# Dexcom Investor Presentation



November 2023

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# Safe Harbor Statement



This presentation contains “forward” looking statements that are based on our management’s beliefs and assumptions and on information currently available to management. We intend for such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include information concerning our possible or assumed strategy, future operations, financing plans, operating model, financial position, future revenues, gross margin, operating margin, projected costs, competitive position, industry environment, potential growth opportunities, potential market opportunities, plans and objectives of management and the effects of competition on our business. This presentation also contains estimates and other statistical data made by independent parties relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.

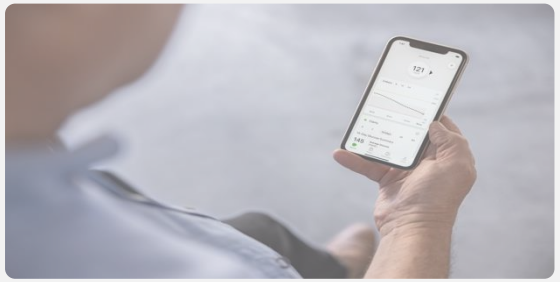
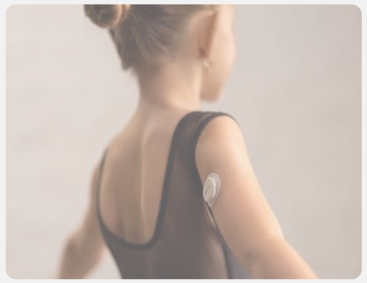
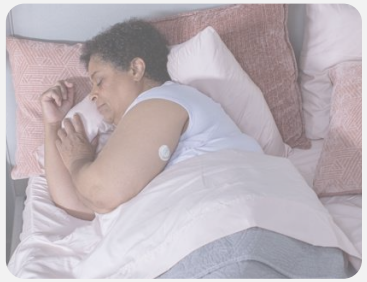
Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “could,” “seeks,” “estimates,” “targets,” “guidance,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “prospects,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms, although not all forward-looking statements contain these identifying words. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We cannot guarantee that we will achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements.

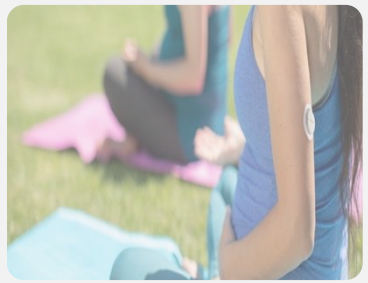
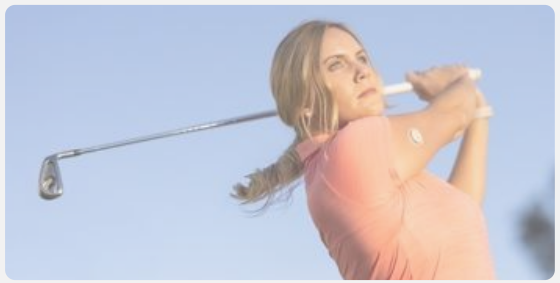
The risks and uncertainties that may cause actual results to differ materially from our current expectations are more fully described in our annual report on Form 10-K for the period ended December 31, 2022, as filed with the Securities and Exchange Commission on February 9, 2023, our most recent quarterly report on Form 10-Q for the period ended September 30, 2023, as filed with the Securities and Exchange Commission on October 26, 2023, and our other reports, each as filed with the Securities and Exchange Commission. We assume no obligation to update any such forward-looking statement after the date of this presentation or to conform these forward-looking statements to actual results.

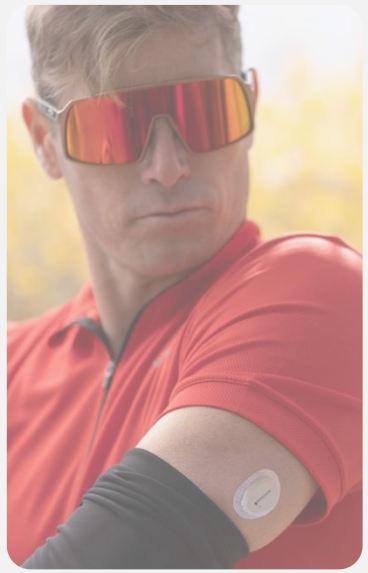
We report non-GAAP financial measures in addition to, and not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. These non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles, differ from GAAP measures with the same names, and may differ from non-GAAP financial measures with the same or similar names that are used by other companies. We believe that non-GAAP financial measures should only be used to evaluate our results of operations in conjunction with the corresponding GAAP financial measures. We encourage investors to carefully consider our results under GAAP, as well as our supplemental non-GAAP information and the reconciliations between these presentations, to more fully understand our business.

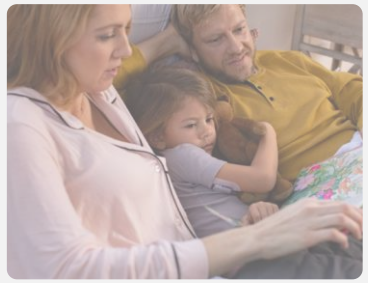
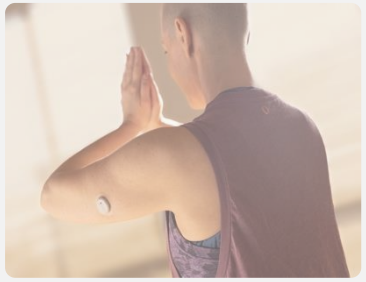
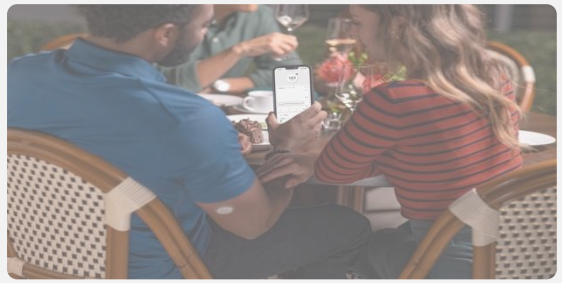
Our Mission:

