This presentation includes information that may constitute “forward-looking statements,” made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to future, not past, events and often address our expected future growth, plans and performance or forecasts. These forward-looking statements are often identified by the use of words such as “anticipate,” “believe,” “designed,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “will,” or “would,” and similar expressions or variations, although not all forward-looking statements contain these identifying words. These forward-looking statements include, among other things, statements about the potential impacts of the COVID-19 pandemic, our strategic initiatives, our capital plans, our costs, our ability to successfully deliver on our commitments to our customers, our ability to deploy new business as planned, our ability to successfully implement new technologies, our future financial performance and our liquidity, the VisitPay acquisition and the anticipated benefits of acquisitions, disposals, and other strategic transactions. Such forward-looking statements are based on management’s current expectations about future events as of the date hereof and involve many risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in our forward-looking statements. Subsequent events and developments, including actual results or changes in our assumptions, may cause our views to change. We do not undertake to update our forward-looking statements except to the extent required by applicable law. You are cautioned not to place undue reliance on such forward-looking statements.

All forward-looking statements included herein are expressly qualified in their entirety by these cautionary statements. Our actual results and outcomes could differ materially from those included in these forward-looking statements as a result of various factors, including, but not limited to, our ability to retain existing customers or acquire new customers; the development of markets for our RCM service offering; the impact of the COVID-19 pandemic on our business, operating results and financial condition; our ability to close the VisitPay acquisition and integrate its business as planned; our ability to integrate our customers’ revenue cycle management employees; our ability to realize the anticipated benefits of acquisitions, strategic initiatives and other investments; developments in the healthcare industry, including national healthcare reform; and the factors discussed under the heading “Risk Factors” in our annual report on Form 10-K for the year ended December 31, 2020, our quarterly reports on Form 10-Q and any other periodic reports that R1 RCM Inc. (the “Company”) files with the Securities and Exchange Commission (the “SEC”).

This presentation includes the following financial measure that was not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”): Adjusted EBITDA. Adjusted EBITDA may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies. This non-GAAP financial measure should not be considered in isolation or as a substitute for analysis of our results of operations as reported under GAAP. Please refer to the Appendix located at the end of this presentation for a reconciliation of the non-GAAP financial measure to the most directly comparable GAAP financial measure.
Leading Technology-Driven Platform to Manage Healthcare Provider Revenue

**Revenue Cycle Platform for Leading Providers**

$1.3B
2020 Revenue

$40B+
NPR Under Management

**Large, Growing Addressable Market**

$110B¹
Acute & Ambulatory RCM Market

**Significant Growth**

>15%
Revenue CAGR, 2018-2020

>100%
Adj. EBITDA CAGR, 2018-2020

**Strong Visibility and High Margin**

>90%
Recurring Revenue

~30%
Long-Term Adj. EBITDA Margin

---

Note¹: CMS NHE Projections and R1 estimates

Note: Adjusted EBITDA is a non-GAAP measure, please refer to the Appendix for a reconciliation of non-GAAP financial measures
Transforming Revenue Performance Across Care Settings and Payment Models

All Care Settings
- Ambulatory
- Acute
- Post-Acute

All Revenue Cycle Phases
- Order to Intake
- Care to Claim
- Claim to Payment

All Payment Models
- Fee-for-service
- Patient Self-pay
- Value-based

Solutions address the full spectrum of needs and operations
### Compelling Value Proposition for All Healthcare Providers

<table>
<thead>
<tr>
<th>NEED</th>
<th>VALUE ADD</th>
<th>RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growing pressure to run</td>
<td>We plug into healthcare providers’ existing</td>
<td>▪ Higher patient satisfaction</td>
</tr>
<tr>
<td>revenue cycle more</td>
<td>IT systems</td>
<td>▪ Lower costs</td>
</tr>
<tr>
<td>efficiently</td>
<td></td>
<td>▪ Higher revenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Faster collections</td>
</tr>
</tbody>
</table>

