



## Q4 and Full Year 2021 Results

*Nasdaq Global Market: MTBC, MTBCP, MTBCO*

# Safe Harbor Statements

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements relate to anticipated future events, future results of operations or future financial performance. In some cases, you can identify forward-looking statements by terminology such as “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “goals”, “intend”, “likely”, “may”, “might”, “plan”, “potential”, “predict”, “project”, “should”, “will” or the negative of these terms or other comparable terminology.

Our operations involve risks and uncertainties, many of which are outside our control, and any one of which, or a combination of which, could materially affect our results of operations and whether the forward-looking statements ultimately prove to be correct. Forward-looking statements in this presentation include, without limitation, statements reflecting management’s expectations for future financial performance and operating expenditures, including our ability to continue as a going concern, to raise additional capital and to succeed in our future operations, expected growth, profitability and business outlook, increased sales and marketing expenses, and the expected results from the integration of our acquisitions.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are only current predictions and subject to substantial known and unknown risks, uncertainties, and other factors which may cause our (or our industry’s) actual results, levels of activity or performance to be materially different from those anticipated by such statements. These factors include our ability to:

- Manage our growth, including acquiring, partnering with, and effectively integrating acquired businesses into our infrastructure and avoiding legal exposure and liabilities associated with acquired companies and assets;
- Retain our clients and revenue levels, including effectively migrating new clients and maintaining or growing the revenue levels of our new and existing clients;
- Maintain operations in Pakistan and Sri Lanka in a manner that continues to enable us to offer competitively priced products and services;
- Keep pace with a rapidly changing healthcare industry;
- Consistently achieve and maintain compliance with a myriad of federal, state, foreign, local, payor and industry requirements, regulations, rules, laws and contracts;
- Maintain and protect the privacy of confidential and protected Company, client and patient information;
- Develop new technologies, upgrade and adapt legacy and acquired technologies to work with evolving industry standards and third-party software platforms and technologies, and protect and enforce all of these and other intellectual property rights;
- Attract and retain key officers and employees, and the continued involvement of Mahmud Haq as Executive Chairman and A. Hadi Chaudhry as Chief Executive Officer, all of which are critical to our ongoing operations, growing our business and integrating of our newly acquired businesses;
- Comply with covenants contained in our credit agreement with our senior secured lender, Silicon Valley Bank and other future debt facilities;
- Pay our monthly preferred dividends to the holders of our Series A Preferred Stock;
- Compete with other companies developing products and selling services competitive with ours, and who may have greater resources and name recognition than we have;
- Respond to the uncertainty resulting from the recent spread of the COVID-19 pandemic and the impact it may have on our operations, the demand for our services, and economic activity in general; and
- Keep and increase market acceptance of our products and services.

Although we believe that the expectations reflected in the forward-looking statements contained in this presentation are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements.

In our earnings releases, prepared remarks, conference calls, slide presentations, and webcasts, we may use or discuss non-GAAP financial measures, as defined by SEC Regulation G. The GAAP financial measure most directly comparable to each non-GAAP financial measure used or discussed, and a reconciliation of the differences between each non-GAAP financial measure and the comparable GAAP financial measure, are included in the Appendix to this presentation. Our earnings press releases containing such non-GAAP reconciliations can be found in the Investor Relations section of our web site at [ir.carecloud.com](http://ir.carecloud.com).

The statements in this presentation are made as of the date of this presentation, and the Company does not assume any obligations to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

# Hosts for CareCloud Fourth Quarter 2021 Earnings Call

Mahmud Haq	Executive Chairman
A. Hadi Chaudhry	CEO and President
Bill Korn	Chief Financial Officer
Kim Blanche	General Counsel



