



Enabling Continuity of Care for Patients,  
From the Clinic to Their Home

Investor Presentation  
NOVEMBER 15, 2021 | (NYSE American: INFU)

# Forward-Looking Statements / Non-GAAP Measures

## Forward-Looking Statements

Certain statements contained in this presentation are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, such as statements relating to future actions, business plans, objectives and prospects, our share repurchase program and capital allocation strategy, future operating or financial performance and guidance. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “expect,” “strategy,” “future,” “likely,” variations of such words, and other similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Forward-looking statements are subject to factors, risks and uncertainties that could cause actual results to differ materially, including, but not limited to, the uncertain impact of the COVID-19 pandemic, our dependence on estimates of collectible revenue, potential litigation, changes in third-party reimbursement processes, changes in law, contributions from acquired businesses or new business lines, products or services and other risk factors disclosed in the Company’s most recent annual report on Form 10-K and, to the extent applicable, quarterly reports on Form 10-Q. All forward-looking statements made in this presentation speak only as of the date hereof. InfuSystem does not undertake any obligation to update any forward-looking statements to reflect future events or circumstances, except as required by law.

## Non-GAAP Measures

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

# Investment Highlights

➤ Enterprise Value* <b>\$372M</b>	➤ Market Cap* <b>\$341M</b>	➤ Shares Out <b>20.6M</b>
➤ 2020 Revenue <b>\$97.4M</b> , Up 20% y/y	➤ 2021 Revenue Guidance <b>\$107M–\$110M</b>	



**Double-digit growth through two proven business platforms: Durable Medical Equipment (DME) and Integrated Therapy Services (ITS)**



**Providing best-in-class durable medical equipment and patient services facilitating clinic-to-home care**



**\$10B U.S. and Canada Home DME market; growth driven by medical innovation, an aging population, need to manage health care costs and increased patient comfort**



**Gaining market share by delivering “the last-mile solution” for health care providers, DME manufacturers, patients and health plans**










**Strategy to continue leveraging DME and ITS platforms by entering new multibillion-dollar therapy markets**

\*Market data as of November 10, 2021



# Focus, Scale and Experience

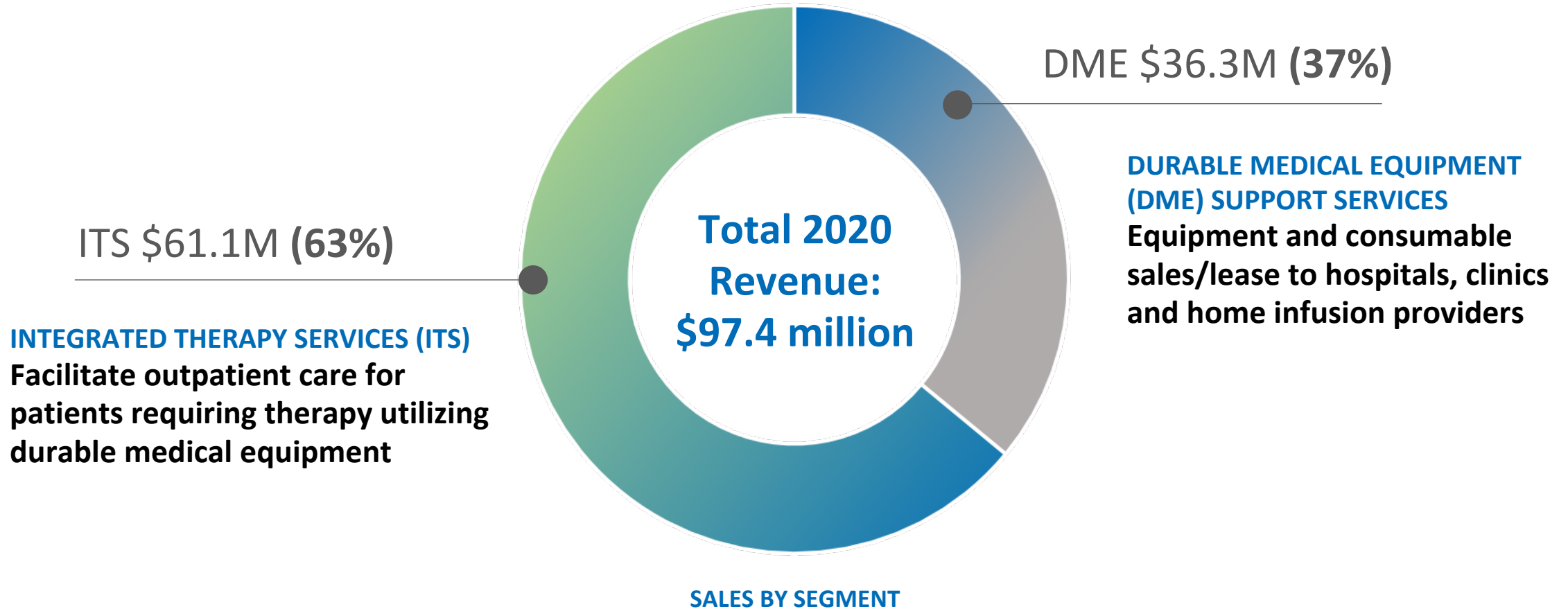
-  A leading provider of equipment and services with a **100K+ device fleet** in the U.S. and Canada
-  **35-year history**, perfected model in Oncology and now expanding into multiple therapies
-  **Seven major service areas** in the U.S. and Canada nearly 400 employees
-  National scale, serving **15 out of 20 top hospitals nationwide\***
-  Third-party payer contracts covering **nearly 95% of the U.S. population**, providing solutions to **6,500+ sites of care**
-  Infrastructure and services are **device agnostic and scalable** to support multiple therapies
-  **High ROI** on capital investments; we purchase equipment only when new business is being onboarded, our sales force is highly scalable and we have no R&D expense

