

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **November 20, 2019**

AdaptHealth Corp.

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38399
(Commission File Number)

82-3677704
(I.R.S. Employer
Identification Number)

220 West Germantown Pike, Suite 250
Plymouth Meeting, PA
(Address of principal executive offices)

19462
(Zip Code)

(610) 630-6357
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock, par value \$0.0001 per share	AHCO	The Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of Class A Common Stock at an exercise price of \$11.50	AHCOW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure

On November 20, 2019, AdaptHealth Corp., a Delaware corporation (the “Company”), made available on its website at www.adapthealth.com a presentation relating to the Company’s business and operations that, among other things, updates information concerning the Company. A copy of the investor presentation, is attached hereto as Exhibit 99.1 and incorporated herein by reference. Such exhibit and the information set forth therein shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise be subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act.

Forward-looking Statements

Certain statements in this Current Report on Form 8-K may constitute “forward-looking statements” for purposes of the federal securities laws. Our forward-looking statements include, but are not limited to, statements regarding our or our management team’s expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intends,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

These forward-looking statements are based on information available as of the date of this Current Report on Form 8-K, and current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

As a result of a number of known and unknown risks and uncertainties, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements. A further description of such risks and uncertainties can be found in the Company’s filings with the Securities and Exchange Commission, including the Company’s definitive proxy statement in connection with the solicitation of proxies from its stockholders filed with the Securities and Exchange Commission on October 23, 2019.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Form of Investor Presentation

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

Dated: November 20, 2019

AdaptHealth Corp.

By: /s/ Gregg Holst
Name: Gregg Holst
Title: Chief Financial Officer



 **adapt**health

Investor Presentation

November 2019

Disclaimer

Disclaimers and Other Important Information

This presentation (this "Presentation") is for informational purposes only and has been prepared to assist interested parties in making their own evaluation with respect to a potential investment in AdapHealth Corp. ("AdapHealth" or the "Company") and for no other purpose. The information contained in this Presentation does not purport to be all inclusive. The data contained herein is derived from various internal and external sources. The information contained in this Presentation is not, and should not be assumed to be, complete and does not present all the information that investors may require or desire in considering an investment in the Company. It is not intended to form the basis of any investment decision or any other decision in respect of the Company. AdapHealth (as well as its respective directors, officers and stockholders) makes, and each of hereby expressly disclaims, any representations or warranties, express or implied, as to the reasonableness of the assumptions made in this Presentation or the accuracy or completeness of any projections or modeling or any other information contained in this Presentation. AdapHealth shall have any liability for any representations, express or implied, contained in, or omissions from, this Presentation or any other written or oral communication communicated to the recipient in the course of the recipient's evaluation of AdapHealth. Nothing contained within this Presentation is or should be relied upon as a promise or representation as to the future. AdapHealth does not assume any obligation to provide the recipient with access to any additional information or to update the information in this Presentation. Investors should not construe the contents of this Presentation, or any prior or subsequent communications from or with the Company or its representatives as investment, legal or tax advice.

No securities commission or securities regulatory authority or other authority in the United States or any other jurisdiction has in any way passed upon the merits of a potential investment in AdapHealth or the accuracy or adequacy of this Presentation.

Forward Looking Statements

This Presentation includes certain statements that are not historical facts but are forward looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward looking statements generally are accompanied by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "predict," "potential," "seem," "seek," "future," "outlook," and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward looking statements include, but are not limited to, statements regarding projections, estimates and forecasts of revenue and other financial and performance metrics and projections of market opportunity and expectations. These statements are based on various assumptions and on the current expectations of AdapHealth management and are not predictions of actual performance. These forward looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on, by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of AdapHealth. These forward looking statements are subject to a number of risks and uncertainties, including the outcome of judicial and administrative proceedings to which AdapHealth may become a party or governmental investigations to which AdapHealth may become subject that could interrupt or limit AdapHealth's operations, result in adverse judgments, settlements or fines and create negative publicity, changes in AdapHealth's clients' preferences, prospects and the competitive conditions prevailing in the healthcare sector. Important factors that could cause or contribute to such risks and uncertainties are discussed in AdapHealth's filings with the U.S. Securities and Exchange Commission. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward looking statements. There may be additional risks that AdapHealth presently knows or that AdapHealth currently believes is immaterial that could also cause actual results to differ from those contained in the forward looking statements. In addition, forward looking statements reflect AdapHealth's expectations, plans or forecasts of future events and views as of the date of this press release. AdapHealth anticipates that subsequent events and developments will cause AdapHealth's assessments to change. However, while AdapHealth may elect to update these forward looking statements at some point in the future, AdapHealth specifically disclaims any obligation to do so. These forward looking statements should not be relied upon as representing AdapHealth's assessments as of any date subsequent to the date of this press release. Accordingly, undue reliance should not be placed upon the forward looking statements.

