



## Q2 2021 Results

*Nasdaq Global Market: MTBC, MTBCP*

# 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 Second 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







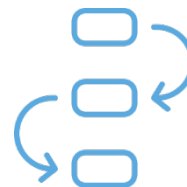
## Bettering healthcare through premier IT and operations consulting

medSR brings together the power of industry experts and cutting-edge technology to transform healthcare organizations.



## Comprehensive Solutions

We go beyond the traditional with intuitive, elegant design across a suite of powerful software and services



## Flexible Approach

We believe in the power for customers to choose and curate solutions that are appropriate for their unique needs



## Powerful Technology

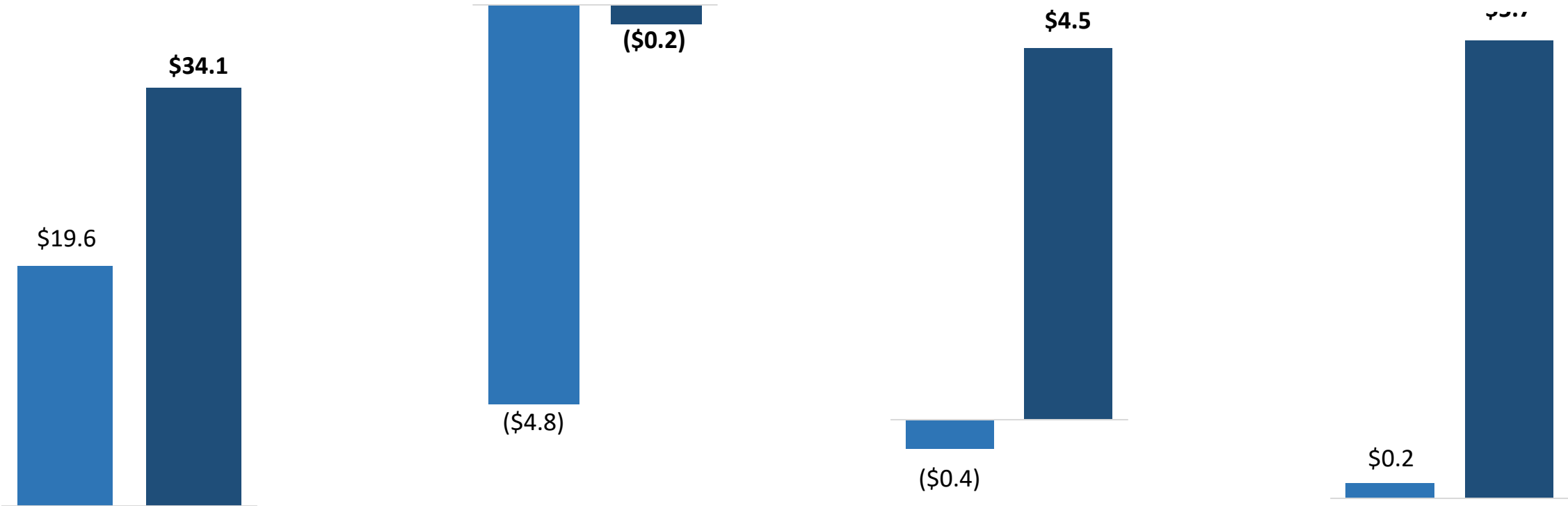
We provide modern cloud-based applications across clinical, financial, patient and analytics workstreams



