



**VieMed Healthcare**  
**Fourth Quarter Year-End Quarterly Earnings**  
**March 5, 2026**

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**Presenters**

**Trae Fitzgerald, CFO**  
**Casey Hoyt, CEO**  
**Todd Zehnder, COO**

**Q&A Participants**

**David Storms - Stonegate**  
**Ilya Zubkov - Freedom Broker**

**Operator**

Greetings and welcome to the VieMed Healthcare Fourth Quarter Year-End Quarterly Earnings Call. At this time, all participants are in a listen only mode. A brief question-and-answer session will follow the formal presentation. Should anyone require operator assistance during the conference, please press star zero on your telephone keypad. As a reminder, this conference is being recorded. It is now my pleasure to introduce your host, Trae Fitzgerald, CFO. Thank you. You may begin.

**Trae Fitzgerald**

Thank you and good morning, everyone. Please note that our remarks on this conference call may include forward-looking statements under the U.S. federal securities laws or forward-looking information under applicable Canadian securities legislation, which we collectively refer to as forward-looking statements. Such statements reflect the company's current views and intentions with respect to future results or events and are subject to certain risks and uncertainties, which could cause actual results or events to vary from those indicated in forward-looking statements. Examples of such risks and uncertainties are discussed in our disclosure documents filed with the SEC or the security regulatory authorities in certain provinces of Canada. Because of these risks and uncertainties, investors should not place undue reliance on forward-looking statements. The forward-looking statements made in this conference call are made as of today, and the company undertakes no obligations to update or revise any forward-looking statements except as required by law. The fourth quarter financial supplement and financial news release as well as the related financial statements are available on the SEC's website. With that, I'll turn it over to our CEO, Casey Hoyt.

**Casey Hoyt**

Thank you, Trae, and good morning, everyone. We appreciate you joining us. Today, we'll recap our 2025 performance, discuss the progress we achieved strengthening the platform, and outline how we see the business evolving as we enter 2026. 2025 was a milestone year for us. We delivered record revenue and record adjusted EBITDA, generated significantly higher free cash flow, and made real progress diversifying the business in ways you can clearly see in our results. We are building VieMed into a cash-generating home care platform with multiple growth engines, and we continue to differentiate ourselves through our high-touch clinical model and technology-enabled approach as we scale. As we move into 2026, we're doing it from a position of strength. We continue to execute well, we're seeing good, early signals in the business, and we feel great about the long-term opportunity in front of us.

You can see that in the momentum we're continuing to build in sleep and resupply, the progress we're making in maternal health, and the way our technology investments are helping us operate at a higher

and more capable level across the platform. None of it happens without our people. I want to thank our team for the compassion, professionalism, and commitment they bring to patients every day. We continue to build our workforce in a disciplined way including developing talent pipelines through VieMed Healthcare staffing and integrating new team members from acquisitions. We ended the year with 1,382 employees across the country, and I'm proud of how consistently they deliver high-quality care and execute with integrity. That level of commitment matters most when caring for chronically ill patients in the home, and it's at the core of our complex respiratory offerings. In-home ventilation drives real and significant outcomes for patients, and we continue to see a meaningful long-term opportunity here given the underserved and underpenetrated population coupled with the increasing clinical demand.

During the fourth quarter, we did see some moderation in ventilator patient growth, and it's largely what we expected. The industry is continuing to work through the updated national coverage determination, and the changes are twofold. First, there is a natural operational effort when implementing new documentation and process requirements under the NCD. Our team and processes at VieMed were well ahead of the curve and proactively addressing the new requirements. The Engage patient platform, which is our proprietary technology deployed in the homes of our patients, has played an instrumental role in providing data that helps our therapists manage and report on real-time compliance metrics. We have also spent a ton of time in the field reeducating our physician referral sources and patients on how these new requirements affect qualification and ongoing care. Second, the updated criteria means some patients who previously may have qualified under the prior framework may not qualify today. What's critical to understand is that the underlying demand and clinical need remains strong. This is primarily a coverage and execution transition, and throughout 2025, we invested in the infrastructure to navigate it well. That includes strengthening our compliance capabilities, supporting physician education, and tightening our internal workflows to align with the updated requirements so we can serve the right patients the right way under the current criteria.