Market and Industry Data

Industry and market data used in this Presentation is unaudited and have been obtained from third-party industry publications and sources as well as from research reports prepared for other purposes. AdapHealth has not independently verified the data obtained from these sources and cannot assure you of the data's accuracy or completeness. This data is subject to change and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market or industry data. You are cautioned not to give undue weight to such industry and market data.

Non-GAAP and Other Financial Information

The financial information contained in this Presentation has not been prepared with a view toward compliance with rules of the SEC applicable to disclosures by SEC reporting companies generally or with a view toward compliance with the SEC's rules relating to non-GAAP financial information.

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 ("GAAP"), including the measures EBITDA, Adjusted EBITDA, and Adjusted EBITDA - Patent Capital Expenditures. A reconciliation of certain of these non-GAAP financial measures to the nearest GAAP measure can be found in the Appendix to this Presentation. Any non-GAAP financial measures used in this Presentation are, in addition to, and not meant to be considered superior to, or a substitute for, the Company's financial statements prepared in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in the Company's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. The non-GAAP measures presented herein may not be comparable to similar non-GAAP measures presented by other companies. Accordingly, such information and data may not be included in, maybe be adjusted in or may be presented differently in EFB's proxy statements to be filed by EFB with the SEC.

No Offer or Solicitation

This Presentation and any oral statements made in connection with this Presentation do not constitute an offer to sell, or a solicitation of an offer to buy, or a recommendation to purchase, any securities in any jurisdiction, or the solicitation of any proxy, vote, consent or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of any securities in any jurisdiction where, or to any person to whom, such offer, solicitation or sale may be unlawful under the laws of such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

The 3rd Largest Provider of HME in the United States

- + Comprehensive portfolio of HME products for sale and rental
- + Addressing a growing \$12 - \$15bn segment within the broader \$56bn HME industry
- + Serve 1mm patients and perform 7,000+ deliveries per day
- + Successful track record of growth, accretive capital deployment, and market-leading profitability
- + Best-in-class technology platform
- + Long-standing and diverse referral relationships and attractive payor mix
- + Proven, seasoned management team and Board of Directors
- + Projecting significant growth in net revenues and Adjusted EBITDA through 2020

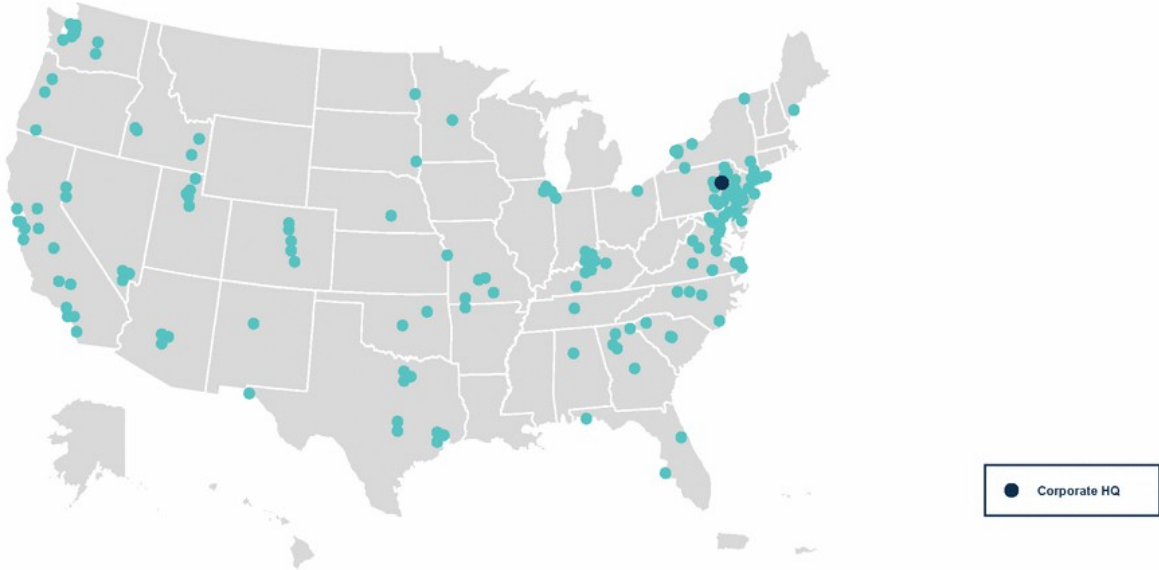
Ticker	AHCO; AHCOW
Headquarters	Plymouth Meeting, PA
Outstanding Shares	72.4mm ⁽³⁾
Market Cap (11/14)	\$644mm
9 Mo. '19 Net Revenue ⁽¹⁾	\$380.1mm; up 60.7%
9 Mo. '19 Adjusted EBITDA ^(1,2)	\$89.4mm; up 52.1%
9 Mo. '19 Adjusted EBITDA Less Patient Cap-Ex ^(1,2)	\$53.8mm; up 74.4%

