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# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the Quarterly Period Ended March 31, 2024**

**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 No.: 001-36534**

# IRADIMED CORPORATION

(Exact name of Registrant as specified in its charter)

| **Delaware** | **73-1408526** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification Number) |
| **1025 Willa Springs Drive**<br>**Winter Springs, Florida** | **32708** |
| (Address of principal executive offices) | (Zip Code) |

**(407) 677-8022**

(Registrant's telephone number, including area code)

**N/A**

(Former Name, former address and former fiscal year, if changed since last report)

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

| Title of each class: | Trading Symbol | Name of each exchange on which registered: |
|---|---|---|
| Common stock, par value $0.0001 | IRMD | NASDAQ Capital Market |

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

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

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

| | |
|---|---|
| Large accelerated filer ☐ | Accelerated filer ☐ |
| Non-accelerated filer ☒ | Smaller reporting company ☒ |
| | Emerging growth company ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Yes ☐ No ☐

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

The registrant had 12,664,185 shares of common stock, par value $0.0001 per share, outstanding as of April 30, 2024.

IRADIMED CORPORATION

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## CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (this "Quarterly Report") that are not historical facts may constitute 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"), and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. When used in this Quarterly Report the words "believe," "anticipate," "expect," "may," "will," "assume," "should," "predict," "could," "would," "intend," "targets," "estimates," "projects," "plans," and "potential," and other similar words and expressions of the future, are intended to identify such forward-looking statements, but other statements not based on historical information may also be considered forward-looking, including statements about the Company's future financial and operating results and the Company's plans, objectives, and intentions. All forward-looking statements are subject to risks, uncertainties, and other factors that may cause the actual results, performance, or achievements of the Company to differ materially from any results, performance, or achievements expressed or implied by such forward-looking statements. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause the actual results to differ materially from the statements, including, but not limited to:

- our ability to receive 510(k) clearance for our products and product candidates, complete inspections conducted by the U.S. Food & Drug Administration ("FDA") or other regulatory bodies resulting in favorable outcomes, additional actions by or requests from the FDA, including a request to cease domestic distribution of products, or other regulatory bodies and unanticipated costs or delays associated with the resolution of these matters;
- the timing and likelihood of regulatory approvals or clearances from the FDA or other regulatory bodies and regulatory actions on our product candidates and product marketing activities;
- unexpected costs, expenses and diversion of management attention resulting from actions or requests posed to us by the FDA or other regulatory bodies;
- our primary reliance on a limited number of products;
- our ability to retain the continued service of our key professionals, including key management, marketing and scientific personnel, and to identify, hire and retain such additional qualified professionals;
- our expectations regarding the sales and marketing of our products, product candidates and services;
- our expectations regarding the integrity of our supply chain for our products;
- the potential for adverse application of environmental, health and safety and other laws and regulations of any jurisdiction on our operations;
- our expectations for market acceptance of our new products;
- the potential for our marketed products to be withdrawn due to recalls, patient adverse events or deaths;
- our ability to successfully prepare, file, prosecute, maintain, defend, including in cases of infringement, and enforce patent claims and other intellectual property rights on our products;
- our ability to identify and pursue development of additional products;
- the implementation of our business strategies;
- the potential for exposure to product liability claims;

- our financial performance expectations and interpretations thereof by securities analysts and investors;
- our ability to compete in the development and marketing of our products and product candidates with other companies in our industry;
- difficulties or delays in the development, production, manufacturing and marketing of new or existing products and services, including difficulties or delays associated with obtaining requisite regulatory approvals or clearances associated with those activities;
- changes in laws and regulations or in the interpretation or application of laws or regulations, as well as possible failures to comply with applicable laws or regulations as a result of possible misinterpretations or misapplications;
- cost-containment efforts of our customers, purchasing groups, third-party payers and governmental organizations;
- costs associated with protecting our trade secrets and enforcing our patent, copyright and trademark rights, and successful challenges to the validity of our patents, copyrights or trademarks;
- actions of regulatory bodies and other government authorities, including the FDA and foreign counterparts, that could delay, limit or suspend product development, manufacturing or sales or result in recalls, seizures, consent decrees, injunctions and monetary sanctions;
- costs or claims resulting from potential errors or defects in our manufacturing that may injure persons or damage property or operations, including costs from remediation efforts or recalls;
- the results, consequences, effects or timing of any commercial disputes, patent infringement claims or other legal proceedings or any government investigations;
- interruption in our ability to manufacture our products or an inability to obtain key components or raw materials or increased costs in such key components or raw materials;
- uncertainties in our industry due to the effects of government-driven or mandated healthcare reform;
- competitive pressures in the markets in which we operate;
- potential negative impacts resulting from climate change or other environmental, social and governance and sustainability related matters;
- the impact on our operations and financial results of any public health emergency and any related policies and actions by governments or other third parties;
- breaches or failures of our or our vendors' or customers' information technology systems or products, including by cyber-attack, data leakage, unauthorized access or theft;
- the loss of, or default by, one or more key customers or suppliers;
- unfavorable changes to the terms of key customer or supplier relationships;
- weakening of economic conditions, or the anticipation thereof, that could adversely affect the level of demand for our products;

- geopolitical risks, including from international conflicts and upcoming elections in the United States and other countries, which could, among other things, lead to increased market volatility; and

- other risks detailed in our filings with the United States Securities and Exchange Commission (the "SEC").

These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Forward-looking statements should, therefore, be considered in light of various factors, including those set forth under "Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Quarterly Report, and under "Part I, Item 1A. Risk Factors" and "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the "2023 Annual Report") and those set forth from time to time in our other filings with the SEC. These documents are available through our website or through the SEC's Electronic Data Gathering and Analysis Retrieval system at http://www.sec.gov. In light of such risks and uncertainties, we caution you not to place undue reliance on these forward-looking statements. These forward-looking statements speak only as of the date of this Quarterly Report, or if earlier, as of the date they were made. We do not intend to, and disclaim any obligation to, update or revise any forward-looking statements unless required by securities law.

