Evolent Health, Inc.
First Quarter 2025 Results

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Safe Harbor Statement

Certain statements made in this report and in other written or oral statements made by us or on our behalf are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (“PSLRA”). A forward-looking statement is a statement that is not a historical fact and, without limitation, includes any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like: “believe,” “anticipate,” “expect,” “estimate,” “aim,” “predict,” “potential,” “continue,” “plan,” “project,” “will,” “should,” “shall,” “may,” “might” and other words or phrases with similar meaning in connection with a discussion of future operating or financial performance. In particular, these include statements relating to our ability to weather current dynamics, continue to expand our footprint, future actions, trends in our businesses, prospective services, new partner additions/expansions, our guidance and business outlook and future performance or financial results, and the closing of pending transactions and the outcome of contingencies, such as legal proceedings. We claim the protection afforded by the safe harbor for forward-looking statements provided by the PSLRA.

These statements are only predictions based on our current expectations and projections about future events. Forward-looking statements involve risks and uncertainties that may cause actual results, level of activity, performance or achievements to differ materially from the results contained in the forward-looking statements. Risks and uncertainties that may cause actual results to vary materially, some of which are described within the forward-looking statements, include, among others: the significant portion of revenue we derive from our largest partners, and the potential loss, termination or renegotiation of our relationship or contract with any significant partner, or multiple partners in the aggregate; the increasing number of risk-sharing arrangements we enter into with our partners; the growth and success of our partners and certain revenues from our engagements, which are difficult to predict and are subject to factors outside of our control, including governmental funding reductions and other policy changes; our ability to accurately predict our exposure under performance-based contracts; failure by our customers to provide us with accurate and timely information; our ability to recover the upfront costs in our partner relationships and develop our partner relationships over time; our ability to attract new partners and successfully capture new opportunities; our ability to offer new and innovative products and services and our ability to keep pace with industry standards, technology and our partners’ needs; our ability to maintain and enhance our reputation and brand recognition; our dependency on our key personnel, and our ability to attract, hire, integrate and retain key personnel; risks related to completed and future acquisitions, investments, alliances and joint ventures, which could divert management resources, result in unanticipated costs or dilute our stockholders; our ability to effectively manage our growth and maintain an efficient cost structure; our ability to partner with providers due to exclusivity provisions in our and some of our partner and founder contracts; risks related to managing our offshore operations and cost reduction goals; our ability to estimate the size of our target markets for our services; consolidation in the health care industry; competition which could limit our ability to maintain or expand market share within our industry; risks related to audits by CMS and other governmental payers and actions, including whistleblower claims under the False Claims Act; evolution of the health care regulatory and political framework; restrictions on the manner in which we access personal data and penalties as a result of privacy and data protection laws; data loss or corruption due to failures or errors in our systems and service disruptions at our data centers; liabilities and reputational risks related to our ability to safeguard the security and privacy of confidential data; our ability to obtain, maintain and enforce intellectual property rights and protect our trademarks and trade names, including from third parties alleging that we are infringing or violating their intellectual property rights; our ability to protect the confidentiality of our trade secrets; risks associated with our use of artificial intelligence (“AI”) and machine learning models; our use of “open-source” software; our reliance on third parties and licensed technologies; restrictions on our ability to use, disclose, de-identify or license data and to integrate third-party technologies; our reliance on Internet infrastructure, bandwidth providers, data center providers, other third parties and our own systems for providing services to our partners and operating our business; material weaknesses in the future may impact our ability to conclude that our internal control over financial reporting is not effective and we may be unable to produce timely and accurate financial statements; our ability to achieve profitability in the future; the impact of additional goodwill and intangible asset impairments on our results of operations; our obligations to make material payments to certain of our pre-IPO investors for certain tax benefits we may claim in the future; our obligations to make payments under the tax receivables agreement that may be accelerated or may exceed the tax benefits we realize; our ability to utilize benefits under the tax receivables agreement described herein; the terms of agreements between us and certain of our pre-IPO investors may contain different terms than comparable agreement we may enter into with unaffiliated third parties; Our inability to obtain financing may result in a reduction in the ownership of our stockholders; the conditional conversion features, and changes in accounting treatment, of the 2025 Notes and the 2029 Notes, which, if triggered, may adversely affect our financial condition and operating results; our ability to raise funds necessary to settle conversions of our notes in cash, to repurchase our notes for cash upon a fundamental change or to pay the redemption price for any notes we redeem; interest rate risk and other restrictive covenants under the Credit Agreement and the terms of our Cumulative Series A Convertible Preferred Shares, par value $0.01 per share (“Series A Preferred Stock”); our indebtedness, our ability to service our indebtedness, and our ability to obtain additional financing on favorable terms or at all; our ability to service our debt and pay dividends on our Series A Preferred Stock; interference with our ability to access the revolving credit facility under our Credit Agreement; the potential volatility of our Class A common stock price; our Series A Preferred Stock has rights, preferences and privileges that are not held by and are preferential to the rights of holders of our Class A common stock, and could in the future substantially dilute the ownership interest of holders of our Class A common stock; the potential decline of our Class A common stock price if a substantial number of shares are sold or become available for sale, including those issuable upon conversion of our Series A Preferred Stock; provisions in our certificate of incorporation and by-laws and provisions of Delaware law that discourage or prevent strategic transactions, including a takeover of us; provisions in our certificate of incorporation which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees; our intention not to pay cash dividends on our Class A common stock; the impact of litigation proceedings, government inquiries, reviews, audits or investigations; risks related to the failure of any bank in which we deposit our funds, which could reduce the amount of cash we have available to meet our cash commitments and make additional investments; public health emergencies, epidemics, pandemics or contagious diseases; the cost of compliance with sustainability or other ESG (as defined below) law and regulations; and the impact of increasing inflationary pressures and rising consumer costs on our business.