\*Source: U.S. News & World Report, Best Hospitals, July 2021



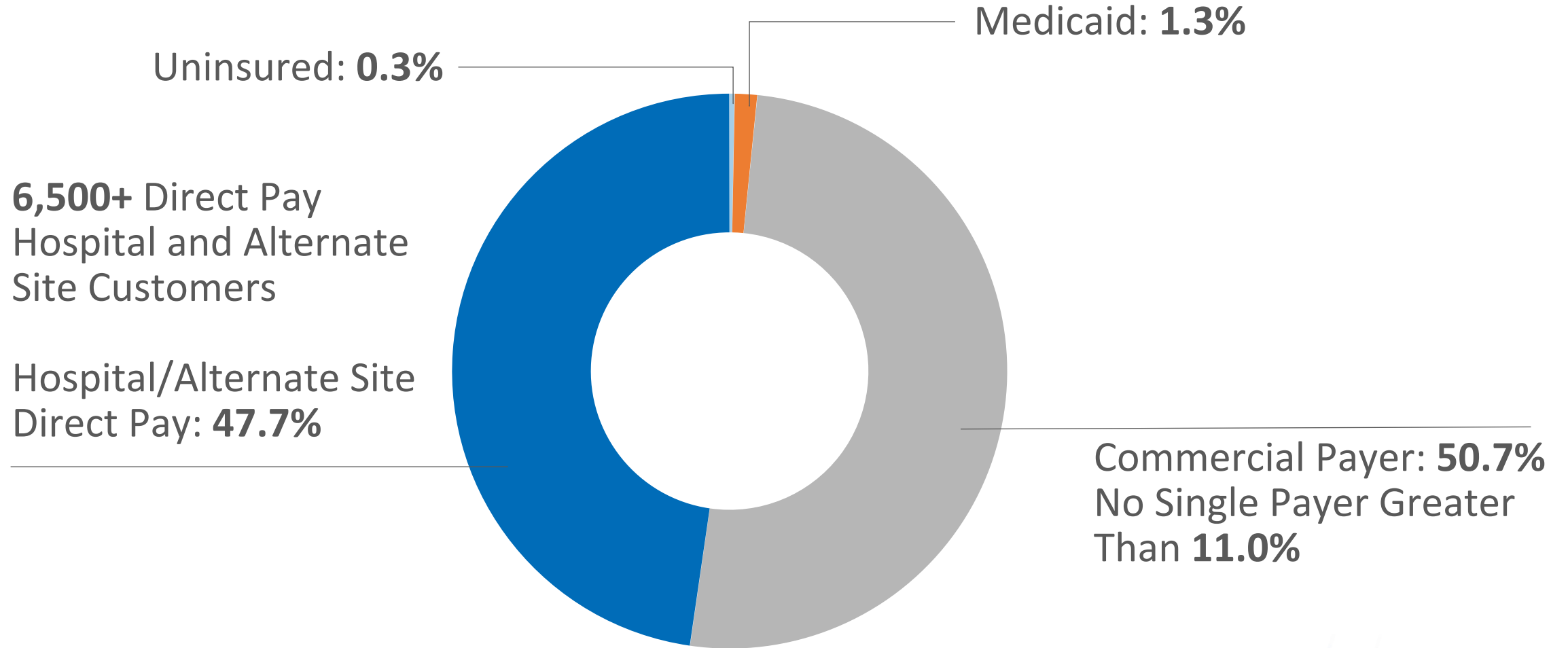
# Two Proven Business Platforms

Growth Driven by Market Share Gains and New Therapy Opportunities



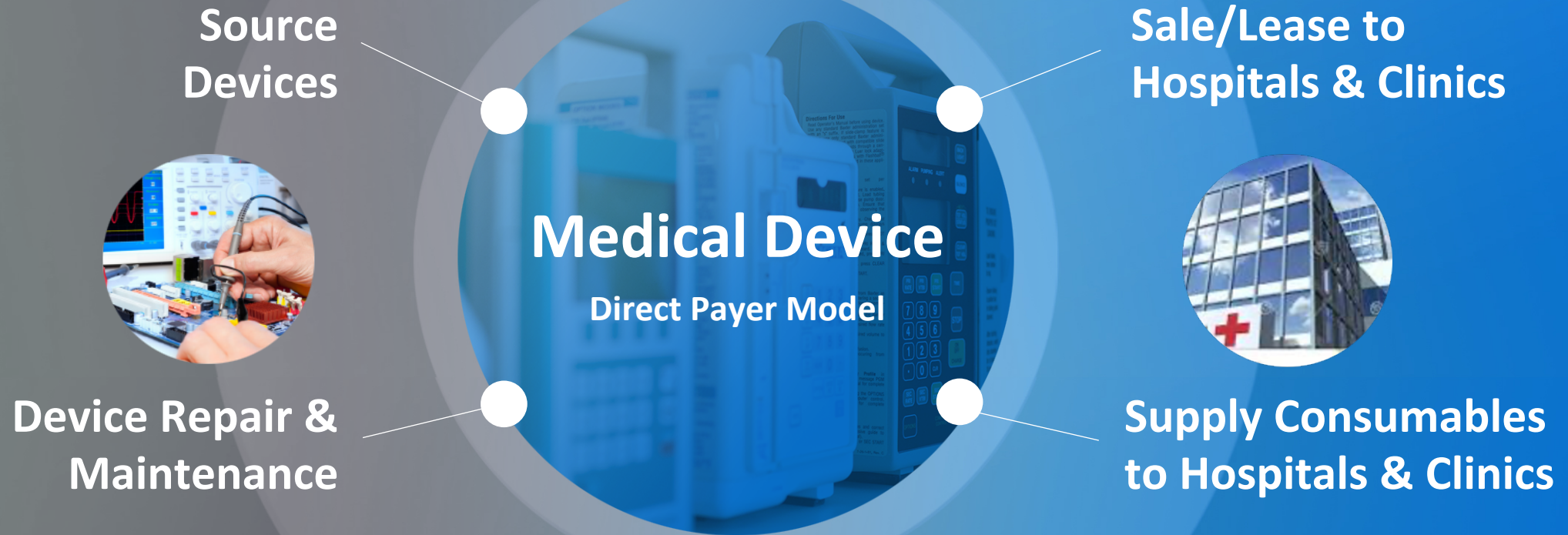
# Well-Diversified & Strategic Payer Relationships

