



**InfuSystem**<sup>®</sup>

SAFE. SMART. TRUSTED.<sup>SM</sup>

Helping People Live Longer and  
Healthier Lives

Investor Presentation

November 9, 2023 | (NYSE American: INFU)

# Forward-Looking Statements / Non-GAAP Measures

## Forward-Looking Statements

Certain statements contained in this presentation are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, such as statements relating to future actions, our share repurchase program and capital allocation strategy, business plans, strategic partnerships, growth initiatives, objectives and prospects, future operating or financial performance, guidance and expected new business relationships and the terms thereof (including estimated potential revenue under new or existing contracts). The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “goal,” “expect,” “strategy,” “future,” “likely,” variations of such words, and other similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Forward-looking statements are subject to factors, risks and uncertainties that could cause actual results to differ materially, including, but not limited to, our ability to successfully execute on our growth initiatives and strategic partnerships, our ability to enter into definitive agreements for the new business relationships on expected terms or at all, our ability to generate estimated potential revenue amounts under new or existing contracts, the uncertain impact of the COVID-19 pandemic, our dependence on estimates of collectible revenue, potential litigation, changes in third-party reimbursement processes, changes in law, global financial conditions and recessionary risks, rising inflation and interest rates, supply chain disruptions, systemic pressures in the banking sector, including disruptions to credit markets, the Company's ability to remediate its previously disclosed material weaknesses in internal control over financial reporting, contributions from acquired businesses or new business lines, products or services and other risk factors disclosed in the Company's most recent annual report on Form 10-K and, to the extent applicable, quarterly reports on Form 10-Q. Our strategic partnerships are subject to similar factors, risks and uncertainties. All forward-looking statements made in this presentation speak only as of the date hereof. InfuSystem does not undertake any obligation to update any forward-looking statements to reflect future events or circumstances, except as required by law.

## Non-GAAP Measures

This presentation contains information prepared in conformity with GAAP as well as non-GAAP financial information. The Company believes that the non-GAAP financial measures presented in this presentation provide useful information to the Company's management, investors and other interested parties about the Company's operating performance because they allow them to understand and compare the Company's operating results during the current periods to the prior year periods in a more consistent manner. This non-GAAP information should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP, and similarly titled non-GAAP measures may be calculated differently by other companies. The Company calculates those non-GAAP measures by adjusting for nonrecurring or non-core items that are not part of the normal course of business and that the Company's management does not believe will have similar comparable year-over-year items. A reconciliation of those measures to the most directly comparable GAAP measures is provided in Appendix A of this presentation.

# Investment Highlights

*Delivering Solutions Promoting Healing,  
Facilitating Outpatient Care, Lowering the Cost  
of Care and Improving Patient Outcomes.*

➤ Enterprise Value\*  
**\$237M**

➤ Market Cap\*  
**\$204M**

➤ Shares Out  
**21.2M**

## Net Revenues



➤ 2022 Adjusted EBITDA  
**\$20.7M**

➤ 2022 Revenue  
**\$109.9M**, Up 7% y/y



➤ Driving Shareholder Value

\*Market data as of November 05, 2023



# Investment Highlights

37-Year History | Long-Term Blue Chip Customer Base



4

## Four Consecutive Years of Record Revenue

- Revenue CAGR: 13%
- Adjusted EBITDA CAGR: 11%

### Business Generates Substantial Annual Cash Flow

- \$17.5M – 2022 Cash Flow Provided by Operations

### Solid Balance Sheet to Support Growth

- Net Leverage Ratio: 1.50x
- Debt/Equity Ratio: 0.98x

### \$20M Stock Repurchase Program

- ~\$14M Remaining Balance as of 9/30/2023

**Medical Equipment Assets:** ~\$100M

**NOLs:** ~\$36.1M

\*Data as of September 30, 2023, unless otherwise noted



# Business Highlights



**100k+**

A leading provider of medical equipment and patient services powered by a **100K+ device fleet in the U.S. and Canada**



**Over three decades of experience**, built on existing Oncology therapy model and now rapidly expanding into multiple therapies



National scale, **servicing 18 out of 20 top-ranked hospital systems nationwide\***

Participating in-network provider in **more than 800** health insurance networks covering **over 96%** of the U.S. population, serving **over 2,450** sites of care



