



RESEARCH UPDATE

Dave Storms, CFA
dave@stonegateinc.com

214-987-4121

Market Statistics in USD

Price	\$ 11.69
52 week Range	\$5.96 - \$12.61
Daily Vol (3-mo. average)	297,649
Market Cap (M)	\$ 445.3
Enterprise Value (M)	\$ 441.7
Shares Outstanding: (M)	38.1
Float (M)	30.1

Financial Summary in USD

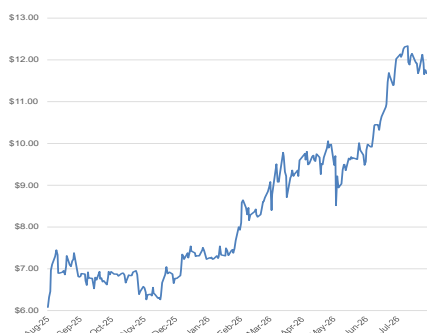
Cash (M)	\$ 10.7
Cash/Share	\$ 0.28
Debt (M)	\$ 7.1
Equity (M)	\$ 146.0
Equity/Share	\$ 3.78

FYE: Dec

(all figures in M, expect per share information)

Rev	\$ 270.3	\$ 317.6	\$ 350.3
Chng%	21%	17%	10%
EBITDA	\$ 61.4	\$ 66.0	\$ 73.3
Net Income	\$ 14.9	\$ 17.2	\$ 22.1
EPS	\$ 0.38	\$ 0.45	\$ 0.57

EV/Revenue	1.1x	1.4x	1.3x
EV/EBITDA	4.9x	6.7x	6.0x
P/E	19.4x	26.1x	20.4x



Company Description

Viamed is an in-home clinical care provider of post-acute respiratory healthcare equipment and services in the United States, including non-invasive ventilators (NIV), sleep therapy, staffing, and other complementary products and services. Viamed focuses on efficient and effective in-home treatment with clinical practitioners providing therapy, education and counseling to patients in their homes using high-touch and high-tech services.

VIEMED HEALTHCARE, INC (NASDAQ: VMD)

Company Updates

Viamed's 2Q26 results improved the forward setup as ventilation moved from better new-start activity to record census growth, while sleep, resupply, and women's health scaled. Faster product and service growth is reducing capital intensity and supporting cash generation, but these categories carry lower EBITDA margins and coincided with growth investments and temporary transition costs. In our view, the revenue outlook strengthened, while near-term margin expectations moved lower. The quarters ahead should show whether ventilation growth persists and investments translate into productivity.

Quarterly Results: Viamed reported revenue of \$78.1M, net income of \$2.8M, and Adj. EBITDA of \$13.7M. Revenue increased 3.6% q/q and 23.9% y/y, while diluted EPS was \$0.07. Gross margin improved ~90 bps q/q to 57.7%, but declined ~60 bps y/y due to mix and temporary women's health distribution and inventory costs. Adj. EBITDA margin declined to 17.6% from 19.0% in 1Q26; however, 2Q25 included a \$1.0M non-recurring ventilator disposal gain, and management indicated Adj. EBITDA increased y/y excluding it. SG&A rose to ~47.5% of revenue, driven by patient-setup compensation, phantom-stock revaluations, technology implementation, added capacity, and transition duplication. CFFO increased to \$15.9M and FCF to \$8.6M from \$8.1M and \$2.6M in 1Q26; 1H26 FCF reached \$11.2M versus \$4.9M last year.

Segments: Vent census increased 4.0% y/y to a record 12,635, including 546 net additions. Q2 produced the second-highest setup volume in company history, while usage compliance improved more than 25% y/y. Management attributed growth to new orders, NCD clarity, Medicare Advantage onboarding, sales productivity, and retention. PAP therapy patients increased 5% q/q and 44% y/y to 37,825, while resupply patients increased 10% q/q and 47% y/y to 37,035. PAP setups rose ~16% sequentially without added fulfillment infrastructure following Tenor implementation. Women's health reached record breast-pump deliveries, with legacy Viamed-market activity up ~9% q/q; management expects women's health to outgrow resupply with national expansion.

Payor Update: Equipment and supply sales increased to 24.3% of revenue from 15.1% last year, while rentals mix declined to 68% from 76%; rentals still grew ~11% y/y. Medicare represented 40% of revenue versus 35% in 1Q26 and 2Q25, while Commercial declined to 18% from 23% q/q and 24% y/y. Diversification remains evident, although reimbursement concentration warrants monitoring.

Outlook: Management raised FY26 revenue guidance to \$314-\$320M from \$312-\$320M, lowered Adj. EBITDA guidance to \$64-\$68M from \$65-\$69M, and reduced net CapEx expectations to 8.5%-10.0% from 9.0%-10.5%. The revisions reflect more lower-margin, less capital-intensive product and service revenue, alongside scale investments. Management expects full-year Adj. EBITDA margin of at least 20% and indicated 2H26 margins should approximate last year's ~23% as duplicate costs ease and new distribution, intake, and resupply infrastructure generates leverage. The outlook maintains sequential growth in 3Q and 4Q.

Valuation: We use a DCF, P/E comp analysis and EV/EBITDA comp analysis to guide our valuation. Our DCF arrives at a valuation range of \$12.39 to \$15.82 with a mid-point of \$13.83. Our Forward P/E analysis arrives at a valuation range of \$8.60 to \$14.33 with a mid-point of \$11.46. Our EV/EBITDA valuation results in a range of \$12.61 to \$14.53 with a mid-point of \$13.57. Lastly, we note that VMD is one of the cheapest comps when viewed through an EV/Revenue range.

Summary

Exhibit 1: Quarterly Results Comparison to Model

	2Q26 results		Notes
	Reported	Model	
Total revenues	78.1	77.8	Slight beat from ventilation and broader platform growth.
Cost of sales	33.0	33.5	
Gross (loss) profit	45.0	44.3	Gross margin above model despite mix and temporary distribution costs
Gross margin	57.7%	57.0%	
Corporate Expenses	37.1	34.8	
D&A	0.5	0.7	
Total opex	40.6	38.3	
Operating Profit	4.5	6.0	
Operating margin	5.7%	7.7%	
EBITDA - adjusted	13.7	16.2	EBITDA margin below model due to growth investments
EBITDA margin	17.6%	20.8%	
Net income (loss)	\$ 2.76	\$ 3.86	

	Y/Y Change		Notes
	2Q26	2Q25	
Total revenues	78.1	63.1	Strong revenue growth y/y
Cost of sales	33.0	26.3	
Gross (loss) profit	45.0	36.7	Margin compression from deliberate mix shift to sales and services
Gross margin	57.7%	58.3%	
Corporate Expenses	37.1	28.8	
D&A	0.5	0.8	
Total opex	40.6	29.7	
Operating Profit	4.5	5.1	
Operating margin	5.7%	8.1%	
EBITDA - adjusted	13.7	14.3	EBITDA remained strong after accounting for previous year nonrecurring gain
EBITDA margin	17.6%	22.7%	
Net income (loss)	\$ 2.76	\$ 3.16	

Source: Company Reports; Stonegate Capital Markets, Inc.

Valuation

We use DCF, Forward P/E comp analysis and EV/EBITDA comp analysis when determining a valuation range for Viemed.

Our DCF analysis relies on a range of discount rates between 10.50% and 11.50% with a midpoint of 11.00%. This arrives at a valuation range of \$12.39 to \$15.82 with a mid-point of \$13.83.