The risks included here are not exhaustive. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Our Annual Report on Form 10-K for the year ended December 31, 2024 (the "2024 Form 10-K") as amended through subsequent Quarterly Reports on Form 10-Q and other documents filed with the SEC include additional factors that could affect our businesses and financial performance. Moreover, we operate in a rapidly changing and competitive environment. New risk factors emerge from time to time, and it is not possible for management to predict all such risk factors.

Further, it is not possible to assess the effect of all risk factors on our businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. In addition, we undertake no obligation to publicly update any forward-looking statements to reflect events or circumstances that occur after the date of this report except to the extent expressly required by law

This presentation is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to purchase any securities of any nature whatsoever, and it may not be relied upon in connection with the purchase of securities. The contents of this presentation do not constitute legal, tax or business advice. Anyone reading this presentation should seek advice based on their particular circumstances from independent legal, tax and business advisors.

Evolent Q1 Highlights

GROWTH

- Revenue of $483.6 million exceeded expectations. Relative to Q1 2024, revenue declined by $156M principally as a result of previously-disclosed contracting changes, including transitioning one Performance Suite contract to the Technology & Services Suite, and the narrowing of scope for a Performance Suite customer, both effective January 1st.
- Announcing five new revenue agreements, anticipated to contribute approximately $10 million in incremental annualized revenue across Specialty Technology & Services Suite and Surgical Management.
- Officially launching the Oncology Navigation Solution within integrated Oncology Condition Management, combining leading member facing solutions with Evolent's existing Clinical Decision Support and Provider Engagement solutions. Expecting this offering to be available to over 300,000 members by the end of May.

PROFITABILITY

- Adjusted EBITDA $36.9 million[1] at the high end of expectations driven principally by strong execution across all lines of business.
- Net favorable prior year development contributed approximately $0.4 million to Adjusted EBITDA.
- Leading indicators suggest lower-than-forecast disease prevalence and cost per case in the Performance Suite for Q1. Full year guidance reiterated, which continues to assume a 12% oncology trend.