# Empowering people to take control of *health*



# 2023 Outlook as of October 26, 2023

## FY23 Guidance

**Revenue of $3.575 – 3.600 billion**

**(~23 – 24% Growth)**

**Gross Margin of ~64%**

**Operating Margin of ~19%**

**Adjusted EBITDA Margin of ~28%**

## Objectives & Considerations

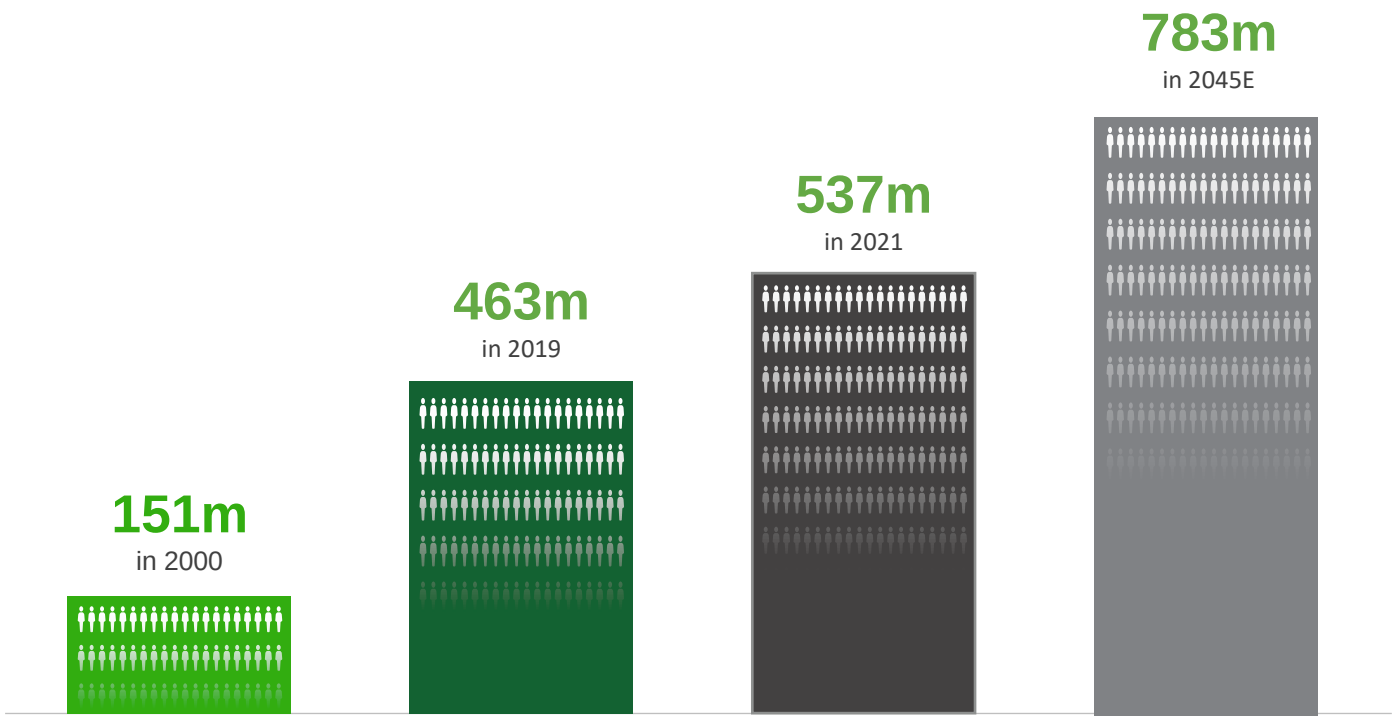
- Global rollout of G7
- Expansion of Dexcom ONE into new geographies
- Building momentum in type 2 basal
- Strong year-over-year operating expense leverage

We are seeing global momentum in 2023
and creating a foundation of growth for years to come

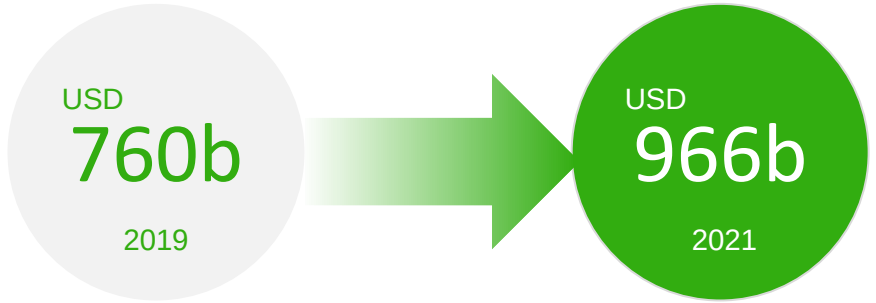
# A Global Crisis that Remains Uncontrolled