Percentage of Cash Collected by Payer 2020



# DME Platform

Traditional Medical Distribution, Lower-Margin, High-Turn Model



- Pump rentals and VAR sales (new devices)
- Broker/trader sales (used devices)
- Biomedical service and repair
- Direct payer model: INFU is paid directly by the hospital/clinic/home care provider



# ITS Platform

Unique and Scalable, High-Margin, High-Service Model

Device  
Logistics



Device Repair &  
Maintenance

**Medical Device**  
Third-Party Payer Model

Clinical Support/Case  
Management



Revenue Cycle  
Management

- Supply medical equipment and proprietary consumables for outpatient care
- Hospital, clinician and patient customer service
- Third-party payer model: INFU is paid by the patient's medical insurance provider

# Competitive Advantages

Significant Barriers to Entry Based on Unique Focus, National Scale and Established Payer Network

## Clinical Care

InfuSystem 24/7 Nursing Team provides continuous patient support to minimize risk and improve outcomes. Our workflow solutions for clinicians encourage best practice standards.

## Patient Safety

InfuSystem Online Resource is the only patient resource facilitating two-way patient and clinical team communication to maintain peace of mind.

## Quality & Compliance

ISO 9001 certified and ISO 13485 certified at select sites – see below.\* CHAP Accredited.

## Patient Wellness

*“The patient is at the center of everything we do.”*

## Scalability

Over 6,500 customers – complete coverage of the U.S. and Canada including seven service facilities.

## Biomedical Services

World-class biomedical services group providing on-site and depot preventative maintenance, repair and warranty service and physical inventory management.

## Payer Contracts

Participating in-network provider with over 750 health insurance plans covering 95% of the U.S. population.

## Centralized Billing Solution

Dedicated revenue cycle management team of experts.

\*



ISO 13485 Medical Device Management Systems certified by PJR under certificate C2021-01483 Bakersfield, CA



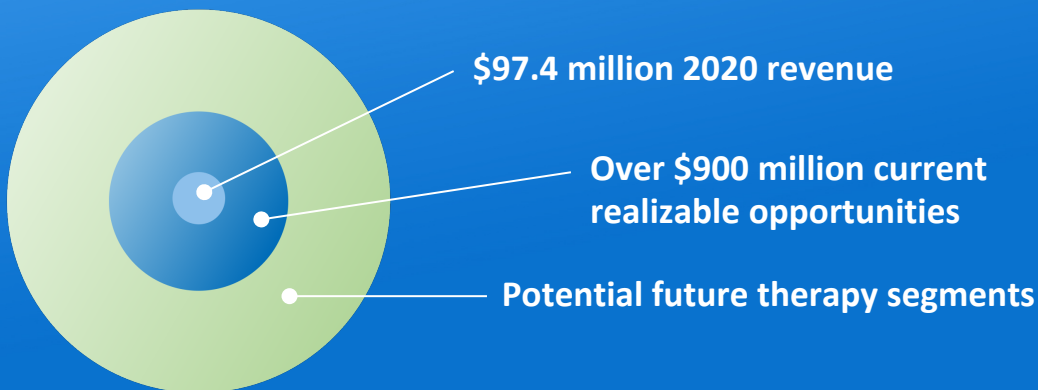
ISO 9001 Quality Management Systems certified by BSI under certificate number FM590233 Rochester Hills, MI | Santa Fe Springs, CA | Canton, MA | Lenexa, KS | Mississauga, ON

