

Insulet

# Q3'24 Earnings

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November 7, 2024

**Mattie**  
Podder  
since 2010



# Forward Looking Statement

This presentation contains forward-looking statements regarding, among other things, future operating and financial performance, product success and efficacy, the outcome of studies and trials and the approval of products by regulatory bodies. These forward-looking statements are based on management's current beliefs, assumptions and estimates and are not intended to be a guarantee of future events or performance. If management's underlying assumptions turn out to be incorrect, or if certain risks or uncertainties materialize, actual results could vary materially from the expectations and projections expressed or implied by the forward-looking statements.

Risks and uncertainties include, but are not limited to our dependence on a principal product platform; the impact of competitive products, technological change and product innovation; our ability to maintain an effective sales force and expand our distribution network; our ability to maintain and grow our customer base; our ability to scale the business to support revenue growth; our ability to secure and retain adequate coverage or reimbursement from third-party payors; the impact of healthcare reform laws; our ability to design, develop, manufacture and commercialize future products; unfavorable results of clinical studies, including issues with third parties conducting any studies, or future publication of articles or announcement of positions by diabetes associations or other organizations that are unfavorable; our ability to protect intellectual property and other proprietary rights; potential conflicts with the intellectual property of third parties; our inability to maintain or enter into new license or other agreements with respect to continuous glucose monitors, data management systems or other rights necessary to sell our current product and/or commercialize future products; worldwide macroeconomic and geopolitical uncertainty as well as risks associated with public health crises and pandemics, including government actions and restrictive measures implemented in response, supply chain disruptions, delays in clinical trials, and other impacts to the business, our customers, suppliers, and employees; international business risks, including regulatory, commercial and logistics risks; the potential violation of anti-bribery/anti-corruption laws; the concentration of manufacturing operations and storage of inventory in a limited number of locations; supply problems or price fluctuations with sole source or third-party suppliers on which we are dependent; failure to retain key suppliers or other manufacturing issues; challenges to the future development of our non-insulin drug delivery product line; failure of our contract manufacturer or component suppliers to comply with the U.S. Food and Drug Administration's quality system regulations; extensive government regulation applicable to medical devices as well as complex and evolving privacy and data protection laws; adverse regulatory or legal actions relating to current or future Omnipod products; potential adverse impacts resulting from a recall, discovery of serious safety issues, or product liability lawsuits relating to off-label use; breaches or failures of our product or information technology systems, including by cyberattack; loss of employees or inability to identify and recruit new employees; risks associated with potential future acquisitions or investments in new businesses; ability to generate sufficient cash to service our indebtedness or raise additional funds on acceptable terms or at all; the volatility of the trading price of our common stock; risks related to the conversion of outstanding Convertible Senior Notes; and potential limitations on our ability to use our net operating loss carryforwards.

For a further list and description of these and other important risks and uncertainties that may affect our future operations, see Part I, Item 1A - Risk Factors in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, which we may update in Part II, Item 1A - Risk Factors in Quarterly Reports on Form 10-Q we have filed or will file hereafter. Any forward-looking statement made in this presentation speaks only as of the date of this presentation. Insulet does not undertake to update any forward-looking statement, other than as required by law.

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# Non-GAAP Financial Measures

The Company uses the following non-GAAP financial measures:

- Constant currency revenue growth, which represents the change in revenue between current and prior year periods using the exchange rate in effect during the applicable prior year period. Insulet presents constant currency revenue growth because management believes it provides meaningful information regarding the Company's results on a consistent and comparable basis. Management uses this non-GAAP financial measure, in addition to financial measures in accordance with generally accepted accounting principles in the United States (GAAP), to evaluate the Company's operating results. It is also one of the performance metrics that determines management incentive compensation.
- Adjusted gross margin, adjusted gross margin as a percentage of revenue, adjusted operating income, and adjusted operating income as a percentage of revenue, exclude the impact of certain significant transactions or events, such as legal settlements and medical device corrections, that affect the period-to-period comparability of our operating performance, as applicable.

Insulet presents the above non-GAAP financial measures because management uses them as supplemental measures in assessing the Company's performance, and the Company believes they are helpful to investors, and other interested parties as measures of comparative operating performance from period to period. They also are commonly used measures in determining business value and the Company uses them internally to report results.

