

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q

- ☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended March 31, 2025
- ☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-38973

**Viemed Healthcare, Inc.**

(Exact name of registrant as specified in its charter)

**British Columbia, Canada**

(State or other jurisdiction of  
incorporation or organization)

**N/A**

(IRS Employer  
Identification Number)

**625 E. Kaliste Saloom Rd.  
Lafayette, LA 70508**

(Address of principal executive offices, including zip code)

**(337) 504-3802**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Shares, no par value	VMD	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐

Accelerated filer ☒

Non-Accelerated filer ☐

Smaller reporting company ☐  
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 29, 2025, there were 39,523,787 common shares of the registrant outstanding.

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# VIEMED HEALTHCARE, INC.

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# PART I - FINANCIAL INFORMATION

## Item 1. Financial Statements

### VIEMED HEALTHCARE, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (Expressed in thousands of U.S. Dollars, except outstanding shares)

	Note	At March 31, 2025 (Unaudited)	At December 31, 2024 (Audited)
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	2	\$ 10,160	\$ 17,540
Accounts receivable, net	2	26,789	24,911
Inventory	2	4,510	4,320
Prepaid expenses and other assets		7,661	6,109
<b>Total current assets</b>		<b>\$ 49,120</b>	<b>\$ 52,880</b>
<b>Long-term assets</b>			
Property and equipment, net	4	81,054	76,279
Finance lease right-of-use assets		31	50
Operating lease right-of-use assets		2,877	2,831
Equity investments	2	2,794	2,794
Deferred tax asset	10	8,398	8,398
Identifiable intangibles, net	2	816	848
Goodwill	3	32,989	32,989
<b>Total long-term assets</b>		<b>\$ 128,959</b>	<b>\$ 124,189</b>
<b>TOTAL ASSETS</b>		<b>\$ 178,079</b>	<b>\$ 177,069</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables		\$ 7,944	\$ 5,322
Deferred revenue		6,795	6,694
Income taxes payable		1,878	3,883
Accrued liabilities	5	17,543	20,157
Finance lease liabilities, current portion	6	32	50
Operating lease liabilities, current portion	6	905	811
Current portion of long-term debt	6	390	409
<b>Total current liabilities</b>		<b>\$ 35,487</b>	<b>\$ 37,326</b>
<b>Long-term liabilities</b>			
Accrued liabilities	8	410	846
Operating lease liabilities, less current portion	6	1,903	2,007
Long-term debt	5	3,530	3,589
<b>Total long-term liabilities</b>		<b>\$ 5,843</b>	<b>\$ 6,442</b>
<b>TOTAL LIABILITIES</b>		<b>\$ 41,330</b>	<b>\$ 43,768</b>
<b>Commitments and Contingencies</b>		—	—
<b>SHAREHOLDERS' EQUITY</b>			
Common stock - No par value: unlimited authorized; 39,523,787 and 39,132,897 issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	8	28,151	23,365
Additional paid-in capital		15,873	18,337
Retained earnings		90,732	89,691
<b>TOTAL VIEMED HEALTHCARE, INC.'S SHAREHOLDERS' EQUITY</b>		<b>\$ 134,756</b>	<b>\$ 131,393</b>
Noncontrolling interest in subsidiary		1,993	1,908
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>\$ 136,749</b>	<b>\$ 133,301</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 178,079</b>	<b>\$ 177,069</b>

See accompanying notes to the condensed consolidated financial statements

**VIEMED HEALTHCARE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
*(Expressed in thousands of U.S. Dollars, except share and per share amounts)*  
*(Unaudited)*

		Three Months Ended March 31,	
	Note	2025	2024
<b>Revenue</b>	2	\$ 59,129	\$ 50,593
Cost of revenue		25,850	20,791
<b>Gross profit</b>		\$ 33,279	\$ 29,802
<b>Operating expenses</b>			
Selling, general and administrative		28,425	24,814
Research and development		797	750
Stock-based compensation	8	2,311	1,432
Depreciation and amortization		348	415
Loss (gain) on disposal of property and equipment		(2,368)	213
Other income, net		(75)	(26)
<b>Income from operations</b>		\$ 3,841	\$ 2,204
<b>Non-operating income and expenses</b>			
Income from investments		—	(67)
Interest expense, net	6	179	150
<b>Net income before taxes</b>		3,662	2,121
Provision for income taxes	10	952	518
<b>Net income</b>		\$ 2,710	\$ 1,603
Net income attributable to noncontrolling interest		85	—
<b>Net income attributable to Viamed Healthcare, Inc.</b>		<u>\$ 2,625</u>	<u>\$ 1,603</u>
<b>Net income per share</b>			
Basic	11	\$ 0.07	\$ 0.04
Diluted	11	\$ 0.06	\$ 0.04
<b>Weighted average number of common shares outstanding:</b>			
Basic	11	39,426,753	38,717,123
Diluted	11	41,627,876	40,580,634

See accompanying notes to the condensed consolidated financial statements

**VIEMED HEALTHCARE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
*(Expressed in thousands of U.S. Dollars, except share and per share amounts)*  
*(Unaudited)*

	Common Stock		Additional paid-in capital	Retained earnings	Noncontrolling interest in subsidiary	Total Shareholders' equity
	Shares	Amount				
<b>Shareholders' equity, December 31, 2023</b>	<b>38,506,161</b>	<b>\$ 18,702</b>	<b>\$ 15,698</b>	<b>\$ 79,495</b>	<b>\$ —</b>	<b>\$ 113,895</b>
Stock-based compensation - options	—	—	111	—	—	111
Stock-based compensation - restricted stock	—	—	1,321	—	—	1,321
Exercise of options	60,130	304	—	—	—	304
Shares issued for vesting of restricted stock units	378,837	2,836	(2,836)	—	—	—
Shares redeemed to pay income tax	(128,362)	—	—	(961)	—	(961)
Net income	—	—	—	1,603	—	1,603
<b>Shareholders' equity, March 31, 2024</b>	<b>38,816,766</b>	<b>\$ 21,842</b>	<b>\$ 14,294</b>	<b>\$ 80,137</b>	<b>\$ —</b>	<b>\$ 116,273</b>

	Common Stock		Additional paid-in capital	Retained earnings	Noncontrolling interest in subsidiary	Total Shareholders' equity
	Shares	Amount				
<b>Shareholders' equity, December 31, 2024</b>	<b>39,132,897</b>	<b>\$ 23,365</b>	<b>\$ 18,337</b>	<b>\$ 89,691</b>	<b>\$ 1,908</b>	<b>\$ 133,301</b>
Stock-based compensation - options	—	—	16	—	—	16
Stock-based compensation - restricted stock	—	—	2,295	—	—	2,295
Exercise of options	2,225	11	—	—	—	11
Shares issued for vesting of restricted stock units	581,838	4,775	(4,775)	—	—	—
Shares redeemed to pay income tax	(193,173)	—	—	(1,584)	—	(1,584)
Net income	—	—	—	2,625	85	2,710
<b>Shareholders' equity, March 31, 2025</b>	<b>39,523,787</b>	<b>\$ 28,151</b>	<b>\$ 15,873</b>	<b>\$ 90,732</b>	<b>\$ 1,993</b>	<b>\$ 136,749</b>

See accompanying notes to the condensed consolidated financial statements

**VIEMED HEALTHCARE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(Expressed in thousands of U.S. Dollars)*  
*(Unaudited)*

		Three Months Ended March 31,	
	Note	2025	2024
<b>Cash flows from operating activities</b>			
Net income		\$ 2,710	\$ 1,603
Adjustments for:			
Depreciation and amortization		6,613	6,285
Stock-based compensation expense	8	2,311	1,432
Distributions of earnings received from equity method investments		—	49
Income from equity method investments		—	(67)
Income from debt investment		—	(55)
Loss (gain) on disposal of property and equipment		(2,368)	213
Amortization of deferred financing costs		35	—
Changes in working capital:			
Accounts receivable, net		(1,878)	(6,026)
Inventory		(190)	279
Prepaid expenses and other assets		(601)	99
Trade payables		1,176	588
Deferred revenue		101	(115)
Accrued liabilities		(3,050)	(3,632)
Income tax payable/receivable		(2,005)	522
<b>Net cash provided by operating activities</b>		<b>\$ 2,854</b>	<b>\$ 1,175</b>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	4	(15,483)	(6,006)
Proceeds from sale of property and equipment	4	6,953	641
<b>Net cash used in investing activities</b>		<b>\$ (8,530)</b>	<b>\$ (5,365)</b>
<b>Cash flows from financing activities</b>			
Proceeds from exercise of options	8	11	304
Principal payments on term notes	6	(113)	(589)
Shares redeemed to pay income tax	8	(1,584)	(961)
Repayments of finance lease liabilities		(18)	(94)
<b>Net cash used in financing activities</b>		<b>\$ (1,704)</b>	<b>\$ (1,340)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(7,380)</b>	<b>(5,530)</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>17,540</b>	<b>12,839</b>
<b>Cash and cash equivalents at end of period</b>		<b>\$ 10,160</b>	<b>\$ 7,309</b>
<b>Supplemental disclosures of cash flow information</b>			
Cash paid during the period for interest		\$ 125	\$ 224
Cash paid during the period for income taxes, net of refunds		\$ 2,957	\$ —
<b>Supplemental disclosures of non-cash transactions</b>			
Equipment and other fixed asset purchases payable at end of period		\$ 3,625	\$ 2,428
Equipment sales receivable at end of period		\$ 3,832	\$ —

See accompanying notes to the condensed consolidated financial statements

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**VIEMED HEALTHCARE, INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*(Tabular dollar amounts expressed in thousands of U.S. Dollars, except per share amounts)*  
*(Unaudited)*

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## **1. Nature of Business and Operations**

Viemed Healthcare, Inc. (the "Company"), through its subsidiaries, is a provider of home medical equipment ("HME") and post-acute respiratory healthcare services in the United States. The Company's primary service offerings are focused on effective in-home treatment with clinical practitioners providing therapy and counseling to patients in their homes using cutting edge technology. The Company serves patients in all 50 states of the United States. The Company was incorporated under the Business Corporations Act (British Columbia) on December 14, 2016. The Company's registered and records office is located at Suite 2800, Park Place, 666 Burrard Street, Vancouver, British Columbia V6C 2Z7 and its corporate office is located at 625 E. Kaliste Saloom Road, Lafayette, Louisiana 70508.

The Company's common shares are traded on the Nasdaq Capital Market under the symbol "VMD".

## **2. Summary of Significant Accounting Policies**

### ***Principles of Presentation***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The accompanying condensed consolidated financial statements are unaudited, but reflect all adjustments consisting of normal recurring accruals, which, in the opinion of management, are necessary to present fairly the Company's Condensed Consolidated Balance Sheets, Condensed Consolidated Statements of Income, Condensed Consolidated Statements of Changes in Shareholders' Equity and Condensed Consolidated Statements of Cash Flows for the interim periods presented. The Company's fiscal year ends on December 31. The Condensed Consolidated Balance Sheet as of March 31, 2025 was derived from audited consolidated financial statements but does not include all disclosures required by GAAP. These condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements and the notes thereto and the report of the Company's independent registered public accounting firm included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. The nature of the Company's business is such that the results of any interim period may not be indicative of the results to be expected for the entire year.

Prior to December 31, 2024, the Company qualified as an "emerging growth company," as defined in Section 2(a) of the Securities Act of 1933, as amended, as modified by the Jumpstart our Business Startups Act of 2012, and took advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and other exemptions. As of December 31, 2024, the Company no longer qualified as an emerging growth company, and as a result is no longer exempt from the reporting requirements discussed above.

### ***Reporting Currency***

All values are in U.S. dollars (\$) or "USD". Tabular dollar amounts expressed in thousands of U.S. Dollars, except per share amounts.

### ***Basis of Consolidation***

These consolidated financial statements include the accounts of the Company and its subsidiaries in which it has a controlling financial interest. All intercompany transactions have been eliminated.

### ***Use of Estimates***

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Management bases these estimates and assumptions upon historical experience, existing and known circumstances, authoritative accounting pronouncements and other factors that management believes to be reasonable. Significant areas requiring the use of management estimates relate to revenue recognition, accounts receivable, income tax provisions, the fair value of financial instruments, and goodwill. Actual results could differ from these estimates.

## ***Segment Reporting***

The Company's chief operating decision-makers ("CODMs") are its Chief Executive Officer and Chief Operating Officer, who make resource allocation decisions and assess performance based on financial information presented on an aggregate basis. There are no segment managers who are held accountable by the chief operating decision-makers, or anyone else, for any planning, strategy and key decision-making regarding operations. The corporate office is responsible for contract negotiation with vendors and payors, corporate compliance with healthcare laws and regulations, and revenue cycle management, among other corporate supporting functions. Accordingly, the Company has a single reportable segment and operating segment structure. All expense categories on the Condensed Consolidated Statements of Income are significant and there are no other significant segment expenses that require disclosure.

## ***Accounts Receivable***

Accounts receivable and revenues are based on contractually agreed-upon rates for services provided, reduced by estimated adjustments. The accounts receivable are presented on the Condensed Consolidated Balance Sheets net of adjustments, including variable consideration for implicit price concessions related to sales revenues and an estimate for probable losses related to net rental revenues. Inherent in these estimates is the risk that they will have to be revised or updated as additional information becomes available. The complexity of third-party billing arrangements and laws and regulations governing Medicare and Medicaid may result in adjustments to amounts originally recorded.

The Company performs a periodic analysis to review the valuation of accounts receivable and collectability of outstanding balances. These estimates are determined utilizing historical realization data under a portfolio approach, which is then assessed by management to evaluate whether adjustments should be made based on accounts receivable aging trends, other operating trends, and relevant business conditions such as governmental and managed care payor claims processing procedures.

The Company records a reserve for estimated probable losses as part of rental revenue adjustments in order to report rental revenue at an expected collectable amount based on the total portfolio of operating lease receivables for which collectability has been deemed probable.

Receivables are considered past due when not collected by established due dates. Specific patient balances are written off after collection efforts have been followed and the account has been determined to be uncollectible. Revisions in reserve estimates are recorded as an adjustment to revenue in the period of revision.

Included in accounts receivable at March 31, 2025 are amounts due from Medicare representing 29% of total outstanding net receivables. As of December 31, 2024, 27% of total outstanding net receivables were amounts due from Medicare.

## ***Inventory***

Inventory represents non-serialized supplies that consist of equipment parts, consumables, and associated product supplies and is expensed at the time of sale or use. The Company values inventory at the lower of cost or net realizable value. Obsolete and unserviceable inventories are valued at estimated net realizable value.

## ***Property and Equipment***

Property and equipment is presented on the Condensed Consolidated Balance Sheets at historic cost less accumulated depreciation. Major renewals and improvements that extend the useful life of assets are capitalized to the respective property accounts, while maintenance and repairs, which do not extend the useful life of the respective assets, are expensed as incurred. Management has estimated the useful lives of equipment leased to customers. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Property and equipment are depreciated on a straight-line basis over their estimated useful lives.

Depreciation of medical equipment commences at the date of service, which represents the date that the asset has been delivered to a patient and is put in use and continues through the useful life of the asset. Property and equipment with definite useful lives are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.



## ***Equity Investments***

Equity investments on the Condensed Consolidated Balance Sheets are primarily comprised of equity investments without readily determinable fair values accounted for under the measurement alternative described in ASC 321-10-35-2. For these investments, the Company has elected the measurement alternative which measures the investment at cost, less any impairment. ASU 2019-04 clarifies that if an entity identifies observable price changes in orderly transactions for the identical or a similar investment of the same issuer, it must measure its equity investment at fair value in accordance with ASC 820 as of the date that the observable transaction occurred. The balance of the Company's equity investments was \$2.8 million as of March 31, 2025 and December 31, 2024. The Company was not aware of any impairment or observable price change adjustments that needed to be made as of March 31, 2025 on its investments in equity securities without a readily determinable fair value.

## ***Intangible Assets***

Intangible assets include trade names and other identifiable intangible assets. Amortization expense related to definite lived identifiable intangible assets is included in depreciation and amortization in the accompanying Condensed Consolidated Statements of Income.

## ***Revenue Recognition***

Revenues are principally derived from the rental and sale of HME products and services to patients.

### ***Rental revenues***

Revenue generated from equipment that is rented to patients is recognized over the non-cancellable rental period (typically one month) and commences on delivery of the equipment to the patients. The agreements are evaluated at commencement and the start of each monthly renewal period to determine if it is reasonably certain that the monthly renewal or purchase options would be exercised. The exercise of monthly renewal or purchase options by a patient has historically not been reasonably certain to occur at lease commencement or subsequent monthly renewals.

Revenues are recorded at amounts estimated to be received under reimbursement arrangements with payors, including private insurers, prepaid health plans, Medicare, Medicaid and patients. Rental revenue, less estimated adjustments, is recognized as earned on a straight-line basis over the non-cancellable lease term. Rental of patient equipment is billed on a monthly basis beginning on the date the equipment is delivered. Since deliveries can occur on any day during a month, the amount of billings that apply to the next month are deferred.

