



option care health®



# Extraordinary Care That Changes Lives

Bank of America Leveraged Finance Conference

*December 2024*

# Disclaimer

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## **Forward-Looking Statements**

This presentation 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) pending and future litigation; (iv) potential liability for claims not covered by insurance; and (v) loss of relationships with managed care organizations and other non-governmental third party payers. For a detailed discussion of the risk factors that could affect our actual results, please refer to the risk factors identified in our reports as filed with the SEC.

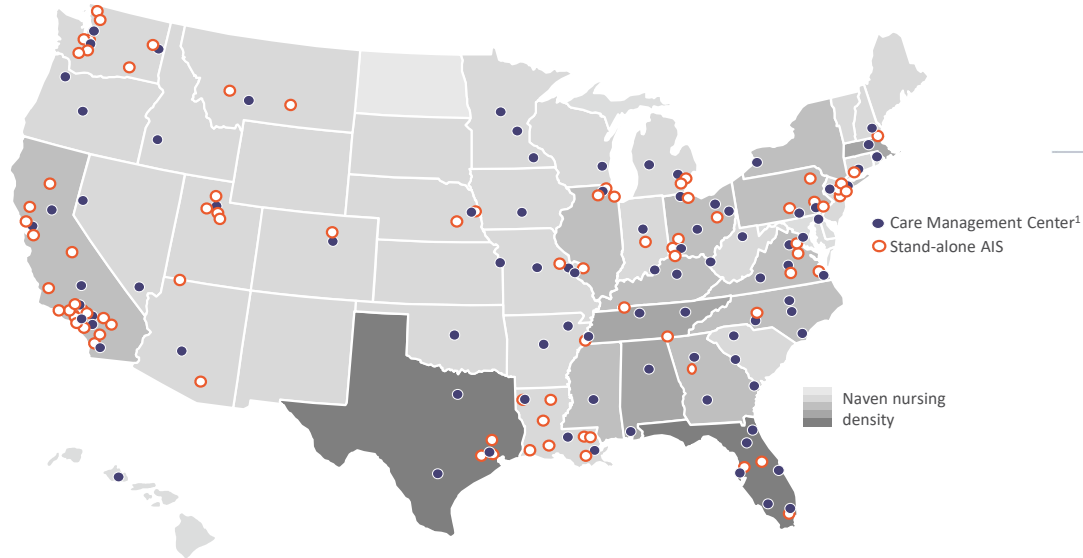
Any forward-looking statement made by us in this presentation is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to 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), the Company is also reporting Adjusted net income, Adjusted EBITDA and Adjusted earnings per share (“Adjusted EPS”), which are non-GAAP financial measures. These adjusted measures are not measurements of financial performance under GAAP and should not be used in isolation or as a substitute or alternative to net income, earnings per share, or any other performance measure derived in accordance with GAAP, or as a substitute or alternative to cash flow from operating activities or a measure of the Company’s liquidity. In addition, the Company’s definitions of Adjusted net income, Adjusted EBITDA, and Adjusted EPS may not be comparable to similarly titled non-GAAP financial measures reported by other companies. As defined by the Company: (i) Adjusted net income represents net income before intangible asset amortization expense, stock-based compensation expense, and restructuring, acquisition, integration and other expenses, net of tax adjustments (ii) Adjusted EBITDA represents net income before net interest expense, income tax expense, depreciation and amortization, stock-based compensation expense, loss on extinguishment of debt, and restructuring, acquisition, integration and other expenses, and (iii) Adjusted earnings per share represents Adjusted net income divided by weighted average common shares outstanding, diluted. As part of restructuring, acquisition, integration and other expenses, the Company may incur significant charges such as the write down of certain long-lived assets, temporary redundant expenses, professional fees, certain litigation expenses and reserves related to acquired businesses, potential retention and severance costs and potential accelerated payments or termination costs for certain of its contractual obligations. Management believes that these adjusted measures provide useful supplemental information regarding the performance of Option Care Health’s business operations and facilitate comparisons to the Company’s historical operating results. We have not reconciled Adjusted EBITDA guidance to net income as management believes creation of this reconciliation would not be practicable due to the uncertainty regarding, and potential variability of, material reconciling items. Full reconciliations of each adjusted measure to the most comparable GAAP financial measure are set forth below.*



# Redefining the Home Infusion Experience



## EXPANSIVE FOOTPRINT<sup>2</sup>

170+ locations in the U.S.