CAPITAL ALLOCATION

- $246.5 million in cash and cash equivalents as of March 31, 2025 after generation of $4.6 million in cashflow from operations in the quarter.
- Company drew $200.0 million on its Term Facility in Q1 2025 and repaid $37.5 million on its Revolving Facility, for a net increase in debt of $162.5 million. Period end net leverage of 4.1x[2] times LTM Adjusted EBITDA of $143.2 million[1].
- Announced the purchase of the remaining assets of a joint venture, Oncology Care Partners, through a previously negotiated put/call structure, bringing member navigation and physician engagement tools into Evolent's Oncology Condition Management approach. Exit of brick & mortar oncology clinics prior to purchase drives value write-off on income statement (no clinic assets included in transaction).

1. Non-GAAP measure, see "Non-GAAP Financial Measures" for definition and Appendix A for reconciliation to GAAP. Q1 2025 and LTM Q1 2025 GAAP net loss attributable to common shareholders was $(72.3) million and $(140.5) million, respectively.
2. Non-GAAP measure, see "Non-GAAP Financial Measures" for definition and "Capital Structure Metrics" for reconciliation to GAAP.

2025 Financial Outlook[1]: Full Year Unchanged

2025 Full Year (Unchanged)	Low End	High End
Revenue	$2.06 billion	$2.11 billion
Adjusted EBITDA[1]	$135 million	$165 million
Cash deployed to capitalized software development	$35 million	$35 million
Q2 2025	**Low End**	**High End**
Revenue*	$440 million	$470 million
Adjusted EBITDA[1]	$33 million	$40 million

Note that Q2 revenue outlook is lowered by capitation rate true-ups for 2024 launches in Performance Suite, with no impact on bottom line outlook. Significant previously announced Performance Suite go-lives slated for Q3.

1. Evolent does not provide a reconciliation of non-GAAP forward-looking guidance as certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. Refer to "Non-GAAP Measures" in the Appendix.

Supplemental Information and Appendices

Capital Structure Metrics

(In thousands)	Q1 2025	Q4 2024	Sequential Change	Q1 2024	Year over Year Change
Cash and cash equivalents	$ 246,547	$ 104,203	$ 142,344	$ 164,038	$ 82,509
Revolving credit availability	62,500	62,500	—	37,500	25,000
Total available liquidity	$ 309,047	$ 166,703	$ 142,344	$ 201,538	$ 107,509
Total Debt					
Convertible notes due 10/2025	$ 172,500	$ 172,500	$ —	$ 172,500	$ —
Convertible notes due 12/2029	402,500	402,500	—	402,500	—
Senior secured credit facility					
Term loan	200,000	0	200,000		200,000
Revolving credit	62,500	100,000	(37,500)	37,500	25,000
Debt principal amount	837,500	675,000	162,500	612,500	225,000
Net discount and deferred financing costs	18,175	13,013	5,162	14,599	3,576
Total Debt [1]	819,325	661,987	157,338	597,901	221,424
Net Debt [2]	590,953	570,797	20,156	448,462	142,491
LTM Adjusted EBITDA [3]	143,223	160,460	(17,237)	198,276	(55,053)
Net Debt / LTM Adjusted EBITDA	4.1x	3.6x	0.6x	2.3x	1.9x
Preferred class A common stock (face value)	$ 175,000	$ 175,000	$ —	$ 175,000	$ —
Class A common stock share count as of period end	117,398	116,576	822	116,195	1,203

1. Total debt presented as $171.8 million, $171.5 million and $- in short-term debt, net and $647.5 million, $490.5 million and $591.9 million in long-term debt, net on the consolidated balance sheets as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.
2. Non-GAAP measure, see "Non-GAAP Financial Measures" for definition.
3. Non-GAAP measure, see "Non-GAAP Financial Measures" for definition and Appendix A for reconciliation to GAAP.