2020 FY Financial Targets (excluding acquisitions)

Net Revenue	\$582.7mm
Adjusted EBITDA ⁽²⁾	\$142mm
Adjusted EBITDA Less Patient Cap-Ex ⁽²⁾	\$88.1 mm

AdaptHealth's Nationwide Footprint

150+ Locations servicing 49 States



Proven & Experienced Leadership

AdaptHealth Leadership Team

Luke McGee <i>Chief Executive Officer</i>	<ul style="list-style-type: none">• Chairman and CEO of AdaptHealth since 2012; built business from \$7mm of revenue in first acquisition• Led the Company's proven acquisition track record and developing a scalable platform with robust integration systems that can accommodate future growth• Prior to AdaptHealth, worked in the investment banking groups at Deutsche Bank and Merrill Lynch
Josh Parnes <i>President</i>	<ul style="list-style-type: none">• Joined AdaptHealth in 2013 with the acquisition of Ocean Home Health• Built Ocean Home Health from a startup into a successful HME provider• 15 years of operating experience in HME
Gregg Holst <i>Chief Financial Officer</i>	<ul style="list-style-type: none">• Joined AdaptHealth in 2014• Previously served as CFO for various publicly traded and private equity-backed companies in the healthcare and consumer products sectors• Spent eight years at GE Capital in several senior finance roles
Shaw Rietkerk <i>Chief Revenue Officer</i>	<ul style="list-style-type: none">• Joined AdaptHealth in 2018• Most recently served as Executive Vice President of Revenue Cycle Management at Brightree• Prior operational and support services experience at various companies including M*Modal
Chris Joyce <i>General Counsel</i>	<ul style="list-style-type: none">• Joined AdaptHealth in 2018• Over 20 years of experience as Chief Legal Officer for provider-based and managed care companies• Most recently served as General Counsel of InnovaCare, Inc., a \$2.0 billion managed care insurance company with 450,000 Medicare and Medicaid beneficiaries
Wendy Russalesi <i>Chief Compliance Officer</i>	<ul style="list-style-type: none">• Joined AdaptHealth in 2013• 25 years experience in HME and regulatory compliance• Certified in Healthcare Compliance (CHC)
Richard Barasch <i>Chairman</i>	<ul style="list-style-type: none">• Over 30 years of experience in healthcare services, health insurance and related industries• Former Chairman and CEO of Universal American, a NYSE health insurance and healthcare services company, from 1995 until its sale to WellCare Health Plans in April 2017

Source: Management

HME Is Critical To Serving Patients At Home

Industry provides a strategic entry point to patients in the home

What is HME?

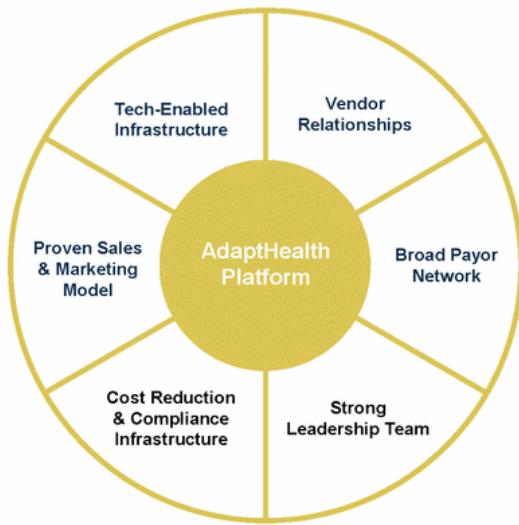
- + HME service providers deliver critical medical equipment into a patient's home
- + Primarily serve patients with need for respiratory and/or mobility equipment
- + Includes products such as oxygen equipment, CPAP, wheelchairs, hospital beds, bathroom aids, and rehabilitation equipment
- + Strategically valuable channel to chronically ill homecare patients



Why is HME critical to home care?

