



 **adapt**health

Financial Supplement – Q1 2022

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This Presentation includes references to financial measures that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"), including EBITDA and Adjusted EBITDA. AdaptHealth defines EBITDA as net income (loss) attributable to AdaptHealth Corp., plus net income (loss) attributable to noncontrolling interests, interest expense, net, income tax expense (benefit), and depreciation and amortization. AdaptHealth defines Adjusted EBITDA as EBITDA (as defined above), plus loss on extinguishment of debt, equity-based compensation expense, transaction costs, change in fair value of the contingent consideration common shares liability, change in fair value of the warrant liability, and other non-recurring items of expense or income. EBITDA and Adjusted EBITDA should not be considered as measures of financial performance under U.S. GAAP, and the items excluded from EBITDA and Adjusted EBITDA are significant components in understanding and assessing financial performance. Accordingly, these key business metrics have limitations as an analytical tool. They should not be considered as an alternative to net income or any other performance measures derived in accordance with U.S. GAAP or as an alternative to cash flows from operating activities as a measure of AdaptHealth's liquidity.

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Summary Financial Results

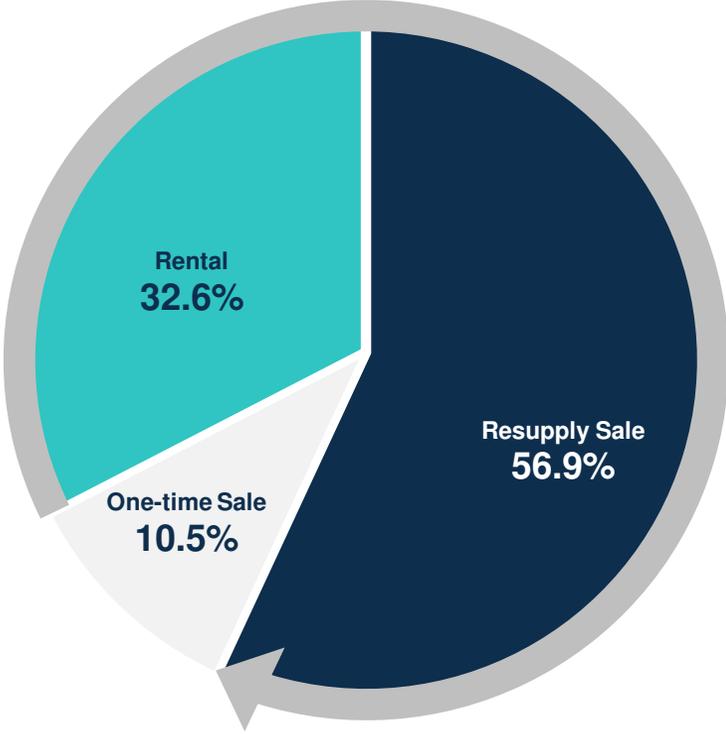
(in thousands)

| | Three Months Ended | | | | |
|--|--------------------|----------------------|-----------------------|------------------|-------------------|
| | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 |
| Sales revenue | \$ 475,955 | \$ 489,373 | \$ 432,171 | \$ 400,597 | \$ 317,265 |
| Rental revenue | \$ 230,248 | \$ 212,733 | \$ 221,122 | \$ 216,420 | \$ 164,854 |
| Total net revenue | \$ 706,203 | \$ 702,106 | \$ 653,293 | \$ 617,017 | \$ 482,119 |
| Operating income ⁽¹⁾ | \$ 51,552 | \$ 69,079 | \$ 75,710 | \$ 65,407 | \$ 15,409 |
| Net income (loss) attributable to AdaptHealth Corp. ⁽²⁾ | \$ 41,750 | \$ 22,942 | \$ 58,092 | \$ 79,107 | \$ (3,966) |
| Adjusted EBITDA | \$ 137,644 | \$ 158,078 | \$ 156,274 | \$ 147,391 | \$ 104,175 |
| Adjusted EBITDA as a percentage of net revenue | 19.5% | 22.5% | 23.9% | 23.9% | 21.6% |

(1) The three months ended December 31, 2021 includes \$10.6 million of grant income recognized related to the CARES Act provider relief funds.