These non-GAAP financial measures should be considered supplemental to, and not a substitute for, the Company's reported financial results prepared in accordance with GAAP. Furthermore, the Company's definition of these non-GAAP measures may differ from similarly titled measures used by others. Because non-GAAP financial measures exclude the effect of items that will increase or decrease the Company's reported results of operations, Insulet strongly encourages investors to review the Company's consolidated financial statements and publicly filed reports in their entirety. See appendix for a reconciliation of each non-GAAP financial measure to the most directly comparable GAAP financial measure.

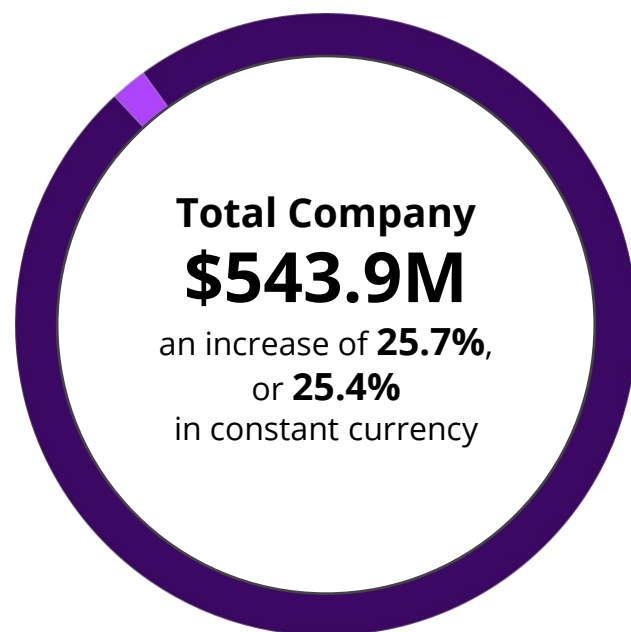
# Insulet Abbreviations and Acronyms

<b>AI</b>	Artificial Intelligence	<b>G6</b>	Dexcom G6 Sensor
<b>AID</b>	Automated Insulin Delivery	<b>G7</b>	Dexcom G7 Sensor
<b>bps</b>	Basis Points	<b>MDI</b>	Multiple Daily Injections
<b>CGM</b>	Continuous Glucose Monitoring	<b>NCS</b>	New Customer Starts
<b>FDA</b>	Food and Drug Administration	<b>T1D</b>	Type 1 Diabetes
<b>FMR</b>	Full Market Release	<b>T2D</b>	Type 2 Diabetes
<b>FSL2</b>	Abbott FreeStyle Libre 2 Plus Sensor	<b>YoY</b>	Year-over-Year

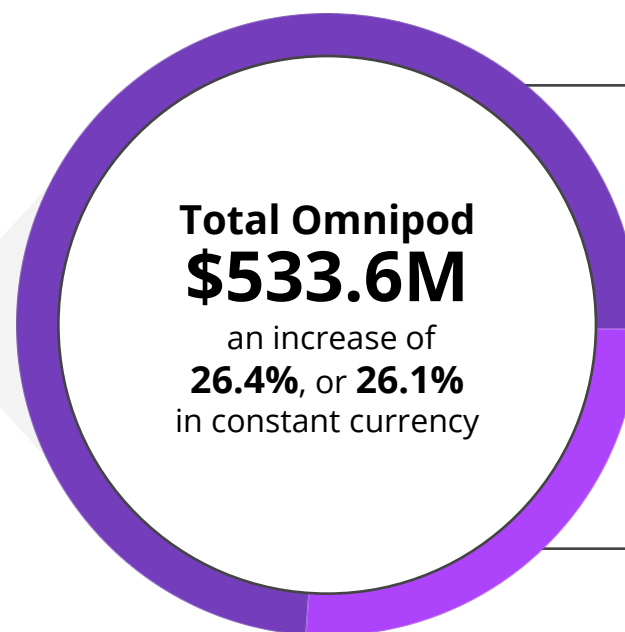
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# Q3'24 Financial Highlights<sup>1</sup>

## Total Revenue



## Omnipod Revenue by Geography



U.S. Omnipod  
**\$395.6M**  
an increase of **23.4%**

International Omnipod  
**\$138.0M**  
an increase of **36.1%**, or  
**34.8%** in constant currency