The Company's lease agreements generally contain lease components and non-lease components, which primarily relate to supplies. The Company has made the accounting policy election to account for a lease component of an agreement and its associated non-lease components as a single lease component based on the Company's assessment of classification of the lease based on the consideration in the contract for the combined component.

### ***Sales and Services revenues***

Revenue related to sales of equipment and supplies is recognized on the date of delivery as this is when control of the promised goods is transferred to patients and is presented net of applicable sales taxes. Revenues are recorded only to the extent it is probable that a significant reversal will not occur in the future as amounts may include implicit price concessions under reimbursement arrangements with payors, including private insurers, prepaid health plans, Medicare, Medicaid and patients. The sales transaction price is determined based on contractually agreed-upon rates, adjusted for estimates of variable consideration. The expected value method is used in determining the variable consideration as part of determining the sales transaction price using historical reimbursement experience, historical sales returns, and other operating trends. Payment terms and conditions vary by contract. The timing of revenue recognition, billing, and cash collection generally results in billed and unbilled accounts receivable.

Revenues associated with external staffing services are accrued on an hourly basis and are recorded based on the determination of whether the Company is acting as a principal or an agent. In arrangements in which the Company manages customers' supplemental workforce needs utilizing its own network of healthcare professionals, the Company is determined to be a principal and includes the contractual gross billings in revenues with a corresponding increase to cost of revenues for worksite employee payroll costs associated with these services. Alternatively, when the Company acts as agent in the performance of workforce management, revenue is recorded based on contractually agreed upon fees or commissions with no associated cost of revenues.

The revenues from each major source are summarized in the following table:

	Three Months Ended March 31,	
	2025	2024
<b>Revenue from rentals</b>		
Ventilator rentals, non-invasive and invasive	\$ 32,159	\$ 29,187
Other home medical equipment rentals	12,962	10,934
<b>Revenue from sales and services</b>		
Equipment and supply sales	7,519	6,138
Service revenues	6,489	4,334
<b>Total revenues</b>	<b>\$ 59,129</b>	<b>\$ 50,593</b>

Revenues from Medicare as a percentage of the Company's total revenue for the three months ended March 31, 2025 and 2024 were 41% and 43%, respectively.

### **Stock-Based Compensation**

The Company accounts for its stock-based compensation in accordance with ASC 718, "Compensation—Stock Compensation", which establishes accounting for share-based awards exchanged for employee services and requires companies to expense the estimated fair value of these awards over the requisite employee service period. Stock-based compensation costs for stock options are determined at the grant date using the Black-Scholes option pricing model. Stock-based compensation costs for restricted stock units ("RSUs") are determined at the grant date based on the closing stock price. The expense of such stock-based compensation awards is recognized using the graded vesting attribution method over the vesting period and the offsetting credit is recorded as an increase in additional paid-in capital. Forfeitures are recorded as incurred. Any excess tax benefit or deficiency is recognized as a component of income taxes and within operating cash flows upon vesting of the share-based award.

For the Company's phantom share units ("PSUs") settled in cash, the Company computes the fair value of the PSUs using the closing price of the Company's stock at the end of each period and records a liability based on the percentage of requisite service.

### **Income Taxes**

The Company is subject to income taxes in numerous U.S. jurisdictions. The Company's income tax provisions reflect management's interpretation of country and state tax laws. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business and may remain uncertain for several years after their occurrence. The Company recognizes assets and liabilities for taxation when it is probable that the Company will receive refunds from or pay taxes to the relevant tax authority. Where the final determination of tax assets and liabilities is different from the amounts that were initially recorded, such differences will impact the current and deferred income taxes provision in the period in which such a determination is made. Changes in tax law or changes in the way tax law is interpreted may also impact the Company's effective tax rate as well as the Company's business and operations.

Deferred income tax assets and liabilities are recognized for the future income tax consequences attributable to temporary differences between the financial statement carrying value of assets and liabilities and their respective income tax bases. Deferred income tax assets or liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. The calculation of current and deferred income taxes requires management to make estimates and assumptions and to exercise a certain amount of judgment concerning the carrying value of assets and liabilities. The current and deferred income tax assets and liabilities are also impacted by expectations about future operating results and the timing of reversal of temporary differences as well as possible audits of tax filings by regulatory agencies. Changes or differences in these estimates or assumptions may result in changes to the current and deferred tax assets and liabilities on the Condensed Consolidated Balance Sheets and a charge to or recovery of income tax expense.

Deferred tax is recognized on any temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable earnings. The effect of a change in the enacted tax rates is recognized in net earnings and comprehensive income or in equity depending on the item to which the adjustment relates. At each reporting period end, deferred tax assets are evaluated for recoverability based on whether it is more likely than not that sufficient taxable earnings will be available to allow all or part of the asset to be recovered.

## **Business Combinations**

The Company applies the acquisition method of accounting for business acquisitions. The results of operations of the business acquired by the Company are included as of the respective acquisition date. The acquisition-date fair value of the consideration transferred, including the fair value of any contingent consideration, is allocated to the underlying assets acquired, liabilities assumed, and noncontrolling interest in the acquiree based upon their estimated fair values at the date of acquisition. To the extent the acquisition-date fair value of the consideration transferred exceeds the fair value of the identifiable tangible and intangible assets acquired, liabilities assumed, and any noncontrolling interests, such excess is allocated to goodwill. Patient relationships, medical records and patient lists are not reported as separate intangible assets due to the regulatory requirements and lack of contractual agreements but are part of goodwill. Customer related relationships are not reported as separate intangible assets but are part of goodwill as authorizing physicians are under no obligation to refer the Company's services to their patients, who are free to change physicians and service providers at any time. The Company may adjust the preliminary purchase price allocation, as necessary, as it obtains more information regarding asset valuations and liabilities assumed that existed but were not available at the acquisition date, which is generally up to one year after the acquisition closing date. Acquisition related costs are recognized separately from the business combination and are expensed as incurred.

## **Impairment of Goodwill and Long-Lived Assets**

Goodwill resulting from business combinations is not amortized, rather, it is assessed for impairment annually and upon the occurrence of a triggering event or change in circumstances indicating a possible impairment. Such triggering events potentially warranting an annual or interim goodwill impairment assessment include, among other factors, declines in historical or projected revenue, operating income or cash flows, and sustained decreases in the Company's stock price or market capitalization. Such changes in circumstance can include, among others, changes in the legal environment, reimbursement environment, operating performance, and/or future prospects.

The Company performs its annual impairment assessment of goodwill during the fourth quarter of each year. The impairment assessment can be performed on either a quantitative or qualitative basis. The Company first assesses qualitative factors to determine whether it is necessary to perform a quantitative goodwill impairment analysis. If determined necessary, the Company applies the quantitative impairment test to identify and measure the amount of impairment, if any. Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions and factors, such as estimates of a reporting unit's fair value and judgment about impairment triggering events. As a result, there can be no assurance that the estimates and assumptions made for purposes of the annual or interim goodwill impairment test will prove to be accurate predictions of the future.

For the year ended December 31, 2024, the Company performed an assessment of qualitative factors and determined that no events or circumstances existed that would lead to a determination that it is more likely than not that the fair value of indefinite-lived assets were less than the carrying amount. As such, a quantitative analysis was not required to be performed and the Company did not record any goodwill impairment charges.

The Company follows ASC Topic 360, which requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the asset group's carrying amounts may not be recoverable. In performing the review for recoverability, if future undiscounted cash flows (excluding interest charges) from the use and ultimate disposition of the assets are less than their carrying values, an impairment loss represented by the difference between its fair value and carrying value, is recognized. When properties are classified as held for sale, they are recorded at the lower of the carrying amount or the expected sales price less costs to sell. There were no impairment charges recognized during the three months ended March 31, 2025 and March 31, 2024.

## **Net Income per Share Attributable to Viemed Healthcare, Inc.'s Common Stockholders**

Basic net income per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted net income per common share is computed based on the weighted average number of shares of common stock plus the effect of dilutive stock-based awards outstanding during the period using the treasury stock method. Dilutive stock-based awards include outstanding common stock options and time-based RSUs.

See Note 11 for earnings per share computations.

### ***Recently Adopted Accounting Pronouncements***

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires a public entity to disclose significant segment expenses and other segment items on an annual and interim basis and to provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually. Public entities with a single reportable segment are required to provide the new disclosures and all the disclosures required under ASC 280. The ASU is effective for fiscal years beginning after December 15, 2023 and interim periods beginning after December 15, 2024. The guidance is applied retrospectively to all periods presented in the financial statements, unless it is impracticable. The Company adopted this standard during the year ended December 31, 2024, which did not have a material impact on its consolidated financial statements and related disclosures.

### ***Recently Issued Accounting Pronouncements***

In December 2023, the FASB issued Accounting Standards Update (ASU) No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which is intended to improve the transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the effective tax rate reconciliation and income taxes paid by jurisdiction. The ASU is effective for public business entities' annual periods beginning after December 15, 2024, with early adoption permitted. The Company adopted this pronouncement and is evaluating the impact it will have on its upcoming annual filing on Form 10-K for the year ended December 31, 2025; however, the Company currently does not believe the adoption will have a material impact on its consolidated financial statements and disclosures for that Form 10-K filing.

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses (DISE), which specifies additional disclosure requirements. The new guidance requires additional disclosures, including the composition of certain income expense line items (such as purchases of inventory, employee compensation, and 'other expenses') and a separate disclosure for selling expenses. This ASU is effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027, however, early adoption is permitted. The Company is currently evaluating the impact of adopting this guidance on its consolidated financial statements.

## **3. Business Combinations**

### ***East Alabama HomeMed, LLC***

On April 1, 2024, the Company acquired a controlling 60% equity interest in East Alabama HomeMed, LLC ("HomeMed"). The acquisition was accounted for under the acquisition method of accounting in accordance with ASC 805. As a result of the acquisition, goodwill of \$3.2 million and a trade name of \$0.4 million were recognized. The Company expects its portion of the goodwill to be fully tax-deductible. Additionally, a noncontrolling interest of \$1.8 million was recorded at the acquisition date. The accompanying financial statements include the results of HomeMed's operations from the acquisition date. Changes in the noncontrolling interests after the acquisition date are accounted for pursuant to ASC 810, *Consolidation*.

## 4. Property and Equipment

The Company's fixed assets consist of its medical equipment held for rental, furniture and equipment, real property and related improvements, and vehicles and other various small equipment.

The following table details the Company's fixed assets:

	March 31, 2025	December 31, 2024
Medical equipment	\$ 118,103	\$ 116,938
Furniture and equipment	4,684	4,523
Land	2,566	2,566
Buildings	8,379	8,307
Leasehold improvements	647	660
Vehicles	1,316	1,288
Less: Accumulated depreciation	(54,641)	(58,003)
<b>Property and equipment, net of accumulated depreciation</b>	<b>\$ 81,054</b>	<b>\$ 76,279</b>

Depreciation in the amount of \$6.3 million and \$5.9 million is included in cost of revenue for the three months ended March 31, 2025 and 2024, respectively. Medical equipment purchases with a cost of \$3.6 million and \$2.2 million were included in accounts payable at March 31, 2025 and December 31, 2024, respectively.

## 5. Current Liabilities

The Company's short-term accrued liabilities are included within current liabilities and consist of the following:

	March 31, 2025	December 31, 2024
Accrued trade payables	\$ 4,693	\$ 4,016
Accrued commissions payable	1,139	1,027
Accrued bonuses payable	2,542	6,589
Accrued vacation and payroll	4,476	3,402
Current portion of phantom share liability	917	1,701
Accrued other liabilities	3,776	3,422
<b>Total accrued liabilities</b>	<b>\$ 17,543</b>	<b>\$ 20,157</b>

## 6. Debt and Lease Liabilities

### Debt

The following table summarizes the Company's debt as of March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
2022 Senior Credit Facilities	\$ 4,469	\$ 4,563
Medical equipment financing	15	34
Financing costs and commitment fees	(564)	(599)
Current portion	(390)	(409)
<b>Long-term portion</b>	<b>\$ 3,530</b>	<b>\$ 3,589</b>

## 2022 Senior Credit Facilities

On November 29, 2022, the Company refinanced its existing borrowings under the 2018 Senior Credit Facility and entered into a new credit agreement (the "2022 Senior Credit Facilities") with the lenders from time to time party thereto, and Regions Bank, as administrative agent (the "Administrative Agent") and collateral agent, that provides for an up to \$30.0 million revolving credit facility (the "2022 Revolving Credit Facility") and an up to \$30.0 million delayed draw term loan facility (the "2022 Term Loan Facility"), both maturing in November 2027.

The proceeds of the 2022 Revolving Credit Facility may be used to refinance existing indebtedness, for working capital purposes, capital expenditures and other general corporate purposes (including permitted acquisitions), and to pay transaction fees, costs and expenses related to the 2022 Senior Credit Facilities. The proceeds of the 2022 Term Loan Facility and any additional term loans established in accordance with the 2022 Senior Credit Facilities may be used to finance permitted acquisitions and to pay transaction fees, costs and expenses related to such acquisitions.

The interest rates per annum applicable to the 2022 Senior Credit Facilities are a forward looking term rate based on a secured overnight financing rate ("Term SOFR") plus an applicable margin ranging from 2.625% to 3.375%, or, at the option of the Company, a Base Rate (as defined in the 2022 Senior Credit Facilities) plus an applicable margin, which ranges from 1.625% to 2.375%.

The 2022 Senior Credit Facilities require the Company to comply with certain affirmative, as well as certain negative covenants that, among other things, restrict, subject to certain exceptions, the ability of the Company to incur indebtedness, grant liens, make investments, engage in acquisitions, mergers or consolidations and pay dividends and other restricted payments. The 2022 Senior Credit Facilities also include certain financial covenants, which generally include, but are not limited to the following:

- Consolidated Total Leverage Ratio (defined generally as total indebtedness to adjusted EBITDA) of not greater than (i) for any fiscal quarter ending during the period from the closing date to and including December 31, 2024, 2.75 to 1.0 and (ii) for any fiscal quarter ending on and after March 31, 2025, 2.50 to 1.0, subject to certain adjustments following a material acquisition.
- Consolidated Fixed Charge Coverage Ratio (defined generally as (a) adjusted EBITDA minus capital expenditures minus cash taxes to (b) the sum of scheduled principal payments plus cash interest expense plus restricted payments) of not less than 1.25:1.0.

The Company was in compliance with all covenants under the 2022 Senior Credit Facilities in effect at March 31, 2025.

The 2022 Senior Credit Facilities include provisions permitting the Company from time to time to, subject to certain terms and conditions, increase the aggregate amount of commitments under the 2022 Revolving Credit Facility and/or establish one or more additional term loans under the 2022 Term Loan Facility, in each case, with additional commitments from existing lenders or new commitments from financial institutions acceptable to the Administrative Agent in its reasonable discretion; provided, that, (a) the aggregate principal amount of any increases in the 2022 Revolving Credit Facility, and (b) the aggregate principal amount of all additional term loans under the 2022 Term Loan Facility established after the closing date will not exceed \$30.0 million.

Financing costs related to the 2022 Senior Credit Facilities are capitalized and amortized over the term of the loans using the effective interest method. Upon the initial draw of debt under the 2022 Senior Credit Facilities during the year ended December 31, 2023, the Company reclassified the deferred financing fees previously recorded in other long-term assets to long-term debt in the condensed consolidated balance sheets.

On May 28, 2024, the Company entered into a First Amendment to the 2022 Senior Credit Facilities that (a) extended the delayed draw term loan commitment expiration date to November 29, 2025, from its initial expiration date of May 29, 2024, and (b) provided for other technical amendments.

## Medical Equipment Financing

The Company enters into medical equipment financing obligations through supplier finance programs. The financing obligations are primarily short term in nature and are payable in monthly installments.

## Leases

The Company has recognized finance lease liabilities for vehicles and operating leases for land and buildings that have terms greater than twelve months, as follows:

	March 31, 2025	December 31, 2024
Lease liabilities	\$ 2,840	\$ 2,868
Less:		
Current portion of lease liabilities	(937)	(861)
<b>Net long-term lease liabilities</b>	<b>\$ 1,903</b>	<b>\$ 2,007</b>

## Operating Lease Liabilities

The Company has recognized operating lease liabilities that relate primarily to the lease of land and buildings. The exercise of lease renewal options is at the Company's sole discretion and is included in the lease term for calculations of its right-of-use assets and liabilities when it is reasonably certain that the Company plans to renew these leases. These lease liabilities are recorded at their present value using a discount rate ranging from 5.50% to 7.87%, based on the Company's incremental borrowing rate at the time of assessment. At March 31, 2025, the weighted average lease term was approximately 3.23 years.

Future maturities of the Company's operating lease liabilities as of March 31, 2025 are summarized as follows:

	Lease Liability
2025	\$ 780
2026	1,022
2027	794
2028	582
2029	3
Thereafter	3
<b>Total lease payments</b>	<b>\$ 3,184</b>
<b>Less: imputed interest</b>	<b>\$ 376</b>
<b>Present value of lease liabilities</b>	<b>\$ 2,808</b>

Operating rental expenses were \$386,000 and \$355,000 during the three months ended March 31, 2025 and March 31, 2024, respectively.