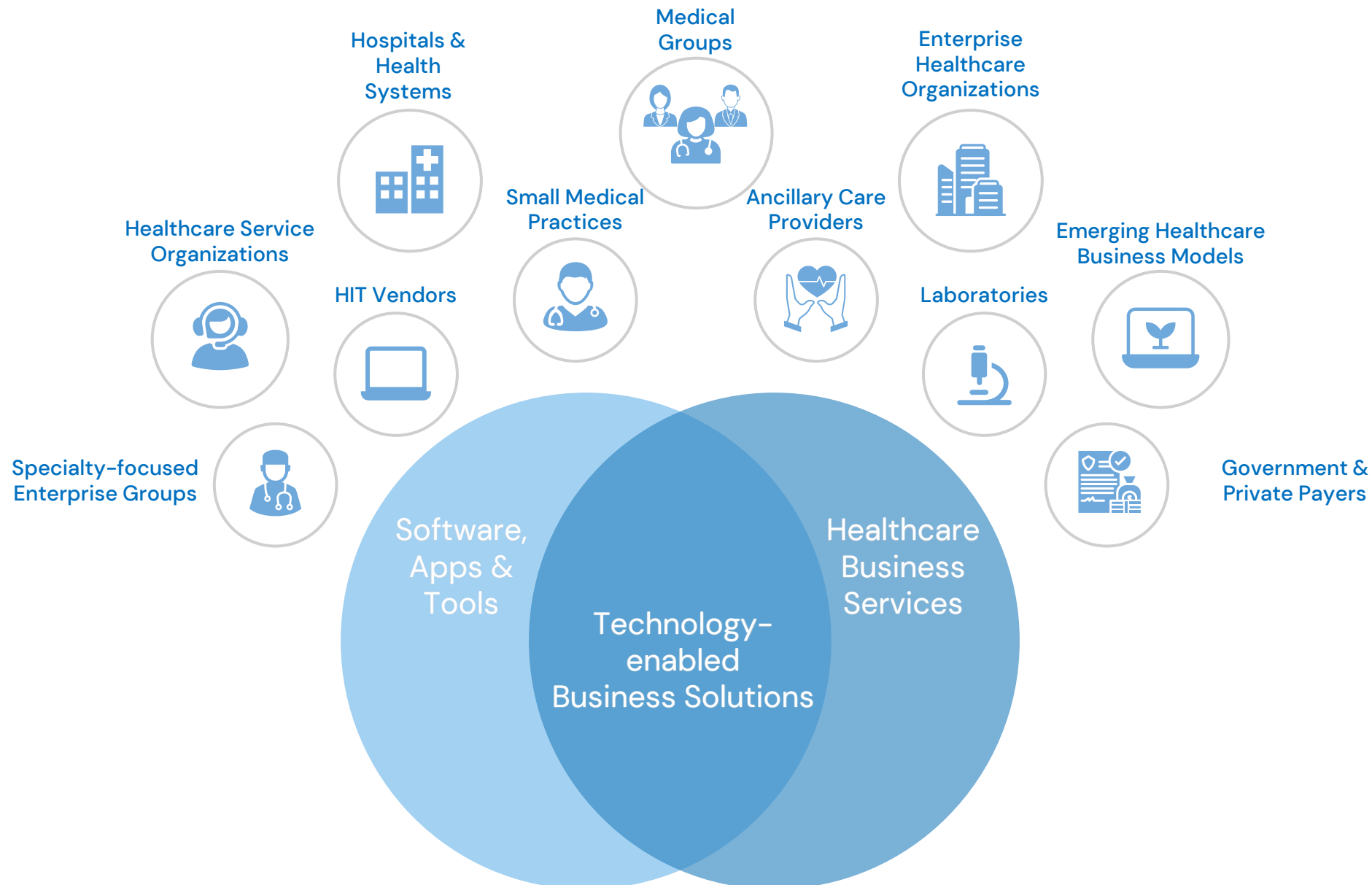
**Hadi Chaudhry**  
CEO and President



# A Comprehensive Suite of Cloud-Based Solutions and Business Services



# Enabling a Broad Spectrum of Clients and Partners



# A Multi-faceted Growth Strategy



## Organic Growth

Focused effort on growing market share by bringing on net new customers

Dedicated sales teams across market segments

Sales initiatives on cross-selling to drive expanding share-of-wallet



## Acquisitions

Acquire revenue cycle management (“RCM”) companies and complementary businesses

Leverage efficiency and lower costs to grow adjusted EBITDA



## Partnerships

Turn smaller competitors into customers

Leverage CareCloud’s technology and/or on-demand workforce capabilities

Channel partner strategy to resell our software and services

# What Makes Our Business Compelling

## Business Model

Combination of software and services offerings

Customers switching costs are considerable

Employed global workforce

