UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

x Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

for the quarterly period ended March 31, 2025

or

¨ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

for the transition period from _____ to _____

Commission File Number: 001-35020

INFUSYSTEM HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware	20-3341405
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

3851 West Hamlin Road

Rochester Hills, Michigan 48309

(Address of Principal Executive Offices)

Registrant's Telephone Number, including Area Code: (248) 291-1210

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on which Registered
Common Stock, par value $0.0001 per share	INFU	NYSE American LLC

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

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

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

Large accelerated filer	¨	Accelerated filer	x	Non-accelerated filer	¨	Smaller reporting company	x
Emerging growth company	¨						

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

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

As of May 5, 2025, 20,975,264 shares of the registrant's common stock, par value $0.0001 per share, were outstanding.

INFUSYSTEM HOLDINGS, INC. AND SUBSIDIARIES

Index to Form 10-Q

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

INFUSYSTEM HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(in thousands, except par value and share data)	As of March 31, 2025	As of December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,506	$ 527
Accounts receivable, net	23,892	21,155
Inventories, net	6,095	6,528
Other current assets	3,829	3,955
Total current assets	35,322	32,165
Medical equipment for sale or rental	2,763	3,157
Medical equipment in rental service, net of accumulated depreciation	38,615	39,175
Property & equipment, net of accumulated depreciation	3,922	4,030
Goodwill	3,710	3,710
Intangible assets, net	6,208	6,456
Operating lease right of use assets	5,244	5,374
Deferred income taxes	6,749	7,188
Derivative financial instruments	1,152	1,481
Other assets	597	878
Total assets	$ 104,282	$ 103,614
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 8,367	$ 9,848
Other current liabilities	7,602	7,813
Total current liabilities	15,969	17,661
Long-term debt	28,707	23,864
Operating lease liabilities, net of current portion	4,458	4,560
Total liabilities	49,134	46,085
Stockholders' equity:		
Preferred stock, $0.0001 par value: authorized 1,000,000 shares; none issued	—	—
Common stock, $0.0001 par value: authorized 200,000,000 shares; 20,973,616 shares issued and outstanding as of March 31, 2025 and 21,272,351 shares issued and outstanding as of December 31, 2024	2	2
Additional paid-in capital	114,898	113,868
Accumulated other comprehensive income	870	1,119
Retained deficit	(60,622)	(57,460)
Total stockholders' equity	55,148	57,529
Total liabilities and stockholders' equity	$ 104,282	$ 103,614

See accompanying notes to unaudited condensed consolidated financial statements.

INFUSYSTEM HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)

(in thousands, except share and per share data)	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Net revenues	$ 34,716	$ 31,995
Cost of revenues	15,549	15,521
Gross profit	19,167	16,474
Selling, general and administrative expenses:		
Amortization of intangibles	248	248
Selling and marketing	2,985	3,376
General and administrative	15,316	13,695
Total selling, general and administrative	18,549	17,319
Operating income (loss)	618	(845)
Other expense:		
Interest expense	(336)	(456)
Other expense (income)	(29)	3
Income (loss) before income taxes	253	(1,298)
(Provision for) benefit from income taxes	(520)	186
Net loss	$ (267)	$ (1,112)
Net loss per share:		
Basic	$ (0.01)	$ (0.05)
Diluted	$ (0.01)	$ (0.05)
Weighted average shares outstanding:		
Basic	21,125,019	21,225,768
Diluted	21,125,019	21,225,768
Comprehensive loss:		
Net loss	$ (267)	$ (1,112)
Other comprehensive (loss) income:		
Unrealized (loss) gain on hedges	(329)	274
Benefit from (provision for) income tax on unrealized hedge gain	80	(66)
Net comprehensive loss	$ (516)	$ (904)

See accompanying notes to unaudited condensed consolidated financial statements.

INFUSYSTEM HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)

(in thousands)	Common Stock Shares	Common Stock Par Value Amount	Additional Paid in Capital	Retained Deficit	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balances at December 31, 2023	**21,197**	**$ 2**	**$ 109,837**	**$ (58,625)**	**$ 1,088**	**$ 52,302**
Shares issued upon restricted stock vesting and option exercise	106	—	—	—	—	—
Stock-based compensation expense	—	—	1,057	—	—	1,057
Employee stock purchase plan	26	—	186	—	—	186
Common stock repurchased to satisfy minimum statutory withholding on stock-based compensation	(39)	—	(365)	—	—	(365)
Other comprehensive income	—	—	—	—	208	208
Net loss	—	—	—	(1,112)	—	(1,112)
Balances at March 31, 2024	**21,290**	**$ 2**	**$ 110,715**	**$ (59,737)**	**$ 1,296**	**$ 52,276**
Balances at December 31, 2024	**21,272**	**$ 2**	**$ 113,868**	**$ (57,460)**	**$ 1,119**	**$ 57,529**
Shares issued upon restricted stock vesting and option exercise	79	—	—	—	—	—
Stock-based compensation expense	—	—	1,108	—	—	1,108
Employee stock purchase plan	35	—	159	—	—	159
Common stock repurchased as part of share repurchase program	(382)	—	—	(2,895)	—	(2,895)
Common stock repurchased to satisfy minimum statutory withholding on stock-based compensation	(30)	—	(237)	—	—	(237)
Other comprehensive loss	—	—	—	—	(249)	(249)
Net loss	—	—	—	(267)	—	(267)
Balances at March 31, 2025	**20,974**	**$ 2**	**$ 114,898**	**$ (60,622)**	**$ 870**	**$ 55,148**

See accompanying notes to unaudited condensed consolidated financial statements.

INFUSYSTEM HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(in thousands)	Three Months Ended March 31, 2025	2024
OPERATING ACTIVITIES		
Net loss	$ (267)	$ (1,112)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Provision for doubtful accounts	45	(130)
Depreciation	3,072	2,652
Loss (gain) on disposal of and reserve adjustments for medical equipment	257	(43)
Gain on sale of medical equipment	(838)	(629)
Amortization of intangible assets	248	248
Amortization of deferred debt issuance costs	19	19
Stock-based compensation	1,108	1,057
Deferred income taxes	520	(186)
Changes in assets - (increase)/decrease:		
Accounts receivable	(2,095)	(237)
Inventories	433	153
Other current assets	126	(685)
Other assets	729	376
Changes in liabilities - (decrease)/increase:		
Accounts payable and other liabilities	(1,577)	(1,106)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,780	377
INVESTING ACTIVITIES		
Purchase of medical equipment	(3,284)	(1,493)
Purchase of property and equipment	(131)	(182)
Proceeds from sale of medical equipment, property and equipment	754	1,257
NET CASH USED IN INVESTING ACTIVITIES	(2,661)	(418)
FINANCING ACTIVITIES		
Principal payments on long-term debt	(14,407)	(15,258)
Cash proceeds from long-term debt	19,231	16,069
Common stock repurchased as part of share repurchase program	(2,895)	—
Common stock repurchased to satisfy statutory withholding on employee stock-based compensation plans	(228)	(365)
Cash proceeds from exercise of options and ESPP	159	186
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,860	632
Net change in cash and cash equivalents	979	591
Cash and cash equivalents, beginning of period	527	231
Cash and cash equivalents, end of period	$ 1,506	$ 822

See accompanying notes to unaudited condensed consolidated financial statements.

INFUSYSTEM HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation, Nature of Operations and Summary of Significant Accounting Policies

The terms “InfuSystem”, the “Company”, “we”, “our” and “us“” are used herein to refer to InfuSystem Holdings, Inc. and its subsidiaries. InfuSystem is a leading provider of infusion pumps and related products and services for patients in the home, oncology clinics, ambulatory surgery centers, and other sites of care. The Company provides products and services to hospitals, oncology practices and facilities and other alternative site health care providers. Headquartered in Rochester Hills, Michigan, the Company delivers local, field-based customer support, and also operates pump service and repair Centers of Excellence in Michigan, Kansas, California, Massachusetts, Texas and Ontario, Canada. The Company operates in two reportable segments, Patient Services and Device Solutions.

The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) for interim financial information. Accordingly, the unaudited condensed consolidated financial statements do not include all of the information and notes required by U.S. Generally Accepted Accounting Principles (“GAAP”) for complete financial statements. The accompanying unaudited condensed consolidated financial statements include all adjustments, composed of normal recurring adjustments, considered necessary by management to fairly state the Company’s results of operations, financial position and cash flows. The operating results for the interim periods are not necessarily indicative of results that may be expected for any other interim period or for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 as filed with the SEC on March 11, 2025.

The unaudited condensed consolidated financial statements are prepared in conformity with GAAP, which requires the use of estimates, judgments and assumptions that affect the amounts of assets and liabilities at the reporting date and the amounts of revenue and expenses in the periods presented. The Company believes that the accounting estimates employed are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates, actual results could differ from the original estimates, requiring adjustments to these balances in future periods.