## 7. Fair Value Measurement

Under ASC Topic 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). ASC Topic 820 establishes a hierarchy for inputs to valuation techniques used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. There are three levels to the hierarchy based on the reliability of inputs, as follows:

Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets and liabilities in markets that are not active.

Level 3 - Unobservable inputs for the asset or liability. The degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized in Level 3.

### Assets Measured at Fair Value on a Recurring Basis

The Company measures certain assets at fair value on a recurring basis. There were no transfers between fair value measurement levels during any presented period. The following tables summarize the Company's assets measured at fair value on a recurring basis as of March 31, 2025 and December 31, 2024:

At March 31, 2025				
(In thousands)	Level 1	Level 2	Level 3	Total
<b>Recurring Fair Value Measurements:</b>				
Money market mutual funds	\$ 253	—	—	\$ 253
<b>Total</b>	<b>\$ 253</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 253</b>

At December 31, 2024				
(In thousands)	Level 1	Level 2	Level 3	Total
<b>Recurring Fair Value Measurements:</b>				
Money market mutual funds	\$ 10,582	—	—	\$ 10,582
<b>Total</b>	<b>\$ 10,582</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 10,582</b>

### Assets Measured at Fair Value on a Nonrecurring Basis

The Company measures certain assets at fair value on a nonrecurring basis. These assets include other equity investments and the fair value allocation related to the Company's acquisitions.

The Company's other equity investments are holdings in privately-held companies without a readily determinable market value. The Company remeasures equity securities without readily determinable fair value at fair value when an orderly transaction is identified for an identical or similar investment of the same issuer in accordance with the measurement alternative under Topic 820. ASU 2019-04 states that the measurement alternative is a nonrecurring fair value measurement. Accordingly, other equity investments without readily determinable fair value are classified within Level 3 in the fair value hierarchy because the Company estimates the value using a combination of observable and unobservable inputs, including valuation ascribed to the issuing company in subsequent financing rounds, volatility in the results of operations of the issuers and rights and obligations of the holdings the Company owns. The Company had no material adjustments of other equity investments measured at fair value on a nonrecurring basis during any of the periods presented.

The fair value allocation related to the Company's acquisitions are determined using a discounted cash flow approach, or a replacement cost approach, which are based on significant unobservable inputs (Level 3). These valuation methods required management to make various assumptions, including, but not limited to, future profitability, cash flows, replacement costs, and discount rates. The Company's estimates are based upon historical trends, management's knowledge and experience and overall economic factors, including projections of future earnings potential. Developing discounted future cash flows in applying the income approach requires the Company to evaluate its intermediate to longer-term strategies, including, but not limited to, estimates of



revenue growth, operating margins, capital requirements, inflation and working capital management. The development of appropriate rates to discount the estimated future cash flows requires the selection of risk premiums, which can materially impact the present value of future cash flows.

The Company estimated the fair value of acquired identifiable intangible assets using discounted cash flow techniques that included an estimate of future cash flows, consistent with overall cash flow projections used to determine the purchase price paid to acquire the business, discounted at a rate of return that reflects the relative risk of the cash flows. The Company estimated the fair value of certain acquired identifiable intangible assets based on the cost approach using estimated costs consistent with historical experience. The Company believes the estimates and assumptions used in the valuation methods are reasonable.

There were no transfers between fair value measurement levels during any presented period.

## 8. Shareholders' Equity

### *Authorized Share Capital*

The Company's authorized share capital consists of an unlimited number of common shares, with no stated par value.

### *Issued and Outstanding Share Capital*

The Company has only one class of stock outstanding, common shares. The authorized stock consists of an unlimited number of common shares with no stated par value, of which 39,523,787 and 39,132,897 shares were issued and outstanding as of March 31, 2025 and December 31, 2024, respectively.

The Company acquired and cancelled 193,173 common shares at a cost of \$1.6 million to satisfy employee income tax withholding associated with RSUs vesting during the three months ended March 31, 2025. The Company's retained earnings were reduced by the amount paid for the shares repurchased and cancelled.

### **Stock-Based Compensation**

On June 6, 2024 (the "Effective Date"), the Company's shareholders approved the Company's 2024 Long Term Incentive Plan (the "2024 Omnibus Plan") to provide an incentive to attract, retain, and reward directors, officers, employees, and consultants who provide services to the Company or any of its subsidiaries. All directors, officers, employees, and consultants of the Company and/or its affiliates are eligible to receive awards under the 2024 Omnibus Plan, subject to its terms. Awards include common share purchase options, restricted stock, stock appreciation rights, performance awards, or other stock-based awards, including restricted stock units, deferred stock units, and dividends and dividend equivalents. The maximum number of common shares that will be available for awards and issuance under the 2024 Omnibus Plan and that may be reserved for issuance at any time, including under previous plans such as the 2020 Long Term Incentive Plan (effective June 11, 2020), the Amended and Restated Stock Option Plan (effective as of July 17, 2018), the Amended and Restated Restricted Share Unit Plan (effective as of July 17, 2018), and the Deferred Share Unit Plan (effective July 17, 2018), is 7,800,000 shares. The maximum amount of common shares that may be awarded under the 2024 Omnibus Plan as "incentive stock options" is 1,000,000 common shares. As of March 31, 2025, the Company had outstanding options of 3,898,000 and RSUs of 2,224,000 associated with common shares under the existing plans.

The following table summarizes stock-based compensation expense for the three months ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
Stock-based compensation - options	\$ 16	\$ 111
Stock-based compensation - restricted stock units	2,295	1,321
<b>Total</b>	<b>\$ 2,311</b>	<b>\$ 1,432</b>

At March 31, 2025, there was approximately \$9,000 of total unrecognized pre-tax stock option expense under the Company's equity compensation plans, which is expected to be recognized over a weighted average period of 0.36 years. As of March 31, 2025, there was approximately \$12,442,000 of total unrecognized pre-tax compensation expense related to outstanding time-based restricted stock units that is expected to be recognized over a weighted average period of 1.71 years.

## Options

The following table summarizes stock option activity for the three months ended March 31, 2025:

	Number of options (000's)	Weighted average exercise price <sup>(1)</sup>	Weighted average remaining contractual life	Aggregate intrinsic value <sup>(2)</sup>
<b>Balance December 31, 2024</b>	<b>3,917</b>	<b>\$ 5.36</b>	<b>5.0 years</b>	<b>\$ 10,984</b>
Issued	—	—		
Exercised	(2)	5.21		
Expired / Forfeited	(17)	10.44		
<b>Balance March 31, 2025</b>	<b>3,898</b>	<b>\$ 5.34</b>	<b>4.8 years</b>	<b>\$ 8,677</b>

<sup>(1)</sup>For presentation purposes, stock options issued with a Canadian dollar exercise price have been translated to U.S. dollars based on the prevailing exchange rate on the date of grant.

<sup>(2)</sup>The aggregate intrinsic value of options outstanding represents the difference between the exercise price of the option and the closing price of the Company's common shares on the last trading day of the period (\$7.28 and \$8.02 on March 31, 2025 and December 31, 2024, respectively).

The aggregate intrinsic value of options outstanding was \$8,677,000 and options exercisable was \$8,643,000 at March 31, 2025. For the three months ended March 31, 2025, 2,225 common shares were issued pursuant to the exercise of stock options.

At March 31, 2025, the Company had 3,871,000 exercisable stock options outstanding with a weighted average exercise price of \$5.34 and a weighted average remaining contractual life of 4.8 years. At December 31, 2024, the Company had 3,691,000 exercisable stock options outstanding with a weighted average exercise price of \$5.37 and a weighted average remaining contractual life of 4.9 years.

The fair value of the stock options has been charged to the Condensed Consolidated Statements of Income and credited to additional paid-in capital over the vesting period, using the grant date fair value based on the Black-Scholes option pricing model. The assumptions used to determine the grant date fair value of stock options include exercise price, risk-free interest rates, expected volatility, and average life of an option. The risk-free interest rates are based on the rates available at the time of the grant for zero-coupon U.S. government issues with a remaining term equal to the option's expected life. The average life of an option is based on both historical and projected exercise and lapsing data. Expected volatility is based on implied volatilities from traded options on the Company's common shares and historical volatility of the Company's common shares over the expected life of the option. There were no issuances of options during the three months ended March 31, 2025.

## Restricted Stock Units

The Company accounts for RSUs using fair value. The fair value of the RSUs has been charged to the Condensed Consolidated Statements of Income and credited to additional paid-in capital over the vesting period, based on the stock price on the date of grant. RSUs vest generally over a one or three-year period. The Company accounts for forfeitures of RSUs under ASU 2016-09 and recognizes forfeitures in the period in which they occur.

The following table summarizes RSU activity for the three months ended March 31, 2025:

	Number of RSUs (000's)	Weighted average grant price	Weighted average remaining contractual life	Aggregate intrinsic value <sup>(1)</sup>
<b>Balance December 31, 2024</b>	<b>1,514</b>	<b>\$ 7.80</b>	<b>1.38 years</b>	<b>\$ 12,141</b>
Issued	1,292	8.15		
Vested	(582)	7.49		
Forfeited	—	—		
<b>Balance March 31, 2025</b>	<b>2,224</b>	<b>\$ 8.08</b>	<b>1.71 years</b>	<b>\$ 16,188</b>

<sup>(1)</sup>The aggregate intrinsic value of time-based RSUs outstanding was based on the closing price of the Company's common shares on the last trading day of the period (\$7.28 and \$8.02 on March 31, 2025 and December 31, 2024, respectively).

During the three months ended March 31, 2025, the Company issued 1,291,631 RSUs with equal annual vestings over a three year period and a fair value of \$8.15 per share.

### Phantom Share Units

The Company has a phantom share unit plan, which it uses for grants to directors, officers, and employees. PSUs granted under the plan are non-assignable and are settled in cash at vesting based on the fair value of the Company's common stock on the vesting date. PSUs vest annually over a three-year period. The cash-settled PSUs are accounted for as liability awards and are re-measured at fair value each reporting period until they become vested with accrued liability and related expense being recognized over the requisite service period.

The following table summarizes PSU activity for the three months ended March 31, 2025:

	Number of phantom share units (000's)	Value of share equivalents <sup>(1)</sup>
<b>Balance December 31, 2024</b>	<b>441</b>	<b>\$ 3,537</b>
Issued	261	2,164
Vested	(199)	1,641
Forfeited	(1)	(9)
<b>Balance March 31, 2025</b>	<b>502</b>	<b>\$ 3,655</b>

<sup>(1)</sup>The value of outstanding share equivalents at the beginning of the period is based on the market price of the Company's common shares at that time, the value of issued share equivalents is based on the market price of the Company's common shares at issuance, the value of vested share equivalents is based on the cash paid at the time of vesting, and the values of forfeited share equivalents and outstanding share equivalents at the end of the period are based on the market price of the Company's common shares at the end of the period. The market price of the Company's common shares was \$7.28 and \$8.02 on March 31, 2025 and December 31, 2024, respectively.

The change in fair value of the PSUs has been charged to the Condensed Consolidated Statements of Income and recorded as a liability included in accrued liabilities and long-term accrued liabilities. The total liability associated with PSUs at March 31, 2025 is \$1,327,000, with \$917,000 of this amount included in current accrued liabilities and the remaining portion of \$410,000 included in long-term accrued liabilities.

The impact associated with the fair value re-measurement of PSUs is recorded in selling, general and administrative expenses within the unaudited Condensed Consolidated Statements of Income. The following table summarizes expense associated with the PSUs for the three months ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
Selling, general, and administrative	\$ 411	\$ 840

The Company paid cash settlements of \$1.6 million and \$1.0 million during the three months ended March 31, 2025 and 2024, respectively, pertaining to vestings of cash-settled PSUs.

## 9. Commitments and Contingencies

The Company accrues estimates for resolution of any legal and other contingencies when losses are probable and reasonably estimable in accordance with ASC 450, Contingencies ("ASC 450"). No less than quarterly, the Company reviews the status of each significant matter underlying a legal proceeding or claim and assess our potential financial exposure. The Company accrues a liability for an estimated loss if the potential loss from any legal proceeding or claim is considered probable and the amount can be reasonably estimated. Significant judgment is required in both the determination of probability and the determination as to whether the amount of an exposure is reasonably estimable, and accruals are based only on the information available to the Company at the time the judgment is made, which may prove to be incomplete or inaccurate or unanticipated events and circumstances may occur that might cause us to change those estimates and assumptions. Furthermore, the outcome of legal proceedings is inherently uncertain, and we may incur substantial defense costs and expenses defending any of these matters.

### Legal Proceedings

As previously disclosed, on November 5, 2020, the Company (through its subsidiary Sleep Management LLC) filed a lawsuit against Vyaire Medical, Inc. d/b/a CareFusion Respiratory Technologies ("Vyaire") in the 15th Judicial District Court for the Parish of Lafayette, Louisiana (the "State Court") seeking damages for breach of contract and seeking declaratory judgment. The State Court issued an order on September 5, 2023 granting the Company Partial Summary Judgment finding that Vyaire breached the contract. On June 9, 2024, Vyaire and certain of its affiliates filed voluntary bankruptcy under Chapter 11 of the Bankruptcy Code in the US Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

A liquidation analysis subsequently submitted to the Bankruptcy Court disclosed that unsecured claims, including those subordinate to the super-priority claims of certain Vyaire creditors, would not receive any recovery under the proposed Chapter 11 reorganization plan or in the event of a Chapter 7 liquidation. Consequently, collection of the Company's unsecured claim against Vyaire was determined to be not probable. During the year ended December 31, 2024, outstanding funds receivable in the amount of \$0.9 million related to undelivered respiratory equipment were impaired through Other expense (income).

### ***Governmental and Regulatory Matters***

From time to time the Company is involved in various external governmental investigations, audits and reviews. Reviews, audits and investigations of this sort can lead to government actions, which can result in the assessment of recoupment of reimbursement, civil or criminal fines or penalties, or other sanctions, including restrictions or changes in the way the Company conducts business, loss of licensure or exclusion from participation in government healthcare programs.

## **10. Income Taxes**

For the three months ended March 31, 2025, the Company recorded income tax expense of \$1.0 million, which includes a discrete tax benefit of \$0.1 million associated with stock-based compensation arrangements. Excluding the impact of the discrete taxes, the effective rate for the three months ended March 31, 2025 is 29.7%. The effective rate differs from the amount computed by applying the statutory federal and state income tax rates to ordinary income before the provision for income taxes due to permanent non-deductible differences. The Company's effective tax rate is based on forecasted annual results which may fluctuate significantly through the rest of the year.

At March 31, 2025 and 2024, the Company had no amounts recorded for uncertain tax positions and does not expect any material changes in uncertain tax benefits during the next 12 months. The Company recognizes interest and penalties related to income tax matters in income tax expense. The Company is subject to U.S. federal income tax as well as income tax in various states. The Company is generally not subject to examination by taxing authorities for years prior to 2021.

The Company recognizes deferred tax assets to the extent that the Company believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations.

## 11. Earnings Per Share

Income per common share is calculated using earnings for the year divided by the weighted average number of shares outstanding during the year. Using the treasury stock method, diluted income per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares by assuming the proceeds received from the exercise of stock options and the vesting of RSUs are used to purchase common shares at the prevailing market rate.

The following reflects the earnings and share data used in the basic and diluted earnings per share computations:

	Three Months Ended March 31,	
	2025	2024
<b>Numerator - basic and diluted:</b>		
Net income attributable to Viemed Healthcare, Inc.	\$ 2,625	\$ 1,603
<b>Denominator:</b>		
Basic weighted average number of common shares	39,426,753	38,717,123
Diluted weighted average number of shares	41,627,876	40,580,634
Basic earnings per share	\$ 0.07	\$ 0.04
Diluted earnings per share	\$ 0.06	\$ 0.04
<b>Denominator calculation from basic to diluted:</b>		
Basic weighted average number of common shares	39,426,753	38,717,123
Stock options and other dilutive securities	2,201,123	1,863,511
Diluted weighted average number of shares	41,627,876	40,580,634

Anti-dilutive shares excluded from the calculation consisted of dilutive employee stock options and RSUs that were de minimis in all periods presented.

## 12. Subsequent Events

On May 6, 2025, the Company, through its a wholly-owned subsidiary Viemed, Inc., entered into a definitive agreement to acquire Lehan Drugs, Inc. ("Lehan"), a privately held provider of home medical equipment headquartered in DeKalb, Illinois, for a base purchase price of \$26 million, subject to customary adjustments for net working capital and an estimated \$2.2 million of additional contingent payments. The acquisition is expected to be funded through a combination of cash on hand and borrowings under the Company's existing credit facilities.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with, and is qualified entirely by, our condensed consolidated financial statements (including Notes to the Condensed Consolidated Financial Statements) and the other consolidated financial information under Item 1 of this Quarterly Report on Form 10-Q. Some of the information in this discussion and analysis includes forward-looking statements that involve risk and uncertainties. Actual results and timing of events could differ from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.*

### **Forward-Looking Statements**

Certain statements and information in this Quarterly Report on Form 10-Q may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 or “forward-looking information” as such term is defined in applicable Canadian securities legislation (collectively, “forward-looking statements”). Any statements other than statements of historical information, including those that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance, including the Company’s expectations about its pending acquisition of Lehan, such as expected purchase price, contingent payments, closing date, funding sources, and other benefits, are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties that could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. These forward-looking statements are made as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except as required by applicable law.

Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management regarding future events, and include, but are not limited to, statements with respect to: operating results; profitability; financial condition and resources; anticipated needs for working capital; liquidity; capital resources; capital expenditures; milestones; licensing milestones; information with respect to future growth and growth strategies; anticipated trends in our industry; our future financing plans; timelines; currency fluctuations; government regulation; unanticipated expenses; commercial disputes or claims; limitations on insurance coverage or other reimbursement; and availability of cash flow to fund capital requirements.

Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “potential”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, “projects”, or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “will”, “should”, “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or comparable terminology.

Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking statements are reasonable. We cannot assure you, however, that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, including those identified under “Item 1A. Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q and the other documents we file with the SEC, including under “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2024, and with the securities regulatory authorities in certain provinces of Canada, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to: the general business, market and economic conditions in the regions in which we operate; significant capital requirements and operating risks that we may be subject to; our ability to implement business strategies and pursue business opportunities; volatility in the market price of our common shares; the state of the capital markets; the availability of funds and resources to pursue operations; inflation; reductions in reimbursement rates and audits of reimbursement claims by various governmental and private payor entities; dependence on few payors; possible new drug discoveries; dependence on key suppliers; granting of permits and licenses in a highly regulated business; competition; disruptions in or attacks (including cyber-attacks) on our information technology, internet, network access or other voice or data communications systems or services; the evolution of various types of fraud or other criminal behavior to which we are exposed; difficulty integrating newly acquired businesses; the impact of new and changes to, or application of, current laws and regulations; the overall difficult litigation and regulatory environment; increased competition; increased funding costs and market volatility due to market illiquidity and competition for funding; critical accounting estimates and changes to accounting standards, policies, and methods used by us; and the occurrence of natural and unnatural catastrophic events or health epidemics or concerns, and claims resulting from such events or concerns, as well as other general economic, market and business conditions; and other factors beyond our control.

## **General Matters**

In this Quarterly Report on Form 10-Q, unless the context otherwise requires, the terms the "Company," "we," "us" and "our" refer to Viamed Healthcare, Inc. and subsidiaries in which it has a controlling financial interest.

We were incorporated on December 14, 2016 pursuant to the *Business Corporations Act* (British Columbia). As of June 30, 2020, we determined that we no longer qualify as a "foreign private issuer," as defined in Rule 3b-4 of the Exchange Act, for the purposes of the informational requirements of the Exchange Act. As a result, effective January 1, 2021, we became subject to the proxy solicitation rules under Section 14 of the Exchange Act and Regulation FD, and our officers, directors, and principal shareholders became subject to the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. We will continue to file annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K with the SEC and with the relevant Canadian securities regulatory authorities on the System for Electronic Document Analysis and Retrieval (SEDAR).

## **Overview**

We provide an array of home medical equipment, services and supplies, specializing in post-acute respiratory care services in the United States. Our primary objective is to focus on the organic growth of the business and thereby solidify our position as one of the United States' largest providers of in-home therapy for patients suffering from respiratory diseases. Our respiratory care programs are designed specifically for payors to have the ability to treat patients in the home for less total cost and with a superior quality of care. Our services include respiratory disease management (through the rental of various HME devices), neuromuscular care, in-home sleep testing and sleep apnea treatment, oxygen therapy, the sale of associated supplies, and healthcare staffing services.

We derive the majority of our revenue through the rental of non-invasive and invasive ventilators which represented 54.4% and 57.7% of our revenue for the three months ended March 31, 2025 and 2024, respectively. We combine the benefits of home ventilation support with licensed Respiratory Therapists ("RTs") to drive improved patient outcomes and reduce costly hospital readmissions.

We expect to grow through expansion of existing service areas as well as in new territories through a cost efficient launch that reduces location expenses. We currently serve patients in all 50 states. We anticipate expanding our workforce of RTs to support our growth and ensure our high service model is maintained in the home. As of March 31, 2025, we employed 418 licensed RTs, representing approximately 34% of our company-wide employee count. Beyond fulfilling our internal staffing needs, we also provide healthcare staffing and recruitment services, offering tailored workforce solutions to external healthcare institutions and partners seeking qualified clinical professionals.

By focusing overhead costs on personnel that service the patient rather than physical location costs, we anticipate that we will efficiently scale our business in territories that are currently not being effectively serviced.

The continued trend of servicing patients in the home rather than in hospitals is aligned with our business objective and we anticipate that this trend will continue to offer growth opportunities for us. We expect to continue to be a solution to the rising health costs in the United States by offering more cost effective, home based solutions while increasing the quality of life for patients fighting serious respiratory diseases.

## **Trends Affecting our Business**

Home medical equipment markets are witnessing sustained expansion, with a notable focus on the complex respiratory and Obstructive Sleep Apnea ("OSA") device segments. Analysts in the industry anticipate a consistent and robust growth trajectory, projecting Compound Annual Growth Rates ("CAGR") of approximately 6% for respiratory devices and 8% for OSA devices. This upward trend underscores the increasing demand for innovative solutions in respiratory care and sleep apnea management, highlighting the industry's responsiveness to evolving healthcare needs. As technological advancements and awareness drive the adoption of these specialized devices, we believe the HME markets, particularly in respiratory and OSA, are positioned for continuous expansion, offering promising opportunities for both providers and consumers alike.

The aging population remains a pivotal driver for the industry, as the elderly, constituting a substantial portion of HME patients, are expected to represent a higher percentage of the overall population. Projections from industry analysts indicate a consistent annual growth in the number of Medicare beneficiaries, contributing to ongoing patient volume growth. A significant contributing factor to the industry's growth is the rising incidence of chronic diseases. Factors such as increasing obesity rates, consequences of past smoking prevalence, under-diagnosis of certain health conditions, and higher diagnosis rates for chronic diseases collectively shape the industry. There is a notable shift towards home-based treatment for these conditions.

The industry is undergoing a transition to value-based healthcare, with both government and commercial payors increasingly adopting models that emphasize the transition of patients from acute care settings to home care. We believe HME providers are well-positioned to benefit from this industry shift. Advancements in technology and medical equipment have led to an increased prevalence of in-home treatments. The broader range of treatments administered in patient homes is expected to continue growing. Projections from industry analysts indicate that U.S. home healthcare spending will increase, reaching \$250 billion by 2031, with a CAGR of approximately 7%.

Market consolidation is a notable trend favoring larger, financially stable players. The decline in the number of smaller regional players is attributed to the capital investment and scale required to compete effectively. This has led to a more consolidated and competitive landscape in the durable medical equipment ("DME") market.

Despite these positive trends, the industry faces challenges such as cost containment efforts of payors. The consolidation of managed care payors into larger purchasing groups has increased negotiating power, resulting in pricing pressure on HME providers. In addition to ongoing negotiations relating to contract management with third party payors to secure fair reimbursement, HME providers are engaging in value-based contracting, focusing on outcomes and patient satisfaction. These value-based contracts leverage data analytics to demonstrate the cost-effectiveness and quality of durable medical goods and provide evidence-based data to payors demonstrating the long-term benefits and cost savings associated with the use of certain medical goods.

There is also uncertainty surrounding the U.S. healthcare regulatory environment. Future changes in federal spending priorities, program eligibility, and administrative policy may materially affect the HME industry. For example, on January 20, 2025, President Trump issued an executive order establishing the U.S. Department of Government Efficiency Service Temporary Organization ("DOGE") to reform federal processes and reduce expenditures. Subsequently, on February 5, 2025, the Centers for Medicare & Medicaid Services ("CMS") announced a partnership with DOGE to evaluate more efficient resource use within federal healthcare programs. It remains unclear how these actions will evolve or what implications they may have for the broader healthcare ecosystem.

In addition, ventilator coverage remains a key area of regulatory focus. Although ventilators have historically been included under the National Coverage Determination ("NCD") for the Durable Medical Equipment Reference List, which has been in effect since April 1, 2003, there is currently no dedicated coverage policy that specifically addresses ventilator use. On September 11, 2024, the CMS initiated a national coverage analysis (NCA) to evaluate the use of noninvasive positive pressure ventilation in the home for the treatment of chronic respiratory failure related to chronic obstructive pulmonary disease. CMS released a proposed decision memo on March 11, 2025, and a final determination is scheduled for June 9, 2025, although the timing may be extended or delayed. We have actively participated in the coverage analysis process, including the submission of formal comments, and we continue to engage with CMS, the Department of Health and Human Services, and members of Congress. The issuance of a revised or new NCD that clearly defines medical necessity criteria for ventilator use could significantly affect patient access, reimbursement, and utilization of ventilator therapies, and may have a material impact on our business.

### **Impact of Inflation**

The Company faces current and potential future inflationary pressures driven by factors such as general cost increases, supply chain disruptions, and governmental policies. The manufacturing and distribution costs of Viamed's patient equipment are affected by rising material, labor, and transportation expenses, including fuel costs. Persistent inflation may impact overall demand, increase operating costs, and affect profit margins, potentially adversely affecting Viamed's business and financial performance.

In its 2025 DMEPOS Fee Schedule, CMS announced the fee schedule adjustment based on the annual change to the Consumer Pricing Index for all urban areas. Items that were subject to the competitive bidding program in former competitive bidding areas will receive a 2.9% reimbursement rate increase. Items that were subject to the competitive bidding program in non-competitive bidding areas received a 3.0% reimbursement rate increase. Items not subject to the competitive bidding program received a 2.4% reimbursement rate increase.

As discussed in Part II, Item 1A of this Quarterly Report on Form 10-Q, we are exposed to risks related to our reliance on third-party suppliers, including those associated with evolving trade policies and tariff regimes. In the first quarter of 2025, the U.S. government imposed new tariffs on a broad range of imported goods from several countries, prompting reciprocal measures from affected trade partners. While medical equipment has historically been excluded from such tariffs, the scope of the latest measures and their potential future expansion create uncertainty around equipment pricing and availability. We are closely monitoring these developments and assessing their potential operational and financial impact. In response, we are actively pursuing mitigation strategies, including evaluating alternative sourcing arrangements, engaging with domestic manufacturers where feasible, and refining our inventory and supply chain planning to minimize disruption and preserve margin stability.

Future volatility in general price inflation and its impact on material availability, shipping, warehousing, and operational overhead could further impact financial results. Viamed attempts to address these pressures through its inflation-linked reimbursement



contracts, negotiation, leveraging its purchasing power and embracing technology, such as its proprietary clinical management platform.

The below table highlights summary financial and operational metrics for the last eight quarters.

*(Tabular amounts expressed in thousands of U.S. Dollars, except vent patients)*

For the quarter ended	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
<b>Financial Information:</b>								
Revenue	\$ 59,129	\$ 60,695	\$ 58,004	\$ 54,965	\$ 50,593	\$ 50,739	\$ 49,402	\$ 43,311
Gross Profit	33,279	36,138	34,371	32,892	29,802	32,111	30,562	26,106
Gross Profit %	56 %	60 %	59 %	60 %	59 %	63 %	62 %	60 %
Net Income attributable to Viemed Healthcare, Inc.	\$ 2,625	\$ 4,316	\$ 3,878	\$ 1,468	\$ 1,603	\$ 3,477	\$ 2,919	\$ 2,330
Cash and Cash Equivalents (As of)	\$ 10,160	\$ 17,540	\$ 11,347	\$ 8,807	\$ 7,309	\$ 12,839	\$ 10,078	\$ 10,224
Total Assets (As of)	\$ 178,079	\$ 177,069	\$ 169,526	\$163,947	\$ 154,875	\$ 154,895	\$ 149,400	\$149,117
Adjusted EBITDA <sup>(1)</sup>	\$ 12,765	\$ 14,242	\$ 13,954	\$ 12,813	\$ 10,098	\$ 12,845	\$ 12,081	\$ 9,810
<b>Operational Information:</b>								
Vent Patients <sup>(2)</sup>	11,809	11,795	11,374	10,905	10,450	10,327	10,244	10,005
PAP Therapy Patients <sup>(3)</sup>	22,899	21,338	19,478	17,349	15,726	14,900	14,788	13,313
Sleep Resupply Patients <sup>(4)</sup>	22,941	24,478	22,143	20,185	18,904	18,902	18,544	12,572

<sup>(1)</sup> Refer to "Non-GAAP Financial Measures" section below for definition of Adjusted EBITDA.

<sup>(2)</sup> Vent Patients represents the number of active ventilator patients on recurring billing service at the end of each calendar quarter.

<sup>(3)</sup> PAP Therapy Patients represents the number of distinct patients billed for PAP therapy services during each calendar quarter.

<sup>(4)</sup> Sleep Resupply Patients represents the number of distinct patients who received supplies through our sleep resupply program during each calendar quarter.

## Results of Operations

### Comparison of the Three Months Ended March 31, 2025 and 2024:

The following table summarizes our results of operations for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,					
	2025	% of Total Revenue	2024	% of Total Revenue	\$ Change	% Change
<b>Revenue</b>	<b>\$ 59,129</b>	<b>100.0 %</b>	<b>\$ 50,593</b>	<b>100.0 %</b>	<b>\$ 8,536</b>	<b>16.9 %</b>
Cost of revenue	25,850	43.7 %	20,791	41.1 %	5,059	24.3 %
<b>Gross profit</b>	<b>33,279</b>	<b>56.3 %</b>	<b>29,802</b>	<b>58.9 %</b>	<b>3,477</b>	<b>11.7 %</b>
Selling, general and administrative	28,425	48.1 %	24,814	49.0 %	3,611	14.6 %
Research and development	797	1.3 %	750	1.5 %	47	6.3 %
Stock-based compensation	2,311	3.9 %	1,432	2.8 %	879	61.4 %
Depreciation and amortization	348	0.6 %	415	0.8 %	(67)	(16.1)%
Loss (gain) on disposal of property and equipment	(2,368)	(4.0)%	213	0.4 %	(2,581)	(1211.7)%
Other income, net	(75)	(0.1)%	(26)	(0.1)%	(49)	188.5 %
<b>Income from operations</b>	<b>3,841</b>	<b>6.5 %</b>	<b>2,204</b>	<b>4.4 %</b>	<b>1,637</b>	<b>74.3 %</b>
<b>Non-operating income and expenses</b>						
Income from investments	—	— %	(67)	(0.1)%	67	(100.0)%
Interest expense, net	179	0.3 %	150	0.3 %	29	19.3 %
<b>Net income before taxes</b>	<b>3,662</b>	<b>6.2 %</b>	<b>2,121</b>	<b>4.2 %</b>	<b>1,541</b>	<b>72.7 %</b>
Provision for income taxes	952	1.6 %	518	1.0 %	434	83.8 %
<b>Net income</b>	<b>\$ 2,710</b>	<b>4.6 %</b>	<b>1,603</b>	<b>3.2 %</b>	<b>\$ 1,107</b>	<b>69.1 %</b>
Net income attributable to noncontrolling interest	85	0.1 %	—	— %	85	NM
<b>Net income attributable to Viemed Healthcare, Inc.</b>	<b>\$ 2,625</b>	<b>4.4 %</b>	<b>\$ 1,603</b>	<b>3.2 %</b>	<b>\$ 1,022</b>	<b>63.8 %</b>

## Revenue

The following table summarizes our revenue for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,					
	2025	% of Total Revenue	2024	% of Total Revenue	\$ Change	% Change
<b>Revenue from rentals</b>						
Ventilator rentals, non-invasive and invasive	\$ 32,159	54.4 %	\$ 29,187	57.7 %	\$ 2,972	10.2 %
Other home medical equipment rentals	12,962	21.9 %	10,934	21.6 %	2,028	18.5 %
<b>Revenue from sales and services</b>						
Equipment and supply sales	7,519	12.7 %	6,138	12.1 %	1,381	22.5 %
Service revenues	6,489	11.0 %	4,334	8.6 %	2,155	49.7 %
<b>Total revenues</b>	<b>\$ 59,129</b>	<b>100.0 %</b>	<b>\$ 50,593</b>	<b>100.0 %</b>	<b>\$ 8,536</b>	<b>16.9 %</b>

For the three months ended March 31, 2025, revenue totaled \$59.1 million, an increase of \$8.5 million (or 16.9%) from the comparable period in 2024. The primary driver of this growth was our ventilator rental revenue, which increased by \$3.0 million (or 10.2%) due to higher patient volumes associated with strong demand for ventilation services. Additionally, rental revenue from other home medical equipment increased by \$2.0 million (or 18.5%) due to an expanding patient base, robust demand for Positive Airway Pressure (PAP) therapy, oxygen therapy, and percussion vest services. Equipment and supply sales grew by \$1.4 million (or 22.5%) largely attributable to the success of our sleep resupply program. Furthermore, service revenue experienced an increase of \$2.2 million (or 49.7%), primarily due to the growth of healthcare staffing offerings and a shift in service mix from workforce management arrangements to external staffing services.