Sensitivity Analysis:

Discount rate	Terminal Growth Rates				
	0%	1%	2%	3%	4%
10.00%	\$14.00	\$14.79	\$15.78	\$17.05	\$18.75
10.50%	\$13.22	\$13.90	\$14.75	\$15.82	\$17.22
11.00%	\$12.51	\$13.11	\$13.83	\$14.74	\$15.91
11.50%	\$11.87	\$12.39	\$13.02	\$13.79	\$14.78
12.00%	\$11.28	\$11.74	\$12.29	\$12.95	\$13.79

Comparative Analysis
(all figures in M, except per share information)

Company Name	Symbol	Price ⁽¹⁾	Mrkt Cap	EV	EV/Revenue ^(2,3)			EV/EBITDA ^(2,3)			P/E ^(2,3)		
					2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Addus HomeCare Corporation	ADUS	\$116.79	\$ 2,135.4	\$ 2,144.6	1.45x	1.41x	1.35x	13.2x	10.9x	10.3x	20.2x	16.6x	15.5x
Aveanna Healthcare Holdings Inc.	AVAH	\$ 9.61	\$ 2,092.6	\$ 3,397.7	1.26x	1.29x	1.22x	N/A	10.1x	9.3x	7.4x	13.6x	12.4x
BrightSpring Health Services, Inc.	BTSG	\$ 60.47	\$12,688.0	\$ 14,534.7	0.80x	0.95x	0.83x	21.3x	17.4x	14.9x	39.8x	33.3x	26.6x
Electromed, Inc.	ELMD	\$ 41.58	\$ 344.3	\$ 327.4	3.32x	4.16x	3.74x	17.8x	16.5x	N/A	27.1x	30.9x	25.6x
Option Care Health, Inc.	OPCH	\$ 23.70	\$ 3,549.9	\$ 4,621.2	1.07x	0.80x	0.75x	14.7x	9.6x	8.9x	24.9x	15.8x	14.0x
The Pennant Group, Inc.	PNTG	\$ 40.18	\$ 1,397.0	\$ 1,889.6	1.37x	1.62x	1.50x	21.7x	20.3x	17.5x	32.9x	29.7x	25.1x
ResMed Inc.	RMD	\$215.19	\$31,038.9	\$ 30,221.6	6.40x	5.20x	4.98x	17.1x	13.3x	12.6x	23.7x	18.5x	16.8x
Tactile Systems Technology, Inc.	TCMD	\$ 29.78	\$ 671.7	\$ 611.9	1.82x	1.68x	1.54x	16.7x	12.2x	10.1x	34.8x	26.6x	19.6x
Average					2.2x	2.1x	2.0x	17.5x	13.8x	11.9x	26.3x	23.1x	19.4x
Median					1.4x	1.5x	1.4x	17.1x	12.7x	10.3x	26.0x	22.6x	18.2x
Viemed Healthcare, Inc.	VMD	\$ 11.69	\$ 445.3	\$ 441.7	1.1x	1.4x	1.3x	4.9x	6.7x	6.0x	19.4x	26.1x	20.4x

(1) Previous day's closing price

(2) Estimates are from Capital IQ

(3) Forward estimates as of calendar year

Source: Company reports, CapitalIQ, Stonegate Capital Partners

We are also using an EV/EBITDA framework to inform our VMD valuation. Currently VMD is trading at a FY27 EV/EBITDA of 6.0x compared to comps at an average of 11.9x. We are using our FY27 expected EBITDA, and an EV/EBITDA range of 6.5x to 7.5x with a midpoint of 7.0x which moves VMD closer to comp companies while accounting for a slight size discount. This arrives at a valuation range of \$12.61 to \$14.53 with a mid-point of \$13.57.

When using a Forward P/E framework to guide our valuation we believe that our current estimate of VMD's FY27 P/E at 20.4x is too cheap relative to the Peers FY25 average P/E of 26.3x. Therefore, we apply a P/E multiple range of 15.0x to 25.0x with a midpoint of 20.0x. We note that, at the midpoint, this is more in-line with the Company's historical trading multiple. This arrives at a valuation range of \$8.60 to \$14.33 with a mid-point of \$11.46.

P/E			
2027E	15.00x	20.00x	25.00x
Earnings	0.57	0.57	0.57
Price	\$ 8.60	\$ 11.46	\$ 14.33

EV/EBITDA			
2027E	6.50x	7.00x	7.50x
Adj EBITDA	73.3	73.3	73.3
TEV	476.5	513.2	549.8
Cash	10.7	10.7	10.7
Debt	7.1	7.1	7.1
Mrkt Cap	480.1	516.8	553.4
S/O	38.1	38.1	38.1
Price	\$ 12.61	\$ 13.57	\$ 14.53

Business Overview

Viemed Healthcare Inc. (“Viemed”, “the Company”, or “VMD”) is a U.S.-based in-home healthcare company focused on improving outcomes for patients with complex, chronic respiratory and related conditions. The Company operates primarily in the post-acute setting, specializing in non-invasive ventilation (NIV), sleep therapy, oxygen therapy, and other home medical equipment and services that enable high-risk patients to be managed safely and effectively in their homes. Viemed’s model combines advanced respiratory technology with intensive clinical support delivered by licensed respiratory therapists (RTs), positioning the Company as a high-touch, high-value partner within the broader healthcare ecosystem.

At its core, Viemed is built around the belief that clinically intensive, home-based care can simultaneously improve patient quality of life and reduce overall healthcare costs. Patients are typically referred following a hospitalization or specialist evaluation for conditions such as COPD with chronic respiratory failure, sleep apnea, or other advanced respiratory disorders. From there, Viemed coordinates the full continuum of in-home services: equipment setup and education, payer authorization and documentation, ongoing RT visits and telehealth follow-ups, and proactive monitoring through connected devices and a proprietary clinical platform. This integrated approach is designed to increase adherence, identify clinical deterioration early, and reduce hospital readmissions and emergency room utilization.

Exhibit 1: Company Overview



National Leader in Complex Respiratory Services

Providing ventilation, sleep therapy, staffing, and other complementary products and services.



Extensive Nationwide Reach

Serving over 163,000 patients with a capex-light business model in all 50 states.



Innovative At-Home Healthcare

High-touch and high-tech services care model drives cost reduction, increases patient satisfaction and reduces rehospitalizations.



Robust Growth and Financial Performance

27% compound annual growth rate since public listing, superior financial returns and no net debt.

Source: Company Reports

Since inception, Viemed has evolved from a regional respiratory provider into a national leader in specialized home respiratory care. The Company now serves patients across all 50 states in the U.S. through a lean branch model that emphasizes flexibility, scalability, and efficient deployment of clinical resources. Rather than relying on traditional retail storefronts, Viemed operates through a network of sales and clinical teams that serve large catchment areas, with RTs and representatives working primarily in the field. This structure allows the Company to penetrate both urban and rural markets, address communities with limited access to specialty care, and maintain a relatively asset-light operating base.

Strategically, Viemed is focused on three core pillars: (1) expanding its footprint in complex respiratory care, particularly home NIV; (2) diversifying into complementary home-based services such as sleep therapy, oxygen, and other DME categories; and (3) deepening its integration with hospitals, physicians, and payors through partnerships, technology, and data-driven outcomes. In respiratory care, the Company aims to increase penetration among patients with advanced COPD and chronic respiratory failure, where clinical evidence supports the use of home NIV to improve survival and reduce healthcare utilization. In sleep, Viemed is building a robust PAP and resupply franchise, adding a large, recurring revenue stream that naturally complements its respiratory focus and leverages existing infrastructure.