Serving nearly **5,000 customer locations**



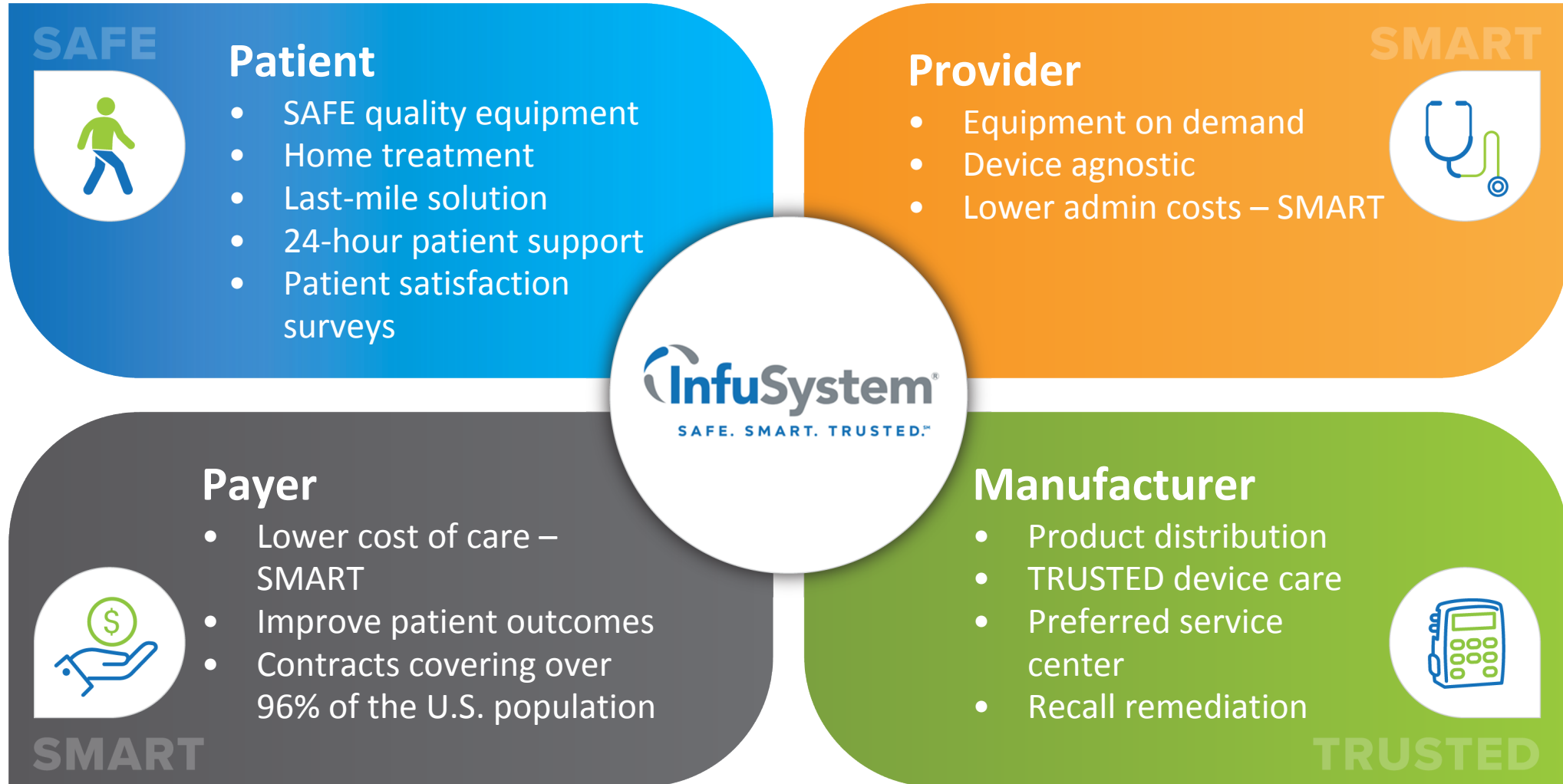
**Seven major service areas** in the U.S. and Canada with **more than 450 employees**



*\*Source: U.S. News & World Report, Best Hospitals, July 2022*

# Market Positioning – We Provide Solutions

Promote Healing > Facilitate Outpatient Care > Lower the Cost of Care > Improve Patient Outcomes



# Patient Services

- Oncology
- Pain Management
- Wound Care

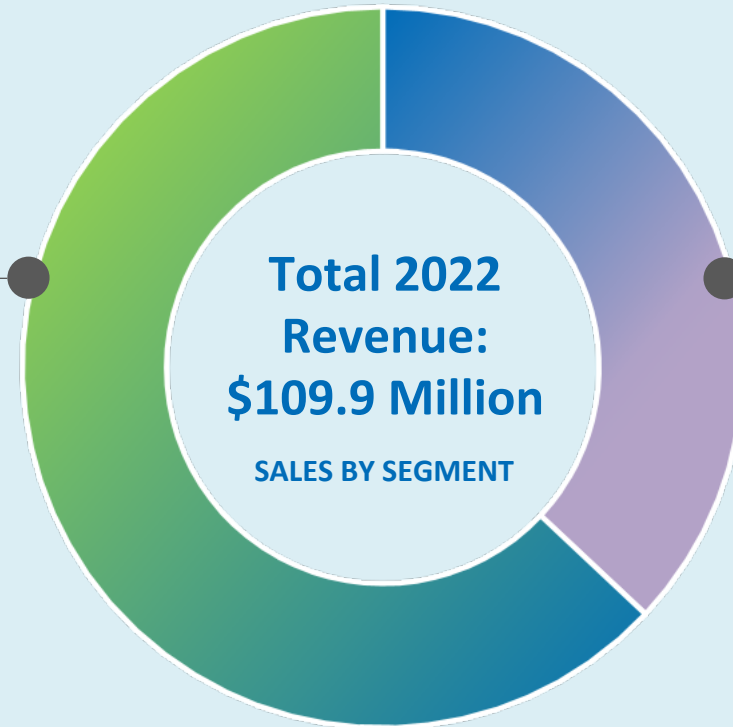
# Device Solutions

- Biomedical Services
- Consumables
- Inventory Management
- Sales, Rentals & Leasing

\$68.9M (63%)

## Patient Services

Facilitating outpatient care for patients requiring durable medical equipment



\$41.0M (37%)

## Device Solutions

Providing equipment, products and services to hospitals, clinics and home infusion providers



# Competitive Advantages

- Significant Barriers to Entry in Patient Services
- Service-Based Competitive Advantages in Device Solutions

## Patient Services

- 800+ national payer contracts covering over 96% of U.S. population
- Focused and scalable revenue cycle management team
- 24/7 clinical hotline
- Device agnostic

*Patient Services (formerly ITS)*



## Device Solutions

- White Glove Concierge approach
- 7 facilities serving U.S. and Canada
- Nearly 200 biomedical technicians
- Extensive repair capabilities and expertise
- ISO 9001/13485 certified

*Device Solutions (formerly DME)*

# Patient Services

Unique High-Service Platform, Third-Party Payer Model  
*INFU Is Paid by the Patient's Insurance Provider*