**Bill Korn**  
Chief Financial Officer



# Q2 2021 Highlights



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

See reconciliations of non-GAAP results in the Appendix

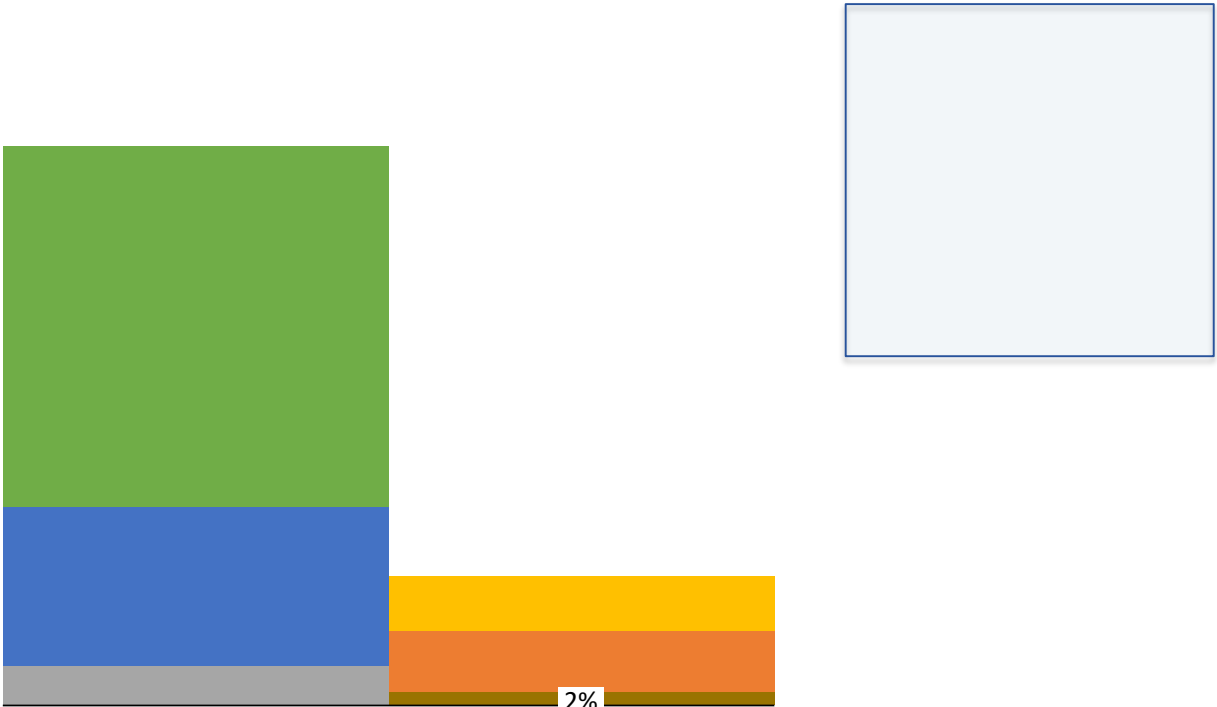
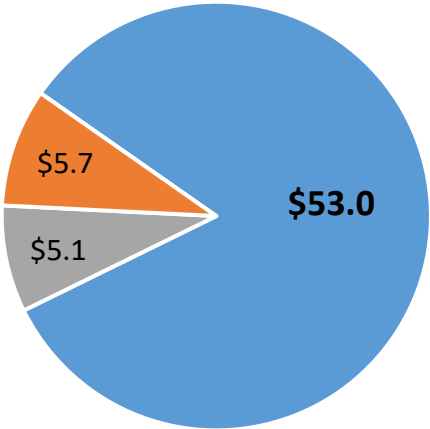


# Technology-Enabled Business Solutions

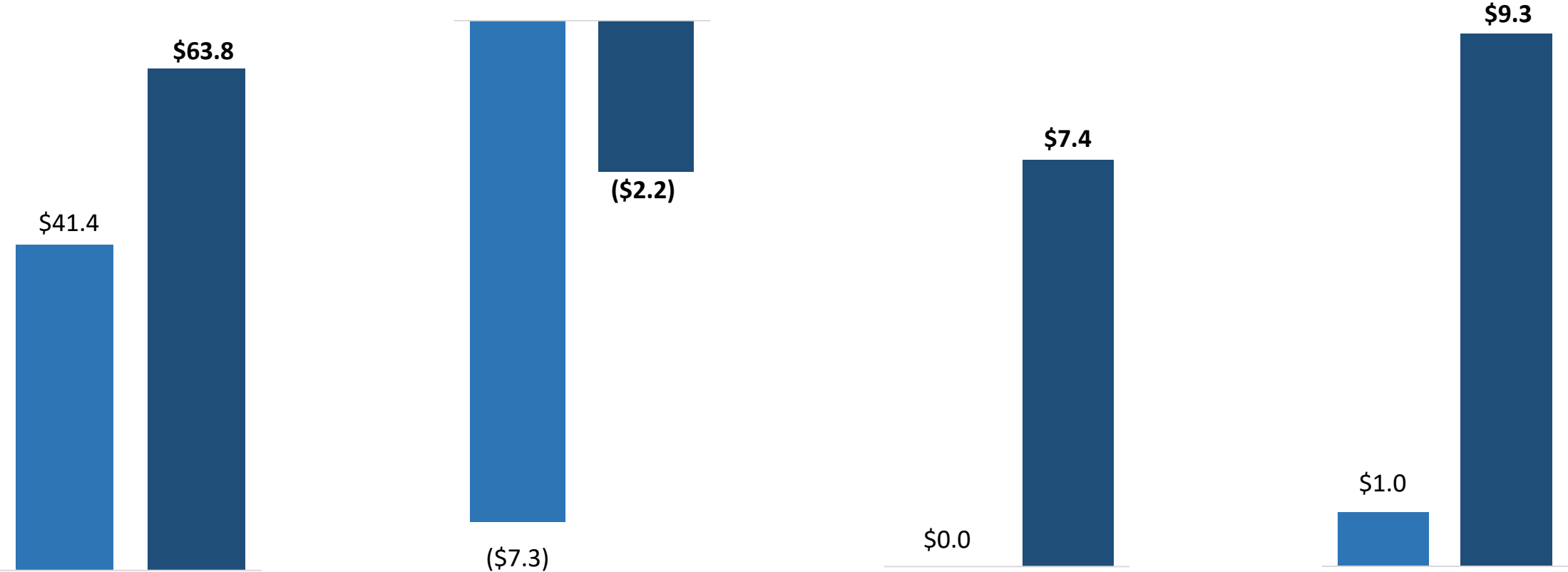
(\$ in millions)