More importantly, the move towards more objective criteria is something we've long supported. Our view is that over time, the new NCD changes will reduce uncertainty across the system and ultimately put scale providers like VieMed in a stronger position. We're already seeing progress entering 2026. A number of patients who previously were denied coverage under more subjective Medicare Advantage criteria are now qualifying under the new NCD standards. Under the new NCD, we have had 100% success rate at the administrative law judge level on the Medicare Advantage denials we have appealed, which reinforces the appropriateness of the patients we serve and the strength of our documentation. We are also seeing denials resolved earlier in the Medicare Advantage appeals process, which improves reimbursement timing and reduces uncertainty. January was one of the strongest new ventilator setup months in our history. That gives us confidence that, as the referral partners get more comfortable with the criteria and our execution continues to improve, we will establish a more consistent growth cadence. So, in summary, on the NCD, while there's been some short-term friction as the industry adjusts, the work we've completed early positions us well going forward and supports a long runway for growth in our complex respiratory market.

More broadly, as we think about the regulatory environment, I also want to briefly address the recent CMS update regarding the next round of competitive bidding. Based on the categories identified by CMS, we do not expect the announced round of competitive bidding to apply to any of our current product offerings including ventilators or to have a material impact on our business. That said, the broader compliance and program integrity elements included in the update continue to favor scaled providers with strong documentation, operational controls, and national infrastructure. Those are areas where we've invested for many years, and we know we are well positioned. As regulatory clarity continues to improve, it creates a stable foundation for growth across the platform. That stability is allowing us to progressively move into areas that are scaling quickly, particularly sleep and resupply, which started as a complementary service has become a meaningful and accelerated growth driver for VieMed.

As of December 31, 2025, our PAP therapy patient count reached 34,528, which represents growth of 62% year-over-year. During 2025, new sleep patient setups increased 70% compared to the prior year. That growth reflects strong execution by our sales and operational teams and solid demand in the market,

and it also translates into a strong pipeline for future residual resupply sales. We ended the year serving 36,561 resupply patients, up 49% year-over-year. As the PAP base grows, more patients move into long-term resupply relationships, which creates recurring and predictable revenue over the life of the patient. We're encouraged with the progress, and we still see room to improve conversion rates and deepen patient engagement, which gives us additional runway heading into 2026. We are also experiencing real tailwinds behind this category.

Obstructive sleep apnea remains significantly underdiagnosed, clinical awareness continues to increase, and broader conversations around metabolic health and GLP-1 therapies are bringing more patients into screening and treatment. Sleep is and will continue to be an important pillar of our growth strategy. That progress in sleep is a good example of how our platform is evolving, and the Lehan acquisition is another strong example of that continued evolution in action as we expand into maternal health. Since closing the acquisition of Lehan's Medical Equipment on July 1st, the business has performed well and integrated smoothly. The transaction has been accretive out of the gate, generating positive net income contribution in both quarters since closing. What excites us going forward is the ability to scale maternal health beyond Lehan's original footprint. Lehan brought deep expertise in the category and a strong operating team. VieMed brings a national infrastructure we've built over many years including payer relationships, clinical operations, intake, billing, and compliance. Together, that allows us to take what Lehan does well and expand it through the VieMed platform to reach more patients in more places. We began billing our first maternal health claim outside the Lehan footprint late in the third quarter, and the early signs have been very encouraging. In 2025, approximately 9 million of our revenue was associated with maternal health products across existing Lehan markets and new VieMed markets.

