

**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

August 10, 2023
Date of Report (date of earliest event reported)

The Oncology Institute, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-39248
(Commission File Number)

84-3562323
(I.R.S. Employer Identification Number)

18000 Studebaker Rd, Suite 800
Cerritos, California 90703
(Address of principal executive offices and zip code)
(562) 735-3226
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing 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</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.001	TOI	The Nasdaq Stock Market LLC
Redeemable warrants, each whole warrant exercisable for one share of Common stock, each at an exercise price of \$11.50 per share	TOIHW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

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 2.02. Results of Operations and Financial Condition

On August 10, 2023, The Oncology Institute, Inc. (the "Company") issued a slide presentation which includes the Company's financial results for the three months and six months ended June 30, 2023 and certain other financial information. A copy of the presentation is furnished hereto as Exhibit 99.1, which are incorporated by reference herein.

Item 7.01. Regulation FD Disclosure

On August 10, 2023, in conjunction with the slide presentation of its financial results, the Company provided updates regarding the Company's business and guidance for the year ending December 31, 2023. The information provided above in "Item 2.02 - Results of Operations and Financial Condition" of this Current Report on Form 8-K ("Current Report") is incorporated by reference into this Item 7.01.

The information contained in Items 2.02 and 7.01 of this Current Report and Exhibit 99.1 is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such section.

Item 9.01 - Financial Statements and Exhibits

(d) The following exhibits are being filed herewith:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Slide presentation issued by The Oncology Institute, Inc. on August 10, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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

Date: August 10, 2023

The Oncology Institute, Inc.

By: /s/ Mihir Shah

Name: Mihir Shah

Title: Chief Financial Officer



The Oncology Institute
of Hope & Innovation

AUGUST 2023

Investor Presentation



Disclaimer

FORWARD LOOKING STATEMENTS

This press release 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 "preliminary," "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "project," "predict," "potential," "guidance," "approximately," "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, anticipated financial results, 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 TOI 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 anyone 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 TOI.

These forward-looking statements are subject to a number of risks and uncertainties, including the accuracy of the assumptions underlying the outlook discussed herein, the outcome of judicial and administrative proceedings to which TOI may become a party or governmental investigations to which TOI may become subject that could interrupt or limit TOI's operations, result in adverse judgments, settlements or fines and create negative publicity; changes in TOI's clients' preferences, prospects and the competitive conditions prevailing in the healthcare sector; failure to continue to meet stock exchange listing standards; the impact of COVID-19 on TOI's business; those factors discussed in the documents of TOI filed, or to be filed, with the SEC, including the Item 1A, "Risk Factors" section of TOI's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 16, 2023 and any subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. 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 TOI does not presently know or that TOI currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect TOI's plans or forecasts of future events and views as of the date of this press release. TOI anticipates that subsequent events and developments will cause TOI's assessments to change. TOI does not undertake any obligation to update any of these forward-looking statements. These forward-looking statements should not be relied upon as representing TOI'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.

FINANCIAL INFORMATION; NON-GAAP FINANCIAL MEASURES

Some of the financial information and data contained in this press release, such as Adjusted EBITDA, have not been prepared in accordance with United States generally accepted accounting principles ("GAAP"). TOI believes that the use of Adjusted EBITDA provides an additional tool to assess operational performance and trends in, and in comparing our financial measures with, other similar companies, many of which present similar non-GAAP financial measures to investors. TOI's non-GAAP financial measures may be different from non-GAAP financial measures used by other companies. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial measures determined in accordance with GAAP. The principal limitation of Adjusted EBITDA is that it excludes significant expenses and income that are required by GAAP to be recorded in TOI's financial statements. Because of the limitations of non-GAAP financial measures, you should consider the non-GAAP financial measures presented in this press release in conjunction with TOI's financial statements and the related notes thereto.

TOI defines Adjusted EBITDA as net (loss) income plus depreciation, amortization, interest, taxes, non-cash items, share-based compensation, goodwill impairment charges, change in fair value of liabilities, unrealized gains or losses on investments and other adjustments to add-back the following: consulting and legal fees related to acquisitions, one-time consulting and legal fees related to certain advisory projects, software implementations and debt or equity financings, severance expense and temporary labor and recruiting charges to build out our corporate infrastructure. A reconciliation of Adjusted EBITDA to net loss, the most comparable GAAP metric, is set forth below.



