

SALE AND INVESTMENT SOLICITATION PROCESS

Manitoba Clinic Medical Corporation



Multi-specialty, historic medical clinic located in a new state of the art facility

MANITOBA CLINIC

Phase 1 Bid Deadline: June 9, 2023



The Opportunity




Company Background

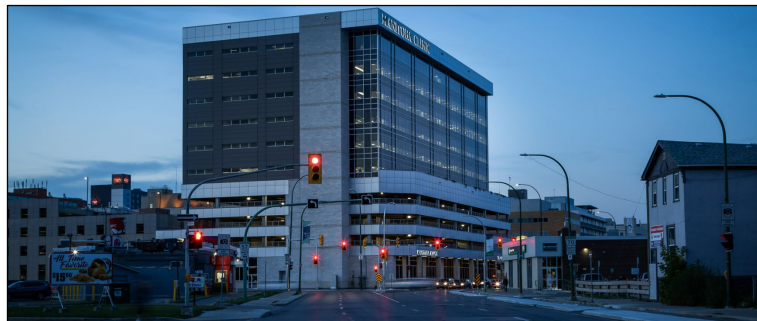
- Manitoba Clinic Medical Corporation (the “**Manitoba Clinic**”, or the “**Company**”) is a multi-speciality clinic offering diverse healthcare services. In 2022, Manitoba Clinic was the largest private clinic in the Province of Manitoba and is an integral component of the health care system in the province.
- Manitoba Clinic currently has 36 active physicians (the “**Physicians**”) who are practising under service agreements with the Company. The Company leases space located in a state of the art, 10 story medical facility (the “**Facility**”) that was constructed in 2017 and is located in central Winnipeg.
- The Company generates 90% of its revenue through billing the Manitoba Department of Health for services performed by the Physicians. In 2022 Manitoba Clinic completed approximately 49,000 medical procedures, including endoscopes, EKGs, Holters, stress tests, visual field tests, ophthalmology laser procedures, EMGs, and the infusion of biologic medications.

Court Process

- On November 30, 2022, the Company (and a related entity) (collectively the “**Companies**”) commenced proceedings under the *Companies’ Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (the “**CCAA**”) in the Court of King’s Bench of Manitoba (the “**Court**”) and were granted an order (the “**Initial Order**”) protecting the Companies from their creditors. On December 1, 2022, the Court granted an Order (the “**Amended and Restated Initial Order**” or “**ARIO**”), pursuant to the CCAA. Pursuant to the Initial Order and the ARIO, Alvarez & Marsal Canada Inc. was appointed Monitor (the “**Monitor**”), with enhanced powers over the business and financial affairs of the Companies.
- As authorized by the Initial Order and ARIO, the Monitor developed a sale and investment solicitation process (“**SISP**”) to market the Company and its assets. The SISP was approved by the Court on April 21, 2023.
- The SISP provides that a potential transaction with the Company may involve one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Company as a going concern, an offer to purchase some or all of the business or assets of the Company, or some combination thereof.
- In addition to the opportunity to purchase or invest in Manitoba Clinic, the Monitor has engaged CW Stevenson Inc. (“**Cushman**”) as marketing agent for the marketing and sale of the Facility.

Manitoba Clinic Acquisition Highlights

 Diverse Specialities	<ul style="list-style-type: none">The Physicians currently practicing at Manitoba Clinic specialize in 12 different areas, which include, but are not limited to, pediatrics, cardiology, ophthalmology, rheumatology, obstetrics and gynecology.The Physicians are well known in their respective fields and receive referrals regularly from external parties.
 Facility	<ul style="list-style-type: none">Manitoba Clinic occupies 2.5 floors of a 10-story state of the art medical facility located at 790 Sherbrook Street Winnipeg, MB, which was newly constructed in 2017. The Facility hosts 5 floors which are intended for medical use, and a three story parkade with 235 patient parking spots.The Facility is conveniently located in central downtown Winnipeg and is in close proximity to the Winnipeg Health Sciences Centre, the Children’s Hospital of Winnipeg and the University of Manitoba.
 In-House Services	<ul style="list-style-type: none">Manitoba Clinic has numerous amenities within its leased space to support patient care, such as 85 exam rooms, two treatment rooms, sterilization and tray preparation, EKG, research, infusion, stress tests and all associated equipment.Manitoba Clinic operates a sophisticated 2,800 square-foot X-ray operation located in the basement of the Facility and also has access to an onsite Dynacare lab.