Unless expressly indicated or the context requires otherwise, references in this Quarterly Report to "IRADIMED," the "Company," "we," "our," and "us" refer to IRADIMED CORPORATION.

## PART I. FINANCIAL INFORMATION

### Item 1. Condensed Financial Statements

**IRADIMED CORPORATION**
**CONDENSED BALANCE SHEETS**

| | March 31, 2024 (unaudited) | December 31, 2023 (audited) |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 45,126,676 | $ 49,762,198 |
| Accounts receivable, net of allowance for credit losses of $ 330,628 as of March 31, 2024, and $368,835 as of December 31, 2023 | 13,026,802 | 12,224,273 |
| Inventory, net | 12,696,160 | 12,821,194 |
| Prepaid expenses and other current assets | 1,035,964 | 1,193,447 |
| Total current assets | 71,885,602 | 76,001,112 |
| Property and equipment, net | 9,451,903 | 9,288,625 |
| Intangible assets, net | 2,669,858 | 2,519,053 |
| Operating lease right-of-use asset | 1,938,427 | 2,043,043 |
| Deferred tax asset, net | 1,883,689 | 2,122,816 |
| Other assets | 184,701 | 181,449 |
| Total assets | $ 88,014,180 | $ 92,156,098 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Current liabilities: | | |
| Accounts payable | $ 1,285,366 | $ 1,857,091 |
| Accrued payroll and benefits | 2,144,221 | 2,775,103 |
| Other accrued taxes | 136,538 | 103,241 |
| Warranty reserve | 115,030 | 117,463 |
| Deferred revenue | 2,338,414 | 2,570,407 |
| Dividend payable | — | 7,975,997 |
| Current portion of operating lease liabilities | 418,814 | 427,963 |
| Other current liabilities | 250,000 | 250,000 |
| Accrued income taxes | 928,287 | 250,041 |
| Total current liabilities | 7,616,670 | 16,327,306 |
| Deferred revenue, non-current | 2,756,435 | 2,793,548 |
| Operating lease liabilities, non-current | 1,519,613 | 1,615,080 |
| Total liabilities | 11,892,718 | 20,735,934 |
| Stockholders' equity: | | |
| Common stock; $0.0001 par value; 31,500,000 shares authorized; 12,664,185 shares issued and outstanding as of March 31, 2024, and 12,660,313 shares issued and outstanding as of December 31, 2023 | 1,266 | 1,265 |
| Additional paid-in capital | 28,725,509 | 28,160,745 |
| Retained earnings | 47,394,687 | 43,258,154 |
| Total Stockholders' Equity | 76,121,462 | 71,420,164 |
| Total liabilities and stockholders' equity | $ 88,014,180 | $ 92,156,098 |

*See accompanying notes to unaudited condensed financial statements.*

**IRADIMED CORPORATION**
**CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME**
**(Unaudited)**

| | For the Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| Revenue | $ 17,598,119 | $ 15,475,083 |
| Cost of revenue | 4,210,396 | 3,753,635 |
| Gross profit | 13,387,723 | 11,721,448 |
| Operating expenses: | | |
| General and administrative | 3,991,211 | 3,920,510 |
| Research and development | 821,000 | 793,716 |
| Sales and marketing | 3,827,165 | 2,999,976 |
| Total operating expenses | 8,639,376 | 7,714,202 |
| Income from operations | 4,748,347 | 4,007,245 |
| Other income, net | 495,154 | 342,409 |
| Income before provision for income taxes | 5,243,501 | 4,349,655 |
| Provision for income tax expense | 1,106,968 | 943,589 |
| Net income | $ 4,136,533 | $ 3,406,066 |
| Net income per share: | | |
| Basic | $ 0.33 | $ 0.27 |
| Diluted | $ 0.32 | $ 0.27 |
| Weighted average shares outstanding: | | |
| Basic | 12,662,526 | 12,593,033 |
| Diluted | 12,749,973 | 12,686,699 |

*See accompanying notes to unaudited condensed financial statements.*

**IRADIMED CORPORATION**
**CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY**
**(Unaudited)**

| | Common Stock | | Additional Paid-in | Retained | Stockholders' |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | Earnings | Equity |
| Balances, December 31, 2023 | 12,660,313 | $ 1,265 | $ 28,160,745 | $ 43,258,154 | $ 71,420,164 |
| Net income | — | — | — | 4,136,533 | 4,136,533 |
| Stock-based compensation expense | — | — | 628,640 | — | 628,640 |
| Net share settlement of restricted stock units | 3,872 | 1 | (63,876) | — | (63,875) |
| Balances, March 31, 2024 | 12,664,185 | $ 1,266 | $ 28,725,509 | $ 47,394,687 | $ 76,121,462 |

| | Common Stock | | Additional Paid-in | Retained | Stockholders' |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | Earnings | Equity |
| Balances, December 31, 2022 | 12,591,004 | $ 1,259 | $ 26,407,446 | $ 47,264,282 | $ 73,672,987 |
| Net income | — | — | — | 3,406,066 | 3,406,066 |
| Dividends paid $1.05 per share | — | — | — | (13,222,907) | (13,222,907) |
| Stock-based compensation expense | — | — | 533,643 | — | 533,643 |
| Net share settlement of restricted stock units | 3,572 | — | (49,877) | — | (49,877) |
| Balances, March 31, 2023 | 12,594,576 | $ 1,259 | $ 26,891,212 | $ 37,447,440 | $ 64,339,911 |