# Growth Strategy

Adding New High-Margin Therapy Segments & Biomedical Services



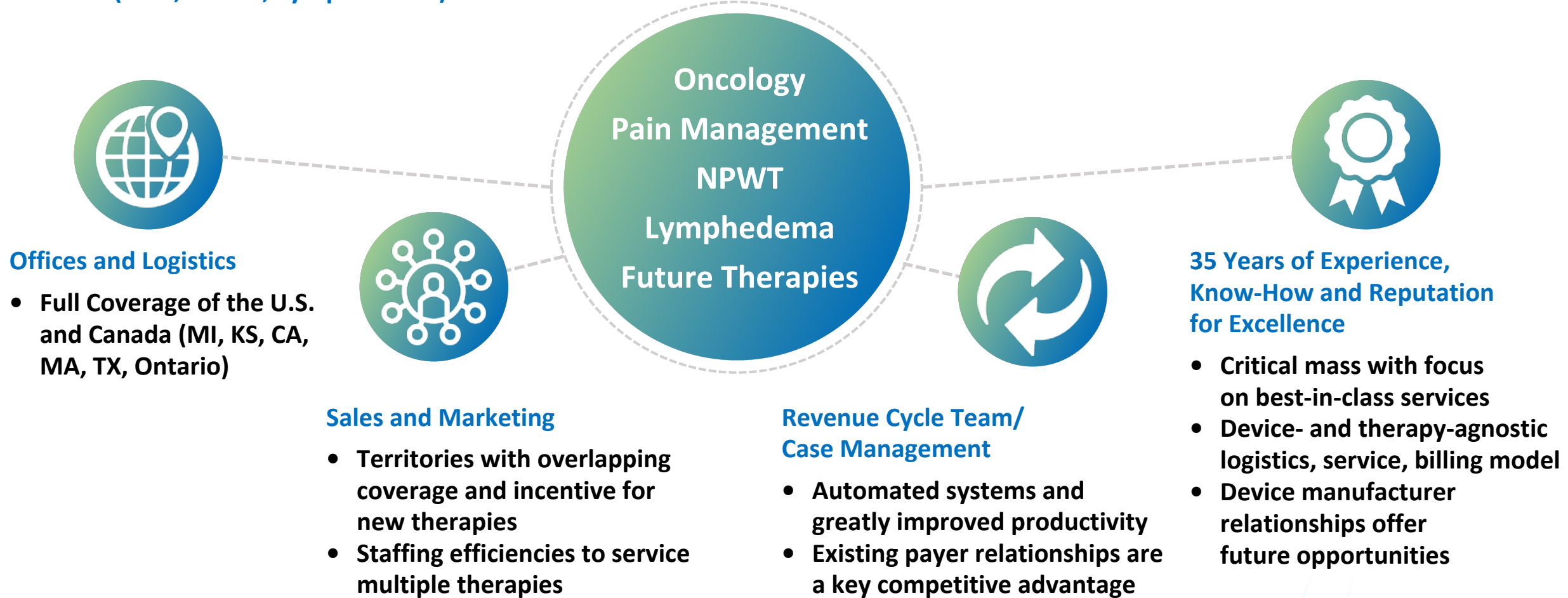
- Highly scalable infrastructure
- Currently evaluating multiple therapies through partnership and acquisition with multibillion-dollar TAM
- Leverage recognized core competencies to gain and sustain therapy leadership





# Highly Scalable Existing Infrastructure

Foundation Built In Oncology: Leveraged It Multiple Times (Pain, NPWT, Lymphedema)



# ITS Model: Platform Proven in Oncology

## InfuSystem ITS Value Proposition



### **Opportunity: Oncology Home Treatment**

- Large capital expense for clinics in addition to maintenance and nightly triage
- Reduced staff available to help patients with infusion pump questions and billing



### **Solution: Outpatient Treatment**

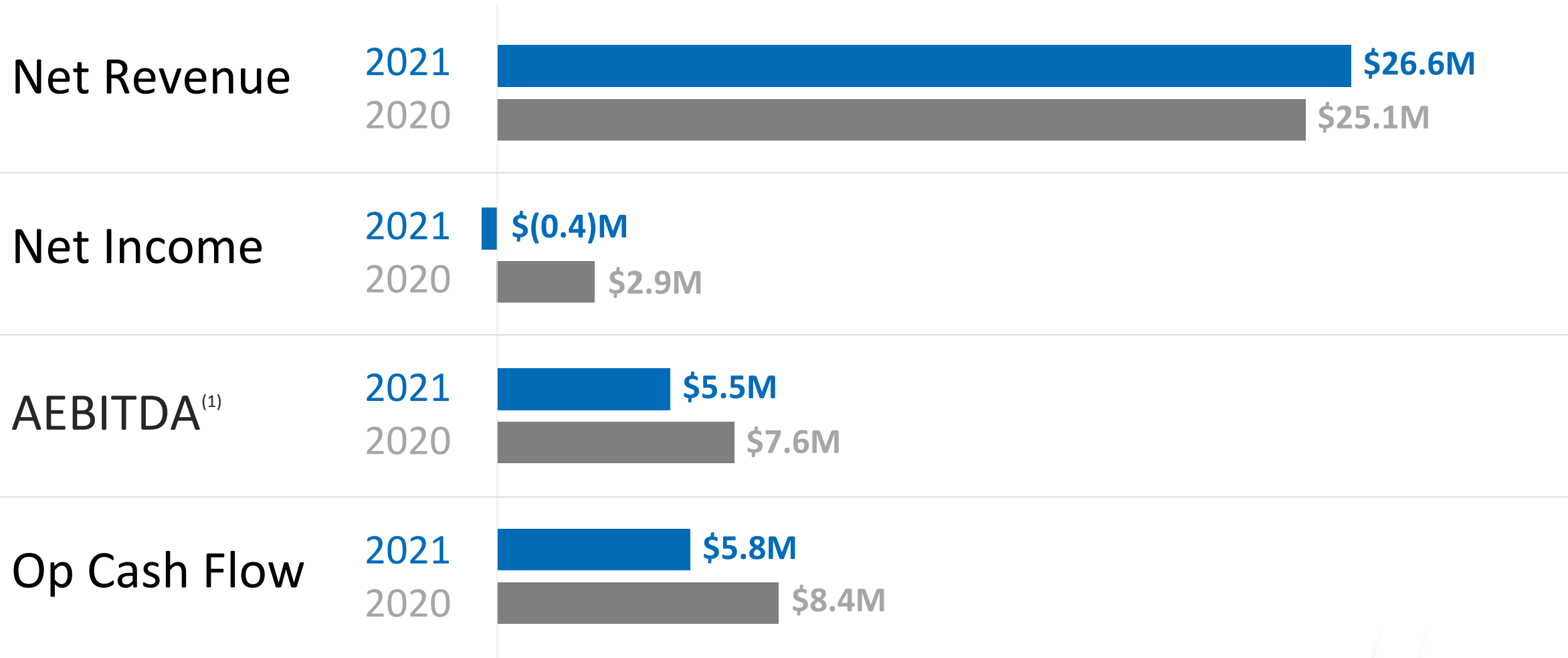
- Infusion devices fleet, inventoried and ready for distribution
- Patient maintains quality of life (work, events, family, rest in their own home)
- Clinics maintain control of patient care and medication
- Increased patient satisfaction