Device  
Logistics

Device Repair &  
Maintenance



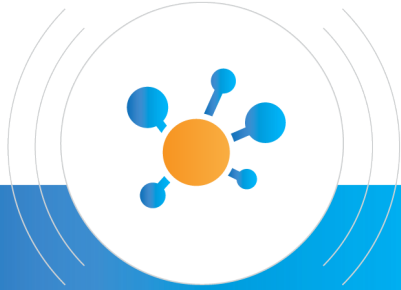
Clinical Support/  
Case Management

Revenue Cycle  
Management

- **Oncology (Core Business) Is Profitable and Stable**
- **Growth Opportunities Are Pain Management and Wound Care**

# Growth Strategy: Patient Services

2023: Focus and Execute on Expansive Existing Opportunities



## Oncology

Enabling Patients to Receive  
Chemo Treatment at Home

- **Dominant player in the market**
- **Generates cash to fund growth initiatives**



## Pain Management

Reducing Post-Surgical  
Opioid Use

- **Superior service and product offering**
- **High-touch patient care**



## Wound Care

Advancing  
Wound Healing

- **Complete product offering via joint venture with Sanara**
- **Best-in-class products combined with back-end clinical and RCM**



# Device Solutions

Traditional Medical Distribution, Direct Payer Model

*INFU Is Paid Directly by the Hospital/Clinic/Home Care Provider*

Sales, Rentals  
& Leasing



Device Repair &  
Maintenance

Medical Device

Trusted Device &  
Service Provider

Inventory  
& Tracking

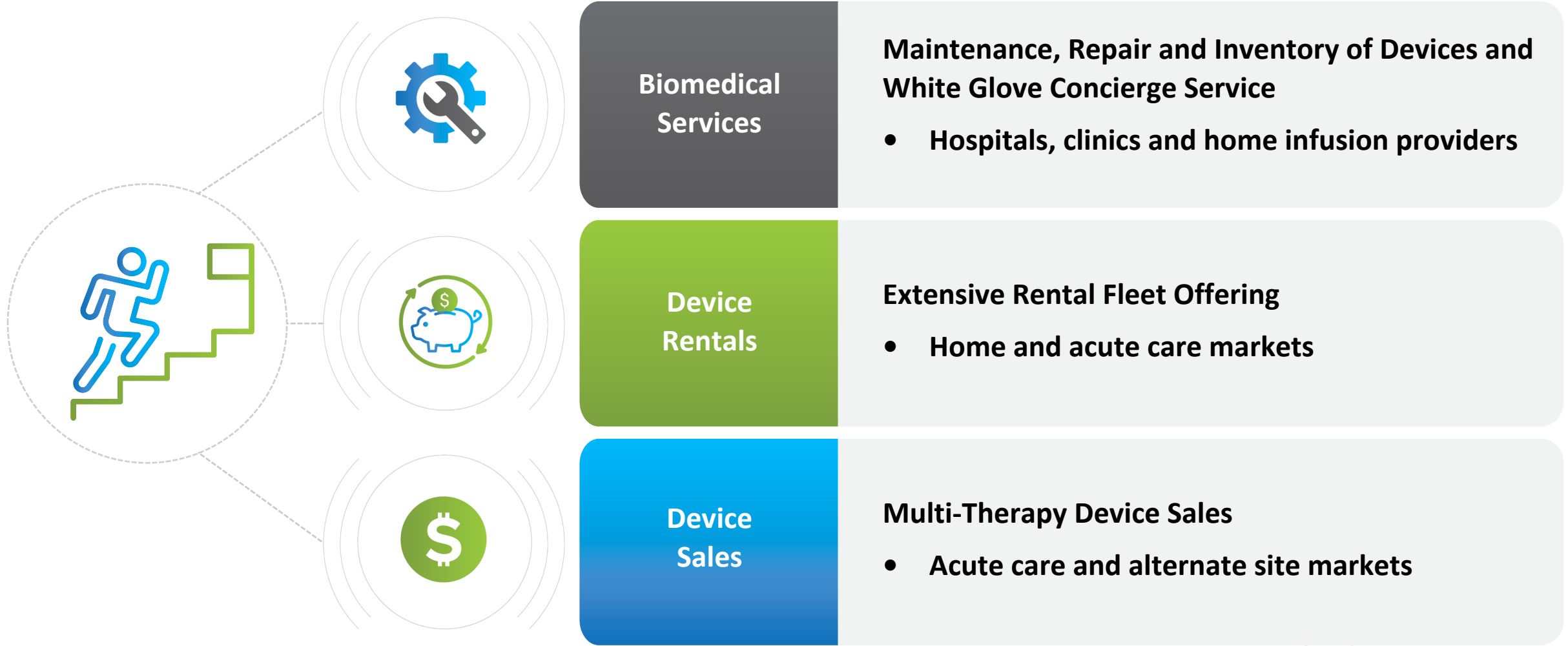


Consumable  
Sales

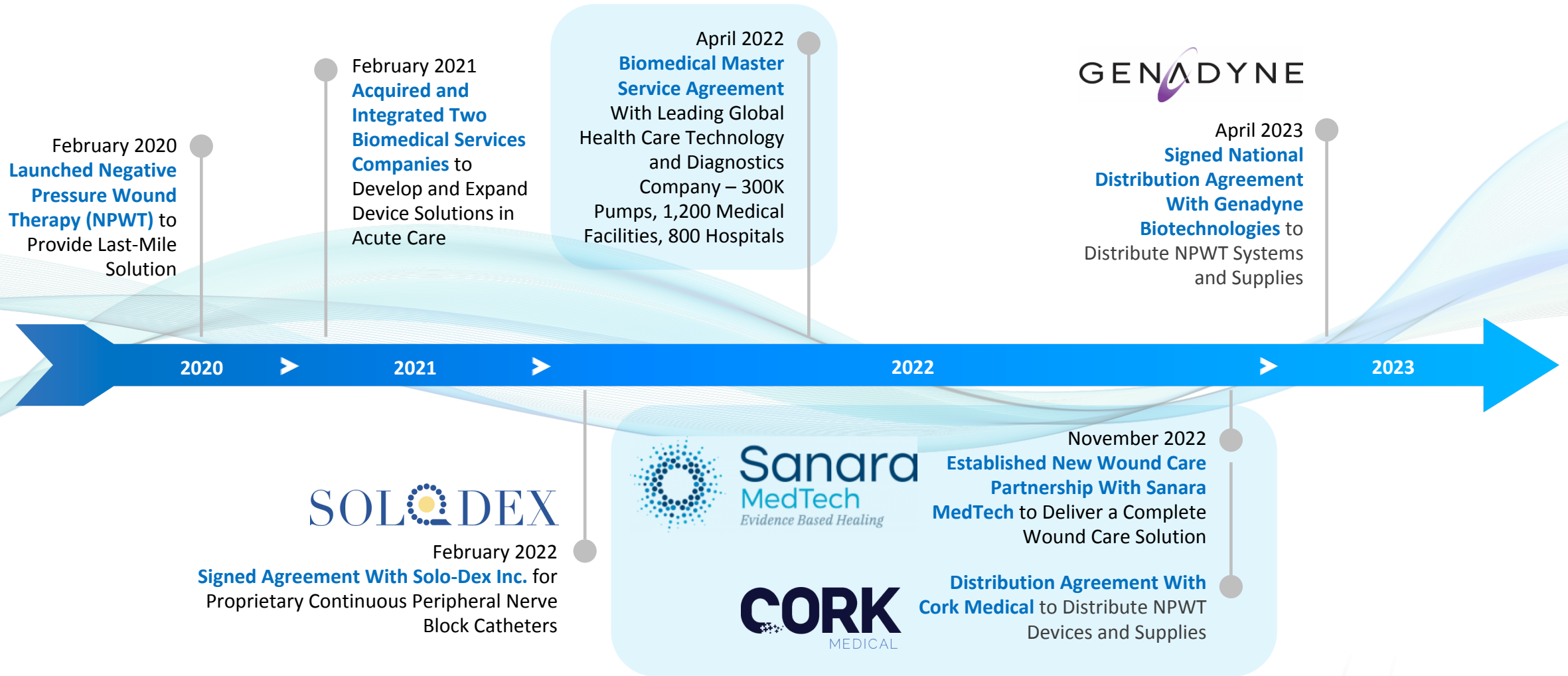
- **Device Solutions (Core Business) Is Stable and Growing**
  - **Growth Opportunity Is Biomedical Services**

# Growth Strategy: Device Solutions

2023: Focus and Execute on Expansive Existing Opportunities



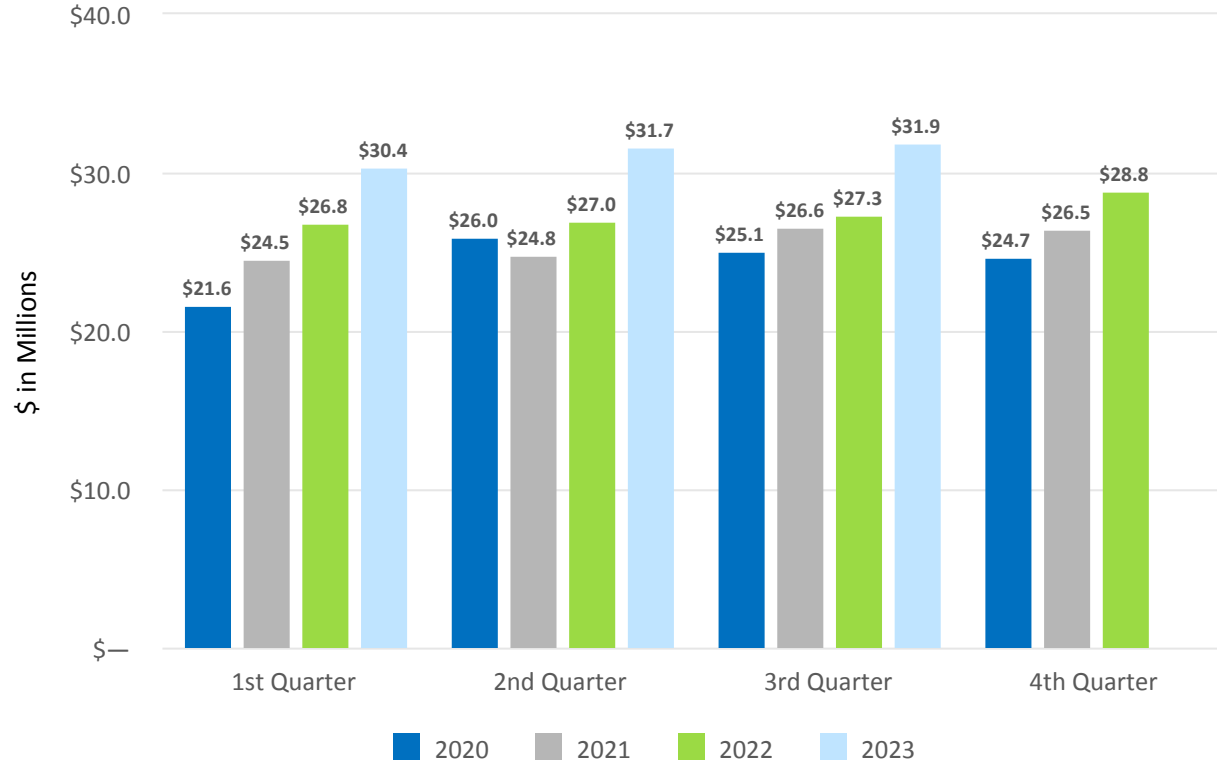
# InfuSystem's Unique Capabilities Are in High Demand