*See accompanying notes to unaudited condensed financial statements.*

**IRADIMED CORPORATION**
**CONDENSED STATEMENTS OF CASH FLOWS**
**(Unaudited)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| Operating activities: | | |
| **Net income** | **$ 4,136,533** | **$ 3,406,066** |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Allowance for credit losses | (38,207) | 180,788 |
| Provision for excess and obsolete inventory | 39,001 | 86,690 |
| Depreciation and amortization | 226,088 | 182,550 |
| Loss on disposal of property and equipment | 207 | — |
| Stock-based compensation | 628,641 | 533,643 |
| Deferred income taxes, net | 917,373 | 78,656 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (764,322) | 1,560,519 |
| Inventory | 93,052 | (1,183,364) |
| Prepaid expenses and other current assets | 157,483 | (75,434) |
| Other assets | (3,252) | 160,940 |
| Accounts payable | (640,320) | 105,448 |
| Accrued payroll and benefits | (630,882) | (1,255,254) |
| Other accrued taxes | 33,297 | (63,332) |
| Warranty reserve | (2,433) | 6,988 |
| Deferred revenue | (269,106) | (76,298) |
| Other current liabilities | — | 250,000 |
| Prepaid income taxes | — | 747,486 |
| **Net cash provided by operating activities** | **3,883,153** | **4,646,092** |
| Investing activities: | | |
| Purchases of property and equipment | (270,566) | (6,395,930) |
| Capitalized intangible assets | (208,237) | (161,084) |
| **Net cash used in investing activities** | **(478,803)** | **(6,557,014)** |
| Financing activities: | | |
| Dividends paid | (7,975,997) | (13,222,907) |
| Taxes paid related to the net share settlement of equity awards | (63,876) | (49,876) |
| **Net cash used in financing activities** | **(8,039,873)** | **(13,272,783)** |
| **Net decrease in cash and cash equivalents** | **(4,635,524)** | **(15,183,706)** |
| Cash and cash equivalents, beginning of period | 49,762,198 | 57,960,864 |
| Cash and cash equivalents, end of period | $ 45,126,674 | $ 42,777,158 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid for income taxes | $ 189,595 | $ — |
| ROU asset recognized in exchange for new lease obligation | $ — | $ 227,980 |
| Operating and short-term lease payments recorded within cash flow provided by operating activities | $ 203,354 | $ — |

*See accompanying notes to unaudited condensed financial statements.*

**IRADIMED CORPORATION**
**Notes to Unaudited Condensed Financial Statements**

## 1 — Basis of Presentation

The accompanying interim condensed financial statements of IRADIMED CORPORATION ("IRADIMED", the "Company," "we," "our" and "us") have been prepared pursuant to the rules and regulations of the SEC. Certain information and footnote disclosures normally presented in annual financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP") have been condensed or omitted pursuant to such rules and regulations. The interim financial information is unaudited, but reflects all normal adjustments that are, in the opinion of management, necessary for the fair presentation of our financial position, results of operations and cash flows for the interim periods presented. Operating results for the three months ended March 31, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024, and other interim periods, or future years or periods.

The accompanying interim condensed financial statements should be read in conjunction with the financial statements and related footnotes to financial statements included in our 2023 Annual Report. The accounting policies followed in the preparation of these interim condensed financial statements, except as described in Note 1 herein, are consistent in all material respects with those described in Note 1 of the 2023 Annual Report.

We operate in one reportable segment, which is the development, manufacture and sale of Magnetic Resonance Imaging ("MRI") compatible medical devices, related accessories, disposables and service for use primarily by hospitals and acute care facilities during MRI procedures.

***Certain Significant Risks and Uncertainties***

We market our products to end users in the United States and to third-party distributors internationally. Sales to end users in the United States are generally made on open credit terms. Management maintains an allowance for potential credit losses.

We have deposited our cash and cash equivalents with various financial institutions. Our cash and cash equivalents balances exceed federally insured limits regularly throughout the year. We have not incurred any losses related to these balances.

Our medical devices require clearance from the FDA and international regulatory agencies prior to commercialized sales. Our future products may not receive required approvals. If we were denied such approvals, or if such approvals were revoked or delayed or if we were unable to timely renew certain approvals for existing products, it would have a materially adverse impact on our business, results of operations and financial condition.

Certain key components of our products essential to their functionality are sole-sourced. Any disruption in the availability of these components would have a materially adverse impact on our business, results of operations and financial condition.

***Recent Accounting Pronouncements***

*Recently Issued Accounting Pronouncements*

In June 2016, the Financial Accounting Standards Board ("FASB") issued accounting standard updates ("ASU") 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which requires the Company to measure and recognize expected credit losses for financial assets held and not accounted for at fair value through net income. In November 2018, April 2019 and May 2019, the FASB issued ASU 2018-19, *Codification Improvements to Topic 326, Financial Instruments - Credit Losses*, ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments - Credit Losses* and ASU 2019-05, *Financial Instruments - Credit Losses (Topic 326): Targeted Transition Relief*, which provided additional implementation guidance on ASU 2016-03. We adopted ASU 2016-03 starting on January 1, 2023 and it did not result in a material impact on our financial condition, results of operations or cash flows.

**2 — Revenue Recognition**

*Disaggregation of Revenue*

We disaggregate revenue from contracts with customers by geographic region and revenue type as we believe it best depicts the nature, amount, timing and uncertainty of our revenue and cash flow.

Revenue information by geographic region is as follows:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| United States | $ 13,408,956 | $ 11,979,523 |
| International | 4,189,163 | 3,495,560 |
| Total revenue | $ 17,598,119 | $ 15,475,083 |

Revenue information by type is as follows:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| Devices: | | |
| MRI Compatible Intravenous ("IV") Infusion Pump Systems | $ 5,192,680 | $ 5,538,817 |
| MRI Compatible Patient Vital Signs Monitoring Systems | 6,461,658 | 4,696,818 |
| Ferro Magnetic Detection Systems | 249,700 | 300,589 |
| Total Devices revenue | 11,904,038 | 10,536,224 |
| Disposables, services and other | 5,206,950 | 4,431,741 |
| Amortization of extended warranty agreements | 487,131 | 507,118 |
| Total revenue | $ 17,598,119 | $ 15,475,083 |

*Contract Liabilities*

Our contract liabilities consist of:

| | March 31, 2024 (unaudited) | December 31, 2023 (audited) |
|---|---|---|
| Advance payments from customers | $ 184,921 | $ 508,956 |
| Shipments in-transit | 14,777 | 15,438 |
| Extended warranty agreements | 4,895,151 | 4,835,966 |
| Total | $ 5,094,849 | $ 5,360,360 |