Capital allocation is an important part of Viemed’s strategy. The Company has consistently reinvested in its core business through hiring and training RTs, expanding its sales force, enhancing its clinical platform, and increasing inventory to support growth in ventilation and sleep therapy.

At the same time, Viamed has used strategic M&A to accelerate diversification and scale. Acquisitions of regional home medical equipment providers and sleep-focused businesses have broadened the Company's product set, deepened its presence in key markets, and added established patient bases that can benefit from Viamed's high-touch clinical model. One example is the acquisition of Lehan's Medical Equipment (completed in July 2025), which provides a significant platform for growth in the previously untapped Chicago market and adds maternal health plus complementary sleep rental, sales, and resupply capabilities to the portfolio. The transaction was funded within Viamed's existing balance sheet capacity and credit facilities and has contributed positively to earnings following the acquisition. Additionally, partnerships such as hospital joint ventures are another tool in the strategy, allowing Viamed to embed itself more deeply in discharge workflows and capture more patients at the point of care.

The Company also maintains a disciplined approach to shareholder returns and balance sheet management. While growth investments and acquisitions are prioritized where they meet strategic and financial hurdles, Viamed has demonstrated a willingness to return capital to shareholders through share repurchase programs. This balanced approach reflects a deliberate capital allocation framework aimed at building long-term intrinsic value.

Overall, Viamed's identity is that of a specialized, clinically focused home-care platform centered on complex respiratory and sleep patients but increasingly capable of addressing a broader array of chronic-care needs in the home. Its national scale, differentiated high-touch RT model, recurring rental revenue base, and growing suite of complementary services position the company to play a meaningful and expanding role in the ongoing shift of care from hospital to home.

Division Overview

Viamed's platform is built around several complementary service lines that together support an integrated, home-based care model: complex respiratory/ventilation, sleep therapy and resupply, oxygen and other respiratory DME, maternal health and ancillary products, and healthcare staffing. All of these offerings are enabled by a proprietary clinical platform that connects devices, clinicians, and patients in real time and underpins the company's high-touch service model.

Complex Respiratory / Ventilation:

The complex respiratory product line is the core of Viamed's business. It focuses on long-term home non-invasive ventilation for patients with chronic respiratory failure. While many of these patients have advanced COPD, Viamed also cares for individuals with obesity-hypoventilation syndrome, neuromuscular disorders, and other forms of hypoventilation. Across these groups, patients tend to be highly acute, characterized by frequent hospitalizations, significant symptom burden, and a high risk of clinical deterioration without intensive ongoing support.

Economically, home NIV is delivered through an uncapped monthly rental model that bundles the ventilator, supplies, RT support, and equipment maintenance into a single recurring payment. Clinically, patients are assessed, set up, and followed by licensed respiratory therapists through a mix of in-home visits, telehealth, and remote monitoring. Viamed's clinical platform aggregates device data and patient information to drive proactive outreach. This strategy enables RTs to intervene promptly when adherence declines or symptoms worsen, while also supporting the use of complementary technologies such as percussion vests and oxygen for patients who require more comprehensive respiratory support.

Exhibit 2: Recent Acquisitions

Strategic Acquisitions



- Acquired in July 2025
- Significant platform for growth in the previously untapped Chicago market with highly motivated team and significant brand equity
- Adds maternal health to product offering along with sleep rental, sales and resupply complementary to our existing business



- Acquired in June 2023
- Immediately accretive to net income and EPS
- Contributes to geographic, product, and payor diversity
- Revenue synergies complement organic growth

Source: Company Reports

Exhibit 3: Competitive Advantage & Core Business Growth



Source: Company Reports

Sleep Therapy and Resupply:

Sleep therapy is Viamed's second major pillar and an important diversification driver. The Company provides PAP therapy for obstructive sleep apnea and related sleep-disordered breathing, along with a robust resupply program for masks, tubing, filters, and other consumables. PAP devices are typically billed as capped rentals, while resupply generates ongoing, high-margin, recurring revenue over the life of the patient.

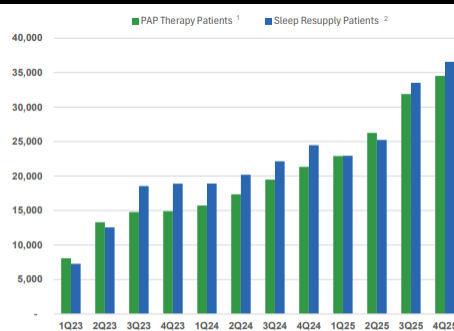
This division was significantly strengthened by the acquisition of a sleep-focused home medical provider, which brought a large existing PAP patient base and a mature resupply infrastructure. Viamed applies its high-touch philosophy here as well: RTs and sleep staff focus on adherence, mask fit, comfort, and troubleshooting, supported by device data integrated into the same clinical platform used for NIV. As awareness of sleep apnea grows and new obesity and metabolic treatments drive more patients into formal sleep evaluation, the sleep and resupply business offers a long runway of recurring growth.

Oxygen, Percussion Vests, and Other Respiratory DME:

Oxygen therapy and other respiratory DME form a third important cluster. Viamed provides stationary and portable oxygen concentrators, nebulizers, and high-frequency chest wall oscillation vests, often to the same COPD and chronic lung disease patients served by its ventilation and sleep businesses.

Exhibit 4: Competitive Advantage & Core Business Growth

These products are typically reimbursed under rental or capped rental structures with defined coverage rules, and while revenue per patient is generally lower than for NIV, the capital intensity is also lower, and equipment can be reused efficiently.



(1) PAP Therapy patients represents the number of distinct patients billed for PAP therapy services during each calendar quarter.
 (2) Sleep Resupply Patients represents the number of distinct patients who received supplies through our sleep resupply program during each calendar quarter.
 (3) American Lung Association

Source: Company Reports

Strategically, this division allows Viamed to engage patients earlier in their disease course—when they first require oxygen or airway clearance rather than only at the point of chronic respiratory failure. It also creates frequent touchpoints with referring physicians and health systems and increases the company's share of wallet among existing patients.



Maternal Health and Ancillary Products:

Through acquisitions, Viemed has added maternal health products (such as breast pumps and related women's health DME) to its portfolio. This is a smaller but strategic category that diversifies revenue into a different patient demographic and strengthens relationships with commercial payors and Medicaid. It can also serve as an entry point to longer-term family relationships, as those households may later require respiratory or sleep services.

Beyond maternal health, Viemed offers a variety of ancillary products tailored to local market needs. While each line may be modest on its own, together they broaden the company's product set and help position Viemed as a one-stop solution for home-based medical equipment and services.

Healthcare Staffing and Clinical Services:

Viemed also operates a healthcare staffing and clinical services division, supplying RTs and other personnel to hospitals, state agencies, and healthcare facilities. This business typically carries lower margins than equipment rentals but is strategically important. By embedding clinicians directly inside hospitals and institutions, Viemed deepens relationships, gains visibility into discharge workflows, and becomes a preferred partner for transitioning appropriate patients into home-based NIV, sleep therapy, and oxygen programs. The staffing business also functions as a talent pipeline, helping the company recruit and retain experienced RTs in a labor-constrained environment.

Technology Platform and Strategic Pipeline:

Underlying all divisions/ product lines is Viemed's proprietary clinical platform, which connects devices in the home with clinicians in the field. It aggregates ventilation, PAP, oxygen, and other device data; tracks adherence and clinical trends; and supports workflow and documentation for RTs and administrative staff. Over time, Viemed is enhancing this platform with more advanced analytics and AI-enabled tools to prioritize outreach, support value-based discussions with payors, and streamline documentation for reimbursement.