While ventilator rentals continue to make up the majority of our revenue, the growth of PAP and oxygen related sales, as well as our healthcare staffing offerings, is contributing to the diversity of our overall revenue mix. As we continue to expand geographically into new territories and further expand our presence in our existing territories, we expect continued growth in our active ventilator patient base and other home medical offerings.

## Cost of revenue and gross profit

For the three months ended March 31, 2025, cost of revenue totaled \$25.9 million, an increase of \$5.1 million (or 24.3%) from the comparable period in 2024. Gross profit percentage decreased from 58.9% in the three months ended March 31, 2024 to 56.3% in the three months ended March 31, 2025. While the shift in revenue composition has temporarily impacted gross profit margins, we expect these margins to improve in future periods. This improvement is anticipated to result from efficiencies associated with the scaling of our individual product and service lines. However, the continued diversification of our offerings may partially offset these gains, moderating the expansion of gross profit margins.

## Selling, general and administrative expense

Selling, general and administrative expenses as a percentage of revenue improved to 48.1% for the three months ended March 31, 2025 compared to 49.0% for the three months ended March 31, 2024. Selling, general and administrative expenses totaled \$28.4 million for the three months ended March 31, 2025, an increase of \$3.6 million (or 14.6%) from the comparable period in 2024. The improvement in selling, general, and administrative expenses as a percentage of revenue is attributable to economies of scale and improvements in operational efficiencies. The overall increase in selling, general and administrative expense as compared to the prior period is primarily attributable to additional employee related expenses to accommodate the overall growth of the Company, including the acquisition of HomeMed on April 1, 2024. Our full-time employee count increased from 1,030 on March 31, 2024 to 1,222 on March 31, 2025, an increase of 19%. Employee compensation expenses increased \$2.2 million (or 12%) as a result of the increase in our employee headcount. We expect that selling, general and administrative expenses as a percentage of revenue will continue to improve through the end of 2025 due to increased efficiencies and cost optimization efforts.

## Research and development

For the three months ended March 31, 2024 and March 31, 2025, research and development expense totaled \$0.8 million. As we continue to invest in research and development related projects to support our technology initiatives, we expect that the associated costs will remain consistent in 2025 relative to 2024.

#### *Stock-based compensation*

For the three months ended March 31, 2025, stock-based compensation totaled \$2.3 million, an increase of 61.4% from the comparable period in 2024, primarily driven by the transition from phantom stock liability awards to equity awards as a percentage of employee compensation. We anticipate that as we expand our workforce, incorporating stock-based awards as a component of employee compensation, stock-based compensation expense will correspondingly rise. We expect stock-based compensation expense to remain relatively consistent throughout the remainder of 2025.

#### *Loss (gain) on disposal of property and equipment*

For the three months ended March 31, 2025, gain on disposal of property and equipment totaled \$2.4 million compared to loss on disposal of property and equipment of \$0.2 million for the three months ended March 31, 2024. The gain primarily resulted from proceeds related to the sale of recalled ventilators back to the manufacturer. We anticipate additional future gains from the disposal of eligible devices, as the proceeds from these disposals are expected to exceed their net book value.

#### *Provision for income taxes*

For the three months ended March 31, 2025, the provision for income taxes was a \$1.0 million expense, compared to a \$0.5 million expense during the 2024 period. Our annual estimated effective tax rate for 2025 is 29.7%.

#### *Net income*

For the three months ended March 31, 2025, net income was \$2.7 million, an increase of \$1.1 million (or 69.1%) from the comparable period in 2024. Net income as a percentage of net revenue increased from 3.2% for the three months ended March 31, 2024 to 4.6% for the three months ended March 31, 2025.

## Non-GAAP Financial Measures

The Company uses Adjusted EBITDA, which is a financial measure that is not prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). Adjusted EBITDA should be considered in addition to, not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Management believes Adjusted EBITDA provides helpful information with respect to the Company's operating performance as viewed by management, including a view of the Company's business that is not dependent on the impact of the Company's capitalization structure and items that are not part of the Company's day-to-day operations. Management uses Adjusted EBITDA (i) to compare the Company's operating performance on a consistent basis, (ii) to calculate incentive compensation for the Company's employees, (iii) for planning purposes, including the preparation of the Company's internal annual operating budget, and (iv) to evaluate the performance and effectiveness of the Company's operational strategies. Accordingly, management believes that Adjusted EBITDA provides useful information in understanding and evaluating the Company's operating performance in the same manner as management. It is not a measurement of our financial performance under GAAP and should not be considered as an alternative to revenue or net income, as applicable, or any other performance measures derived in accordance with GAAP or as an alternative to cash flows from operating activities as a measure of the Company's liquidity. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our operating results as reported under GAAP. Adjusted EBITDA does not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of ongoing operations; and other companies in our industry may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure. In calculating Adjusted EBITDA, certain items (mostly non-cash) are excluded from net income attributable to Viemed Healthcare, Inc. including depreciation and amortization of capitalized assets, net interest expense (income), stock based compensation, transaction costs, impairment of assets, and taxes.

The following table is a reconciliation of net income attributable to Viemed Healthcare, Inc., the most directly comparable GAAP measure, to Adjusted EBITDA, on a historical basis for the periods indicated:

For the quarter ended	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
<b>Net Income attributable to Viemed Healthcare, Inc.</b>	\$ 2,625	\$ 4,316	\$ 3,878	\$ 1,468	\$ 1,603	\$ 3,477	\$ 2,919	\$ 2,330
Add back:								
Depreciation & amortization	6,613	6,366	6,408	6,309	6,285	5,918	5,975	5,207
Interest expense (income)	179	147	225	254	150	256	237	(20)
Stock-based compensation <sup>(a)</sup>	2,311	1,521	1,712	1,620	1,432	1,534	1,453	1,471
Transaction costs <sup>(b)</sup>	85	11	12	221	110	61	177	94
Impairment of assets <sup>(c)</sup>	—	—	125	2,173	—	—	—	—
Income tax expense	952	1,881	1,594	768	518	1,599	1,320	728
<b>Adjusted EBITDA</b>	<b>\$ 12,765</b>	<b>\$ 14,242</b>	<b>\$ 13,954</b>	<b>\$ 12,813</b>	<b>\$ 10,098</b>	<b>\$ 12,845</b>	<b>\$ 12,081</b>	<b>\$ 9,810</b>

(a) Represents non-cash, equity-based compensation expense associated with option and RSU awards.

(b) Represents transaction costs and expenses related to acquisition and integration efforts associated with recently announced or completed acquisitions.

(c) Represents impairments of the fair value of investment and litigation-related assets.

## **Liquidity and Capital Resources**

Cash and cash equivalents at March 31, 2025 was \$10.2 million, compared to \$17.5 million at December 31, 2024. Typically, our principal source of liquidity is the collection of our patient accounts receivable. In addition to our collection of patient accounts receivable, from time to time, we can and do obtain additional sources of liquidity by the incurrence of additional indebtedness. Based on our current plan of operations, we believe cash and cash equivalents, when combined with expected cash flows from operations and amounts available under our 2022 Senior Credit Facilities will be sufficient to fund our growth strategy and to meet our anticipated operating expenses, capital expenditures, and debt service obligations for at least the next 12 months from the date of this filing. The Company has also historically utilized short term financing arrangements with suppliers that could be extended over a longer term if there was a need for additional liquidity.

The Company had historically utilized Change Healthcare, a subsidiary of UnitedHealth Group, to submit patient claims to certain non-Medicare payors for reimbursement. UnitedHealth Group announced that on February 21, 2024, Change Healthcare's information technology systems were impacted by a cybersecurity incident. Although this incident did not impact our day-to-day operations or patient care delivery, it did cause delays in submitting patient claims to certain payors. By the end of the second quarter of 2024, the Company had replaced Change Healthcare as its clearinghouse and resumed claims submissions using alternative platforms for all claims. Although claim submission activity has normalized, the prior delays temporarily reduced operating cash flow and, in some cases, continue to impact the timing of cash collections and resolution of affected claims.

## ***Cash Flows***

The following table summarizes our cash flows for the periods indicated:

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Net Cash provided by (used in):</b>		
Operating activities	\$ 2,854	\$ 1,175
Investing activities	(8,530)	(5,365)
Financing activities	(1,704)	(1,340)
<b>Net decrease in cash and cash equivalents</b>	<b>\$ (7,380)</b>	<b>\$ (5,530)</b>

### ***Net Cash Provided by Operating Activities***

Net cash provided by operating activities during the three months ended March 31, 2025 was \$2.9 million, resulting from net income of \$2.7 million, increased by net income adjustments of \$6.6 million and offset by an increase in non-cash working capital of \$6.4 million. The net income adjustments primarily consisted of \$6.6 million of depreciation and amortization and \$2.3 million of stock-based compensation, partially offset by a \$2.4 million gain on disposal of property and equipment. The primary changes in non-cash working capital were an increase in net accounts receivable of \$1.9 million, a decrease in accrued liabilities of \$3.1 million, and a decrease in income tax payable of \$2.0 million, partially offset by an increase in trade payables of \$1.2 million.

Net cash provided by operating activities during the three months ended March 31, 2024 was \$1.2 million, resulting from net income of \$1.6 million, increased by net income adjustments of \$7.9 million and offset by an increase in non-cash working capital of \$8.3 million. The net income adjustments primarily consisted of \$6.3 million of depreciation and amortization and \$1.4 million of stock-based compensation. The primary changes in non-cash working capital were an increase in net accounts receivable of \$6.0 million and a decrease in accrued liabilities of \$3.6 million, partially offset by an increase in trade payables of \$0.6 million. The increase in accounts receivable was primarily driven by the cybersecurity incident at Change Healthcare, which resulted in delays to submissions of patient claims to certain payors.

### *Net Cash Used in Investing Activities*

Net cash used in investing activities during the three months ended March 31, 2025 was \$8.5 million, consisting of \$15.5 million of purchases of property and equipment, partially offset by \$7.0 million of sales proceeds from the disposal of property and equipment. Net cash used for capital expenditures represents an increase of \$3.2 million, or 59%, year over year. Purchases of property and equipment were primarily related to medical equipment rented to our patients.

Net cash used in investing activities during the three months ended March 31, 2024 was \$5.4 million, consisting of \$6.0 million of purchases of property and equipment, partially offset by \$0.6 million of sales proceeds from the disposal of property and equipment. Purchases of property and equipment were primarily related to medical equipment rented to our patients.

### *Net Cash Used in Financing Activities*

Net cash used in financing activities during the three months ended March 31, 2025 was \$1.7 million. During the three months ended March 31, 2025, principal payments on the 2022 Senior Credit Facilities (as defined below) were \$0.1 million. The Company acquired and cancelled 193,173 common shares at a cost of \$1.6 million to satisfy employee income tax withholding associated with RSUs vesting during the three months ended March 31, 2025.

Net cash used in financing activities during the three months ended March 31, 2024 was \$1.3 million. During the three months ended March 31, 2024, principal payments on the 2022 Senior Credit Facilities (as defined below) were \$0.1 million. Additionally, principal payments on acquired loans were \$0.5 million during the three months ended March 31, 2024. The Company acquired and cancelled 128,362 common shares at a cost of \$1.0 million to satisfy employee income tax withholding associated with RSUs vesting during the three months ended March 31, 2024. Proceeds from the exercise of options during the three months ended March 31, 2024 were \$0.3 million.

### **Senior Credit Facilities**

On November 29, 2022, the Company refinanced its existing borrowings under the prior Commercial Business Loan Agreement with Hancock Whitney Bank and entered into a new credit agreement (the "2022 Senior Credit Facilities") with the lenders from time to time party thereto, and Regions Bank, as administrative agent and collateral agent, that provides for an up to \$30.0 million revolving credit facility (the "2022 Revolving Credit Facility") and an up to \$30.0 million delayed draw term loan facility (the "2022 Term Loan Facility"), both maturing in November 2027. On May 28, 2024, the Company entered into a First Amendment to the 2022 Senior Credit Facilities that (a) extended the delayed draw term loan commitment expiration date to November 29, 2025, from its initial expiration date of May 29, 2024, and (b) provided for other technical amendments.

The proceeds of the 2022 Revolving Credit Facility may be used to refinance existing indebtedness, for working capital purposes, capital expenditures and other general corporate purposes (including permitted acquisitions), and to pay transaction fees, costs and expenses related to the 2022 Senior Credit Facilities. The proceeds of the 2022 Term Loan Facility and any additional term loans established in accordance with the 2022 Senior Credit Facilities may be used to finance permitted acquisitions and to pay transaction fees, costs and expenses related to such acquisitions. Outstanding borrowings under the 2022 Term Loan Facility were \$4.5 million as of March 31, 2025. There were no outstanding borrowings under the 2022 Revolving Credit Facility as of March 31, 2025.

The interest rates per annum applicable to the 2022 Senior Credit Facilities are Term SOFR plus an applicable margin, which ranges from 2.625% to 3.375%, or, at the option of the Company, a Base Rate (as defined in the 2022 Senior Credit Facilities) plus an applicable margin, which ranges from 1.625% to 2.375%.

The 2022 Senior Credit Facilities require the Company to comply with certain affirmative, as well as certain negative covenants that, among other things, will restrict, subject to certain exceptions, the ability of the Company to incur indebtedness, grant liens, make investments, engage in acquisitions, mergers or consolidations and pay dividends and other restricted payments. The 2022 Senior Credit Facilities also include certain financial covenants, which generally include, but are not limited to the following:

- Consolidated Total Leverage Ratio (defined generally as total indebtedness to adjusted EBITDA) of not greater than (i) for any fiscal quarter ending during the period from the closing date to and including December 31, 2024, 2.75 to 1.0 and (ii) for any fiscal quarter ending on and after March 31, 2025, 2.50 to 1.0, subject to certain adjustments following a material acquisition.
- Consolidated Fixed Charge Coverage Ratio (defined generally as (a) adjusted EBITDA minus capital expenditures minus cash taxes to (b) the sum of scheduled principal payments plus cash interest expense plus restricted payments) of not less than 1.25:1.0.

The Company was in compliance with all covenants under the 2022 Senior Credit Facilities in effect at March 31, 2025.

### ***Use of Funds***

Our principal uses of cash are funding the purchase of rental assets and other capital purchases, the repayment of debt, funding of acquisitions, operations, and other working capital requirements. Our contractual obligations primarily relate to the repayment of existing debt and contractual obligations for operating and finance leases. The following table presents our material contractual obligations and commitments to make future payments as of March 31, 2025:

	<b>Within 12 Months</b>	<b>Beyond 12 Months</b>
Debt Obligations, including interest	\$ 731	\$ 4,544
Lease Obligations	1,125	2,091
<b>Total</b>	<b>\$ 1,856</b>	<b>\$ 6,635</b>

Except for the funding of potential acquisitions and investments, we anticipate that our operating cash flows will satisfy our material cash requirements for the 12 months after March 31, 2025. In addition to our operating cash flows, we may need to raise additional funds to support our contractual obligations and investing activities beyond such 12 month period, and such funding may not be available to us on acceptable terms, or at all. If we are unable to raise additional funds when needed, our operations and ability to execute our business strategy could be adversely affected. We may seek to raise additional funds through equity, equity-linked or debt financings. If we raise additional funds through the incurrence of indebtedness, such indebtedness would have rights that are senior to holders of our equity securities and could contain covenants that restrict our operations. Any additional equity financing may be dilutive to our stockholders.

### ***Leases***

Leases under which we assume substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lesser of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset. The associated lease liability is drawn down over the life of the lease by allocating a portion of each lease payment to the liability with the remainder being recognized as finance charges. Leases that do not transfer the risks and rewards of ownership to the Company are treated as operating leases and are expensed as incurred.

### ***Retirement Plan***

The Company maintains a 401(k) retirement plan for employees to which eligible employees can contribute a percentage of their pre-tax compensation. Matching employer contributions to the 401(k) plan totaled \$566,000 and \$535,000 for the three months ended March 31, 2025 and 2024, respectively.

### **Off Balance Sheet Arrangements**

The Company has no material undisclosed off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its results of operations or financial condition.

## **Accounting and Disclosure Matters**

### **Critical Accounting Estimates**

We are required to disclose “critical accounting estimates” which are estimates made in accordance with generally accepted accounting principles that involve a significant level of estimation uncertainty and that have had or are reasonably likely to have a material impact on our financial condition or results of operations.

We follow financial accounting and reporting policies that are in accordance with accounting principles generally accepted in the United States. The more significant of these policies are summarized in Note 2 to our consolidated financial statements included in Part II, Item 8 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024. Not all significant accounting policies require management to make difficult, subjective or complex judgments. However, the policy noted below could be deemed to meet the SEC's definition of a critical accounting estimate.

