



**NASDAQ: VMD**  
**TSX: VMD.TO**

# Investor Presentation

## March 2023

*Leading the Healthcare Industry  
in Home Respiratory Care*

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This Presentation includes references to financial measures that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America (“GAAP”), including the measures Net Revenue and Adjusted EBITDA. A reconciliation of certain of these non-GAAP financial measures to the nearest GAAP measure can be found in the Appendix to this Presentation.

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# Viemed at a Glance

- Largest independent specialized provider of non-invasive ventilation (NIV) in the US home respiratory health care industry
- Highly profitable with a **36% CAGR** in revenue growth since spinout in 2017
- Service offering includes 24x7 in home respiratory care including specialized respiratory therapists and medical devices
- Headquartered in Lafayette, Louisiana
- Currently serving over **48,500 patients**
- Listed on **NASDAQ (VMD)** as well as listed on **TSX (VMD.TO)**



# Our Journey

2006

## **SLEEP MANAGEMENT FOUNDED**

Annual Revenues: \$0.24M USD  
Respiratory DME specializing in CPAPS & Oxygen

2010

## **HSD**

Annual Revenues: \$3.58M USD  
Home Sleep Delivered – Specializing in home sleep tests

2012

## **VENTILATOR EXPANSION**

Annual Revenues: \$4.60M USD  
Non Invasive ventilator introduced to market

2015

## **PHM ACQUISITION**

Annual Revenues: \$35.5M USD  
Acquired by public company

2017

## **VIEMED PHM SPIN OUT & LISTING ON TSXV**

Annual Revenues: \$41.3M USD

2019

## **VIEMED DUAL-LISTED ON NASDAQ**

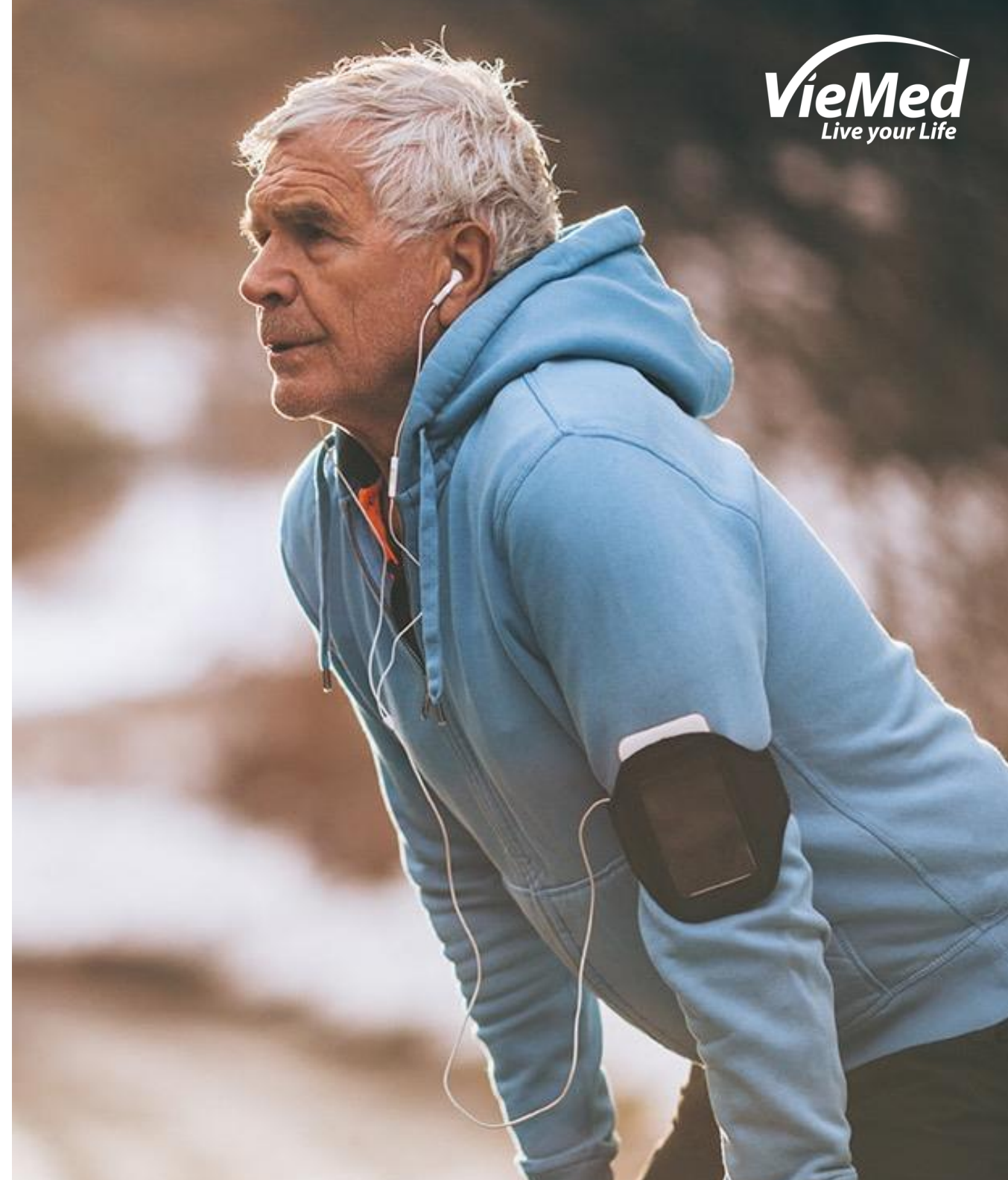
Annual Revenues: \$80.3M USD

2022

## **VIEMED**

Annual Revenues: \$138.8 M USD

**VieMed**  
Live your Life



# Key Investment Consideration

## Specialized US based respiratory healthcare services company

- Focused on Chronic Obstructive Pulmonary Disease (COPD) and growing aging population
- \$50 billion of annual healthcare cost in the U.S. spent on COPD