### **Delivery: InfuSystem ITS**

- Oncology market leader with over 2,100 sites of care
- Changed paradigm of care for patients, providers and payers
- Mitigates risk, management and maintenance of infusion pumps
- Reduces clinician and staff workload to allow greater focus on patient care
- Manages medical billing and reimbursement process
- Case managers provide pump education, billing assistance and additional 24/7 care

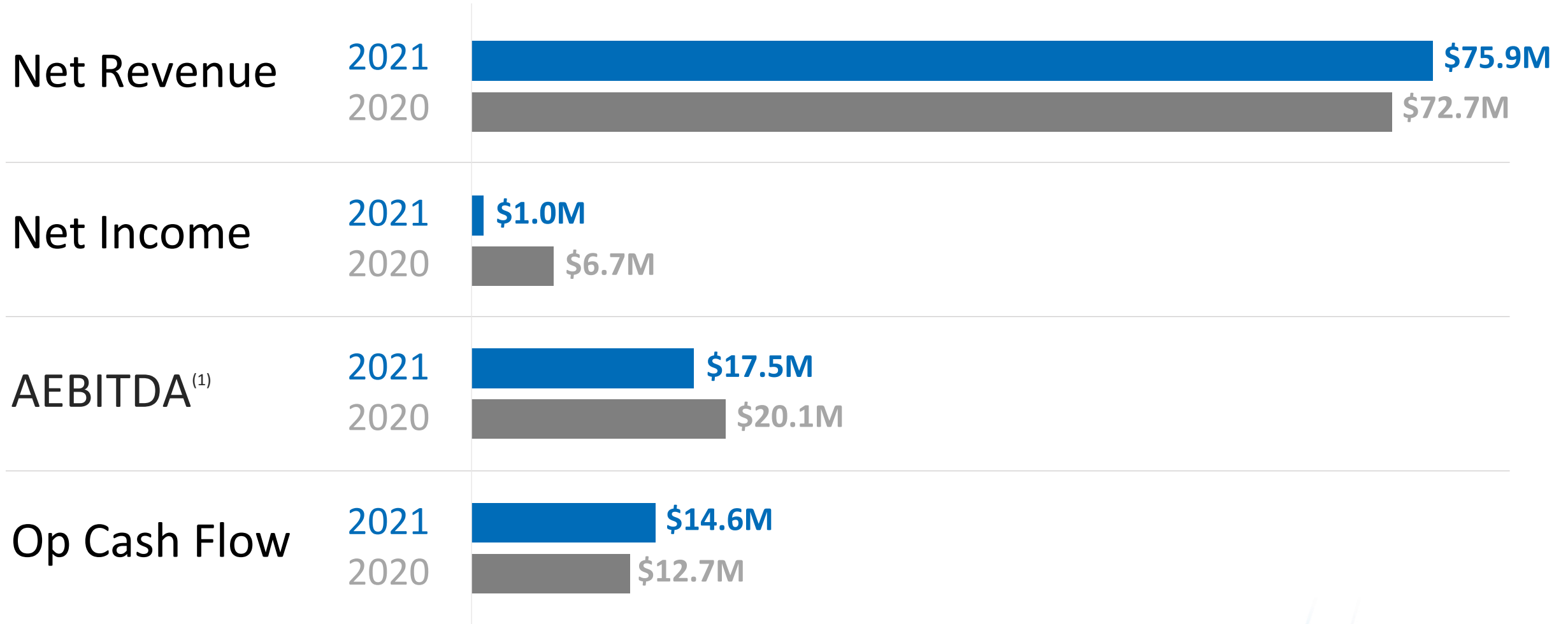
# Third Quarter Financial Results



(1) See Appendix A.