2. Recent Accounting Pronouncements and Developments

In December 2023, the FASB issued Accounting Standards Update No. 2023-09, Income Taxes (ASC 740): Improvements to Income Tax Disclosures (“ASU 2023-09”). ASU 2023-09 enhances existing income tax disclosures primarily through standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. The amendments in this ASU requires public entities to disclose a tabular tax rate reconciliation, using both percentages and currency, with specific categories. Public entities are also required to provide a qualitative description of the states and local jurisdictions that make up the majority of the effect of the state and local income tax category and the net amount of income taxes paid, disaggregated by federal, state and foreign taxes and also disaggregated by individual jurisdictions. The amendments also remove certain disclosures that are no longer considered cost beneficial. The amendments are effective prospectively for annual periods beginning after December 15, 2024, and early adoption and retrospective application are permitted. The Company is currently evaluating the impact of ASU 2023-09 on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, “Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (“ASU 2024-03”), which requires disclosures, in the notes to the financial statements, about the types of expenses included in certain expense captions presented on the income statement. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of ASU 2024-03 on its consolidated financial statements and disclosures.

3. Revenue

The following table presents the Company's disaggregated revenue by offering type (in thousands):

	Three Months Ended March 31,			
	2025		2024	
	Total Net Revenues	Percentage of Total Net Revenues	Total Net Revenues	Percentage of Total Net Revenues
Patient Services revenue recognized at a point in time:				
Direct products	$ 638	1.8 %	$ 615	1.9 %
Third-Party Payer products	3,951	11.4 %	1,872	5.9 %
Patient Services revenue recognized over time:				
Direct rental services	1,914	5.5 %	3,572	11.2 %
Third-Party Payer rental services	12,215	35.2 %	10,977	34.3 %
Total Patient Services accounted for under ASC 606	18,718	53.9 %	17,036	53.2 %
Device Solutions revenue recognized at a point in time:				
Products	4,002	11.5 %	4,213	13.2 %
Services	2,350	6.8 %	2,409	7.5 %
Device Solutions revenue recognized over time:				
Services	1,855	5.3 %	1,969	6.2 %
Total Device Solutions accounted for under ASC 606	8,207	23.6 %	8,591	26.9 %
Total Revenue Accounted for under ASC 606	26,925	77.6 %	25,627	80.1 %
Patient Services lease revenue	2,056	5.9 %	1,555	4.9 %
Device Solutions lease revenue	5,735	16.5 %	4,813	15.0 %
Total Revenue accounted for under ASC 842, Leases	7,791	22.4 %	6,368	19.9 %
Total Net Revenue	$ 34,716	100.0 %	$ 31,995	100.0 %

Contract Balances

(dollars in thousands)	As of March 31, 2025	As of December 31, 2024	$ Change
Accounts receivable, net	$ 23,892	$ 21,155	$ 2,737
Contract assets	$ 714	$ 570	$ 144
Contract liabilities	$ 25	$ —	$ 25

The change in contract assets during the three months ended March 31, 2025 included $2.4 million of revenue recognized for which the payment is subject to conditions other than the passage of time, which was fully offset by $2.3 million of contract assets reclassified to accounts receivable as our right to consideration for these contract assets became unconditional. Contract assets are included in other current assets on the Company's condensed consolidated balance sheets.

The change in contract liabilities during the three months ended March 31, 2025 was mainly due to the increase in the value of products and services billed to customers for which control of the products and services has not transferred to the customers. Contract liabilities are included in other current liabilities on the Company's condensed consolidated balance sheets.

4. Medical Equipment

Medical equipment consisted of the following (in thousands):

	March 31, 2025	December 31, 2024
Medical equipment for sale or rental	$ 2,785	$ 3,182
Medical equipment for sale or rental - pump reserve	(22)	(25)
Medical equipment for sale or rental - net	2,763	3,157
Medical equipment in rental service	108,480	107,028
Medical equipment in rental service - pump reserve	(2,728)	(2,530)
Accumulated depreciation	(67,137)	(65,323)
Medical equipment in rental service - net	38,615	39,175
Total	$ 41,378	$ 42,332

Depreciation expense for medical equipment for the three months ended March 31, 2025 was $2.8 million compared to $2.3 million for the same prior year period. This expense was recorded in “cost of revenues” for each period. The pump reserve for medical equipment in rental service represents an estimate for medical equipment that is considered to be missing. The reserve calculated is equal to the net book value of assets that have not returned from the field within a certain timeframe. For the three months ended March 31, 2025 and 2024, $1.2 million and $2.7 million of current liabilities related to non-cash purchases of medical equipment and property, respectively, had not been included in investing activities in the condensed consolidated statements of cash flows. These amounts will be included as a cash outflow from investing activities when paid.

5. Property and Equipment

Property and equipment consisted of the following (in thousands):

	March 31, 2025			December 31, 2024		
	Gross Assets	Accumulated Depreciation	Total	Gross Assets	Accumulated Depreciation	Total
Furniture, fixtures, and equipment	$ 6,317	$ (4,744)	$ 1,573	$ 6,180	$ (4,588)	$ 1,592
Automobiles	87	(87)	—	87	(87)	—
Leasehold improvements	4,963	(2,614)	2,349	4,911	(2,473)	2,438
Total	$ 11,367	$ (7,445)	$ 3,922	$ 11,178	$ (7,148)	$ 4,030

Depreciation expense for property and equipment for both the three months ended March 31, 2025 and 2024 was $0.3 million. This expense was recorded in “general and administrative expenses” for each period.

6. Goodwill & Intangible Assets

The changes in the carrying value of goodwill by segment for the three months ended March 31, 2025 are as follows (in thousands):

	Device Solutions (a)
Balance as of December 31, 2024	$ 3,710
Goodwill acquired	—
Balance as of March 31, 2025	$ 3,710

(a) The Patient Services segment had no recorded goodwill during the reported periods.

The carrying amount and accumulated amortization of intangible assets consisted of the following (in thousands):

	March 31, 2025			December 31, 2024		
	Gross Assets	Accumulated Amortization	Net	Gross Assets	Accumulated Amortization	Net
Nonamortizable intangible assets						
Trade names	$ 2,000	$ —	$ 2,000	$ 2,000	$ —	$ 2,000
Amortizable intangible assets:						
Trade names	23	(23)	—	23	(23)	—
Physician and customer relationships	38,834	(35,172)	3,662	38,834	(34,996)	3,838
Non-competition agreements	472	(373)	99	472	(349)	123
Unpatented technology	943	(561)	382	943	(528)	415
Software	10,300	(10,235)	65	10,300	(10,220)	80
Total nonamortizable and amortizable intangible assets	$ 52,572	$ (46,364)	$ 6,208	$ 52,572	$ (46,116)	$ 6,456

Amortization expense for both the three months ended March 31, 2025 and 2024 was $0.2 million. This expense was recorded in “amortization of intangibles expenses” for each period. Expected remaining annual amortization expense for the next five years for intangible assets recorded as of March 31, 2025 is as follows (in thousands):

	2025	2026	2027	2028	2029	2030 and thereafter	Total
Amortization expense	$ 562	$ 525	$ 471	$ 348	$ 337	$ 1,965	$ 4,208

7. Debt

On February 5, 2021, the Company entered into a Credit Agreement (the “2021 Credit Agreement”) with JPMorgan Chase Bank, N.A., as administrative agent (the “Agent”), sole bookrunner and sole lead arranger, and the lenders party thereto.

The borrowers under the 2021 Credit Agreement are InfuSystem Holdings, Inc. and its subsidiaries (collectively, the “Borrowers”).

The 2021 Credit Agreement provides for a revolving credit facility (the “Revolving Facility”) of $75.0 million, that matures on February 5, 2026. The Revolving Facility may be increased by $25.0 million, subject to certain conditions, including the consent of the Agent and obtaining necessary commitments. The lenders under the 2021 Credit Agreement may issue up to $7.0 million in letters of credit subject to the satisfaction of certain conditions. On February 5, 2021, the Borrowers made an initial borrowing of $30.0 million under the Revolving Facility. Proceeds from the loan, along with approximately $8.2 million in cash, were used to repay all amounts due under the Company’s then existing credit facility dated March 23, 2015 (the “2015 Credit Agreement”).

The 2021 Credit Agreement has customary representations and warranties. The ability to borrow under the facility is subject to ongoing compliance with a number of customary affirmative and negative covenants, including limitations on indebtedness, liens, mergers, acquisitions, investments, asset sales, affiliate transactions and restricted payments, as well as financial covenants, including the following:

- a minimum fixed charge coverage ratio (defined as the ratio of consolidated EBITDA (as defined in the 2021 Credit Agreement) less 50% of depreciation expense), to consolidated fixed charges (as defined in the 2021 Credit Agreement)) for the prior four most recently ended calendar quarters of 1.20 to 1.00; and

- a maximum leverage ratio (defined as total indebtedness to EBITDA for the prior four most recently ended calendar quarters) of 3.50 to 1.00.

The 2021 Credit Agreement includes customary events of default. The occurrence of an event of default will permit the lenders to terminate commitments to lend under the Revolving Facility and accelerate payment of all amounts outstanding thereunder.

Simultaneous with the execution of the 2021 Credit Agreement, the Company entered into a Pledge and Security Agreement to secure repayment of the obligations of the Borrowers. Under the Pledge and Security Agreement, each Borrower has granted to the Agent, for the benefit of various secured parties, a first priority security interest in substantially all of the personal property assets and shares of each of the Borrowers.