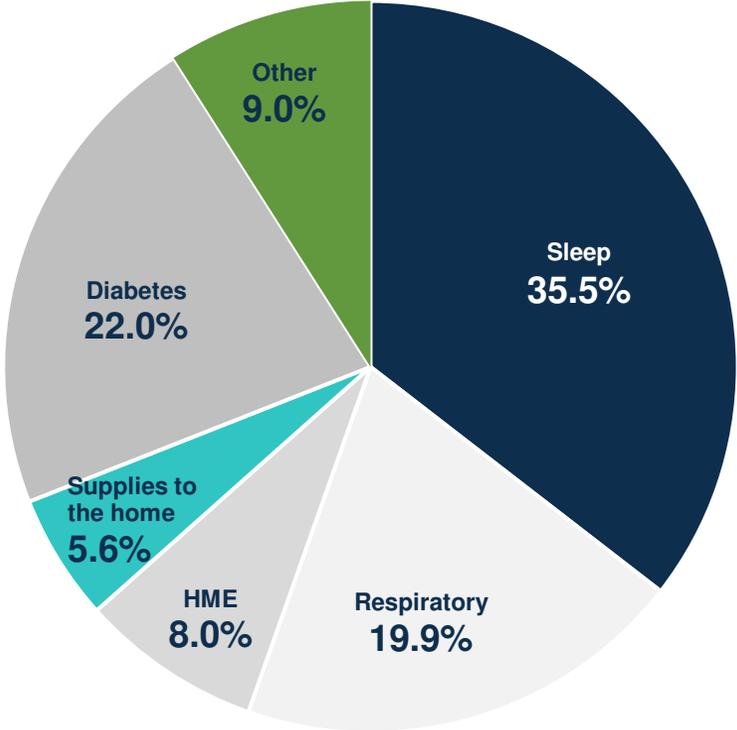
(2) Net income (loss) attributable to AdaptHealth Corp. includes non-cash charges or gains resulting from the changes in the estimated fair value of the Company's warrant liability and the Company's contingent consideration common shares liability. Changes in such liabilities are marked to market and recorded in earnings.

Q1 2022 Business Mix Summary⁽¹⁾

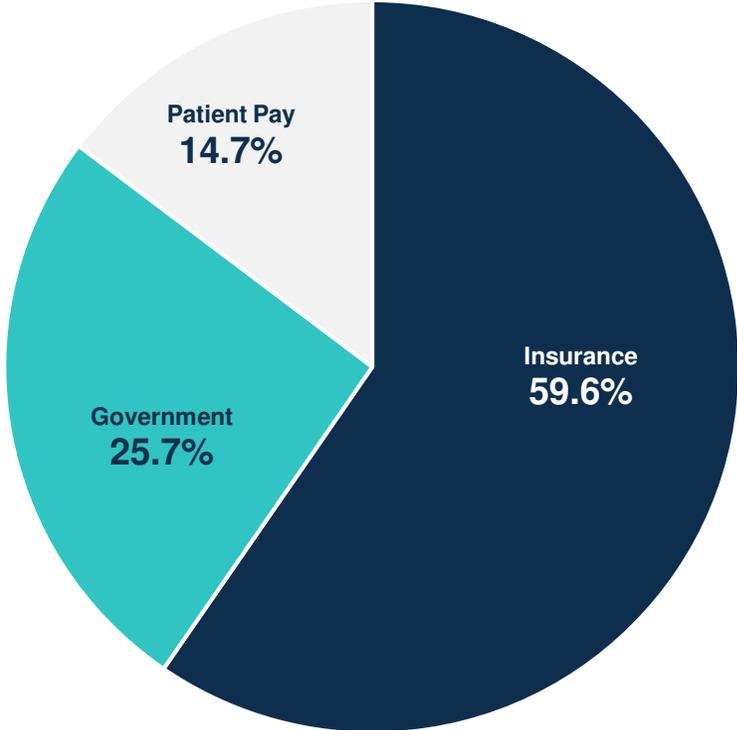


~90% of revenue comes from recurring sales or rentals

Sale Type



Product



Payor

(1) Excludes B2B sales and rental revenue to referral partners and healthcare facilities in support of their needs for COVID patients (\$0.3 million in Q1 2022).