## Significant Market Growth Opportunity

- 10,000 baby boomers are turning 65 every day (26% of the US population)
- Expansion of service to underserved VA patients

## Favorable Market Trend

- Increasing need supported by Government for *effective homecare solutions* to reduce patient hospital re-admissions
  - increase system efficiency
  - offer better comfort and family lifestyle options
  - save money for patients, insurers, government



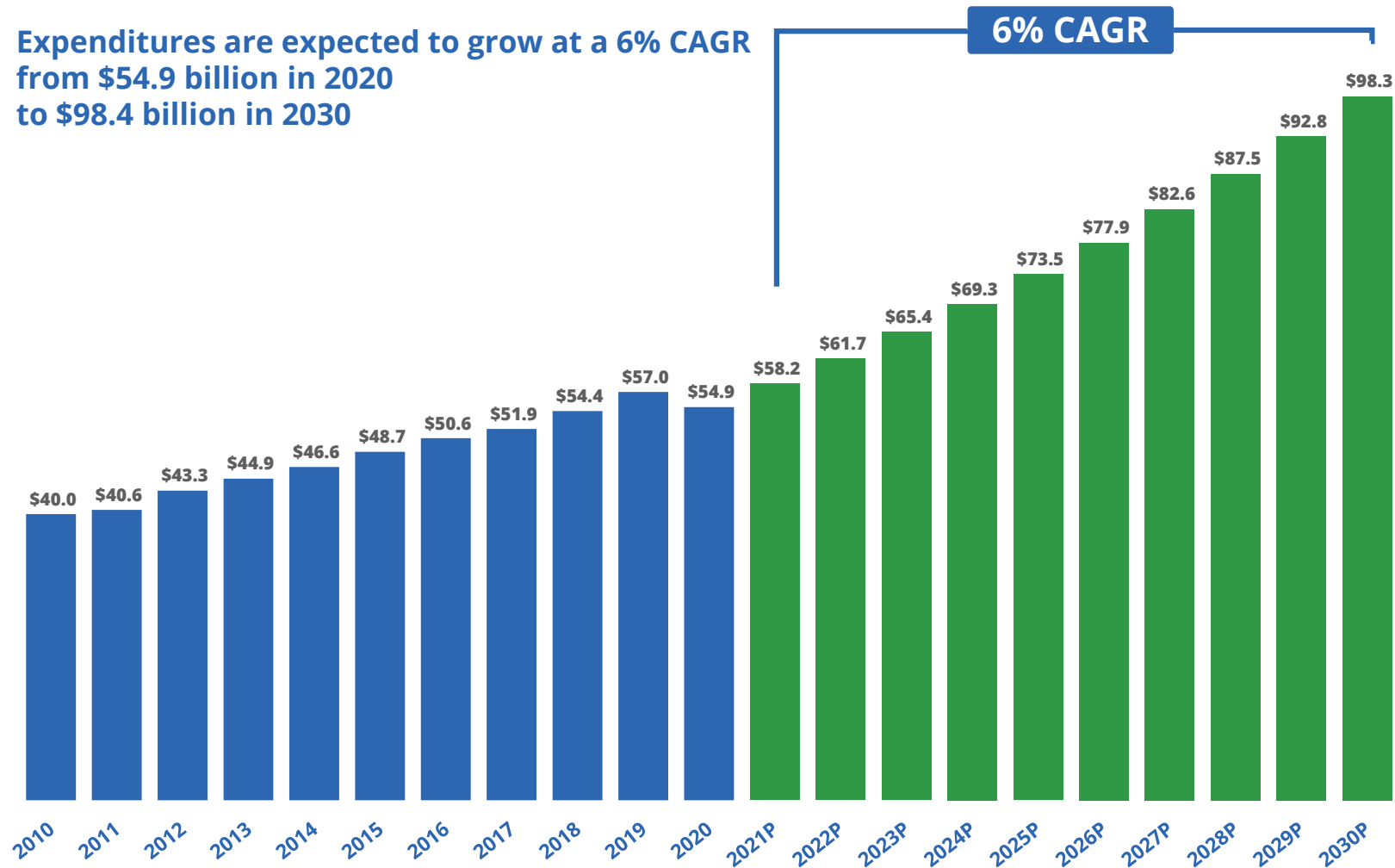
# Current State of the Industry

At the age of 65,  
patients qualify  
for Medicare

The Medicare population is  
growing

64 million beneficiaries in 2021  
est. 70 million beneficiaries by 2025

Expenditures are expected to grow at a 6% CAGR  
from \$54.9 billion in 2020  
to \$98.4 billion in 2030



Historical and Projected US DME Expenditures (In \$ BILLIONS)

