



Cardinal Health

Special Conference Call



November 12, 2024

Cautions Concerning Forward-Looking Statements

This presentation contains forward-looking statements addressing expectations, prospects, estimates and other matters that are dependent upon future events or developments. These statements may be identified by words such as "expect," "anticipate," "intend," "plan," "believe," "will," "should," "could," "would," "project," "continue," "likely," and similar expressions, and include statements reflecting future results or guidance, statements of outlook, and various accruals and estimates. These matters are subject to risks and uncertainties that could cause actual results to differ materially from those projected, anticipated or implied. These risks and uncertainties include risks associated with our planned acquisitions of GIA and AD SG, including the risk that we may not receive required regulatory approval or otherwise fail to complete one or both of the acquisitions and the risk that we may fail to realize the anticipated strategic and financial benefits of the acquisitions. Cardinal Health is subject to additional risks and uncertainties described in Cardinal Health's Form 10-K, Form 10-Q and Form 8-K reports and exhibits to those reports. This presentation reflects management's views as of November 12, 2024. Except to the extent required by applicable law, Cardinal Health undertakes no obligation to update or revise any forward-looking statement. Forward-looking statements are aspirational and not guarantees or promises that goals, targets or projections will be met, and no assurance can be given that any commitment, expectation, initiative or plan in this presentation can or will be achieved or completed.

Strategic and Financially Compelling Acquisitions

Executing against our long-term value creation plan



Expands our breadth in Specialty

- Advances specialty care for patients
- Foundation of a multi-specialty platform for further national expansion in key therapeutic areas
- Builds upon technology and specialty practice capabilities added in previously announced acquisitions



Advances our at-Home Solutions Strategy

- Provides new opportunities to better serve patients in their homes
- Helps reduce complexities for people living with diabetes
- Strengthens at-Home Solutions business with complementary capabilities

Transactions Details

Our priorities remain unchanged



***Cardinal Health to acquire a 71%
controlling interest in GI Alliance for
~\$2.8bn cash***

***To operate as a unit within
Pharmaceutical and Specialty Solutions segment***

Expected to close in early calendar 2025



***Cardinal Health to acquire the Advanced
Diabetes Supply Group for ~\$1.1bn cash***

***To merge with
at-Home Solutions business***

Expected to close in early calendar 2025

Pursuing Assets in Attractive Markets

Our priorities remain unchanged

Specialty / GI

- ✓ Specialty is the **fastest growing** part of pharmaceutical industry
- ✓ **~\$40bn** GI TAM with **~76M** Americans with GI disorders
- ✓ Ample opportunity for **long-term growth** in fragmented market
- ✓ Considerable **similarities in treatment** with other specialty areas
- ✓ Future collaboration opportunities in **ASCs** and **Physician Offices** across Cardinal Health businesses

Home Healthcare / CGM

- ✓ **Rapid growth** in home healthcare
- ✓ Diabetes one of the **fastest growing** and costliest chronic diseases
- ✓ **Nearly 40M** diabetic Americans with **~1.2M** diagnosed annually
- ✓ **Prevalence growing** as approx. half of U.S. adults have pre-diabetes
- ✓ **CGM** is the standard of care, with market growth of **~10% CAGR**

GI Alliance Overview

The leading GI MSO and the foundation of a multi-specialty platform for further growth

Business Overview

- **Leading national management services organization**
- **900+ physicians across 20 states and 345 practice sites, including 135 affiliated and owned ASCs**
- **Extensive reach into the local communities they serve**
- **Supports a complete continuum of gastroenterology care**

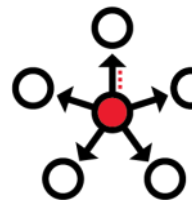
Significant Expansion of Specialty Business



