



option care health™

Q1 2020

First Quarter Supplemental Information

NASDAQ: OPCH

Disclaimer

Forward Looking Statements

This communication may contain “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: “anticipate,” “intend,” “plan,” “believe,” “project,” “estimate,” “expect,” “may,” “should,” “will” and similar references to future periods. Examples of forward-looking statements include, among others, statements we may make regarding future revenues, future earnings, regulatory developments, market developments, new products and growth strategies, integration activities and the effects of any of the foregoing on our future results of operations or financial conditions.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: (i) changes in laws and regulations applicable to our business model; (ii) changes in market conditions and receptivity to our services and offerings; (iii) results of litigation; (iv) the loss of one or more key payers; and (v) the spread and impact of the COVID-19 pandemic. For a detailed discussion of the risk factors that could affect our actual results, please refer to the risk factors identified in our annual report filed on Form 10-K and our quarterly reports on Form 10-Q as filed with the U.S. Securities and Exchange Commission.

Any forward-looking statement made by us in this presentation is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise. All of the forward-looking statements herein are qualified by these cautionary statements.

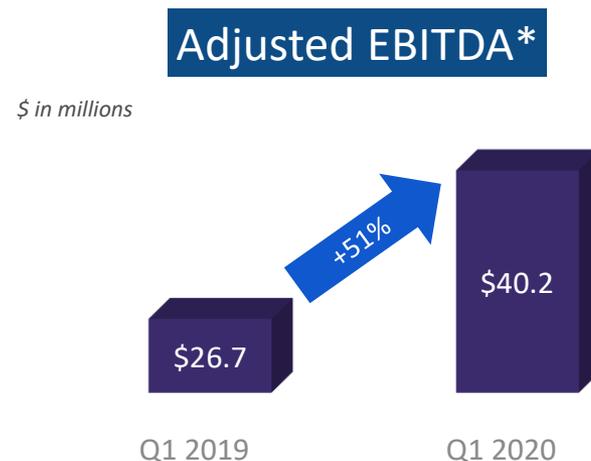
Non-GAAP Measures

In addition to reporting financial information in accordance with generally accepted accounting principles (GAAP), Option Care Health, Inc. (the “Company”) uses certain non-GAAP financial measures, including Adjusted EBITDA. Any non-GAAP financial measures should be considered as supplements to GAAP reported measures, should not be considered replacements for, or superior to, GAAP measures and may not be comparable to similarly named measures used by other companies. You can find the definitions of these non-GAAP measures, as well as reconciliations (where possible) to the most directly comparable GAAP measures, in our most recent 8-K as filed with the U.S. Securities and Exchange Commission, which can be found on the Investor Relations portion of our website (investors.optioncarehealth.com).



First Quarter Highlights

- Infusion Revenue growth of approximately 6.5% comparable growth over prior year combined first quarter*
- Implemented new multi-year agreements with United Healthcare and Aetna as a “Preferred Provider” in both national networks
- Gross Profit expansion of 180 basis points to 22.4% of Net Revenue
- Adjusted EBITDA of \$40.2 million, representing approximately 51% comparable growth over prior year combined first quarter*
- Completed 4-for-1 reverse stock split and revision of stock ticker symbol to “OPCH”
- Generated strong cash flow and improved liquidity position



COVID-19 Impact and Response

IMPACT ON OPCH

- Disruption to Acute therapy referrals due to lower hospitalizations and direct hospital discharges
- Disruption to Chronic therapy referrals due to fewer patient visits to specialists and physicians
- Higher cost to procure Personal Protection Equipment (“PPE”) and key drugs
- Inefficiencies in clinical labor cost and staffing inefficiencies due to remote nature of virtually all support functions



OPCH'S PROACTIVE APPROACH

- Quickly established a Command Center to centrally manage OPCH's response and operations
- Diligently procured critical PPE and key drugs through our procurement relationships
- Deployed technology to enable more efficient patient discharges and onboarding, including virtual teaches
- Collaborations with health systems and payers to expedite patient transitions and free hospital beds
- Implemented near-term cost savings initiatives to conserve liquidity



Cash Flow and Liquidity Considerations

First Quarter Cash Flow Performance

\$ in millions

Adjusted EBITDA	\$40.2 *
Cash Interest	-25.9
Restructuring Costs	-8.4
Working Capital / Other	<u>12.5</u>
Cash Flow from Operations	18.4
Capital Expenditures	-5.4
First Lien Amortization	-2.3
Other	<u>-0.5</u>
Free Cash Flow	\$10.2

First Quarter Highlights

- Finished Q1 with ~\$77 million in cash
- No borrowings under ABL revolver, assets underlying facility remain stable
- Continued investments in technology and new pharmacies

Capital Structure Considerations

- Straightforward capital structure with a relatively long maturity runway
 - ~\$923 million first lien term loan due 2026
 - ~\$412 million second lien notes due 2027
- All debt covi-lite, no financial maintenance “triggers”
- \$150 million ABL revolver matures 2024
 - \$140 million available after reduction for issued Letters of Credit
 - No drawing on ABL revolver to date
- Continued strong liquidity, cash balances at April 30, 2020 greater than \$90 million and no borrowings on ABL revolver





Mike Shapiro
Chief Financial Officer
(312) 940-2538
mike.shapiro@optioncare.com



Bob East, Asher Dewhurst, Jordan Kohnstam
Westwicke
(413) 213-0500
optioncarehealth@westwicke.com

