
iRHYTHM[®]

Investor Presentation

August 2022



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We discover signals early, to improve life.

Cardiac arrhythmia burden in the U.S. is immense

PREVALENCE

11M

with
arrhythmias

40%

Lifetime risk of AFib
for individuals over 55

CONSEQUENCES

5x

Increased risk of stroke
due to Atrial Fibrillation (AFib)

130,000

Deaths per year
associated with AFib

FINANCIAL BURDEN

750,000

Hospitalizations per year
due to AFib

\$34B

Annual cost
of stroke



Zio Patient

Real-life patient experience:

62-year-old male experiencing palpitations received a Holter monitor. No arrhythmia found.

Palpitations continued and was put on an Event monitor. No arrhythmia found.

Palpitations continued and was admitted to the hospital not knowing what was wrong with him.

Received a Zio and was diagnosed with AFib within 14-day wear time.

Total hospital bill was over \$20,000 and the patient was unable to pay for it.

Hospital had to write off all the expenses.

Data on file. Real-life patient experienced gathered from partnering health system, 2020.



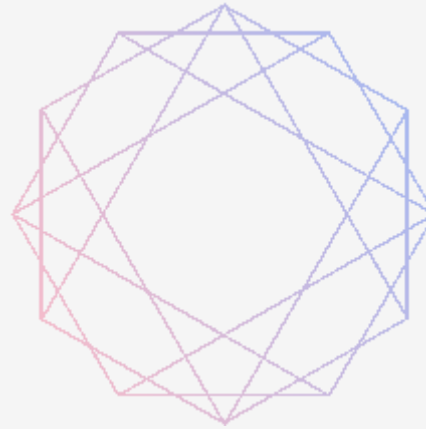
The Zio service redefines the way cardiac arrhythmias are diagnosed



1

PATENTED WEARABLE BIOSENSORS

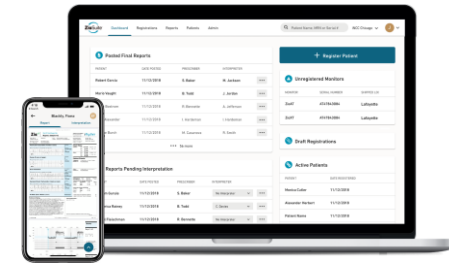
Single-use monitor that
patients prefer



2

AI PLATFORM (34-LAYER DEEP NEURAL NET)

2nd Generation, FDA-cleared,
deep-learned
ECG detection algorithm



3

ACTIONABLE AND SCALABLE DIGITAL PLATFORM

High-quality digital
report delivered via desktop,
mobile or EHR

Zio provides monitoring solutions across the risk spectrum.



Zio XT
Long-term, continuous
ambulatory cardiac monitor

The right test the first time

Comprehensive
final patient report



98%
Patient
compliance

3x
Greater
diagnostic yield
than Holter

99%
Matching to
pacemaker
for AFib burden
detection

99.9%
Physician
agreement



Zio AT
Mobile cardiac telemetry
with continuous recording

The clinically superior MCT

Actionable transmission reports
and comprehensive patient report



98%
Patient
compliance

5 days
Detection up to
5 days sooner

Answers
83%
Diagnostic yield
in only 14 days
of monitoring

99.9%
Physician
agreement

iRhythm by the numbers

4 million patients
served

1 billion hours of
curated ECG data

35+ peer-reviewed
publications

~1,700 employees

iRhythm by the numbers

\$415 - \$420
million in revenue¹

30% Revenue
CAGR²

68.8% gross
margin³

(4.9%) Adjusted
EBITDA margin^{3,4}

\$205 million
in cash⁵

\$35 million
in debt³

1 2022 revenue guidance

2 2018 to 2021 revenue

3 For the three months ended June 30, 2022

4 Non-GAAP measure excluding stock-based compensation expense

5 Consists of cash, cash equivalents and short-term investments as of June 30, 2022

Pillars for growth & value creation

CORE U.S. MARKET

5.6M

Ambulatory cardiac
monitoring tests annually
in the U.S.