# NIV Market Penetration

25 Million (estimated) people in the U.S. have COPD

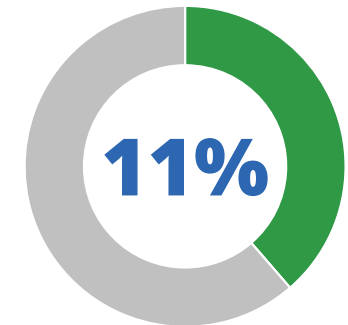
2,500,000 or 10% have stage 4 COPD

1,250,000 or 50% of those with stage 4 COPD  
develop chronic respiratory failure  
becoming candidates for our therapy

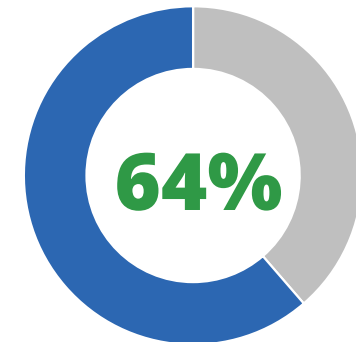
Approximately 80,000 annual Medicare  
beneficiaries on NIV service \*

Estimate of 6%  
market penetration

*\*As of 2021 (source: HME Databank)*



VIEMED IS THIRD  
LARGEST PROVIDER\*



MARKET SHARE HELD BY  
TOP 10 PROVIDERS\*

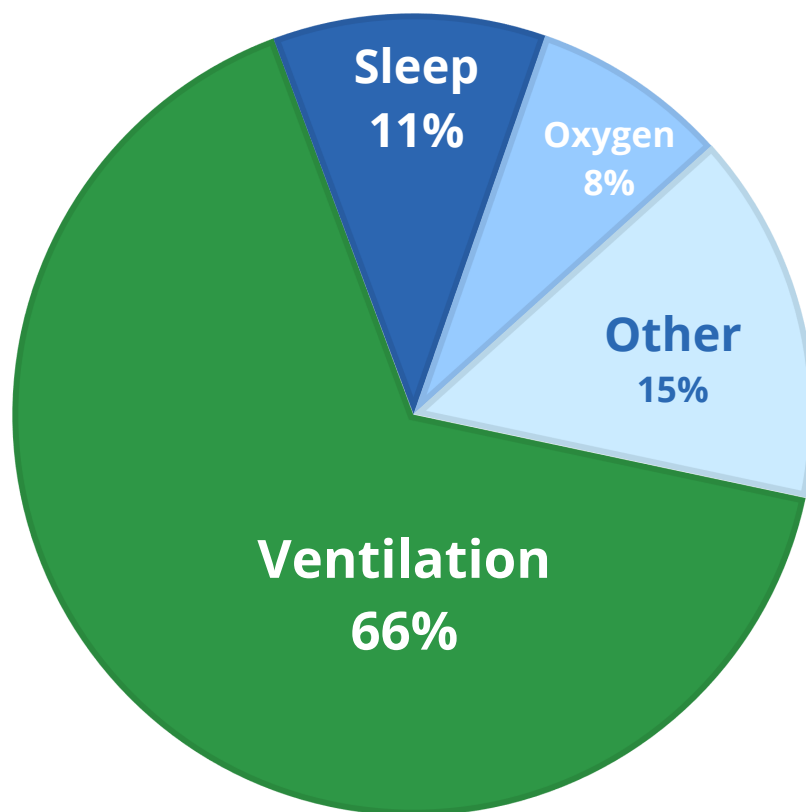




# Services and Payors

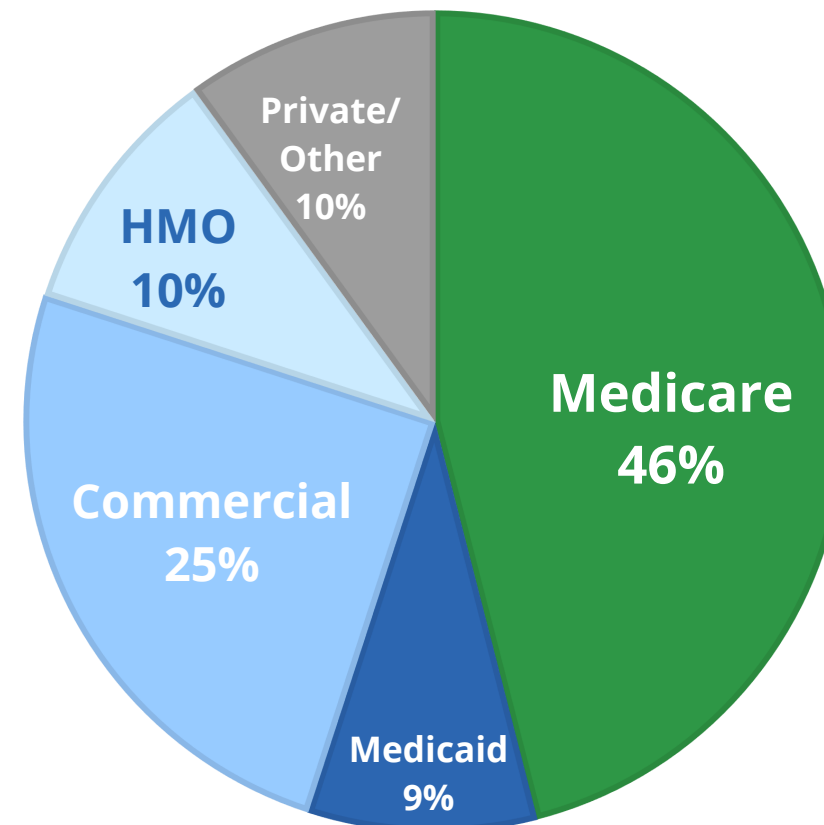
## SERVICE MIX

4th Quarter 2022



## PAYOR MIX

4th Quarter 2022





# The Viemed Solution

Registered Respiratory Therapists (RTs) assigned to each patient and on call 24X7