Instead of a traditional R&D pipeline, Viemed's "pipeline" is strategic: targeted acquisitions of complementary home-care providers, hospital joint ventures that lock in referral flows at the point of discharge, and technology enhancements that increase efficiency and demonstrate measurable clinical and economic outcomes. Together, these initiatives broaden the company's product and service mix, deepen its integration with health systems and payors, and extend its reach across the full spectrum of home-based respiratory and related care.

Growth Drivers

Several structural and company-specific factors provide visibility in Viemed's long-term growth outlook.

The epidemiology of chronic respiratory disease creates a durable demand backdrop: in the United States, roughly 6.5 percent of adults, or about 14.2 million people, have physician-diagnosed COPD. Within this population, Viemed estimates that about 2.5 million patients have stage-4 COPD and that roughly half of them progress to chronic respiratory failure, forming a pool of around 1.25 million potential candidates for long-term home. Only about 70,000 Medicare beneficiaries are currently treated with home NIV, implying low single-digit penetration and significant headroom as guidelines, awareness, and capacity expand.

Sleep-disordered breathing provides an equally compelling opportunity. A recent analysis estimated that ~83.7 million U.S. adults aged 20 and older were living with obstructive sleep apnea in 2024, the last year we have data for, with a meaningful share in the moderate and severe categories that typically warrant PAP therapy. Meta-analyses suggest that global OSA prevalence in adults ranges from about 9 to 38 percent, highlighting a large and growing worldwide burden.

Rising obesity rates, population aging, and greater recognition of OSA's links to cardiovascular disease, metabolic disorders, and neurodegenerative conditions are driving more diagnosis and treatment. For Viemed, this translates

into a large and expanding pool of patients who may require PAP devices and ongoing resupply, aligning closely with the recurring revenue model it has built in its sleep division.

Exhibit 5: Trends in COPD

TABLE 1. Trends and differences in prevalence of chronic obstructive pulmonary disease among adults aged ≥18 years, by sociodemographic characteristics — Behavioral Risk Factor Surveillance System, United States, 2011–2021



Characteristic	2011*			2021*			2011–2021		
	Sample size	No. of adults with COPD (x1,000)	% (95% CI)	Sample size	No. of adults with COPD (x1,000)	% (95% CI)	AAPC, % (95% CI)	No. of joinpoints [†]	Segment-specific APC, % (95% CI)
Overall									
Crude	478,788	14,276	6.4 (6.2 to 6.5)	386,439	14,170	6.5 (6.4 to 6.7)	0.4 (–0 to 0.9)	0	— [§]
Age-standardized [¶]	478,788	14,276	6.1 (6.0 to 6.3)	386,439	14,170	6.0 (5.9 to 6.2)	0.0 (–0.6 to 0.6)	0	—

Source: CDC.gov

These disease-level trends intersect with a healthcare system that is steadily shifting toward home-based, value-driven care. Policymakers and payors are emphasizing efficiency, transparency, and moving appropriate care out of the hospital and into the home. Viemed has highlighted that this environment “plays to our strengths,” as its high-touch model has been shown to reduce rehospitalizations and total cost of care while improving patient satisfaction. Real-world evidence presented by the Company and in the broader literature demonstrates that early initiation of home NIV in COPD with chronic respiratory failure can deliver meaningful reductions in mortality, readmissions, and emergency department use, which in turn reinforces the incentives for payors and providers to adopt these programs.

Organic Growth

Within this favorable macro context, Viemed is driving growth through a combination of organic expansion and deliberate diversification. Organically, the Company follows a disciplined playbook focused on targeted market selection, a lean field-based deployment model, and a high-intensity clinical service offering. New markets are prioritized where COPD prevalence is high and hospitals struggle with readmissions, often adjacent to existing territories to leverage established relationships and referral networks. Rather than building expensive storefronts, Viemed relies on mobile sales and RT teams that cover broad territories, keeping fixed costs low while reaching both urban and rural patients.

Once a patient relationship is established around core NIV or PAP therapy, the Company can organically layer in complementary offerings such as sleep resupply, oxygen, percussion vests, maternal health products, and other DME, increasing lifetime value without requiring entirely new infrastructure. Investments in its proprietary clinical platform further enhance this strategy by making RTs more productive, enabling proactive outreach, and generating outcomes data that support new referral sources and contracting opportunities.

Inorganic Growth

Inorganic growth and strategic partnerships add additional depth. The acquisitions of Home Medical Products (HMP) and Lehan’s Medical Equipment expanded Viemed’s presence in sleep, resupply, maternal health, and broader DME, brought established patient populations onto the platform, and were structured to be immediately accretive to earnings.

Hospital joint ventures such as the HomeMed/East Alabama Health partnership provide a scalable template for embedding Viemed directly into discharge workflows and capturing eligible patients at the point of care. Highlighting these efforts is a solid balance sheet, strong free cash flow generation, and access to undrawn credit facilities, which collectively give the Company the flexibility to continue pursuing attractive M&A and partnership opportunities.

Ultimately, Viemed's positioning as the largest independent specialized home NIV provider in the United States amplifies the impact of these growth drivers. Scale in logistics, payor contracting, data, and clinical staffing combines with a lean branch model and a proprietary clinical platform to create meaningful barriers to entry and differentiation versus smaller regional players and hardware-focused competitors. Taken together, these structural tailwinds and strategic initiatives support a long runway for sustained growth across Viemed's core respiratory, sleep, and broader home-care businesses.

Market Overview

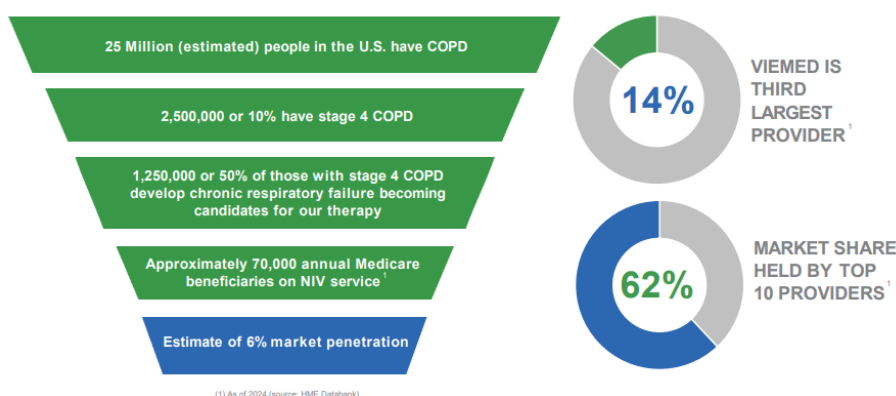
COPD, Chronic Respiratory Failure, and NIV

COPD remains a major public health problem in the United States. CDC data indicate that about 14.2 million adults (6.5% of the population) have physician-diagnosed COPD, with prevalence particularly high among older adults, smokers, and those in lower socioeconomic strata (per CDC studies). Broader estimates that include undiagnosed cases suggest that as many as 25 million people may have COPD in the U.S.

Among this group, Viemed estimates that 2.5 million individuals (10%) have stage-4 disease, and roughly 1.25 million (50% of stage-4) progress to chronic respiratory failure. Yet, as noted above, only about 70,000 Medicare beneficiaries are currently receiving NIV services, implying a penetration rate of approximately 6% in the Company's key chronic respiratory failure division.