## Diabetes Diagnosis and Cost

Adults (aged 20-79) with Diabetes Globally




## Global Diabetes Related Health Expenditures



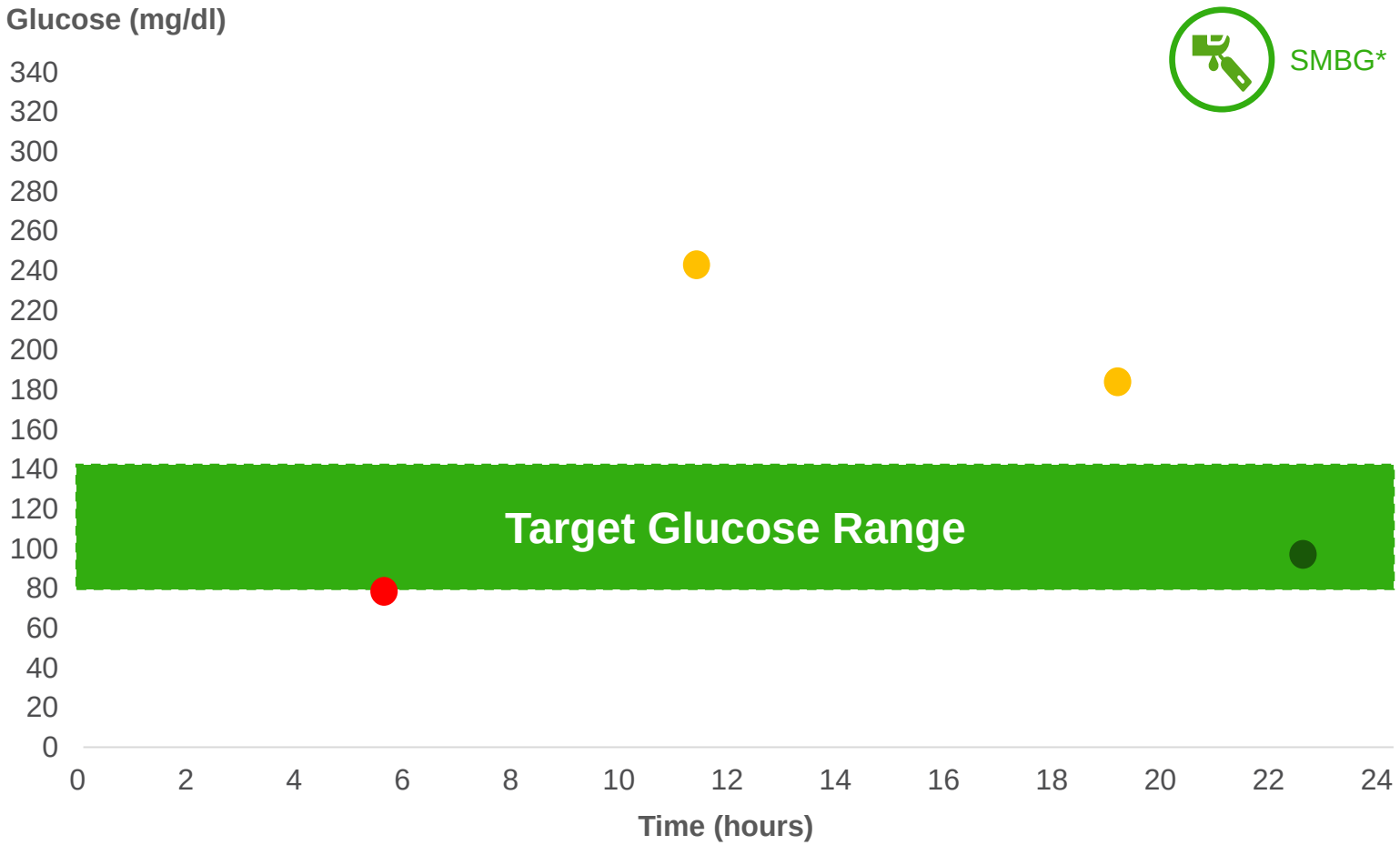

+27%

increase

Past 2 Years

Source: IDF Atlas, 10th edition (2021)