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Volume and Pricing Metrics[1]

Evolent Quarterly Business Drivers

	Average Lives on Platform/Cases (in thousands)				
	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Performance Suite	6,486	7,145	6,916	6,901	7,050
Specialty Technology and Services Suite	77,079	75,161	74,192	71,701	72,302
Administrative Services	1,213	1,203	1,258	1,268	1,254
Total Lives on Platform	84,778	83,509	82,366	79,870	80,606
Cases	14	16	13	15	15
Average Products Per Unique Member	2.1	2.1	2.0	2.0	2.0
Average Unique Members	40,628	40,712	41,444	39,856	39,888

	Average PMPM Fees / Revenue per Case				
	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Performance Suite*	$ 15.57	$ 21.32	$ 20.97	$ 22.30	$ 21.19
Specialty Technology and Services Suite	0.36	0.37	0.38	0.38	0.41
Administrative Services	15.72	16.43	15.74	15.97	15.57
Cases	2,947	3,073	3,113	2,849	2,849

Sequential decline in Performance Suite PMPM from Q4 to Q1 reflects lower mix of Medicare Advantage revenue in Performance Suite due to previously announced contractual and membership changes. Individual contract PMPMs generally up across the board vs. Q4.

1. See definitions of categories of Average Lives on Platform, Average Cases, Average PMPM Fees and Average Revenue per Case on Slide 11. Amounts provided above are average product lives for the quarter and corresponding PMPM per platform or per case pricing. In addition, multiplying the average product lives above by the PMPM provides the approximate revenue generated for each revenue component in the quarter.

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Reserve for Claims and Performance - Based Arrangements

($ in thousands)	YTD Q1 2025	YTD Q1 2024
Balance, beginning of period	$318,705	$404,048
Incurred health care costs:		
Current year to date period	219,346	374,879
Prior year to date period	(13,354)	(15,186)
Total claims incurred	205,992	359,693
Claims paid related to:		
Current year to date period	(102,655)	(146,399)
Prior year to date period	(88,200)	(248,703)
Total claims paid	(190,855)	(395,102)
Balance, end of period	$333,842	$368,639
Decrease in revenue from prior period development [1]	12,937	10,418
Net loss (income) impact from prior period development	$(417)	$(4,768)

1. Represents revenue calculated in accordance with U.S. GAAP for customers that had prior period development.

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Non-GAAP Financial Measures

In addition to disclosing financial results that are determined in accordance with GAAP, we present and discuss certain non-GAAP financial measures, as supplemental measures to help investors evaluate our fundamental operational performance.

Net Debt is defined as the carrying value outstanding under the Company’s 2025 Notes, 2029 Notes and Credit Facilities adjusted to exclude the impact of net discounts and deferred financing costs less cash and cash equivalents. Management uses Net Debt as a supplemental performance measure because the netting of cash and cash equivalents from the principal amount of debt outstanding allows us to determine our debt repayment requirements in excess of cash and cash equivalents. We believe that this measure is also useful to investors because it allows further insight into the capital requirements of the Company that is comparable to other organizations in our industry and in the market in general.

Net Debt to LTM Adjusted EBITDA is defined as Net Debt divided by the sum of the Company's LTM Adjusted EBITDA. Management uses Net Debt to LTM Adjusted EBITDA as a supplemental performance measure because it allows the investor to understand capital requirements compared to operating performance over time. We believe that this measure is also useful to investors because it allows further insight into the period over period operational performance in a manner that is comparable to other organizations in our industry and in the market in general.

Adjusted EBITDA is defined as net loss attributable to common shareholders of Evolent Health, Inc. before interest income, interest expense, benefit from (provision for) income taxes, depreciation and amortization expenses, loss on repayment / extinguishment of debt, net, change in the tax receivable agreement liability, gain (loss) from equity method investees, loss on put option, change in fair value of contingent consideration, other income (expense), net, loss on disposal of assets, right-of-use asset impairment, loss on lease termination, repositioning costs, stock-based compensation expense, severance costs, dividends and accretion on Series A Preferred Stock and transaction-related costs.

Adjusted EBITDA Margin is as defined Adjusted EBITDA divided by revenue. Management believes that this measure is useful to investors because it allows further insight into the period over period operational performance. Management also uses Adjusted EBITDA margin as a supplemental performance measure because it allows the investor to understand operational performance compared to revenues over time.