On April 26, 2023, the Company entered into a First Amendment to the 2021 Credit Agreement (the “First Amendment”) with the Agent and the lenders party thereto, which amended the 2021 Credit Agreement, to provide for, among other things: (i) an extension of the maturity date for the 2021 Credit Agreement to April 26, 2028, (ii) the replacement of London Interbank Offered Rate (“LIBOR”) with Adjusted Term Secured Overnight Financing Rate (“SOFR”) as a benchmark interest rate, and (iii) an increase of the maximum dollar amount of incremental revolving loans from $25 million to $35 million. Incremental revolving loans continue to be subject to certain conditions, including the consent of the Agent and obtaining necessary commitments.

The 2021 Credit Agreement and First Amendment were accounted for as debt modifications. As of March 31, 2025, the Company was in compliance with all debt-related covenants under the 2021 Credit Agreement, as amended.

The following table illustrates the net availability under the Revolving Facility as of the applicable balance sheet date (in thousands):

	March 31, 2025	December 31, 2024
Revolving Facility:		
Gross availability	$ 75,000	$ 75,000
Outstanding draws	(28,948)	(24,124)
Availability on Revolving Facility	$ 46,052	$ 50,876

The Company had future maturities of its long-term debt as of March 31, 2025 as follows (in thousands):

	2025	2026	2027	2028	2029 and thereafter	Total
Revolving Facility	$ —	$ —	$ —	$ 28,948		$ 28,948
Total	$ —	$ —	$ —	$ 28,948	$ —	$ 28,948

The following is a breakdown of the Company's current and long-term debt (in thousands):

	March 31, 2025			December 31, 2024		
	Current Portion	Long-Term Portion	Total	Current Portion	Long-Term Portion	Total
Revolving Facility	$ —	$ 28,948	$ 28,948	$ —	$ 24,124	$ 24,124
Unamortized value of debt issuance costs	—	(241)	(241)	—	(260)	(260)
Total	$ —	$ 28,707	$ 28,707	$ —	$ 23,864	$ 23,864

As of March 31, 2025, amounts outstanding under the Revolving Facility provided under the 2021 Credit Agreement, as amended, bear interest at a variable rate equal to, at the Company's election, Adjusted Term SOFR for Term Benchmark loans or an Alternative Base Rate for ABR loans, as defined by the First Amendment, plus a spread that will vary depending upon the Company's leverage ratio. The spread ranges from 2.00% to 3.00% for Term Benchmark Loans and 1.00% to 2.00% for base rate loans. The weighted-average Term Benchmark loan rate at March 31, 2025 was 6.42% (Adjusted Term SOFR of 4.32% plus 2.10%). The actual ABR loan rate at March 31, 2025 was 8.50% (lender's prime rate of 7.50% plus 1.00%).

8. Derivative Financial Instruments and Hedging Activities

In February 2021, the Company adopted a derivative investment policy, which provides guidelines and objectives related to managing financial and operational exposures arising from market changes in short term interest rates. In accordance with this policy, the Company can enter into interest rate swaps or similar instruments, will endeavor to evaluate all the risks inherent in a transaction before entering into a derivative financial instrument and will not enter into derivative financial instruments for speculative or trading purposes. Hedging relationships are formally documented at the inception of the hedge and hedges must be highly effective in offsetting changes to future cash flows on hedged transactions at the inception of a hedge and on an ongoing basis to be designated for hedge accounting treatment.

The Company is exposed to interest rate risk related to its variable rate debt obligations under the 2021 Credit Agreement. In order to manage the volatility in interest rate markets, in February 2021, the Company entered into two interest rate swap agreements to manage exposure arising from this risk. On a combined basis, the agreements had a constant notional amount over a five-year term that would have ended on February 5, 2026. While they were outstanding, each agreement paid the Company 30-day LIBOR on the notional amount and the Company paid a fixed rate of interest equal to 0.73%. These derivative instruments were considered cash flow hedges. On May 11, 2023, these two swaps were settled and a new swap was entered into with different terms that aligned with changes in the 2021 Credit Agreement arising from the First Amendment. The new swap has a constant notional amount over a five-year term that ends on April 26, 2028. The agreement pays the Company 30-day SOFR on the notional amount and the Company pays a fixed rate of interest equal to 1.74%. The Company does not have any other derivative financial instruments.

The fair values of the Company's derivative financial instruments are categorized as Level II of the fair value hierarchy as the values are derived using the market approach based on observable market inputs including quoted prices of similar instruments and interest rate forward curves.

The tables below present the location and gross fair value amounts of the Company's derivative financial instruments and the associated notional amounts designated as cash flow hedges as of the applicable balance sheet date (in thousands):

	March 31, 2025		
	Balance Sheet Location	Notional	Fair Value Derivative Assets
Derivatives designated as hedges:			
Cash flow hedges			
Interest rate swaps	Derivative financial instruments	$ 20,000	$ 1,152

	December 31, 2024		
	Balance Sheet Location	Notional	Fair Value Derivative A
Derivatives designated as hedges:			
Cash flow hedges			
Interest rate swaps	Derivative financial instruments	$ 20,000	$ 1,

The table below presents the effect of our derivative financial instruments designated as hedging instruments in accumulated other comprehensive income ("AOCI") (in thousands):

	Three Months Ended March 31,	
	2025	2024
Gain on cash flow hedges - interest rate swaps		
Beginning balance	$ 1,119	$ 1,088
Unrealized (loss) gain recognized in AOCI	(200)	456
Amounts reclassified to interest expense (a) (b)	(129)	(182)
Tax benefit (provision)	80	(66)
Ending balance	$ 870	$ 1,296

(a) Negative amounts represent interest income and positive amounts represent interest expense. Interest expense as presented in the condensed consolidated statement of operations and comprehensive loss for the three months ended March 31, 2025 and 2024 was $0.3 million and $0.5 million, respectively.

(b) As of March 31, 2025, $0.4 million of income is expected to be reclassified into earnings within the next 12 months.

The Company did not incur any hedge ineffectiveness during the three months ended March 31, 2025.

9. Income Taxes

During the three months ended March 31, 2025 the Company recorded a provision for income taxes totaling $0.5 million on pre-tax income of 0.3 million representing an effective tax rate of 205%. During the three months ended March 31, 2024, the Company recorded a benefit from income taxes totaling $0.2 million on pre-tax losses of $1.3 million representing an effective tax rate of 14.3%. The effective tax rates differed from the U.S. statutory rate mainly due to the effects of local, state and foreign jurisdiction income taxes, limitations on the deductions of certain expenses including meals and entertainment expense and management compensation and differences between expense recognized for book purposes versus tax purposes associated with equity compensation expense. The impact of permanent differences weighs heavier on the effective tax rate when pre-tax earnings are close to break even.

10. Commitments, Contingencies and Litigation

From time to time in the ordinary course of its business, the Company may be involved in legal and regulatory proceedings, the outcomes of which may not be determinable. The results of litigation and regulatory proceedings are inherently unpredictable. Any claims against the Company, whether meritorious or not, could be time consuming, result in costly litigation, require significant amounts of management time and result in diversion of significant resources. The Company is not able to estimate an aggregate amount or range of reasonably possible losses for those legal matters for which losses are not probable and estimable, primarily for the following reasons: (i) many of the relevant legal proceedings are in preliminary stages and, until such proceedings develop further, there is often uncertainty regarding the relevant facts and circumstances at issue and potential liability; and (ii) many of these proceedings involve matters of which the outcomes are inherently difficult to predict. The Company has insurance policies covering potential losses where such coverage is cost effective.

The Company is not at this time involved in any proceedings that the Company currently believes could have a material effect on the Company's financial condition, results of operations or cash flows.

11. Loss Per Share

Basic loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted loss per share assumes the issuance of potentially dilutive shares of common stock during the period. The following table reconciles the numerators and denominators of the basic and diluted loss per share computations:

	Three Months Ended March 31,	
Numerator *(in thousands)*:	**2025**	**2024**
Net loss	$ (267)	$ (1,112)
Denominator:		
Weighted average common shares outstanding:		
Basic	21,125,019	21,225,768
Dilutive effect of common stock equivalents	—	—
Diluted	21,125,019	21,225,768
Net loss per share:		
Basic	$ (0.01)	$ (0.05)
Diluted	$ (0.01)	$ (0.05)

For the three months ended March 31, 2025 and 2024, all outstanding options and unvested restricted stock units were anti-dilutive due to the Company's net losses for the periods and therefore not included in the calculations.

Share Repurchase Program

On May 16, 2024, our Board of Directors approved a stock repurchase program (the "Share Repurchase Program") that authorizes the Company to repurchase up to $20.0 million of the Company's outstanding common stock through June 30, 2026. The Share Repurchase Program superseded the previous authorization, which expired on June 30, 2024. Repurchases under the Share Repurchase Program are subject to market conditions, the periodic capital needs of the Company's operating activities, and the continued satisfaction of all covenants under the Company's existing 2021 Credit Agreement, as amended. Repurchases under the Share Repurchase Program may take place in the open market or in privately negotiated transactions and may be made under a Rule 10b5-1 plan. The Share Repurchase Program does not obligate the Company to repurchase shares and may be suspended, terminated, or modified at any time at the discretion of the Board. As of March 31, 2025, the Company had repurchased and retired approximately $4.1 million, or 553,745 shares, of the Company's outstanding common stock under the Share Repurchase Program.