Delivery of value and exceptional care for patients

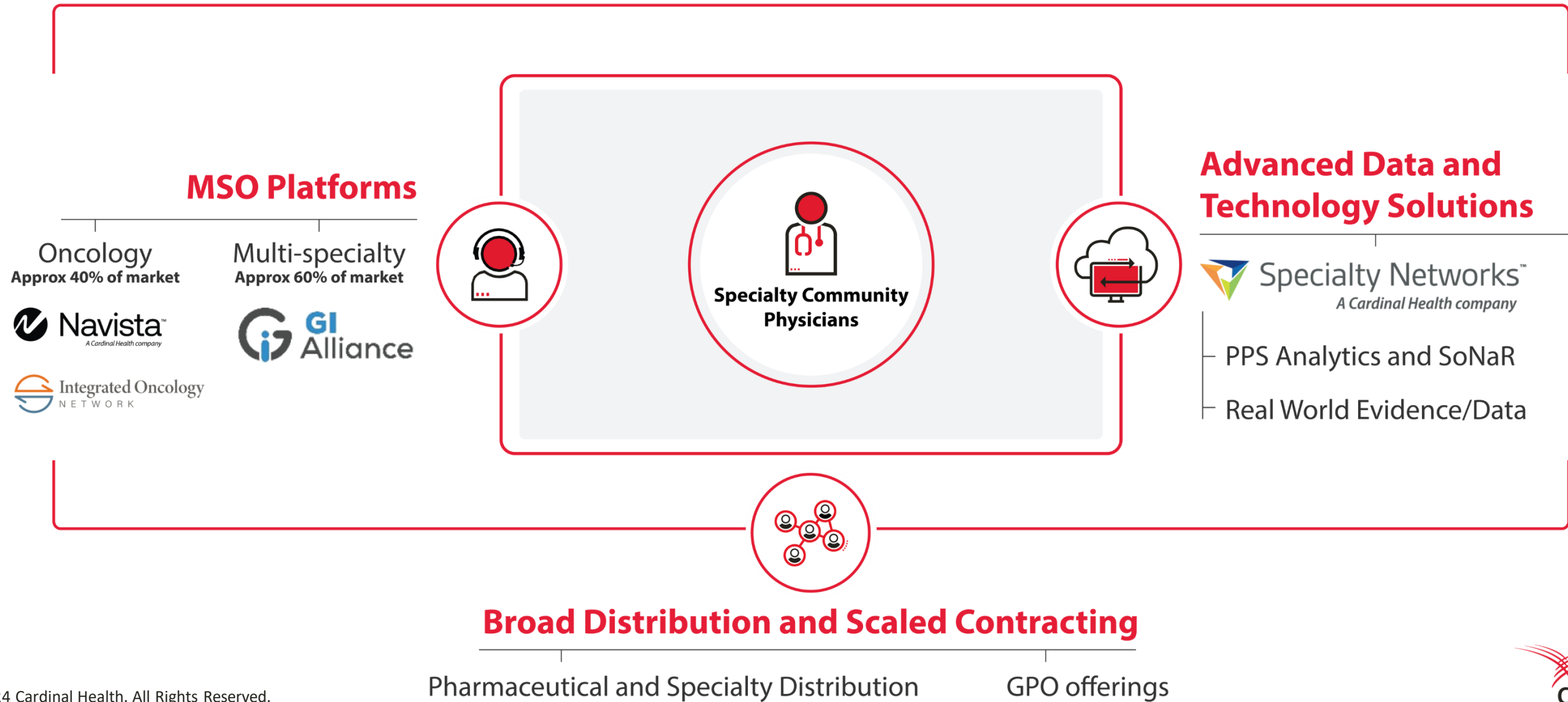


Preferred choice of physician-led national GI platforms



Enhanced clinical and operational support for physicians

Building a Platform to Provide Best-In-Class Support to Community-Based Physicians









Advanced Diabetes Supply Group Overview

A leading national direct-to-patient diabetes supplier with complementary capabilities

Business Overview

- **Delivers comprehensive diabetes-focused portfolio that serves ~500K patients annually**
- **Focuses on supporting people living with chronic conditions**
- **Comprehensive platform to serve patients in their homes**
- **Exceptional patient retention and customer satisfaction**

Expansion of at-Home Solutions

-   **Tailored to best support individual patients at-home**
-   **Streamlined user experience and personalized product support**
-   **Demonstrated growth through multi-channel patient acquisition capabilities**

at-Home Solutions Continues to Accelerate

Through focused investments to meet growing demand for home healthcare

at-Home Solutions portfolio spans numerous end-to-end capabilities

ADSG enhances capabilities to better support individual patients at-home



5M+

patients served in their homes annually in the U.S.



~20M

packages shipped annually to the home



40K+

products across numerous conditions to choose from



11

distribution centers dedicated to direct-to-patient fulfillment



~99%

of U.S. population supported with 1-2 days delivery



~750

strong relationships with manufacturers

- ✓ Proven track record of serving diabetes patients
- ✓ Innovation, industry knowledge and an unparalleled commitment to patients
- ✓ Supports rapidly growing patient population
- ✓ Simplified user experience for patients and healthcare professionals

Executing Against Our Strategy

The transactions meet our rigorous investment criteria on growth, profitability, integration and returns

Cardinal Health



Financial Impact

Expected to be accretive to revenue and segment profit growth, and non-GAAP EPS, in the first 12 months, following close



Balance Sheet

Focused approach to debt paydown over next 18 to 24 months to preserve existing credit ratings



Funding

Including Integrated Oncology Network, combination of cash on hand and new debt financing, to be arranged prior to closing¹



Integration

Businesses fit ideally within existing structure following re-organization and operational alignment



Dividend

Committed to continuing to grow dividend



Share Repurchase

Maintaining our commitment of \$750M in FY25 share repurchases

¹Anticipated to be ~75% new debt financing, ~25% available cash on hand

Compelling Investment Thesis

Moving healthcare forward

1 Build upon the growth and resiliency of Pharmaceutical and Specialty Solutions

2 Execute GMPD Improvement Plan initiatives

3 Accelerate growth in key areas

4 Relentless focus on shareholder value creation

Forward Looking Non-GAAP Measures

In this presentation, the Company presents certain forward-looking non-GAAP metrics. The Company does not provide outlook on a GAAP basis because the items that the Company excludes from GAAP to calculate the comparable non-GAAP measure can be dependent on future events that are less capable of being controlled or reliably predicted by management and are not part of the Company's routine operating activities. Additionally, management does not forecast many of the excluded items for internal use and therefore cannot create or rely on outlook done on a GAAP basis.

The occurrence, timing and amount of any of the items excluded from GAAP to calculate non-GAAP could significantly impact the Company's fiscal 2024 GAAP results. Over the past five fiscal years, the excluded items have impacted the Company's EPS from \$0.75 to \$18.06, which includes a \$17.54 charge related to the opioid litigation the Company recognized in fiscal 2020.

Definitions

Non-GAAP net earnings attributable to Cardinal Health, Inc.: net earnings attributable to Cardinal Health, Inc. excluding (1) LIFO charges/(credits), (2) state opioid assessment related to prior fiscal years, (3) shareholder cooperation agreement costs, (4) restructuring and employee severance, (5) amortization and other acquisition-related costs, (6) impairments and (gain)/loss on disposal of assets, net, (7) litigation (recoveries)/charges, net and (8) loss on early extinguishment of debt.

Non-GAAP diluted earnings per share attributable to Cardinal Health, Inc.: non-GAAP net earnings attributable to Cardinal Health, Inc. divided by diluted weighted-average shares outstanding.