#### ***Accounts Receivable***

Accounts receivable are recorded based upon contractually agreed-upon rates, reduced by estimated adjustments for variable consideration for implicit price concessions related to sales revenues and estimated probable losses related to rental revenues. Due to the nature of the industry and the reimbursement environment in which we operate, certain estimates are required in order to record revenues and accounts receivable net of these adjustments. Management's evaluation takes into consideration such factors as historical realization data, including current and historical cash collections, accounts receivable aging trends, other operating trends and relevant business conditions.

Inherent in these estimates is the risk that they may have to be revised or updated as additional information becomes available. It is possible that management's estimates could change, which could have an impact on operations and cash flows. Specifically, the complexity of many third-party billing arrangements, patient qualification for medical necessity of equipment and the uncertainty of reimbursement amounts for certain services from certain payors may result in adjustments to amounts originally recorded. If the payment amount received differs from the estimated amount, an adjustment is made in the period that these payment differences are determined.

### **Recently Issued Accounting Pronouncements**

See Note 2 – Summary of Significant Accounting Policies of our Condensed Consolidated Financial Statements for a description of recently issued accounting pronouncements, including the expected dates of adoption and estimated effects on our results of operations, financial positions and cash flows.



### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Our exposure to market risk primarily relates to fluctuations in interest rates from borrowings under the 2022 Senior Credit Facilities. The interest rates per annum applicable to the 2022 Senior Credit Facilities are Term SOFR plus an applicable margin, which ranges from 2.625% to 3.375%, or, at the option of the Company, a Base Rate (as defined in the 2022 Senior Credit Facilities) plus an applicable margin, which ranges from 1.625% to 2.375%. Outstanding borrowings subject to interest rate fluctuations under the 2022 Term Loan Facility were \$4.5 million as of March 31, 2025. There were no outstanding borrowings under the 2022 Revolving Credit Facility as of March 31, 2025. Based on our outstanding borrowings, an immediate 100 basis point change in interest rates would not have a material effect on our net income.

### **Item 4. Controls and Procedures**

#### **Evaluation of Disclosure Controls and Procedures**

As of the end of the period covered by this report, the Company's management, including its Chief Executive Officer and Chief Financial Officer, completed an evaluation of the effectiveness of the Company's disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded:

- i. that the Company's disclosure controls and procedures are designed to ensure (a) that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and (b) that such information is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure; and
- ii. that the Company's disclosure controls and procedures are effective.

Notwithstanding the foregoing, there can be no assurance that the Company's disclosures controls and procedures will detect or uncover all failures of persons within the Company and its consolidated subsidiaries to disclose material information otherwise required to be set forth in the Company's periodic reports. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures.

#### **Changes in Internal Control Over Financial Reporting**

There have been no changes in the Company's internal control over financial reporting during the three months ended March 31, 2025 that have materially affected, or that are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings

From time to time, we may be subject to various ongoing or threatened legal actions and other proceedings, including those that arise in the ordinary course of business, which may include employment matters, breach of contract disputes, as well as governmental and regulatory matters. Please read Note 9—Commitments and Contingencies to our condensed consolidated financial statements included in Part I, Item 1, of this Quarterly Report on Form 10-Q for more information. Such matters are subject to many uncertainties and to outcomes that are not predictable with assurance and that may not be known for extended periods of time.

### Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed in “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 10, 2025, which could materially affect our business, financial condition or future results. Except as set forth below, there have been no material changes in our risk factors from those disclosed in that Annual Report.

***A reduction or elimination of coverage or reimbursement of our products by third-party payors, including Medicare, in the future could adversely affect our business and results of operations.***

A substantial portion of our revenues are derived from reimbursement by Medicare and other third-party payors for our ventilator products and services. Currently, ventilators are covered under the National Coverage Determination (“NCD”) for the DME Reference List, effective since April 1, 2003, for the treatment of neuromuscular diseases, thoracic restrictive diseases, and chronic respiratory failure resulting from chronic obstructive pulmonary disease (“COPD”). While the DME Reference List has been updated, no standalone NCD has been issued for ventilators. On September 11, 2024, CMS initiated a national coverage analysis (“NCA”) for noninvasive positive pressure ventilation (“NIPPV”) in the home for treating chronic respiratory failure due to COPD. A proposed decision memo was published on March 11, 2025, with a final decision expected by June 9, 2025, although this date may be subject to change. We have actively participated in the analysis process, including the submission of formal comments, and continue to engage with CMS, the Department of Health and Human Services, and members of Congress on matters related to ventilator coverage.

A new NCD that clearly defines the medical necessity criteria for ventilator devices could significantly affect patient access, reimbursement, and utilization of ventilator therapies, and may have a material impact on our business. Because Medicare coverage criteria often influence commercial payors, including Medicare Advantage plans, changes to Medicare policy may have broader implications for coverage and reimbursement across our payer base. If coverage or reimbursement by Medicare or other third-party payors is reduced or eliminated, or if we are unable to expand or maintain coverage with additional commercial payors, our business, financial condition, and results of operations could be materially and adversely affected.

***Adverse global macroeconomic conditions, including supply chain disruptions, tariffs, and fluctuations in foreign currency exchange rates, could negatively impact our operations, costs, and profitability.***

Our business may be affected by a range of global macroeconomic conditions, including newly imposed tariffs, disruptions to the supply chain, and fluctuations in foreign currency exchange rates. While nearly all of our revenues are generated within the United States and denominated in U.S. dollars, we rely on both domestic and international suppliers for the medical equipment and supplies we rent and sell to patients. As a result, our cost structure and operational efficiency are subject to global market dynamics that may influence the availability and pricing of key products.

In the first quarter of 2025, the United States government implemented new tariffs on a wide range of imported goods from several countries. These actions led to reciprocal measures by impacted trade partners. Although medical equipment has typically been excluded from prior tariff rounds, the breadth of the new measures and the potential for further expansion have introduced uncertainty regarding future equipment costs and sourcing stability. Alternative sourcing arrangements, engagement with domestic manufacturers where feasible, and optimization of inventory and supply chain planning may help mitigate potential disruptions and support margin stability.

Additionally, global supply chain constraints continue to pose risks to our ability to acquire essential equipment and components in a timely and efficient manner. Factors such as raw material shortages, longer lead times from suppliers, and increased transportation expenses may limit our responsiveness to patient needs and may affect our ability to scale the business effectively.

Although our operations are primarily domestic, we are indirectly exposed to foreign currency exchange rate fluctuations through our international sourcing activities. Changes in the value of the U.S. dollar relative to other currencies, including the Canadian dollar and Chinese yuan, may impact the prices we pay to suppliers, which could increase our cost of goods sold and reduce our gross margins.

If these macroeconomic pressures persist or worsen, our ability to manage supply continuity, control costs, and meet patient demand could be adversely affected. As a result, our financial condition, operating results, and long-term strategic objectives may be negatively impacted.

## **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

### **Unregistered Sales of Equity Securities**

None.

### **Company Repurchases of Equity Securities**

None.

### **Dividends**

We have not declared or paid any cash or stock dividends on our common shares since our inception. Any future determination as to the declaration and payment of cash dividends will be at the discretion of the Board and will depend on then-existing conditions, including our financial condition, results of operations, contractual restrictions, capital requirements, business prospects, and other factors that the Board considers relevant. Our subsidiaries are restricted from making distributions or dividend payments to us by the 2022 Senior Credit Facilities (as defined above), subject to certain exceptions. See Note 6 to the Financial Statements, included in Part I, Item 1, of this Quarterly Report on Form 10-Q for further information.

## **Item 3. Defaults Upon Senior Securities**

None.

## **Item 4. Mine Safety Disclosures**

Not applicable.

## **Item 5. Other Information**

### *Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements*

During the fiscal quarter ended March 31, 2025, no director or officer (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) of the Company adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 105-1 trading arrangements as each term is defined in Item 408(a) of Regulation S-K.

## Item 6. Exhibits

The exhibits filed as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index below.

Exhibit Number	Exhibit Title
#2.1	<a href="#"><u>Stock Purchase Agreement dated April 18, 2023 by and among Viemed, Inc., the Stockholders and Home Medical Products, Inc. Incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on April 19, 2023.</u></a>
3.1	<a href="#"><u>Notice of Articles of Business Corporation Act of Viemed Healthcare, Inc. Incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form 10 filed on July 10, 2019.</u></a>
3.2	<a href="#"><u>Amended and Restated Business Corporation Act Articles of Viemed Healthcare, Inc. Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 10, 2021.</u></a>
*10.1	<a href="#"><u>Executive Employment Agreement dated effective June 3, 2019 by and between Trae Fitzgerald and Sleep Management, LLC.</u></a>
*10.2	<a href="#"><u>Executive Employment Agreement dated effective August 1, 2022 by and between Jeremy Trahan and Sleep Management, LLC.</u></a>
*31.1	<a href="#"><u>Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>
*31.2	<a href="#"><u>Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>
**32.1	<a href="#"><u>Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350.</u></a>
**32.2	<a href="#"><u>Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.</u></a>
*101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
*101.SCH	Inline XBRL Taxonomy Extension Schema Document.
*101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
*101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
*101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
*101.DEF	Inline XBRL Taxonomy Extension Definition Document.
*104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

\* Filed herewith.

\*\* Furnished in accordance with Item 601(b)(32)(ii) of Regulation S-K.

# Schedules and similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company will furnish supplementally a copy of any omitted schedule or similar attachment to the Securities and Exchange Commission upon request.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VIEMED HEALTHCARE, INC.

(Registrant)

By: /s/ Casey Hoyt  
Casey Hoyt  
Chief Executive Officer

By: /s/ Trae Fitzgerald  
Trae Fitzgerald  
Chief Financial Officer

Date: May 7, 2025

## EXECUTIVE EMPLOYMENT AGREEMENT

This **EXECUTIVE EMPLOYMENT AGREEMENT** (the “**Agreement**”) is entered into effective June 3, 2019 (the “**Effective Date**”), by and between Trae P. Fitzgerald (the “**Executive**”) and Sleep Management, LLC, d/b/a VieMed (the “**Company**”). Each of the Company and Executive is a “**Party**” and, collectively, they are the “**Parties**”

The Company desires to employ Executive and, in connection with such employment, to compensate Executive for Executive’s personal services to the Company; and

Executive desires to provide personal services to the Company in return for certain compensation.

Accordingly, in consideration of the mutual promises and covenants contained herein, the Parties agree to the following:

### **1. EMPLOYMENT BY THE COMPANY.**

1.1 **At-Will Employment.** Executive shall be employed by the Company on an “at will” basis, meaning either the Company or Executive may terminate Executive’s employment at any time, with or without cause or advance notice. Any contrary representations that may have been made to Executive shall be superseded by this Agreement. This Agreement shall constitute the full and complete agreement between Executive and the Company on the “at will” nature of Executive’s employment with the Company, which may be changed only in an express written agreement signed by Executive and a duly authorized officer of the Company. Executive’s rights to any compensation following a termination shall be only as set forth in Section 6.

1.2 **Position.** Subject to the terms set forth herein, the Company agrees to employ Executive in the position of Chief Financial Officer, and Executive hereby accepts such employment. Executive will report to the Chief Operating Officer.

1.3 **Duties.** Executive shall faithfully perform all duties of the Company related to the position or positions held by Executive, including but not limited to all duties set forth in this Agreement and all additional duties that are reasonably prescribed from time to time by the Chief Operating Officer. Executive shall devote Executive’s full business time and attention to the performance of Executive’s duties and responsibilities on behalf of the Company and in furtherance of its best interests. Executive shall perform Executive’s duties under this Agreement principally out of the Company’s corporate headquarters in Lafayette, Louisiana. In addition, Executive shall make such business trips at the Company’s expense to such places as may be necessary or advisable for the efficient operations of the Company.

1.4 **Company Policies.** Executive shall comply with all Company policies, standards, rules and regulations (a “**Company Policy**” or collectively, the “**Company Policies**”) and all applicable government laws, rules and regulations that are now or hereafter in effect. Executive acknowledges receipt of copies of all written Company Policies that are in effect as of the date of this Agreement. Notwithstanding the foregoing, in the event that the terms of this Agreement differ from or are in conflict with the Company’s general employment policies or practices, this Agreement shall control.

## **2. COMPENSATION.**

2.1 **Salary.** Executive shall receive a base salary of \$200,000.00 on an annualized basis, payable subject to standard federal and state payroll withholding requirements in accordance with the Company's standard payroll practices ("**Base Salary**"), Executive's Base Salary may be increased from time to time by the Board of Directors of the Company (the "**Board**").

2.2 **Bonus.** During the period Executive is employed with the Company, Executive shall be eligible to earn a discretionary annual cash bonus with a target bonus amount of \$150,000.00 ("**Target Amount**") and a maximum bonus amount of \$200,000.00, subject to review and adjustment by the Company in its sole discretion, payable subject to standard federal and state payroll withholding requirements, pursuant to the terms of the Viemed, Inc. Annual Discretionary Cash Bonus Plan (the "Bonus Plan"). Any bonus, if earned, will be paid to Executive within the time period set forth in the **Bonus Plan**.

2.3 **Benefits.** Executive will be eligible to participate on the same basis as similarly situated employees in the Company's benefit plans in effect from time to time during Executive's employment. All matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion.

2.4 **Expense Reimbursement.** The Company shall reimburse Executive for all customary and appropriate business-related expenses actually incurred and documented in accordance with Company Policy, as in effect from time to time. For the avoidance of doubt, to the extent that any reimbursements payable to Executive are subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"): (a) any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, (b) the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and (c) the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

**3. PROPRIETARY INFORMATION, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION OBLIGATIONS.** As a condition of employment with the Company, Executive agrees to execute and abide by a Confidentiality, Noncompetition, Nonsolicitation, and Intellectual Property Agreement (the "**Confidential Information Agreement**"), which may be amended by the Parties from time to time without regard to this Agreement. The Confidential Information Agreement contains provisions that are intended by the Parties to survive and do survive termination of this Agreement.

**4. OUTSIDE ACTIVITIES DURING EMPLOYMENT.** Except with the prior written consent of the Company, which shall not be unreasonably withheld, Executive will not, while employed by the Company, undertake or engage in any other employment, occupation or business enterprise that would interfere with Executive's responsibilities and the performance of Executive's duties hereunder, except for (i) reasonable time devoted to volunteer services for or on behalf of such religious, educational, non-profit and/or other charitable organization as Executive may wish to serve, (ii) reasonable time devoted to activities in the non-profit and business communities consistent with Executive's duties, and (iii) such other activities as may be specifically approved

by the Company. This restriction shall not, however, preclude Executive from owning less than one percent (1%) of the total outstanding shares of a publicly traded company, or employment or service in any capacity with Affiliates of the Company. As used in this Agreement, “*Affiliates*” means an entity under common management or control with the Company.

**5. NO CONFLICT WITH EXISTING OBLIGATIONS.** Executive represents that Executive’s performance of all the terms of this Agreement and as an executive of the Company do not and will not breach any agreement or obligation of any kind made prior to Executive’s employment by the Company, including agreements or obligations Executive may have with prior employers or entities for which Executive has provided services. Executive has not entered into, and Executive agrees that Executive will not enter into, any agreement or obligation, either written or oral, in conflict herewith.

**6. TERMINATION OF EMPLOYMENT.** The Parties acknowledge that Executive’s employment relationship with the Company is at-will. The provisions in this Section govern the amount of compensation, if any, to be provided to Executive upon termination of employment and do not alter this at-will status.

**6.1 Termination by the Company Without Cause.**

(a) The Company shall have the right to terminate Executive’s employment with the Company pursuant to this Section 6.1 at any time without “Cause” (as defined in Section 6.2(b) below) by giving notice as described in Section 7.1 of this Agreement. A termination pursuant to Sections 6.3 and 6.5 below is not a termination without “Cause” for purposes of receiving the benefits described in this Section 6.1.

(b) If the Company terminates Executive’s employment at any time without Cause and provided that such termination constitutes a “separation from service” (as defined under Treasury Regulation Section 1.409A-1(h) a “*Separation from Service*”), then Executive shall be entitled to receive the Accrued Obligations (defined below) and, subject to Executive’s compliance with the obligations in Section 6.1(c) below, then Executive shall also be entitled to receive (collectively, the “*Severance Benefits*”):

(i) an amount equal to Executive’s then current Base Salary for six (6) months (the “*Severance Period*”), less all applicable withholdings and deductions, paid in equal installments beginning on the Company’s first regularly scheduled payroll date following the Release Effective Date (as defined in Section 6.1(c) below), with the remaining installments occurring on the Company’s regularly scheduled payroll dates thereafter;

(ii) an amount equal to the unpaid bonus (if any) that Executive would have earned pursuant to Section 2.2 with respect to any Performance Period completed prior to the termination date but for the employment requirement set forth in Section 2.2; and

(iii) payment of the employer portion of the premiums required to continue Executive’s group health care coverage under the applicable provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”), provided that Executive timely elects to continue coverage under COBRA, until the earliest of (A) the close of the Severance Period, (B) the expiration of Executive’s eligibility for the continuation coverage under



COBRA, or (C) the date when Executive becomes eligible for substantially equivalent health insurance coverage in connection with new employment (such period from the termination date through the earliest of (A), (B) or (C), the **“COBRA Payment Period”**). Notwithstanding the foregoing, if at any time the Company determines in its sole discretion that the payment of the COBRA premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code, or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of providing the COBRA premiums, the Company will instead pay Executive on the last day of each remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premiums for that month, subject to applicable tax withholdings for the remainder of the COBRA Payment Period, regardless of whether Executive elects COBRA coverage (the **“Special Severance Payment”**). Executive may, but is not obligated to, use such Special Severance Payment toward the cost of COBRA premiums. If Executive becomes eligible for coverage under another employer’s group health plan or otherwise ceases to be eligible for COBRA during the COBRA Payment Period, Executive must immediately notify the Company of such event, and all payments and obligations under this clause will cease.