- All RTs are COPD educators
- Assess and service medical equipment
- Overseen by pulmonologists on staff
- Behavioral health specialist support

Each patient is given a customized in-home care plan based off Activities of Daily Living (ADLs) assessments. Subsequent visits educate and assist patients – build trust and on-going relationship with patient

Provide affordability for patients

- Majority of plans covered by Medicare and private insurance



# A DEDICATED 24/7 RESPIRATORY THERAPIST

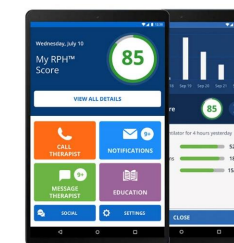
with all our Viemed products



**Ventilators**



**Sleep Therapy**



**Patient  
Engagement**



**Oxygen  
Therapy**



**Percussion Vests**



# Proven Organic Growth Strategy

## Location selection

- Based on high COPD rates
- Target hospitals and facilities with high readmission rates and near existing service area
- Leverage existing relationships and operate heavily in rural markets

## Unique lean deployment model

- No costly retail stores
- Sales reps and RTs operate out of vehicles that are monitored by GPS

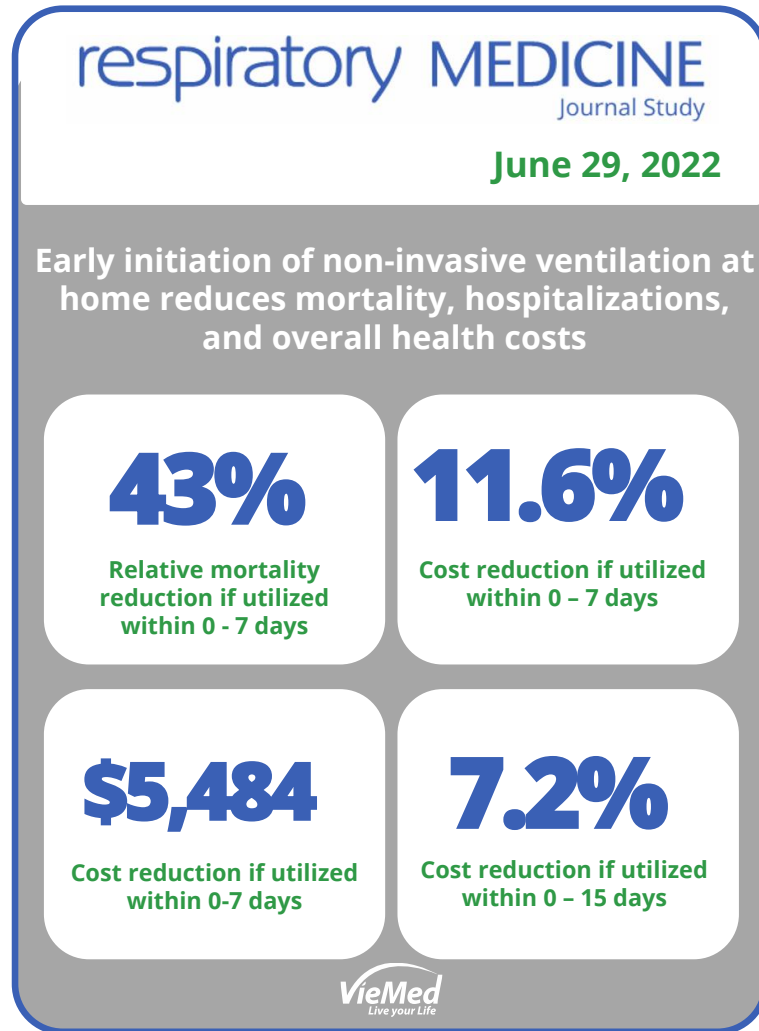
## High service model

- Certified RTs delivering a high touch service model to a non-compliant patient demographic base
- Providing education and assessment to patients in their homes and through Telehealth