INTERNATIONAL EXPANSION

5M+

Ambulatory cardiac
monitoring tests annually
in selected countries

ADJACENT MARKETS

10+M

Individuals in the U.S. with
high risk of undiagnosed
arrhythmias

FOUNDATION FOR A SCALABLE, EFFICIENT INFRASTRUCTURE

\$2+B existing U.S. market opportunity with TAM expansion

8+M

Primary care patients with palpitations and cardiac disease suspected

5.6M

Ambulatory cardiac monitoring tests annually in the U.S.

MARKET DRIVERS:

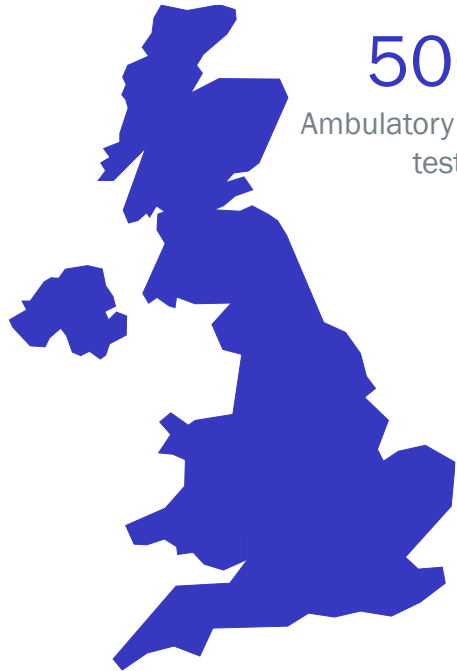
- Increasing prevalence of arrhythmias
- Shift to primary care
- Shift to virtual care
- Post-procedure (e.g., ablation, TAVR) and early-discharge monitoring
- Care pathway efficiencies

iRHYTHM FOCUS:

- Continued market share gains for Zio XT and Zio AT
- Expansion focused on primary care, specialties and product use cases with growth from both existing and new accounts
- Generate and disseminate clinical data and real-world evidence
- Continued innovation

INTERNATIONAL EXPANSION

UNITED KINGDOM
Early commercialization



500,000

Ambulatory cardiac monitoring tests annually

2022 GOALS

Continued growth in the UK private market, demonstrate real-world pathway transformation through AI award and pursue long-term reimbursement

PRIORITIZED EU COUNTRIES
Initiating market access efforts in Sweden, the Netherlands, Germany and France



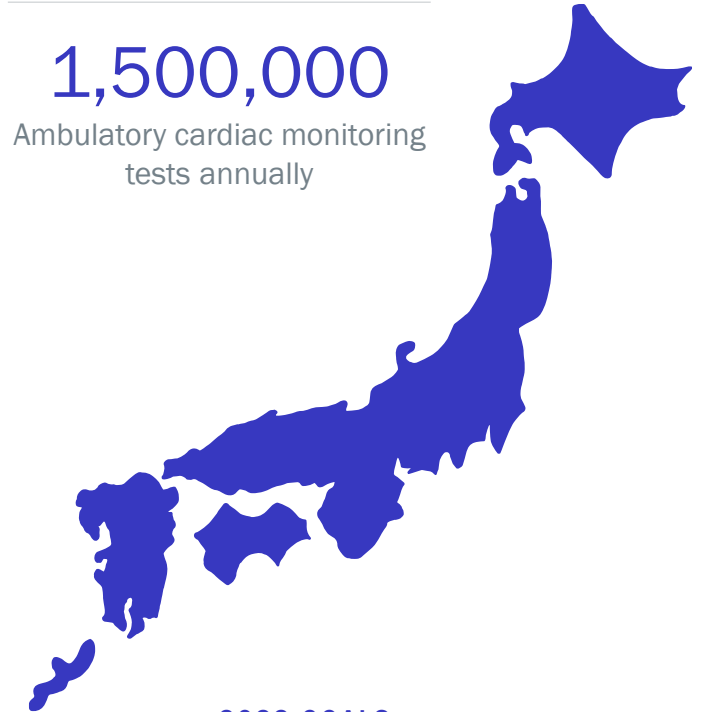
1,700,000+

Ambulatory cardiac monitoring tests annually in target countries

2022 GOALS

Commence market access initiatives in prioritized countries, leveraging CE mark and focusing on market access