(c) Executive will be paid all of the Accrued Obligations on the Company’s first payroll date after Executive’s date of termination from employment or earlier if required by law. Executive shall receive the Severance Benefits pursuant to Section 6.1(b) of this Agreement if: (i) Executive signs and delivers to the Company an effective, general release of claims in favor of the Company and its affiliates and representatives, in a form acceptable to the Company (the **“Release”**), by the 60th day following the termination date or such earlier date as set forth in the Release, which cannot be revoked in whole or part (if applicable) by such date or such earlier date as set forth in the Release (the date that the Release can no longer be revoked is referred to as the **“Release Effective Date”**); (ii) if Executive holds any other positions with the Company, Executive resigns such positions to be effective no later than the date of Executive’s termination date (or such other date as requested by the Board); (iii) Executive returns all Company property in proper order and condition, reasonable wear and tear excepted, (including, but not limited to, all books, documents, papers, materials and any other property or assets relating to the business or affairs of the Company which may be in Executive’s possession or under his control but excluding copies of records related to Executive’s compensation from the Company and any equity ownership in the Company); (iv) Executive complies with all post-termination obligations under this Agreement and the Confidential Information Agreement; and (v) Executive complies with the terms of the Release, including without limitation any non-disparagement and confidentiality provisions contained in the Release. To the extent that any Severance Benefits are deferred compensation under Section 409A of the Code, and are not otherwise exempt from the application of Section 409A, then, if the period during which Executive may consider and sign the Release spans two calendar years, the payment of Severance Benefits will not be made or begin until the later calendar year.

(d) For purposes of this Agreement, **“Accrued Obligations”** are (i) Executive’s accrued but unpaid salary through the date of termination, (ii) any unreimbursed business expenses incurred by Executive payable in accordance with the Company’s standard expense reimbursement policies, and (iii) benefits owed to Executive under any qualified retirement plan or health and welfare benefit plan in which Executive was a participant in accordance with applicable law and the provisions of such plan.

(e) The Severance Benefits provided to Executive pursuant to this Section 6.1 is in lieu of, and not in addition to, any benefits to which Executive may otherwise be entitled under any Company severance plan, policy or program.

(f) Any damages caused by the termination of Executive's employment without Cause would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

## **6.2 Termination by the Company for Cause.**

(a) Subject to Section 6.2(c) below, the Company shall have the right to terminate Executive's employment with the Company at any time for Cause by giving notice as described in Section 7.1 of this Agreement.

(b) "**Cause**" shall have the meaning ascribed to such term in the **Bonus Plan**. In addition, the Company shall terminate Executive's employment for "Cause" in the event the Company has determined in its sole discretion that any of the following has occurred: (i) Executive's use of illegal drugs or any illegal substance, abuse of alcohol or other controlled substances, or use of alcohol in any manner that interferes with the performance of Executive's duties under this Agreement; (ii) acts of violence, unlawful discrimination, or unlawful harassment by Executive; (iii) Executive's making malicious or derogatory statements that are reasonably likely to damage the integrity or reputation of the Company, its products and performance, or its officers, employees or directors; or (iv) any other immoral, unethical, or indecent action by Executive that is detrimental to the interest and well-being of the Company, including, without limitation, harm to its reputation.

(c) In the event Executive's employment is terminated at any time for Cause, Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

## **6.3 Resignation by Executive.**

(a) Executive may resign from Executive's employment with the Company at any time by giving notice as described in Section 7.1.

(b) In the event Executive resigns from Executive's employment with the Company for any reason (other than a resignation for Good Reason as described in Section 6.4 below), Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

## **6.4 Resignation by Executive for Good Reason.**

(a) Provided Executive has not previously been notified of the Company's intention to terminate Executive's employment, Executive may resign from employment with the Company for Good Reason (as defined in Section 6.4(b) below).

(b) ***“Good Reason”*** for resignation shall mean the occurrence of any of the following without Executive’s prior consent: (i) a material adverse change in the scope of Executive’s responsibilities or authority; or (ii) a material reduction in Executive’s Base Salary (unless pursuant to a salary reduction program applicable generally to the Company’s similarly situated executives). In addition to any requirements set forth above, in order for any of the above events to constitute “Good Reason,” Executive must (X) inform the Company of the existence of the event within sixty (60) days of the initial existence of the event, after which date the Company shall have no less than thirty (30) days to cure the event which otherwise would constitute “Good Reason” hereunder and (Y) Executive must terminate his employment with the Company for such “Good Reason” no later than ninety (90) days after the initial existence of the event which prompted Executive’s termination. Any actions taken by the Company to accommodate a disability of Executive or pursuant to the Family and Medical Leave Act shall not be a Good Reason for purposes of this Agreement.

(c) In the event Executive resigns from Executive’s employment for Good Reason, and provided that such termination constitutes a Separation from Service, then subject to Executive’s compliance with the obligations in Section 6.1(c) above, Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1 and on the same terms and conditions set forth in Section 6.1(c) and Section 6.1(e) as if Executive had been terminated by the Company without Cause.

(d) Any damages caused by the termination of Executive’s employment for Good Reason would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

#### 6.5 **Termination by Virtue of Death or Disability of Executive.**

(a) In the event of Executive’s death while employed pursuant to this Agreement, all obligations of the Parties hereunder shall terminate immediately, and the Company shall, pursuant to the Company’s standard payroll policies, pay to Executive’s legal representatives all Accrued Obligations.

(b) Subject to applicable state and federal law, the Company shall at all times have the right, upon written notice to Executive, to terminate this Agreement based on Executive’s Disability. Termination by the Company of Executive’s employment based on ***“Disability”*** shall mean termination because a qualified medical doctor mutually acceptable to the Company and Executive or Executive’s personal representative has certified in writing that: (A) Executive is unable, because of a medically determinable physical or mental disability, to perform the essential functions of Executive’s job, with or without a reasonable accommodation, for more than one hundred and eighty (180) calendar days measured from the last full day of work; or (B) by reason of mental or physical disability, it is unlikely that Executive will be able, within one hundred and eighty (180) calendar days, to resume the essential functions of Executive’s job, with or without a reasonable accommodation, and to otherwise discharge Executive’s duties under this Agreement. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, if applicable, and other applicable law. In the event Executive’s employment is terminated based on Executive’s Disability, Executive will not receive

Severance Benefits or any other severance compensation or benefit, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.6 **Change in Control Benefits.** In the event the Company (or any surviving or acquiring corporation) terminates Executive's employment without Cause or Executive resigns for Good Reason within twelve (12) months following the effective date of a Change in Control (as defined under the Bonus Plan, as may be amended from time to time by the Company (the "**Plan**")), then Executive shall be entitled to the Accrued Obligations and, provided that Executive complies with the obligations in Section 6.1(c) of this Agreement (including the requirement to provide an effective Release), Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1(b) and on the same conditions as if Executive had been terminated by the Company without Cause; *provided, however*, that (a) the Severance Period shall be increased to twelve (12) months; and (b) the bonus set forth in Section 6.1(b)(ii) shall instead be payable at the Target Amount.

6.7 **Cooperation With Company After Termination of Employment.** Following termination of Executive's employment for any reason and for a period of one (1) year thereafter, Executive agrees to cooperate (a) with the Company in (i) the defense of any legal matter involving any matter that arose during Executive's employment with the Company, and (ii) all matters relating to the winding up of Executive's pending work and the orderly transfer of any such pending work to such other employees as may be designated by the Company; and (b) with all government authorities on matters pertaining to any investigation, litigation or administrative proceeding pertaining to the Company. The Company will reimburse Executive for any reasonable travel and put of pocket expenses incurred by Executive in providing such cooperation. Further, Executive shall not, at any time after termination of Executive's employment for any reason, represent himself as being an agent or representative of the Company, unless expressly authorized in a written agreement executed by an authorized officer of the Company.

6.8 **Application of Section 409A.**

(a) It is intended that all of the severance payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively, "**Section 409A**") provided under Treasury Regulations Sections 1.409A-1(b)(4) and 1.409A-1(b)(9), and this Agreement will be construed in a manner that complies with Section 409A. If not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and incorporates by reference all required definitions and payment terms.

(b) The preceding provisions shall not be construed as a guarantee by the Company of any particular tax effect to Executive under this Agreement. The Company shall not be liable to Executive for any payment made under this Agreement which is determined to result in an additional tax, penalty or interest under Section 409A, nor for reporting in good faith any payment as an amount includible in gross income under Section 409A.

(c) No severance payments will be made under this Agreement unless Executive's termination of employment constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)).

(d) For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulations Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement (whether severance payments or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment.

(e) If the Company determines that the severance benefits provided under this Agreement constitutes "deferred compensation" under Section 409A and if Executive is a "specified employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i) of the Code at the time of Executive's Separation from Service, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance Benefits will be delayed as follows: on the earlier to occur of (i) the date that is six months and one day after Executive's Separation from Service, and (ii) the date of Executive's death (such earlier date, the ***"Delayed Initial Payment Date"***), the Company will (1) pay to Executive a lump sum amount equal to the sum of the Severance Benefits that Executive would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the Severance Benefits had not been delayed pursuant to this Section 6.8, and (2) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedule set forth in Section 6.1. No interest shall be due on any amounts deferred pursuant to this Section 6.8.

## **7. GENERAL PROVISIONS.**

7.1 **Notices.** Any notices required hereunder to be in writing shall be deemed effectively given: (a) upon personal delivery to the Party to be notified, (b) when sent by electronic mail or confirmed facsimile if sent during normal business hours of the recipient, and if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll, or at such other address as the Company or Executive may designate by ten (10) days advance written notice to the other.

7.2 **Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

7.3 **Survival.** Provisions of this Agreement which by their terms must survive the termination of this Agreement in order to effectuate the intent of the Parties will survive any such

termination, whether by expiration of the term, termination of Executive's employment, or otherwise, for such period as may be appropriate under the circumstances.

7.4 **Waiver.** If either Party should waive any breach of any provisions of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.5 **Complete Agreement.** This Agreement constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written communications and agreements. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in writing signed by Executive and an authorized officer of the Company, subject to the approval of the Board, its compensation committee or (if necessary) the stockholders of the Company. The Parties have entered into a separate Confidential Information Agreement and have entered or may enter into separate agreements related to equity. These separate agreements govern other aspects of the relationship between the Parties, have or may have provisions that survive termination of Executive's employment under this Agreement, may be amended or superseded by the Parties without regard to this Agreement and are enforceable according to their terms without regard to the enforcement provision of this Agreement.

7.6 **Headings.** The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

7.7 **Successors and Assigns.** The Company shall assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said Company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a Party, but may not otherwise assign this Agreement or its rights and obligations hereunder. Executive may not assign or transfer this Agreement or any rights or obligations hereunder, other than to Executive's estate upon death.

7.8 **Withholding.** All amounts payable hereunder shall be subject to applicable tax withholding.

7.9 **Choice of Law.** This Agreement in all respects shall be governed by and interpreted in accordance with the laws of the State of Louisiana or Delaware, both procedural and substantive, without regard to conflicts of law, except to the extent that federal laws and regulations preempt otherwise applicable law.

7.10 **Jurisdiction.** Each Party hereby irrevocably submits to the exclusive jurisdiction of the United States District Court located in Louisiana, Delaware, or any state court located within such state, in respect of any claim relating to this Agreement or Executive's employment with the Company, and hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding in which any such claim is made that said Party is not subject thereto or that such

action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Any appellate proceedings shall take place in the appropriate courts having appellate jurisdiction over the courts set forth in this Section.

7.11 **Counterparts.** This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one Party, but all of which taken together will constitute one and the same Agreement. Facsimile signatures and signatures transmitted by PDF shall be equivalent to original signatures.

**(SIGNATURES TO FOLLOW ON NEXT PAGE]**

**IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.**

**Sleep Management, LLC, d/b/a VieMed**

By: /s/ Casey Hoyt  
Name: **Casey Hoyt**  
Title: **CEO**

Executive:

/s/ Trae Fitzgerald  
**Trae Fitzgerald**



## EXECUTIVE EMPLOYMENT AGREEMENT

This **EXECUTIVE EMPLOYMENT AGREEMENT** (the "**Agreement**") is entered into effective **August 1, 2022** (the "**Effective Date**"), by and between **Jeremy Trahan** (the "**Executive**") and Sleep Management, LLC. d/b/a VieMed (the "**Company**"). Each of the Company and Executive is a "**Party**" and, collectively, they are the "**Parties.**"

The Company desires to employ Executive and, in connection with such employment, to compensate Executive for Executive's personal services to the Company; and

Executive desires to provide personal services to the Company in return for certain compensation.

Accordingly, in consideration of the mutual promises and covenants contained herein, the Parties agree to the following:

### **1. EMPLOYMENT BY THE COMPANY.**

1.1 **At-Will Employment.** Executive shall be employed by the Company on an "at will" basis, meaning either the Company or Executive may terminate Executive's employment at any time, with or without cause or advance notice. Any contrary representations that may have been made to Executive shall be superseded by this Agreement. This Agreement shall constitute the full and complete agreement between Executive and the Company on the "at will" nature of Executive's employment with the Company, which may be changed only in an express written agreement signed by Executive and a duly authorized officer of the Company. Executive's rights to any compensation following a termination shall be only as set forth in Section 6.

1.2 **Position.** Subject to the terms set forth herein, the Company agrees to employ Executive in the position of **Chief Legal Officer and Executive Vice President - Acquisitions and Strategic Transactions,** and Executive hereby accepts such employment. Executive will report to the **Chief Executive Officer.**

1.3 **Duties.** Executive shall faithfully perform all duties of the Company related to the position or positions held by Executive, including but not limited to all duties set forth in this Agreement and all additional duties that are reasonably prescribed from time to time by the **Chief Executive Officer.** Executive shall devote Executive's full business time and attention to the performance of Executive's duties and responsibilities on behalf of the Company and in furtherance of its best interests. Executive shall perform Executive's duties under this Agreement principally out of the Company's corporate headquarters in Lafayette, Louisiana. In addition, Executive shall make such business trips at the Company's expense to such places as may be necessary or advisable for the efficient operations of the Company.

1.4 **Company Policies.** Executive shall comply with all Company policies, standards, rules and regulations (a "**Company Policy**" or collectively, the "**Company Policies**") and all applicable government laws, rules and regulations that are now or hereafter in effect. Executive acknowledges receipt of copies of all written Company Policies that are in effect as of the date of this Agreement. Notwithstanding the foregoing, in the event that the terms of this

Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

## **2. COMPENSATION.**

2.1 **Salary.** Executive shall receive a base salary of **\$275,000.00** on an annualized basis, payable subject to standard federal and state payroll withholding requirements in accordance with the Company's standard payroll practices ("***Base Salary***"). Executive's Base Salary may be increased from time to time by the Board of Directors of the Company (the "***Board***").

2.2 **Bonus.** During the period Executive is employed with the Company, Executive shall be eligible to earn a discretionary annual cash bonus with a target bonus amount of **\$206,250.00** ("***Target Amount***") and a maximum bonus amount of **\$275,000.00**, subject to review and adjustment by the Company in its sole discretion, payable subject to standard federal and state payroll withholding requirements, pursuant to the terms of the Viamed, Inc. Annual Discretionary Cash Bonus Plan (the "Bonus Plan"). Any bonus, if earned, will be paid to Executive within the time period set forth in the ***Bonus Plan***.

2.3 **Benefits.** Executive will be eligible to participate on the same basis as similarly situated employees in the Company's benefit plans in effect from time to time during Executive's employment. All matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion.

2.4 **Expense Reimbursement.** The Company shall reimburse Executive for all customary and appropriate business-related expenses actually incurred and documented in accordance with Company Policy, as in effect from time to time. For the avoidance of doubt, to the extent that any reimbursements payable to Executive are subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"): (a) any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, (b) the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and (c) the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

**3. PROPRIETARY INFORMATION, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION OBLIGATIONS.** As a condition of employment with the Company, Executive agrees to execute and abide by a Confidentiality, Noncompetition, Nonsolicitation, and Intellectual Property Agreement (the "***Confidential Information Agreement***"), which may be amended by the Parties from time to time without regard to this Agreement. The Confidential Information Agreement contains provisions that are intended by the Parties to survive and do survive termination of this Agreement.