Disciplined operating methodology

Larger ACV per customer

Higher client retention

Favorable cost basis and capabilities for operational scale

Strong profitability

## Depth & Breadth of Solutions

Broad range of proprietary SaaS offerings

Comprehensive technology-enabled services

Large software development organization

Ability to serve multiple customer segments

Tailored solutions for a wide-array of customer requirements

Enables innovation and speed to market

## Industry

Vast addressable market with legacy competitors

Government regulations becoming more stringent

Large fragmentation of HIT ecosystem players

Industry consolidation

Provides larger growth potential

Higher barrier to entry

Extensive acquisition targets

Provides diversity of strategic opportunities





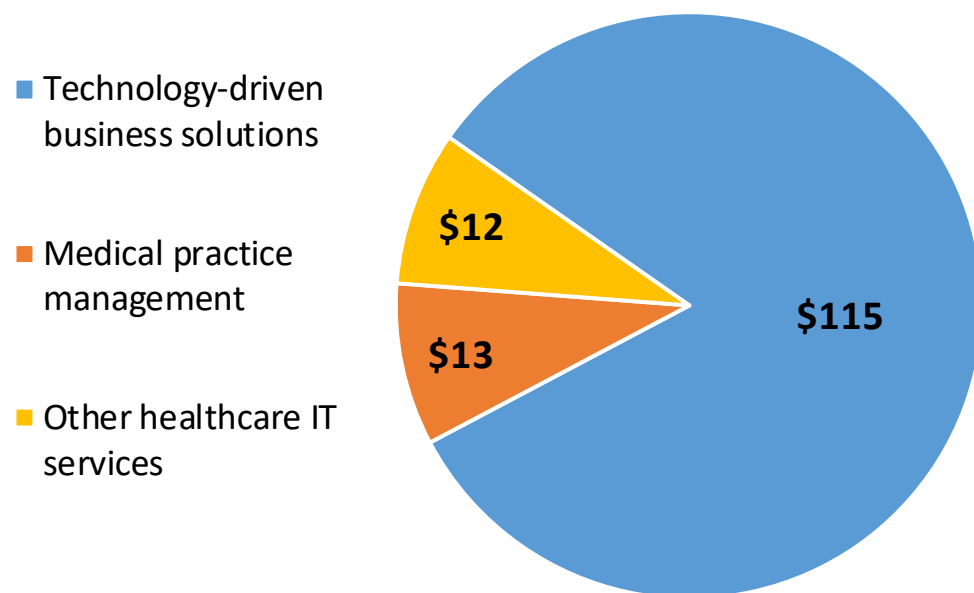
**Bill Korn**  
Chief Financial Officer



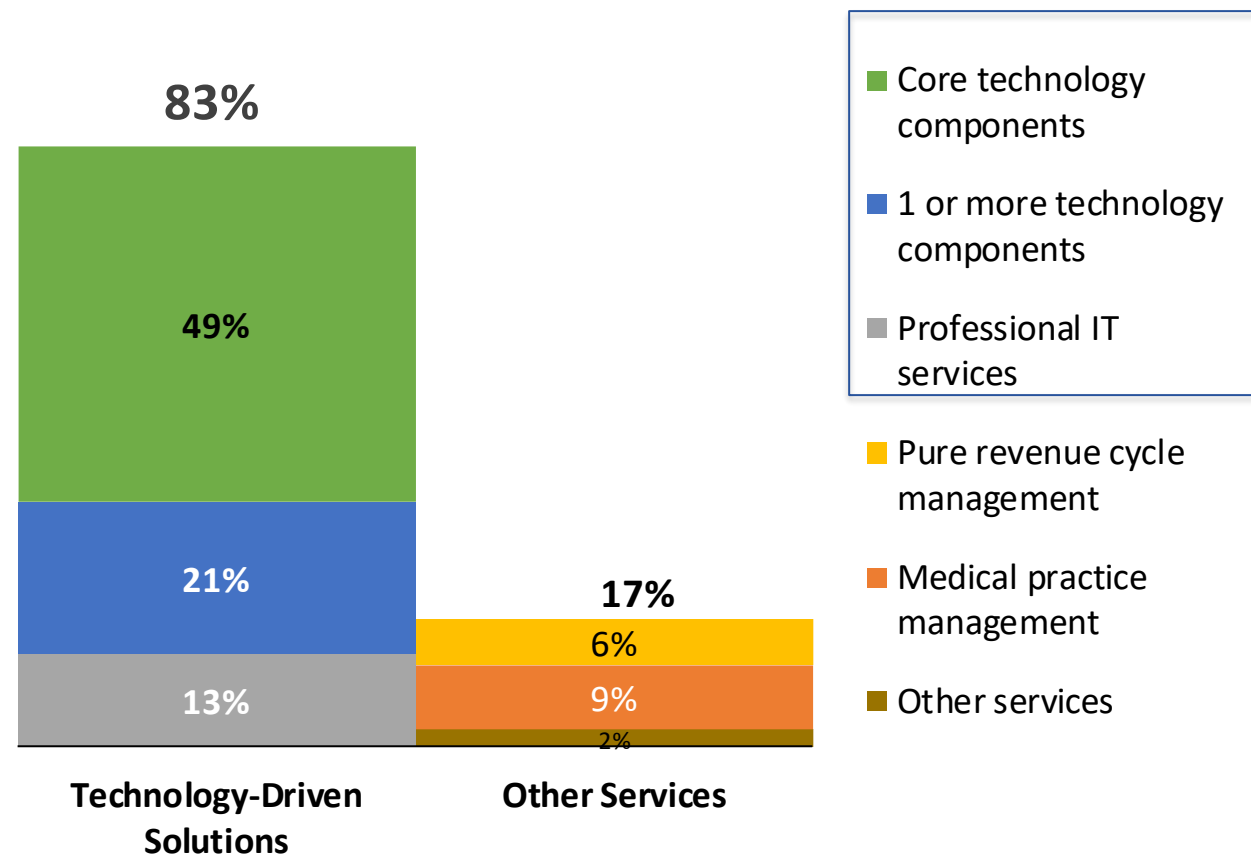
# Technology-Enabled Business Solutions

(\$ in millions)