With Viemed identified as the third-largest provider and the top ten providers together holding only 62% market share, the market for home NIV is both underpenetrated and fragmented. This dynamic suggests a large TAM with significant room for both volume expansion (more patients treated) and share consolidation (larger players acquiring or outgrowing smaller competitors).

Exhibit 6: Market Size Estimates



Source: Company Presentation

Global market data corroborate the scale of this opportunity. Industry research estimates the global non-invasive ventilator market at about \$3.0–\$3.2 billion in 2024–2025, with forecasts to reach \$4.3–\$5.5 billion by 2030–2034, implying a compound annual growth rate of ~6%. These figures reflect both acute hospital use and chronic home therapy; as care shifts increasingly to the home and guidelines for chronic hypercapnic respiratory failure continue to emphasize NIV, the home component is expected to grow faster than the overall ventilator category. As one of the leading specialized providers in the U.S., Viemed is well positioned to capture a disproportionate share of this structural growth.

Obstructive Sleep Apnea and the PAP Market

Obstructive sleep apnea is an even larger and more pervasive market. A recent dynamic population model estimated that 83.7 million U.S. adults (32.4% of those aged 20+) were living with OSA in 2024, the last year we have data for, with 30% classified as moderate and 18% as severe.

Meta-analyses at the global level estimate OSA prevalence between 9% and 38% of adults, reflecting substantial geographic and methodological variation but uniformly confirming a large disease burden.

Traditionally, moderate-to-severe OSA has been treated with PAP devices (CPAP, BiPAP, APAP) alongside lifestyle modification and weight loss. Adherence, however, has long been a challenge; sustained benefit requires consistent nightly use, mask fit, and ongoing resupply of consumables. Viemed's sleep business is structured around these dynamics. PAP units generate initial rental revenue, while the recurring resupply of masks, tubing, and filters creates a highly predictable annuity, with average revenue per resupply patient of around \$420 per year.

The TAM for PAP and resupply is therefore enormous. Even if only a fraction of OSA patients are diagnosed and treated with PAP, assuming only a subset of those are served by providers like Viemed, the prevalence numbers alone support many years of growth in device placement and resupply volumes. Furthermore, recent research has expanded appreciation of OSA's broader health impact, linking untreated OSA to higher risks of cardiovascular disease, diabetes, and even Parkinson's disease, while showing that effective CPAP usage can mitigate some of these risks.

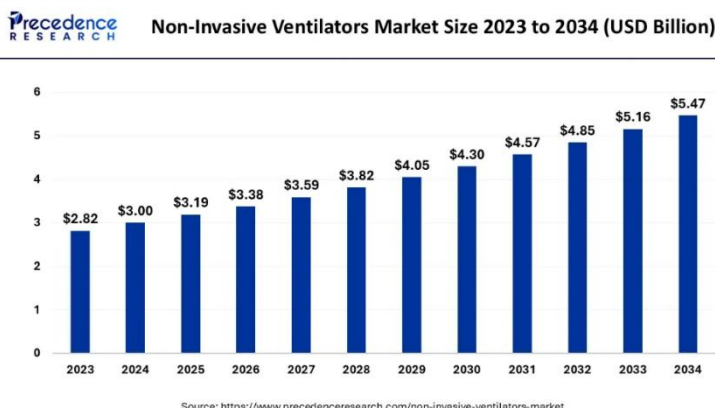
The emergence of pharmacologic treatments such as Eli Lilly's GLP-1 agonist Zepbound (tirzepatide), which received FDA approval in late 2024 for moderate-to-severe OSA in adults with obesity, introduces a new therapeutic modality. Rather than displacing PAP entirely, such medications are likely to be used as adjuncts or alternatives for patients who cannot tolerate PAP or for whom weight loss substantially improves apnea severity. Given cost, coverage uncertainties (particularly in Medicare), and the complexity of long-term pharmacotherapy, PAP is expected to remain a cornerstone of treatment for many patients. For providers like Viemed, this evolving landscape highlights the importance of integrating respiratory, metabolic, and sleep-medicine perspectives into care models and of maintaining a flexible product portfolio.

Broader Home-Care and Respiratory Ecosystem

Beyond narrow device markets, Viemed participates in the broader shift of chronic disease management into the home. The Company's services are embedded in a continuum that stretches from acute hospital episodes through post-acute transitions and long-term disease management. Its high-touch model which includes 24/7 RT support, individualized treatment plans, and connected monitoring aligns closely with value-based care goals to keep patients stable in their homes.

The Company's diversified payor mix shows that commercial insurers, Medicare Advantage plans, and Medicaid programs are willing to reimburse home respiratory and sleep services when accompanied by strong clinical outcomes. Real-world studies demonstrating substantial reductions in mortality and healthcare utilization with home NIV provide a compelling economic argument for payors to expand coverage and support adoption. As value-based contracting and risk-bearing provider organizations (e.g., ACOs, Medicare Advantage sponsors) grow, Viemed's ability to document and deliver cost savings may become a key competitive advantage and open the door to new payment models, including shared savings and bundled payments.

Exhibit 7: Vent Market Growth

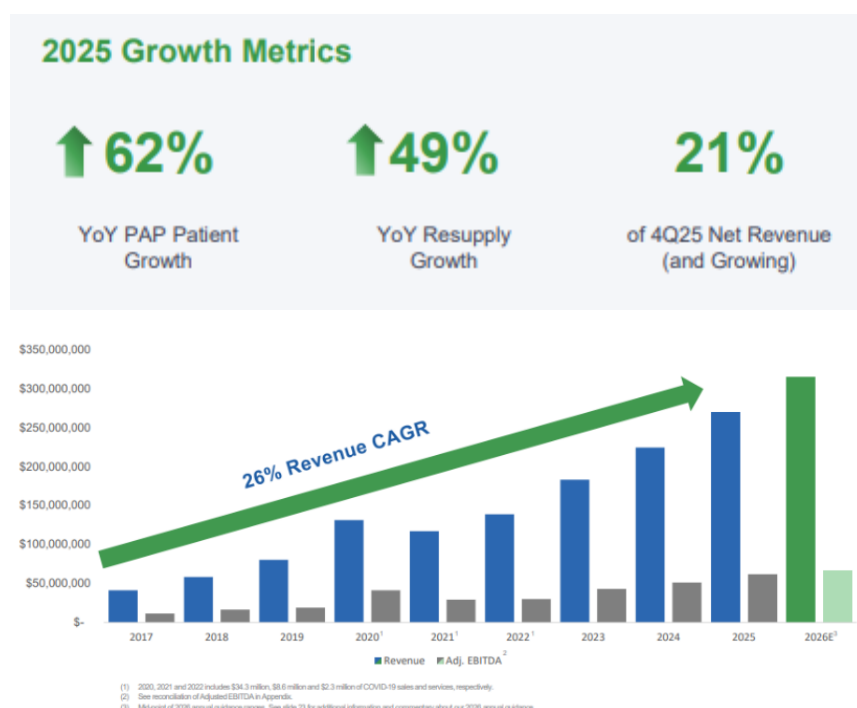


Source: Precedence Research

Moreover, the home-care TAM extends beyond ventilation and sleep. Oxygen therapy, airway-clearance devices, maternal and women's health DME, and home infusion or palliative services all represent additional revenue streams that can be layered onto Viamed's existing infrastructure. Combined with the staffing business, which embeds Viamed clinicians directly into hospitals and agencies, these product lines/ divisions strengthen the Company's positioning as a multi-modal partner for chronic respiratory and related care.