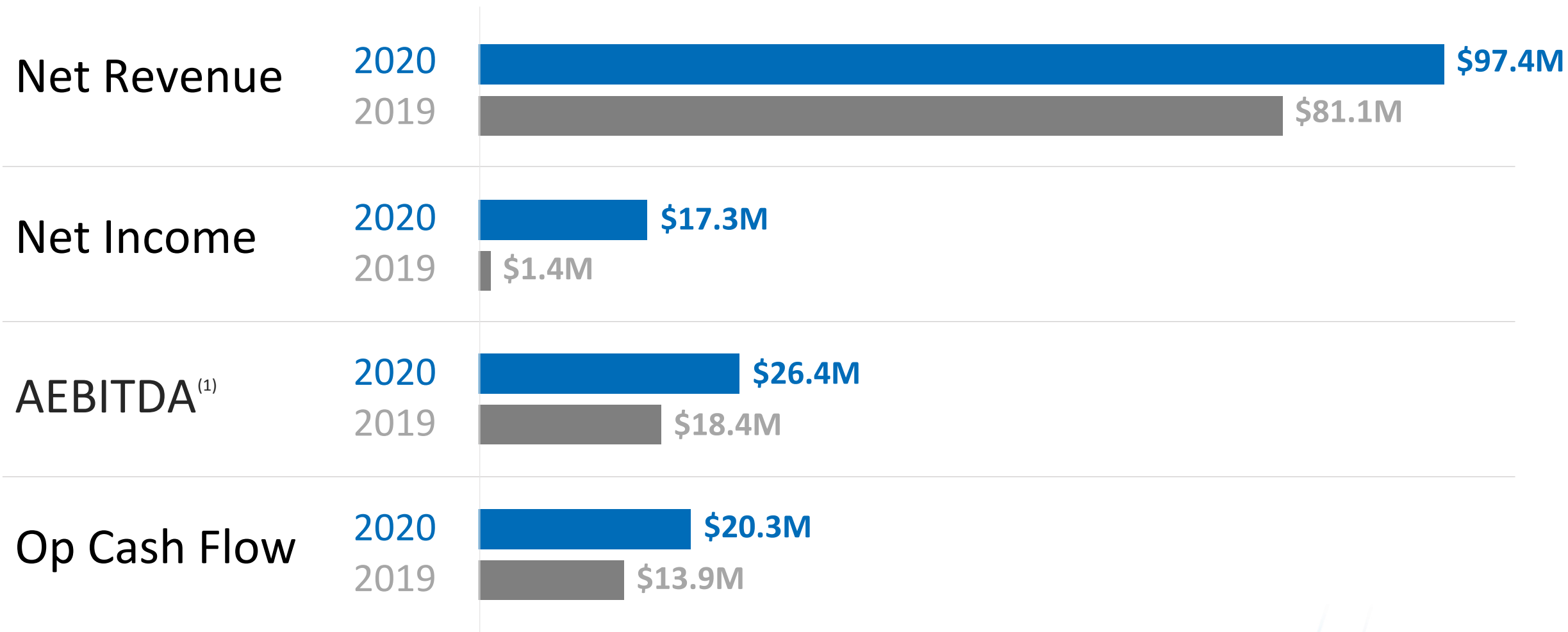


# Nine Months Ended Financial Results



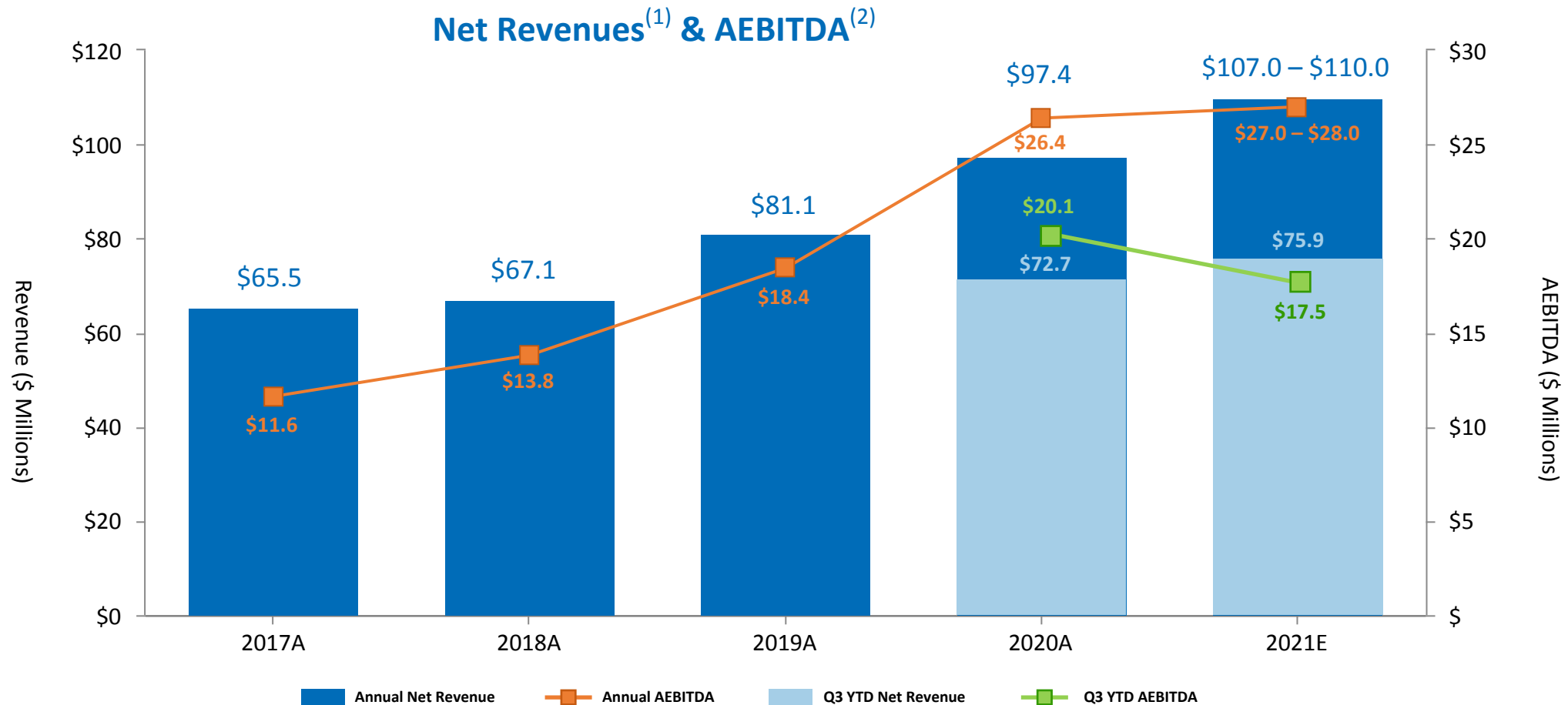
(1) See Appendix A.