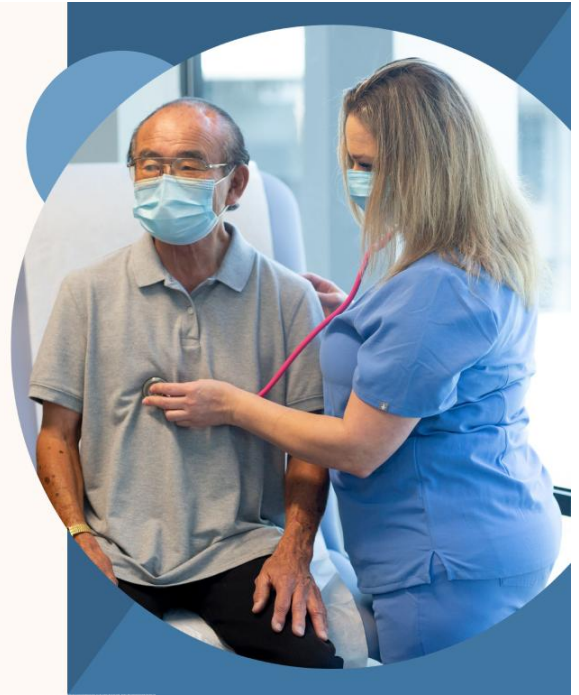
A unique value-based model disrupting Oncology Care

Oncology is a large and growing market but today's care delivery system is broken and **does not address quality and cost issues.**

TOI is the first mover disrupting oncology care with a unique value-based model.

Our technology platform is the first to standardize and align care delivery at scale, while proving our model with new market exportability.

TOI's future growth and new market entry is **predictable, repeatable and scalable with tremendous near term and long-term growth opportunities in front of us.**



Rising cost of Oncology Care is a massive problem in the U.S.

Oncology Care is a massive market with accelerating growth driven by misalignment, complex variable clinical pathways and high-cost drugs.

Healthcare is Unaffordable & Inefficient in the U.S.

18% of U.S. GDP is spent on healthcare and rising

2x spent per person compared to OECD average

Yet, U.S. incidence of chronic illness and longevity are worse than average

U.S. Oncology Spend Growth Continues to Accelerate

+200\$ BN estimated 2020 U.S. oncology spend

11-14% CAGR for U.S. Oncology drug spending growth in the next four years

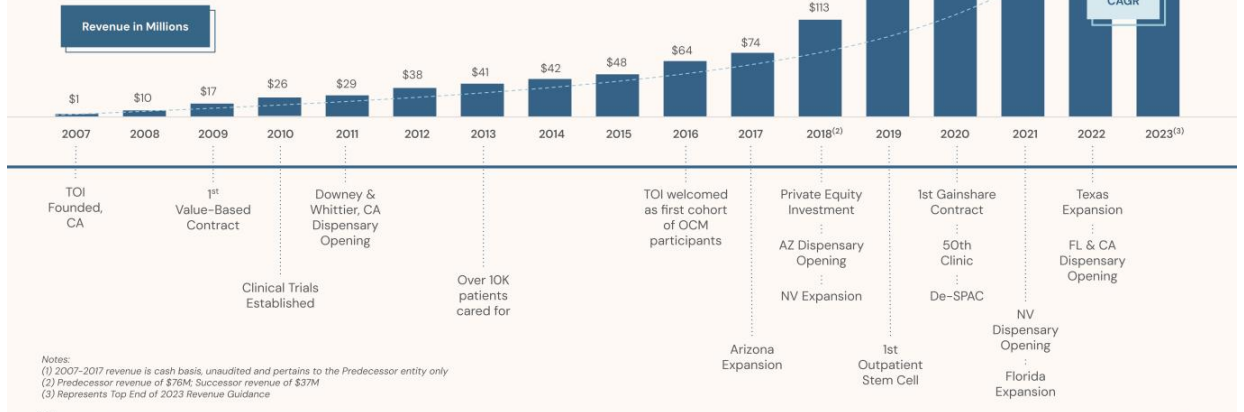
9.5% of U.S. adults have been diagnosed with cancer



Sources: Cancer Epidemiology, Biomarkers & Prevention –American Association For Cancer Research, July 2020; National Center for Health Statistics; IQVIA Institute; National Health Expenditure Data –CMS; Spending on Health: Latest Trends –OECD, June 2018.