# Intermittent glucose monitoring is not enough for intensive insulin management…




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

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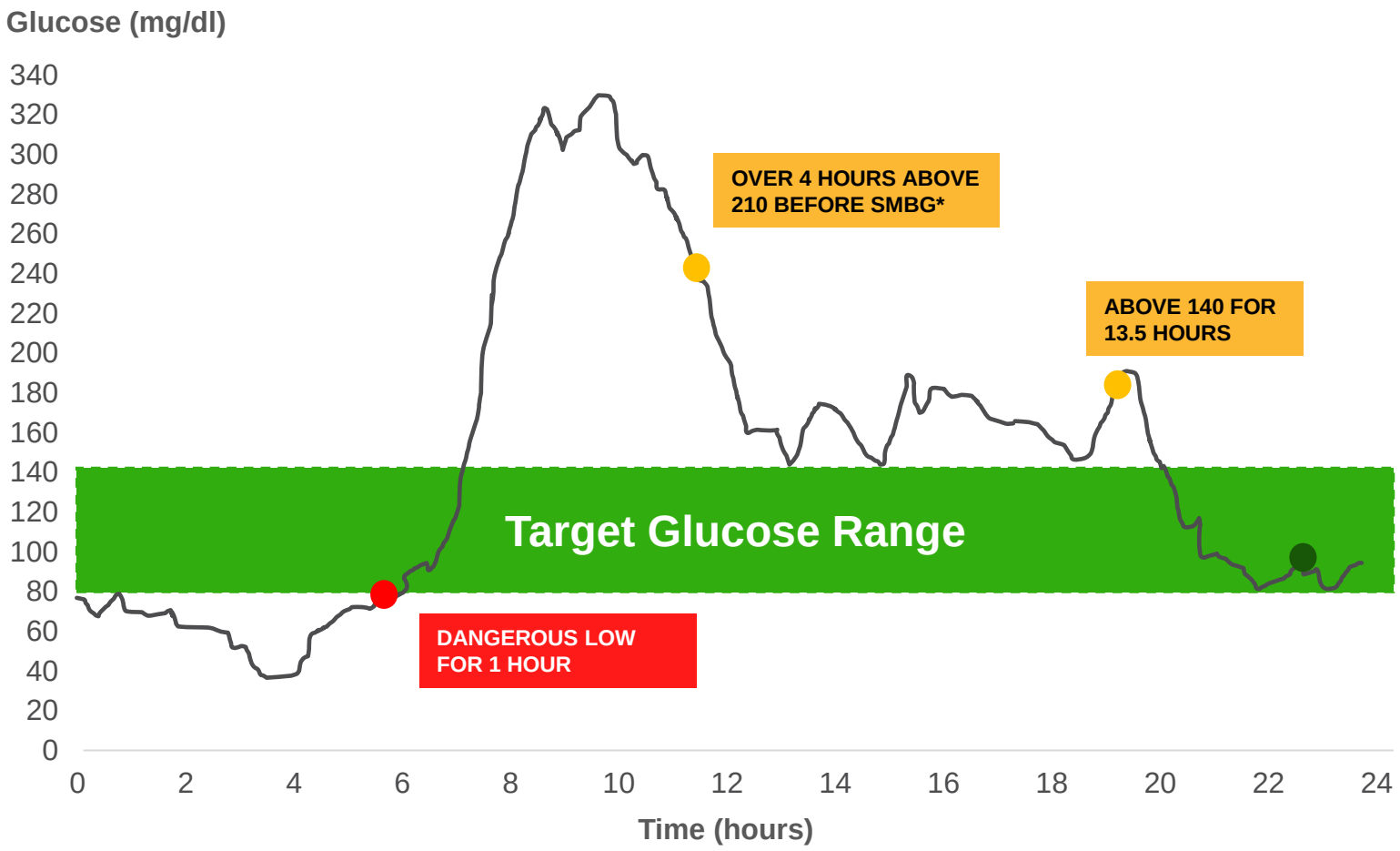
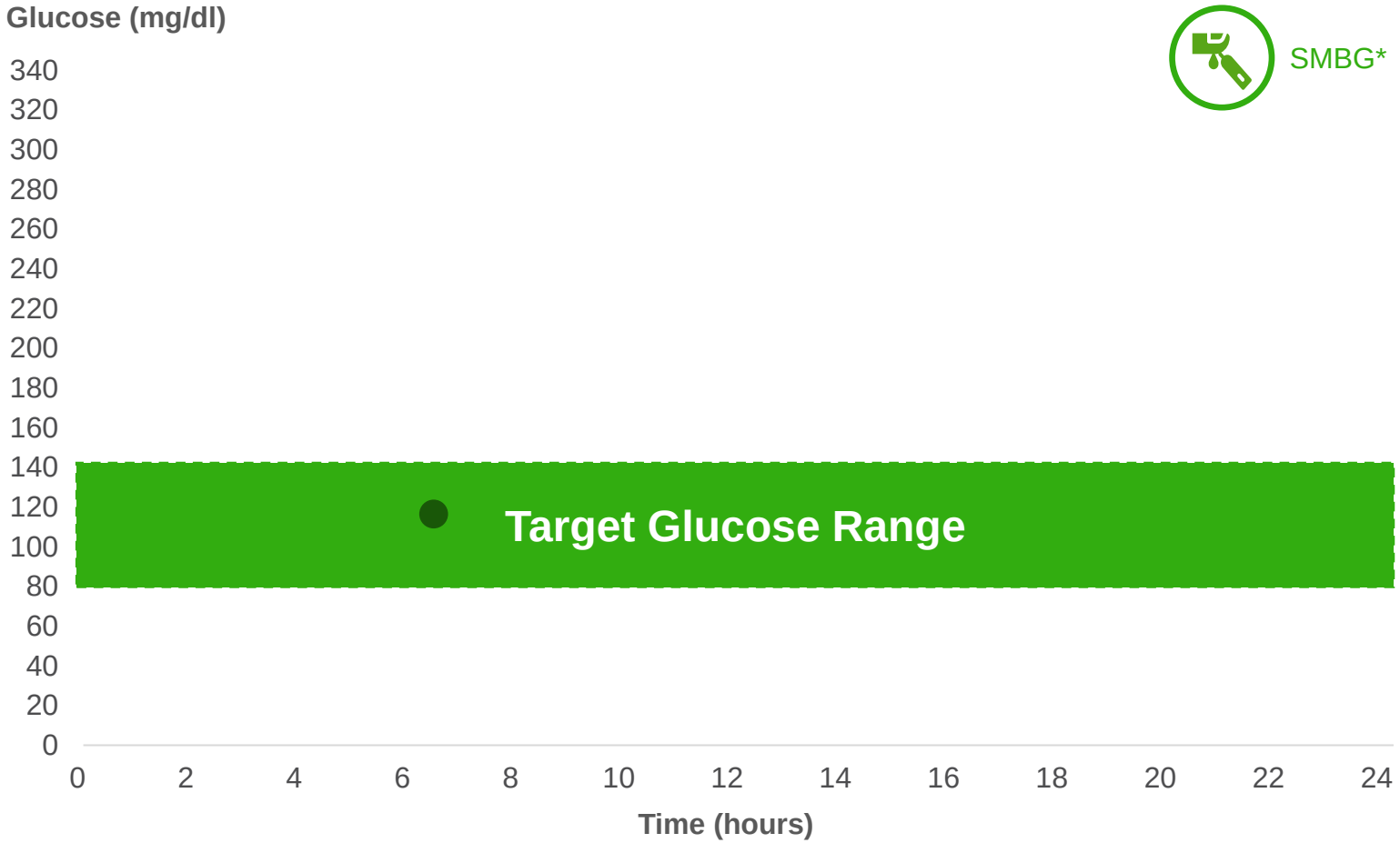



*As compared to Self Monitoring of Blood Glucose (SMBG). Illustrative example.