# Full Year Financial Results



(1) See Appendix A.

# Financial Trend & Current 2021 Guidance

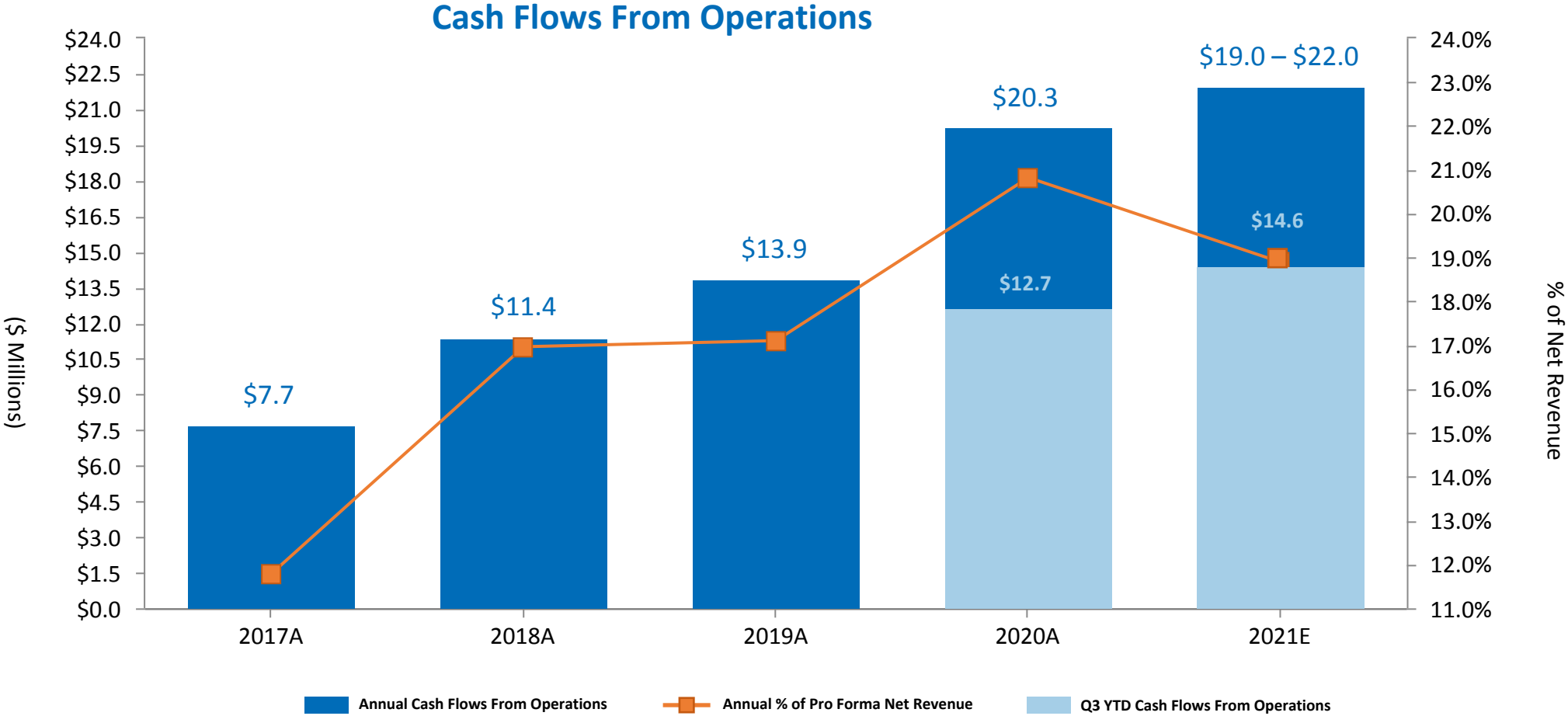


Notes:

1. 2017 consolidated revenues have been adjusted to reflect the effect of the adoption of ASC 606 in 2018.
2. See Appendix A.



# Financial Trend & Current Targets



# Recent Accomplishments

✓ Executed new agreement to exclusively provide InfuBLOCK® Pain Management Therapy services to leading U.S. health care provider — *November 2021*

✓ Launched Lymphedema Therapy in ITS platform via joint agreement with Bio Compression Systems, Inc. — *June 2021*

✓ Acquisition and integration of two biomedical services companies; enabling entry into acute care service market — *Early 2021*

✓ Raised annual revenue, adjusted EBITDA and operating cash flow targets — *November 2020*

✓ Strong execution despite external forces and conditions; particularly the pandemic — *2020*

✓ Proactive patient engagement initiative launched to improve revenue cycle management — *Q1 2020*

✓ Entered negative pressure wound therapy market with partner Cardinal Health — *February 2020*