These adjusted measures do not represent and should not be considered as alternatives to GAAP measurements, and our calculations thereof may not be comparable to similarly entitled measures reported by other companies. A reconciliation of these adjusted measures to their most comparable GAAP financial measures is presented in the tables below. We believe these measures are useful across time in evaluating our fundamental core operating performance.

Non-GAAP Financial Measures (continued)

The Company views the following activities as integral to understanding its non-GAAP financial measures:

Repositioning costs include but are not limited to severance, termination benefits and related payroll taxes, dedicated employee costs, and third-party professional services. Repositioning costs are not part of Evolent's normal course of business and are incurred when there is a business reason to enact a repositioning plan. Adjusting for these costs gives a better view of the Evolent's normal operating costs. We only adjust costs that (i) are included within selling, general and administrative expenses on the consolidated statement of operations, (ii) meet the criteria outlined within the respective repositioning plan and (iii) do not relate to normal business operations or ongoing activities.

- Dedicated employee costs primarily include project management and technology staff costs needed to migrate acquired businesses to Evolent's integrated technology platform and costs related to the consolidation of internal operations, strategies, processes and platforms. Dedicated employee costs are limited to employees that will have no role in ongoing operations and have no planned role at Evolent once the repositioning activities are completed.
  - Professional services costs primarily relate to services provided by a third-party vendor to review our operating model and organizational design in order to improve our profitability, create value through our solutions and invest in strategic opportunities in future periods.

($ in thousands)	Q1 2025	Q1 2024	LTM Q1 2025	LTM Q1 2024
Severance and termination benefits	$ —	$ 1,804	$ 31	$ 10,368
Dedicated employee costs	—	1,185	—	8,085
Professional services	—	3,488	639	16,398
Office space consolidation	—	3,452	—	10,314
Total	$ —	$ 9,929	$ 670	$ 45,165

Transaction-related costs include but are not limited to integration consultants, investor outreach services, external valuation and accounting advisory services, legal fees, transaction bonuses paid to certain employees and other transaction related costs. We adjust these costs because transaction-related costs are expensed when incurred and are not indicative of Evolent's normal operating costs.

We do not believe we can meaningfully reconcile guidance for non-GAAP Adjusted EBITDA to net income (loss) attributable to common shareholders of Evolent Health, Inc. because the company cannot provide guidance for the more significant reconciling items between net income (loss) attributable to common shareholders of Evolent Health, Inc. and Adjusted EBITDA without unreasonable effort. This is due to the fact that future period non-GAAP guidance includes adjustments for items not indicative of our core operations, and as a result from changes to our business due to transactions and other events. Such items may, from time to time, include loss on repayment/extinguishment of debt; gain (loss) from equity method investees, change in fair value of contingent consideration, change in tax receivable agreement liability, other income (expense), gain (loss) on disposal of non-strategic assets, right-of-use asset impairments, repositioning costs, stock-based compensation expense, severance costs, dividends and accretion on Series A Preferred Stock, transaction-related costs and certain other items the company believes to be non-indicative of its ongoing operations. Such adjustments may be affected by changes in ongoing assumptions, judgements, as well as nonrecurring, unusual or unanticipated charges, expenses or gains (losses) or other items that may not directly correlate to the underlying performance of our business operations. The exact amount of these adjustments are not currently determinable but may be significant.

How We Calculate Business Drivers: PMPM, Lives and Cases

- **Performance Suite:** consists of the average monthly membership over the period for the Company's risk-based solutions for oncology, cardiology and Evolent Care Partners.
- **Specialty Technology and Services Suite** consists of the average monthly membership over the period for the Company's fee-based solutions for oncology, cardiology, musculoskeletal, advanced imaging and other supportive diagnostics.
- **Administrative Services** consists of the average monthly membership over the period for the Company's Administrative Services.
- **Cases** consists of the sum of total case counts over the period for the Company's surgery management solution and Advance Care Planning/End of Life services.
- **Unique Members:** Company estimation of monthly unique members over the period that are covered for one or more EVH solutions.