Revenue⁽¹⁾ and Milestone Timeline

TOI represents 0.01% of the U.S. Oncology Market providing substantial growth opportunity



Disrupting the Status Quo in Cancer Care



 THE ONCOLOGY INSTITUTE OF HOPE & INNOVATION

Today's Traditional Fee-for-Service Oncology Care

- ✘ Incentivized by **volume**
- ✘ Incentivized to use **high-cost therapies**
- ✘ Physician compensation model aligned to **high cost**
- ✘ Practice **tailored to profit**
- ✘ **Supported by drug manufacturers** and distributors
- ✘ **No incentives** to utilize appropriate care transitions

Our Disruptive Value-Based Oncology Care

- ✓ Incentivized by **quality**
- ✓ Incentivized to use **high-value therapies**
- ✓ Physician compensation model aligned to **quality and patient satisfaction**
- ✓ Practice tailored to address **individualized patient needs**
- ✓ **Supported by patient and payors**
- ✓ Aligned to support **appropriate transitions** to palliative and hospice care



We are building the leading Value-Based Oncology Care Platform

~1.8M lives served under capitation

170+ clinical trials giving patients cutting edge access

>400K Members transitioned to TOI from other providers/payers

~64K unique patients treated each year

25%+ reduction in patient healthcare costs

>50% Revenue generated from value-based agreements in 2022

Key Partners



Our results are peer-reviewed & published

TOI is highly effective in delivering quality, value-based oncology care

30% Lower Inpatient Admissions⁽¹⁾

14% Improvement in Patient Satisfaction⁽²⁾

40% Fewer Acute Care Facility Deaths⁽¹⁾

75% Fewer ER Visits in the Last Month of Life⁽¹⁾

> 25% Lower Median Total Healthcare Costs for Patients from Diagnosis to Death⁽¹⁾

(1) Based on study on TOI patient population conducted by researchers at Stanford University.
(2) As of April 11, 2021 (5.0 scale).



Our patient-centric focus drives high levels of satisfaction

Highly satisfied patient base supports care delivery model while strengthening payor relationships

“Thank you all for helping me through this life test...From the front desk to the specialist – when it comes to cancer, you are all needed and appreciated; your kindness and selflessness makes a world of difference to the patients and their families.”
– Lynwood Clinic Patient

“I am very thankful and happy to have found his group. Dr. Baghian and staff are kind, compassionate, and knowledgeable. Everyone I have interacted with has made me feel as though they truly care about making sure I receive quality care in a timely manner. Exceptional!”
– Riverside Clinic Patient

“Awesome place, from the support staff and Dr. Morrison. He was the BEST! Would highly recommend this clinic to everyone who needs it.”
– Downey Clinic Patient



AVERAGE SATISFACTION RATING

4.5/5

~2,000 patients surveyed
over ~12 months

We use multiple levers to reduce cost of care



Effective Treatments

- Reduce practice pattern variability
- Access to clinical trials in the community
- Vertical integration of dispensary and scaled drug purchasing



High-Value Cancer Care Program

- Algorithm driven action plan
- 24/7 Health Care Coach
- Patient education and engagement



Palliative & Hospice Collaboration

- Providers trained in advanced care planning
- Close coordination between network providers

Proven portability with a rapidly expanding footprint

California



48
Clinics

Florida



8
Clinics

Arizona



4
Clinics

Nevada



5
Clinics

Texas



2
Clinics

Strong unit economics drives increasing profitability

Embedded gross margin expansion potential as TOI scales

Value-Based Volume Mix:

As our mix of value-based revenue increases our margins are expected to improve; pods today with highest mix of value-based contract achieve 30%+ margins