## Other Financial Highlights

*Gross Margin*

**69.3%**  
up 150 bps

*Operating Margin*

**16.2%**  
up 350 bps

# Recent Strategic Highlights



## U.S.



Received FDA clearance for Omnipod 5 for T2D in the U.S.<sup>1</sup> making Omnipod 5 the first and only AID system indicated for both T1D and T2D



Launched FMR of the Omnipod 5 App for iPhone



## International



Omnipod named the Number One insulin pump for new pump users in Europe<sup>2</sup>



Celebrated grand opening of 400,000 square-foot manufacturing facility in Malaysia



## Clinical & Other



Published results in Diabetes Care demonstrating improved glycemic control and psychosocial outcomes in adults with T1D compared to pump therapy with CGM<sup>3</sup>

1. The expanded indication for the Omnipod 5 AID System is indicated for use for people with T2D ages 18 years and older in the U.S.

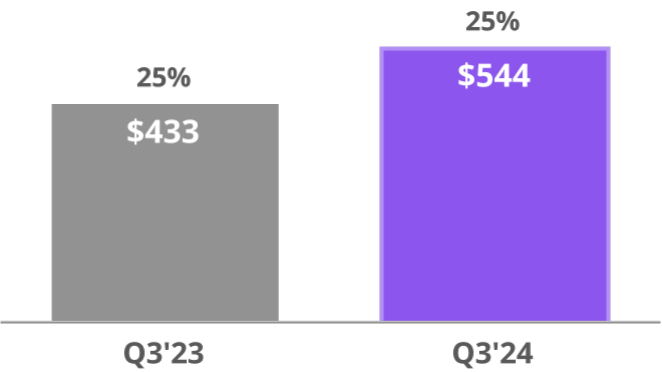
2. Source: Insulet data on file.

3. Renard E et al. Diabetes Care.2024; 47(12):1-10. <https://doi.org/10.2337/dc24-1550>. Results are from Insulet's first international randomized controlled trial of Omnipod 5 and demonstrated a 17.5% increase in time in range in those with high baseline A1c.