---

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- Ascension
- AMITA Health™
- HMG Houston Medical Group
- Intermountain Healthcare
- LifePoint Health™
- Penn State Health
- Quorum Health
- Rush
Why We Win

R1 Infrastructure and Capabilities

Proprietary Technology  Experienced Talent  Performance Analytics  Global Shared Services  Proven Results

Flexible Engagement Models

Operating Partner  Co-Managed  Modular
Financial Outlook

Expect to add $4B in new end-to-end NPR under management in 2021

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<th>Medium-Term² Objectives</th>
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<td>315 – 330</td>
<td>Adjusted EBITDA Margin: ~25%</td>
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Note¹: 2021 guidance assumes patient volumes at 90-95% pre-COVID levels
Note²: Medium-term is defined as 3-5 years post-2021

Revenue is a non-GAAP measure, please refer to the Appendix for a reconciliation of non-GAAP financial measures.
Investment Highlights

1. Large and Growing Total Addressable Market

2. Leading Platform for Provider Revenue Management

3. Clear and Expanding Competitive Advantage

4. Significant Revenue Growth with High Visibility

5. Deploying Proven Playbook for Margin Expansion
Evolving Market Dynamics Driving Significant Opportunity

<table>
<thead>
<tr>
<th>Financial Pressure</th>
<th>Patient Experience</th>
<th>Increasing Complexity</th>
<th>Industry Consolidation</th>
<th>Capital Constraints</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declining reimbursement</td>
<td>Demands for consumer-friendly technology</td>
<td>Higher costs</td>
<td>Infrastructure not delivering scale advantages</td>
<td>Priority on clinical investments</td>
</tr>
<tr>
<td>Inflationary labor pressures</td>
<td></td>
<td>Fatigue with point solutions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Declining reimbursement
- Inflationary labor pressures
- Demands for consumer-friendly technology
- Higher costs
- Fatigue with point solutions
- Infrastructure not delivering scale advantages
- Priority on clinical investments
Large, High Growth and Underpenetrated RCM Market

**Total TAM is $110B**

- **Acute-Care**: $70B
- **Physician**: $40B

**Internal Spend**: ~$80B

> 70% of Spend Still Managed In-House

**External Spend**: ~$30B

**External Spend Growing >2x Internal Spend**

- **External Spend**
  - **Annual spend CAGR**: 12% projected through 2027
  - **2020**: ~$30B
  - **2027**: ~$66B

**External Spend Expected to Double by 2027**

R1 growing faster than the market at >15%

---

Note 1: CMS NHE Projections and R1 estimates

Note 2: Research and Markets Global Forecast to 2027, published March 2020

Note 3: Represents 2018A to 2020A revenue CAGR
Clear and Expanding Competitive Advantage

1. **Platform of Choice**
   - High Quality
   - Low Cost
   - Proven Results

2. **Comprehensive Automation**
   - RPA
   - Machine Learning
   - NLP

3. **Advanced Intelligent Patient Access Solution**
   - Patient Experience
   - Intake
   - Consumer Payments

4. **Enabling Providers to Power Value-Based Contracts**
   - Scale
   - Contract Visibility
   - Payment Model Flexibility

---

**Advanced Intelligent Patient Access Solution**

**RPA**  **Machine Learning**  **NLP**

**Patient Experience**  **Intake**  **Consumer Payments**

1. **Platform of Choice**
2. **Comprehensive Automation**
3. **Advanced Intelligent Patient Access Solution**
4. **Enabling Providers to Power Value-Based Contracts**
Leading Position to Extend Scale Advantage

Scale advantage = \( f \) (Proven operating system + Innovative technology + Global delivery + Performance analytics)
Market-Leading Platform to Manage Mission-Critical Process

R1 Platform

Order to Intake
- MD Order & Scheduling
- Pre-Reg./Financial Clearance

Care to Claim
- Quality & HCC Alerts
- Check-in/Arrival
- Charge Optimization
- Billing/Claims Processing