In summary, Viamed operates at the intersection of large, underpenetrated disease populations (COPD and OSA), a rapidly growing preference for home-based care, and demonstrable real-world evidence that its core therapy—home NIV—improves outcomes and reduces cost. The company's expanding sleep, oxygen, maternal, and staffing divisions, along with its M&A and joint-venture pipeline, broaden its participation in this ecosystem. Against this backdrop, Viamed's strong financial performance, national scale, and status as the leading independent specialized NIV provider suggest a long runway for growth as it continues to execute on its strategy and capture share within a sizeable and evolving TAM.

Exhibit 8: Financial and Operational Milestones



Source: Company Presentation

Risks

- **Reimbursement and Regulatory Risk** - Viamed operates in a highly regulated healthcare reimbursement environment, with a meaningful portion of revenue derived from Medicare, Medicare Advantage, Medicaid, and commercial payors. Changes in reimbursement rates, coverage determinations, audit intensity, or authorization requirements—particularly related to sleep therapy, resupply, or ancillary services—could pressure revenue growth, margins, or cash flow. While core ventilator therapies are currently excluded from Medicare's Competitive Bidding Program, future regulatory changes could alter this framework.
- **Product and Service Mix Shift** - Viamed's strategy increasingly emphasizes growth in sleep therapy, resupply, and other ancillary services, which generally carry lower gross margins than core ventilation. A faster-than-expected mix shift away from ventilation could pressure consolidated gross margins if operating leverage, technology efficiencies, or SG&A discipline do not fully offset the margin differential.
- **Competitive Dynamics in Home Medical Equipment** - The home medical equipment and post-acute care markets are highly fragmented and competitive, with both regional providers and large national players competing for referral relationships, contracts, and patients. Increased competition, pricing pressure, or consolidation among peers could impact Viamed's market share, referral velocity, or unit economics, particularly in newer or rapidly expanding service lines.
- **Execution and Integration Risk** - Viamed's growth strategy includes ongoing geographic expansion, service-line diversification, and selective acquisitions, such as Lehan's Medical Equipment. Failure to effectively integrate acquisitions, scale new offerings (including maternity care), or maintain service quality during periods of rapid growth could negatively affect operating performance, employee retention, or referral relationships.

Discounted Cash Flow

(in \$M, except per share)

Estimates:	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	2036E	Terminal Value
Revenue	224.3	270.3	317.6	350.3	400.4	452.1	502.2	552.5	595.6	634.3	666.6	697.3	723.8	
Opearting Income	17.9	22.9	26.4	32.7	38.0	43.8	50.7	56.9	61.6	66.6	70.7	75.0	78.2	
Less: Taxes (benefit)	4.8	6.4	7.6	9.7	1.1	1.3	1.5	1.7	1.8	2.0	2.1	2.2	2.3	
NOPAT	13.1	16.6	18.8	23.0	36.9	42.5	49.2	55.2	59.7	64.6	68.5	72.7	75.8	
Plus: Depreciation & Amortization	25.4	28.6	30.4	30.6	32.0	33.9	30.6	30.4	30.4	28.5	28.7	30.0	30.4	
Plus: Changes in WC	(9.3)	8.1	4.4	2.3	-	(1.1)	(2.5)	(2.8)	(3.0)	(3.2)	(3.3)	(3.5)	(3.6)	
Less: Capex	(27.5)	(23.8)	(29.4)	(33.3)	(36.0)	(36.2)	(35.2)	(35.9)	(35.7)	(38.1)	(33.3)	(34.5)	(35.5)	
Free Cash Flow	1.7	29.5	24.3	22.6	32.9	39.1	42.2	46.9	51.4	51.9	60.5	64.7	67.1	760.9
Discount period - months			6	18	30	42	54	66	78	90	102	114	126	
Discount period - years			0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	
Discount factor			0.95	0.86	0.77	0.69	0.63	0.56	0.51	0.46	0.41	0.37	0.33	
PV of FCF			23.1	19.3	25.3	27.2	26.4	26.4	26.1	23.7	24.9	24.0	22.4	254.3
Growth rate assumptions:														
Revenue		20.5%	17.5%	10.3%	14.3%	12.9%	11.1%	10.0%	7.8%	6.5%	5.1%	4.6%	3.8%	
Operating Income		28.2%	15.1%	23.8%	16.3%	15.3%	15.7%	12.2%	8.2%	8.1%	6.1%	6.1%	4.3%	
EBITDA		19.2%	10.3%	11.3%	10.7%	11.0%	4.6%	7.3%	5.3%	3.5%	4.4%	5.7%	3.5%	
Free Cash Flow		#####	-17.4%	-7.1%	45.5%	19.0%	7.7%	11.2%	9.6%	1.0%	16.6%	6.9%	3.8%	
Margin assumptions:														
Operating Income	8.0%	8.5%	8.3%	9.3%	9.5%	9.7%	10.1%	10.3%	10.3%	10.5%	10.6%	10.8%	10.8%	
D&A as a % of sales	11.3%	10.6%	9.6%	8.7%	8.0%	7.5%	6.1%	5.5%	5.1%	4.5%	4.3%	4.3%	4.2%	
EBITDA	19.3%	19.1%	17.9%	18.1%	17.5%	17.2%	16.2%	15.8%	15.4%	15.0%	14.9%	15.1%	15.0%	
Taxes	2.1%	2.4%	2.4%	2.8%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Changes in WC	-4.2%	3.0%	1.4%	0.7%	0.0%	-0.3%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	
Capex as a % of sales	-12.2%	-8.8%	-9.3%	-9.5%	-9.0%	-8.0%	-7.0%	-6.5%	-6.0%	-6.0%	-5.0%	-5.0%	-4.9%	
Valuation:														
Shares outstanding	38.1													
PV of FCF	268.9													
PV of Terminal Value	254.3													
Enterprise Value	523.3													
less: Net Debt	(3.6)													
Estimated Total Value:	526.8													
Est Equity Value/share:	\$13.83													
Sensitivity Analysis:														
Discount rate		Terminal Growth Rates												
			0%	1%	2%	3%	4%							
		10.00%	\$14.00	\$14.79	\$15.78	\$17.05	\$18.75							
		10.50%	\$13.22	\$13.90	\$14.75	\$15.82	\$17.22							
		11.00%	\$12.51	\$13.11	\$13.83	\$14.74	\$15.91							
		11.50%	\$11.87	\$12.39	\$13.02	\$13.79	\$14.78							
12.00%	\$11.28	\$11.74	\$12.29	\$12.95	\$13.79									
Price \$11.69														

Source: Company Reports; Stonegate Capital Markets

BALANCE SHEET

Viemed Healthcare, Inc.
Consolidated Balance Sheets (\$M)
Fiscal Year End: December