# Corporate Priorities



**Continue steady growth in Oncology business with new customers and treatments**



**Expand Pain Management and NPWT market share**



**Begin onboarding new customers for new Lymphedema Therapy in 2022 – 2023**



**Announce new contracts with health plans and health care systems**



**Enter into new partnerships to develop additional ITS therapy markets**



**Continue to drive improved operational efficiencies and margin expansion**



**Richard DiIorio**  
Chief Executive Officer & Director  
Joined InfuSystem: 2004



**Carrie Lachance, BSN, RN, CRNI** – President  
& Chief Operating Officer  
Joined InfuSystem: 2010



**Barry Steele** – Executive Vice President  
& Chief Financial Officer  
Joined InfuSystem: 2020

## Executive Team

Seasoned Industry Experience, Including:  
Pharmaceutical, Health Care, Life Sciences,  
Medical Device, Automotive OEM, Public  
Accounting, Military, Retail, Consumer Brands,  
Digital Advertising, Consulting & High-Tech



**Jeannine Lombardi Sheehan** – Executive Vice President  
& Chief Administrative Officer  
Joined InfuSystem: 2019



**Tom Ruiz** – Executive Vice President  
& Chief Commercial Officer  
Joined InfuSystem: 2010



# Summary

- **Two proven platforms** that enable the delivery of patient care from the clinic into the home, driving double-digit revenue, cash flow growth and accelerating profit
- **Market opportunities** driven by rising health care costs, an aging population, medical innovation, patient satisfaction and other factors
- **Gaining share** in a growing market by providing best-in-class products, talent and patient services
- **Sustainable competitive advantages** by serving multiple stakeholders on a national scale
- **Strategy to add new therapies** utilizing existing platforms and leveraging current infrastructure



# Questions & Answers



# Appendix A

## GAAP to NON-GAAP Reconciliation

### NET INCOME (LOSS) TO ADJUSTED EBITDA:

(in thousands)	Twelve Months Ended December 31,				Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2018	2019	2020	2020	2021	2020	2021
GAAP net (loss) income	\$ (20,707)	\$ (1,095)	\$ 1,361	\$ 17,332	\$ 2,940	\$ (448)	\$ 6,662	\$ 1,033
Adjustments:								
Interest expense	1,332	1,420	1,904	1,255	283	270	1,018	909
Income tax (benefit) provision	15,450	53	163	(9,789)	38	(217)	92	(874)
Depreciation	6,963	6,659	7,940	9,740	2,485	2,615	7,267	7,705
Asset impairment	993	—	—	—	—	—	—	—
Amortization	5,560	4,649	4,402	4,285	1,075	1,125	3,225	3,264
<b>Non-GAAP EBITDA</b>	<b>\$ 9,591</b>	<b>\$ 11,686</b>	<b>\$ 15,770</b>	<b>\$ 22,823</b>	<b>\$ 6,821</b>	<b>\$ 3,345</b>	<b>\$ 18,264</b>	<b>\$ 12,037</b>
Stock compensation costs	682	957	997	2,610	659	1,955	1,222	4,962
Medical equipment reserve (1)	(69)	48	218	178	12	68	64	482
ASC 842 accounting principle change	—	—	252	—	—	—	—	—
Office move expenses	—	—	258	17	—	—	17	—
Acquisition costs	—	—	—	—	—	7	—	154
SOX readiness costs	—	—	—	—	—	68	—	86
Restatement costs	28	—	—	—	—	—	—	—
Early termination fees for capital leases	292	98	190	—	—	—	—	—
Exited facility costs	—	44	—	—	—	—	—	—
Management reorganization/transition costs	737	250	76	521	10	6	471	34
Fees to integrate business of other provider	—	—	163	—	—	—	—	—
Contested proxy and other shareholder costs	200	251	23	30	—	—	30	—
Certain other non-recurring costs	160	476	491	220	53	46	57	(221)
<b>Non-GAAP Adjusted EBITDA</b>	<b>\$ 11,621</b>	<b>\$ 13,810</b>	<b>\$ 18,438</b>	<b>\$ 26,399</b>	<b>\$ 7,555</b>	<b>\$ 5,495</b>	<b>\$ 20,125</b>	<b>\$ 17,534</b>

(1) Amounts represent a non-cash expense recorded as a reserve for missing medical equipment and is being added back due to its similarity to depreciation. Amounts for the prior period, which were not previously included in the calculation of adjusted EBITDA, have been included for comparability.

# Appendix B

## Select Balance Sheet Data

<i>(In Thousands)</i>	December 31, 2019	December 31, 2020	September 30, 2021
<b>Cash and Cash Equivalents</b>	\$ 2,647	\$ 9,648	\$ 165
<b>Available Liquidity<sup>(1)</sup></b>	\$ 12,497	\$ 20,436	\$ 43,561
<b>Working Capital, Less Cash &amp; Current Debt</b>	\$ 2,893	\$ 6,549	\$ 7,552
<b>Medical Equipment, Net</b>	\$ 33,225	\$ 35,611	\$ 36,431
<b>Total Assets</b>	\$ 79,224	\$ 96,991	\$ 94,786
<b>Total Debt</b>	\$ 38,377	\$ 38,801	\$ 30,895
<b>Total Liabilities</b>	\$ 56,890	\$ 56,239	\$ 48,331
<b>Total Stockholders' Equity</b>	\$ 22,334	\$ 40,752	\$ 46,455
<b>Outstanding Shares</b>	19,882	20,298	20,607

(1) Calculated as the cash plus borrowing availability under revolving bank loans.