Revenue by Product

(in thousands)

| | Three Months Ended | | | | |
|--|--------------------|----------------------|-----------------------|------------------|-------------------|
| | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 |
| Net sales revenue | | | | | |
| Sleep | \$ 192,335 | \$ 188,758 | \$ 173,359 | \$ 163,331 | \$ 128,682 |
| Diabetes | \$ 151,359 | 175,523 | 134,228 | 123,314 | 95,017 |
| Supplies to the home | \$ 39,865 | 41,351 | 42,441 | 42,675 | 41,363 |
| Respiratory | \$ 8,145 | 6,013 | 6,228 | 13,154 | 5,621 |
| HME | \$ 30,851 | 32,010 | 30,989 | 30,360 | 24,156 |
| Other | \$ 53,400 | 45,718 | 44,926 | 27,763 | 22,426 |
| Total net sales revenue | \$ 475,955 | \$ 489,373 | \$ 432,171 | \$ 400,597 | \$ 317,265 |
| % of total net revenue | 67.4% | 69.7% | 66.2% | 64.9% | 65.8% |
| Net revenue from fixed monthly equipment reimbursements | | | | | |
| Sleep | \$ 57,938 | \$ 60,053 | \$ 62,755 | \$ 66,335 | \$ 48,109 |
| Diabetes | \$ 3,946 | 3,332 | 3,722 | 3,216 | 2,853 |
| Respiratory | \$ 132,580 | 114,370 | 117,918 | 111,528 | 83,454 |
| HME | \$ 25,725 | 25,082 | 26,043 | 24,431 | 20,380 |
| Other | \$ 10,059 | 9,896 | 10,684 | 10,910 | 10,058 |
| Total net revenue from fixed monthly equipment reimbursements | \$ 230,248 | \$ 212,733 | \$ 221,122 | \$ 216,420 | \$ 164,854 |
| % of total net revenue | 32.6% | 30.3% | 33.8% | 35.1% | 34.2% |
| Total net revenue | | | | | |
| Sleep | \$ 250,273 | \$ 248,811 | \$ 236,114 | \$ 229,666 | \$ 176,791 |
| Diabetes | \$ 155,305 | 178,855 | 137,950 | 126,530 | 97,870 |
| Supplies to the home | \$ 39,865 | 41,351 | 42,441 | 42,675 | 41,363 |
| Respiratory | \$ 140,725 | 120,383 | 124,146 | 124,682 | 89,075 |
| HME | \$ 56,576 | 57,092 | 57,032 | 54,791 | 44,536 |
| Other | \$ 63,459 | 55,614 | 55,610 | 38,673 | 32,484 |
| Total net revenue | \$ 706,203 | \$ 702,106 | \$ 653,293 | \$ 617,017 | \$ 482,119 |

Revenue by Sale Type

| (in thousands) | Three Months Ended | | | | | | | |
|---|--|-------------------|---|----------------------|--|-----------------------|---|-------------------|
| | March 31, 2022 (Excl B2B) ⁽¹⁾ | March 31, 2022 | December 31, 2021 (Excl B2B) ⁽¹⁾ | December 31, 2021 | September 30, 2021 (Excl B2B) ⁽¹⁾ | September 30, 2021 | June 30, 2021 (Excl B2B) ⁽¹⁾ | June 30, 2021 |
| Resupply Sale | \$ 401,395 | \$ 401,395 | \$ 412,495 | \$ 412,495 | \$ 358,913 | \$ 358,913 | \$ 332,719 | \$ 332,719 |
| One-time Sale | 74,299 | 74,560 | 76,666 | 76,878 | 72,909 | 73,258 | 59,309 | 67,878 |
| Rental | 230,212 | 230,248 | 212,697 | 212,733 | 221,097 | 221,122 | 216,438 | 216,420 |
| Total net revenue | \$ 705,906 | \$ 706,203 | \$ 701,858 | \$ 702,106 | \$ 652,919 | \$ 653,293 | \$ 608,466 | \$ 617,017 |
| Resupply Sale | 56.9% | 56.8% | 58.8% | 58.8% | 55.0% | 54.9% | 54.7% | 53.9% |
| One-time Sale | 10.5% | 10.6% | 10.9% | 10.9% | 11.1% | 11.2% | 9.7% | 11.0% |
| Rental | 32.6% | 32.6% | 30.3% | 30.3% | 33.9% | 33.9% | 35.6% | 35.1% |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| Total Resupply Sale & Rental | 89.5% | 89.4% | 89.1% | 89.1% | 88.9% | 88.8% | 90.3% | 89.0% |