Changes in the contract liabilities during the periods presented are as follows:

| | Deferred Revenue (unaudited) |
|---|---|
| Contract liabilities, December 31, 2023 | $ 5,360,360 |
| Increases due to cash received from customers | 1,342,418 |
| Decreases due to recognition of revenue | (1,607,929) |
| Contract liabilities, March 31, 2024 | $ 5,094,849 |

| | Deferred Revenue (unaudited) |
|---|---|
| Contract liabilities, December 31, 2022 | $ 4,748,319 |
| Increases due to cash received from customers | 1,100,957 |
| Decreases due to recognition of revenue | (1,192,681) |
| Contract liabilities, March 31, 2023 | $ 4,656,595 |

*Capitalized Contract Costs*

Our capitalized contract costs totaled $165,386 and $162,134 as of March 31, 2024 and December 31, 2023, respectively, and are classified as other assets on the unaudited condensed balance sheets.

**3 — Basic and Diluted Net Income per Share**

Basic net income per share is based upon the weighted-average number of shares of Company common stock, par value $0.0001 (“common stock”), outstanding during the period. Diluted net income per share of common stock reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock. Stock options, restricted stock units and performance-based restricted stock units granted by us represent the only dilutive effect reflected in diluted weighted-average shares of common stock outstanding.

The following table presents the computation of basic and diluted net income per share of common stock:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| Net income | $ 4,136,533 | $ 3,406,066 |
| Weighted-average shares outstanding — Basic | 12,662,526 | 12,593,033 |
| Effect of dilutive securities: | | |
| Stock options | 2,340 | 18,332 |
| Restricted stock units | 49,269 | 44,442 |
| Performance-based restricted stock units | 35,838 | 30,892 |
| Weighted-average shares outstanding — Diluted | 12,749,973 | 12,686,699 |
| Basic net income per share | $ 0.33 | $ 0.27 |
| Diluted net income per share | $ 0.32 | $ 0.27 |

Stock options and restricted stock units excluded from the calculation of diluted net income per share because the effect would have been anti-dilutive are as follows:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| Anti-dilutive stock options and restricted stock units | 719 | 15,396 |

**4 — Inventory, net**

Inventory consists of:

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| | (unaudited) | (audited) |
| Raw materials | $ 10,286,536 | $ 10,833,004 |
| Work in process | 755,441 | 501,191 |
| Finished goods | 2,113,914 | 1,907,729 |
| Inventory before allowance for excess and obsolete | 13,155,891 | 13,241,924 |
| Allowance for excess and obsolete | (459,731) | (420,730) |
| Total | $ 12,696,160 | $ 12,821,194 |

**5 — Property and Equipment, net**

Property and equipment consist of:

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| | (unaudited) | (audited) |
| Land | $ 6,253,790 | $ 6,253,790 |
| Computer software and hardware | 1,429,842 | 1,380,289 |
| Furniture and fixtures | 1,819,354 | 1,757,129 |
| Leasehold improvements | 270,486 | 270,486 |
| Machinery and equipment | 2,585,254 | 2,438,922 |
| Fixed assets in-process | 1,294,264 | 1,257,844 |
| | 13,652,990 | 13,358,460 |
| Accumulated depreciation | (4,201,087) | (4,069,835) |
| Total | $ 9,451,903 | $ 9,288,625 |

Depreciation expense of property and equipment was $ 168,657 and $157,314 for the three months ended March 31, 2024 and 2023, respectively.

*Land Acquisition*

On February 2, 2023, the Company entered into a reinstatement and amendment ("Reinstatement") to the previously announced sale and purchase agreement with O Property, Ltd., a Florida limited partnership, dated as of November 1, 2022, pursuant to which the parties agreed to consummate a sale of real property located in Orange County, Florida. Pursuant to the terms of the Reinstatement, the parties consummated the sale of approximately 26.5 acres of land to the Company for a purchase price of $6,200,000. The property was acquired as a site for future office, assembly, warehouse, and shipping space to accommodate our increased operations and anticipated growth.

Property and equipment, net, information by geographic region is as follows:

| | March 31, 2024 (unaudited) | December 31, 2023 (audited) |
|---|---|---|
| United States | $ 9,133,209 | $ 8,950,580 |
| International | 318,694 | 338,045 |
| Total property and equipment, net | $ 9,451,903 | $ 9,288,625 |

Long-lived assets held outside of the United States consist principally of tooling and machinery and equipment, which are components of property and equipment, net.

**6 — Intangible Assets, net**

The following table summarizes the components of intangible asset balances:

| | March 31, 2024 (unaudited) | December 31, 2023 (audited) |
|---|---|---|
| Patents — in use | $ 321,874 | $ 321,874 |
| Patents — fully amortized | 70,164 | 70,164 |
| Patents — in process | 136,831 | 128,221 |
| Internally developed software — in use | 1,773,721 | 1,773,720 |
| Internally developed software — in process | 1,349,034 | 1,149,409 |
| Trademarks | 27,697 | 27,697 |
| | 3,679,321 | 3,471,085 |
| Accumulated amortization | (1,009,463) | (952,032) |
| Total | $ 2,669,858 | $ 2,519,053 |

Amortization expense of intangible assets was $ 57,432 and $25,236 for the three months ended March 31, 2024 and 2023, respectively.

Expected annual amortization expense for the remaining portion of 2024 and the next five years related to intangible assets is as follows (excludes in process intangible assets):

| | |
|---|---|
| Nine months remaining ending December 31, 2024 | $ 171,897 |
| 2025 | $ 226,160 |
| 2026 | $ 214,444 |
| 2027 | $ 140,731 |
| 2028 | $ 138,129 |
| Thereafter | $ 429,461 |

**7 — Fair Value Measurements**

The fair values of cash equivalents, accounts receivables net, and accounts payable approximate their carrying amounts due to their short duration.

As of March 31, 2024, we did not have any asset or liabilities subject to recurring fair value measurements.