- + Enables patients with complex conditions to transition to their preferred home setting
- + Provides for greater patient independence and better outcomes
- + Addresses large, growing medical issues
- + High-touch model creates trusted patient relationships
- + Complete solution for high-frequency home care

Fully Integrated, Centralized Platform



Tech-Enabled Infrastructure:

- ✓ Electronic portal / interface
- ✓ Proprietary workflow technology
- ✓ Improved efficiency from time of order to delivery
- ✓ Easy for physicians to use
- ✓ Automated, integrated workflow for patients' care plans
- ✓ Improved compliance

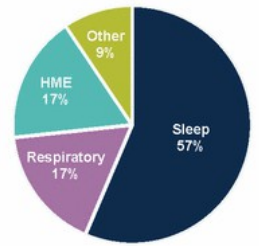
Diverse Product Offering & Payor Mix

Revenue Breakdown at 9/30/19
Net Revenue = \$380.1mm *

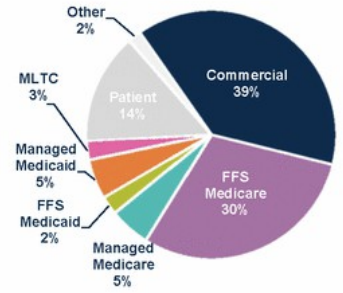


*Less Provision for Doubtful Accounts

Product Mix



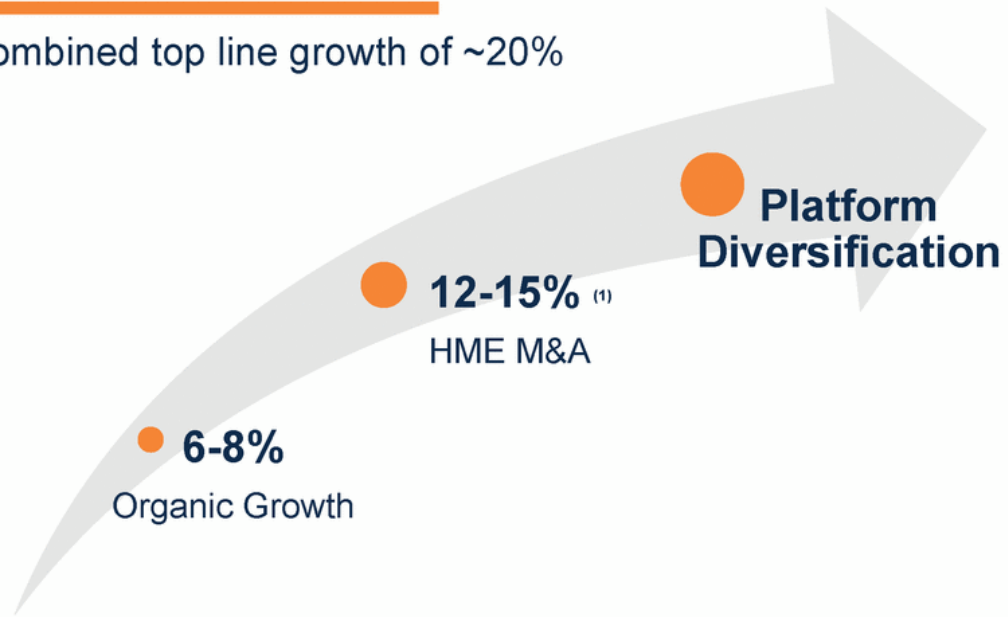
Payor Mix



Source: Management Notes: 1. YTD September 30, 2019 2. Payor Mix based on revenue before provision for doubtful accounts 3. Product mix based on revenue less provision for doubtful accounts

Multiple Growth Levers

Targeted combined top line growth of ~20%



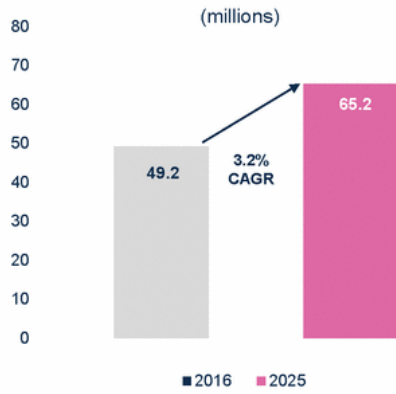
Sources: Management

(1) 12-15% growth through HME M&A is based on \$100mm in revenue per year

Organic Growth: Aging Population

Population 65+ is growing 6.5x faster than overall population growth

US Population Aged 65+



Source: CMS Research

Product & Services Needed by Aging Seniors



Oxygen



Wheelchairs



Beds



Walkers



Commodes



Ventilation

Organic Growth: Sleep / CPAP



26%

Adults 30-70 Years old
are estimated to have sleep apnea ⁽¹⁾



54mm

People in the US with $AHI \geq 5$ ^(2,3)