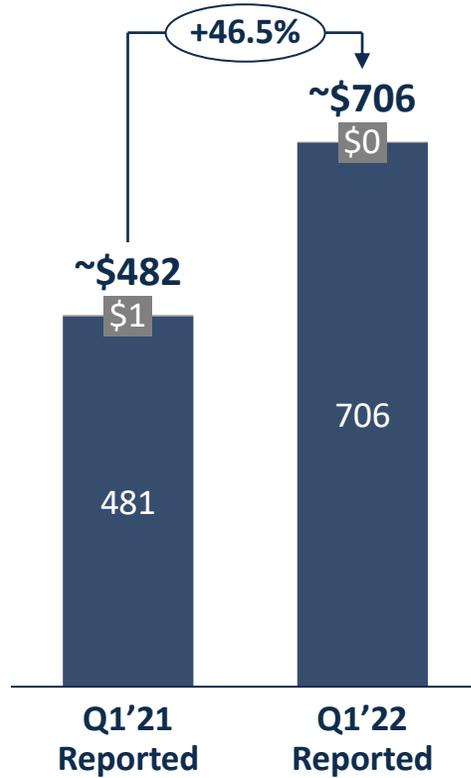
(1) Excludes B2B sales and rental revenue to referral partners and healthcare facilities in support of their needs for COVID patients.