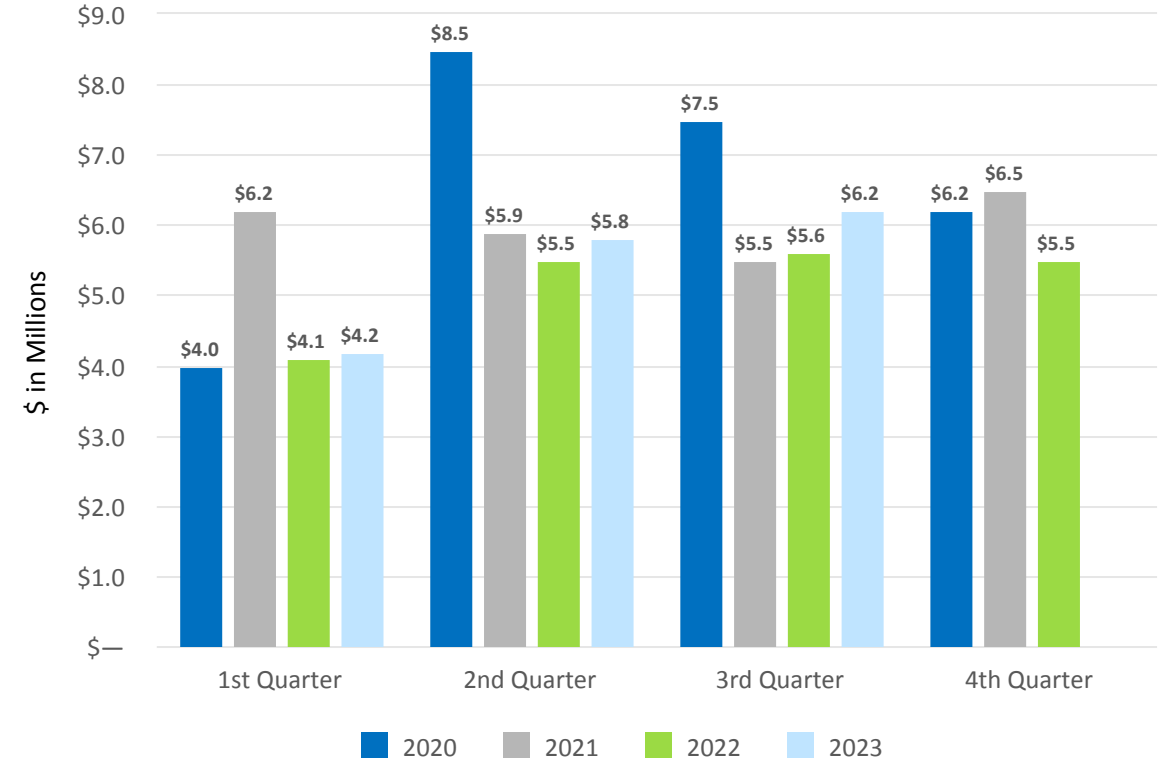


# Quarterly Trends

Net Revenue Quarterly Trend



Adjusted EBITDA Quarterly Trend

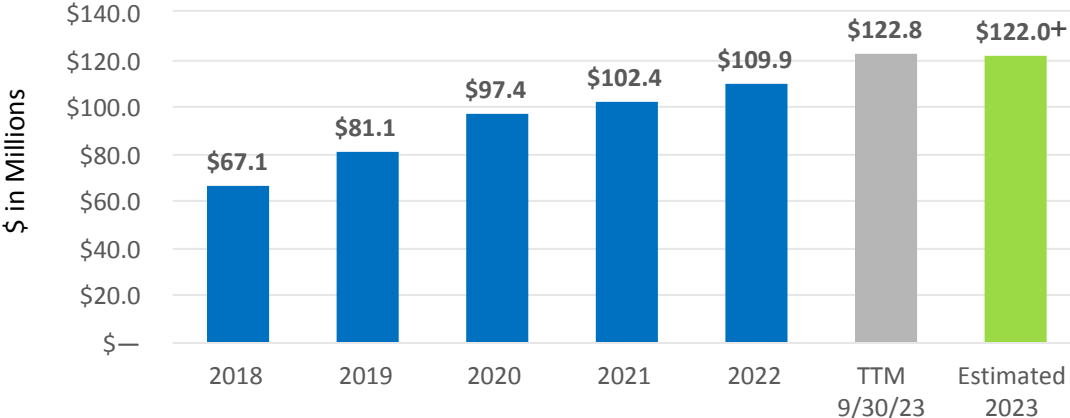


(1) See Appendix A.

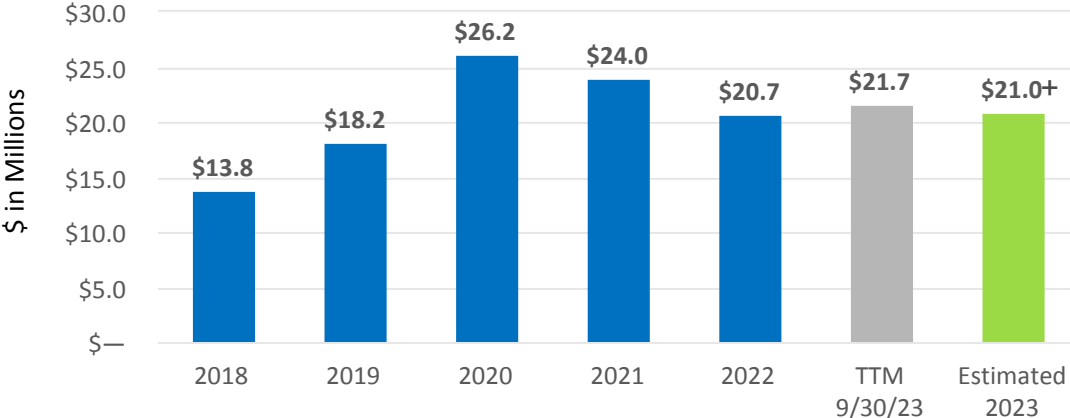
\*2020 includes favorable COVID-19 impact on Net Revenue and AEBITDA.