90+ full-service pharmacies

600+ infusion chairs

## DIVERSE PORTFOLIO<sup>2</sup>

50+ limited distribution therapies

Top 10 payers in-network

4,500+ multidisciplinary clinicians

## BUILDING A RESILIENT FULL-SERVICE NETWORK AROUND INFUSION CARE

## OPCH AT A GLANCE

Leading independent provider of home and alternate site infusion services

Licensed in all 50 states

Infrastructure that supports a broad set of clinical services across a variety of care sites

Proven track record of integrating and leveraging high-quality, strategic M&A

Consistent execution in strong cash flow generation

Contributing to 1.5X net debt leverage as of 3Q24<sup>3</sup>



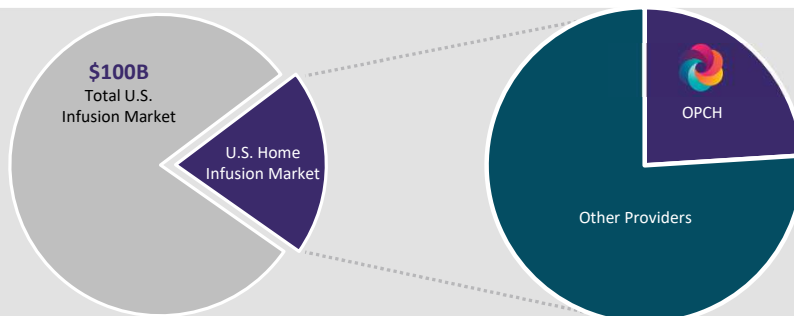
<sup>1</sup>Care Management Center (CMC) is defined as a location with both a pharmacy and AIS. This count includes a small number of stand-alone pharmacies.

<sup>2</sup>Reflects 3Q 2024 data

<sup>3</sup>Net debt leverage equals net debt divided by TTM Adjusted EBITDA

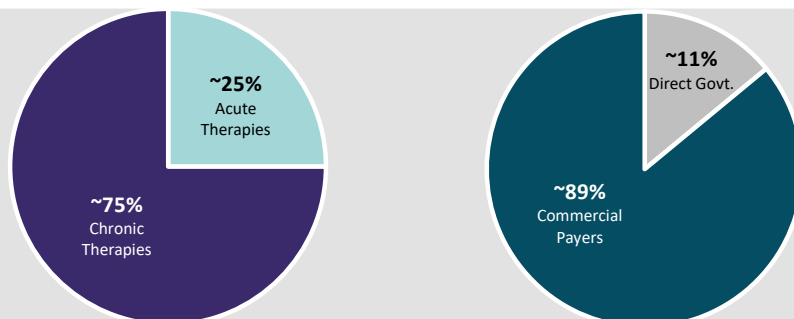
# Solid Position in Growing Market

HOME INFUSION LANDSCAPE<sup>1</sup>



- ✓ Fragmented provider landscape within home infusion industry enables a wide range of growth opportunities
- ✓ Largest national independent provider enables economies of scale while ensuring local responsiveness

OPCH PORTFOLIO<sup>2</sup>



- ✓ Diverse portfolio of chronic and acute therapies including more than 50 limited distribution therapies
- ✓ Diversified payer portfolio with the Company's largest payer representing ~15% in 3Q24
- ✓ Low direct government reimbursement risk

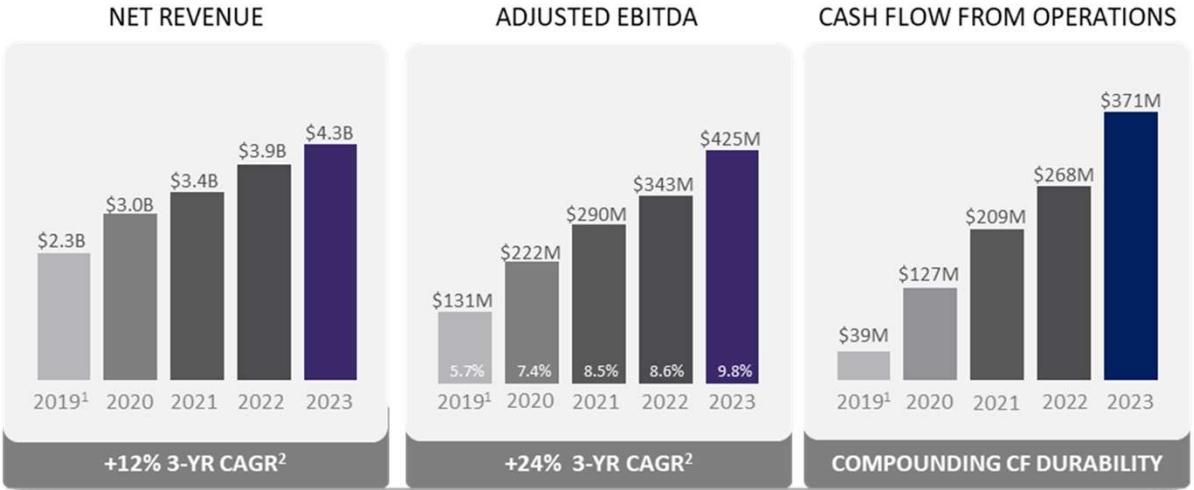
UNIQUELY POSITIONED TO STRENGTHEN AND GROW SHARE WITHIN U.S. HOME INFUSION MARKET