Organic Net Revenue Growth

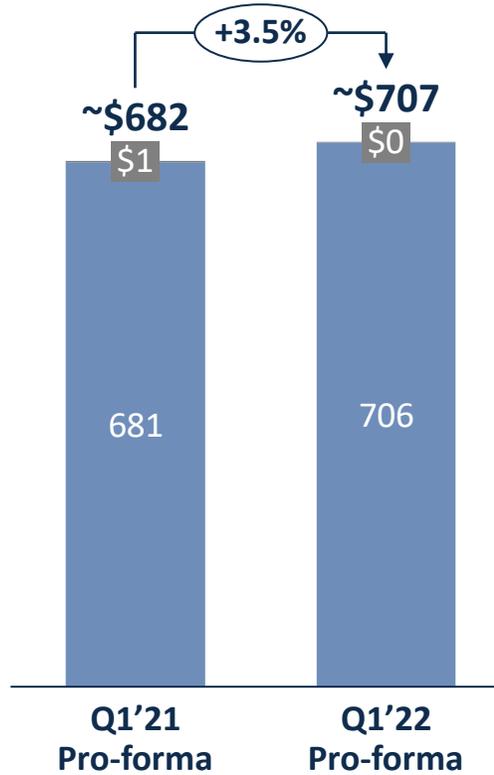
■ B2B

In millions

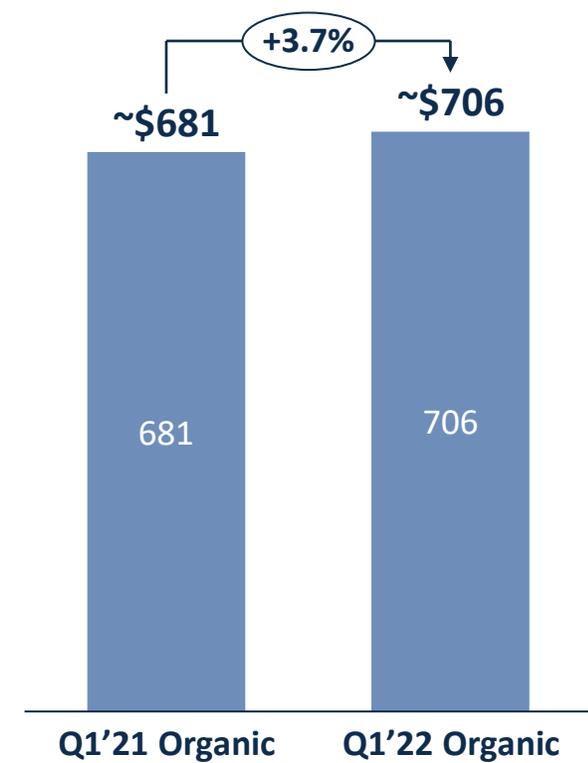
Reported Net Revenue Growth



Pro-forma Net Revenue Growth*



Organic Net Revenue Growth**



* **Pro-forma net revenue** is presented in accordance with ASC 805 - "Business Combinations" as if acquired companies were owned by the Company as of the beginning of the earliest period presented.

** **Organic net revenue** is defined as pro-forma net revenue, excluding B2B net revenue

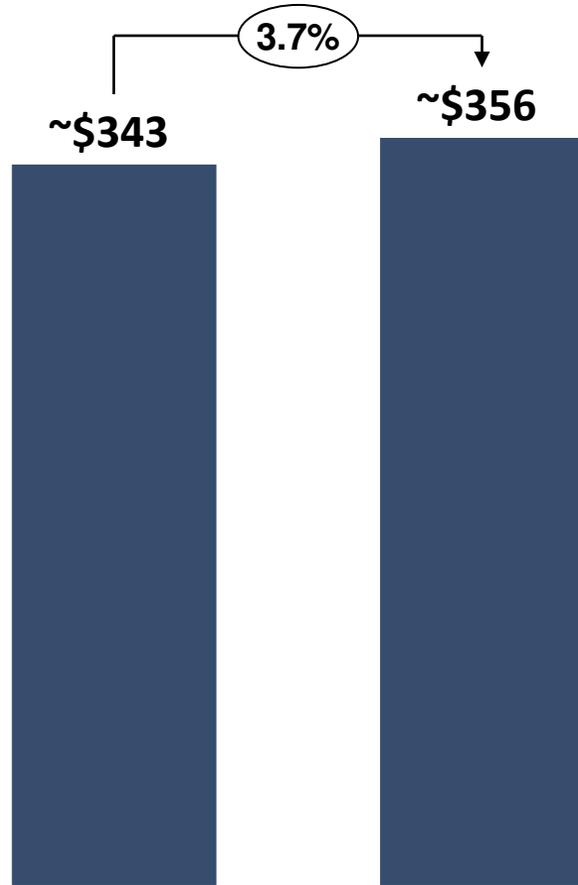
| | | | |
|--------------|--------|--------|------|
| Acquired | ~\$343 | ~\$356 | 3.7% |
| Non-Acquired | ~\$338 | ~\$351 | 3.7% |
| | ~\$681 | ~\$706 | 3.7% |