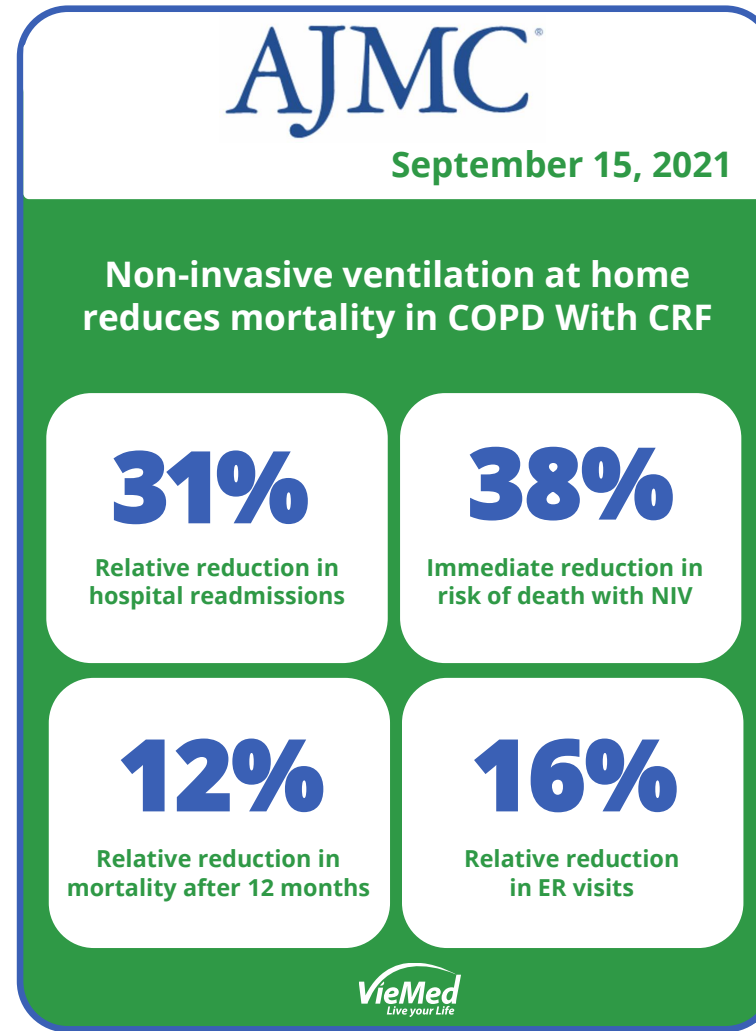


# Published Research

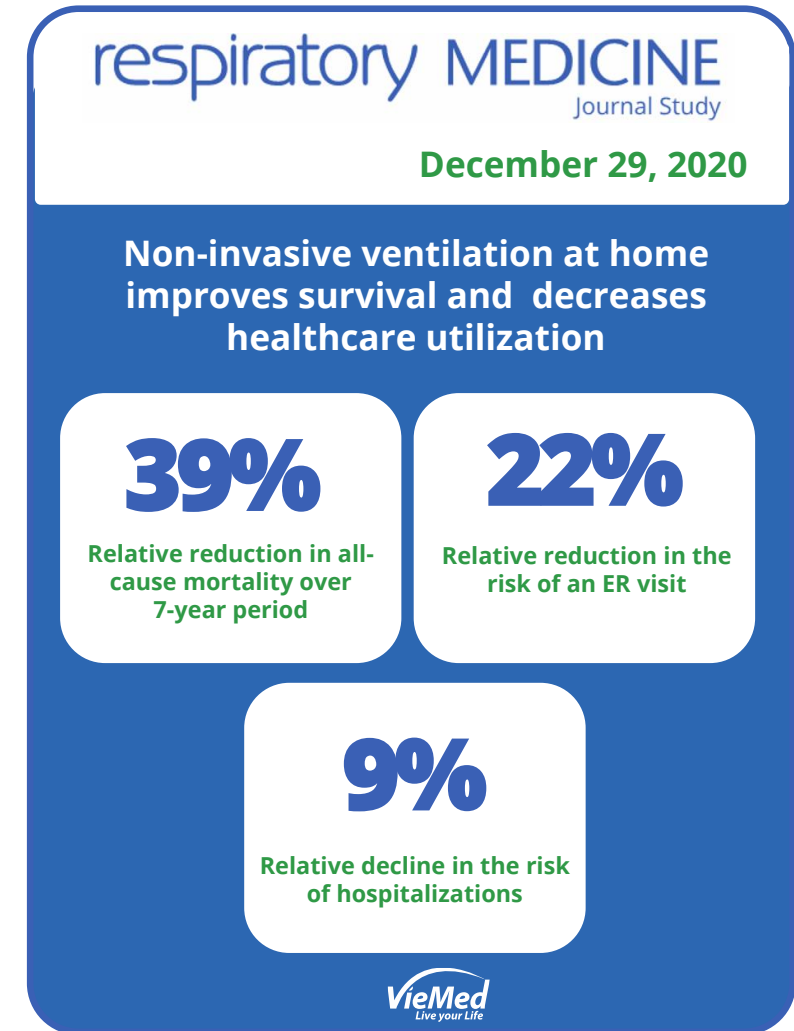
## Real-world results



Sample size: 500,000 patients



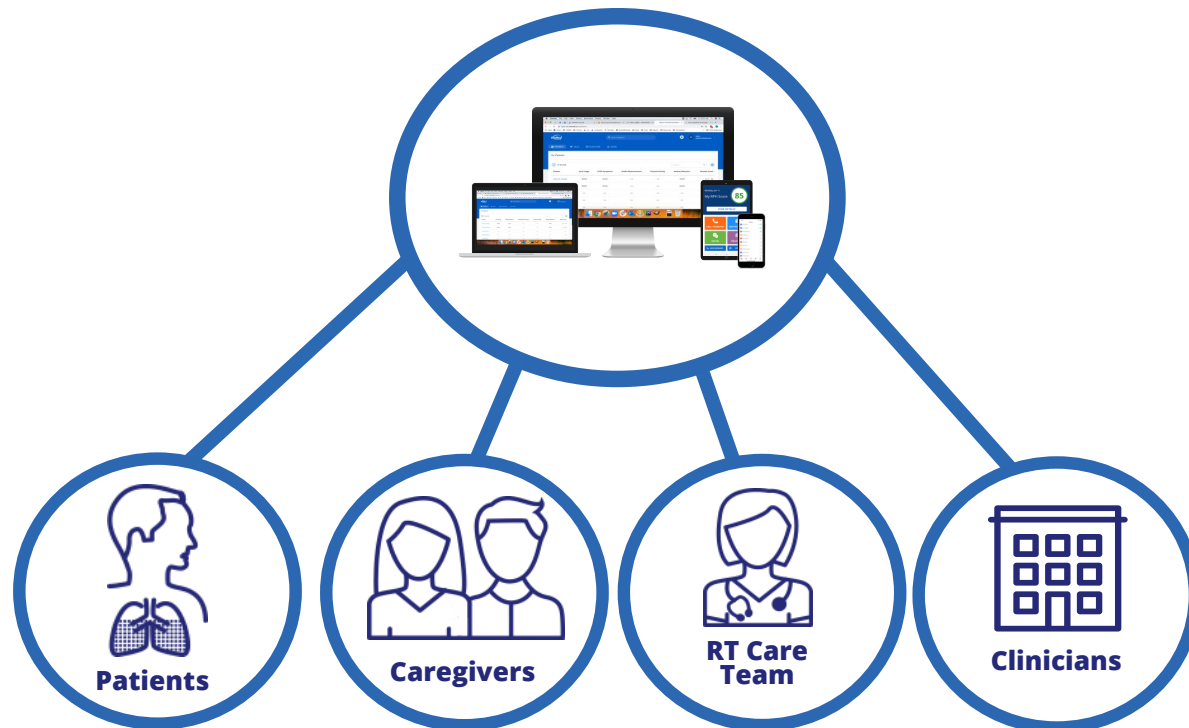
Sample size: 36,000 patients



Sample size: 45,000 patients



# Technology and Remote Care



- Mission of becoming a leading healthcare technology company coupled with high touch human interaction in the home
- Goal is to improve quality of life and length of time patients spend with loved ones
- Increase efficiency of clinicians through improved remote workflow and proactive care patient engagement solutions
- Increase patient and caregiver engagement
- Capture value-based data elements, analysis and insights from patient's home to improve patient outcomes and generate cost savings

# Objectives for the Next 24 Months

- Grow active patient base while entering new target markets through geographic expansion
- Communicate findings from the growing number of research studies to referral sources and payors in order to save more lives and increase market penetration