Claim to Payment
- Payment Posting
- Under-payments/Recovery
- Denials Mgmt./Follow Up
- Customer Service

R1 Infrastructure and Capabilities
- Proprietary Technology
- Experienced Talent
- Performance Analytics
- Global Shared Services
- Proven Results
# Comprehensive Automation of the Revenue Cycle

1. **Transformative Technology for R1; Built-for-Purpose Ecosystem**
   - Platform of expert rules, machine learning, OCR/NLP, RPA, and workflow orchestration expands automation opportunities
   - Strategic business partnerships with leading RPA platforms enables efficient scaling and hardens security

2. **Significant Investment Drives Scaled Execution Capability**
   - Invested $35M+ in Digitization since 2018
   - Center of Excellence with 120+ dedicated resources
   - Secure connections to 75+ Health IT systems
   - 100’s of Workflows Automated

3. **Significant Financial Impact**
   - Differentiated capability automating 40M tasks and the work of 1,200+ FTEs annually
   - $20M+ annual EBITDA contribution from current production routines demonstrates value
   - Integrated technology foundation fuels significant automation potential
Early Innings of Automation and Digitization

Automation Offerings

1. Robotic Process Automation (RPA)
   - Streamlines enterprise operations
   - Reduces cost

2. Digital Self-Service
   ▪ Digital issue resolution
   ▪ Digital customer service

3. Omni-Channel Communications
   ▪ Seamless brand experience
   ▪ Unified communications across channels

4. Natural Language Processing
   ▪ Machine learning
   ▪ Information-intensive processes

5. Cognitive Automation
   ▪ Machine translation, summarization
   ▪ Customer service ticket classification

6. Web Service Integration
   ▪ Communication and integration between devices
   ▪ Network-based
A Leading Intelligent Patient Experience Solution in the Market

Intuitive Scheduler
- Order & referrals integrated from the start
- Patients and providers book in real-time based on true capacity
- Built-in proprietary clinical & administrative rules & logic

Verify & Register
- Comprehensive pre-registration, financial clearance and counseling
- Automation for authorization, eligibility, & medical necessity
- Pre-service price estimation based on contract model

Check-In
- Contactless arrival
- Enabled on smart-phone, tablet, or kiosk
- Dynamic pre-service forms and surveys

Patient Payments
- Seamless payment and billing experience across settings of care
- Intuitive payment options that drive highest yield
- Vertically integrated consumer payment capability

Note 1: VisitPay transaction currently pending
VisitPay Overview: Enterprise Patient Payment Platform

**Personalized Communications and Financial Offers**
Built from data science and patient preference, spanning the entire revenue cycle

- Omni-channel digital and paper communications sent on a consistent billing cadence
- Frictionless payment options, including online, text-to-pay, staff-assisted, and IVR
- Intelligent and tailored payment plan offers optimized to simultaneously drive both satisfaction and yield

**Delivering a Step Change in Revenue Cycle Outcomes**

- Single solution from intake to back-end billing creates a unified experience for the patient and staff
- Consolidated household billing across all acute and ambulatory systems, with EOB displayed at visit level; HSA and other insurance information also presented
- Enterprise-class customer service portal, including real-time support via chat

**Patient Loyalty & Retention**

- Patient Net Promoter Score: +40%
- Patient Payments: +35%

**Patient Payment Yield**
**VisitPay Transaction Rationale**

<table>
<thead>
<tr>
<th>Enhances R1’s Value Proposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Addresses providers’ key pain points with proven track record of patient yield improvement</td>
</tr>
<tr>
<td>▪ Completes R1’s PX platform by expanding into patient financial experience</td>
</tr>
<tr>
<td>▪ Establishes leading position in consumer payments</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Advances Technology Roadmap</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Advances R1’s capabilities and increases control of technology architecture</td>
</tr>
<tr>
<td>▪ Curates broad and deep payments data for AI-based optimization</td>
</tr>
<tr>
<td>▪ Contributes innovative culture and high-performing team</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Significant Synergies</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Compelling opportunities from increased digital adoption and improved patient yield</td>
</tr>
<tr>
<td>▪ Potential for meaningful cross-sell into VisitPay customer base</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accretive to Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Accelerates revenue and EBITDA growth trajectory through additional high margin SaaS offering</td>
</tr>
</tbody>
</table>

