

SALE AND INVESTMENT SOLICITATION PROCESS

Manitoba Clinic Medical Corporation
X-ray Department



Three room X-ray operation located in a state of the art medical facility

MANITOBA CLINIC
X-RAY

Phase 1 Bid Deadline: June 9, 2023



Opportunity Overview

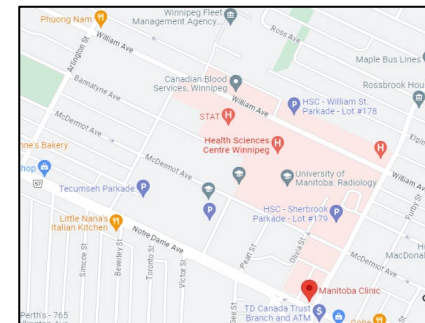
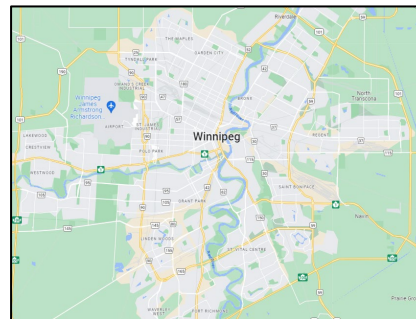
Overview

- The Manitoba Clinic X-Ray department is located on the lower level of a state of the art, 10 story medical facility (the **“Facility”**) that was constructed in 2017 and is located in central Winnipeg.
- The Manitoba Clinic X-Ray department was designed to support over 100 physicians from within the Manitoba Clinic and other community clinics who send referrals.
- The X-Ray facility has the capacity for three modern exam rooms with proper shielding, control areas and back-up power. The facility layout facilitates a high-quality patient experience with a well-appointed reception area, dedicated change rooms and washrooms. The facility area is completely self-contained with a supervisor office, radiology reading room, lunch area and storage rooms. Hallways and exam rooms are designed for stretcher access.

Court Process

- On November 30, 2022, the Manitoba Clinic Medical Corporation and The Manitoba Clinic Holding Co. Ltd. (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 Companies and its assets. The SISP was approved by the Court on April 21, 2023.
- The SISP provides that a potential transaction with the Companies may involve one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Companies as a going concern, an offer to purchase some or all of the business or assets of the Companies, 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.

Facility Location

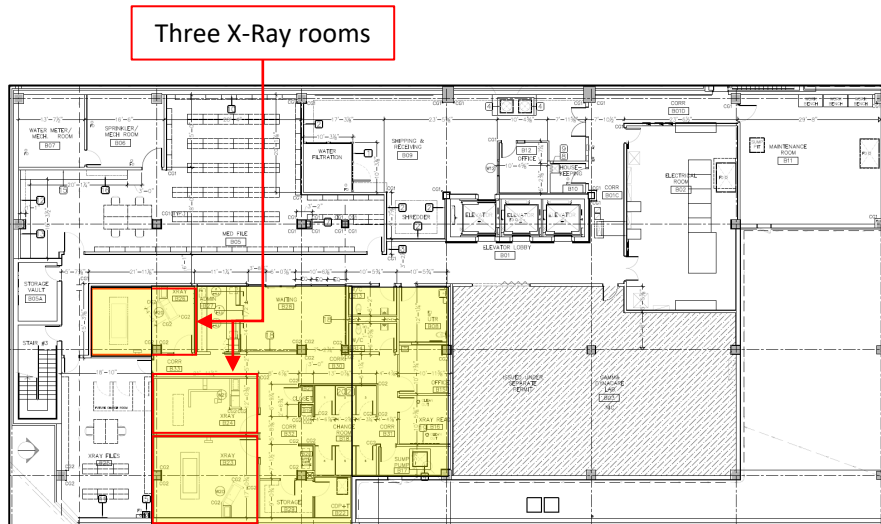


- The Facility is situated in central Winnipeg and is adjacent to the Health Sciences Centre, the Children’s Hospital of Winnipeg, CancerCare Manitoba, HSC Winnipeg Women’s Hospital, Siemen’s Institute for Advanced Medicine, PsychHealth Centre, Cadham Provincial Laboratory, National Microbiology Laboratory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

Operational Overview

X-Ray Facility Layout

- The X-ray facility is approximately 2,800 square feet in size, located in the lower level of the Facility. The X-Ray facility is located adjacent to a Dynacare lab center which may provide additional patient traffic.
- The X-ray facility was designed to support three X-Ray rooms with proper shielding, control areas and back-up power.
- Two of the exam rooms are considered turn-key and are fully equipped for immediate operation, while a third room could be easily equipped to begin operating and increase the overall capacity of the X-ray facility.



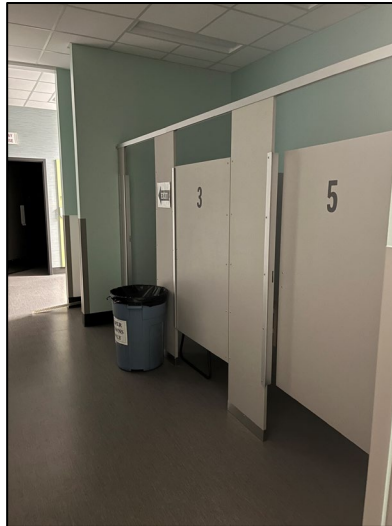
2022 Production Highlights

- As detailed in the table below, The Manitoba Clinic X-ray facility completed 11,416 exams in 2022 and saw approximately 8,500 patients throughout the year.
- Total annual revenue was approximately \$544,000 in 2022, which was generated using only two of the three possible X-ray rooms.
- Approximately 30% of the patients of the Manitoba Clinic X-Ray department were the result of external referrals received from outside of the Facility.

**Manitoba Clinic X-Ray
2022 Production Overview**

Month	Number of Exams	Revenue (\$)
January	703	32,489
February	801	37,999
March	1,125	52,602
April	850	40,884
May	1,077	52,117
June	1,093	51,610
July	900	43,111
August	1,030	49,840
September	949	45,515
October	1,059	51,112
November	1,052	50,474
December	777	36,584
Total	11,416	544,339

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 Companies as a going concern (an "**Investment Bid**");
 - b) an offer to purchase some or all of the business and assets of the Companies (an "**Asset Bid**"); or
 - c) some combination of an Investment Bid or Asset Bid (a "**Hybrid Bid**").
- Any transaction involving the Companies, or the assets of the Companies, 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 Companies, 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 Companies, 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	July 31 - August 2, 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 Companies 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 Companies 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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