Maternal health further strengthens our diversification. It broadens our payer mix, reduces our concentration in Medicare, and adds another recurring DME category, making our overall revenue base more balanced and resilient. As we continue to build payer relationships, referral pathways, and operational capacity, we expect maternal health to become a more meaningful contributor as we expand in 2026. We view maternal health as a scalable extension of our platform and an important long-term growth opportunity for VieMed. As we have scaled the business at a high growth rate, we are pleased with how well our forecasting process has performed. In particular, our adjusted EBITDA performance has consistently tracked in line with our expectations. The key driver has been the reliability of our highest margin offerings, which have continued to perform to plan and provide a stable earnings foundation. While lower margin offerings such as staffing can move around from period to period, that variability is inherent in the model and does not change the underlying earnings profile of the business. Overall, we view our track record of delivering against our adjusted EBITDA outlook as a highly valuable strength as we continue to grow VieMed as an integrated platform.

Reflecting on our success, the reason we can grow and diversify the way we have is because of the processes we've built over time and the strength of our operations every day. For nearly two decades, we've proudly focused on execution, clinical quality, and doing things the right way. At the center of that execution is our high-touch clinical model. Our respiratory therapists and clinical teams stay closely connected to patients in the home through frequent touch points, education, and monitoring. We support that with our proprietary clinical platform, which connects devices, clinicians, and workflows, so we can improve patient adherence, clinical outcomes, and efficiencies as we scale. We also benefit from embedded relationships through our staffing business, which sustains relationships with hospitals and discharge pathways and supports a steady flow of opportunities across our service lines. And we've invested heavily in the capabilities that matter in this industry, especially documentation, compliance, and reimbursement, so that we can operate effectively as coverage criteria evolve and scale in new categories such as behavioral health with confidence. The other critical piece is our payer platform. We built a national -- a nationwide network of payer relationships and reimbursement capabilities over many years, and that foundation is difficult to replicate. It's a big reason we can expand into areas like sleep and maternal health and scale them more efficiently because the contracting relationships, operational processes, and reimbursement expertise are already in place. Put all the pieces together, and we have a differentiated platform in home-based care. That's what gives us extreme confidence we can keep

growing, keep diversifying, and keep expanding cash flow over time. With that, I'll turn the call over to Todd to walk through our financial performance and capital allocation priorities in more detail. Todd?

**Todd Zehnder**

All right. Thank you, Casey. I'll begin with a review of our financial performance for the quarter and the full year and then provide additional context around margins, cash flow, and capital allocation. In reviewing the financial results, all figures are in U.S. dollars, and our full results have been filed with the SEC. I'll be referencing information available in our quarterly financial supplement, which can also be found on our Investor Relations website. For the fourth quarter, revenue was 76.2 million, an increase of 26% over the prior year. For the full year, revenue totaled 270.3 million, up approximately 21% compared to 2024. The growth was broad-based, reflecting continued organic expansion across our core service lines and the contribution from the Lehan acquisition during the third and fourth quarters. Looking at the components of that growth, equipment and supply sales was the largest contributor, increasing by 19.4 million or approximately 63% year-over-year. That growth was driven primarily by continued expansion in sleep resupply and the addition of the maternal health following the Lehan acquisition. Ventilator rentals increased 12.2 million or roughly 10%, reflecting higher patient volumes and solid demand. Our other non-vent HME rentals increased by 9.7 million or 20%, supported by growth in PAP, oxygen, and airway clearance therapies.

Services revenue increased by 4.8 million or about 24%, driven mainly by continued growth in healthcare staffing. From a mix perspective, the diversification is clear. Ventilation moved from 56% of revenue in 2024 to 51% in 2025 as other categories scaled at a faster rate. Sleep increased from 16% to 20%, and maternal contributed approximately 3% of revenue in 2025. Outside of those areas, the mix was relatively stable. So, while ventilation remains a significant component of the business, revenue is becoming more balanced across multiple service lines, consistent with our strategy. For the fourth quarter, adjusted EBITDA totaled 18.2 million. For the full year, adjusted EBITDA was a record 61.4 million, representing a margin of approximately 22.7%, which has remained stable and is expected to remain at a similar level as we move into 2026. Gross margin for the year was just under 58%. We are not seeing structural margin deterioration as the business diversifies. While sleep and maternal health have a different margin characteristic than ventilator rentals, those differences are being offset by operating efficiencies, scale benefits, and disciplined expense management. We continue to see operating leverage within SG&A as revenue scales, even as we invest in technology and platform expansion.