12. Share-Based Compensation

The following tables summarize the activity during the period under the Company's 2014 Amended and Restated Stock Incentive Plan (the "2014 Plan") and 2021 Equity Incentive Plan (the "2021 Plan").

Restricted Stock Awards

	Number of shares	Weighted average grant date fair value
Unvested at December 31, 2024	503,894	$ 8.55
Granted	128,982	6.24
Vested	(41,406)	10.58
Vested shares forgone to satisfy minimum statutory withholding	(22,594)	10.58
Forfeitures	(1,401)	9.04
Unvested at March 31, 2025	567,475	$ 7.80

	Three Months Ended March 31,	
	2025	2024
Weighted average grant date fair value of awards granted	$ 6.24	$ 9.09
Total fair value of shares vested	$ 349,777	$ 641,823
Total fair value of shares forgone to satisfy minimum statutory withholding	$ 190,863	$ 365,697

Performance-Based Restricted Stock Units (“PSU”)

	Number of shares	Weighted average grant date fair value
Unvested at December 31, 2024	189,221	$ 7.92
Forfeitures	(71,639)	11.59
Unvested at March 31, 2025	117,582	$ 5.69

There were no PSU's granted or that vested during the three months ended March 31, 2025 and 2024, respectively.

Stock Options

2014 Plan (Options)	Number of Authorized Shares		Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in Years)		Aggregate Intrinsic Value
Outstanding at December 31, 2024	535,667	$	7.00	3.57	$	1,588,137
Exercised	(7,024)		2.60			
Exercised shares forgone to satisfy minimum statutory withholding	(7,458)		2.60			
Shares tendered for cashless exercise	(10,518)		2.60			
Forfeitures and expirations	(50,000)		6.82			
Outstanding at March 31, 2025	460,667	$	7.25	3.87	$	567,401
Exercisable at March 31, 2025	460,667	$	7.25	3.87	$	567,401

Aggregate Intrinsic Value is equal to the excess of market value over the option exercise price of all in-the-money stock options.

2021 Plan (Options)	Number of Authorized Shares		Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in Years)		Aggregate Intrinsic Value
Outstanding at December 31, 2024	1,840,786	$	8.93	8.54	$	1,504,894
Granted	250,789		6.23			
Forfeitures and expirations	(2,441)		9.05			
Outstanding at March 31, 2025 (a)	2,089,134	$	8.61	8.49	$	—
Exercisable at March 31, 2025 (a)	620,807	$	11.75	7.34	$	—

(a) Aggregate Intrinsic Value - no exercisable options were in-the-money as of March 31, 2025.

Aggregate Intrinsic Value is equal to the excess of market value over the option exercise price of all in-the-money stock options.

The following is the average fair value per share estimated on the date of grant and the assumptions used for options granted:

	Three Months Ended March 31,	
Stock Options:	2025	2024
Expected volatility	46%	50% to 51%
Risk free interest rate	4.01%	4.25% to 4.28%
Expected lives at date of grant (in years)	4.22	4.06
Weighted average fair value of options granted	$2.63	$3.97
Total intrinsic value of options exercised	$89,500	$—

13. Leases

As Lessee

The Company's operating leases are primarily for office space, service facility centers and equipment under operating lease arrangements that expire at various dates over the next six years. The Company's leases do not contain any restrictive covenants. The Company's office leases generally contain renewal options for periods ranging from one to five years. Because the Company is not reasonably certain to exercise these renewal options, the options are not considered in determining the lease term, and payments associated with the option years are excluded from lease payments. The Company's office leases do not contain any material residual value guarantees. The Company's equipment leases generally do not contain renewal options.

Payments due under the Company's operating leases include fixed payments as well as variable payments. For the Company's office leases, variable payments include amounts for the Company's proportionate share of operating expenses, utilities, property taxes, insurance, common area maintenance and other facility-related expenses. For the Company's equipment leases, variable payments may consist of sales taxes, property taxes and other fees.

The components of lease costs for the three months ended March 31, 2025 and 2024 are as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
Operating lease cost	$ 502	$ 473
Variable lease cost	159	75
Total lease cost	$ 661	$ 548

Supplemental cash flow information and non-cash activity related to the Company's leases are as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities and right of use assets:		
Operating cash flow from operating leases	$ 615	$ 530
Right of use assets obtained in exchange for lease obligations:		
Operating leases	$ 37	$ —
Increases to right of use assets resulting from lease modifications:		
Operating leases	$ 344	$ —

Weighted average remaining lease terms and discount rates for the Company's operating leases are as follows:

	As of March 31,	
	2025	2024
	Years	Years
Weighted average remaining lease term:	5.1	6.0
	Rate	Rate
Weighted average discount rate:	7.6%	7.8%

Future maturities of lease liabilities as of March 31, 2025 are as follows (in thousands):

	Operating Leases
2025	$ 1,415
2026	1,903
2027	1,627
2028	1,504
2029	1,396
2030 and thereafter	1,091
Total undiscounted lease payments	8,936
Less: Imputed interest	(3,019)
Total lease liabilities	$ 5,917

The long-term portion of the lease liabilities included in the amounts above is $4.5 million with the remainder included in other current liabilities in the condensed consolidated balance sheets.

As Lessor:

We lease medical equipment to customers, often in conjunction with arrangements to provide consumable medical products. Certain of our equipment leases are classified as sales-type leases and the remainder are operating leases. The terms of the related contracts, including the proportion of fixed versus variable payments and any options, varies by customer. The Company elected the "combining lease and non-lease components" practical expedient for all qualifying non-lease components.

The components of the Company's lease revenues consisted of the following (in thousands) for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
Net operating lease revenue	$ 7,703	$ 6,111
Sales-type lease revenue	88	257
Total lease revenue	$ 7,791	$ 6,368

The components of our net investment in sales-type leases as of March 31, 2025 and December 31, 2024 were (in thousands):

	March 31, 2025	December 31, 2024
Lease receivable	$ 1,683	$ 1,934
Net investment in leases	$ 1,683	$ 1,934

Our net investment in sales-type leases is classified as follows in the accompanying condensed consolidated balance sheets as of March 31, 2025 and December 31, 2024 were (in thousands):

	March 31, 2025	December 31, 2024
Accounts receivable, net	$ 1,237	$ 1,207
Other assets	446	727
Total	$ 1,683	$ 1,934

Future maturities of sales-type leases as of March 31, 2025 are as follows (in thousands):

	Sales-Type Leases
2025	$ 1,044
2026	716
2027	88
2028	1
2029	—
Thereafter	—
Total undiscounted lease payments	1,849
Less: Imputed interest	(166)
Total lease receivables	$ 1,683

14. Business Segment Information

The Company's reportable segments are organized based on service platforms, with the Patient Services segment reflecting higher margin rental revenues that generally include payments made by third-party and direct payers and the Device Solutions segment reflecting lower margin product sales, direct payer rental and services revenues. Resources are allocated and performance is assessed for these segments by the Company's Chief Executive Officer, whom the Company has determined to be its CODM. The CODM uses gross profit for each segment predominantly in the annual budget and forecasting process and considers budget-to-actual variances on a quarterly basis when making operating and capital resource allocation decisions among each segment.

The financial information summarized below is presented by reportable segment for the three months ended March 31, 2025 and 2024:

2025

(in thousands)	Patient Services	Device Solutions	Corporate/ Eliminations	Total
Net revenues - external	$ 20,774	$ 13,942	$ —	$ 34,716
Net revenues - internal	—	1,882	(1,882)	—
Total net revenues	20,774	15,824	(1,882)	34,716
Significant Segment Expenses:				
Supplies and material costs	5,533	4,548	(1,882)	8,199
Employee-related expenses	—	4,316	—	4,316
Depreciation	1,834	943	—	2,777
Other segment items (a)	222	35	—	257
Gross profit	$ 13,185	$ 5,982	$ —	$ 19,167
Selling, general and administrative expenses				18,549
Interest expense				(336)
Other expense				(29)
Income before income taxes				$ 253
Total assets	$ 53,928	$ 48,354	$ 2,000	$ 104,282
Purchases of medical equipment	$ 1,776	$ 1,508	$ —	$ 3,284
Depreciation and amortization of intangible assets	$ 2,082	$ 1,238	$ —	$ 3,320

(a) Other segment items included in Segment gross profit include estimates for medical equipment considered to be missing and other miscellaneous shop expenses.

2024

(in thousands)	Patient Services	Device Solutions	Corporate/ Eliminations	Total
Net revenues - external	$ 18,591	$ 13,404	$ —	$ 31,995
Net revenues - internal	—	1,713	(1,713)	—
Total net revenues	18,591	15,117	(1,713)	31,995
Significant Segment Expenses:				
Supplies and material costs	4,841	5,644	(1,713)	8,772
Employee-related expenses	—	4,447	—	4,447
Depreciation	1,573	772	—	2,345
Other segment items (a)	(97)	54	—	(43)
Gross profit	$ 12,274	$ 4,200	$ —	$ 16,474
Selling, general and administrative expenses				17,319
Interest expense				(456)
Other income				3
Loss before income taxes				$ (1,298)
Total assets	$ 57,996	$ 44,854	$ 2,000	$ 104,850
Purchases of medical equipment	$ 350	$ 1,143	$ —	$ 1,493
Depreciation and amortization of intangible assets	$ 1,856	$ 1,044	$ —	$ 2,900

(a) Other segment items included in Segment gross profit include estimates for medical equipment considered to be missing and other miscellaneous shop expenses.