Facility Details

Diverse Medical Specialties

- As depicted in the table below, 36 active physicians work for Manitoba Clinic, in 12 different specialties. More than one-third of the Physicians specialize in pediatric medicine.

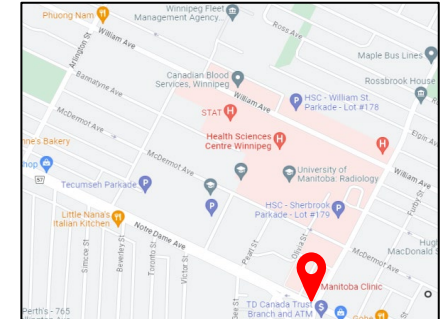
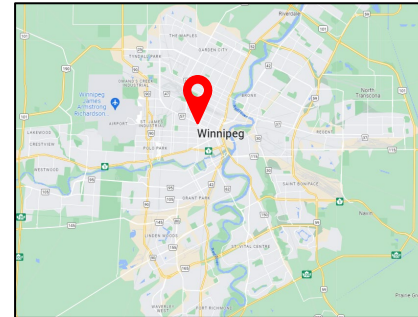
Specialty	Physician Count
Cardiology	4
Electrodiagnostic Medicine	1
E.N.T.	1
Gastroenterology	4
General Practice	3
General Practice/ IV Therapy	1
Neurology	1
Obstetrics and Gynecology	2
Ophthalmology	2
Pediatrics	14
Rheumatology	2
Urology	1
Total	36

Equity in LibreMD

- The Company holds 33% of the shares, consisting of 100 class A common voting shares, in Libre MD Corporation (“LibreMD”).
- LibreMD was incorporated in 2018 and is one of four certified electronic medical record (“EMR”) services providers in Manitoba.

LibreMD

Facility Location

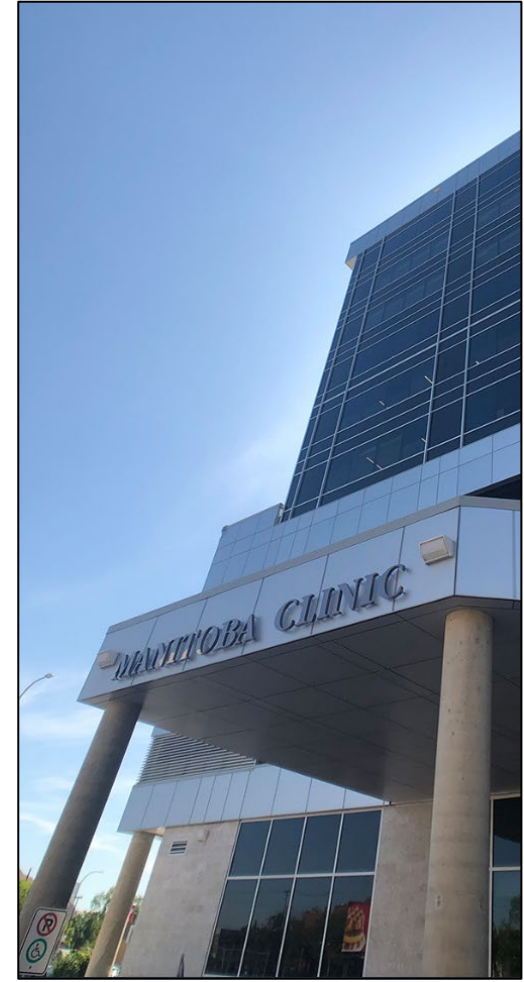


- The Facility is situated in central Winnipeg and is adjacent to the Health Sciences Centre, the Children’s Hospital of Winnipeg, CancerCare Manitoba, HSC Winnipeg Women’s Hospital, Siemen’s Institute for Advanced Medicine, PsychHealth Centre, Cadham Provincial Laboratory, National Microbiology Laboratory and the University of Manitoba (medicine, nursing, dentistry, pharmacy and rehabilitation science faculties).