JAPAN
Pursuing regulatory approval



1,500,000

Ambulatory cardiac monitoring tests annually

2022 GOALS

Submit Shonin application

International expansion led by continued execution in the UK



Winner of Artificial Intelligence
in Health and Care Award
(September 2020)

—

\$6.8M in funding to bring Zio to select
NHS sites over 3-year program and to
measure clinical, pathway and
economic outcomes



Zio XT received positive
recommendation from NICE
(December 2020)

—

Recommended as an option for people
with suspected cardiac arrhythmias
who would benefit from ECG monitoring
for longer than 24 hours

Silent AFib market opportunity

Moving from reactive to proactive and predictive care

10M+

Individuals with high risk
of undiagnosed arrhythmias

Atrial Fibrillation is a leading risk factor for stroke, heart failure and CV mortality — *early detection can save lives*

NEAR-TERM GOALS:

- Pilot end-to-end care pathway for Silent AFib
- Begin market evaluation of Zio Watch (2023)
- Evaluate adjacent market opportunities

Building clinical evidence to inform clinical guidelines

DATA FROM mSToPS AND GUARD-AF TRIALS



Active screening for AFib, as part of a prospective, pragmatic, direct-to-participant, nationwide study, was associated with significant improvement in clinical outcomes and safety at 3 years relative to routine care.



Initial findings from 11,931 patients in randomized controlled study further validated the Zio service as a viable solution for the early detection of Afib, helping undiagnosed populations effectively seek treatment before more serious problems can occur.

ONGOING AFIB SCREENING TRIALS



SCREEN-AF



CLINICAL GUIDELINES



Opportunistic and systematic screening recommended for certain patients in Europe.



Current evidence is insufficient to recommend screening in U.S.

Continued investment in innovation



2ND GENERATION DEEP-LEARNED ECG DETECTION ALGORITHMS

Using AI to detect:

- Heart beats
- Beat types
- Beat rates

Leads to better diagnostic accuracy and scalability for our service.

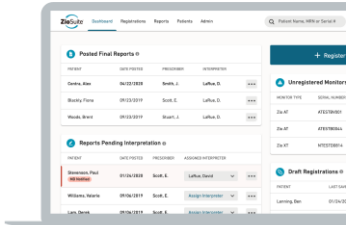


ZIO MONITOR 3RD GENERATION BIOSENSOR

New form factor that is:

- 60% lighter
- 25% smaller
- 30% thinner
- Breathable & waterproof outer layer

Leads to improved patient outcome and experience.