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

The terms "InfuSystem", the "Company", "we", "our" and "us" used herein refer to InfuSystem Holdings, Inc. and its subsidiaries.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this quarterly report on Form 10-Q are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). 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. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company is identifying certain factors that could cause actual results to differ, perhaps materially, from those indicated by these forward-looking statements. Those factors, risks and uncertainties include, but are not limited to, the effect of disruptions caused by public health emergencies or extreme weather or other climate change-related events on our business, potential changes in healthcare payer mix and overall healthcare reimbursement, including the Centers for Medicare and Medicaid Services ("CMS") competitive bidding and fee schedule reductions, sequestration, concentration of customers, increased focus on early detection of cancer, competitive treatments, dependency on Medicare Supplier Number, availability of chemotherapy drugs, global financial conditions and recessionary risks, rising inflation and interest rates, labor and supply chain disruptions, changes and enforcement of state and federal laws, natural forces, competition, dependency on suppliers, risks in acquisitions & joint ventures, U.S. Healthcare Reform, relationships with healthcare professionals and organizations, technological changes related to infusion therapy, the Company's ability to implement information technology improvements and to respond to technological changes, the ability of the Company to successfully integrate acquired businesses, dependency on key personnel, systemic pressures in the banking sector, including disruptions to credit markets, dependency on banking relations and the ability to comply with our credit facility covenants, the Company's ability to remediate its previously disclosed material weaknesses in internal control over financial reporting, and other risks associated with our common stock, as well as any litigation in which the Company may be involved from time to time; and other risk factors as discussed in the Company's annual report on Form 10-K for the year ended December 31, 2024 filed on March 11, 2025, this quarterly report on Form 10-Q and in other filings made by the Company from time to time with the Securities and Exchange Commission ("SEC"). Our annual report on Form 10-K is available on the SEC's EDGAR website at www.sec.gov, and a copy may also be obtained by contacting the Company. All forward-looking statements made in this Form 10-Q speak only as of the date of this report. We do not intend, and do not undertake any obligation, to update any forward-looking statements to reflect future events or circumstances after the date of such statements, except as required by law.

Overview

We are a leading national healthcare service provider, facilitating outpatient care for Durable Medical Equipment manufacturers and healthcare providers. We provide our products and services to hospitals, oncology practices, ambulatory surgery centers, and other alternate site healthcare providers. Our headquarters is in Rochester Hills, Michigan, and we operate our business from a total of seven locations in the U.S. and Canada. We deliver local, field-based customer support as well as operate pump service and repair Centers of Excellence in Michigan, Kansas, California, Massachusetts, Texas and Ontario, Canada. InfuSystem is accredited by the Community Health Accreditation Partner (CHAP) and is ISO 9001 certified at our Kansas, Michigan, Massachusetts, Canada and Santa Fe Springs, California locations as well as ISO 13485 certified at our Bakersfield, California location.

InfuSystem competes for and retains its business primarily on the basis of its long participation and strong reputation in the Durable Medical Equipment space, its long-standing relationships with Durable Medical Equipment manufacturers and its healthcare provider customers, and the high levels of service it provides. Current barriers to entry for potential competitors are created by our: (i) growing number of third-party payer networks under contract; (ii) economies of scale, which allow for predictable reimbursement and less costly purchase and management of the pumps, respectively; (iii) established, long-standing relationships as a provider of pumps to outpatient oncology practices in the U.S. and Canada; (iv) pump fleet of ambulatory and large volume infusion pumps for rent and for sale, which may allow us to be more responsive to the needs of physicians, outpatient oncology practices, hospitals, outpatient surgery centers, homecare practices, patient rehabilitation centers and patients than a new market entrant; (v) seven geographic locations in the U.S. and Canada that allow for same day or next day delivery of pumps; (vi) growing team of field-based and traveling biomedical technicians; and (vii) a wide array of pump repair and service capabilities. We do not perform any research and development on pumps, but we have made, and continue to make investments in our information technology.

Patient Services Segment

Our Patient Services segment's core purpose is to seek opportunities to leverage our unique know-how in clinic-to-home healthcare involving Durable Medical Equipment, our logistics and billing capabilities, our growing network of third-party payers under contract, and our clinical and biomedical capabilities. This leverage may take the form of new products and/or services, strategic alliances, joint ventures or acquisitions. The leading service within our Patient Services segment is our Oncology Business. Colorectal cancer is the third most prevalent form of cancer in the U.S., according to the American Cancer Society, and the standard of care for the treatment of colorectal cancer relies upon continuous chemotherapy infusions delivered via ambulatory infusion pumps. One of the goals for the Patient Services segment is to expand into treatment of other types of cancers. There are a number of approved treatment protocols for pancreatic, head and neck, esophageal and other types of cancers, as well as other disease states which present opportunities for growth. There are also a number of other drugs currently approved by the FDA, as well as agents in the pharmaceutical development pipeline, which we believe could potentially be used with continuous infusion protocols for the treatment of diseases other than colorectal cancer. Additional drugs or protocols currently in clinical trials may also obtain regulatory approval over the next several years. If these new drugs or protocols obtain regulatory approval for use with continuous infusion protocols, we expect the pharmaceutical companies to focus their sales and marketing efforts on promoting the new drugs and protocols to physicians.

Furthermore, our Oncology Business focuses mainly on the continuous infusion of chemotherapy. Continuous infusion of chemotherapy can be described as the gradual administration of a drug via a small, lightweight, portable infusion pump over a prolonged period of time. A cancer patient can receive his or her medicine anywhere from one to 30 days per month depending on the chemotherapy regimen that is most appropriate to that individual's health status and disease state. This may be followed by periods of rest and then repeated cycles with treatment goals of progression-free disease survival. This drug administration method has replaced intravenous push or bolus administration in specific circumstances. The advantages of slow continuous low doses of certain drugs are well documented. Clinical studies support the use of continuous infusion chemotherapy for decreased toxicity without loss of anti-tumor efficacy. The NCCN Guidelines recommend the use of continuous infusion for treatment of numerous cancer diagnoses. We believe that the growth of continuous infusion therapy is driven by three factors: evidence of improved clinical outcomes; lower toxicity and side effects; and a favorable reimbursement environment.

The use of continuous infusion has been demonstrated to decrease or alter the toxicity of a number of cytotoxic, or cell killing agents. Higher doses of drugs can be infused over longer periods of time, leading to improved tolerance and decreased toxicity. Nausea, vomiting, diarrhea and decreased white blood cell and platelet counts are all affected by duration of delivery. Continuous infusion can lead to improved tolerance and patient comfort while enhancing the patient's ability to remain on the chemotherapy regimen. Additionally, the lower toxicity profile and resulting reduction in side effects enables patients undergoing continuous infusion therapy to continue a relatively normal lifestyle, which may include continuing to work, going shopping, and caring for family members. We believe that the partnering of physician management and patient autonomy provide for the highest quality of care with the greatest patient satisfaction.

We believe that oncology practitioners have a heightened sensitivity to providing quality service and to their ability to obtain reimbursement for services they provide. Simultaneously, CMS and private insurers are increasingly focused on evidence-based medicine to inform their reimbursement decisions — that is, aligning reimbursement with clinical outcomes and adherence to standards of care. Continuous infusion therapy is a main component of the standard of care for certain types of cancers because clinical evidence demonstrates superior outcomes. Payers' recognition of this benefit is reflected in their relative reimbursement policies for clinical services related to the delivery of this care.

Additional areas of focus for our Patient Services segment are as follows:

- Pain Management: providing our ambulatory pumps, products, and services for pain management in the area of post-surgical continuous peripheral nerve block.
- Wound Care: launched in November 2022, the Company established a partnership, SI Healthcare Technologies, LLC ("SI Healthcare"), with Sanara MedTech Inc. ("Sanara"). The partnership focuses on delivering a complete wound care solution targeted at improving patient outcomes, lowering the cost of care, and increasing patient and provider satisfaction. The partnership enables InfuSystem to offer innovative products including Cork and Genadyne Biotechnologies Inc. NPWT devices and supplies and Sanara's advanced wound care product line to new customers through the jointly controlled entity.
- Acquisitions: we believe there are opportunities to acquire smaller, regional healthcare service providers, in whole or in part that perform similar services to us but do not have the national market access, network of third-party payer contracts or operating economies of scale that we currently enjoy. We may also pursue acquisition opportunities of companies that perform similar services, but offer different therapies or utilize different devices.
- Information technology-based services: we also plan to continue to capitalize on key new information technology-based services such as EXPRESS, InfuBus or InfuConnect, Pump Portal, DeviceHub and BlockPain Dashboard®.

The payer environment within our Patient Services segment is in a constant state of change. We continue to extend our considerable breadth of payer networks under contract as patients move into different insurance coverage plans, including Medicaid and Insurance Marketplace products. In some cases, this may slightly reduce our aggregate billed revenues payment rate but result in an overall increase in collected revenues, due to a reduction in concessions. Consequently, we are increasingly focused on net revenues less concessions.