See next slide for details

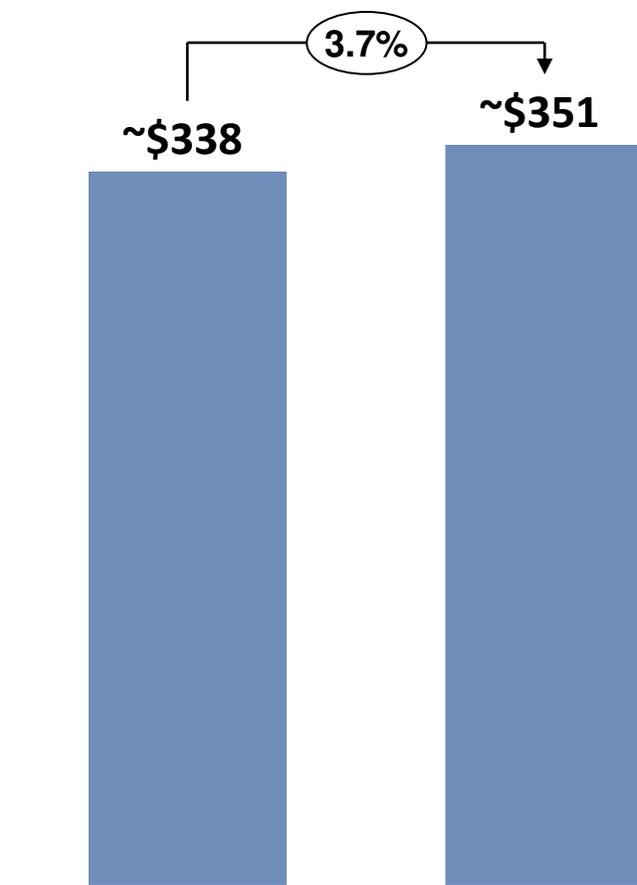
Acquired and Non-Acquired Growth

\$ in Millions

Acquired Net Revenue



Non-Acquired Net Revenue



| | | | |
|--------------|--------|--------|------|
| Acquired | ~\$343 | ~\$356 | 3.7% |
| Non-Acquired | ~\$338 | ~\$351 | 3.7% |
| | ~\$681 | ~\$706 | 3.7% |

Q1'21

Q1'22

Q1'21

Q1'22



Appendix



Non-GAAP Reconciliation

(in thousands)

| | Three Months Ended | |
|--|--------------------|-------------------|
| | March 31, 2022 | March 31, 2021 |
| Net income (loss) attributable to AdaptHealth Corp. | \$ 41,750 | \$ (3,966) |
| Income attributable to noncontrolling interests | 480 | 324 |
| Interest expense, net | 24,776 | 22,185 |
| Income tax expense (benefit) | 5,603 | (1,695) |
| Depreciation and amortization, including patient equipment depreciation | 77,030 | 47,206 |
| EBITDA | 149,639 | 64,054 |
| Loss on extinguishment of debt (a) | — | 4,213 |
| Equity-based compensation expense (b) | 5,502 | 8,582 |
| Transaction costs (c) | 3,108 | 31,854 |
| Change in fair value of contingent consideration common shares liability (d) | — | (1,965) |
| Change in fair value of warrant liability (e) | (26,717) | (3,168) |
| Other non-recurring expense, net (f) | 6,112 | 605 |
| Adjusted EBITDA | \$ 137,644 | \$ 104,175 |

(a) Represents write offs of unamortized deferred financing costs related to refinancing of debt.

(b) Represents equity-based compensation expense for awards granted to employees and non-employee directors.

(c) Represents transaction costs and expenses related to other integration efforts related to acquisitions.

(d) Represents a non-cash gain for the change in the estimated fair value of the contingent consideration common shares liability.

(e) Represents a non-cash gain for the change in the estimated fair value of the warrant liability.

(f) The 2022 period consists of a \$4.5 million expense related to changes in AdaptHealth's estimated TRA liability, \$0.5 million of expenses associated with litigation claims, \$0.4 million of expenses associated with lease terminations, a \$0.8 million loss related to the write-off of an investment, offset by \$0.1 million of net other non-recurring items of income. The 2021 period includes \$0.9 million of severance expense and a \$0.2 million charge for the increase in the fair value of a contingent consideration liability related to an acquisition, offset by a gain of \$0.5 million for the receipt of earnout proceeds in connection with an investment that was sold in 2020.