- Diversify payor base – specific focus of bringing our solution to the VA and commercial payors
- Expand technology capabilities in order to capture useful patient data and increase length of stay
- Expand service offerings and home-based product offerings through strategic partnerships
- Grow our clinical resource recruiting platform through Viemed Healthcare Staffing
- Pursue strategic acquisitions and partnerships to augment strong organic growth model





# Financial Information



# Regulatory Update

- CMS has made improvements in the process of patients obtaining quality care (i.e. telehealth rules, relaxing face to face requirements, remote patient monitoring, etc.)
- Non-invasive vents removed from 2021 competitive bidding program (3 year term) and competitive bidding program has been suspended for oxygen and PAPs
- Restrictions due to Covid are significantly reduced allowing core business to “get back to normal”
- Recently received a complete overruling by CMS on appeal of OIG report citing 98% failure of medical necessity requirements

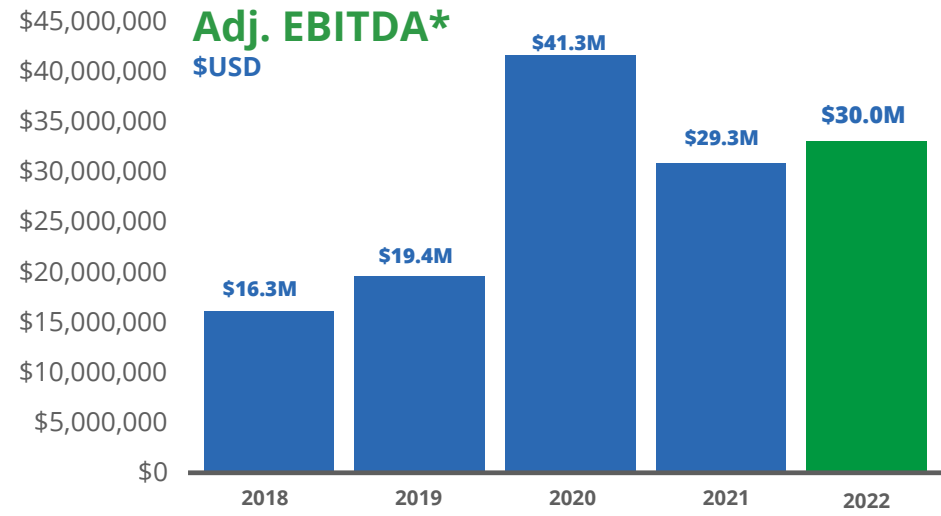
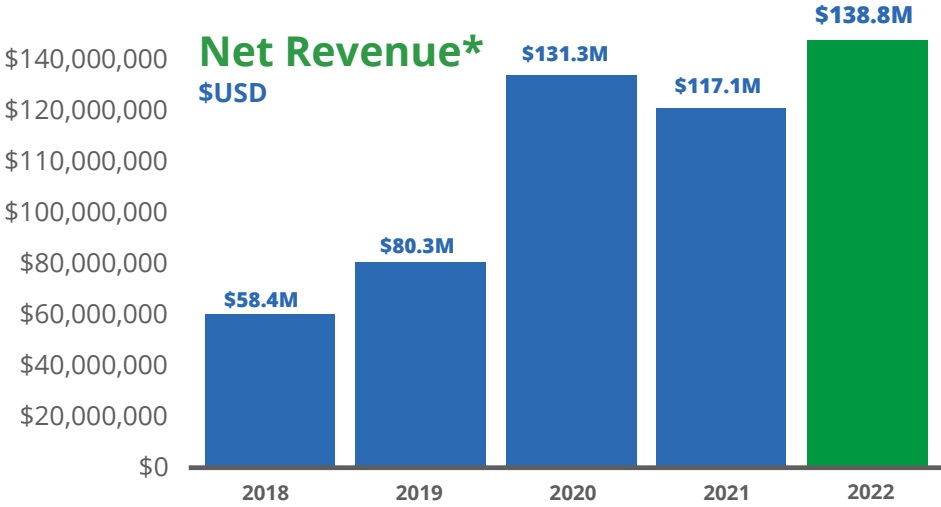