Turning to cash flow. Performance improved meaningfully in 2025. Net cash provided by operating activities was 51.9 million for the year. After net CapEx of approximately 23.8 million, free cash flow totaled 28.1 million compared to 11.6 million in 2024, more than doubling year-over-year. In the fourth quarter alone, free cash flow was \$10.8 million. Net CapEx represented approximately 10% of revenue for the quarter, and we continue to expect net CapEx to be in the 10% to 11.5% range for the full year 2026. As the revenue base continues to diversify, a larger portion of growth is coming from categories that are less capital intensive. Over time, that supports lower capital intensity and continued expansion in free cash flow as we scale. Turning to the balance sheet. We ended the year with 13.5 million in cash and approximately \$46 million available under our existing credit facilities. Long-term debt totaled 11.3 million at year-end. Net of cash on hand, we effectively had no net debt, which provides us with significant financial flexibility. Following the Lehan acquisition, we've already begun reducing the associated debt supported by ongoing cash generation. The combination of low leverage, strong operating cash flow, and manageable capital intensity provides us with meaningful financial flexibility as we allocate capital across growth initiatives and shareholder returns.

That brings me to capital allocation. As announced yesterday, our Board has authorized a new share repurchase program for 2026. This authorization reflects our confidence in the durability of our cash flows and our long-term outlook. At current operating levels, we are generating meaningful free cash flow after capital expenditures, and we believe it is appropriate to return a portion of that capital to shareholders while maintaining flexibility for strategic investments. Our approach remains balanced. First, we will continue to prioritize organic growth and investments that enhance our competitive position. Second, we will evaluate disciplined, accretive acquisition opportunities that expand our platform and meet our return

thresholds. And third, when appropriate, we will return capital to shareholders through share repurchases. We view share repurchases as an opportunistic and value-oriented component of our capital allocation framework. Given our cash generation profile and modest leverage, we believe we can execute this balanced strategy without compromising growth. Current market dynamics present an attractive opportunity to execute on this buyback. Overall, we believe our capital structure and capital allocation priorities position us well to drive long-term shareholder value.

Turning to our outlook for 2026. We are guiding to full year net revenue in the range of \$310 million to \$320 million. At the midpoint, that represents approximately 17% year-over-year growth excluding any contribution from potential acquisitions. We are guiding adjusted EBITDA in the range of \$65 million to \$69 million. While EBITDA growth is expected to trail revenue growth on a percentage basis, that largely reflects the fact that 2025 adjusted EBITDA benefited from nonrecurring items including the \$2.2 million gain from the Vent Buyback program. On a normalized basis, the 2026 outlook reflects healthy growth in core EBITDA dollars and continued margin stability within our recurring revenue base. As we have discussed, we expect the quarterly cadence to be uneven. We anticipate the first quarter to be relatively flat to slightly down sequentially, reflecting the continued transition in complex respiratory documentation and the normal seasonality of the business.

Beginning in the second quarter, we expect to return to a more normalized quarterly growth pattern with sequential growth in the range of approximately 3% to 5% throughout the remainder of the year. Our guidance assumes continued investment in technology, compliance, infrastructure, and platform expansion alongside disciplined expense management. We are not assuming a material change in our margin profile, and we are not building in aggressive operating leverage beyond what is supported by the current cost structure and our operating plan. Overall, our 2026 outlook reflects solid growth, stable margins, continued improvement in free cash flow, and disciplined capital allocation. With low leverage, strong liquidity, and a scalable operating model, we are in a very strong financial position as we enter 2026. While we don't currently guide to a free cash flow amount, we are comfortable saying that we expect to continue to generate a significant amount of free cash flow even after our aggressive growth that we are guiding.