ASSETS	FY 2021	FY 2022	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26
Cash and Cash Equivalents	28.4	16.9	12.8	7.3	8.8	11.3	17.5	17.5	10.2	20.0	11.1	13.5	13.5	9.8	10.7
Accounts Receivable, net	12.8	15.4	18.5	24.5	27.1	27.1	24.9	24.9	26.8	26.5	27.4	25.6	25.6	31.2	32.2
Inventory	2.5	3.6	4.6	4.3	4.4	4.3	4.3	4.3	4.5	4.3	5.3	5.0	5.0	5.2	5.3
Income Tax Receivable	1.9	0.0	-	-	0.4	-	-	-	-	-	1.9	0.2	0.2	-	-
Prepaid Expenses and Other Assets	1.7	3.8	2.4	2.5	4.2	5.0	6.1	6.1	7.7	4.4	4.3	4.1	4.1	3.7	5.8
Total Current Assets	47.3	39.7	38.4	38.6	45.0	47.7	52.9	52.9	49.1	55.3	50.0	48.5	48.5	49.8	54.0
Property and Equipment, net	62.8	67.7	73.6	73.5	74.7	74.4	76.3	76.3	81.1	79.7	80.5	78.8	78.8	76.0	77.2
Finance Lease ROU Assets	-	-	0.4	0.3	0.1	0.1	0.1	0.1	0.0	0.0	-	-	-	-	-
Operating Lease ROU Assets	-	0.7	2.9	2.7	2.9	2.8	2.8	2.8	2.9	2.6	3.6	3.6	3.6	3.3	4.5
Equity Investments	2.2	2.2	1.7	1.7	1.8	1.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	3.2
Deferred Tax Assets	4.8	3.1	4.6	4.6	4.6	8.1	8.4	8.4	8.4	10.4	5.7	5.3	5.3	5.3	5.3
Identifiable Intangibles, net	-	-	0.6	0.5	0.9	0.9	0.8	0.8	0.8	0.8	1.3	1.3	1.3	1.2	1.2
Debt Investment	-	2.0	2.2	2.3	1.0	0.9	-	-	-	-	-	-	-	-	-
Goodwill	-	-	29.8	29.8	33.0	33.0	33.0	33.0	33.0	33.0	58.5	58.9	58.9	58.9	58.9
Other	0.9	1.6	0.9	0.9	-	-	-	-	-	-	-	-	-	-	-
Total Assets	118.0	117.0	154.9	154.9	163.9	169.5	177.1	177.1	178.1	184.6	202.4	199.2	199.2	197.4	204.2
LIABILITIES AND SHAREHOLDERS' EQUITY															
Trade Payables	3.2	2.7	4.2	5.8	6.3	6.0	5.3	5.3	7.9	8.3	8.7	7.3	7.3	8.6	11.0
Deferred Revenue	3.8	4.6	6.2	6.1	6.7	6.8	6.7	6.7	6.8	7.2	7.8	7.5	7.5	7.5	8.0
Income Taxes Payable	-	-	2.2	2.7	-	2.1	3.9	3.9	1.9	1.5	-	-	-	1.0	1.8
Accrued Liabilities	8.9	11.1	17.6	14.1	16.8	19.9	20.2	20.2	17.5	18.6	25.0	23.9	23.9	21.5	24.9
Finance Lease Liabilities, current	0.5	-	0.3	0.2	0.1	0.1	0.1	0.1	0.0	0.0	-	-	-	-	-
Operating Lease Liabilities, current	-	0.5	0.7	0.7	0.7	0.7	0.8	0.8	0.9	0.9	1.1	1.2	1.2	1.2	1.4
Current Portion of Long Term Debt	1.5	-	1.1	0.6	0.8	0.8	0.4	0.4	0.4	0.8	1.6	1.1	1.1	0.9	0.7
Total Current Liabilities	17.8	18.9	32.1	30.1	31.5	36.4	37.3	37.3	35.5	37.3	44.2	41.1	41.1	40.7	47.9
Accrued Liabilities	0.8	0.9	0.6	0.4	0.4	0.7	0.8	0.8	0.4	0.5	0.7	0.9	0.9	0.5	0.9
Finance Lease Liabilities	-	-	0.1	0.1	0.0	-	-	-	-	-	-	-	-	-	-
Operating Lease Liabilities	0.3	0.2	2.2	2.0	2.1	2.0	2.0	2.0	1.9	1.7	2.4	2.4	2.4	2.0	3.1
Long Term Debt	4.3	-	6.0	5.9	8.7	3.7	3.6	3.6	3.5	3.5	19.6	11.3	11.3	8.3	6.4
Total Liabilities	23.1	19.9	41.0	38.6	42.8	42.7	43.8	43.8	41.3	43.0	66.9	55.6	55.6	51.6	58.3
Common Stock	14.0	15.1	18.7	21.8	21.9	22.7	23.4	23.4	28.2	27.8	16.9	16.9	16.9	20.8	18.0
Additional Paid-In Capital	7.7	12.1	15.7	14.3	15.9	16.8	18.3	18.3	15.9	18.1	19.5	21.7	21.7	17.6	17.8
Retained Earnings	73.1	69.8	79.5	80.1	81.6	85.4	89.7	89.7	90.7	93.8	97.3	102.9	102.9	105.5	108.2
Total Parent Net Equity	94.8	97.1	113.9	116.3	119.4	125.0	131.4	131.4	134.8	139.7	133.6	141.5	141.5	143.9	144.0
Minority Interest	-	-	-	-	1.8	1.8	1.9	1.9	2.0	1.9	1.9	2.0	2.0	1.9	1.9
Total Consolidated Equity	94.8	97.1	113.9	116.3	121.2	126.8	133.3	133.3	136.7	141.6	135.5	143.5	143.5	145.8	146.0
Total Liabilities and Shareholders' Equity	118.0	117.0	154.9	154.9	163.9	169.5	177.1	177.1	178.1	184.6	202.4	199.2	199.2	197.4	204.2
Liquidity															
Current Ratio	2.7x	2.1x	1.2x	1.3x	1.4x	1.3x	1.4x	1.4x	1.4x	1.5x	1.1x	1.2x	1.2x	1.2x	1.1x
Working Capital	29.50	20.88	6.24	8.50	13.50	11.25	15.55	15.55	13.63	18.02	5.79	7.44	7.44	9.11	6.07
Leverage															
Net Debt to Equity	-23.9%	-17.4%	-5.1%	-0.7%	0.6%	-5.4%	-10.2%	-10.2%	-4.6%	-11.1%	7.4%	-0.8%	-0.8%	-0.4%	-2.5%
Net Debt to Capital	-19.2%	-14.5%	-3.7%	-0.5%	0.4%	-4.1%	-7.6%	-7.6%	-3.5%	-8.5%	4.9%	-0.6%	-0.6%	-0.3%	-1.8%

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Viemed Healthcare, Inc.
Consolidated Statements of Income (in \$M, except per share amounts)
Fiscal Year End: December