# Vent Revenue Model

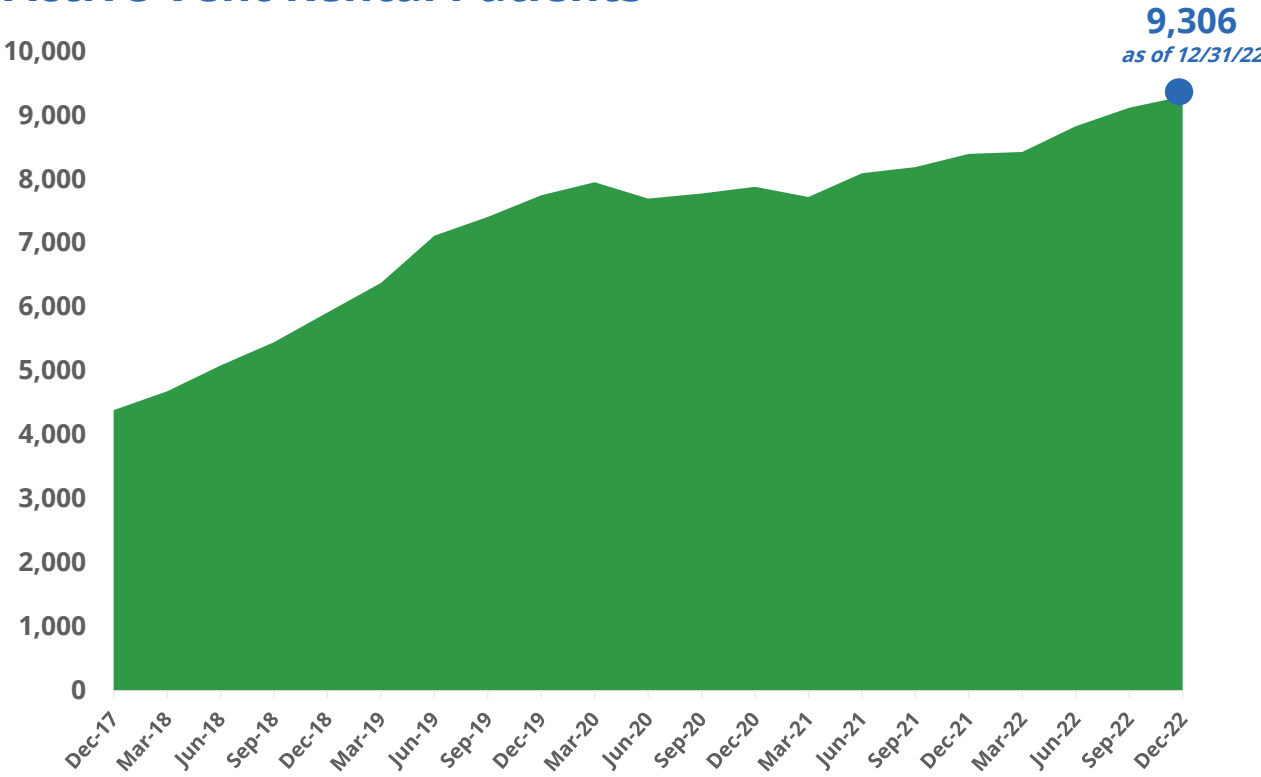
- Monthly rental fee – reimbursed by insurance and covered by Medicare
- Uncapped rental contract for ventilators (66 % of 4Q22 revenue)
- Average monthly vent reimbursement of ~US\$1,050
- Pricing includes equipment rental, RT service, supplies and maintenance of equipment
- Other major products include sleep therapy, oxygen and percussion vests