# …and non-intensive type 2 diabetes management

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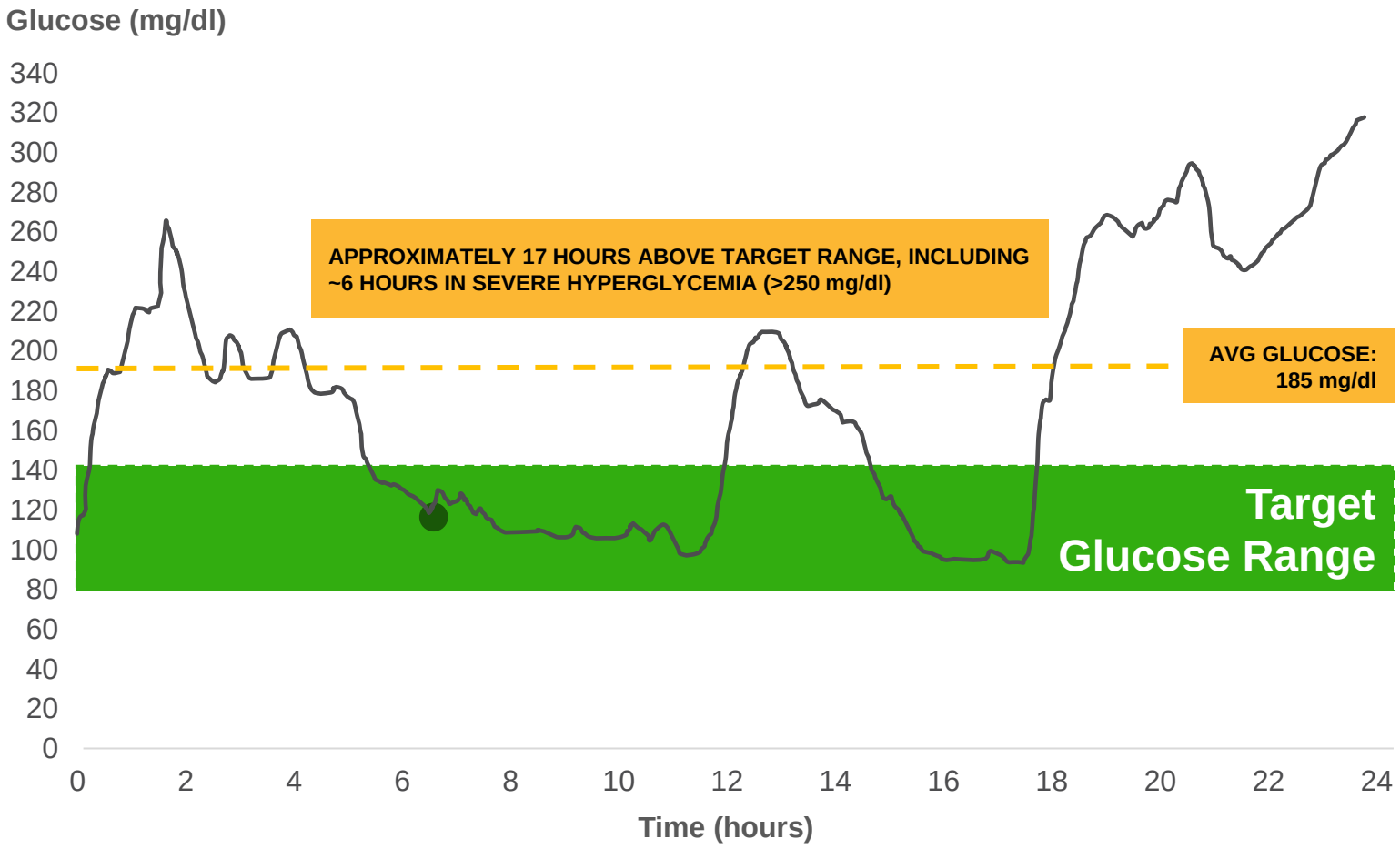



*As compared to Self Monitoring of Blood Glucose (SMBG). Illustrative example drawn from a pilot program involving Dexcom CGM use in Type 2 NIIT.




# We can do more

# Connectivity as a Competitive Advantage

Differentiating through hardware and software




## Customers

Automated Insulin Delivery

Connected Pen

Digital Health Apps

TANDEM DIABETES CARE

Lilly

GARMIN

SIGNOS

Insulet

novo nordisk

LEVELS

## Loved Ones

Follow App





## Healthcare Providers

Clarity Clinic



glooko



# Dexcom G7 | is the new standard in **CGM technology**




- Most Accurate[1]
- Incredible Simplicity
- Engaging

1. Dexcom, data on file, 2023.




# **G7** Is Living up to its **High Expectations**

**DIRECT FEEDBACK**

> I basically **forgot it was there**… that is the dream, really.

> For me, it is definitely a big step forward in terms of **comfort and convenience**.

> We are obsessed with **how quickly the sensors warm up**, in just 30 minutes!

> Once it was on and in, I **didn't know it was there** at all… I can't praise it enough.

## 97% of new customers surveyed find G7 easy to use[1]

1. Dexcom market research during initial launch phase

# What's Next for G7?



## International Markets

**Extending launch to additional geographies:**

- We are fully launched in 16 markets
- Expanding into additional regions in the coming months



## Building Access

**Established reimbursement for G7 in US across our channels**

- Commercial DME
- Medicare
- Commercial pharmacy

Quickly built broad reimbursement by mid-2023



## Expanding Connected Solutions

**Leveraging world's most connected CGM ecosystem[1] to bring more choice to users**

- Connected to several digital health apps at launch
- Working with pump and pen partners to integrate G7 into insulin delivery systems