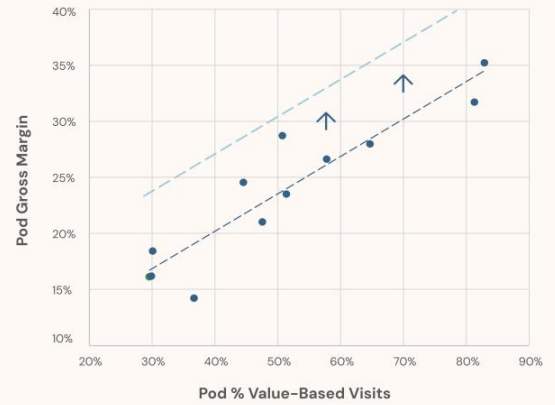
Provider Utilization:

Margins expected to improve as Provider productivity increases in maturing clinics the ratio of APPs⁽¹⁾ to MDs increases.

Market Dynamics:

Certain expansion markets have higher-cost fee-for-service oncology, therefore we believe TOI can deliver better value and savings to our customers and capture higher margins.

TOI Pod⁽²⁾: Gross Margin vs. % Value-Based Visits



(1) Advanced Practice Providers (APPs) include Physician Assistants and Nurse Practitioners.
(2) Each pod is an operational unit consisting of 2-5 clinics, grouped together based on geographic proximity and visit volume. This analysis was performed in 2020.

Multiple levers to sustain long term growth trajectory

TOI represents 0.01% of the U.S. Oncology Market providing substantial growth opportunity

Existing Markets

Continue driving growth in lives and partnership expansion

- + New contracts
- + Expand covered lives
- + New clinics & providers
- + Improve unit economics
- + Medicare direct contracting

New Markets

Well-honed model enables quick scaling in new markets

- + Establish presence in new markets
- + Highly attractive market dynamics
- + Value-based care transition for physicians
- + Successful acquisition track record with a scalable platform

Service Expansion

Expand scope and diversify service offering

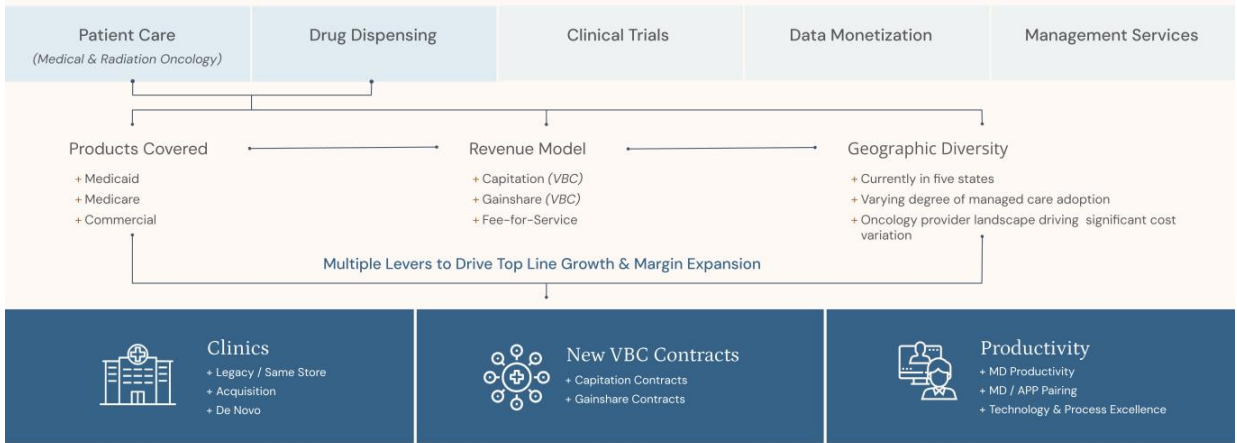
- + Build comprehensive portfolio of ancillary services
- + Radiation Oncology
- + Pharmacy
- + Clinical trials
- + MSO services
- + Data monetization