H1 2021 Revenues

- Technology-enabled business solutions
- Other healthcare IT services
- Medical practice management



# First Half 2021 Highlights

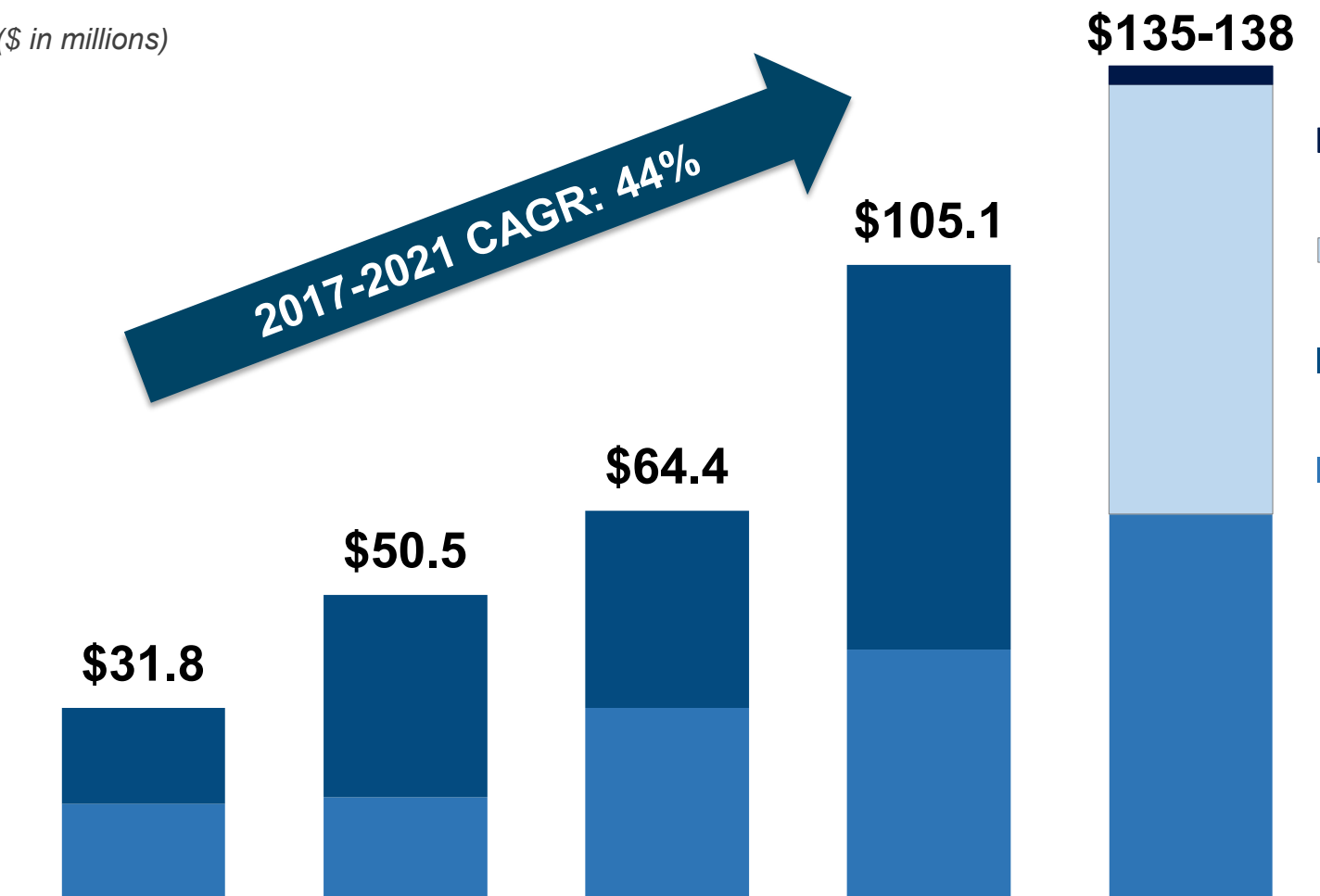


(\$ in millions. Percent change reflects 2020 to 2021)