Device Solutions Segment

Our Device Solutions segment's core service is to: (i) sell or rent new and pre-owned pole-mounted and ambulatory infusion pumps and other Durable Medical Equipment; (ii) sell treatment-related consumables; and (iii) provide biomedical recertification, maintenance and repair services for oncology practices as well as other healthcare site settings, including, home care and home infusion providers, skilled nursing and acute care facilities, pain centers and others. We purchase new and pre-owned pole-mounted and ambulatory infusion pumps from a variety of sources on a non-exclusive basis. We repair, refurbish and provide biomedical certification for the devices as needed. The pumps are then available for sale, rental or to be used within our ambulatory infusion pump management service. Our acquisition of FilAMed, a privately-held biomedical services company, on January 31, 2021 has supplemented the Company's existing biomedical recertification, maintenance and repair services for acute care facilities and other alternate site settings, including, home care and home infusion providers, skilled nursing facilities, pain centers and others. Our acquisition of OB Healthcare, a privately-held biomedical services company, on

April 18, 2021 further develops and expands InfuSystem's Device Solutions segment by adding field service capabilities and complements the Company's purchase of FilAMed.

InfuSystem Holdings, Inc. Results of Operations for the Three Months Ended March 31, 2025 Compared to the Three Months Ended March 31, 2024

The following represents the Company's results of operations for the three months ended March 31, 2025 and 2024:

(in thousands, except share and per share data)	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Better/ (Worse)
Net revenues:			
Patient Services	$ 20,774	$ 18,591	$ 2,183
Device Solutions	15,824	15,117	707
Less: elimination of inter-segment revenues (a)	(1,882)	(1,713)	(169)
Total Device Solutions	13,942	13,404	538
Total	34,716	31,995	2,721
Gross profit:			
Patient Services	13,185	12,274	911
Device Solutions	5,982	4,200	1,782
Total	19,167	16,474	2,693
Selling, general and administrative expenses:			
Amortization of intangibles	248	248	—
Selling and marketing	2,985	3,376	391
General and administrative	15,316	13,695	(1,621)
Total selling, general and administrative expenses	18,549	17,319	(1,230)
Operating income (loss)	618	(845)	1,463
Other expense	(365)	(453)	88
Income (loss) before income taxes	253	(1,298)	1,551
(Provision for) benefit from income taxes	(520)	186	(706)
Net loss	$ (267)	$ (1,112)	$ 845
Net loss per share:			
Basic	$ (0.01)	$ (0.05)	$ 0.04
Diluted	$ (0.01)	$ (0.05)	$ 0.04
Weighted average shares outstanding:			
Basic	21,125,019	21,225,768	(100,749)
Diluted	21,125,019	21,225,768	(100,749)

(a) Inter-segment allocations are for cleaning and repair services performed on medical equipment.

Net Revenues

Net revenues for the three-month period ended March 31, 2025 ("three-month period of 2025") were $34.7 million, an increase of $2.7 million, or 8.5%, compared to $32.0 million for the three-month period ended March 31, 2024 ("three-month period of 2024"). The increase included higher net revenues for both the Patient Services and Device Solutions segments.

Patient Services

Patient Services net revenue of $20.8 million increased $2.2 million, or 11.7%, during the three-month period of 2025 compared to the same prior year period. This increase was primarily attributable to additional treatment volume and increased third-party payer collections totaling $2.3 million offset partially by $0.1 million lower revenue from sales-type leases of NPWT pumps. The improved volume and collections benefited Oncology revenue by $1.7 million or 10.3%, Pain Management revenue by $0.1 million, or 8.7%, and Wound Care treatment revenue by $0.5 million, or 105.2%.

Device Solutions

Device Solutions net revenue of $13.9 million increased $0.5 million, or 4.0%, during the three-month period of 2025 compared to the same prior year period. This increase included higher rental revenue totaling $0.9 million, or 19.2% offset partially by lower medical equipment sales, which decreased by $0.3 million, or 12.0% and lower biomedical services revenue, which decreased by $0.2 million, or 4.0%. The increase in rental revenue was mainly attributable to new customers added during and since the prior year period. Lower medical equipment sales were due to a large sale in the prior year to an existing rental customer and reflects how timing for large contracts can vary from quarter-to-quarter. Lower biomedical services revenue reflected a reduction in devices under contract with GE Healthcare offset partially by additional volume with other customers.

Gross Profit

Gross profit of $19.2 million for the three-month period of 2025 increased $2.7 million, or 16.3%, from $16.5 million for the three-month period of 2024. This increase was due to the increase in net revenues and by a higher gross margin. Gross profit increased for both the Patient Services and Device Solutions segments. Gross margin increased to 55.2% during the three-month period of 2025 compared to 51.5% during the same prior year period. Gross margin was higher for the Device Solutions Segment but lower for the Patient Services Segment.

Patient Services

Patient Services gross profit was $13.2 million during the three-month period of 2025, representing an increase of $0.9 million, or 7.4%, compared to the same prior year period. The improvement reflected increased net revenue offset partially by a lower gross margin, which decreased from the prior year by 2.5% to 63.5%. The decrease in gross margin reflected higher pump disposal expenses and unfavorable product mix favoring lower gross margin revenues. These impacts were partially offset by increased third-party payer collections and improved coverage of fixed costs from higher net revenue. The unfavorable gross margin mix was mainly related to the increase in revenue related to wound care treatment revenue, which has lower average gross margin than other Patient Services revenue categories. Pump disposal expenses, which include retirements of damaged pumps and reserves for missing pumps, increased by $0.3 million during the three-month period of 2025 compared to the prior year period.

Device Solutions

Device Solutions gross profit during the three-month period of 2025 was $6.0 million, representing an increase of $1.8 million, or 42.4%, compared to the same prior year period. The improvement reflected increased net revenue and higher gross margin. The Device Solutions gross margin was 42.9% during the current period, which was 11.6% higher than the same prior year period. This increase was attributable to favorable product mix favoring higher gross margin revenues, such as rental revenue, and improved cost efficiency in biomedical services.

Selling and Marketing Expenses

Selling and marketing expenses for the three-month period of 2025 were $3.0 million, representing a decrease of $0.4 million, or 11.6%, compared to selling and marketing expenses for the three-month period of 2024. Selling and marketing expenses consist of sales personnel salaries, commissions and associated fringe benefit and payroll-related items, marketing, travel and entertainment and other miscellaneous expenses. Selling and marketing expenses as a percentage of net revenues was 8.6% representing a decrease from the prior year period amount of 10.6%. This decrease reflected a reduction in sales team members and improved coverage of fixed costs from higher net revenues.

General and Administrative Expenses

General and administrative ("G&A") expenses for the three-month period of 2025 were $15.3 million, an increase of $1.6 million, or 11.8%, from the three-month period of 2024. G&A expenses during these periods consisted primarily of accounting, administrative, third-party payer billing and contract services, customer service, nurses on staff, new product services, service center personnel salaries, fringe benefits and other payroll-related items, professional fees, legal fees, stock-based compensation, insurance and other miscellaneous items. Additionally, the amount for 2025 included a one-time accrued severance expense of $1.0 million for the Company's outgoing CEO, which was substantially in accordance with his employment agreement. This amount was higher than the total of one-time expenses in 2024 which included a $0.6 million payment to a former member of the board of directors related to a Cooperation Agreement and a one-time payment to the Company's former audit firm for services related to their consent to include their prior year audit report in our 2023 annual report totaling $0.3 million. The remaining increase, net of these amounts of $1.5 million, included $0.5 million of expenses related to a project to upgrade the Company's information technology and business applications in 2025 but not in 2024 since the project began in the second half of 2024, additional personnel directly related to the increased net revenue including revenue cycle personnel totaling $0.4 million and a $0.2 million increase in the company's bad debt accrual which was a benefit in the prior year but an expense amount during 2025. Other increased expenses totaling $0.4 million were indirectly associated with revenue volume growth including the cost of additional personnel, information technology and general business expenses and included inflationary increases. G&A expenses as a percentage of net revenues for the three-month period of 2025 increased to 44.1% compared to 42.8% for the same prior year period.

Other Expenses

During the three-month period of 2025, other income and expense included interest expense of $0.3 million, which was $0.1 million lower than interest expense for the three-month period of 2024. This decrease was due to a decrease in outstanding borrowings on the 2021 Credit Agreement, as amended, (defined below) revolving line of credit.

(Provision For) Benefit From Income Taxes

During the three-month period of 2025, the Company recorded a provision for income taxes totaling $0.5 million on pre-tax income of $0.3 million representing an effective tax rate of 205%. The tax amount was higher than the pre-tax income amount due to significant non-deductible expenses including the severance expense for the outgoing CEO which exceeded the annual deduction limitation for officer compensation. Non-deductible expenses also included a shortfall in the amount of stock compensation expense recognizable for tax purposes verses the amount recognized for book purposes. Together, these items impacted tax expense by $0.4 million, or 173% of pre-tax income. During the three-month period of 2024, the Company recorded a benefit from income taxes totaling $0.2 million on pre-tax loss of $1.3 million, representing an effective tax rate of 14%. During 2024, there were no severance expenses subject to the annual compensation limitation. Also during 2024, the tax expense amount included an impact from a shortfall in stock compensation expense for tax purposes totaled $0.2 million, or 16% of the pre-tax loss. The tax expense amounts for both years also differed from the U.S. statutory amounts due to the effects of local, state and foreign jurisdiction income taxes and limitations on the deductions of certain expenses including meals and entertainment expense.

