Allscripts Healthcare Solutions

Investor Update, March 3, 2022
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Announcement

• Yesterday we announced that we have reached agreement to sell the net assets of our Hospitals & Large Physician Practices business segment to Harris Health, a subsidiary of Constellation Software Inc. (TSE: CSU)

• The Hospitals & Large Physician Practices business segment includes the Company’s Sunrise, Paragon, Touchworks, Opal, dbMotion, STAR and Healthquest solutions.

• The transaction does not include any of the assets from the Veradigm business segment

• Purchase consideration of up to $700M, consisting of a fixed price of $670M paid at closing plus contingent consideration up to $30M based on revenue performance from business segment during the two years following transaction closing
Why We Entered Into This Transaction

• Increasing Divergence in Momentum Between Our Business Segments
  – Hospitals and Large Physician Practices Segment expected to shrink for the 3\textsuperscript{rd} year in a row in 2022
  – Veradigm Segment growing 6-7\% organically with strong competitive positioning
  – Increasingly difficult to manage effectively under one corporate structure with shared services functions

• Focus
  – Both business segments operate in intensely competitive markets and require flawless execution to deliver value
  – Separation allows for enhanced focus on priorities and enhanced accountability for results

• Unlock Value
  – Have persistently traded at a discount to peers
  – Another step in two-year journey separating the pieces of the Company toward maximizing value of the whole
  – Strategic Optionality enhanced
Business Segment Performance

• Through 12/31/21 TTM revenue for the business segment was $928M and TTM adjusted EBITDA was $145M (see earnings press release filed 2/24/22 for reconciliation of reported adjusted EBITDA)

• Management expectations for the business segment in 2022:
  – revenue for the business segment to be down approximately 3-4% year-over-year;
  – adjusted EBITDA to be down approximately 10-15% year-over-year;
  – estimated to generate approximately $50-60M in free cash flow
Use of Proceeds

• Net of deal related transaction costs, after-tax proceeds are expected to approximate $600 million

• Proceeds will be used to support continued share repurchases, as well as strategic M&A for the remaining Veradigm business
Veradigm Refresher
Veradigm Value Drivers

Uniquely positioned to drive improved outcomes at lower costs

DATA & INSIGHTS
- Proprietary & Partner Ambulatory Clinical data across Primary & Specialty Care
- ~70M patients with Linked Clinical/Claims
- Specialty Patient Registries

CONNECTIVITY
- Clinical Workflows
- Closing gaps in care
- Bi-directional Messaging
- Patient Engagement/Recruitment

FOOTPRINT
- Partnering with over 300,000 medical professionals + a large electronic prescribing market
Veradigm Footprint Provides Sustainable Advantage

By the Numbers

331,000
Physicians aggregated, covering specialties in all 50 states

180,000,000
Patients records with real-time feeds

1+ Billion
Prescriptions

70,000,000+
Linked EHR claims (Patients)

5+ billion
Lab results

Value-Based Care Driving Market Convergence
= Increased Value of Veradigm Footprint

LIFE SCIENCES
Point-of-care advertising; Real-world data & Evidence; Clinical study facilitation

PAYERS
Provider business facilitator; National Payer network compliance and Regional Payer quality and risk through trusted analytics

PATIENTS
Supporting patients from the Point-of-Care to their Everyday Life navigating the complex health care ecosystem

PROVIDERS
Full suite of Clinical, Financial, Patient Engagement and Admin solutions across Scaled National Provider Network

Veradigm Network
Bringing An Unmatched Provider Base to Large Market Opportunities Across Payer & Life Sciences

--- PROVIDERS ---

$19B  Health Plan Analytics and Services

--- LIFE SCIENCES ---

$5B  Life Sciences Data & Analytics
     Descriptive, predictive and prescriptive

$4B  Life Sciences Digital Advertising

--- PAYERS ---

$11B  Clinical Research

$4B  Clinical Data Exchange

$9B  Specialty Medication Management

Set Up For Long-Term Growth
Diversified customer base across healthcare ecosystem

**BIOPHARMA**
- Roche
- MYOKARDIA
- Seqirus
- Lilly
- Allergan
- Takeda
- Genentech
- AstraZeneca
- teva
- Janssen

**HEALTH PLANS AND PAYERS**
- OPTUM
- UnitedHealthcare
- Anthem
- CareSource
- CVS Health
- Express Scripts
- Humana
- EmblemHealth

**HCIT**
- ciox
- surescripts
- covermymeds
- nextgen
- Henry Schein
- inovalon
- connective

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Veradigm Financial Profile

- Payer & Life Sciences Revenue Expected to Grow 20-25%
- Provider Revenue Expected to Grow 3-4%

❖ Overall Revenue expected to grow 6-7% in 2022
❖ Gross Margin of 51% and Adjusted EBITDA margin of 27% in 2021 both expected to expand in 2022
Revised Outlook for 2022
Outlook and Timing

• As a result of the transaction, we are withdrawing the guidance we provided in our February 24, 2022 Outlook and replacing it with the following:
  
  – We expect Veradigm revenue to grow year-over-year in a range of 6% to 7%
  – We expect Veradigm adjusted EBITDA to grow year-over-year in a range of 10% to 15%
  – We expect free cash flow from continuing operations to be in a range of $110 million to $120 million

• Transaction is subject to HSR review and customary closing conditions but is expected to close in the 2nd quarter of 2022