CARDIFF LEXINGTON
CORPORATION



INVESTOR PRESENTATION

April 2025

OTC: CDIX

FORWARD LOOKING STATEMENTS

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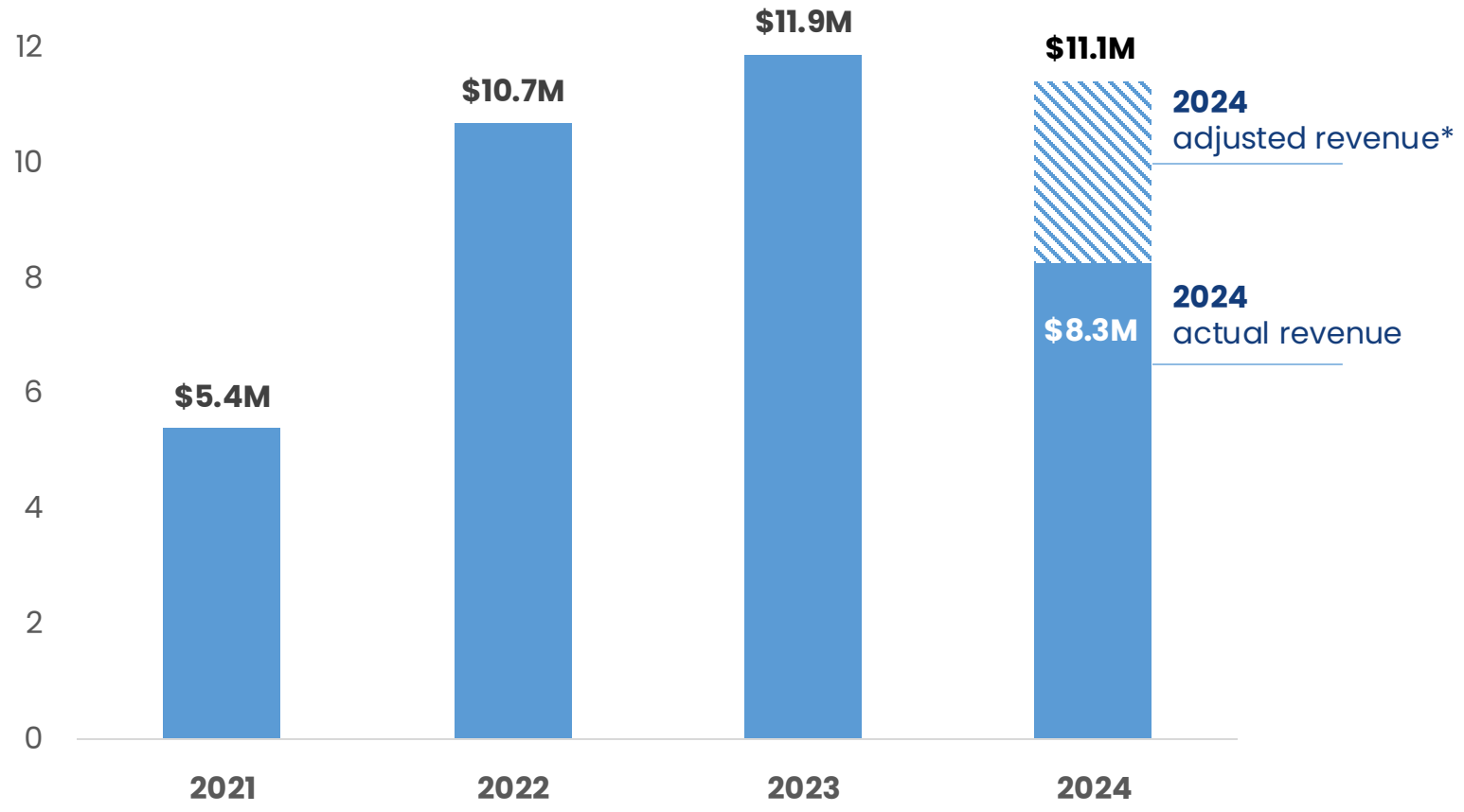
ANNUAL REVENUE PERFORMANCE