Financial Overview



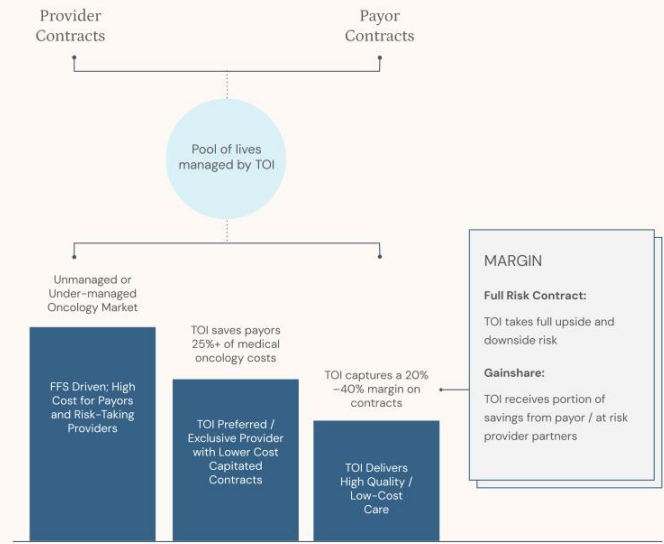
Diversified business model with multiple drivers of revenue growth and margin expansion



Value driven highly attractive economic model



 THE ONCOLOGY INSTITUTE OF HOPE & INNOVATION



Illustrative Economic Model

2023 Guidance

REVENUE

\$290 to \$320 million

representing approximately 15% to 27% growth over 2022 revenue

ADJUSTED EBITDA

\$(25) to \$(28) million

GROSS PROFIT

\$60 to \$70 million

VALUE-BASED LIVES

1.75 to 2 million lives

Note: TOI's achievement of the anticipated results is subject to risks and uncertainties, including those disclosed in its filings with the U.S. Securities and Exchange Commission. The outlook does not take into account the impact of any unanticipated developments in the business or changes in the operating environment, nor does it take into account the impact of TOI's acquisitions, dispositions or financings during 2023. TOI's outlook assumes a largely reopened global market, which would be negatively impacted if closures or other restrictive measures persist or are reimplemented.





Key Takeaways

- ✓ Early market leader in large & growing market
- ✓ Proven model with imbedded scalability
- ✓ Well capitalized, with disciplined deployment strategy
- ✓ Our platform growth enables high-quality, affordable care for more patients

Historical Financials



Historical Financials

In thousands	FOR THREE MONTHS ENDED				FOR YEAR ENDED					
	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Dec 31, 2020	Dec 31, 2021	Dec 31, 2022	
REVENUE	Patient services	\$ 35,057	\$ 39,109	\$ 44,627	\$ 47,992	\$ 50,273	\$ 53,426	\$ 116,817	\$ 124,074	\$ 166,785
	Dispensary	18,679	20,218	18,839	21,607	24,240	25,196	63,890	72,550	79,343
	Clinical trials & other	1,425	1,594	1,511	1,825	1,679	1,602	6,808	6,379	6,355
	Total operating revenue	55,161	60,921	64,977	71,424	76,192	80,224	187,515	203,003	252,483
OPERATING EXPENSES	Direct costs – patient services	27,378	32,875	36,126	38,382	42,814	44,878	95,747	99,401	134,761
	Direct costs – dispensary	15,324	16,754	15,738	17,295	19,145	20,111	53,907	62,102	65,111
	Direct costs – clinical trials & other	137	150	113	118	134	118	982	652	518
	Goodwill impairment charges	–	–	–	9,944	16,867	–	–	–	9,944
	Selling, general and administrative expense	29,806	28,348	31,963	29,572	28,830	28,726	41,898	83,365	119,689
	Depreciation and amortization	987	1,098	1,134	1,192	1,269	1,329	3,178	3,341	4,411
	Total operating expenses	73,632	79,225	85,074	96,503	109,059	95,162	195,712	248,861	334,434