See reconciliations of non-GAAP results in the Appendix

# Revenue Growth 2017 – 2020 plus 2021 Guidance

(\$ in millions)

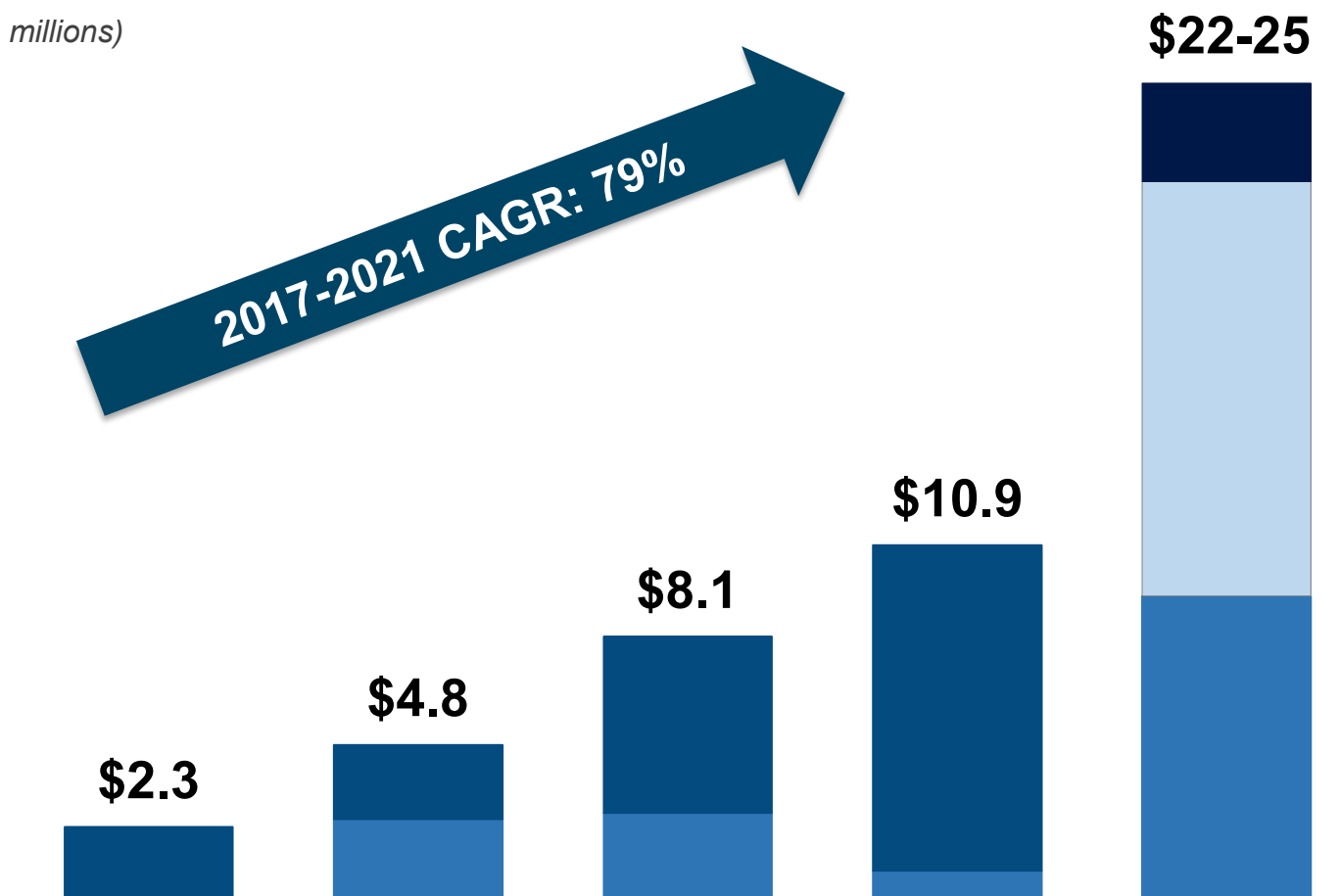


**Guidance range increased:**

- from \$133-137 M to \$135-138 M
- represents growth of 28% to 31% over 2020

# Adjusted EBITDA Growth 2017 – 2020 plus 2021 Guidance

(\$ in millions)