**8 — Stock-Based Compensation**

Stock-based compensation was recognized as follows in the unaudited Condensed Statements of Operations:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| Cost of revenue | $ 58,079 | $ 61,743 |
| General and administrative | 380,783 | 289,384 |
| Sales and marketing | 134,866 | 137,207 |
| Research and development | 54,913 | 45,309 |
| Total | $ 628,641 | $ 533,643 |

As of March 31, 2024, we had (i) $ 3,705,922 of unrecognized compensation cost related to unvested restricted stock units, which is expected to be recognized over a weighted-average period of 2.39 years and (ii) $1,161,564 of unrecognized compensation cost related to unvested performance-based restricted stock units, which is expected to be recognized over a weighted-average period of 2.23 years.

The following table presents a summary of our equity award activity for the three months ended March 31, 2024 (shares):

| | Stock Options | Restricted Stock Units | Performance Based Restricted Stock Units |
|---|---|---|---|
| Outstanding beginning of period | 3,010 | 141,327 | 36,792 |
| Awards granted | — | 881 | — |
| Awards exercised/vested | — | (5,311) | — |
| Awards canceled/ forfeited | — | (661) | — |
| Outstanding end of period | 3,010 | 136,236 | 36,792 |

**9 — Income Taxes**

For the three months ended March 31, 2024, we recorded a provision for income tax expense of $ 1,106,968. Our effective tax rate was 21.1 percent and differed from the U.S. Federal statutory rate primarily due to U.S. state income tax expense, partially offset by benefits from research and development tax credits.

For the three months ended March 31, 2023, we recorded a provision for income tax expense of $ 943,589. Our effective tax rate was 21.7 percent, and differed from the U.S. Federal statutory rate primarily due to U.S. state income tax expense, partially offset by benefits from research and development tax credits.

As of March 31, 2024 and December 31, 2023, we had not identified or accrued for any uncertain tax positions. We are currently unaware of any uncertain tax positions that could result in significant payments, accruals, or other material deviations in this estimate over the next 12 months. We believe that our tax positions comply in all material

respects with applicable tax law. However, tax law is subject to interpretation, and interpretations by taxing authorities could be different from ours, which could result in the imposition of additional taxes and penalties.

We file tax returns in the United States Federal jurisdiction and many U.S. state jurisdictions. Our returns are not currently under examination by the Internal Revenue Service. The Company remains subject to income tax examinations for our United States Federal and certain U.S. state income taxes for 2019 and subsequent years.

**10 — Leases**

We have entered into operating lease contracts for our manufacturing plant, office space, and various office equipment with three material lease contracts outstanding.

In January 2014, we entered into a non-cancelable operating lease, commencing July 1, 2014, for our manufacturing and headquarters facility in Winter Springs, Florida owned by Susi, LLC, an entity controlled by our President, Chief Executive Officer, and Chairman of the Board, Roger Susi. Pursuant to the terms of our lease for this property, the monthly base rent is $34,133, adjusted annually for changes in the consumer price index. The Company paid Susi, LLC $129,482 and $127,817 for the three months ended March 31, 2024 and 2023, respectively. Under the terms of the lease, we are responsible for insurance and maintenance expenses. Prior to May 31, 2019, the expiration date of the initial lease term, and pursuant to the terms of the lease contract, we renewed the lease for an additional five years, resulting in a new lease expiration date of May 31, 2024. Unless advance written notice of termination is timely provided, the lease will automatically renew for one additional successive term of five years beginning in 2024, and thereafter, will be renewed for successive terms of one year each. At the time we adopted ASU 2016-02, *Leases* (Topic 842), we concluded that we would exercise the remaining five-year option, resulting in a remaining lease term of 5.9 years as of March 31, 2024. This lease agreement does not contain any residual value guarantee or material restrictive covenants.

In February 2023, we entered into two, two-year, non-cancelable operating leases with non-related parties for additional office space in Winter Springs, Florida. Pursuant to the lease terms the total monthly base rent is $10,055. For the three months ended March 31, 2024 and 2023, the Company paid $30,165 and $22,810 respectively. Under the terms of the leases, we are responsible for insurance and maintenance expenses. Pursuant to the contract terms, the leases will expire in February 2025 and do not contain any residual value guarantee or material restrictive covenants.

We will reassess the lease accounting terms and assumptions once the details regarding completion of a new manufacturing facility and planned departure of the current primary facility is finalized.

Operating lease cost recognized in the unaudited Condensed Statements of Operations is as follows:

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| Cost of revenue | $ 58,843 | $ 58,086 |
| General and administrative | 132,094 | 91,471 |
| Sales and marketing | 3,293 | 3,251 |
| Research and development | 9,124 | 9,006 |
| Total | $ 203,354 | $ 161,814 |

Lease costs for short-term leases were immaterial for the three months ended March 31, 2024, and 2023.

Maturity of our operating lease liability as of March 31, 2024, is as follows:

| | |
|---|---|
| Nine months remaining ending December 31, 2024 | $ 401,965 |
| 2025 | 430,004 |

| | |
|---|---|
| 2026 | 411,020 |
| 2027 | 409,596 |
| Thereafter | 579,994 |
| Total lease payments | 2,232,579 |
| Imputed interest | (294,153) |
| Present value of lease liability | $ 1,938,427 |

**11 — Commitments and Contingencies**

*Purchase commitments.* We had various purchase orders for goods or services totaling $ 6,509,275 and $8,217,571 as of March 31, 2024 and December 31, 2023, respectively. Amounts recognized in our balance sheet related to these purchase orders were immaterial.

*Legal matters.* We may, from time to time, become a party to various legal proceedings or claims that arise in the ordinary course of business. As of March 31, 2024 and December 31, 2023, we had accrued approximately $250,000, respectively, related to various matters.

**12 — Subsequent Events**

On May 2, 2024, the Company's Board of Directors declared a regular quarterly cash dividend of $0.15 per share on the Company's outstanding common stock. The payment will be made to stockholders on May 30, 2024, to stockholders of record at the close of business on May 20, 2024.