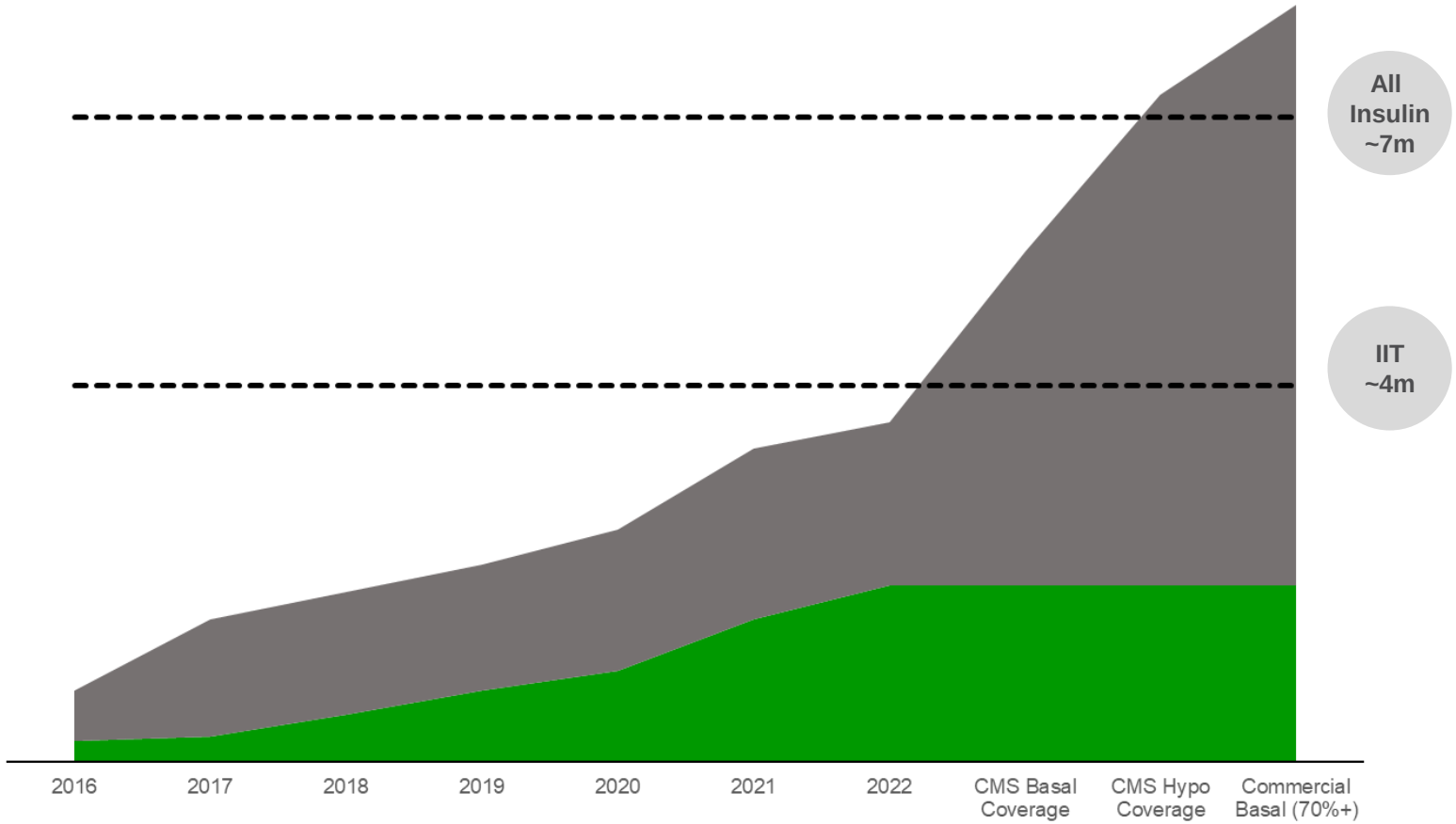
1. Dexcom, data on file, 2022

# Core US Market

Momentum and opportunity remain significant

With coverage for basal insulin users and problematic hypoglycemia there is more people with access to CGM than ever before

**Insulin & Non-Insulin Hypoglycemia Population**




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

# Commercial Access Efforts Empower our Customers

Meeting our customers where they want to be met in either the pharmacy or durable medical equipment channels



Simple to Prescribe



Broad Customer Access



Efficient Service Model

**Dexcom is the number one covered and most reimbursed CGM on the market[1]**

1. Managed Markets Insights & Technology, LLC. MMIT Analytics, October 2023

# Commercial Execution

Growing presence within primary care

## STRATEGIC INITIATIVES

01 Drove reimbursement through **clinical evidence (MOBILE study)**

02 **Doubled size** of sales force in 2021

03 Introduced **sampling program** to highlight the Dexcom experience

04 **Empowered sales team** with digital tools



Over the past two years[1]:

- **We doubled** total primary care prescriber base
- **We doubled** the average monthly new patients starting in primary care

1. Data reflects year-end 2022.

# Gaining Market Share Internationally

- Entering new geographies
- Reducing administrative barriers
- Gaining reimbursement
- Leveraging e-commerce platform
- Going direct in strategic markets