Before we open the line up for questions, I'll briefly summarize what 2025 represented financially and how we're positioned going forward. We delivered record revenue and record adjusted EBITDA, maintained the margin stability through a shifting revenue mix, and more than doubled free cash flow year-over-year. We ended the year in which we bought back 5% of the outstanding shares at an average price of 6.69 with effectively no net debt and significant liquidity, providing flexibility to invest in organic growth, pursue accretive opportunities, and once again return capital to shareholders. As we look to 2026, the combination of diversified revenue streams, stable profitability, improving free cash flow conversion, regulatory stability, and a strong balance sheet positions us well to continue executing our strategy. With that, operator, please open the line for questions.

**Operator**

Thank you. We will now be conducting a question-and-answer session. If you would like to ask a question, please press star one on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press star two if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys. One moment, please, while we poll for questions. The first question is from Dave Storms from Stonegate. Please go ahead.

**Dave Storms**

Morning. Thanks for taking my questions. Just want to maybe start with -- you mentioned the expansion from the Lehan acquisition. I'm just curious as to what's the top of your to-do list there. Is that going to be expanding payers? Is that going to be improving the sales force? What do you think is your priority number one to maintain that expansion?

**Casey Hoyt**

Yeah, I'll start that, and, Todd, you can fill in wherever you want to. But the -- I mean, basically, both of those initiatives are important to us. I would say the payer initiative is more important. Getting the Lehan network expanded into the VieMed network of payers is underway. And so, it's not as simple as just turning on each individual payer. There's a lot of research that goes into reimbursement rates for certain states. And so, we're strategically picking up the correct states to expand into. And then from there, it's just onboarding that into the technology piece, which executes the breast pump sales. The second piece is, yes, we are going to train some boots on the ground sales folks. That's the VieMed way if you will. And that is already underway, and we're kind of cross-training some of our sleep reps that are out and about and have the bandwidth to expand their referral sources. So, we'll look to do that concurrently with building out the payer network.

**Todd Zehnder**

Yeah. And I would say the other thing that we're working on is this is a significant growth area. We're pretty confident on a percentage basis, it will be the fastest-growing product line for our company, and we're just trying to make sure that the back office support from a fulfillment and onboarding of patients can keep up with the rapid growth that we're putting around the country. So, there's a few different prongs, and we're proactively working on all that with the Lehan's management team who are really kind of guiding us around the country.

**Dave Storms**

That's great commentary. I appreciate that. You mentioned in there just expanded boots on the ground and cross-training sleep folks. Just curious, zoom out a little bit, what your thoughts are around your overall sales force, comfortability with training? Are you going to need to expand that, do you think? Or just any commentary there around your current sales force?

**Casey Hoyt**

Yeah, that's correct. I mean, we've already begun cross-training our sleep reps. So, our sales force at VieMed is somewhat segmented into complex respiratory, which that sales rep would sell a [inaudible] vest oxygen combination and would typically be called on case management, pulmonologists, whereas -- and then we have another sales force for sleep called on cardiologists and family practice, internal medicine, those types of contacts. It's really easy to bolt on OBs while they're -- OB/GYNs while they're out and about to call on the breast pumps. Leads, if you will. And then once -- it's the type of business that, once you turn it on, it doesn't require much management, ongoing management. Just got to check in, make sure things are going good, make sure your customer service is in line, and off you go. So, to circle back to your question, the training is underway. We've already got some reps out in the field in certain states where we're good to go with our payers, and we'll just continue to expand that.

**Dave Storms**

Understood. Appreciate that. Last one for me. You mentioned that margins are expected to remain stable throughout the year. As your mix diversifies into some more diversified revenue stream, how many more margins -- excuse me, how many more levers do you think you have to pull -- have available to pull to keep margins stable? Or do you believe that some of that margin stability is just going to come from increased volumes?