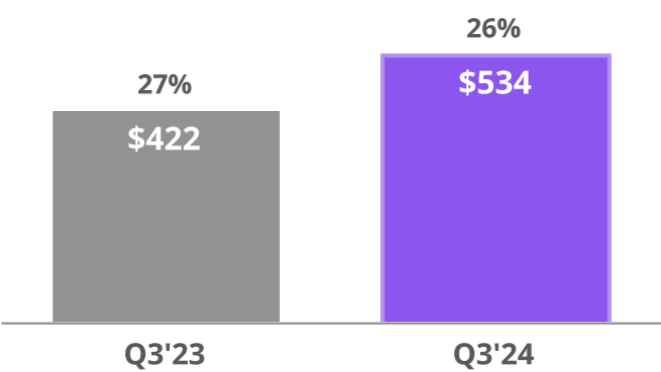
# Q3'24 Revenue & Margin Performance

\$s in Millions

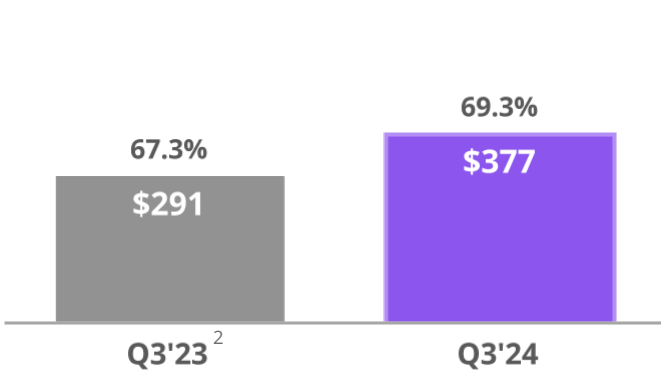
Total Revenue<sup>1</sup>



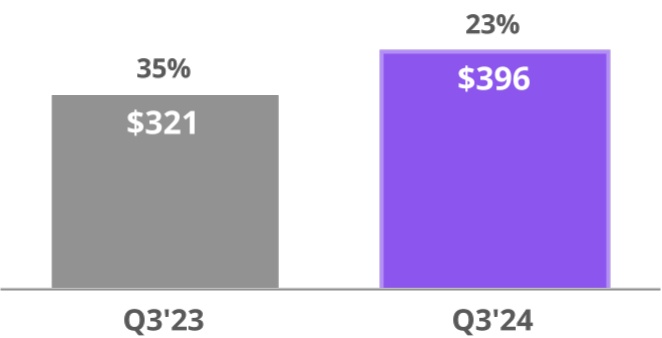
Total Omnipod<sup>1</sup>



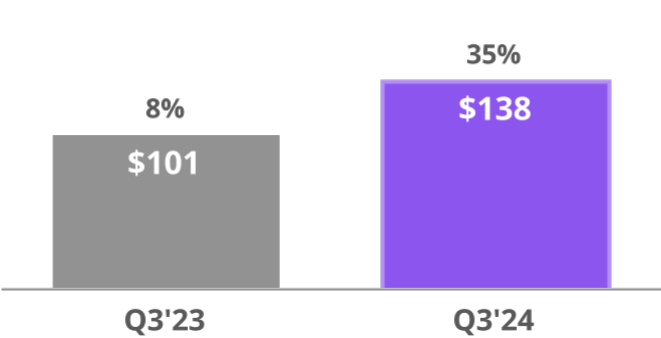
Gross Profit & Margin (adjusted)



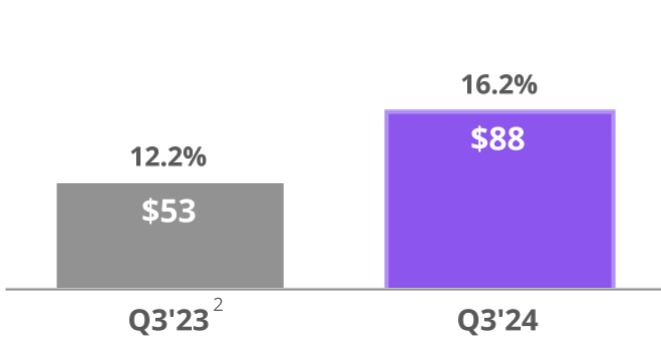
U.S. Omnipod<sup>1</sup>



International Omnipod<sup>1</sup>



Operating Income & Margin (adjusted)



1. Growth rates are on a YoY basis and are in constant currency. See description of non-GAAP financial measures contained in this presentation and non-GAAP reconciliation in appendix.  
2. For the periods indicated, gross profit and operating income are adjusted to exclude certain items. Refer to non-GAAP reconciliations in appendix for additional information.





## Q3'24 Key Commercial Metrics

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**Over 85%**

of U.S. NCS were MDI

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**Over 25%**

of U.S. NCS were type 2

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**Majority**

of international NCS were  
Omnipod 5

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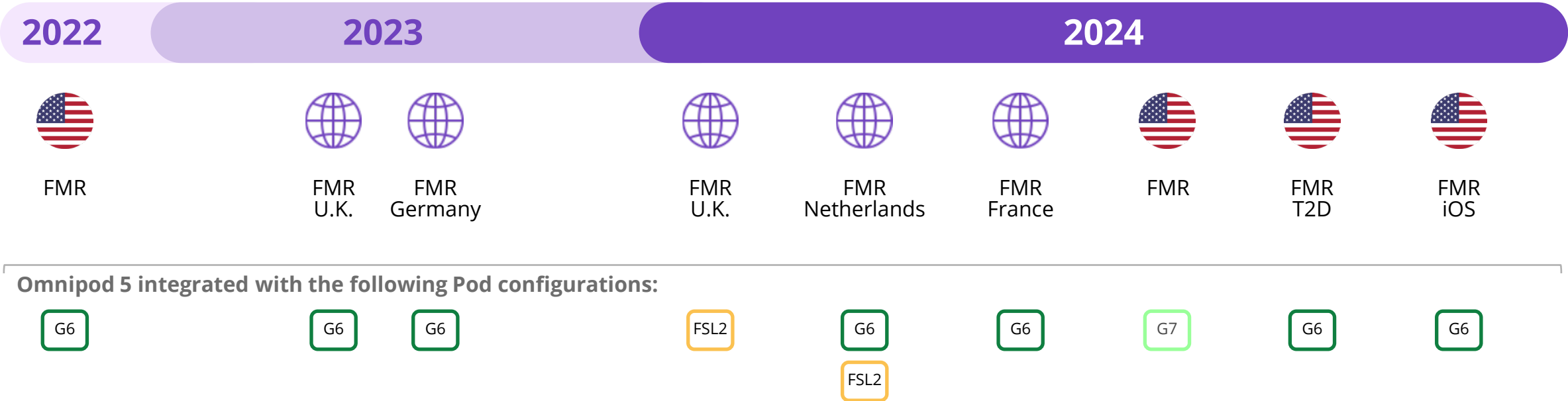
**Nearly 100%**

of U.S. volume  
through pharmacy

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# Omnipod 5 Commercial Execution