Well-positioned to extend growth momentum OUS

# Dexcom's Portfolio Strategy: Meeting the Needs of Each Market

## Broad Reimbursement



**G-Series**

- Leading Accuracy & Connectivity

## Tiered Reimbursement Markets



**G-Series**

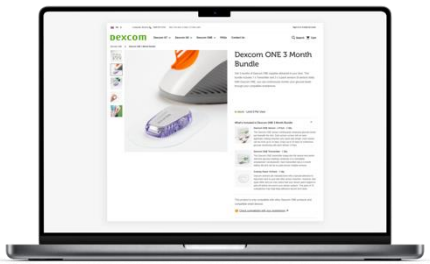
- Connected & Higher-Risk Populations




**Dexcom ONE**

- Simple & Accurate

## Limited Reimbursement



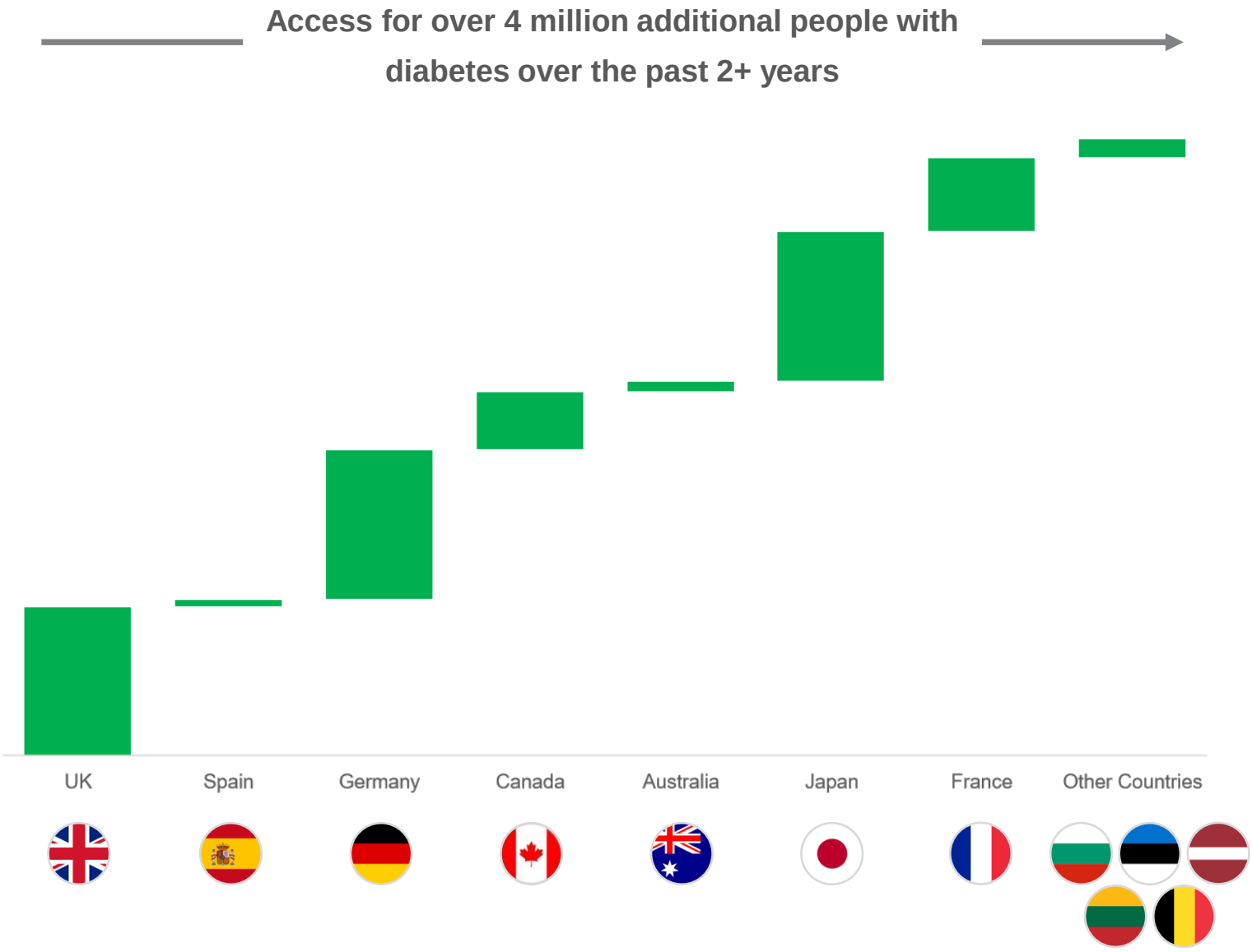
**Dexcom ONE**

- E-Commerce Accessibility

# OUS Markets

Significantly improving access

We have successfully expanded coverage for G-Series and Dexcom ONE




*Estimated Reimbursed Population based on Dexcom market research.



Type 2 Diabetes

# 3 Elements of an Effective Solution

- User Engagement
- Health Outcomes
- Return on Investment

# Type 2 Diabetes: 3 Elements of an Effective Solution



## User Engagement

Sustained engagement demonstrated in non-intensive studies

Example: MOBILE results suggested **patient engagement** was the most likely source of improved glycemic control[1]



## Health Outcomes

Evidence generation through clinical trials, real-world evidence, and pilots with key partners

Example: Recent study demonstrated **broad cardio / metabolic outcomes** with improved glucose control[2]