(In Millions)



- **2024 revenue impacted by one-time non-cash adjustments totaling $2.8M**
- **2024 adjusted revenue* consistent with 2023 levels** despite multiple week shutdown in Q3 related to Hurricane Helene
- **Annual revenue expected to increase** alongside enhanced operating capacity and expanding Nova Ortho and Spine network

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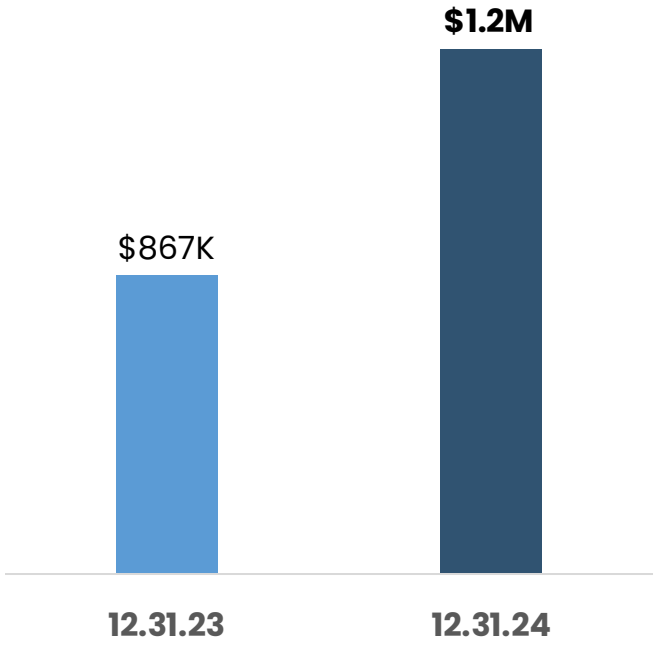
*Adjusted revenue is a non-GAAP metric that is reconciled to GAAP revenue in the appendix of this presentation