~ 80%

Undiagnosed Sleep Apnea

24mm

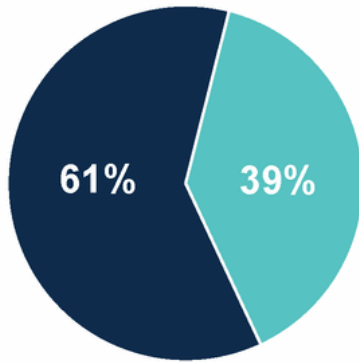
People in the US with $AHI \geq 15$ ^(2,3)

(1) AASM; <https://aasm.org/risin-prevalence-of-sleep-apnea-in-u-s-threatens-public-health/> (2) ATS Journals; https://www.atsjournals.org/doi/pdf/10.1164/aircom-conference.2018.197.1_MeetingAbstracts.A3962 (3) Apnea Hypoxia Index

Organic Growth: Increase HME Mix

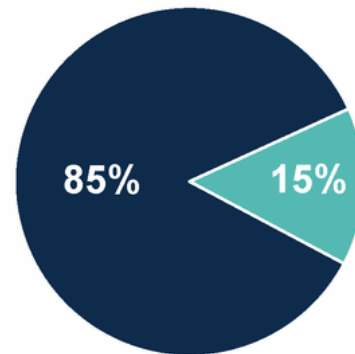
Opportunity to grow HME revenue by \$105mm annually in markets outside of NJ, PA & NY ⁽¹⁾

Revenue Mix – NJ / PA / NY



■ Respiratory/Sleep ■ HME/Other

Revenue Mix – Other Markets



■ Respiratory/Sleep ■ HME/Other

Source: Management. YTD September 30, 2019

(1) \$105mm opportunity is based on growing HME business to a mix similar to that of PA, NJ and NY while keeping Respiratory/Sleep revenue flat.

HME M&A: Adapt by The Numbers

64

Closed transactions since 2012
All Integrated into AdaptHealth systems

18

Transactions closed in 2019
Generating ~\$110mm in annual revenue

Opportunity

For Future consolidation
5K+ small to mid-size HME companies remain

\$100_{mm+}

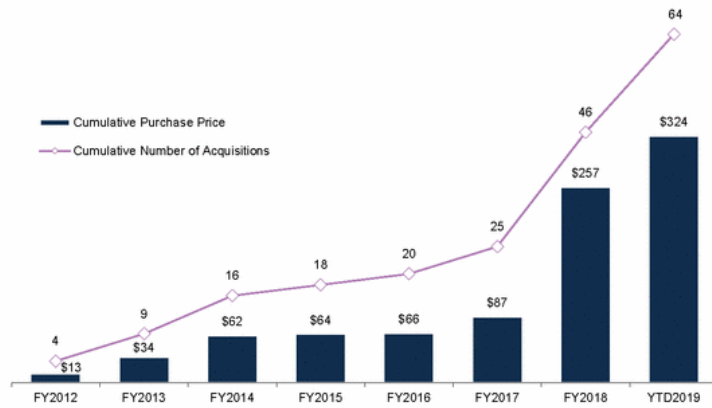
Expected to acquire in revenue per year

Source: Management

HME M&A: AH is a Proven Consolidator

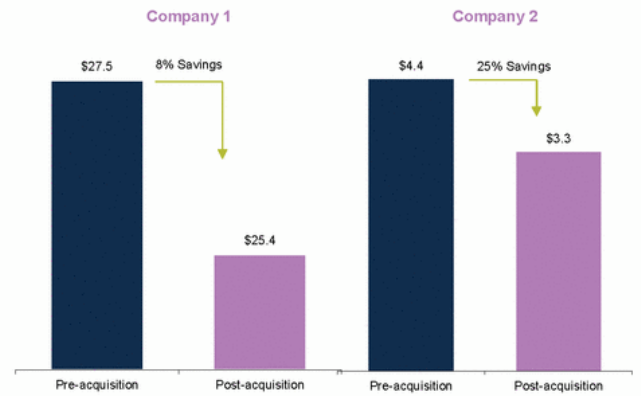
Cumulative Acquisitions & Purchase Price

(\$ in millions)



Sample Annual Vendor Cost Savings

(\$ in millions)