## Return on Investment

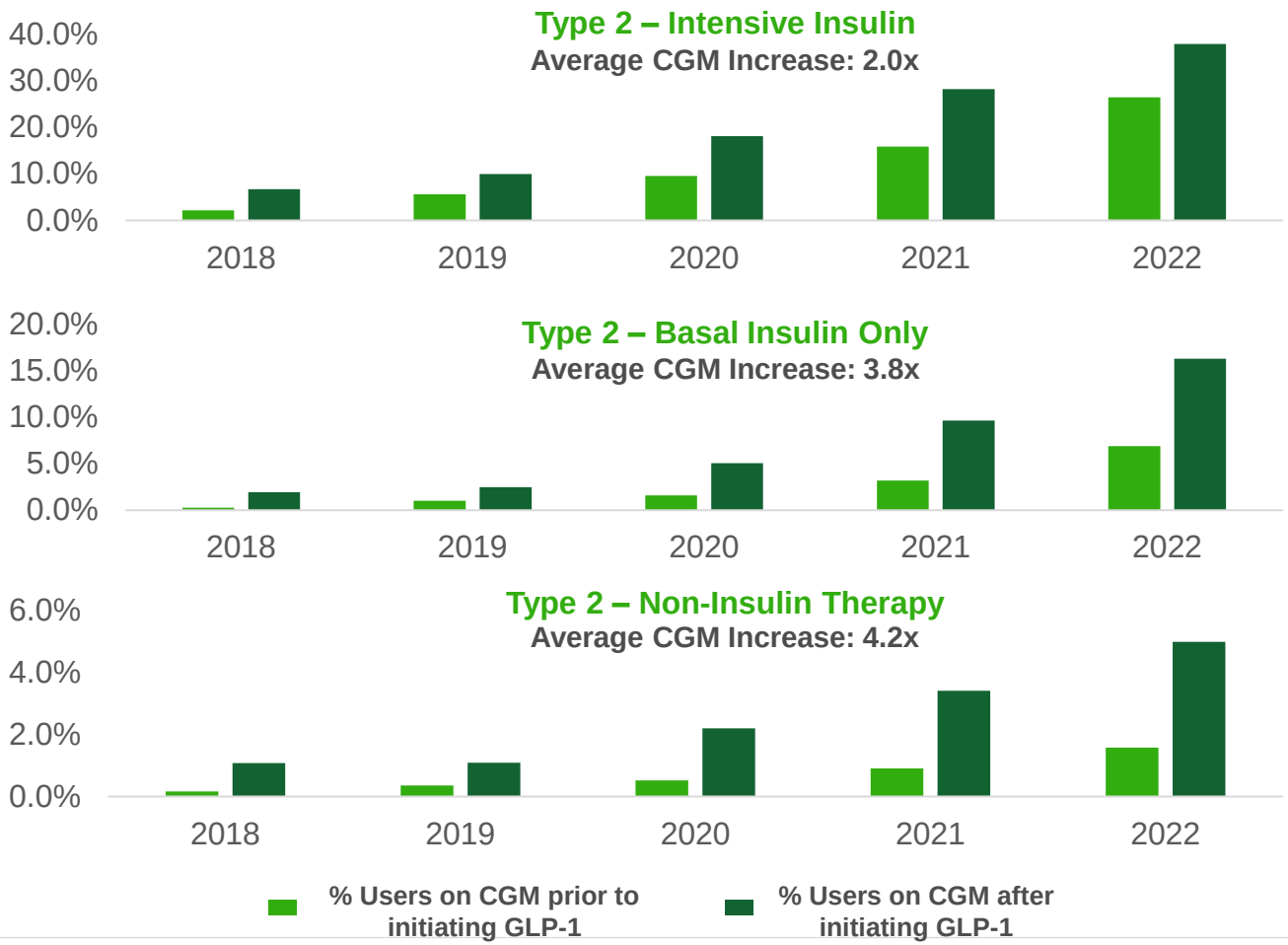
Strong economic return to payers

Example: Multiple studies demonstrate **cost savings** per member per month of $400+[3,4]

1. https://jamanetwork.com/journals/jama/article-abstract/2780595
2. 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).
3. 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.
4. Includes real-world claims data for a combination of Type 2 intensive and non-intensive Dexcom customers. Link here

# Across All Segments of T2D, CGM Use Increases with GLP-1 Initiation...

## % CGM usage for those initiating GLP-1 therapy in each year




## CLINICAL DRIVERS OF CGM USE WITH GLP-1

Provides **insights and behavior modification** required for long-term metabolic health

**Supports dose titration** for therapeutic regimen, as recommended in GLP-1 labeling

Helps enable **durability of health outcomes**

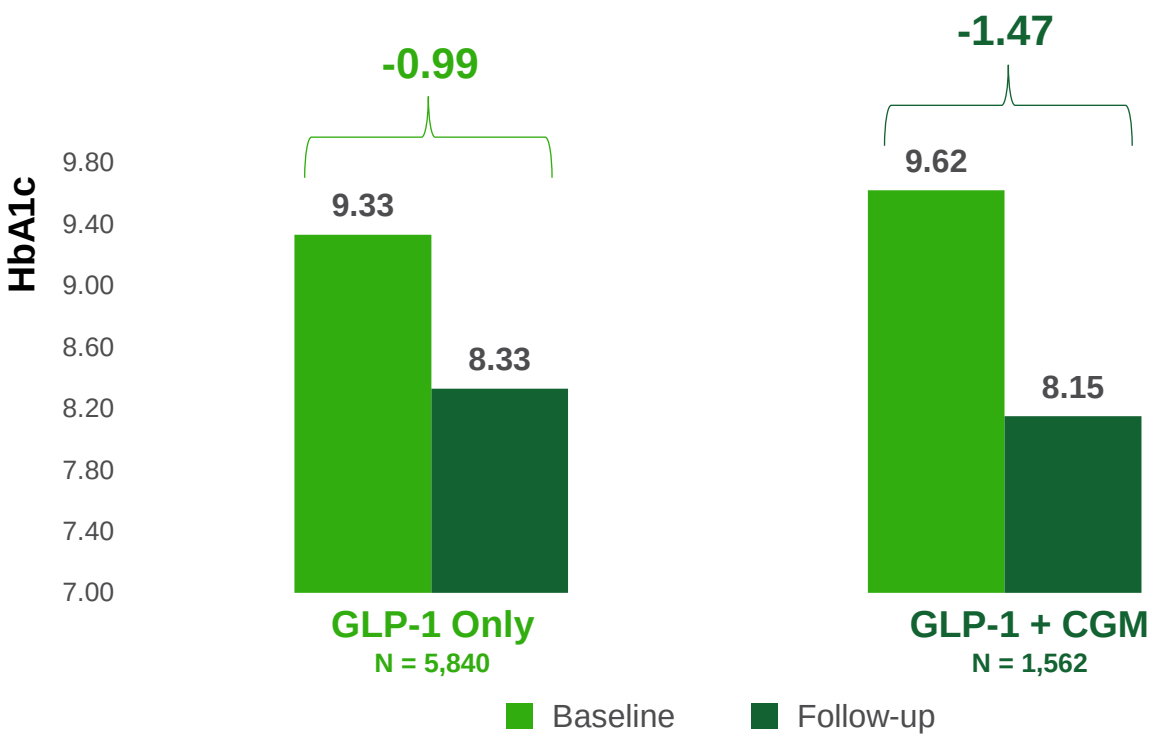
**Increasing access and simplicity** of CGM systems supports continued acceleration of CGM adoption across all T2D segments, including with GLP-1 use

Source: Optum's de-identified Clinformatics® Data Mart Database, includes commercial and Medicare Advantage members.

# …and Adds **Additional Clinical Value** Beyond GLP-1 Alone

**Real-world data show clinically significant A1c reductions when people with uncontrolled Type 2 diabetes use CGM *in addition to* semaglutide or tirzepatide**

People with uncontrolled Type 2 diabetes on semaglutide or tirzepatide[1]






An even **greater reduction** was seen in GLP-1 users + **Dexcom CGM** (-1.83%)

Similar results are **evident across all segments of Type 2 diabetes**

1. Data from US payer claims. Baseline and follow-up periods are both 6-month windows. Uncontrolled includes people with HbA1c ≥8%. GLP-1 + CGM graph cohort includes all CGM brands.

Our Mission:

# Empowering people to take control of *health*



## Where We Are

- Type 1
- Type 2 IIT
- Type 2 Basal-Only
- Type 2 Problematic Hypo (Non-Insulin)

## Where We Are Going

- Type 2 Non-Insulin
- Pre-Diabetes
- Gestational Diabetes
- Patient Monitoring
- Health & Wellness


This is our
WHY
dexcom