**4. OUTSIDE ACTIVITIES DURING EMPLOYMENT.** Except with the prior written consent of the Company, which shall not be unreasonably withheld, Executive will not, while employed by the Company, undertake or engage in any other employment, occupation or business enterprise that would interfere with Executive's responsibilities and the performance of Executive's duties

hereunder, except for (i) reasonable time devoted to volunteer services for or on behalf of such religious, educational, non-profit and/or other charitable organization as Executive may wish to serve, (ii) reasonable time devoted to activities in the non-profit and business communities consistent with Executive's duties, and (iii) such other activities as may be specifically approved by the Company. This restriction shall not, however, preclude Executive from owning less than one percent (1%) of the total outstanding shares of a publicly traded company, or employment or service in any capacity with Affiliates of the Company. As used in this Agreement, "**Affiliates**" means an entity under common management or control with the Company.

**5. NO CONFLICT WITH EXISTING OBLIGATIONS.** Executive represents that Executive's performance of all the terms of this Agreement and as an executive of the Company do not and will not breach any agreement or obligation of any kind made prior to Executive's employment by the Company, including agreements or obligations Executive may have with prior employers or entities for which Executive has provided services. Executive has not entered into, and Executive agrees that Executive will not enter into, any agreement or obligation, either written or oral, in conflict herewith.

**6. TERMINATION OF EMPLOYMENT.** The Parties acknowledge that Executive's employment relationship with the Company is at-will. The provisions in this Section govern the amount of compensation, if any, to be provided to Executive upon termination of employment and do not alter this at-will status.

**6.1 Termination by the Company Without Cause.**

(a) The Company shall have the right to terminate Executive's employment with the Company pursuant to this Section 6.1 at any time without "Cause" (as defined in Section 6.2(b) below) by giving notice as described in Section 7.1 of this Agreement. A termination pursuant to Sections 6.3 and 6.5 below is not a termination without "Cause" for purposes of receiving the benefits described in this Section 6.1.

(b) If the Company terminates Executive's employment at any time without Cause and provided that such termination constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h) a "**Separation from Service**"), then Executive shall be entitled to receive the Accrued Obligations (defined below) and, subject to Executive's compliance with the obligations in Section 6.1(c) below, then Executive shall also be entitled to receive (collectively, the "**Severance Benefits**"):

(i) an amount equal to Executive's then current Base Salary for **six (6) months** (the "**Severance Period**"), less all applicable withholdings and deductions, paid in equal installments beginning on the Company's first regularly scheduled payroll date following the Release Effective Date (as defined in Section 6.1(c) below), with the remaining installments occurring on the Company's regularly scheduled payroll dates thereafter;

(ii) an amount equal to the unpaid bonus (if any) that Executive would have earned pursuant to Section 2.2 with respect to any Performance Period completed prior to the termination date but for the employment requirement set forth in Section 2.2; and

(iii) payment of the employer portion of the premiums required to continue Executive's group health care coverage under the applicable provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**"), provided that Executive timely elects to continue coverage under COBRA, until the earliest of (A) the close of the Severance Period, (B) the expiration of Executive's eligibility for the continuation coverage under COBRA, or (C) the date when Executive becomes eligible for substantially equivalent health insurance coverage in connection with new employment (such period from the termination date through the earliest of (A), (B) or (C), the "**COBRA Payment Period**"). Notwithstanding the foregoing, if at any time the Company determines in its sole discretion that the payment of the COBRA premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code, or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and

Education Reconciliation Act), then in lieu of providing the COBRA premiums, the Company will instead pay Executive on the last day of each remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premiums for that month, subject to applicable tax withholdings for the remainder of the COBRA Payment Period, regardless of whether Executive elects COBRA coverage (the "**Special Severance Payment**").

Executive may, but is not obligated to, use such Special Severance Payment toward the cost of COBRA premiums. If Executive becomes eligible for coverage under another employer's group health plan or otherwise ceases to be eligible for COBRA during the COBRA Payment Period. Executive must immediately notify the Company of such event, and all payments and obligations under this clause will cease.

(c) Executive will be paid all of the Accrued Obligations on the Company's first payroll date after Executive's date of termination from employment or earlier if required by law. Executive shall receive the Severance Benefits pursuant to Section 6.1(b) of this Agreement if: (i) Executive signs and delivers to the Company an effective, general release of claims in favor of the Company and its affiliates and representatives, in a form acceptable to the Company (the "**Release**"), by the 60th day following the termination date or such earlier date as set forth in the Release, which cannot be revoked in whole or part (if applicable) by such date or such earlier date as set forth in the Release (the date that the Release can no longer be revoked is referred to as the "**Release Effective Date**"); (ii) if Executive holds any other positions with the Company, Executive resigns such position(s) to be effective no later than the date of Executive's termination date (or such other date as requested by the Board); (iii) Executive returns all Company property in proper order and condition, reasonable wear and tear excepted, (including, but not limited to, all books, documents, papers, materials and any other property or assets relating to the business or affairs of the Company which may be in Executive's possession or under his control but excluding copies of records related to Executive's compensation from the Company and any equity ownership in the Company); (iv) Executive complies with all post-termination obligations under this Agreement and the Confidential Information Agreement; and (v) Executive complies with the terms of the Release, including without limitation any non-disparagement and confidentiality provisions contained in the Release. To the extent that any Severance Benefits are deferred compensation under Section 409A of the Code, and are not otherwise exempt from the application of Section 409A, then, if the period during which Executive may consider and sign the Release spans two calendar years, the payment of Severance Benefits will not be made or begin until the later calendar year.

(d) For purposes of this Agreement, ***“Accrued Obligations”*** are (i) Executive's accrued but unpaid salary through the date of termination, (ii) any unreimbursed business expenses incurred by Executive payable in accordance with the Company's standard expense reimbursement policies, and (iii) benefits owed to Executive under any qualified retirement plan or health and welfare benefit plan in which Executive was a participant in accordance with applicable law and the provisions of such plan.

(e) The Severance Benefits provided to Executive pursuant to this Section 6.1 is in lieu of, and not in addition to, any benefits to which Executive may otherwise be entitled under any Company severance plan, policy or program.

(f) Any damages caused by the termination of Executive's employment without Cause would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

## **6.2 Termination by the Company for Cause.**

(a) Subject to Section 6.2(c) below, the Company shall have the right to terminate Executive's employment with the Company at any time for Cause by giving notice as described in Section 7.1 of this Agreement.

(b) ***“Cause”*** shall have the meaning ascribed to such term in the ***Bonus Plan***. In addition, the Company shall terminate Executive's employment for ***“Cause”*** in the event the Company has determined in its sole discretion that any of the following has occurred: (i) Executive's use of illegal drugs or any illegal substance, abuse of alcohol or other controlled substances, or use of alcohol in any manner that interferes with the performance of Executive's duties under this Agreement; (ii) acts of violence, unlawful discrimination, or unlawful harassment by Executive; (iii) Executive's making malicious or derogatory statements that are reasonably likely to damage the integrity or reputation of the Company, its products and performance, or its officers, employees or directors; or (iv) any other immoral, unethical, or indecent action by Executive that is detrimental to the interest and well-being of the Company, including, without limitation, harm to its reputation.

(c) In the event Executive's employment is terminated at any time for Cause, Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

## **6.3 Resignation by Executive.**

(a) Executive may resign from Executive's employment with the Company at any time by giving notice as described in Section 7.1.

(b) In the event Executive resigns from Executive's employment with the Company for any reason (other than a resignation for Good Reason as described in Section 6.4 below), Executive will not receive Severance Benefits or any other severance compensation or

benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

#### 6.4 **Resignation by Executive for Good Reason.**

(a) Provided Executive has not previously been notified of the Company's intention to terminate Executive's employment. Executive may resign from employment with the Company for Good Reason (as defined in Section 6.4(b) below).

(b) **"Good Reason"** for resignation shall mean the occurrence of any of the following without Executive's prior consent: (i) a material adverse change in the scope of Executive's responsibilities or authority; or (ii) a material reduction in Executive's Base Salary (unless pursuant to a salary reduction program applicable generally to the Company's similarly situated executives). In addition to any requirements set forth above, in order for any of the above events to constitute "Good Reason," Executive must (X) inform the Company of the existence of the event within sixty (60) days of the initial existence of the event, after which date the Company shall have no less than thirty (30) days to cure the event which otherwise would constitute "Good Reason" hereunder and (Y) Executive must terminate his employment with the Company for such "Good Reason" no later than ninety (90) days after the initial existence of the event which prompted Executive's termination. Any actions taken by the Company to accommodate a disability of Executive or pursuant to the Family and Medical Leave Act shall not be a Good Reason for purposes of this Agreement.

(c) In the event Executive resigns from Executive's employment for Good Reason, and provided that such termination constitutes a Separation from Service, then subject to Executive's compliance with the obligations in Section 6.1(c) above, Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1 and on the same terms and conditions set forth in Section 6.1(c) and Section 6.1(e) as if Executive had been terminated by the Company without Cause.

(d) Any damages caused by the termination of Executive's employment for Good Reason would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

#### 6.5 **Termination by Virtue of Death or Disability of Executive.**

(a) In the event of Executive's death while employed pursuant to this Agreement, all obligations of the Parties hereunder shall terminate immediately, and the Company shall, pursuant to the Company's standard payroll policies, pay to Executive's legal representatives all Accrued Obligations.

(b) Subject to applicable state and federal law, the Company shall at all times have the right, upon written notice to Executive, to terminate this Agreement based on Executive's Disability. Termination by the Company of Executive's employment based on **"Disability"** shall mean termination because a qualified medical doctor mutually acceptable to the Company and Executive or Executive's personal representative has certified in writing that: (A) Executive is unable, because of a medically determinable physical or mental disability, to

perform the essential functions of Executive's job, with or without a reasonable accommodation, for more than one hundred and eighty ( 180) calendar days measured from the last full day of work; or (B) by reason of mental or physical disability, it is unlikely that Executive will be able, within one hundred and eighty (180) calendar days, to resume the essential functions of Executive's job, with or without a reasonable accommodation, and to otherwise discharge Executive's duties under this Agreement. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, if applicable, and other applicable law. In the event Executive's employment is terminated based on Executive's Disability, Executive will not receive Severance Benefits or any other severance compensation or benefit, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.6 **Change in Control Benefits.** In the event the Company (or any surviving or acquiring corporation) terminates Executive's employment without Cause or Executive resigns for Good Reason within twelve (12) months following the effective date of a Change in Control (as defined under the Bonus Plan, as may be amended from time to time by the Company (the "**Plan**")), then Executive shall be entitled to the Accrued Obligations and, provided that Executive complies with the obligations in Section 6.1(c) of this Agreement (including the requirement to provide an effective Release), Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1(b) and on the same conditions as if Executive had been terminated by the Company without Cause; *provided, however*, that (a) the Severance Period shall be increased to **twelve (12) months**; and (b) the bonus set forth in Section 6.1(b)(ii) shall instead be payable at the Target Amount.

6.7 **Cooperation With Company After Termination of Employment.** Following termination of Executive's employment for any reason and for a period of one (1) year thereafter, Executive agrees to cooperate (a) with the Company in (i) the defense of any legal matter involving any matter that arose during Executive's employment with the Company, and (ii) all matters relating to the winding up of Executive's pending work and the orderly transfer of any such pending work to such other employees as may be designated by the Company; and (b) with all government authorities on matters pertaining to any investigation, litigation or administrative proceeding pertaining to the Company. The Company will reimburse Executive for any reasonable travel and out of pocket expenses incurred by Executive in providing such cooperation. Further, Executive shall not, at any time after termination of Executive's employment for any reason, represent himself as being an agent or representative of the Company, unless expressly authorized in a written agreement executed by an authorized officer of the Company.

6.8 **Application of Section 409A.**

(a) It is intended that all of the severance payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively, "**Section 409A**") provided under Treasury Regulations Sections 1.409A-1(b)(4) and 1.409A-1(b)(9), and this Agreement will be construed in a manner that complies with Section 409A. If not so exempt, this Agreement (and any definitions hereunder) will be

construed in a manner that complies with Section 409A, and incorporates by reference all required definitions and payment terms.

(b) The preceding provisions shall not be construed as a guarantee by the Company of any particular tax effect to Executive under this Agreement. The Company shall not be liable to Executive for any payment made under this Agreement which is determined to result in an additional tax, penalty or interest under Section 409A, nor for reporting in good faith any payment as an amount includible in gross income under Section 409A.

(c) No severance payments will be made under this Agreement unless Executive's termination of employment constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)).

(d) For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulations Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement (whether severance payments or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment.

(e) If the Company determines that the severance benefits provided under this Agreement constitutes "deferred compensation" under Section 409A and if Executive is a "specified employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i) of the Code at the time of Executive's Separation from Service, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance Benefits will be delayed as follows: on the earlier to occur of (i) the date that is six months and one day after Executive's Separation from Service, and (ii) the date of Executive's death (such earlier date, the ***"Delayed Initial Payment Date"***), the Company will (1) pay to Executive a lump sum amount equal to the sum of the Severance Benefits that Executive would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the Severance Benefits had not been delayed pursuant to this Section 6.8, and (2) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedule set forth in Section 6.1. No interest shall be due on any amounts deferred pursuant to this Section 6.8.

## **7. GENERAL PROVISIONS.**

7.1 Notices. Any notices required hereunder to be in writing shall be deemed effectively given: (a) upon personal delivery to the Party to be notified, (b) when sent by electronic mail or confirmed facsimile if sent during normal business hours of the recipient, and if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll, or at such other address as the Company or Executive may designate by ten (10) days advance written notice to the other.



7.2 **Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

7.3 **Survival.** Provisions of this Agreement which by their terms must survive the termination of this Agreement in order to effectuate the intent of the Parties will survive any such termination, whether by expiration of the term, termination of Executive's employment, or otherwise, for such period as may be appropriate under the circumstances.

7.4 **Waiver.** If either Party should waive any breach of any provisions of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.5 **Complete Agreement.** This Agreement constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written communications and agreements. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in writing signed by Executive and an authorized officer of the Company, subject to the approval of the Board, its compensation committee or (if necessary) the stockholders of the Company. The Parties have entered into a separate Confidential Information Agreement and have entered or may enter into separate agreements related to equity. These separate agreements govern other aspects of the relationship between the Parties, have or may have provisions that survive termination of Executive's employment under this Agreement, may be amended or superseded by the Parties without regard to this Agreement and are enforceable according to their terms without regard to the enforcement provision of this Agreement.

7.6 **Headings.** The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

7.7 **Successors and Assigns.** The Company shall assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said Company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a Party, but may not otherwise assign this Agreement or its rights and obligations hereunder. Executive may not assign or transfer this Agreement or any rights or obligations hereunder, other than to Executive's estate upon death.

7.8 **Withholding.** All amounts payable hereunder shall be subject to applicable tax withholding.

7.9 **Choice of Law.** This Agreement in all respects shall be governed by and interpreted in accordance with the laws of the State of Louisiana or Delaware, both procedural and substantive, without regard to conflicts of law, except to the extent that federal laws and regulations preempt otherwise applicable law.

7.10 **Jurisdiction.** Each Party hereby irrevocably submits to the exclusive jurisdiction of the United States District Court located in Louisiana, Delaware, or any state court located within such state, in respect of any claim relating to this Agreement or Executive's employment with the Company, and hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding in which any such claim is made that said Party is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Any appellate proceedings shall take place in the appropriate courts having appellate jurisdiction over the courts set forth in this Section.

7.11 **Counterparts.** This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one Party, but all of which taken together will constitute one and the same Agreement. Facsimile signatures and signatures transmitted by PDF shall be equivalent to original signatures.

**[SIGNATURES TO FOLLOW ON NEXT PAGE]**

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the day and year first written above.

**Sleep Management, LLC, d/b/a VieMed**

By: /s/ Casey Hoyt  
Name: **Casey Hoyt**  
Title: **CEO**

Executive:

/s/ Jeremy Trahan  
**Jeremy Trahan**

**Certification of Principal Executive Officer Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a) as Adopted Pursuant to  
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Casey Hoyt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Viemed Healthcare, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2025

/s/ Casey Hoyt

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Casey Hoyt  
Chief Executive Officer

**Certification of Principal Financial Officer Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a) as Adopted Pursuant to  
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Trae Fitzgerald, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Viemed Healthcare, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2025

/s/ Trae Fitzgerald

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Trae Fitzgerald  
Chief Financial Officer

**Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Casey Hoyt, the Chief Executive Officer of Viemed Healthcare, Inc. (the "**Company**"), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended March 31, 2025 (the "**Report**") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2025

/s/ Casey Hoyt

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Casey Hoyt

Chief Executive Officer

**Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Trae Fitzgerald, the Chief Financial Officer of Viemed Healthcare, Inc. (the "**Company**"), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended March 31, 2025 (the "**Report**") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2025

/s/ Trae Fitzgerald

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Trae Fitzgerald

Chief Financial Officer