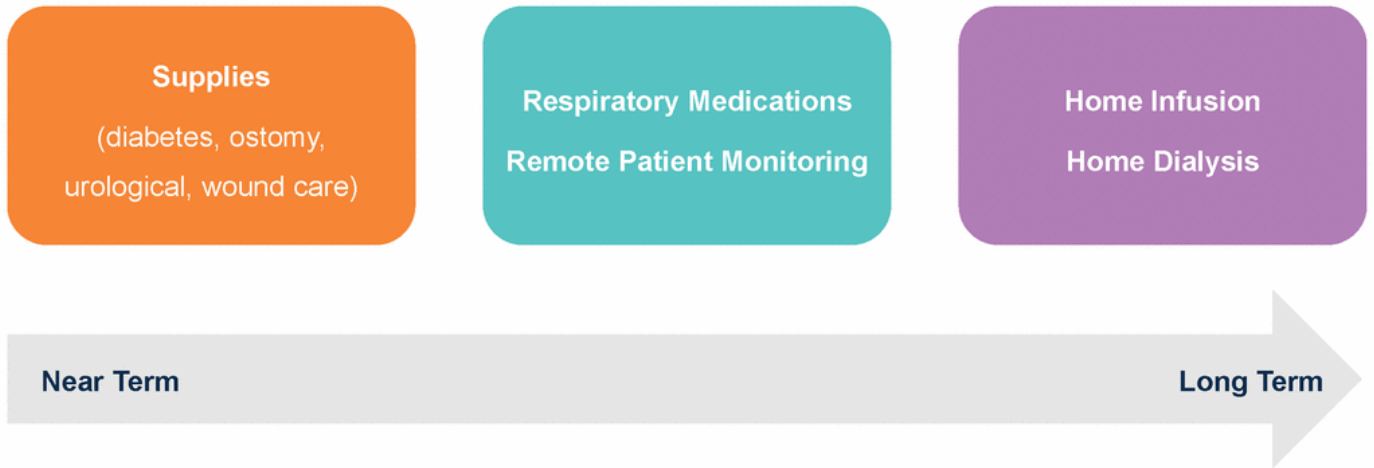


Source: Management

HME M&A: Competitive Landscape

Nationals	Scaled Regionals	Product-Specific	Mom & Pops
   	       	       	<p style="font-size: 48pt; color: #e91e63; text-align: center;">6K+</p>