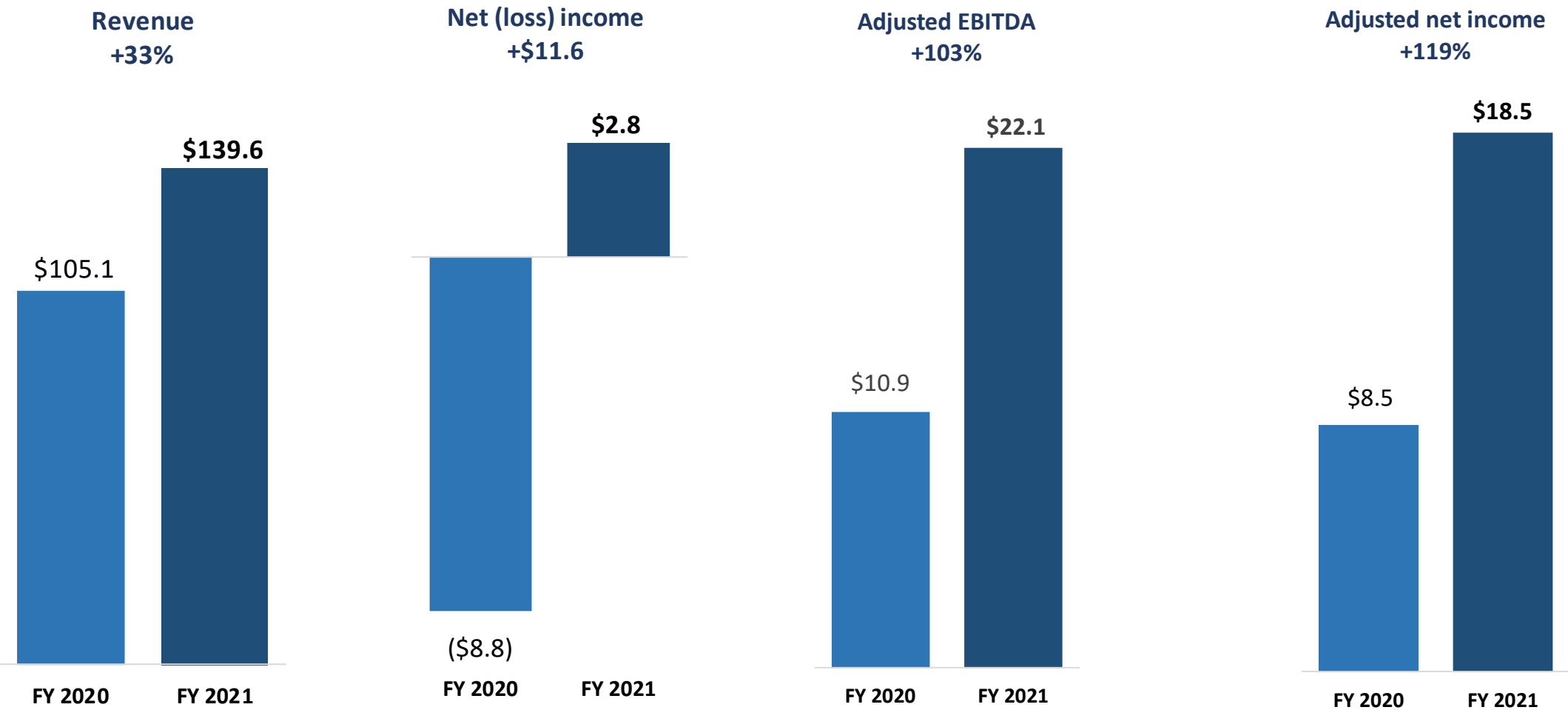
## FY 2021 Revenues



## 2021 revenue from clients utilizing:



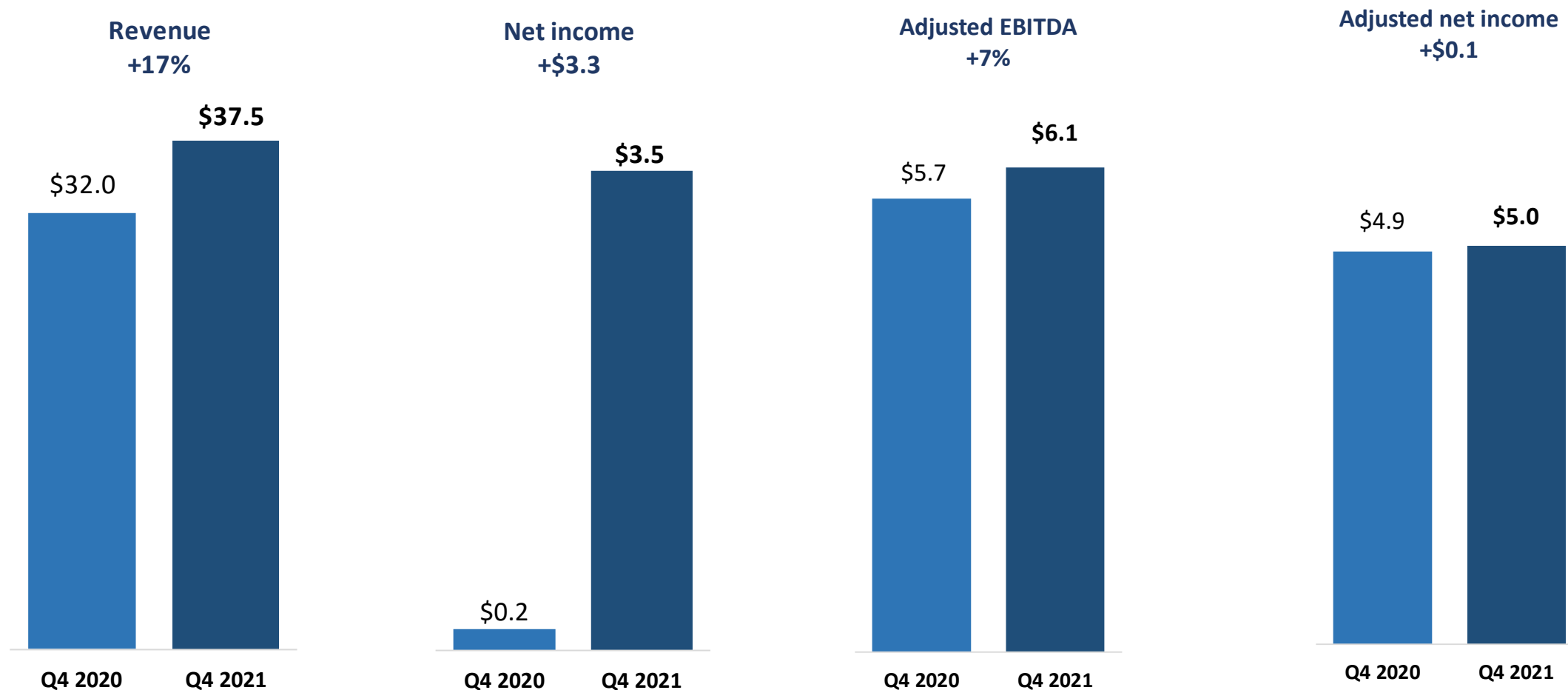
# 2021 Highlights



(\$ in millions. Percent change reflects 2020 to 2021)