*Note: VisitPay transaction currently pending*
Infrastructure Enabling Providers to Power Value-Based Contracts

Well-positioned to enable providers to take risk

**Current R1 Annual Stats**
- Appts scheduled &/or registered (>60M patients annually)
- Utilization Reviews (90k+ annually)
- Physician Charts Coded (15M+ annually)
- CDI Case reviews (93k+ annually)
- P4P Members Under Management (100k+)
- Scaled payments administration ($40B NPR)
- Value-Based Payments Managed ($1.7B)

**Relevance for Taking Risk**
- Preventive care metric compliance
- High-performance network development
- Site of service management
- Clinical quality data capture
- Risk-adjustment accuracy
- Health plan data reconciliation
- Revenue and member eligibility reconciliation
- Efficient and accurate claims administration

- Patient Engagement and Referral Management
- Clinical Documentation and Acuity Capture
- Revenue Integrity and Payment Administration
Value-Based Care Case Study

Highlights

Background:
- Replaced existing population health analytics vendor at provider already performing in top quartile for risk-adjustment capture rates and annual wellness visit

Actions:
- Implemented R1 Ambulatory CDI and R1 Patient Experience solutions
- Deployed vendor analytics with R1 workflow optimization

Impact:
- Increased HCC suspect & recapture by > 40%
- Generated ~$5M in incremental revenue for provider (P4P bonuses and VBC contract adjustments)

100+ Physician Multi-Specialty Practice

<table>
<thead>
<tr>
<th>Metric</th>
<th>Baseline</th>
<th>Results</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCC Recapture (Reported in Prior Year)</td>
<td>68%</td>
<td>98%</td>
<td>(+)44%</td>
</tr>
<tr>
<td>New HCC Capture (Suspect Conditions)</td>
<td>62%</td>
<td>89%</td>
<td>(+)43%</td>
</tr>
<tr>
<td>Annual Wellness Visit (Share of Members)</td>
<td>73%</td>
<td>86%</td>
<td>(+)17%</td>
</tr>
<tr>
<td>Unaddressed Gaps in Care (Share of Identified Gaps)</td>
<td>39%</td>
<td>18%</td>
<td>(-)54%</td>
</tr>
</tbody>
</table>

Meaningful improvements to an already high-performing medical group
Multiple Growth and Profit Drivers

- Onboard and optimize contracted business
- Drive digitization and automation
- Implement new commercial wins
- Execute targeted M&A
Onboard and Optimize Contracted Wins

Midpoint of adjusted EBITDA contribution margin depending on contracting model:
- Launch Phase 0-12 Months: -20% to -16%
- Margin-ramp 12-36 Months: 17% to 28%
- Steady State Margin 36+ Months: 30% to 45%

Note1: $700M NPR End-to-End Operating Partner Physician Group signed in Q3 2019

$16.5B NPR in margin-ramp phase exiting 2021
# Mednax Enterprise Revenue Cycle Management Partnership

## National Medical Group
- Specializing in Prenatal, Neonatal and Pediatric Services
- **$1.5B** Net Patient Revenue
- **39** States + Puerto Rico
- **>2,300** Physicians

## Relationship
- End-to-end Operating Partner relationship, won via a competitive process
- R1 will be the primary provider of enterprise revenue cycle management services for Mednax
- R1 technology to be deployed across Mednax Facilities to drive operational and financial performance
- Expands R1’s presence in high-growth pediatric and obstetrics care specialties