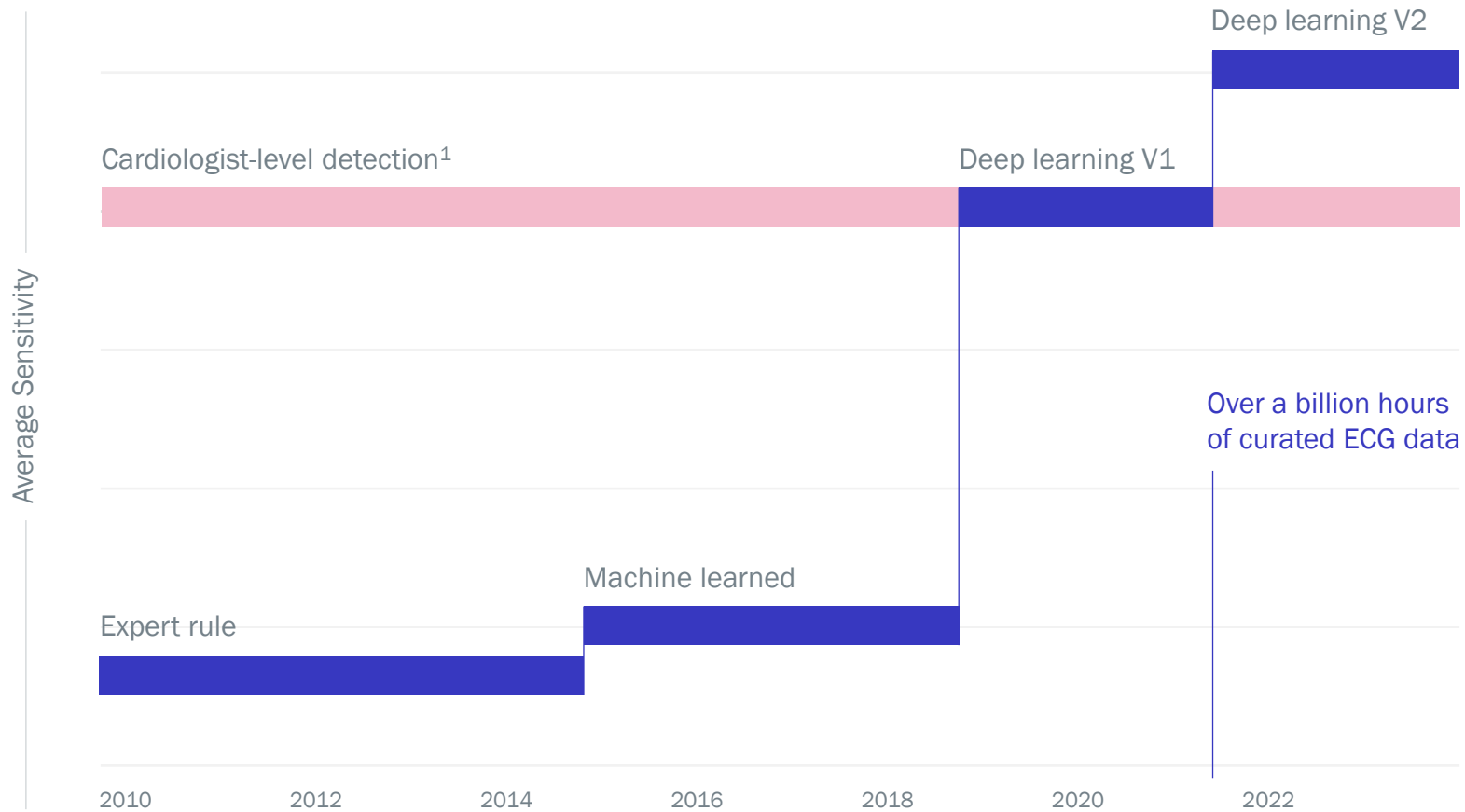
ZIOSUITE 3.0

Combined workflow that is:

- Elegant
- Easy-to-use
- Smart productivity features
- Allows providers to enroll, track, manage and interpret reports with ease

Smooth workflow for a simplified provider experience.

Our algorithm meets or exceeds cardiologist-level detection



Deep Learning offers a step-function improvement, delivered by data and AI expertise

¹ Nature Medicine 25, 65–69 (2019)

iRHYTHM[®] + verily

AFIB MONITORING UNMET NEED:

Long-term,
Patient-compliant,
Non-invasive,
Low-cost

and

Diagnostic-grade,
AFib monitoring service



ENABLED BY:

AI-based approach to AFib detection & burden: proprietary ACE algorithm utilizes novel cloud-based neural network with 93.6% interval-level sensitivity and 99.1% specificity¹

Gold standard accuracy: PPG-derived AFib burden was accurate when compared to the Zio XT reference¹

Leveraging Zio Service infrastructure

¹ The Verily Prospective study was designed to evaluate the performance of the Zio Watch's photoplethysmography (PPG) sensor and AF Context Engine (ACE) algorithm in detecting irregular rhythms in subjects at risk of having AFib.