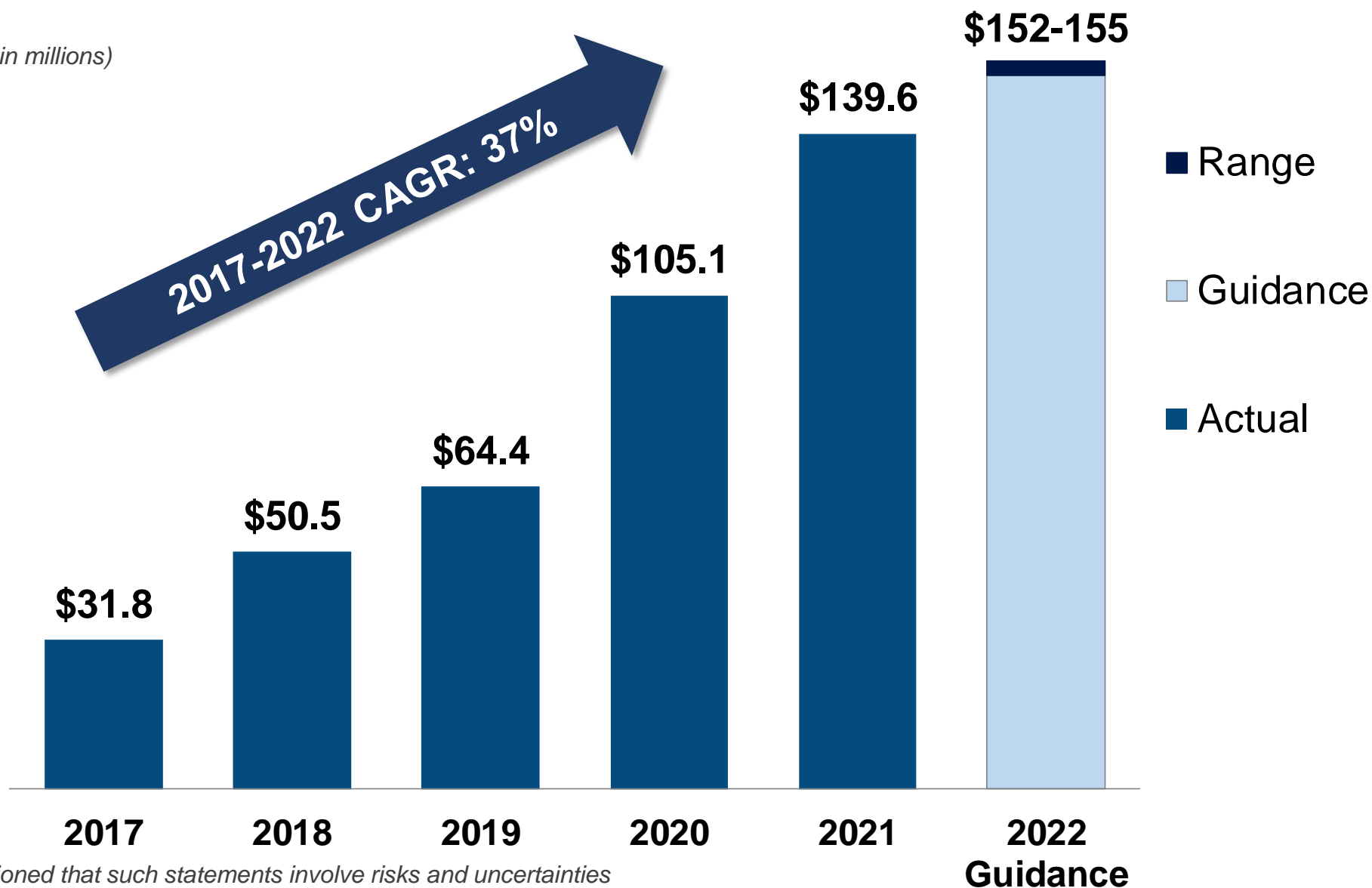
See reconciliations of non-GAAP results in the Appendix