## Key R1 Differentiators

<table>
<thead>
<tr>
<th>Performance</th>
<th>Standardization</th>
<th>Automation</th>
<th>Efficiency</th>
<th>Patient Experience</th>
</tr>
</thead>
</table>

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Opportunity to Convert New Commercial Wins to Comprehensive R1 Solution

2021 Commercial Focus Areas

- Continued Sales Execution to Convert End-to-End Pipeline
- Aggressive Market Launch of PX Offering Following 2020 Commercial Wins
- Cross Sell into Installed Base via Expanded Commercial Leadership Roles

Cross-Sell Opportunities with New Commercial Wins

Installed Base Not Utilizing Our Full Suite of Services:

- PAS Installed Base: $92B
- SCI Installed Base: $88B
- Cerner Partnership: $77B
- RevWorks Base: $28B

Targeting 10-12% Growth in End-to-End NPR Under Management Over the Next 3-5 Years
Technology Innovation Drives Margin Expansion

Proven Levers...

Robotic Process Automation (RPA)

Patient Experience (PX) & Payments

Cognitive and Machine Learning (ML)

...Driving Significant EBITDA...

<table>
<thead>
<tr>
<th>Transformation Measures</th>
<th>2020</th>
<th>2022E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA Contribution</td>
<td>~$20M</td>
<td>~$40M</td>
</tr>
<tr>
<td>Tasks Automated</td>
<td>&gt;30M</td>
<td>&gt;60M</td>
</tr>
<tr>
<td>Machine Learning Models</td>
<td>4</td>
<td>&gt;25</td>
</tr>
<tr>
<td>PX Locations Deployed</td>
<td>&gt;300</td>
<td>&gt;600</td>
</tr>
<tr>
<td>Digital Self-Service Tasks</td>
<td>&gt;12M</td>
<td>&gt;30M</td>
</tr>
</tbody>
</table>

...with Runway to Expand

~$20M to ~$40M

~500M Manual Tasks

125M Tasks Assessed

40M in Process Map

40M in Development

45M in Production

40M in Production

~20M in Development

~10M in Development

~4M in Development

~4M in Development

~1M in Development

~1M in Development

~1M in Development

~1M in Development
Target Strategic M&A with Significant Synergy Opportunity

M&A History

- intermedix
  - Feb 2018
- SCI SOLUTIONS
  - Jan 2020
- tonic
  - June 2020
- Cerner RevWorks
  - June 2020
- visitpay
  - May 2021

Strategic Fit

- Physician RCM
- Digitized Scheduling and Referral Management
- Patient Intake
- Scale Consolidation / Partnership Channel
- Patient Payments

Scaled Platform for Synergy Realization

Opportunity for Outsized Synergies Within $40B+ NPR

M&A is a core competency and key to R1’s growth strategy

Note 1: VisitPay transaction currently pending
Delivering High Revenue Growth and Visibility

Revenue ($M)

- 2018: $869
- 2019: $1,186
- 2020: $1,271

>15% CAGR

Recurring Revenue (%)

- >90% Recurring Revenue with weighted average contract life of 9.0 years for end-to-end contracts

Note: As of 5/4/2021
Track Record of EBITDA Growth and Margin Expansion

Adj. EBITDA ($M)

- 2018: $57
- 2019: $168
- 2020: $240

>100% CAGR

Adj. EBITDA Margin

- 2018: 6.6%
- 2019: 14.2%
- 2020: 18.9%

+1,200 BPS
Strong Performance Continues into 2021

Revenue ($M)

- Q1 2020: $321
- Q1 2021: $342

Recurring Revenue (%)

- Q1 2020: 19.2%
- Q1 2021: 24.0%

Note 1: Reflects impact of lower volumes due to Covid

Adj. EBITDA ($M)

- Q1 2020: $62
- Q1 2021: $80

Adj. EBITDA Margin

- Q1 2020: 31%
- Q1 2021: 23.5%
Technology Investment Driving Significant Margin Growth