Upcoming Commercial Launches

 **Omnipod 5 w/ Libre 2 Plus** expected by year-end 2024



**Multiple countries** (Italy, the Nordics, Canada, Australia, Switzerland, Belgium, and Israel) starting in early 2025



**Omnipod 5 w/ G7** expected in 1H 2025



**Omnipod 5 w/ iOS & G7** expected in 1H 2025

Innovation Pipeline

> Data Products

> Next-generation algorithms

> Next-generation hardware

> AI/machine-learning based data products

# 2024 Guidance Highlights<sup>1</sup>

## Revenue Guidance<sup>2</sup>

Q4'24  
Revenue

**12% to 15%**

*~23% normalized  
at the midpoint<sup>3</sup>*

**9% to 12%**  
**U.S. Omnipod**

*~21% normalized  
at the midpoint<sup>3</sup>*

**30% to 33%**  
**International Omnipod**

**13% to 16%**  
**Total Omnipod**  
*~24% normalized  
at the midpoint<sup>3</sup>*

FY 2024  
Revenue **Raise**

**20% to 21%**

Previously  
16% to 19%

**19% to 21%**  
**U.S. Omnipod**  
(Previously 18% to 21%)

**25% to 27%**  
**International Omnipod**  
(Previously 18% to 21%)

**21% to 22%**  
**Total Omnipod**  
(Previously 18% to 21%)

## Margin Guidance

FY 2024  
Gross Margin

**~69%**

Previously 68-69%  
(closer to high-end)

FY 2024  
Operating Margin **Raise**

**~14.5%**

Previously  
~14%

## Assumptions & Drivers

- ✓ Continued **strong Omnipod 5 adoption globally**
- ✓ **U.S. & Int'l NCS growth YoY and sequentially** in Q4 fueled by **cascade of innovation**
- ✓ **Market-leading NCS** from MDI
- ✓ Strong growth in T1D and **building foundation in T2D**
- ✓ **Increased commitment to margin expansion**

1. Growth rates are on a YoY basis and are in constant currency. See description of non-GAAP financial measures contained in this presentation and non-GAAP reconciliation in appendix.

2. See additional guidance metrics in Revenue Guidance Reconciliation contained in this presentation.

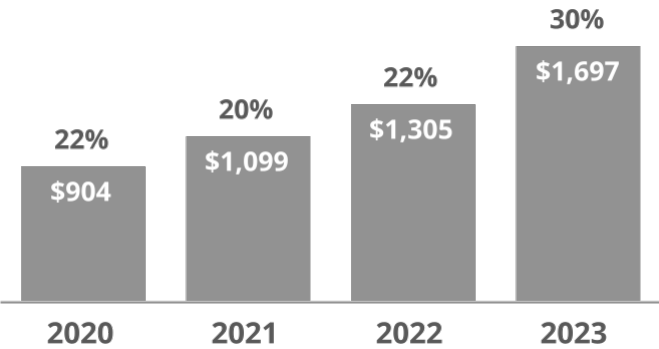
10 3. As previously disclosed, U.S. Omnipod revenue in the fourth quarter of 2023 benefited from two stocking dynamics totaling an estimated \$30 million to \$40 million. The normalized growth rates shown above exclude these two stocking dynamics from fourth quarter of 2023.