Share Count Information

| (in thousands) | Common Stock | Preferred Stock ⁽¹⁾ | Total Common and Preferred Stock if Converted | |
|--|----------------|--------------------------------|---|--|
| Number of shares outstanding, December 31, 2021 | 133,844 | 124 | 146,244 | |
| Equity-based compensation activity | 187 | - | 187 | |
| Exercise of stock options | 184 | - | 184 | |
| Employee stock purchase plan activity | 31 | - | 31 | |
| Number of shares outstanding, March 31, 2022 | 134,246 | 124 | 146,646 | |

| (in thousands) | Warrants ⁽²⁾ | Stock Options ⁽³⁾ | Unvested Restricted Stock | Unearned Contingent Consideration Common Shares |
|--|-------------------------|------------------------------|---------------------------|---|
| Number of shares outstanding, December 31, 2021 | 4,056 | 5,766 | 2,195 | 1,000 |
| Exercise of stock options | - | (283) | - | - |
| Grants of restricted stock | - | - | 716 | - |
| Vesting of restricted stock | - | - | (230) | - |
| Forfeitures of restricted stock | - | - | (27) | - |
| Number of shares outstanding, March 31, 2022 | 4,056 | 5,483 | 2,654 | 1,000 |

(1) Shares of Series B-1 Preferred Stock convert to Common Stock at a ratio of 100:1

(2) Warrants have an exercise price of \$11.50 per share

(3) Stock options outstanding at March 31, 2022 have a weighted-average exercise price of \$11.52 per share

Note> The above tables represent the outstanding shares as of March 31, 2022. The shares included in the Earnings Per Share computations on the following slide (Slide 12) represent the weighted-average shares outstanding for the corresponding periods as calculated under U.S. GAAP.

Earnings Per Share

| | Three Months Ended March 31, | |
|---|------------------------------|-------------------|
| | 2022 | 2021 |
| Numerator | | |
| Net income (loss) attributable to AdaptHealth Corp. | \$ 41,750 | \$ (3,966) |
| Less: Earnings allocated to participating securities ⁽¹⁾ | 3,537 | — |
| Net income (loss) for basic EPS | \$ 38,213 | \$ (3,966) |
| Change in fair value of warrant liability ⁽²⁾ | (26,717) | (1,965) |
| Change in fair value of contingent consideration common shares liability ⁽²⁾ | — | (3,168) |
| Net income (loss) for diluted EPS | <u>\$ 11,496</u> | <u>\$ (9,099)</u> |
| Denominator ^{(1) (2)} | | |
| Basic weighted-average common shares outstanding | 134,023 | 111,109 |
| Add: Warrants ⁽²⁾ | 1,462 | 2,886 |
| Add: Contingent Consideration Common Shares | — | 2,000 |
| Add: Stock options | 2,772 | — |
| Add: Unvested restricted stock | 226 | — |
| Diluted weighted-average common shares outstanding | <u>138,483</u> | <u>115,995</u> |
| Basic net income (loss) per share | \$ 0.29 | \$ (0.04) |
| Diluted net income (loss) per share | \$ 0.08 | \$ (0.08) |

(1) The Company's preferred stock are considered participating securities. Computation of EPS under the two-class method excludes from the numerator any dividends paid or owed on participating securities and any undistributed earnings considered to be attributable to participating securities. The related participating securities are similarly excluded from the denominator. There were participating securities outstanding for the three months ended March 31, 2022 and 2021. There was no amount allocated to the participating securities during the three months ended March 31, 2021 due to the net loss reported in that period.

(2) For the three months ended March 31, 2022 and 2021, the impact to earnings from the change in fair value of the Company's warrant liability is excluded from the numerator, and the corresponding security is included in the denominator, for purposes of computing diluted net income (loss) per share. For the three months ended March 31, 2021, the impact to earnings from the change in fair value of the Company's contingent consideration common shares liability is excluded from the numerator, and the corresponding security is included in the denominator, for purposes of computing diluted net loss per share. These adjustments are included as the effect of the numerator and denominator adjustments for these derivative instruments is dilutive as a result of the non-cash gains recorded for the change in fair value of these instruments during the periods.

Note> There are 1,000,000 shares relating to the Contingent Consideration Common Shares that were not included in the diluted net income per share computation for the three months ended March 31, 2022 as the corresponding average stock price hurdle for issuing these contingently issuable shares would not have been met as of the March 31, 2022 reporting date. The measurement date is December 31, 2022 for these shares and they will be issued at such time if they are earned.