**Todd Zehnder**

I think -- I mean, I think at a net level, we have the continued opportunity to push on scalability at G&A, and the fix is on there really probably more than anything from a technology standpoint. Obviously, volumes -- transactional volumes are going up dramatically with the evolution of diversifying this business. They don't have a per dollar amount like the revenue from a vent patient, but the volumes are going up. So, we have to get more efficient from a technological standpoint, and that would really be through the G&A world. On the gross margin, our intent is to just really try to reduce expenses at a labor level that will keep gross margins relatively flat. That's an uphill battle as I stated in my comments. Vent gross margins just carry a higher percentage amount, albeit a higher CapEx amount that goes with it. So,

I think at the end of the day, what we're really looking at is EBITDA margins and net income margins, and our goal is to try to keep gross margin as close to flat as possible.

**Dave Storms**

That's great color. Thank you for that, and I'll get back in line.

**Todd Zehnder**

Thanks, Dave.

**Operator**

The next question is from Ilya Zubkov from Freedom Broker. Please go ahead.

**Ilya Zubkov**

Good morning. Thank you for taking my questions. So, my first question is related to the guidance. Could you just elaborate on the key assumptions underlying your current revenue guidance across the business segments?

**Todd Zehnder**

Yeah. I mean, our -- overall, we're not forecasting rapid vent growth this year as we're working our way through the NCD. We're not saying that vents are going to grow at the historical level that they have. With that being said, like Casey said in his prepared remarks, we're seeing a significant, I guess, benefit in the first month to two months of new patient starts. So, that's encouraging. But just with the uncertainty of the NCD, we're not forecasting an aggressive amount there. We are forecasting a pretty aggressive amount when it comes to sleep, a notional amount that's probably even larger than we forecasted last year. And then like I said on the last question, maternal from a percentage standpoint is by far the largest, partially because we have a full year of the Lehan acquisition, so that's naturally going to give you a boost there. But we're also modeling pretty significant growth within the VieMed contracts around the country like Casey talked about a little while ago. So, it's -- I would say kind of to summarize it, the growth is across all product lines. It's going to be split between organic and a little bit of acquisition just because Lehan is there for the full year. And like we -- if we get back to our historical vent growth rates, then that's just upside for us.

**Casey Hoyt**

And we don't have any net new acquisition --

**Todd Zehnder**

No. And this assumes no acquisitions.

**Casey Hoyt**

That's right.

**Ilya Zubkov**

Thank you. This is helpful. And also, I noticed a sequential decline in the number of respiratory therapies during 2025. Could you walk us through how you determine when to add or reduce RT capacity and how the reduction in the last quarter may affect service revenue in 2026?

**Todd Zehnder**

Yeah. RTs are really driven by patient volumes, and sometimes that number will ebb and flow depending on if we're going into new areas that don't carry as large of a patient per RT value. So, I don't know exactly the sequential decline. It may be off a little bit, but that could be just because we had more of our RTs in areas that have significant volumes are established cities. And then once again, vent patients were relatively flat quarter-over-quarter just with the adoption of the NCD. So, once again, we would expect that number to continue to stay relatively in line on a patient per RT basis, and the hope is that those numbers both start growing again in 2026, and that's the plan.

**Ilya Zubkov**

Great. Thank you very much.

**Todd Zehnder**

Thanks, Ilya.

**Operator**

There are no further questions at this time. I would like to turn the floor back over to Casey Hoyt, CEO, for closing comments.

**Casey Hoyt**

Okay. Well, thanks, everyone, for joining us. Appreciate your trust in VieMed. We'll continue this positive momentum and look forward to a wonderful 2026. Everyone have a good day. Thank you.

**Operator**

This concludes today's teleconference. You may disconnect your lines at this time. Thank you for your participation.