

FOR IMMEDIATE RELEASE: May 31, 2022

## Asenda Health Inc. Acquires Post Acute Healthcare

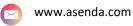
Physician Services is the leading strategy into key markets of Washington, Oregon and Florida

**DELAWARE, USA** – Asenda Health Inc. (the "**Company**"), through its wholly owned subsidiary Kater Medical, has acquired a controlling 61% interest in Washington based Post Acute Healthcare ("**Post Acute**") with commitment to purchase the remaining 39% over the next two years. Post Acute is an outsourced physician services business currently conducting 3,000 monthly patient encounters through contracts with 18 long-term care and skilled nursing facilities in Washington and Oregon.

"At this stage of Asenda Health's life cycle, it is vital to identify opportunities to connect with patients' care on a daily basis so that we can collect, process and analyze the data as part of our technology platform development. By simultaneously developing and validating our Asenda technology, we will be in the best position to monetize the only connected solution in healthcare that will ultimately drive superior patient outcomes while lowering costs and risks in the industry" said *Mark Catroppa, Chief Executive Officer of Asenda Health*. "The acquisition of Post Acute is inline with our strategy and fast-tracks our entry into the attractive and large Florida market".

Asenda Health not only completed the transaction in a cash effective way whereby 55% of the initial consideration was paid in Asenda Health shares, but more importantly, successfully aligned the founders of Post Acute with all other shareholders of the Company was of vital importance. Asenda Health is also delighted to announce that the three principal owners and operators of Post Acute have agreed to join the Company in important senior roles to oversee and drive growth in the Company's Physician Services business nationally. "Asenda Health is immensely focused on assembling the strongest people to curate our culture and scale our business nationally, so welcoming the founders and their team to Asenda Health is an important event in our short history" said *Jessica Muzquiz, Chief Human Resource Officer of Asenda Health*. Lastly, sellers of Post Acute are heavily incentivized to drive growth as cash performance-based adjustments that are based on 2023 revenue, will be reflected in a final cash payment on or before April 30, 2024.

Following the acquisition of Post Acute, Asenda Health has developed a relationship with one of the leading long-term care and skilled nursing facility operators in Florida. Asenda Health has entered into a definitive commercial contract to commence Physician Services in an initial 26 facilities across the state starting July 2022. "The ability to enter Florida with a strong and large local partner will not only propel the growth of our Physician Services business but facilitate quicker development and monetization of our Pharmacy Services" said *Dr. Jodhvir Sarai, Chief Operating Officer of Asenda Health.* "Enrolling these patients onto the Asenda technology platform will add tremendous value and validation to Asenda, our patients, and our partners."







It is expected that the acquisition of Post Acute and the entry into Florida will add \$19.9 million and \$3.2 million (post synergies) in revenue and EBITDA respectively during the first year (based on existing contracts only). Furthermore, and where the long-term monetization opportunity is tremendous, the acquisition will lead to the enrollment of 3,800 unique monthly patients or just over 50,000 per year on to the Asenda platform.

## **About Asenda Health**

Asenda Health Inc. (formerly known as Healthstore Holdings Inc.) is determined to build the only connected platform in the chronic care healthcare industry, where providers can collect, exchange, analyze, and act on patient data in real-time. Through its proprietary Asenda software coupled with pharmacy operations and physician services practices, the company will have a disruptive impact on the industry. Resulting in lower costs and financial risks for payers, hospital/facility groups and providers while improving patient outcomes. Asenda Health currently has 140 employees in California and Texas serving more than 25,000 chronic care patients.

## **Forward Looking Statements**

Some of the statements in this press release may be forward-looking statements or statements of future expectations based on currently available information. Such statements are naturally subject to risks and uncertainties. Factors such as the development of general economic conditions, future market conditions, unusual catastrophic loss events, changes in the capital markets and other circumstances may cause the actual events or results to be materially different from those anticipated by such statements. Company does not make any representation or warranty, express or implied, as to the accuracy, completeness or updated status of such statements. Therefore, in no case whatsoever will Company and its affiliate companies be liable to anyone for any decision made or action taken in conjunction with the information and/or statements in this press release or for any related damages.

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