Platform Diversification



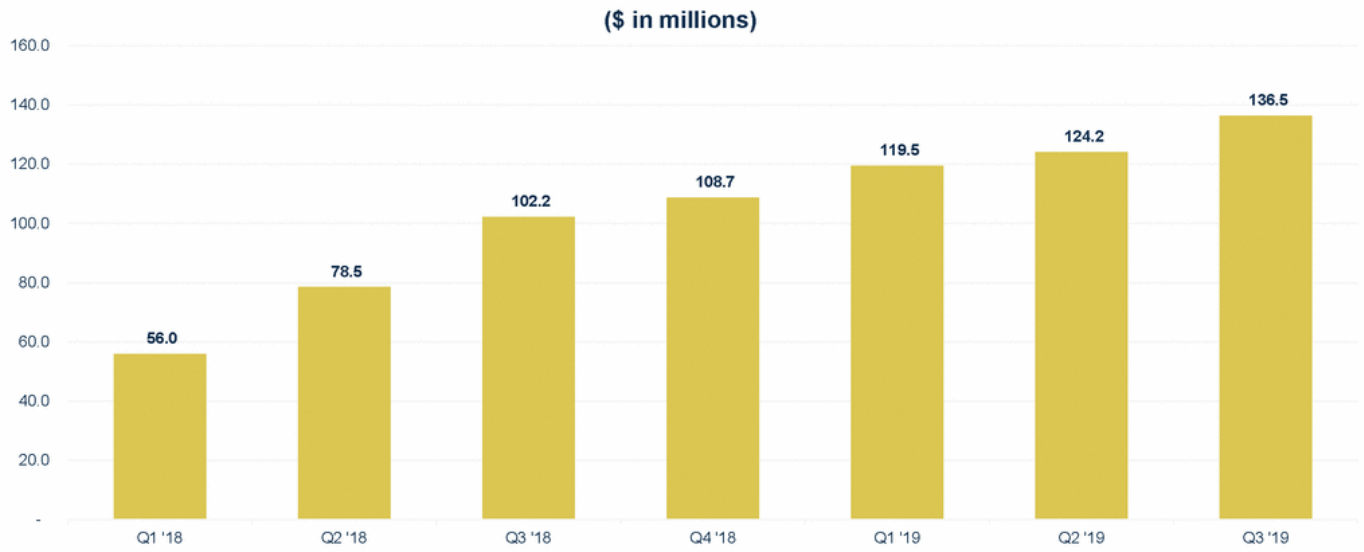
Source: Management



Financial Supplement



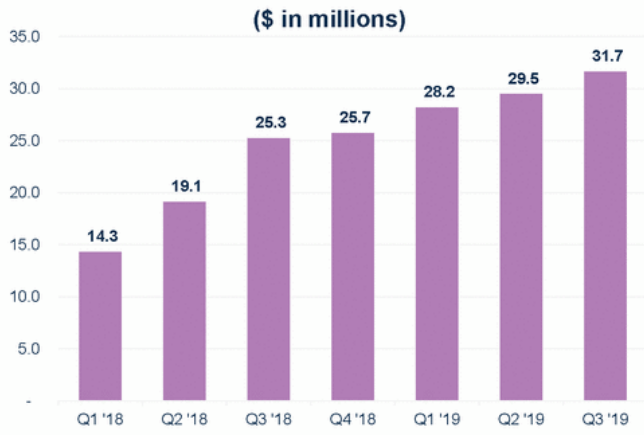
Financial Results: Net Revenue



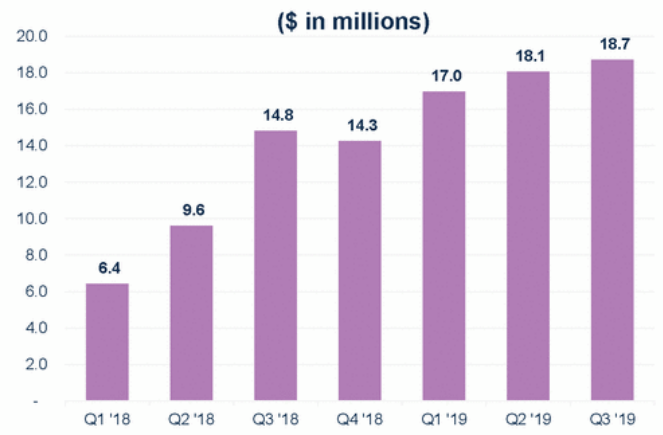
Source: Management

Financial Results: Adj EBITDA & Adj E-C

Adjusted EBITDA (1)



Adjusted EBITDA Less Patient Equipment Capex (1)



Source: Management
(1) Reflects non-GAAP financials

Financial Projections

(\$ In Millions)

Net Revenue¹



✓ Revenue growth driven by organic growth as the Company expands its national patient and referral base

Adj. EBITDA⁴



✓ Primarily driven by increased net revenue, as operating margins are expected to remain relatively stable

Adj. EBITDA less Patient Capital Expenditures^{3,4}



✓ Capital expenditures are forecasted to remain flat coupled with increasing EBITDA

Adj. EBITDA less Patient Capex Margin^{4,5}

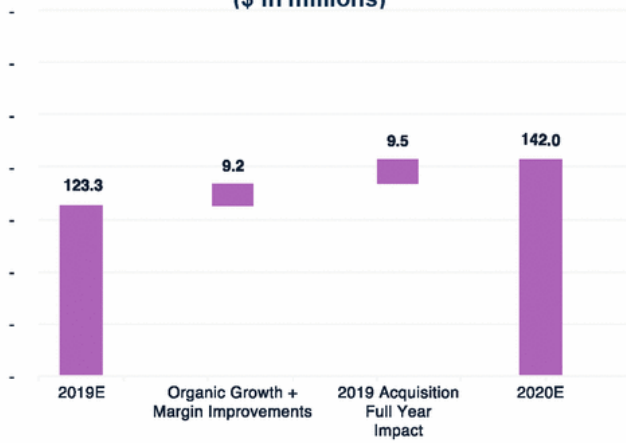


✓ EBITDA margins expected to continue to increase as Company gains scale and operating leverage

2019E to 2020E Bridge – “Base Case”

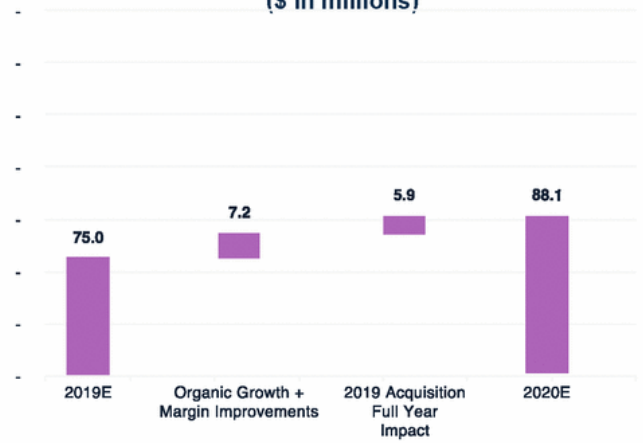
Adjusted EBITDA (1)