# Q4 2021 Highlights



# Revenue Growth 2017 – 2021 plus 2022 Guidance

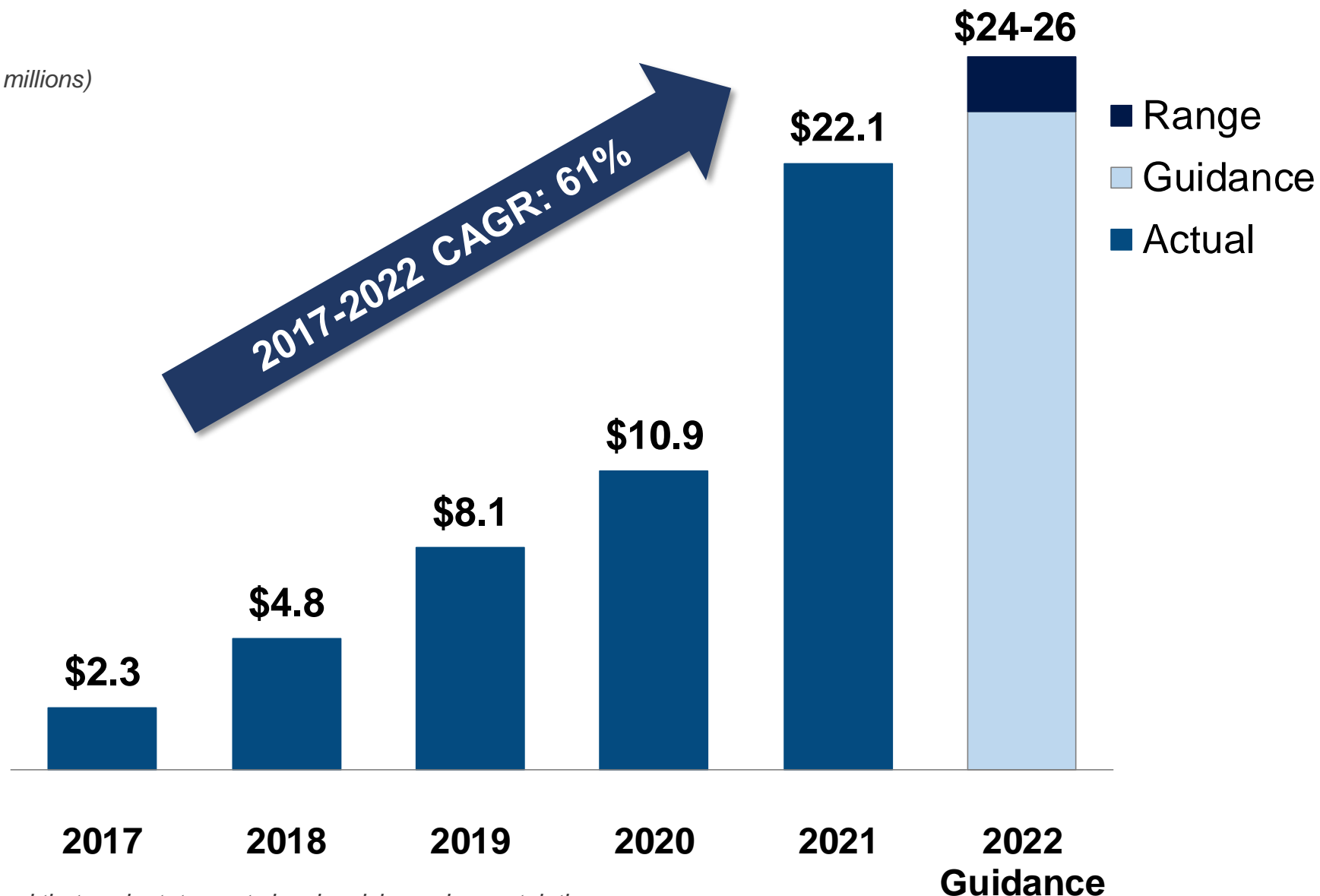
(\$ in millions)



Investors are cautioned that such statements involve risks and uncertainties that could cause actual results to differ materially from anticipated results

# Adjusted EBITDA Growth 2017 – 2021 plus 2022 Guidance

(\$ in millions)



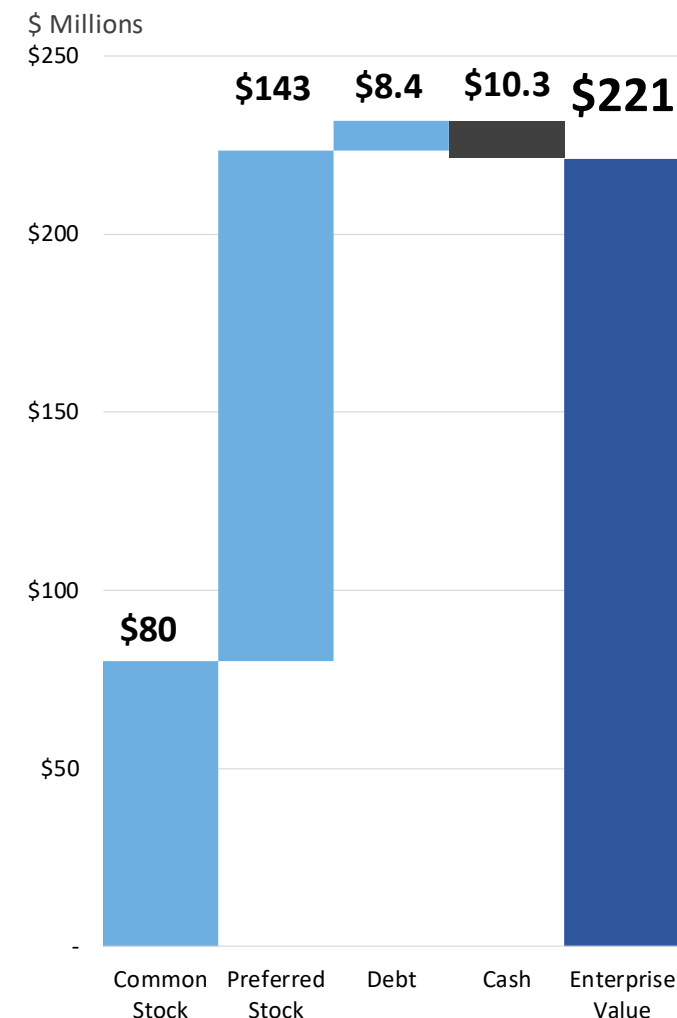
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See reconciliations of non-GAAP results in the Appendix