Liquidity and Capital Resources

Overview

We finance our operations and capital expenditures with cash generated from operations and borrowings under our existing credit agreement. On February 5, 2021, we and certain of our subsidiaries, as borrowers, entered into a Credit Agreement (the "2021 Credit Agreement") with JPMorgan Chase Bank, N.A., as administrative agent, sole bookrunner and sole lead arranger (the "Agent"), and the lenders party thereto, which replaced our then existing credit facility. On April 26, 2023, the Company entered into a First Amendment to the 2021 Credit Agreement (the "First Amendment") with the Agent and the lenders party thereto, which amended the 2021 Credit Agreement. See Note 7 (Debt) in the notes to the accompanying unaudited condensed consolidated financial statements for additional information regarding the 2021 Credit Agreement and the First Amendment.

The following table summarizes our available liquidity (in thousands):

Liquidity

	March 31, 2025	December 31, 2024
Cash and cash equivalents	$ 1,506	$ 527
Availability on revolving facility	46,052	50,876
Available liquidity	$ 47,558	$ 51,403

Our liquidity and borrowing plans are established to align with our financial and strategic planning processes and ensure we have the necessary funding to meet our operating commitments, which primarily include the purchase of medical equipment, inventory, payroll and general expenses. We also take into consideration our overall capital allocation strategy, which includes investment for future organic growth, potential acquisitions and share repurchases. We believe we have adequate sources of liquidity and funding available to meet our liquidity requirements for at least the next year from the filing date of this report, as well as for our currently anticipated long-term needs, including our long-term lease obligations discussed above in Note 13 (Leases) in the notes to the accompanying unaudited condensed consolidated financial statements. However, any projections of future earnings and cash flows are subject to substantial uncertainty, including factors such as the successful execution of our business plan and general economic conditions. We may need to access debt and equity markets in the future if unforeseen costs or opportunities arise, to meet working capital requirements, fund acquisitions or investments or repay indebtedness under the 2021 Credit Agreement, as amended. If we need to obtain new debt or equity financing in the future, the terms and availability of such financing may be impacted by economic and financial market conditions as well as our financial condition and results of operations at the time we seek additional financing.

Long-Term Debt Activities:

The following table illustrates the net availability under the revolving credit facility ("Revolving Facility") under the 2021 Credit Agreement, as amended, as of the applicable balance sheet date (in thousands):

	March 31, 2025	December 31, 2024
Revolving Facility:		
Gross availability	$ 75,000	$ 75,000
Outstanding draws	(28,948)	(24,124)
Availability on Revolving Facility	$ 46,052	$ 50,876

As of March 31, 2025, amounts outstanding under the Revolving Facility provided under the 2021 Credit Agreement, as amended, bear interest at a variable rate equal to, at the Company's election, Adjusted Term SOFR for Term Benchmark loans or an Alternative Base Rate for ABR loans, as defined by the First Amendment, plus a spread that will vary depending upon the Company's leverage ratio. The spread ranges from 2.00% to 3.00% for Term Benchmark Loans and 1.00% to 2.00% for base rate loans. The weighted-average Term Benchmark loan rate at March 31, 2025 was 6.42% (Adjusted Term SOFR of 4.32% plus 2.10%). The actual ABR loan rate at March 31, 2025 was 8.50% (lender's prime rate of 7.50% plus 1.00%). As of March 31, 2025, the Company was in compliance with all debt-related covenants under the 2021 Credit Agreement, as amended.

Share Repurchase Program

On May 16, 2024, our Board of Directors approved a stock repurchase program (the "Share Repurchase Program") that authorizes the Company to repurchase up to $20.0 million of the Company's outstanding common stock through June 30, 2026. The Share Repurchase Program superseded the previous authorization, which expired on June 30, 2024. Repurchases under the Share Repurchase Program are subject to market conditions, the periodic capital needs of the Company's operating activities, and the continued satisfaction of all covenants under the Company's existing 2021 Credit Agreement, as amended. Repurchases under the Share Repurchase Program may take place in the open market or in privately negotiated transactions and may be made under a Rule 10b5-1 plan. The Share Repurchase Program does not obligate the Company to repurchase shares and may be suspended, terminated, or modified at any time at the discretion of the Board.

As of March 31, 2025, the Company had repurchased and retired approximately $4.1 million, or 553,745 shares, of the Company's outstanding common stock under the Share Repurchase Program.

Cash Flows:

The following table summarizes our cash flows (in thousands):

	Three Months Ended March 31,		
In millions	**2025**	**2024**	**2025 vs. 2024**
Net cash provided by operating activities	$ 1,780	$ 377	$ 1,403
Net cash used in investing activities	$ (2,661)	$ (418)	$ (2,243)
Net cash provided by financing activities	$ 1,860	$ 632	$ 1,228

Operating Cash Flow. Operating cash flows provided $1.8 million in cash during the three-month period of 2025 and $0.4 million of cash during the three-month period of 2024. This $1.4 million favorable difference was attributable to an increase in net income (loss) adjusted for non-cash items, which was income of $4.2 million during the three-month period of 2025 compared to income of $1.9 million during the three-month period of 2024, an increase of $2.3 million. This amount was partially offset by an increase in cash used to fund working capital items, which was $2.4 million during three-month period of 2025 compared to $1.5 million during three-month period of 2024, an increase of $0.9 million. The increase in net income (loss) adjusted for non-cash items, was primarily attributable to higher revenue and gross profit in 2025, offset partially by increased general and administrative expenses described above. The use of cash for working capital items during the three-month period of 2025 included a $2.1 million increase in accounts receivable and a $1.6 million decrease in accounts payable and other liabilities net of capital items. These cash flow sources were partially offset by a $0.7 million decrease in other assets, a $0.4 million decrease in inventories and a $0.1 million decrease in other current assets. The cash used for working capital items during the three-month period of 2024 included a $1.1 million decrease in accounts payable and other liabilities net of capital items, a $0.7 million increase in other current assets, and a $0.2 million increase in accounts receivable. These uses of cash were partially offset by a $0.4 million decrease in other assets and a $0.2 million decrease in inventories.

The increase in accounts receivable during both periods was mainly due to the sequential increase in quarterly revenue during each period. This increase was greater during the three-month period of 2025 when the revenue increased by a higher amount. Accounts payable and other liabilities net of capital items decreased by $1.6 million during the three-month period of 2025 and decreased $1.1 million during the three-month period of 2024, representing a $0.5 million unfavorable cash flow swing, mainly due to an increase in the amount paid in 2025 for the 2024 short-term incentive bonus plan as compared to the amount paid in 2024 for the 2023 short-term incentive bonus plan. The higher increase in inventories during 2025 reflected the higher revenue growth during that period. The higher 2025 decrease in other assets was due to lower long-term lease receivables due to customer payments received and a decrease in the amount of equipment sales on leases during 2025 as compared to 2024.

Investing Cash Flow. Net cash used in investing activities was $2.7 million for the three-month period of 2025 compared to $0.4 million for the three-month period of 2024, an increase of $2.2 million. The increase was due to an increase totaling $1.7 million in cash used to purchase medical equipment and other property and equipment during the three-month period of 2025 compared to the three-month period of 2024. Purchases of medical equipment were higher during 2025 compared to 2024 because a higher portion of the revenue growth in 2024 came from rental revenues that require capital equipment purchases.

Financing Cash Flow. Net cash provided by financing activities for the three-month period of 2025 was $1.9 million compared to $0.6 million for the three-month period of 2024. The amount of cash flow provided by financing activities during 2025 included net revolving line of credit borrowings under the 2021 Credit Agreement totaling $4.8 million and cash proceeds from employee stock option exercises and employee stock purchase plan proceeds totaling $0.2 million. These amounts were partially offset by $2.9 million in cash used to repurchase the Company's common stock and cash used to satisfy statutory withholding on employee stock based compensation plans totaling $0.2 million. Cash provided by financing activities during 2024 primarily related to net revolving line of credit borrowings under the 2021 Credit Agreement totaling $0.8 million and $0.2 million in cash proceeds from employee stock option exercises and employee stock purchase plan proceeds combined. These amounts were partially offset by cash used to satisfy statutory withholding on employee stock based compensation plans totaling $0.4 million.

Critical Accounting Policies and Estimates

The unaudited condensed consolidated financial statements are prepared in conformity with GAAP, which require the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses in the periods presented. We believe that the accounting estimates employed are appropriate and resulting balances are reasonable; however, due to inherent uncertainties in making estimates, actual results could differ from the original estimates, requiring adjustments to these balances in future periods. The critical accounting estimates that affect the unaudited condensed consolidated financial statements and the judgments and assumptions used are consistent with those described in the notes to the audited consolidated financial statements in our annual report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 11, 2025. There have been no material changes to our critical accounting policies described in the notes to the audited consolidated financial statements in our annual report on Form 10-K for the year ended December 31, 2024.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk from changes in foreign currency exchange rates and short-term interest rates. Market risks for changes in interest rates relate primarily to our debt obligations under our 2021 Credit Agreement. Foreign currency exchange risks are attributable to sales to foreign customers and purchases from foreign suppliers not denominated in our functional currency, which is the U.S. Dollar ("USD") and include exposures primarily to the Canadian Dollar.