(\$ in millions)



Adjusted EBITDA Less Patient Equipment Capex (1)

(\$ in millions)



Note: "Base Case" excludes acquisition projection of \$100mm of revenue per year at 20% EBITDA margin and 10% EBITDA less Patient Equipment Capex margin. Charts are not to scale.
 (1) Reflects non-GAAP financials

Capital Structure

Debt

	9/30/2019 PF ¹
(\$ in millions)	
Term Loan	\$246.3
Preferred Note	\$143.5
Other Debt	\$1.7
Less: Cash on Hand	(\$59.6)
Net Debt	\$331.9
Leverage ²	2.69x
<u>Undrawn Capacity</u>	
Revolver	\$75.0
Delayed Draw Term Loan	\$100.0

Source: Management

1. Pro Forma for SPAC merger transaction and amended debt agreement
2. Leverage multiple based on 2019E Adjusted EBITDA of \$123.3 million

Equity

	Class A	Class B	Total
<u>Legacy AH Holdings shareholders</u>			
Blue Mountain	3,647,353	150,581	3,797,934
Management *	1,524,561	14,673,995	16,198,556
Other	14,651,787	17,289,223	31,941,010
	19,823,701	32,113,799	51,937,500
Deerfield/RAB/DFB (PIPE & Promote)	16,312,500	-	16,312,500
SPAC Float	2,500,000	-	2,500,000
Public Float	1,659,965	-	1,659,965
	20,472,465	-	20,472,465
Total	40,296,166	32,113,799	72,409,965
	55.7%	44.3%	100.0%

* Includes shares held in trust

Note: Class B shares are convertible one to one into Class A shares.

Pro Forma Adjusted EBITDA Bridge

AdaptHealth Pro Forma Adjusted EBITDA Bridge to Net Income

	Fiscal Year Ended December 31		
	2016A	2017A	2018PF ¹
Net Income / (Loss) attributable to AdaptHealth Holdings LLC	(\$4.2)	\$9.7	\$23.3
Plus: Income attributable to noncontrolling interest	0.6	0.6	1.1
Plus: Interest expense excluding change in FV of interest rate swaps	5.8	5.0	8.0
Plus: Interest expense (income) representing change in FV of interest rate swaps	0.0	0.0	(0.5)
Plus: Income tax (benefit) expense	(0.2)	0.2	(2.1)
Plus: Depreciation	26.6	27.8	47.9
Plus: Loss from discontinued ops	0.4	0.2	0.0
EBITDA	\$28.9	\$43.6	\$77.6
Plus: Non-recurring expense adjustments	4.2	1.5	6.9
Adj. EBITDA	\$33.1	\$45.0	\$84.4
<i>Plus: Pro forma adjustments¹</i>			
Verus Adjusted EBITDA			3.0
PPS Adjusted EBITDA			0.2
HME Adjusted EBITDA			1.8
PF Adj. EBITDA			\$89.5

Source: Management.

¹ Includes the full year effect of the Verus, PPS and HME acquisitions to be effective 1/1/18

Adjusted EBITDA Bridge

AdaptHealth Adjusted EBITDA Bridge to Net Income

	Q1 '18	Q2 '18	Q3 '18	Q4 '18	Q1 '19	Q2 '19	Q3 '19
Net Income / (Loss) attributable to AdaptHealth Holdings LLC	\$3.7	\$3.6	\$12.4	\$3.5	\$(3.5)	\$(4.4)	\$(3.7)
Plus: Income attributable to noncontrolling interest	0.2	0.2	0.3	0.4	0.3	0.4	0.6
Plus: Interest expense excluding change in FV of interest rate swaps	1.1	1.9	2.5	2.5	3.6	7.9	7.8
Plus: Interest expense (income) representing change in FV of interest rate swaps	0.0	0.1	(0.4)	(0.3)	2.7	6.7	2.9
Plus: Income tax (benefit) expense	0.0	0.3	(4.8)	2.4	0.1	4.3	1.0
Plus: Depreciation	7.8	11.7	13.5	14.9	15.0	13.2	16.9
EBITDA	\$12.8	\$17.8	\$23.4	\$23.4	\$18.2	\$28.1	\$25.6
Plus: Non-recurring expense adjustments	1.5	1.3	1.9	2.3	10.0	1.4	6.1
Adj. EBITDA	\$14.3	\$19.1	\$25.3	\$25.7	\$28.2	\$29.5	\$31.7

Source: Management.



Thank You!