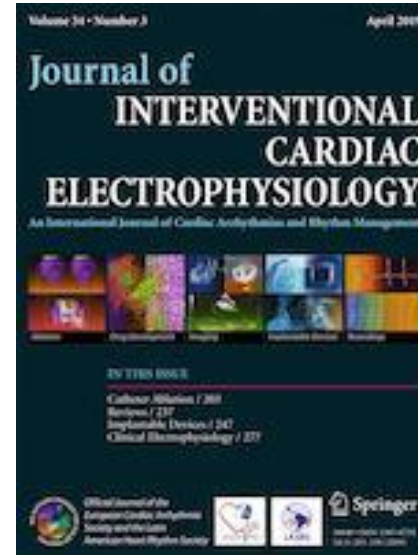
Clinically proven: Over 35 peer-reviewed publications



PROVEN AI ALGORITHMS

iRhythm's deep neural network (DNN) exceeded Board-certified cardiologist ECG sensitivity for all 12 rhythm classes

Improves the accuracy and scalability of ECG analysis, reducing the rate of misinterpretations to improve patient management



NEW "GOLD STANDARD"

Zio XT accurate as an implanted pacemaker in detecting AFib burden and outperforms other external cardiac monitors

Monitor	% failure to detect clinically relevant AFib
Zio XT	0%
CAM	9.5%
Nuubo Vest	23.8%
Event Monitor	38.1%

Reimbursement landscape: three-pronged approach

REGIONAL PRICING (MACS)

CY 2022
Medicare pricing set by MACs

IRTC and industry participants
developed and submitted cost data
under alternative pricing model

In January 2022, Novitas published
CY 2022 rates of \$233 and \$223 for
CPT codes 93247 and 93243,
respectively¹

In April 2022, NGS published CY
2022 rates of \$347 and \$334 for
CPT codes 93247 and 93243,
respectively²

NATIONAL PRICING (CMS)

CMS published CY 2023
Proposed Rule in July 2022 with
proposed payment rates for CPT
codes 93243 and 93247

Implied payment rates ranging
from \$207 to \$295 across the
Company's three IDTFs

Estimated to have an immaterial
impact on overall ASP in CY 2023
vs. CY 2022

Final Rule expected in early
November

COMMERCIAL PRICING

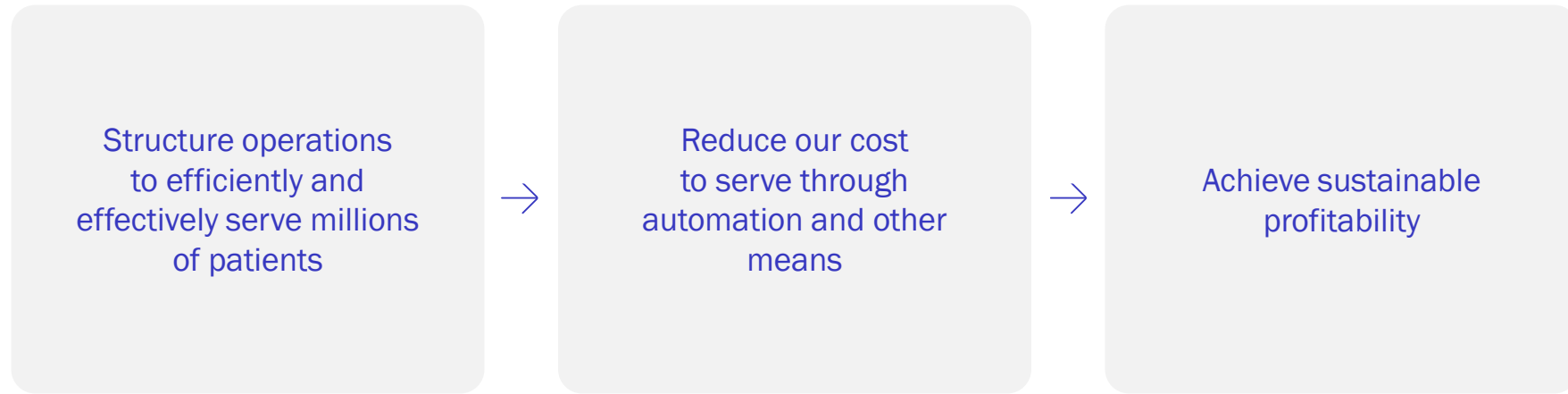
Pricing strategy focused on
providing evidence of Zio XT's high
diagnostic yield, efficiencies, and
improved clinical/economic
outcomes

2021 pricing remained stable;
down low single-digits vs. 2020

¹ Rates based on Houston locality.