Performance Suite Lives on Platform are calculated by summing monthly members covered for specialty care services for contracts not under ASO arrangements, plus members managed by Evolent Care Partners in risk arrangements and divided by the number of months in the period. Specialty Technology and Services Suite Lives on Platform are calculated by summing monthly members covered for oncology, cardiology, musculoskeletal, advanced imaging and other diagnostics specialty care services for contracts under ASO arrangements divided by the number of months in the period. Administrative Services Lives on Platform are calculated by summing monthly members covered for administrative services implementation and core performance services divided by the number of months in the period. Cases are calculated by summing the number of individuals receiving services through our surgery management and advanced care planning programs in a given period. Members covered for more than one category are counted in each category.

Performance Suite Average PMPM fee is defined as revenue pertaining to our Performance Suite during the period reported divided by Performance Suite Lives on Platform for the period divided by the number of months in the period. Specialty Technology and Services Suite Average PMPM fee is defined as revenue pertaining to the Specialty Technology and Services Suite during the period reported divided by Specialty Technology and Services Suite Lives on Platform for the period divided by the number of months in the period. Administrative Services Average PMPM fee is defined as revenue pertaining to the Administrative Services during the period reported divided by the Administrative Services Lives on Platform for the period divided by the number of months in the period. Revenue per Case is calculated by the revenue pertaining to surgery management and advanced care planning programs divided by the number of cases for a given period.

Average Unique Members are calculated by summing members covered by our Performance Suite, Specialty Technology and Services Suite and Administrative Services. In cases where clients cross between multiple products, we only capture members from the product with the maximum number of members.

Management uses Lives on Platform, PMPM fees, Cases, Revenue per Case and Average Unique Members because we believe that they provide insight into the unit economics of our services. We believe that these measures are also useful to investors because they allow further insight into the period over period operational performance. We believe that these measures are also useful to investors because they allow further insight into the period over period operational performance.

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Appendix A – Evolent Health, Inc. Adjusted EBITDA Reconciliation

($ in thousands)	Q1 2025	Q1 2024	LTM Q1 2025	LTM Q1 2024
Net loss attributable to common shareholders of Evolent Health, Inc.	**$ (72,250)**	**$ (25,225)**	**$ (140,479)**	**$ (141,227)**
Net loss margin	*(14.9)%*	(3.9)%	*(5.9)%*	*(6.5)%*
Less:				
Interest income	1,274	2,550	4,268	6,746
Interest expense	(10,385)	(5,997)	(29,110)	(47,307)
Benefit from (provision for) income taxes	(1,470)	(565)	508	20,611
Depreciation and amortization expenses	(24,058)	(29,503)	(112,925)	(123,643)
Loss on repayment/extinguishment of debt, net	—		—	(21,010)
Change in tax receivable agreement liability	—	(173)	—	4,029
Gain (loss) from equity method investees	(19)		(3,766)	1,173
Loss on put option	(52,348)	306	(52,348)	—
Change in fair value of contingent consideration	280	—	4,280	(18,323)
Other income (expense), net	(48)	(8,908)	185	(315)
Loss on disposal of assets	—	8	—	(8,107)
Right-of-use asset impairment	—	—	(2,588)	(24,065)
Loss on lease termination	(1,906)	—	(20,828)	—
Repositioning costs [1]	—	(9,929)	(670)	(45,165)
Stock-based compensation expense	(11,081)	(18,786)	(32,041)	(48,577)
Severance costs	(973)	(380)	(3,470)	(931)
Dividend and accretion on Series A Preferred Stock	(7,632)	(7,945)	(31,518)	(30,889)
Transaction-related costs	(744)	—	(3,679)	(3,730)
Adjusted EBITDA	**$ 36,860**	**$ 54,097**	**$ 143,223**	**$ 198,276**
Adjusted EBITDA Margin	7.6%	8.5%	6.0%	9.1%

1. See "Non-GAAP Financial Measures" for definition or repositioning costs.

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