Historical Financials

In thousands	FOR THREE MONTHS ENDED						FOR YEAR ENDED		
	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Dec 31, 2020	Dec 31, 2021	Dec 31, 2022
Loss from operations	(18,471)	(18,304)	(20,097)	(25,079)	(32,867)	(14,938)	(8,197)	(45,858)	(81,951)
Other non-operating expense (income)									
Interest expense, net	74	61	1,497	2,450	1,443	1,638	347	320	4,082
Change in fair value of derivative warrant liabilities	1,461	(2,065)	159,000	(1,398)	(143)	(118)	—	(3,686)	(1,843)
Change in fair value of earnout liabilities	(39,440)	(10,800)	(3,581)	(5,394)	(752)	(17)	—	(24,891)	(59,215)
Change in fair value of note embedded derivative liabilities	—	—	(15,510)	(8,690)	(3,318)	—	—	—	(24,200)
Gain on debt extinguishment	(183)	—	—	—	—	—	—	(4,957)	(183)
Other, net	151	(15)	36	(673)	(143)	357	6,271	(1,046)	(501)
Total other non-operating income	(37,937)	(12,819)	(17,399)	(13,705)	(2,913)	1,860	6,618	(34,260)	(81,860)
Income before provision for income (loss) taxes	19,466	(5,485)	(2,698)	(11,374)	(29,954)	(16,798)	(14,815)	(11,598)	(91)
Income tax (expense) benefit	(180)	32	24	367	(44)	(99)	493	671	243
Net income (loss)	19,286	(5,453)	(2,674)	(11,007)	(29,998)	(16,897)	(14,322)	(10,927)	152
Adjusted EBITDA ⁽¹⁾	(5,184)	(6,687)	(6,680)	(4,640)	(7,929)	(6,941)	5,773	(4,824)	(23,542)

Note: (1) Adjusted EBITDA is a non-GAAP measure. For a discussion and reconciliation to the nearest GAAP measure please see Slide 22 of this presentation

Adjusted EBITDA Reconciliation

In thousands	FOR THREE MONTHS ENDED						FOR YEAR ENDED		
	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Dec 31, 2020	Dec 31, 2021	Dec 31, 2022
Net (loss) income	\$ 19,286	\$ (5,453)	\$ (2,674)	\$ (11,007)	\$ (29,998)	\$ (16,897)	\$ (14,322)	\$ (10,927)	\$ 152
Depreciation and amortization	987	1,098	1,134	1,192	1,269	1,329	3,178	3,341	4,411
Interest expense, net	74	61	1,497	2,450	1,443	1,638	347	320	4,082
Income tax expense (benefit)	180	(32)	(24)	(367)	44	99	(493)	(671)	(243)
Board and management fees	45	62	64	—	—	—	620	553	—
Non-cash addbacks	197	108	299	604	141	24	11,972	(5,115)	1,208
Share-based compensation	8,552	6,515	6,546	6,070	4,965	4,107	151	24,535	27,683
Goodwill impairment	—	—	—	9,944	16,867	—	—	—	9,944
Change in fair value of liabilities	(37,979)	(12,865)	(18,932)	(15,482)	(4,213)	(135)	—	(28,577)	(85,258)
Unrealized (gains) losses on investments	—	—	33	(673)	(143)	267	—	—	(640)
Accretion of discount on investments	—	—	—	—	—	—	—	—	—
Practice acquisition-related costs	422	111	166	91	16	55	374	476	790
Practice acquisition deferred purchase price	—	—	2,088	155	581	581	—	—	2,243
Consulting and legal fees	655	1,144	883	1,115	585	929	1,495	1,826	3,797
Other, net	953	1,634	1,239	1,204	506	1,042	2,451	1,692	5,030
Public company transaction costs	1,444	750	1,001	64	8	20	—	7,723	3,259
Adjusted EBITDA	\$ (5,184)	\$ (6,867)	\$ (6,680)	\$ (4,640)	\$ (7,929)	\$ (6,941)	\$ 5,773	\$ (4,824)	\$ (23,542)

The Company includes adjusted EBITDA because it is an important measure upon which our management uses to assess the results of operations, to evaluate factors and trends affecting the business, and to plan and forecast future periods.

Adjusted EBITDA is "non-GAAP" financial measure within the meaning of Item 10 of Regulation S-K promulgated by the SEC. Management believes that this measure provides an additional way of viewing aspects of the Company's operations that, when viewed with the GAAP results, provides a more complete understanding of the Company's results of operations and the factors and trends affecting the business. However, non-GAAP financial measures should be considered a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with U.S. GAAP. Non-GAAP financial measures used by management may differ from the non-GAAP measures used by other companies, including the Company's competitors. Management encourages investors and others to review the Company's financial information in its entirety, not to rely on any single financial measure.