Investment Corresponds to Significant Margin Growth

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>Future Objectives¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>~10%</td>
<td>~20%</td>
</tr>
<tr>
<td>Labor and related</td>
<td>~62%</td>
<td>&lt;45%</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>~7%</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>Adjusted EBITDA margin</td>
<td>~19%</td>
<td>&gt;30%</td>
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Note¹: Long term (5+ year) objective reflecting impact of digitization and automation
## Financial Outlook

### $M 2021

<p>| | |</p>
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### Medium-Term<sup>2</sup> Objectives

- Annual growth in end-to-end NPR under management: 10-12%
- Annual adjusted EBITDA Growth: 12-15%
- Adjusted EBITDA Margin: ~25%

Note<sup>1</sup>: 2021 guidance assumes patient volumes at 90-95% pre-COVID levels
Note<sup>2</sup>: Medium-term is defined as 3-5 years post-2021

---

*Expect to add $4B in new end-to-end NPR under management in 2021*

Note: Adjusted EBITDA is a non-GAAP measure, please refer to the Appendix for a reconciliation of non-GAAP financial measures
Strong Balance Sheet and Streamlined Capital Structure

**Strong Balance Sheet Position**

- Announced intention to refinance existing senior credit facilities to improve pricing and flexibility

  **Pro Forma Net Debt**: $744M

  **LTM Adj. EBITDA**: $259M

  **Net Leverage**: <2.9x

**Optimized Capital Structure**

- In January 2021, R1 executed an agreement to convert all of its Series A Convertible Preferred Stock into common stock
  - Enhanced alignment among shareholders
  - Improved cost of capital
  - Simplified capital structure
  - Improved share liquidity

---

**Note**: Assumes $300M in incremental debt for VisitPay and balance sheet data as of 3/31/21. Net debt is defined as gross debt less cash and cash equivalents. Net leverage is defined as Net debt divided by Adjusted EBITDA for the last twelve months.
Investment Highlights

1. Large and Growing Total Addressable Market
2. Leading Platform for Provider Revenue Management
3. Clear and Expanding Competitive Advantage
4. Significant Revenue Growth with High Visibility
5. Deploying Proven Playbook for Margin Expansion
## Flexible Contracts Have Embedded Growth and Margin Expansion

### Commentary

**Operating Partner**
- R1 manages end-to-end RCM capabilities
- Requires extensive infrastructure to execute
- Greatest Revenue opportunity, high growth potential (+22% CAGR)
- Highest EBITDA contribution

**Co-Managed**
- R1 and client team manage end-to-end RCM capabilities together
- Less extensive infrastructure on relative basis
- Greatest Revenue growth potential (+59% CAGR)
- Highest EBITDA margin expansion potential

**Modular**
- R1 provides a la carte solutions for RCM and patient engagement
- Requires least amount of initial investment
- EBITDA positive Year 1
- Highest EBITDA margin opportunity

### Illustrative Economics ($M)

<table>
<thead>
<tr>
<th>Engagement Type</th>
<th>Commentary</th>
<th>Year 1</th>
<th>Year 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Partner</td>
<td>R1 manages end-to-end RCM capabilities</td>
<td>70-80</td>
<td>120-150</td>
</tr>
<tr>
<td></td>
<td>Requires extensive infrastructure to execute</td>
<td>35-45</td>
<td>(12)</td>
</tr>
<tr>
<td></td>
<td>Greatest Revenue opportunity, high growth potential (+22% CAGR)</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Highest EBITDA contribution</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Co-Managed | R1 and client team manage end-to-end RCM capabilities together | 5-15 | 30-50 |
|           | Less extensive infrastructure on relative basis | 15-20 | (2) |
|           | Greatest Revenue growth potential (+59% CAGR) | | |
|           | Highest EBITDA margin expansion potential | | |

| Modular | R1 provides a la carte solutions for RCM and patient engagement | 10-20 | 10-20 |
|         | Requires least amount of initial investment | 3-12 | 3-12 |
|         | EBITDA positive Year 1 | | |
|         | Highest EBITDA margin opportunity | | |