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

See reconciliations of non-GAAP results in the Appendix

# Thank you!



## Corporate Website

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

## Investor Relations

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

## Investor Inquiries

Bill Korn, CFO  
[bkorn@carecloud.com](mailto:bkorn@carecloud.com)

Matt Kreps, Darrow IR  
[mkreps@darrowir.com](mailto:mkreps@darrowir.com)  
(214) 597-8200





## Appendix

# Non-GAAP Financial Measures Reconciliation

| (\$000s)   | Adjusted EBITDA | 2017       | 2018       | 2019     | 2020       | H1 2020    | H1 2021    | Q2 2020    | Q2 2021  |
|--|-----------------|------------|------------|----------|------------|------------|------------|------------|----------|
| <b>Net loss</b>                                      |                 | \$ (5,565) | \$ (2,138) | \$ (872) | \$ (8,813) | \$ (7,293) | \$ (2,191) | \$ (4,792) | \$ (227) |
| Provision (benefit) for income taxes                 |                 | 68         | (157)      | 193      | 103        | (44)       | 212        | (74)       | 213      |
| Net interest expense                                 |                 | 1,307      | 250        | 121      | 446        | 222        | 177        | 142        | 113      |
| Foreign exchange / other expense                     |                 | (249)      | (435)      | 827      | 71         | (313)      | 97         | 111        | (146)    |
| Stock-based compensation expense                     |                 | 1,487      | 2,464      | 3,215    | 6,502      | 3,188      | 3,002      | 1,881      | 1,735    |
| Depreciation and amortization                        |                 | 4,300      | 2,854      | 3,006    | 9,905      | 3,738      | 5,959      | 2,405      | 3,128    |
| Transaction and integration costs                    |                 | 515        | 1,891      | 1,736    | 2,694      | 1,099      | 849        | 455        | 617      |
| Restructuring, impairment & unoccupied lease charges |                 | 276        | -          | 219      | 963        | 361        | 1,241      | 63         | 223      |
| Change in contingent consideration                   |                 | 152        | 73         | (344)    | (1,000)    | -          | -          | -          | -        |
| <b>Adjusted EBITDA</b>                               |                 | \$ 2,291   | \$ 4,802   | \$ 8,101 | \$ 10,871  | \$ 958     | \$ 9,346   | \$ 191     | \$ 5,656 |

| (\$000s)   | Adjusted net income | 2017       | 2018       | 2019     | 2020       | H1 2020    | H1 2021    | Q2 2020    | Q2 2021  |
|--|---------------------|------------|------------|----------|------------|------------|------------|------------|----------|
| <b>Net loss</b>                                      |                     | \$ (5,565) | \$ (2,138) | \$ (872) | \$ (8,813) | \$ (7,293) | \$ (2,191) | \$ (4,792) | \$ (227) |
| Foreign exchange / other expense                     |                     | (249)      | (435)      | 827      | 71         | (313)      | 97         | 111        | (146)    |
| Stock-based compensation expense                     |                     | 1,487      | 2,464      | 3,215    | 6,502      | 3,188      | 3,002      | 1,881      | 1,735    |
| Amortization of purchased intangible assets          |                     | 3,393      | 1,828      | 1,877    | 8,127      | 3,061      | 4,311      | 2,046      | 2,175    |
| Transaction and integration costs                    |                     | 515        | 1,891      | 1,736    | 2,694      | 1,099      | 849        | 455        | 617      |
| Restructuring, impairment & unoccupied lease charges |                     | 276        | -          | 219      | 963        | 361        | 1,241      | 63         | 223      |
| Change in contingent consideration                   |                     | 152        | 73         | (344)    | (1,000)    | -          | -          | -          | -        |
| Income tax expense (benefit) related to goodwill     |                     | 27         | (208)      | 80       | (85)       | (100)      | 127        | (115)      | 163      |
| <b>Non-GAAP Adjusted Net Income</b>                  |                     | \$ 36      | \$ 3,475   | \$ 6,738 | \$ 8,459   | \$ 3       | \$ 7,436   | \$ (351)   | \$ 4,540 |