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

*The following discussion and analysis should be read in conjunction with our condensed financial statements and the related notes to those statements included in this Quarterly Report, the discussion of certain risks and uncertainties contained in Part II, Item 1A of this Quarterly Report, the discussion under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" included in the 2023 Annual Report and the cautionary information regarding forward-looking statements at the beginning of this Quarterly Report.*

**Our Business**

We develop, manufacture, market and distribute Magnetic Resonance Imaging ("MRI") compatible medical devices and accessories, disposables and services relating to them.

We are a leader in the development of innovative MRI compatible medical devices. We are the only known provider of a non-magnetic IV infusion pump system that is specifically designed to be safe for use during MRI procedures. We were the first to develop an infusion delivery system that largely eliminates many of the dangers and problems present during MRI procedures. Standard infusion pumps contain magnetic and electronic components which can create radio frequency interference and are dangerous to operate in the presence of the powerful magnet that drives an MRI system. Our patented MRidium® MRI compatible IV infusion pump system has been designed with a non-magnetic ultrasonic motor, uniquely designed non-ferrous parts and other special features to safely and predictably deliver anesthesia and other IV fluids during various MRI procedures. Our pump solution provides a seamless approach that enables accurate, safe and dependable fluid delivery before, during and after an MRI scan, which is important to critically ill patients who cannot be removed from their vital medications, and children and infants who must generally be sedated to remain immobile during an MRI scan.

Each IV infusion pump system consists of an MRidium® MRI compatible IV infusion pump, non-magnetic mobile stand, proprietary disposable IV tubing sets and many of these systems contain additional optional upgrade accessories.

Our 3880 MRI compatible patient vital signs monitoring system has been designed with non-magnetic components and other special features to safely and accurately monitor a patient's vital signs during various MRI procedures. The IRADIMED 3880 system operates dependably in magnetic fields up to 30,000 gauss, which means it can operate virtually anywhere in the MRI scanner room. The IRADIMED 3880 has a compact, lightweight design allowing it to travel with the patient from their critical care unit to the MRI and back, resulting in increased patient safety through uninterrupted vital signs monitoring and decreasing the amount of time critically ill patients are away from critical care units. The features of the IRADIMED 3880 include: wireless Electrocardiogram (ECG) with dynamic gradient filtering; wireless blood oxygen saturation monitoring (SpO2) using Masimo® algorithms; non-magnetic respiratory carbon dioxide (CO2); invasive and non-invasive blood pressure; patient temperature; and optional advanced multi-gas anesthetic agent unit featuring continuous Minimum Alveolar Concentration measurements. The IRADIMED 3880 MRI compatible patient vital signs monitoring system has an easy-to-use design and allows for the effective communication of patient vital signs information to clinicians.

We generate revenue from the sale of MRI compatible medical devices and accessories, extended warranty agreements, services related to maintaining our products and the sale of disposable products used with our devices. The principal customers for our MRI compatible products include hospitals and acute care facilities, both in the United States and internationally. As of March 31, 2024, our direct U.S. sales force consisted of 26 field sales representatives, 4 regional sales directors and supplemented by 8 clinical application specialists. Internationally, we have distribution agreements with independent distributors selling our products.

Selling cycles for our devices have varied widely and have historically ranged between three and six months in duration with more recent trends lengthening beyond this historical range due to lingering pandemic issues. We also enter into agreements with IDNs and healthcare supply contracting companies, which are commonly referred to as GPOs in the U.S., which enable us to sell and distribute our products to their member hospitals. GPOs negotiate volume purchase prices for hospitals, group practices, and other clinics that are members of a GPO. Under our GPO agreements, we are required to pay the GPOs a fee of three percent of the sales of our products to members of the GPO. Sales to participating IDNs do not have an associated fee.

**Financial Highlights**

For the quarter ended March 31, 2024, our revenue increased $2.1 million, or 13.7 percent, to $17.6 million, compared to $15.5 million for the quarter ended March 31, 2023. Income before the provision for income taxes was $5.2 million for the quarter ended March 31, 2024, compared to $4.3 million for the quarter ended March 31, 2023. Net income was $4.1 million, or $0.32 per diluted share in the quarter ended March 31, 2024, compared to $3.4 million, or $0.27 per share in the quarter ended March 31, 2023.

For the remainder of 2024, we expect higher revenue when compared to the same period in 2023 due to higher sales of our medical devices, related accessories, disposables, and services. We also expect higher operating expenses compared to the same period in 2023 primarily due to higher sales and marketing, regulatory, and general and administrative expenses.

**Critical Accounting Estimates**

The discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which we have prepared in accordance with GAAP. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements as well as the reported revenue and expenses during the reporting periods. On an ongoing basis, we evaluate our estimates and judgments. We base our estimates on historical experience and on various other factors that we believe are reasonable

under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe that the estimates, assumptions and judgments involved in the accounting policies described in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our 2023 Annual Report have the greatest potential impact on our financial statements, so we consider them to be our critical accounting policies and estimates. Except as disclosed in Note 1 to the unaudited condensed financial statements contained herein related to the adoption of recent accounting pronouncements, there have been no changes to these policies during the three months ended March 31, 2024.

**Results of Operations**

The following table sets forth selected statements of operations data as a percentage of total revenue for the periods indicated. Our historical operating results are not necessarily indicative of the results for any future period.

| | Percent of Revenue Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Revenue | 100.0 % | 100.0 % |
| Cost of revenue | 23.9 | 24.3 |
| Gross profit | 76.1 | 75.7 |
| Operating expenses: | | |
| General and administrative | 22.7 | 25.3 |
| Sales and marketing | 21.7 | 19.4 |
| Research and development | 4.7 | 5.1 |
| Total operating expenses | 49.1 | 49.8 |
| Income from operations | 27.0 | 25.9 |
| Other income, net | 2.8 | 2.2 |
| Income before provision for income taxes | 29.8 | 28.1 |
| Provision for income tax expense | 6.3 | 6.1 |
| Net income | 23.5 % | 22.0 % |