### Note

1. Illustrative Revenue and EBITDA Contribution Based on sample $3B NPR client
2. Pre-SG&A
3. Based on midpoint of range

---

**Various engagement models provide optionality for clients**
# Financial Model for Operating Partner Model

## Illustrative Contribution from $3B NPR Customer

### Launch

**0-12 Months**
- Deploy transition resources
- Perform financial assessment
- Invest in infrastructure
- Implement technology

<table>
<thead>
<tr>
<th>Financial Impact – $M</th>
<th>Mid-Point of Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>75</td>
</tr>
<tr>
<td>Adj. EBITDA contribution</td>
<td>(12)</td>
</tr>
<tr>
<td>Adj. EBITDA contribution %</td>
<td>(16%)</td>
</tr>
</tbody>
</table>

### Growth

**12-36 Months**
- Finalize employee transitions
- Transfers to Shared Services
- Complete standardization
- Steady state org structure

<table>
<thead>
<tr>
<th>Financial Impact – $M</th>
<th>Mid-Point of Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>120</td>
</tr>
<tr>
<td>Adj. EBITDA contribution</td>
<td>20</td>
</tr>
<tr>
<td>Adj. EBITDA contribution %</td>
<td>17%</td>
</tr>
</tbody>
</table>

### Steady State

**36+ Months**
- Continuous optimization:
  - KPI metric improvement
  - Technology advancement
  - Productivity improvement

<table>
<thead>
<tr>
<th>Financial Impact – $M</th>
<th>Mid-Point of Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>135</td>
</tr>
<tr>
<td>Adj. EBITDA contribution</td>
<td>40</td>
</tr>
<tr>
<td>Adj. EBITDA contribution %</td>
<td>30%</td>
</tr>
</tbody>
</table>
Financial Model for Co-Managed Partner Model
Illustrative Contribution from $3B NPR Customer

<table>
<thead>
<tr>
<th>Launch 0-12 Months</th>
<th>Growth 12-36 Months</th>
<th>Steady State 36+ Months</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Impact – $M</strong></td>
<td><strong>Mid-Point of Range</strong></td>
<td><strong>Financial Impact – $M</strong></td>
</tr>
<tr>
<td>Revenue</td>
<td>10</td>
<td>Revenue</td>
</tr>
<tr>
<td>Adj. EBITDA contribution</td>
<td>(2)</td>
<td>Adj. EBITDA contribution</td>
</tr>
<tr>
<td>Adj. EBITDA contribution %</td>
<td>(20%)</td>
<td>Adj. EBITDA contribution %</td>
</tr>
</tbody>
</table>

- **Launch**
  - Deploy transition resources
  - Perform financial assessment
  - Invest in infrastructure
  - Implement technology

- **Growth**
  - Complete standardization
  - Workflow optimization
  - Rationalize third-party vendors

- **Steady State**
  - Continuous optimization:
    - KPI metric improvement
    - Technology advancement
    - Productivity improvement
On January 15, 2021, R1 completed an agreement to convert the preferred stock held by Ascension and TowerBrook to common stock.

As part of the agreement, the holders received:

- 139.3 million common shares
- A one-time cash payment of $105 million, funded with cash from balance sheet

### Capital Structure Normalization

#### Pre-Transaction

<table>
<thead>
<tr>
<th>Description</th>
<th>Pre-Transaction</th>
<th>Post-Transaction (1/15/21)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Common Shares Outstanding</td>
<td>121.1</td>
<td>121.1</td>
</tr>
<tr>
<td>&quot;As Converted&quot; Preferred Stock to Common Shares</td>
<td>117.7</td>
<td>139.3</td>
</tr>
<tr>
<td>Total Common Shares Outstanding, inclusive of “As Converted” Preferred Stock</td>
<td>238.8</td>
<td>260.4</td>
</tr>
<tr>
<td>Future PIK Dividends (“As Converted” to Common Shares)</td>
<td>21.6</td>
<td>-</td>
</tr>
<tr>
<td>Total Adjusted Basic Shares Outstanding</td>
<td>260.4</td>
<td>260.4</td>
</tr>
</tbody>
</table>

