentiation

Dexcom ONE
broadens our international opportunity

- Leverages G6 hardware platform
- Redesigned software experience that targets ease of use
- Launched as a cash pay product through Dexcom e-commerce site
- Compelling price point
- Represents first foray into a differentiated product portfolio



Dexcom ONE initial results

Dexcom ONE
launched in Bulgaria, Estonia, Latvia, and Lithuania



Dexcom One

Since launch, all four countries have established full or partial reimbursement of Dexcom ONE for their population with Type 1 diabetes

Strong
Early Demand

Within the first 60 days, greater than 1% of the IIT population in these markets had paid out of pocket for Dexcom ONE

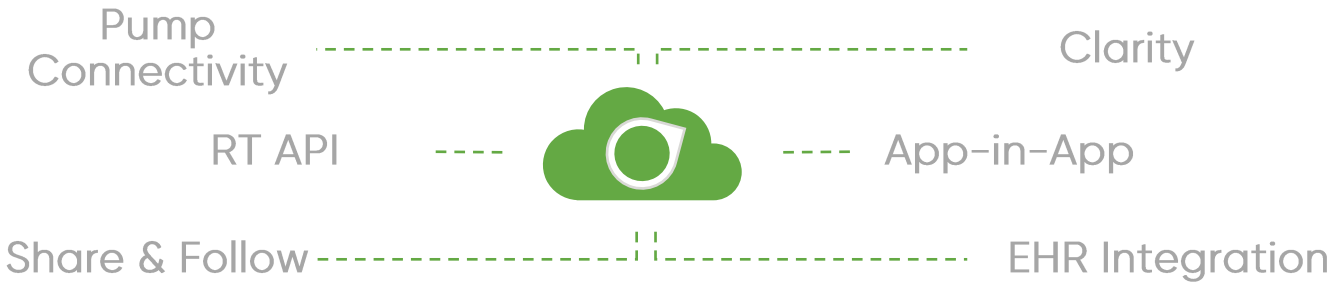
Nearly
1 out of 5

new users are individuals with Type 2 Diabetes

The Dexcom CGM platform and data ecosystem

Differentiating through hardware and software





Where We Are

- Developed Markets
- Type 1
- Type 2 IIT

Where We Are Going

- Developing Markets
- T2 NIIT
- Pre-Diabetes
- Gestational Diabetes
- Patient Monitoring
- Health & Wellness

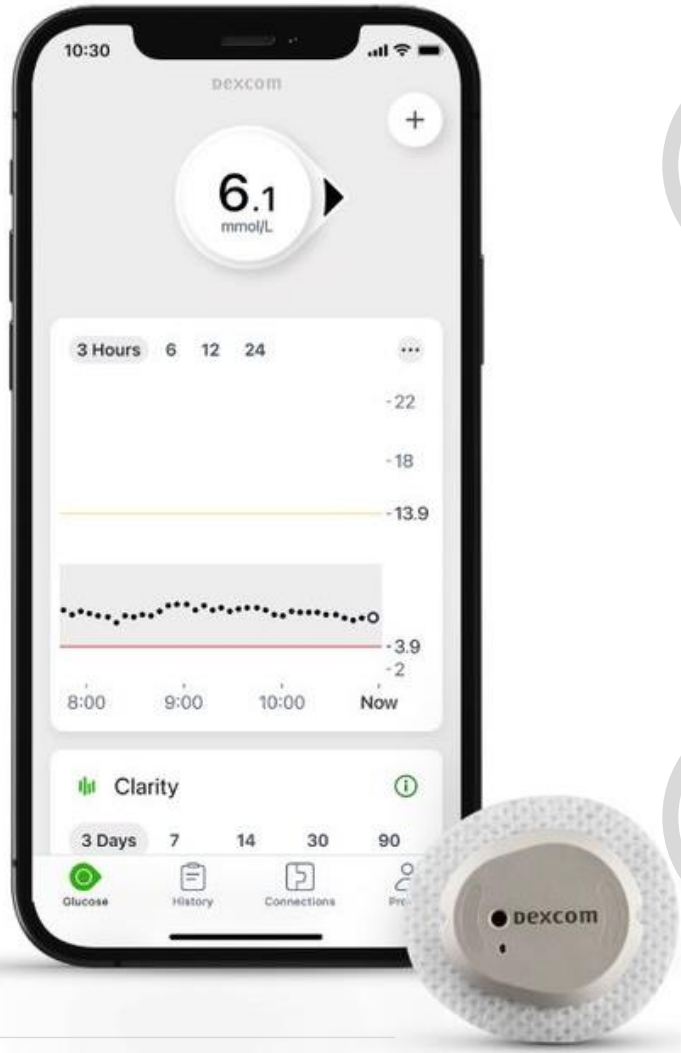
G7: The new standard in CGM technology

Real-Time CGM

Factory Calibrated iCGM

Designed for Extended Wear

Personalized Insights



Fully Disposable

Simple Application

Significant Manufacturing Cost Reduction

30-Minute Warmup

G7 Performance meets iCGM special controls

Primary Special Control Metrics - Adult

Primary Special Control Metrics - Adult

	Special Controls *95% LB* [1]	G7 US[2] *95% LB* [1]	G7 US[2] *Point Accuracy*
iCGM Glucose Range <70 mg/dL			
Percent within +/- 15 mg/dL	85.0	90.0	92.0
Percent within +/- 40 mg/dL	98.0	99.1	99.5
iCGM Glucose Range 70-180 mg/dL			
Percent within +/- 15%	70.0	83.8	85.4
Percent within +/- 40%	99.0	99.3	99.5
iCGM Glucose Range >180 mg/dL			
Percent within +/- 15%	80.0	91.1	92.2
Percent within +/- 40%	99.0	99.9	99.9
Overall			
Percent within +/- 20%	87.0	93.3	94.1

1. Refers to 95% lower bound confidence interval. Special controls were established by the FDA in conjunction with the approval of Dexcom's G6 iCGM System in 2018.
2. Data from US pivotal study. Dexcom submitted a comprehensive 510(k) pre-market notification to the U.S. Food and Drug Administration for regulatory review of the Dexcom G7 CGM System in accordance with the iCGM Special Controls in 4Q 2021. Pending 510(k) clearance, not available for sale yet within the United States.

Trial Characteristics:





dexcom G7

N = 308

Matched Pairs = 39,193

G7: Advancing the Dexcom gold standard for sensor performance

8.1%
Pediatric MARD[1]



8.2%
Adult MARD[1]

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This is our
WHY
dexcom