² Rates based on Chicago locality.

Creating value through operational efficiency



FOUNDATION FOR A SCALABLE, EFFICIENT INFRASTRUCTURE

Investment highlights

- ✓ iRhythm is redefining the way cardiac arrhythmias are diagnosed
- ✓ A.I. and biosensor technology platform is highly differentiated and highly enabling
- ✓ Multiple pillars for TAM expansion, continued growth and value creation
- ✓ ~25% penetrated in core market with market expansion underway
- ✓ International expansion led by efforts in the UK and Japan with additional countries coming
- ✓ Pursuing significant adjacent market opportunities
- ✓ Building the operational infrastructure and discipline for efficient scaling and profitable revenue growth

Thank you.

Sources

SLIDE

SOURCES

Cardiac arrhythmia burden in the U.S. is immense

Morillo, C., et al. Atrial fibrillation: the current epidemic. *Journal of Geriatric Cardiology*, 2017; *Circulation*, 2018;137:1027-38; Rienstra, M., et al. Symptoms and functional status of patients with atrial fibrillation. *Circulation*, 2012; Atrial Fibrillation Fact Sheet. CDC, published September 27, 2021. Accessed January 7, 2022. https://www.cdc.gov/heartdisease/atrial_fibrillation.htm; Wexler, R., et al. Palpitations: Evaluation in the Primary Care Setting. *Am Fam Physician*, 2017; Probst, M., et al. Analysis of Emergency Department Visits for Palpitations (From the National Hospital Ambulatory Medical Care Survey). *Am J Cardiol*, 2014; Stroke Facts. CDC, published May 25, 2021. Accessed January 7, 2022. <https://www.cdc.gov/stroke/facts.htm>.

iRhythm by the numbers

Data on file, iRhythm Technologies, 2022.

Zio provides monitoring solutions across the risk spectrum

Data on file. iRhythm Technologies, 2019. Tsang, J. et al. Benefits of monitoring patients with mobile cardiac telemetry (MCT) compared with the Event or Holter monitors. *Medical Devices: Evidence and Research*, 2014. Eysenck, W. et al. A randomized trial evaluating the accuracy of AF detection by four external ambulatory ECG monitors compared to permanent pacemaker AF detection. *Journal of Interventional Cardiac Electrophysiology*, 2019. Derkac, W. et al. Diagnostic yield of asymptomatic arrhythmias detected by mobile cardiac outpatient telemetry and auto-trigger looping event cardiac monitors. *Journal of Cardiovascular Electrophysiology*, 2017.

Pillars for growth and value creation

See sources of slides ‘\$2+B existing U.S. market opportunity with TAM expansion,’ ‘UK and Japan + additional countries to follow,’ and ‘Silent AF Market Opportunity.’

\$2+B existing U.S. market opportunity with TAM expansion

Ambulatory Electrocardiography Monitoring Devices, *Medtech 360*, December 2018; US Population per U.S. Census Bureau, published December 5, 2021. Accessed January 7, 2022. <https://simplemaps.com/data/us-zips>; Medicaid enrollees by county as of 2018. Accessed January 7, 2022. <https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Analytics.html>; Ambulatory care use and physician office visits as of 2018. Accessed January 7, 2022. <https://www.cdc.gov/nchs/fastats/physician-visits.htm>; Wexler, R., et al. Palpitations: Evaluation in the Primary Care Setting. *Am Fam Physician*, 2017; Weinstock, C., et al. Evidence-Based Approach to Palpitations. *Med Clin N Am*, 2021.