# Annual Financial Performance

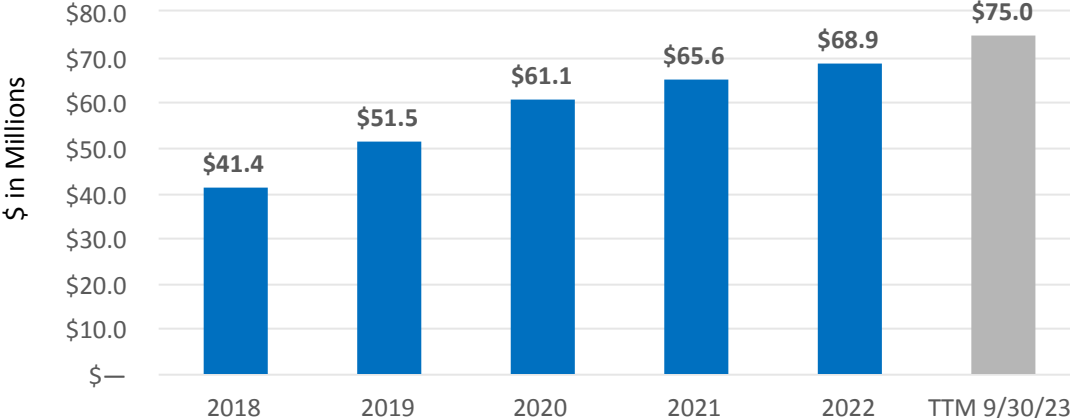
Net Revenues



Adjusted EBITDA

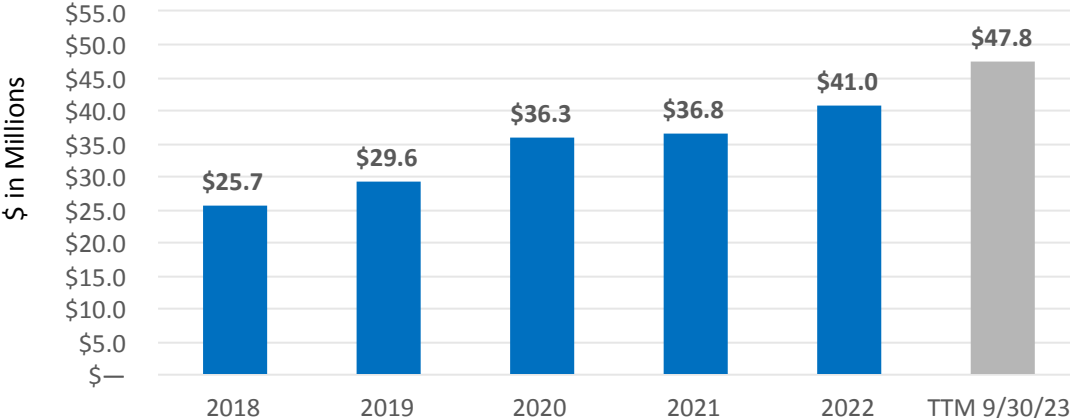


Patient Services Net Revenues



Patient Services (formerly ITS)

Device Solutions Net Revenues



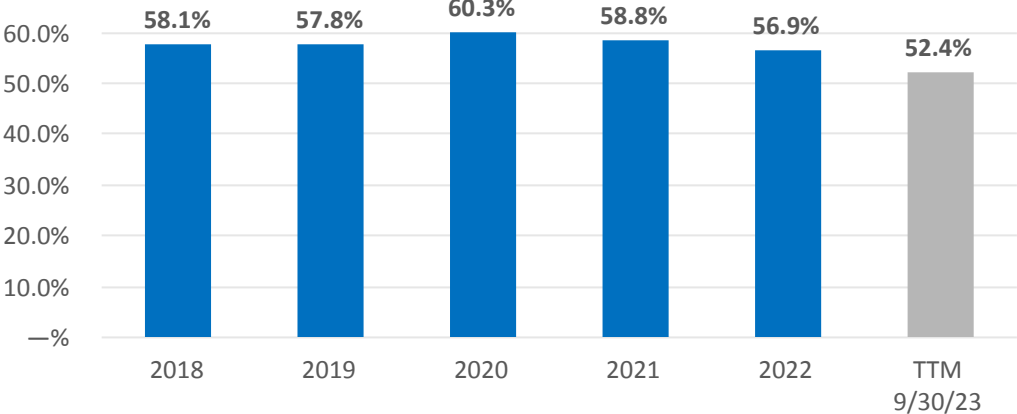
Device Solutions (formerly DME)

(1) See Appendix A.