**Comparison of the Three Months Ended March 31, 2024 and 2023**

***Revenue by Geographic Region***

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| United States | $ 13,408,956 | $ 11,979,523 |
| International | 4,189,163 | 3,495,560 |
| Total revenue | $ 17,598,119 | $ 15,475,083 |

***Revenue by Type***

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| Devices: | | |
| MRI Compatible IV Infusion Pump Systems | $ 5,192,680 | $ 5,538,817 |
| MRI Compatible Patient Vital Signs Monitoring Systems | 6,461,658 | 4,696,818 |

| | | |
|---|---|---|
| Ferro Magnetic Detection Systems | 249,700 | 300,589 |
| Total Devices revenue | 11,904,038 | 10,536,224 |
| Disposables, services and other | 5,206,950 | 4,431,741 |
| Amortization of extended warranty agreements | 487,131 | 507,118 |
| Total revenue | $ 17,598,119 | $ 15,475,083 |

For the three months ended March 31, 2024, revenue increased by $2.1 million, or 13.7 percent, to $17.6 million from $15.5 million for the same period in 2023. This is attributed to continued demand for our Patient Vital Signs Monitor, disposable sales, and service revenue.

Revenue from sales in the U.S. increased by $1.4 million, or 11.9 percent, to $13.4 million for the three months ended March 31, 2024, from $12.0 million for the same period in 2023. Revenue from sales internationally increased by $0.7 million, or 19.8 percent, for the three months ended March 31, 2024 to $4.2 million, from $3.5 million for the same period in 2023. Domestic sales accounted for 76.2 percent of revenue for the three months ended March 31, 2024, compared to 77.4 percent for the same period in 2023.

Revenue from sales of devices increased by $1.4 million, or 13.0 percent, to $11.9 million for the three months ended March 31, 2024, from $10.5 million for the same period in 2023.

Revenue from sales of our disposables, service and other increased by $0.8 million, or 17.5 percent, to $5.2 million for the three months ended March 31, 2024, from $4.4 million for the same period in 2023. Revenue from the amortization of extended warranty agreements was consistent at $0.5 million for the three months ended March 31, 2024 and 2023.

***Cost of Revenue and Gross Profit***

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| Revenue | $ 17,598,119 | $ 15,475,083 |
| Cost of revenue | 4,210,396 | 3,753,635 |
| Gross profit | $ 13,387,723 | $ 11,721,448 |
| Gross profit percentage | 76.1 % | 75.7 % |

For the three months ended March 31, 2024 our cost of revenue increased by $0.5 million, or 12.2 percent to $4.2 million from $3.8 million for the same period in 2023. For the three months ended March 31, 2024, our gross profit increased by $1.7 million, or 14.2 percent, to $13.4 million from $11.7 million for the same period in 2023. Gross profit margin was 76.1 percent for the three months ended March 31, 2024, compared to 75.7 percent for the same period in 2023. The increase in gross profit margin is primarily due to increased raw material costs and direct labor efficiencies offset by increased overhead spending.

***Operating Expenses***

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| General and administrative | $ 3,991,211 | $ 3,920,510 |
| Percentage of revenue | 22.7 % | 25.3 % |
| Sales and marketing | $ 3,827,165 | $ 2,999,976 |
| Percentage of revenue | 21.7 % | 19.4 % |
| Research and development | $ 821,000 | $ 793,716 |
| Percentage of revenue | 4.7 % | 5.1 % |

*General and Administrative*

For the three months ended March 31, 2024, general and administrative expense increased by $0.1 million, or 1.8 percent, to $4.0 million from $3.9 million for the same period in 2023. This increase is primarily due to higher regulatory, legal and professional expenses, and increased payroll and benefit expenses.

*Sales and Marketing*

For the three months ended March 31, 2024, sales and marketing expenses increased by $0.8 million, or 27.6 percent, to $3.8 million from $3.0 million for the same period in 2023. This increase is primarily due to higher sales commissions, sales activities expenses, and payroll and benefits expenses.

*Research and Development*

For the three months ended March 31, 2024 and 2023, research and development expenses remained constant at $0.8 million. This is primarily due to us no longer allocating recently approved product parts related to the next generation pump to research and development, offset by increased payroll and benefit expenses. These approved parts are now included in raw material inventory.

***Other Income, Net***

Other income, net consists of interest income, foreign currency gains and losses, and other miscellaneous income. For the three months ended March 31, 2024, other income, net increased by $0.2 million, to $0.5 million from $0.3 million for the same period in 2023. This increase is due to higher interest rates earned by money market fund investments that comprise a significant portion of our cash balances.

***Income Taxes***

For the three months ended March 31, 2024 and 2023, we recorded a provision for income tax expense of $1,106,968 and $943,589 respectively. Our effective tax rate was 21.1 percent and 21.7 percent for the three months ended March 31, 2024 and 2023, respectively, and differed from the U.S. Federal statutory rate primarily due to U.S. state income tax expense, partially offset by benefits from foreign derived intangible income and research and development tax credits.

As of March 31, 2024 and December 31, 2023, we had not identified or accrued for any uncertain tax positions. We are currently unaware of any uncertain tax positions that could result in significant payments, accruals or other material deviations in this estimate over the next 12 months. We believe that our tax positions comply in all material respects with applicable tax law. However, tax law is subject to interpretation, and interpretations by taxing authorities could be different from ours, which could result in the imposition of additional taxes and penalties.

We file tax returns in the United States Federal jurisdiction and many U.S. state jurisdictions. To our knowledge, our returns are not currently under examination by the Internal Revenue Service. The Company remains subject to income tax examinations for our United States Federal and certain U.S. state income taxes for 2019 and subsequent years.

**Liquidity and Capital Resources**

Our principal sources of liquidity have historically been our cash and cash equivalents balances, cash flow from operations and access to the financial markets. Our principal uses of cash are operating expenses, working capital requirements, capital expenditures and dividend payments, if any.

As of March 31, 2024, we had cash and cash equivalents of $45.1 million, stockholders' equity of $76.1million, and working capital of $64.3 million. As of December 31, 2023, we had cash and investments of $49.7 million, stockholders' equity of $71.4 million, and working capital of $59.7 million.