The Company periodically enters into derivative contracts with the objective of managing its financial and operational exposure arising from these risks by offsetting gains and losses on the underlying exposures with gains and losses on the financial instruments used to hedge them. We did not have any foreign currency derivative contracts outstanding at any time during the three months ended March 31, 2025. The maximum length of time over which we hedge our exposure to short-term interest rate risk is equal to the remaining term for the debt obligation being hedged. We had interest rate derivative contracts with a notional value of $20.0 million as of both March 31, 2025 and December 31, 2024.

We do not enter into derivative financial instruments for speculative or trading purposes. Our hedging relationships are formally documented at the inception of the hedge, and hedges must be highly effective in offsetting changes to future cash flows on hedged transactions both at the inception of a hedge and on an ongoing basis to be designated for hedge accounting treatment. For derivative contracts, which can be classified as a cash flow hedge, the effective portion of the change in the fair value of the derivative is recorded to accumulated other comprehensive income in the condensed consolidated balance sheets. When the underlying hedge transaction is realized, the gain or loss included in accumulated other comprehensive income is recorded in earnings in the condensed consolidated statements of operations and comprehensive income on the same line as the gain or loss on the hedged item attributable to the hedged risk. We record the ineffective portion of interest rate hedging instruments, if any, to interest expense in the condensed consolidated statements of operations and comprehensive income. See Note 8 to our condensed consolidated financial statements for information related to the fair values of derivative instruments in our condensed consolidated balance sheets as of March 31, 2025 and December 31, 2024, respectively, and information related to the effect of derivative instruments included in our condensed consolidated statements of operations and comprehensive income including the amount of unrealized gains or (losses) associated with our interest rate derivatives reported in accumulated other comprehensive income that was reclassified into earnings during the three months ended March 31, 2025 and 2024, respectively.

The Company uses an income approach to value derivative instruments, analyzing quoted market prices to calculate the forward values and then discounting such forward values to the present value using benchmark rates at commonly quoted intervals for the instrument's full term.

In July 2017, the Financial Conduct Authority (the authority that regulates the London Interbank Offered Rate ("LIBOR") announced its intent to stop compelling banks to submit rates for the calculation of LIBOR after 2021, and the administrator of LIBOR announced its intention to cease the publication of the one week and two month USD LIBOR settings immediately following December 31, 2021, and the remaining USD LIBOR settings immediately following the LIBOR publication on June 30, 2023. The one week and two month USD LIBOR settings were last published on December 31, 2021. Additionally, it is expected that banks no longer issue LIBOR-based debt after December 31, 2021. Accordingly, there is considerable uncertainty regarding the publication of such rates beyond these dates. The Alternative Reference Rates Committee ("ARRC") has proposed that the Secured Overnight Financing Rate ("SOFR") is the rate that represents best practice as the alternative to USD LIBOR for use in derivatives and other financial contracts that are currently indexed to USD LIBOR. ARRC has proposed a paced market transition plan to SOFR from USD LIBOR and organizations are currently working on industry-wide and company-specific transition plans as it relates to derivatives and cash markets exposed to USD LIBOR. On April 26, 2023, the Company amended its 2021 Credit Agreement with the First Amendment, discussed in Note 7 to the condensed consolidated financial statements, to provide for the replacement of LIBOR with Term SOFR as a benchmark interest rate. Prior to the First Amendment, net revolving loans under the 2021 Credit Agreement were indexed to USD LIBOR. As discussed in Note 8 to the condensed consolidated financial statements, on May 11, 2023, the Company settled its two outstanding interest rate swap agreements, which were indexed to USD LIBOR, and entered into a new interest rate swap agreement indexed to SOFR to coincide with the index change in the 2021 Credit Agreement, as amended. The new swap agreement has a notional value of $20 million, which is equal to the combined notional value of the two settled swap agreements. The term of the new swap agreement, which matches the April 26, 2028 expiration date of the 2021 Credit Agreement, as amended, extends past the term of the settled swap agreements by approximately 26 months. Because of the hedging relationships, a change of 50% in the market rate of SOFR would not have a material impact on our financial results.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures and Changes in Internal Control over Financial Reporting

We maintain a set of disclosure controls and procedures designed to ensure that material information required to be disclosed in our filings under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that material information is accumulated and communicated to our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosures. Our CEO and CFO have evaluated these disclosure controls and procedures as of the end of the period covered by this quarterly report on Form 10-Q and have determined that such disclosure controls and procedures were effective.

There has been no change in our internal control over financial reporting during our most recent calendar quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

We are subject to certain claims and lawsuits in the ordinary course of business, the outcome of which cannot be determined at this time. In the opinion of management, any liability we might incur upon the resolution of these claims and lawsuits will not, in the aggregate, have a material adverse effect on our consolidated financial position or results of operations.

Item 1A. Risk Factors

For information regarding factors that could affect our results of operations, financial condition and liquidity, refer to the section entitled "Risk Factors" in Part I, Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 11, 2025.

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

Purchases of Equity Securities by the Issuer

A summary of our purchases of our common stock during the three months ended March 31, 2025 is as follows:

Period	Total Number of Shares Purchased (a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (b)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands) (b)
January 1, 2025 through January 31, 2025	—	$ —	—	$18,819,906
February 1, 2025 through February 28, 2025	321,885	$ 8.03	301,071	$16,402,306
March 1, 2025 through March 31, 2025	90,153	$ 5.90	80,902	$15,925,147
Total	412,038	$ 7.60	381,973	

(a) Of the 412,038 shares of common stock presented in the table above, 30,065 shares were originally granted to employees and directors as stock options and restricted stock awards. Our stock plans allow for the withholding of shares to satisfy tax obligations due upon the exercise of stock options and vesting of restricted stock. Pursuant to our stock plans, the 30,065 shares reflected above were relinquished by employees or directors in exchange for our agreement to pay U.S. federal, state and local tax withholding obligations resulting from the exercise of the Company's stock options and vesting of the Company's restricted stock.

(b) On May 16, 2024, our Board of Directors approved a stock repurchase program (the "Share Repurchase Program") authorizing the Company to repurchase up to $20.0 million of the Company's outstanding common stock through June 30, 2026, which was announced on May 20, 2024. The Share Repurchase Program supersedes the previous authorization, which was set to expire on June 30, 2024. Repurchases under the Share Repurchase Program will be subject to market conditions, the periodic capital needs of the Company's operating activities, and the continued satisfaction of all covenants under the Company's existing credit agreement. Repurchases under the Share Repurchase Program may take place in the open market or in privately negotiated transactions and may be made under a Rule 10b5-1 plan. The Share Repurchase Program does not obligate the Company to repurchase shares and may be suspended, terminated, or modified at any time. As of March 31, 2025, the Company had repurchased 553,745 shares under the Share Repurchase Program.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended March 31, 2025, no director or officer of the Company, as defined in Rule 16a-1(f) of the Exchange Act, adopted, modified, or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibits	
3.1	Amended and Restated Certificate of Incorporation, as amended (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 1-35020) filed on May 12, 2014).
3.2	Amended and Restated By-Laws (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 1-35020) filed on July 9, 2018).
10.1	Separation Agreement, dated March 31, 2025, by and between the Company and Richard DiIorio (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 1-35020) filed on April 1, 2025).
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted in inline XBRL and contained in Exhibit 101)

*	Filed herewith
**	Furnished herewith

SIGNATURES

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

INFUSYSTEM HOLDINGS, INC.

Date: May 8, 2025	/s/ Richard DiIorio Richard DiIorio Chief Executive Officer and Director (Principal Executive Officer)
Date: May 8, 2025	/s/ Barry Steele Barry Steele Chief Financial Officer (Principal Accounting and Financial Officer)

Exhibit 31.1

CERTIFICATION BY CHIEF EXECUTIVE OFFICER

I, Richard DiIorio, certify that:

1. I have reviewed this quarterly report on Form 10-Q of InfuSystem Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 8, 2025

/s/ Richard DiIorio

Richard DiIorio
Chief Executive Officer and Director

Exhibit 31.2

CERTIFICATION BY CHIEF FINANCIAL OFFICER

I, Barry Steele, certify that:

1. I have reviewed this quarterly report on Form 10-Q of InfuSystem Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Barry Steele

Barry Steele
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), the undersigned officer of InfuSystem Holdings, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The quarterly report on Form 10-Q for the quarter ended March 31, 2025 (the "Form 10-Q") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2025

/s/ Richard DiIorio

Richard DiIorio
Chief Executive Officer and Director

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), the undersigned officer of InfuSystem Holdings, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The quarterly report on Form 10-Q for the quarter ended March 31, 2025 (the "Form 10-Q") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2025

/s/ Barry Steele

Barry Steele
Chief Financial Officer