# Historical Financial Performance



## Active Vent Rental Patients



\*See reconciliation in Appendix for Net Revenue and Adjusted EBITDA



# Capital Markets Profile

NASDAQ: VMD  
TSX: VMD.TO

**38,049,739  
&  
39,201,770**  
12/31/22

Shares outstanding  
& fully diluted

**\$16.9M**  
12/31/22

Cash on hand  
in USD

**\$0M**  
12/31/22

Total LT debt  
in USD

**756**  
2/28/23

Total staff

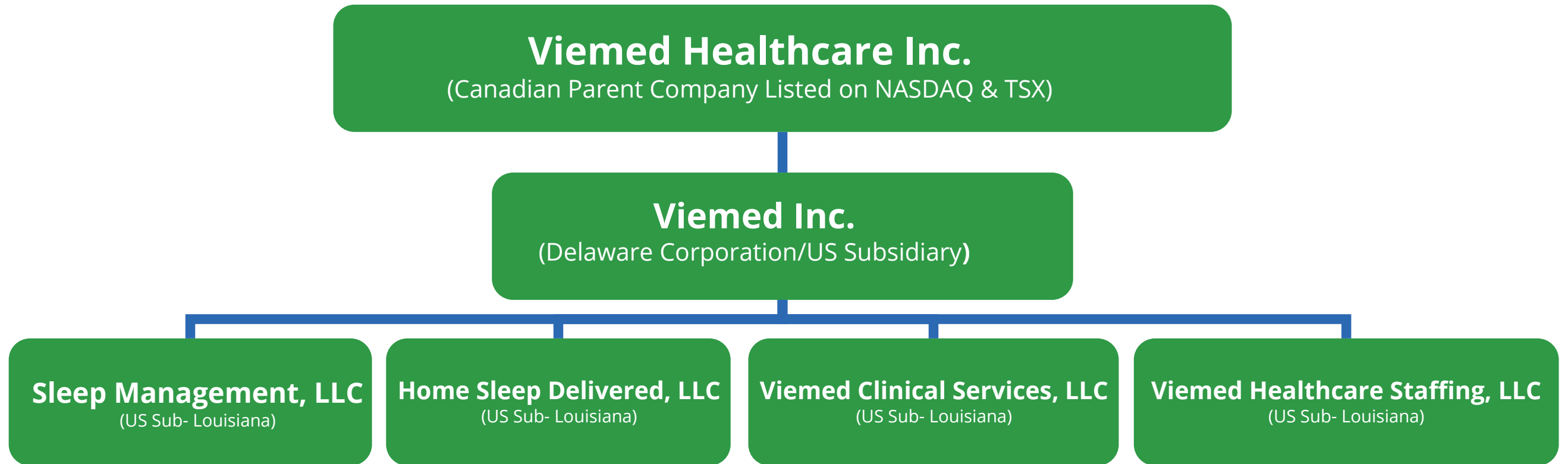
**17%**

Insider beneficial  
ownership

Market cap as of February 28, 2023: ~\$350M (USD)  
Stock price as of February 28, 2023: \$9.22 (USD)



# Corporate Structure



# Board of Directors



**Casey Hoyt**  
*Chief Executive Officer  
and Director*



**Randy Dobbs**  
*Chairman of the Board  
and Independent Director*



**Sabrina Heltz**  
*Independent Director*



**Bruce Greenstein**  
*Independent Director*



**Nitin Kaushal**  
*Independent Director*



**Tim Smokoff**  
*Independent Director*



**Dr. William Frazier**  
*Chief Medical Officer  
and Director*



**Todd Zehnder**  
*Chief Operating Officer  
and Director*



# Investor Relations:

**Glen Akselrod**

Bristol Capital IR

[glen@bristolir.com](mailto:glen@bristolir.com)

Tel: 905 326 1888







# Appendix

## Reconciliation of Net Revenue and Adjusted EBITDA

	2018	2019	2020	2021	2022
<b>Reconciliation of Net Revenue<sup>(1)</sup></b>					
Revenue	\$ 64.5	\$ 80.3	\$ 131.3	\$ 117.1	\$ 138.8
Bad Debt Expense	(6.1)	-	-	-	-
<b>Net Revenue</b>	<b>\$ 58.4</b>	<b>\$ 80.3</b>	<b>\$ 131.3</b>	<b>\$ 117.1</b>	<b>\$ 138.8</b>
<b>Reconciliation of Adjusted EBITDA<sup>(2)</sup></b>					
Net Income	\$ 9.5	\$ 8.5	\$ 31.5	\$ 9.1	\$ 6.2
Depreciation	3.8	6.4	9.6	11.3	15.6
Interest Expense	0.2	0.3	0.5	0.3	0.2
Stock-based Compensation	2.7	3.9	4.9	5.2	5.2
Income Tax Expense (Benefit)	0.1	0.3	(5.2)	3.4	2.8
<b>Adjusted EBITDA</b>	<b>\$ 16.3</b>	<b>\$ 19.4</b>	<b>\$ 41.3</b>	<b>\$ 29.3</b>	<b>\$ 30.0</b>

(1) Net Revenue represents comparable presentation of bad debt expense netted within revenue, consistent with the 2019 adoption of ASC 842. Bad debt expense for years prior to 2019 was reported within selling, general, and administration expenses, consistent with ASC 840, which was superseded by ASC 842 in 2019.

(2) Adjusted EBITDA is a non-GAAP financial measure that does not have a standardized meaning prescribed by U.S. GAAP. Viemed's presentation of this financial measure may not be comparable to similarly titled measures used by other companies. Management believes Adjusted EBITDA provides helpful information with respect to Viemed's operating performance as viewed by management, including a view of Viemed's business that is not dependent on the impact of Viemed's capitalization structure and items that are not part of Viemed's day-to-day operations. Management uses Adjusted EBITDA (i) to compare Viemed's operating performance on a consistent basis, (ii) to calculate incentive compensation for Viemed's employees, (iii) for planning purposes, including the preparation of Viemed's internal annual operating budget, and (iv) to evaluate the performance and effectiveness of Viemed's operational strategies. Accordingly, management believes that Adjusted EBITDA provides useful information in understanding and evaluating Viemed's operating performance in the same manner as management. The table above is a reconciliation of net income, the most directly comparable U.S. GAAP measure, to Adjusted EBITDA, on a historical basis for the periods indicated.