We believe that our current cash, and any cash generated from operations will be sufficient to meet our ongoing operating requirements for at least the next 12 months and into the foreseeable future. We have acquired land from an unrelated third party and plan to make subsequent improvements thereon in the next two or so years to accommodate our increased operations and expand capacity. We anticipate using available cash for that investment in our future growth. We do not anticipate requiring additional capital; however, if required or desirable, we may seek to obtain a credit facility, raise debt, or issue additional equity in private or public markets.

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| | (unaudited) | |
| Net cash provided by operating activities | $ 3,883,155 | $ 4,646,092 |
| Net cash used in investing activities | (478,803) | (6,557,014) |
| Net cash used in financing activities | (8,039,873) | (13,272,783) |

Cash provided by operating activities decreased by $0.7 million, to $3.9 million for the three months ended March 31, 2024, compared to $4.6 million for the same period in 2023. During the three months ended March 31, 2024, cash provided by operations was positively impacted by net income, inventory purchases, and payroll and benefits and negatively impacted by cash outflows related to accounts receivable, accounts payable, and cash outflows related to working capital items.

Cash used in investing activities decreased by $6.1 million, to $0.5 million for the three months ended March 31, 2024, compared to $6.6 million for the same period in 2023. For the three months ended March 31, 2024, we acquired land for $6.2 million in cash to be used for future office, assembly, warehouse, and shipping space to accommodate our increased operations and anticipated growth.

Cash used in financing activities decreased by $5.3 million, to $8.0 for the three months ended March 31, 2024, compared to approximately $13.3 for the same period in 2023. In both periods, the Company paid special dividends to our stockholders; and in the 2024 period we commenced a regular quarterly dividend policy, subject to the sole discretion of the Company's Board of Directors and applicable law.

We market our products to end users in the U.S. and to distributors internationally. Sales to end users in the U.S. are generally made on open credit terms. Management maintains an allowance for potential credit losses.

Our current manufacturing and headquarters facility has been leased from Susi, LLC, an entity controlled by our Chairman of the Board and Chief Executive Officer, Roger Susi. Pursuant to the terms of our lease, the monthly base rent is $34,133, adjusted annually for changes in the consumer price index.

**Off-Balance Sheet Arrangements**

As of March 31, 2024 and December 31, 2023, we did not have any off-balance sheet arrangements, as such term is defined under Item 303 of Regulation S-K, that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

**Contractual Obligations**

There have been no material changes outside the ordinary course of business to our contractual obligations and commercial commitments since December 31, 2023.

**Recent Accounting Pronouncements**

See Note 1 to the unaudited condensed financial statements contained herein for a full description of recent accounting pronouncements including the respective expected dates of adoption and status of evaluation of expected effects on results of our operations and financial condition.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

There have been no material changes in our market risks from those disclosed in Part II, Item 7A of the 2023 Annual Report.

**Item 4. Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures**

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e)) of the Exchange Act are designed to ensure that: (1) information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms; and (2) such information is accumulated and communicated to management, including the principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2024. Our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures as of March 31, 2024 were effective.

**Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report that has materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

We may from time to time become party to various legal proceedings or claims that arise in the ordinary course of business. Such matters are subject to many uncertainties and outcomes are not predictable with assurance. We accrue liabilities for such matters when it is probable that future expenditures will be made and such expenditures can be reasonably estimated. We do not believe that any such matters, individually or in the aggregate, will have a material adverse effect on our business, financial condition, results of operations or cash flows.

### Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report, you should carefully consider the risks discussed in our 2023 Annual Report and those set forth from time to time in our other filings with the SEC. There have been no material changes in our risk factors from those described in our 2023 Annual Report. The risks described in such report are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition, or future results.

### Item 2. Unregistered Sale of Equity Securities and Use of Proceeds

None.

### Item 3. Default Upon Senior Securities

Not Applicable.

### Item 4. Mine Safety Disclosures.

Not Applicable.

### Item 5. Other Information

### Rule 10b5-1 Trading Arrangement Changes

None of the Company's directors or officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the quarterly period ended March 31, 2024.

**Item 6. Exhibits**

| Exhibit Number | Description of Document |
|---|---|
| 31.1 | Certification of Chief Executive Officer pursuant to Exchange Act Rule, 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 31.2 | Certification of Chief Financial Officer pursuant to Exchange Act Rule, 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. |
| 32.1* | Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 I.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS | Inline XBRL Instance Document |
| 101.SCH | XBRL Taxonomy Extension Schema Document |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | Inline XBRL for the cover page of this Quarterly Report , included as part of this Exhibit 101 inline XBRL Document set |

* This exhibit shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any filings.

**IRADIMED CORPORATION**

**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.

**IRADIMED CORPORATION**

Dated: May 2, 2024

/s/ Roger Susi
By: Roger Susi
Its: Chief Executive Officer and President
(Principal Executive Officer and Authorized Officer)

/s/ John Glenn
By: John Glenn
Its: Chief Financial Officer
(Principal Financial and Accounting Officer)

**Exhibit 31.1**

**Certification of Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Roger Susi, hereby certify that:

1. I have reviewed this quarterly report on Form 10-Q of IRADIMED CORPORATION;

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 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 2, 2024

/s/ Roger Susi
By: Roger Susi
Chief Executive Officer and President
(Principal Executive Officer)

**Exhibit 31.2**

**Certification of Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, John Glenn, hereby certify that:

1. I have reviewed this quarterly report on Form 10-Q of IRADIMED CORPORATION;

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 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 2, 2024

/s/ John Glenn
By: John Glenn
Chief Financial Officer
(Principal Financial and Accounting Officer)

**Exhibit 32.1**

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

In connection with the quarterly report of IRADIMED CORPORATION (the "Company") on Form 10-Q for the quarter ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the date indicated below, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Roger Susi
By: Roger Susi
Chief Executive Officer and President
(Principal Executive Officer)
May 2, 2024

/s/ John Glenn
By: John Glenn
Chief Financial Officer
(Principal Financial and Accounting Officer)
May 2, 2024