	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E
Revenue	\$ 117.1	\$ 138.8	\$ 183.0	\$ 224.3	\$ 59.1	\$ 63.1	\$ 71.9	\$ 76.2	\$ 270.3	\$ 75.4	\$ 78.1	\$ 80.8	\$ 83.2	\$ 317.6	\$ 82.1	\$ 86.0	\$ 89.7	\$ 92.6	\$ 350.3
Total Revenues	117.1	138.8	183.0	224.3	59.1	63.1	71.9	76.2	270.3	75.4	78.1	80.8	83.2	317.6	82.1	86.0	89.7	92.6	350.3
Operating Expenses:																			
Cost of Revenue	43.7	54.2	70.2	91.1	25.9	26.3	30.6	32.1	114.8	32.6	33.0	33.6	34.7	134.0	35.7	36.8	38.0	39.0	149.4
Gross Profit	73.4	84.7	112.8	133.2	33.3	36.7	41.3	44.1	155.5	42.8	45.0	47.2	48.5	183.6	46.4	49.2	51.7	53.6	200.9
SG&A	54.9	68.2	87.9	106.2	28.4	28.8	31.9	32.2	121.4	34.8	37.1	35.1	35.2	142.2	36.9	38.0	39.4	38.1	152.5
R&D	2.1	2.7	2.8	3.1	0.8	0.8	0.8	0.6	3.0	0.6	0.5	0.5	0.5	2.1	0.5	0.6	0.6	0.6	2.3
Stock Based Compensation	5.2	5.2	5.8	6.3	2.3	2.3	2.2	2.3	9.1	2.5	2.0	2.5	2.5	9.5	2.5	2.5	2.5	2.5	10.0
Depreciation and Amortization	0.9	1.0	1.4	1.5	0.3	0.4	0.4	0.4	1.5	0.4	0.4	0.4	0.4	1.6	0.4	0.4	0.4	0.4	1.6
Loss/(Gain) on Disposal of Property and Equipment	0.4	0.3	0.6	(1.9)	(2.4)	(0.6)	0.5	0.3	(2.2)	0.4	0.6	0.5	0.5	2.0	0.5	0.5	0.5	0.5	2.0
Other	(1.5)	(1.0)	(0.1)	0.2	(0.1)	(0.1)	(0.0)	(0.1)	(0.3)	(0.0)	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)
Depreciation on PPnE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	61.8	76.4	98.5	115.3	29.4	31.6	35.7	35.7	132.5	38.5	40.6	39.0	39.1	157.2	40.8	41.9	43.4	42.1	168.2
Operating Income	11.6	8.3	14.3	17.9	3.8	5.1	5.6	8.4	22.9	4.3	4.5	8.2	9.4	26.4	5.6	7.3	8.3	11.5	32.7
Income/(Loss) from Investments	-	-	-	(1.0)	-	-	-	-	-	-	(0.2)	-	-	(0.2)	-	-	-	-	-
Interest Expense, net	(0.3)	(0.2)	(0.4)	(0.8)	(0.2)	(0.1)	(0.5)	(0.4)	(1.2)	(0.3)	(0.2)	(0.2)	(0.2)	(0.9)	(0.1)	(0.1)	(0.1)	(0.0)	(0.4)
Other gains/losses	1.2	0.9	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit Before Taxes	12.5	9.0	14.4	16.2	3.7	5.0	5.1	8.0	21.8	4.0	4.1	8.0	9.3	25.3	5.4	7.2	8.2	11.5	32.4
Provision for Income Tax	3.4	2.8	4.1	4.8	1.0	1.7	1.5	2.2	6.4	1.3	1.2	2.4	2.8	7.6	1.6	2.2	2.5	3.4	9.7
Net Income	9.1	6.2	10.2	11.4	2.7	3.3	3.6	5.8	15.4	2.7	2.9	5.6	6.5	17.7	3.8	5.1	5.8	8.0	22.6
Non-Controlling Interest	-	-	-	0.1	0.1	0.1	0.1	0.2	0.4	0.1	0.1	0.1	0.1	0.5	0.1	0.1	0.1	0.1	0.5
Net Income To Common Stockholders	9.1	6.2	10.2	11.3	2.6	3.2	3.5	5.6	14.9	2.6	2.8	5.5	6.3	17.2	3.7	4.9	5.6	7.9	22.1
Basic EPS	\$ 0.23	\$ 0.16	\$ 0.27	\$ 0.29	\$ 0.07	\$ 0.08	\$ 0.09	\$ 0.15	\$ 0.38	\$ 0.07	\$ 0.07	\$ 0.14	\$ 0.17	\$ 0.45	\$ 0.10	\$ 0.13	\$ 0.15	\$ 0.20	\$ 0.57
Diluted EPS	\$ 0.22	\$ 0.16	\$ 0.25	\$ 0.28	\$ 0.06	\$ 0.08	\$ 0.09	\$ 0.14	\$ 0.37	\$ 0.06	\$ 0.07	\$ 0.13	\$ 0.15	\$ 0.42	\$ 0.09	\$ 0.12	\$ 0.14	\$ 0.19	\$ 0.53
WTD Shares Out - Basic	39.5	38.7	38.4	38.8	39.4	39.5	38.0	38.0	38.9	38.4	38.2	38.3	38.3	38.3	38.4	38.5	38.6	38.7	38.6
WTD Shares Out - Diluted	40.7	39.8	40.4	40.8	41.6	41.1	40.5	40.2	40.8	40.5	41.1	41.2	41.2	41.0	41.3	41.4	41.5	41.6	41.5
Adjusted EBITDA	\$ 29.3	\$ 30.0	\$ 43.1	\$ 51.1	\$ 12.8	\$ 14.3	\$ 16.1	\$ 18.2	\$ 61.4	\$ 14.3	\$ 13.7	\$ 18.4	\$ 19.6	\$ 66.0	\$ 15.7	\$ 17.5	\$ 18.4	\$ 21.7	\$ 73.3

Margin Analysis

Gross Margin	62.7%	61.0%	61.6%	59.4%	56.3%	58.3%	57.5%	57.9%	57.5%	56.8%	57.7%	58.4%	58.3%	57.8%	56.5%	57.3%	57.6%	57.9%	57.3%
Operating Margin	9.9%	5.9%	7.8%	8.0%	6.5%	8.1%	7.8%	11.0%	8.5%	5.7%	5.7%	10.2%	11.3%	8.3%	6.8%	8.5%	9.2%	12.5%	9.3%
EBITDA Margin	25.0%	21.6%	23.5%	22.8%	21.6%	22.7%	22.4%	23.9%	22.7%	19.0%	17.6%	22.7%	23.5%	20.8%	19.1%	20.3%	20.6%	23.4%	20.9%
Pre-Tax Margin	10.7%	6.5%	7.9%	7.2%	6.2%	7.9%	7.1%	10.5%	8.1%	5.3%	5.2%	9.9%	11.1%	8.0%	6.6%	8.4%	9.2%	12.4%	9.2%
Net Income Margin	7.8%	4.5%	5.6%	5.0%	4.4%	5.0%	4.9%	7.4%	5.5%	3.4%	3.5%	6.8%	7.6%	5.4%	4.5%	5.7%	6.3%	8.5%	6.3%
Tax Rate	27.0%	30.8%	28.8%	29.4%	26.0%	34.5%	29.9%	27.4%	29.4%	32.0%	28.4%	30.0%	30.0%	30.1%	30.0%	30.0%	30.0%	30.0%	30.0%

Growth Rate Y/Y

Total Revenue	18.6%	31.8%	22.5%	16.9%	14.7%	24.0%	25.5%	20.5%	27.5%	23.9%	12.4%	9.3%	17.5%	8.8%	10.1%	10.9%	11.2%	10.3%
Total cost of revenues	23.6%	28.8%	17.1%	6.7%	8.1%	24.2%	20.4%	14.9%	30.9%	28.3%	9.2%	9.4%	18.6%	5.9%	3.3%	11.3%	7.7%	7.0%
Operating Income	-28.7%	73.7%	24.9%	74.3%	40.9%	0.2%	29.7%	28.2%	11.8%	-12.4%	45.8%	12.8%	15.1%	29.6%	64.3%	0.8%	22.1%	23.8%
Pre-Tax Income	-28.1%	60.1%	12.4%	72.7%	121.1%	-6.6%	27.0%	34.6%	9.0%	-18.4%	56.0%	15.7%	16.3%	35.9%	78.2%	2.6%	24.0%	27.8%
Net Income	-31.8%	64.6%	10.0%	63.8%	115.1%	-9.4%	30.7%	32.6%	-1.6%	-12.4%	55.7%	12.6%	14.9%	41.8%	77.9%	2.6%	24.5%	28.8%

Source: Company Reports, Stonegate Capital Partners estimates

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For Additional Information Contact:

Stonegate Capital Markets, Inc.

Dave Storms, CFA

Dave@stonegateinc.com

214-987-4121

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