Note: 261.6 million basic shares outstanding as of April 27, 2021. 54% Ascension and TowerBrook ownership of R1’s outstanding shares of common stock, referenced in the press release dated on 1/6/2021, excludes the dilutive effect of the warrants Ascension and TowerBrook hold through the joint investment vehicle (representing the right to purchase 60 million shares of common stock at $3.50 per share), warrants held by Intermountain Healthcare (representing the right to purchase 1.5 million shares at $6.00 per share), and any employee stock options and awards.

Note 1: Reflects share amounts Ascension and TowerBrook, through the joint investment vehicle, would have been entitled to pursuant to the existing terms of the Preferred Stock.
Use of Non-GAAP Financial Measures

- In order to provide a more comprehensive understanding of the information used by R1’s management team in financial and operational decision making, the Company supplements its GAAP consolidated financial statements with certain non-GAAP financial performance measures, including adjusted EBITDA. Adjusted EBITDA is defined as GAAP net income before net interest income/expense, income tax provision/benefit, depreciation and amortization expense, share-based compensation expense, expense arising from debt extinguishment, strategic initiatives costs, transitioned employee restructuring expense, and certain other items.

- Our board of directors and management team use adjusted EBITDA as (i) one of the primary methods for planning and forecasting overall expectations and for evaluating actual results against such expectations and (ii) a performance evaluation metric in determining achievement of certain executive incentive compensation programs, as well as for incentive compensation programs for employees.

- A reconciliation of GAAP net income to Adjusted EBITDA and GAAP operating income guidance to non-GAAP adjusted EBITDA guidance is provided below. Adjusted EBITDA should be considered in addition to, but not as a substitute for, the information presented in accordance with GAAP.

### Reconciliation of GAAP Operating Income Guidance to Non-GAAP Adjusted EBITDA Guidance

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Operating Income Guidance</td>
<td>$135-155</td>
</tr>
<tr>
<td>Plus:</td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization expense</td>
<td>$70-80</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>$55-60</td>
</tr>
<tr>
<td>Strategic initiatives, severance and other costs</td>
<td>$50-55</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA Guidance</strong></td>
<td><strong>$315-330</strong></td>
</tr>
</tbody>
</table>

### Reconciliation of GAAP Net Income to Adjusted EBITDA

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>(45.3)</td>
<td>12.0</td>
<td>117.1</td>
</tr>
<tr>
<td>Net interest expense</td>
<td>26.3</td>
<td>29.1</td>
<td>17.3</td>
</tr>
<tr>
<td>Income tax provision (benefit)</td>
<td>(11.4)</td>
<td>(2.2)</td>
<td>1.3</td>
</tr>
<tr>
<td>D&amp;A expense</td>
<td>38.8</td>
<td>55.7</td>
<td>68.7</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>18.2</td>
<td>18.4</td>
<td>24.0</td>
</tr>
<tr>
<td>Gain on business disposition</td>
<td></td>
<td></td>
<td>(55.7)</td>
</tr>
<tr>
<td>Loss on debt extinguishment</td>
<td>30.4</td>
<td></td>
<td>18.8</td>
</tr>
<tr>
<td>Other¹</td>
<td>36.2</td>
<td>67.3</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td><strong>$57.0</strong></td>
<td><strong>$168.0</strong></td>
<td><strong>$240.0</strong></td>
</tr>
</tbody>
</table>

1. Other consists of severance and related employee benefits, strategic initiatives, transitioned employees restructuring expense, digital transformation office, facility-exit charges and other expenses.