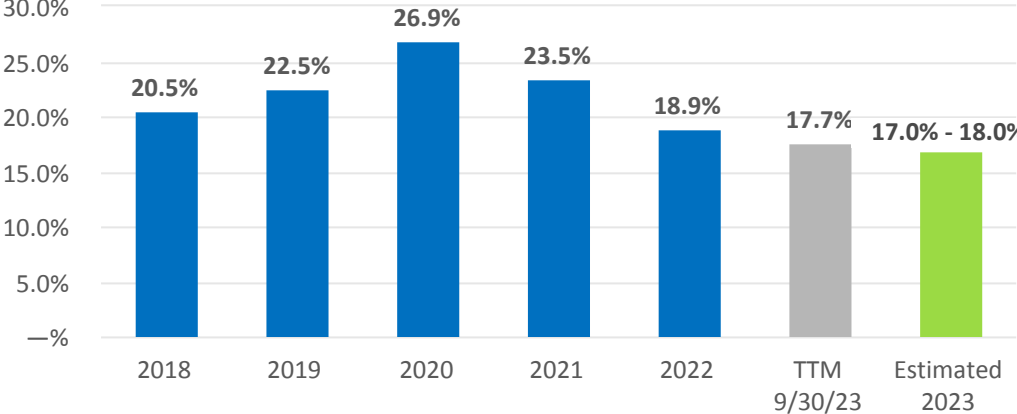
\*2020 includes favorable COVID-19 impact on Net Revenue and AEBITDA. \*Estimates as of 11/7/2023

# Annual Margin Performance

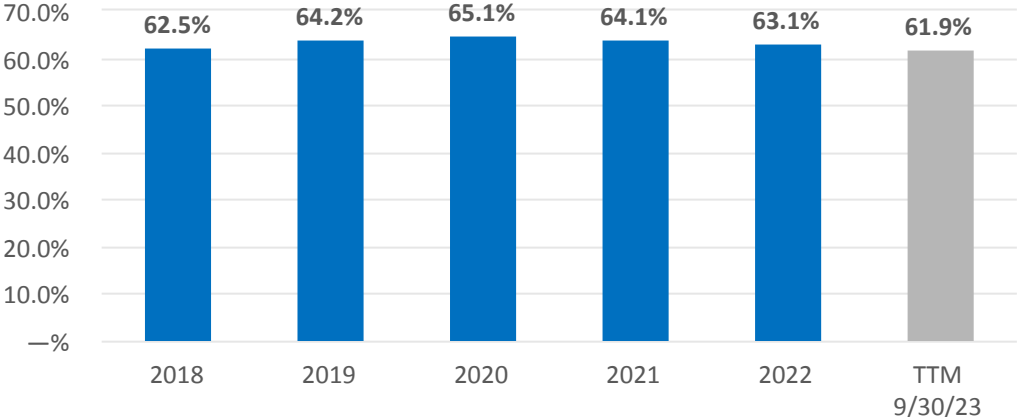
Gross Margin



Adjusted EBITDA Margin

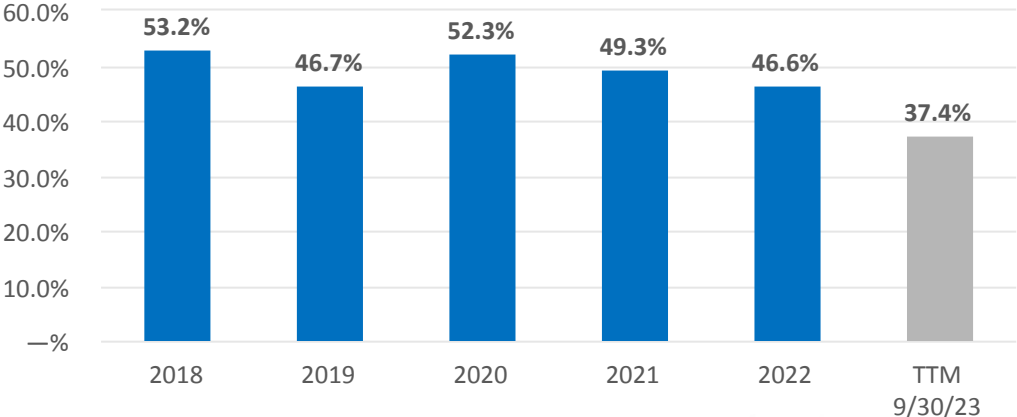


Patient Services Gross Margin



Patient Services (formerly ITS)

Device Solutions Gross Margin



Device Solutions (formerly DME)

(1) See Appendix A.

\*2020 includes favorable COVID-19 impact on AEBITDA. \*Estimates as of 11/7/2023

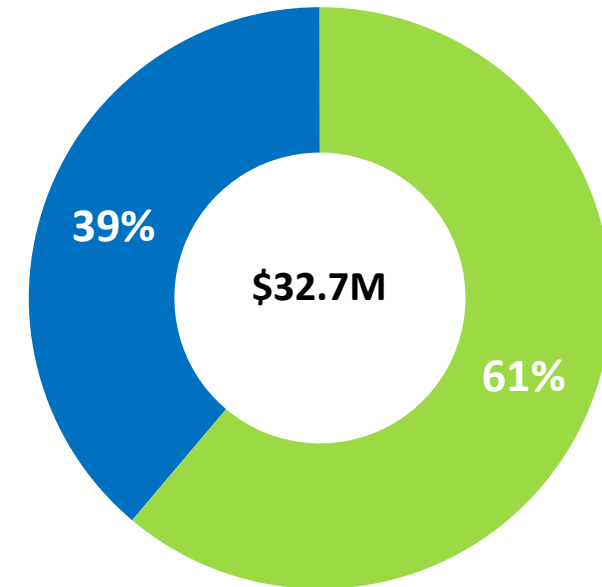


# Balance Sheet Highlights

\$ in Millions	As of September 30, 2023
Equity	\$51.5
Total Long-Term Debt <sup>1</sup>	\$32.7
Net Leverage Ratio	1.50x
Debt/Equity Ratio	0.98x
Total Available Liquidity	\$41.8
Cash Provided by Operations (TTM)	\$11.1
Cash (Designed for low cash levels)	\$0.2
Working Capital	\$15.3
NOLs	\$36.1

(1) April 26, 2023, amended the 2021 credit agreement to replace LIBOR with Term SOFR as a benchmark interest rate.  
New expiration date April 26, 2028.