<sup>1</sup>NHIF 2020 Trend Report, DHC data and Management estimates

<sup>2</sup>Reflects 3Q 2024 data; Commercial also includes Medicare Advantage plans, Managed Medicaid plans, pharmacy benefit managers, and self-pay patients

# Accelerated Financial Performance



### PERFORMANCE HIGHLIGHTS

- ✓ Robust revenue growth
- ✓ Consistent EBITDA margin expansion
- ✓ Net debt leverage improvement since BioScrip merger from 6.2x to 1.5x in 3Q24<sup>4</sup>
- ✓ Stable credit ratings of BB- / Ba3
- ✓ ~\$200M in M&A capital deployed post- BioScrip merger
- ✓ >\$400M in shares repurchased since January 2023

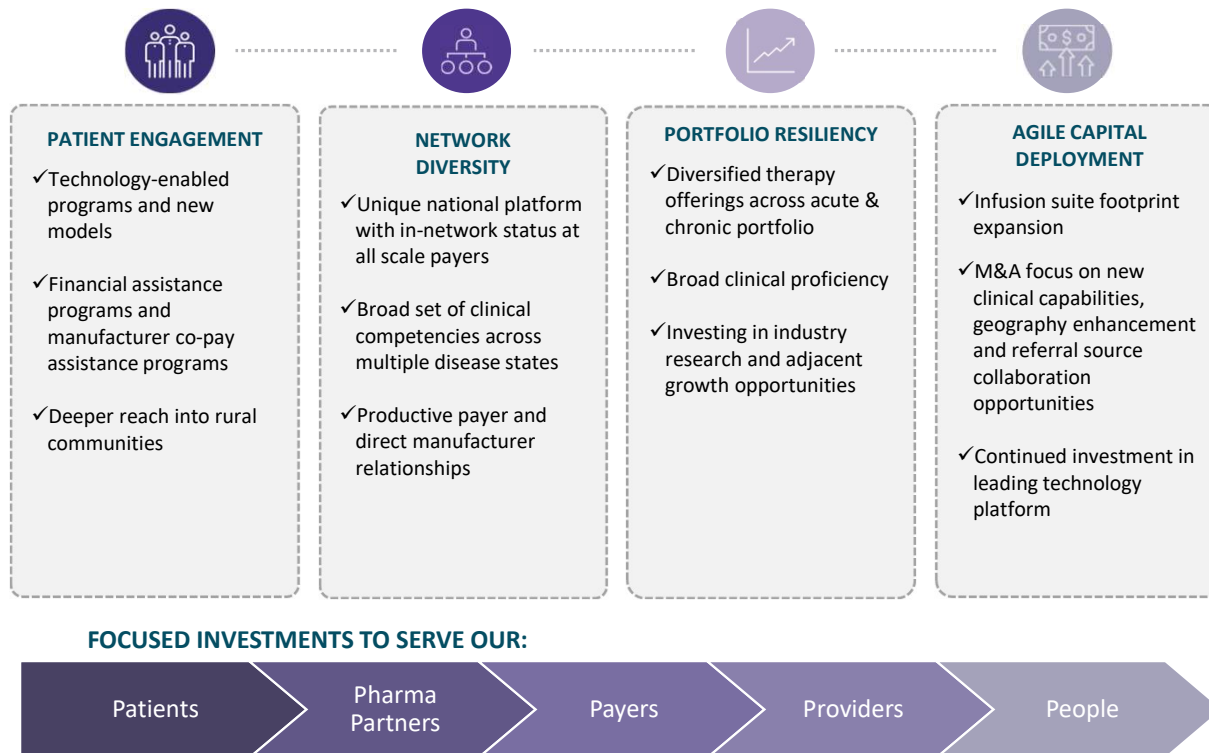
## CONSISTENT TRACK RECORD OF EXECUTION AND ATTRACTIVE GROWTH PROFILE

<sup>1</sup>Given the merger between HC Group Holdings II, Inc. ("Option Care") and BioScrip, Inc. ("BioScrip") to form Option Care Health on August 6, 2019, comparisons to historical periods are relative to legacy Option Care only and incorporate BioScrip results from August 6, 2019 prospectively

<sup>2</sup>2024 results as reported

<sup>3</sup>Net debt leverage equals net debt divided by TTM Adjusted EBITDA

# Value Proposition Roadmap



## STRATEGY EXECUTION

Provided access to **270,000+** unique patients in 2023

**93%** overall patient satisfaction<sup>1</sup>

Accreditation across all sites from the **Accreditation Commission for Health Care (ACHC)**

**Utilization Review Accreditation Commission (URAC)** specialty pharmacy accreditation

2024 Gallup **Exceptional Workplace** Award Recipient

Member of DiversityInc **Top Hospitals and Health Systems** list

2024 **Military Friendly Employer** Designation



LEVERAGING SCALE AND INNOVATION TO DELIVER EXTRAORDINARY CARE AND SHAREHOLDER VALUE



# Recent Highlights

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- Delivered strong financial results in Q3
  - Net revenue of \$1.3B, up 17.0% from prior year
  - Adjusted EBITDA of \$115.6M, up 5.3% from prior year and up \$7.2M sequentially over Q2 2024
  - Adjusted net income of \$70.7 million, or \$0.41 adjusted diluted earnings per share