# Capitalization as of March 1, 2022

	Common Stock	Series A Preferred Stock	Series B Preferred Stock
Exchange / Ticker	Nasdaq: MTBC	Nasdaq: MTBCP	Nasdaq: MTBCO
Stock Price <sup>(1)</sup>	\$5.34	\$25.33	\$25.45
Outstanding Shares <sup>(1)</sup>	15.0 million	4.5 million <sup>(2)</sup>	1.1 million
Equity Value	\$80 million	\$115 million <sup>(2)</sup>	\$29 million
Share Structure / Terms	<ul style="list-style-type: none"> <li>Fully Diluted: 18.5 M shares</li> <li>Public Float: 9.7 M shares</li> <li>Insiders: ~35%</li> </ul>	<ul style="list-style-type: none"> <li>Dividend: 11% of redemption value (\$25.00), paid monthly</li> <li>Non-convertible</li> <li>Redeemable at \$25.00 per share at Company's option</li> <li>Redemption value: \$112 M</li> </ul>	<ul style="list-style-type: none"> <li>Dividend: 8.75% of redemption value (\$25.00), paid monthly</li> <li>Non-convertible</li> <li>Redeemable at \$25.75 per share starting 2/2024, steps down to \$25.00 by 2/2027</li> <li>Redemption value: \$28 M</li> </ul>

## CareCloud Enterprise Value



(1) Stock prices and shares as of March 1, 2022 . Debt and cash as of Dec. 31, 2021, with pro forma proceeds from Feb 2022 sale of Series B Preferred Stock

(2) Series A shares and equity value are pro forma, showing the 800,000 Series A shares redeemed with net proceeds of Feb 2022 sale of Series B Preferred Stock

# Thank you!



**Corporate Website**

[www.carecloud.com](http://www.carecloud.com)

**Investor Relations**

[ir.carecloud.com](http://ir.carecloud.com)

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## Appendix

# Non-GAAP Financial Measures Reconciliation

(\$000s)	Adjusted EBITDA	2017	2018	2019	2020	2021	Q4 2020	Q4 2021
<b>Net (loss) income</b>		\$ (5,565)	\$ (2,138)	\$ (872)	\$ (8,813)	\$ 2,836	\$ 155	\$ 3,522
Provision (benefit) for income taxes		68	(157)	193	103	157	85	177
Net interest expense		1,307	250	121	446	440	94	176
Foreign exchange / other expense		(249)	(435)	827	71	241	87	73
Stock-based compensation expense		1,487	2,464	3,215	6,502	5,396	1,551	1,390
Depreciation and amortization		4,300	2,854	3,006	9,905	12,195	2,962	2,689
Transaction and integration costs		515	1,891	1,736	2,694	1,364	986	246
Restructuring, impairment & unoccupied lease charges		276	-	219	963	2,005	282	340
Change in contingent consideration		152	73	(344)	(1,000)	(2,515)	(500)	(2,515)
<b>Adjusted EBITDA</b>		\$ 2,291	\$ 4,802	\$ 8,101	\$ 10,871	\$ 22,119	\$ 5,702	\$ 6,098

(\$000s)	Adjusted net income	2017	2018	2019	2020	2021	Q4 2020	Q4 2021
<b>Net (loss) income</b>		\$ (5,565)	\$ (2,138)	\$ (872)	\$ (8,813)	\$ 2,836	\$ 155	\$ 3,522
Foreign exchange / other expense		(249)	(435)	827	71	241	87	73
Stock-based compensation expense		1,487	2,464	3,215	6,502	5,396	1,551	1,390
Amortization of purchased intangible assets		3,393	1,828	1,877	8,127	8,880	2,377	1,801
Transaction and integration costs		515	1,891	1,736	2,694	1,364	986	246
Restructuring, impairment & unoccupied lease charges		276	-	219	963	2,005	282	340
Change in contingent consideration		152	73	(344)	(1,000)	(2,515)	(500)	(2,515)
Income tax expense (benefit) related to goodwill		27	(208)	80	(85)	290	8	150
<b>Non-GAAP Adjusted Net Income</b>		\$ 36	\$ 3,475	\$ 6,738	\$ 8,459	\$ 18,497	\$ 4,946	\$ 5,007