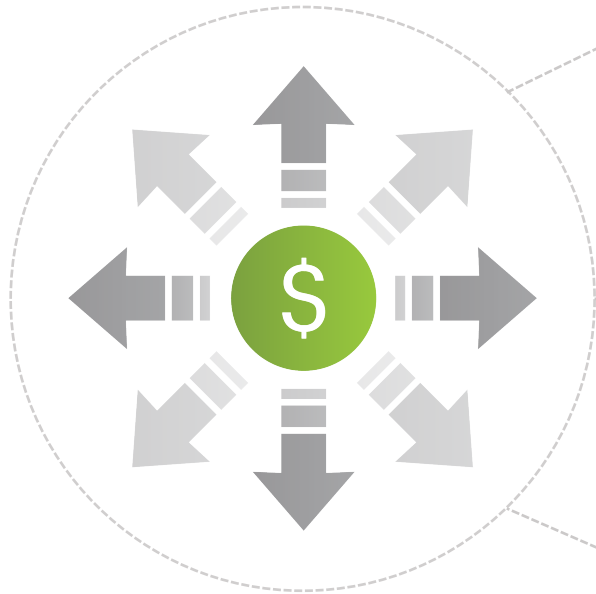
Fixed vs. Floating Debt



■ Fixed ■ Variable

Fixed portion of debt effected through interest-rate swaps.

# Capital Allocation Priorities



## Investments to Drive Organic Growth Initiatives

- Device Solutions – Biomedical Services
- Patient Services – SI Wound Care



## Reduce Debt Levels

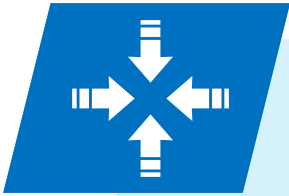
- Ongoing Financial Flexibility
- Maintain Leverage at 1.5x – 2.0x



## Share Repurchase – Opportunistic

- \$20M Stock Repurchase Program
  - \$14M Balance as of 9/30/2023

# Corporate Priorities



**Maintain Solid Core Business in Oncology and DME**



**Drive Growth Initiatives – Pain Management, Biomedical and Wound Care Market Share**



**Continue to Drive Improved Operational Efficiencies and Margin Expansion**



**Optimize Capital Allocation Priorities to Enhance Organic Growth**



# Questions & Answers



# Appendix A GAAP to NON-GAAP Reconciliation

NET INCOME (LOSS) TO ADJUSTED EBITDA: (in thousands)	Twelve Months Ended December 31,				Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2020	2021	2022	2022	2023	2022	2023
GAAP net income (loss)	\$ 1,361	\$ 17,332	\$ 1,420	\$ 18	\$ 443	\$ 689	\$ (89)	\$ 800
Adjustments:								
Interest expense	1,904	1,255	1,377	1,402	385	563	976	1,667
Income tax provision (benefit)	163	(9,789)	(163)	112	104	431	(331)	324
Depreciation	7,940	9,740	10,363	10,866	2,736	2,820	8,131	8,621
Amortization	4,402	4,285	4,262	2,494	704	248	2,125	743
<b>Non-GAAP EBITDA</b>	<b>\$ 15,770</b>	<b>\$ 22,823</b>	<b>\$ 17,259</b>	<b>\$ 14,892</b>	<b>\$ 4,372</b>	<b>\$ 4,751</b>	<b>\$ 10,812</b>	<b>\$ 12,155</b>
Stock compensation costs	997	2,610	6,404	3,825	1,066	1,063	3,236	2,799
Medical equipment reserve and disposals (1)	218	178	194	1,162	85	307	976	1,073
ASC 842 accounting principle change	252	—	—	—	—	—	—	—
Office move expenses	258	17	—	—	—	—	—	—
Acquisition costs	—	—	154	—	—	—	—	—
SOX readiness costs	—	—	199	110	—	—	110	—
Early termination fees for capital leases	190	—	—	—	—	—	—	—
Management reorganization/transition costs	76	521	49	633	19	—	56	72
Fees to integrate business of other provider	163	—	—	—	—	—	—	—
Contested proxy and other shareholder costs	23	30	—	—	—	—	—	—
Certain other non-recurring costs	491	220	(210)	123	62	96	82	114
<b>Non-GAAP Adjusted EBITDA</b>	<b>\$ 18,438</b>	<b>\$ 26,399</b>	<b>\$ 24,049</b>	<b>\$ 20,745</b>	<b>\$ 5,604</b>	<b>\$ 6,217</b>	<b>\$ 15,272</b>	<b>\$ 16,213</b>

(1) Amounts represent a non-cash expense recorded to adjust the reserve for missing medical equipment and/or the disposal of medical equipment and is being added back due to its similarity to depreciation.



# Executive Team

## Seasoned Industry Experience

Health Care

Medical Device

Life Sciences

Pharmaceutical

Military

Consulting

Public Accounting

Information Technology & High-Tech

Automotive



**Richard DiIorio**

Chief Executive Officer & Director  
Joined InfuSystem: 2004



**Carrie Lachance, BSN, RN, CRNI**

President & Chief Operating Officer  
Joined InfuSystem: 2010



**Barry Steele**

Executive Vice President &  
Chief Financial Officer  
Joined InfuSystem: 2020



**Addam Chupa**

Executive Vice President &  
Chief Information Officer  
Joined InfuSystem: 2020



**Jerod Funke**

Executive Vice President &  
Chief Human Resources Officer  
Joined InfuSystem: 2023