# Appendix

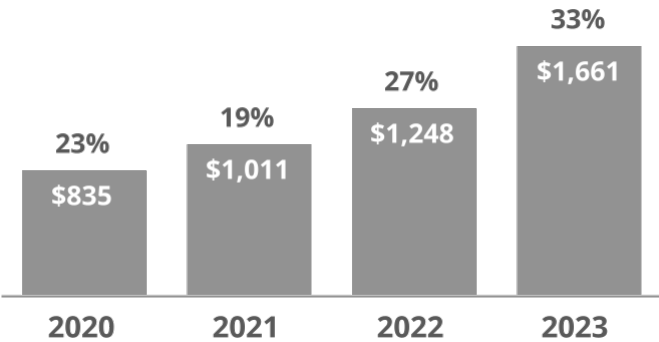
# Historical Financial Performance

\$s in Millions

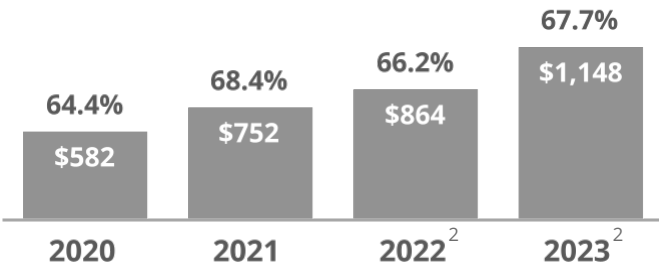
Total Revenue<sup>1</sup>



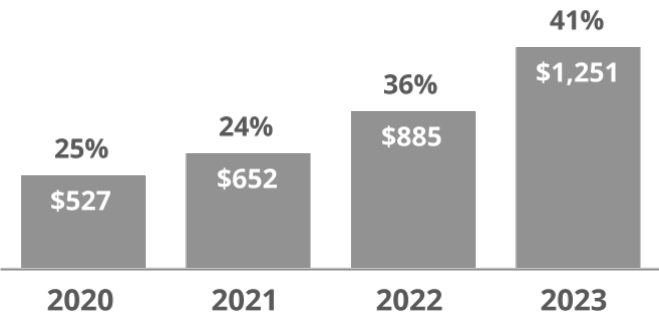
Total Omnipod<sup>1</sup>



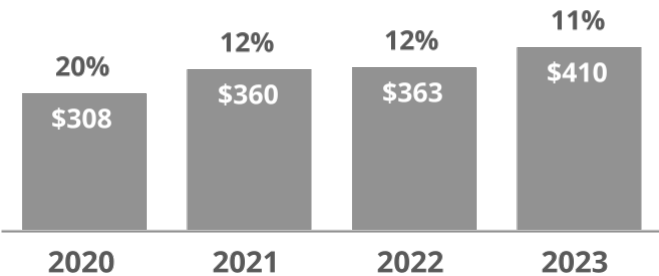
Gross Profit & Margin (adjusted)



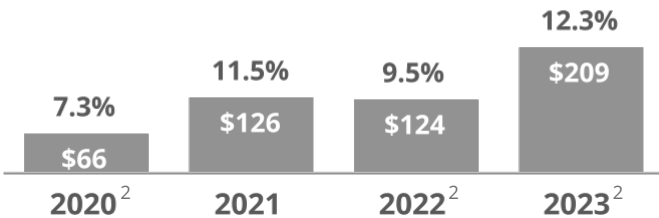
U.S. Omnipod<sup>1</sup>



International Omnipod<sup>1</sup>



Operating Income & Margin (adjusted)



1. Growth rates are on a YoY basis and are in constant currency. See description of non-GAAP financial measures contained in this presentation and non-GAAP reconciliation in appendix.  
2. For the periods indicated, gross profit and operating income are adjusted to exclude certain items. Refer to non-GAAP reconciliations in appendix for additional information.

# Non-GAAP Reconciliation — Revenue Guidance

## Year Ending December 31, 2024

	Revenue Growth GAAP			Currency Impact	Constant Currency		
U.S. Omnipod	19%	to	21%	—%	19%	to	21%
International Omnipod	26%	to	28%	1%	25%	to	27%
<b>Total Omnipod</b>	<b>21%</b>	<b>to</b>	<b>22%</b>	<b>—%</b>	<b>21%</b>	<b>to</b>	<b>22%</b>
Drug Delivery	(10)%	to	(5)%	—%	(10)%	to	(5)%
<b>Total Revenue</b>	<b>20%</b>	<b>to</b>	<b>21%</b>	<b>—%</b>	<b>20%</b>	<b>to</b>	<b>21%</b>