Sources (continued)

SLIDE

SOURCES

UK and Japan + additional countries to follow

UK: iRhythm estimate. UK Office for National Statistics; Hospital Episode Statistics, NHS Digital, 2019-2020; UK Healthcare Market Review 33ed, LaingBuisson, 2021. Accessed 5 January 2022. <https://www.laingbuisson.com/shop/uk-healthcare-market-review-33ed/>; The UK private health market, Kings Fund, 2014. Accessed 5 January 2022. <https://www.kingsfund.org.uk/sites/default/files/media/commission-appendix-uk-private-health-market.pdf>; NHS England and the Health and Social Care Information Centre, NHS Hospital Data and Datasets: A Consultation. Published July 22, 2013. Accessed January 5, 2022. <https://www.england.nhs.uk/wp-content/uploads/2013/07/hosp-data-consult.pdf>; The Health and Social Care Information Centre, Hospital Episode Statistics (HES): Improving the quality and value of hospital data. Published 2011. Accessed January 5, 2022. https://www.aomrc.org.uk/wp-content/uploads/2016/05/Hospital_Episode_Statistics_quality_value_data_0511.pdf.
Japan: Japan Ministry of Health Labor and Welfare. *Additional countries:* Expert consultant analysis and iRhythm estimates. Australian Government Department of Health; Statistics Canada; Federal Statistical Office of Germany and Gesundheitsberichterstattung; Dutch Healthcare Authority; Swedish ICD & Pacemaker Registry and Swedish Society for Clinical Physiology; eHealth Ireland and Primary Care Reimbursement Service Ireland; Global population and healthcare spend per capita, World Bank, 2019 and 2020. Accessed 5 January 2022. <https://data.worldbank.org>; The Burden of Cardiovascular Disease and Diabetes, OECD, 2011. Accessed 5 January 2022. https://read.oecd-ilibrary.org/social-issues-migration-health/cardiovascular-disease-and-diabetes-policies-for-better-health-and-quality-of-care_9789264233010-en.

Silent AFib Market Opportunity

AHA Heart Disease and Stroke Statistics; Nationwide Inpatient Sample; U.S. Census Bureau, Chiang, C. et al Distribution and Risk Profile of Paroxysmal, Persistent, and Permanent Atrial Fibrillation in Routine Clinical Practice. *Circ Arrhythm Electrophysiol*, 2012. Turakhia, M.P. et al. Estimated prevalence of undiagnosed atrial fibrillation in the United States. *PLOS ONE*, 2018; Lin, H. et al. Newly Diagnosed Atrial Fibrillation and Acute Stroke: The Framingham Study. *Stroke*, 1995., National Stroke Association 2019; *BMJ*, 2016;354:i4482; *PLoS ONE*, 2016;11:e0168010; *Am Heart J*, 2018;199:137-43; *Circulation*, 2003;107:2920-5.

Building clinical evidence to inform clinical guidelines

Steinhubl, S., et al. Three year clinical outcomes in a nationwide, observational, siteless clinical trial of atrial fibrillation screening—mHealth Screening to Prevent Strokes (mSToPS). *PLOS One*, 2021. Daniel E. Singer et al. A Randomized Clinical Trial Of Screening For Atrial Fibrillation With A 14-day Patch Monitor: Analysis Of ECG Recordings From The Guard-AF Study. Presented at: American College of Cardiology's 71st Annual Scientific Session & Expo; April 2-4, 2022; Washington, DC.

Silent AFib Market Development

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Clinically proven: Over 35 peer-reviewed publications

Hannun, A.Y., et al. Cardiologist-level arrhythmia detection and classification in ambulatory electrocardiograms using a deep neural network. *Nature Medicine*, 2019. Eysenck, W., et al. A randomized trial evaluating the accuracy of AF detection by four external ambulatory ECG monitors compared to permanent pacemaker AF detection. *Journal of Interventional Cardiac Electrophysiology*, 2019.