  - Repurchased \$41.9M in stock in the quarter
- Reported net debt leverage to 1.5x, lowest leverage profile since BioScrip merger in 2019
- Tightened revenue and Adjusted EBITDA guidance ranges and affirmed full year cash flow expectations



# Reconciliation to Non-GAAP Measures

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net income	\$ 53,856	\$ 56,302	\$ 151,690	\$ 209,913
Interest expense, net	12,345	11,786	38,150	38,816
Income tax expense	19,698	13,783	50,860	69,904
Depreciation and amortization expense	15,227	15,622	46,029	46,423
<b>EBITDA</b>	<b>101,126</b>	<b>97,493</b>	<b>286,729</b>	<b>365,056</b>
<b>EBITDA adjustments</b>				
Stock-based incentive compensation	10,407	9,235	27,620	22,908
Loss on extinguishment of debt	—	—	377	—
Restructuring, acquisition, integration and other (1)	4,050	3,029	7,504	(74,383)
<b>Adjusted EBITDA</b>	<b>\$ 115,583</b>	<b>\$ 109,757</b>	<b>\$ 322,230</b>	<b>\$ 313,581</b>
Net income	\$ 53,856	\$ 56,302	\$ 151,690	\$ 209,913
Intangible asset amortization expense	8,596	8,641	25,809	25,752
Stock-based incentive compensation	10,407	9,235	27,620	22,908
Restructuring, acquisition, integration and other (1)	4,050	3,029	7,504	(74,383)
<b>Total pre-tax adjustments</b>	<b>23,053</b>	<b>20,905</b>	<b>60,933</b>	<b>(25,723)</b>
Tax adjustments (2)	(6,178)	(4,118)	(15,294)	6,431
<b>Adjusted net income</b>	<b>\$ 70,731</b>	<b>\$ 73,089</b>	<b>\$ 197,329</b>	<b>\$ 190,621</b>
Earnings per share, diluted	\$ 0.31	\$ 0.31	\$ 0.87	\$ 1.16
Adjusted earnings per share, diluted	\$ 0.41	\$ 0.40	\$ 1.14	\$ 1.05
Weighted average common shares outstanding, diluted	171,941	180,528	173,848	181,286

- (1) Restructuring, acquisition, integration and other for the nine months ended September 30, 2023 includes the Amedisys merger termination fee, net of merger-related expenses  
(2) Tax adjustments for the three and nine months ended September 30, 2024 and 2023 includes the estimated income tax effect on non-GAAP adjustments based on the effective tax rate