Supporting Services

- In addition to the Company’s 85 exam rooms, Manitoba Clinic’s leased space has access to additional amenities to facilitate the provision of effective patient care at an enhanced scale, such as:
 - Two treatment rooms
 - Onsite sterilization and tray preparation
 - Research, EKG, infusion, and stress test facilities
 - Spacious patient waiting and reception areas
 - Nurse prep, physician lounges and changes rooms
 - Computerized billing and scheduling software
- The Company also operates a 2800 square foot X-ray diagnostics center which is located in the basement of the Facility. The X-ray center hosts two operational X-ray rooms, with the ability to easily scale to three rooms.
- The Facility contains additional amenities to drive patient traffic, such as a Dynacare laboratory, Shoppers Drug Mart, Winnipeg Hearing Center, Orthopedic & Medical Supply Source (OMSS), Visual Eyes Optometry, a café and artisan shops.

Facility Photos



SISP Process and Next Steps

Next Steps

- The Monitor is conducting the SISP in accordance with the SISP procedures document posted on the Monitor's website: www.alvarezandmarsal.com/manitobaclinic (the "**SISP Procedures**"). All capitalized terms used but not defined in this document shall bear their meanings as defined in the SISP Procedures. The SISP will provide for the solicitation of interest for one or more of:
 - a) a restructuring, recapitalization, or other form of reorganization of the business and affairs of the Company as a going concern (an "**Investment Bid**");
 - b) an offer to purchase some or all of the business and assets of the Company (an "**Asset Bid**"); or
 - c) some combination of an Investment Bid or Asset Bid (a "**Hybrid Bid**").
- Any transaction involving the Company, or the assets of the Company, will be on an "**as is, where is**" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Company, the Monitor, or any of their respective agents whatsoever. All qualified interested parties will be provided with an opportunity to participate in the SISP and are required to execute a confidentiality agreement (a "**CA**") that accompanies this document to receive access to a virtual data room (the "**Data Room**") with additional information. The Company, Monitor and their agents make no representation or warranty as to the accuracy or completeness of the information contained herein, in the Data Room, or otherwise made available pursuant to the SISP.

Event	Date
Phase 1 Bid Deadline	June 9, 2023 (5:00pm CST)
Monitor to assess Qualified LOIs, in consultation with the Company and Lender	June 9 - June 13, 2023
Phase 2 Due-Diligence Process	June 13 - June 22, 2023
Phase 2 Bid Deadline	June 23, 2023 (5:00pm CST)
Monitor to assess Qualified Phase 2 Bids, in consultation with the Company and Lender	June 23 - June 30, 2023
Monitor to seek Court approval of Successful Bid	Week of July 14, 2023

- Phase 1:**
 - Per the SISP, a Potential Bidder must deliver a non-binding letter of intent to the Monitor by the Phase 1 Bid Deadline: **5:00pm CST on June 9, 2023**.
- Phase 2:**
 - Per the SISP, a Qualified Bidder must deliver a formal binding offer to the Monitor by the Phase 2 Bid Deadline: **5:00pm CST on June 23, 2023**.
 - A bid in Phase 2 shall be accompanied by a deposit equal to 5% of the purchase price, which will be non-refundable if the bid is deemed to be the Successful Bid.
- The Monitor, in consultation with the Company and with the approval of the Lender, may apply to the Court to terminate the SISP and reject or choose not to accept, at any time, a bid made in respect of the Company or its assets.
- Interested parties who wish to pursue a potential acquisition are required to execute a CA to receive access to additional information. Please contact a representative of the Monitor listed below for further information. Any interested party who wishes to participate in the SISP should review the SISP procedures in detail. Parties interested in the Facility may contact Cushman directly (brett.intrater@cwstevenson.ca; 204-999-1238).

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