## Three Months Ended December 31, 2024

	Revenue Growth GAAP			Currency Impact	Constant Currency		
U.S. Omnipod	9%	to	12%	—%	9%	to	12%
International Omnipod	31%	to	34%	1%	30%	to	33%
<b>Total Omnipod</b>	<b>13%</b>	<b>to</b>	<b>16%</b>	<b>—%</b>	<b>13%</b>	<b>to</b>	<b>16%</b>
Drug Delivery	(20)%	to	(15)%	—%	(20)%	to	(15)%
<b>Total Revenue</b>	<b>12%</b>	<b>to</b>	<b>15%</b>	<b>—%</b>	<b>12%</b>	<b>to</b>	<b>15%</b>

# Reconciliation of Historical Non-GAAP Measures

	FY 2023	% of Revenue	FY 2022	% of Revenue	FY 2021	% of Revenue	FY 2020	% of Revenue	Q3'2024	% of Revenue	Q3'2023	% of Revenue
<b>Total Revenue</b>												
GAAP Growth Rate	30.0%		18.8%		21.5%		22.5%		25.7%		27.0%	
Less: Currency Impact	0.4%		(3.7)%		1.8%		0.6%		0.3%		1.9%	
<b>Constant Currency</b>	<b>29.6%</b>		<b>22.5%</b>		<b>19.7%</b>		<b>21.9%</b>		<b>25.4%</b>		<b>25.1%</b>	
<b>Total Omnipod Revenue</b>												
GAAP Growth Rate	33.1%		23.4%		21.1%		24.0%		26.4%		29.4%	
Less: Currency Impact	0.4%		(4.0)%		1.9%		0.7%		0.3%		1.9%	
<b>Constant Currency</b>	<b>32.7%</b>		<b>27.4%</b>		<b>19.2%</b>		<b>23.3%</b>		<b>26.1%</b>		<b>27.5%</b>	
<b>International Omnipod Revenue</b>												
GAAP Growth Rate	13.0%		0.9%		16.9%		21.7%		36.1%		15.2%	
Less: Currency Impact	1.6%		(11.2)%		5.3%		1.8%		1.3%		7.2%	
<b>Constant Currency</b>	<b>11.4%</b>		<b>12.1%</b>		<b>11.6%</b>		<b>19.9%</b>		<b>34.8%</b>		<b>8.0%</b>	
<b>Gross Profit</b>												
	\$ 1,159.9	68.3%	\$ 805.6	61.7%	\$ 752.1	68.4%	\$ 582.3	64.4%	\$ 377.1	69.3%	\$ 293.3	67.8%
Voluntary MDCs <sup>1</sup>	(11.5)		57.9		—		—		—		(1.9)	
<b>Adjusted Gross Profit</b>	<b>\$ 1,148.4</b>	<b>67.7%</b>	<b>\$ 863.5</b>	<b>66.2%</b>	<b>\$ 752.1</b>	<b>68.4%</b>	<b>\$ 582.3</b>	<b>64.4%</b>	<b>\$ 377.1</b>	<b>69.3%</b>	<b>\$ 291.4</b>	<b>67.3%</b>
<b>Operating Income</b>												
	\$ 220.0	13.0%	\$ 37.6	2.9%	\$ 126.0	11.5%	\$ 51.5	5.7%	\$ 88.1	16.2%	\$ 54.8	12.7%
Voluntary MDCs <sup>1</sup>	(11.5)		57.9		—		—		—		(1.9)	
Legal Costs <sup>2</sup>	—		25.2		—		—		—		—	
CEO Transition Costs <sup>3</sup>	—		3.4		—		—		—		—	
Cumulative Amortization <sup>4</sup>	—		—		—		14.6		—		—	
<b>Adjusted Operating Income</b>	<b>\$ 208.5</b>	<b>12.3%</b>	<b>\$ 124.1</b>	<b>9.5%</b>	<b>\$ 126.0</b>	<b>11.5%</b>	<b>\$ 66.1</b>	<b>7.3%</b>	<b>\$ 88.1</b>	<b>16.2%</b>	<b>\$ 52.9</b>	<b>12.2%</b>

1. Represents estimated cost (income) associated with the voluntary voluntary medical device correction (MDC) notices, which are included in cost of revenue.

2. Includes a \$20.0 million charge to settle patent infringement litigation, associated legal fees, and a charge to settle a contract dispute.

3. Represents costs associated with the retirement and advisory services of the former CEO, including \$2.3 million of accelerated stock-based compensation expense.

4. Represents cumulative amortization expense related to the resolution of a purchase price contingency with a former European distributor.