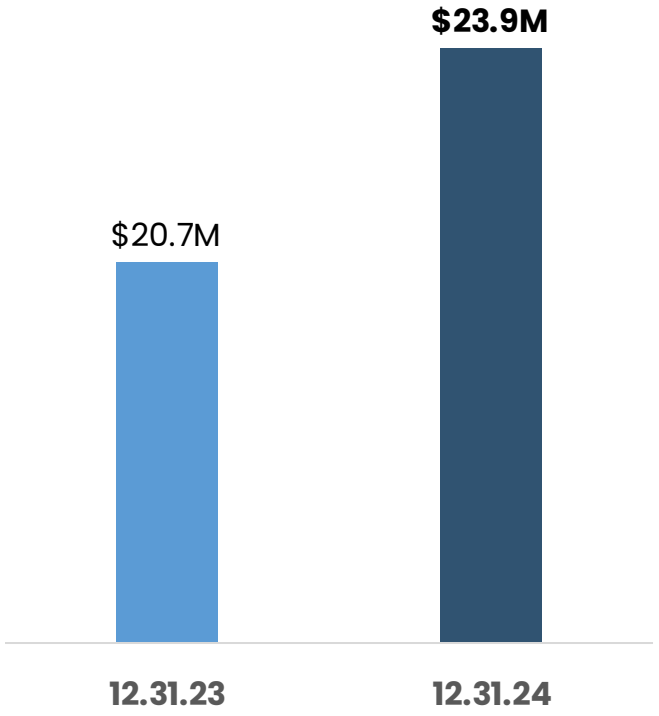
SIGNIFICANTLY ENHANCED BALANCE SHEET

Cash



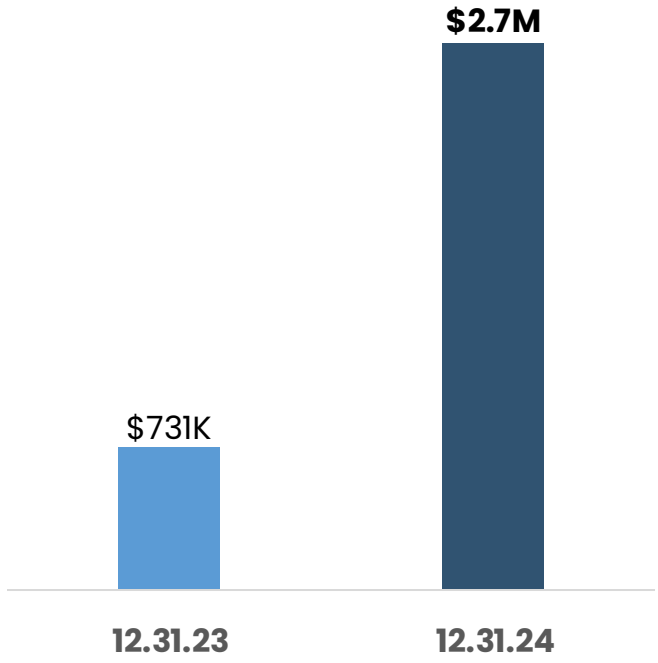
37% Increase

Total Assets



15% Increase

Shareholders' Equity



267% Increase

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INVESTMENT HIGHLIGHTS

Established Market with Demonstrated Demand

- Capturing a niche section of the established multibillion-dollar market for orthopedic surgery centers and healthcare

Attractive Patient Demographics

- Aging patient population and rising number of personal and work-related injuries is enhancing demand for orthopedic healthcare services

Recession Resistant

- Healthcare sector has historically performed regardless of economics condition

Innovative Payor Model and Industry Leading Collection Rate

- Elevating standard of care for personal injury patients while offering attractive economic returns for shareholders

NOVA ORTHO AND SPINE AT A GLANCE

FULFILLING THE NEEDS OF AN UNDERSERVED MARKET

- **No dependence on CMS** (Medicare/Medicaid) **or health insurance companies** (HMOs or Blue Cross) for reimbursement
- **Payor mix** is almost exclusively comprised of automotive insurance companies, general liability carriers, and private pay

ATTRACTIVE ECONOMIC MODEL

- Longer A/R gestation period (typically 18-24 months) is accounted for in pricing of patient care
- **95%+ collection rate** over past three years

HIGH DEMAND

- Nova Ortho and Spine currently sees approximately **165-185 patients per month across 11 locations**
- **Robust referral network**

CAPACITY FOR SUBSTANTIAL ORGANIC GROWTH

- All locations **collectively operating at only 35% capacity**

PROVEN EXPERTISE

- **Management team with 25+ years' experience** operating primary, specialty and ancillary care facilities

SUPERIOR SERVICE AND ORTHOPEDIC CARE

Enabling critical access to high-quality care for traumatic injury patients

Patient-Centric Pathway

TRUSTED REFERRAL NETWORK

Patients are primarily referred through a growing network of trusted **physicians, physical therapists and chiropractors**

TRUE PARTNER THROUGH THE LIFECYCLE OF A CLAIM

Nova Ortho and Spine has **superior access to patient information** to case validity and manage each one appropriately

LEADER IN SURGICAL TECHNIQUES & TECHNOLOGY

Nova Ortho and Spine's team of surgeons and specialists deliver **cutting-edge treatment options at state-of-the-art facilities**

QUALITY CARE AT ZERO COST TO THE PATIENT

Revenue is primarily provided by bodily injury policies, general liability policies, and personal injury protection policies, which **protects patients from high upfront costs**

WHY ORTHOPEDICS?

- **Orthopedic healthcare** is one of the **fastest-growing segments** of healthcare
- The **global population aged 60+ is expected to double by 2050** to reach 2.1 billion[2]; **osteoarthritis cases projected to rise by 50%** by 2040 affecting nearly 78 million US adults[3]
- Growing demand for joint replacement and minimally invasive surgeries; **US joint replacement market expected to grow at 3.5% CAGR to $15.8 billion by 2030[4]**

$39.5B

Market Size in 2021[1]

3.3%

Estimated CAGR from 2022-2030[1]

$49.5B

Estimated Market Size in 2028[1]

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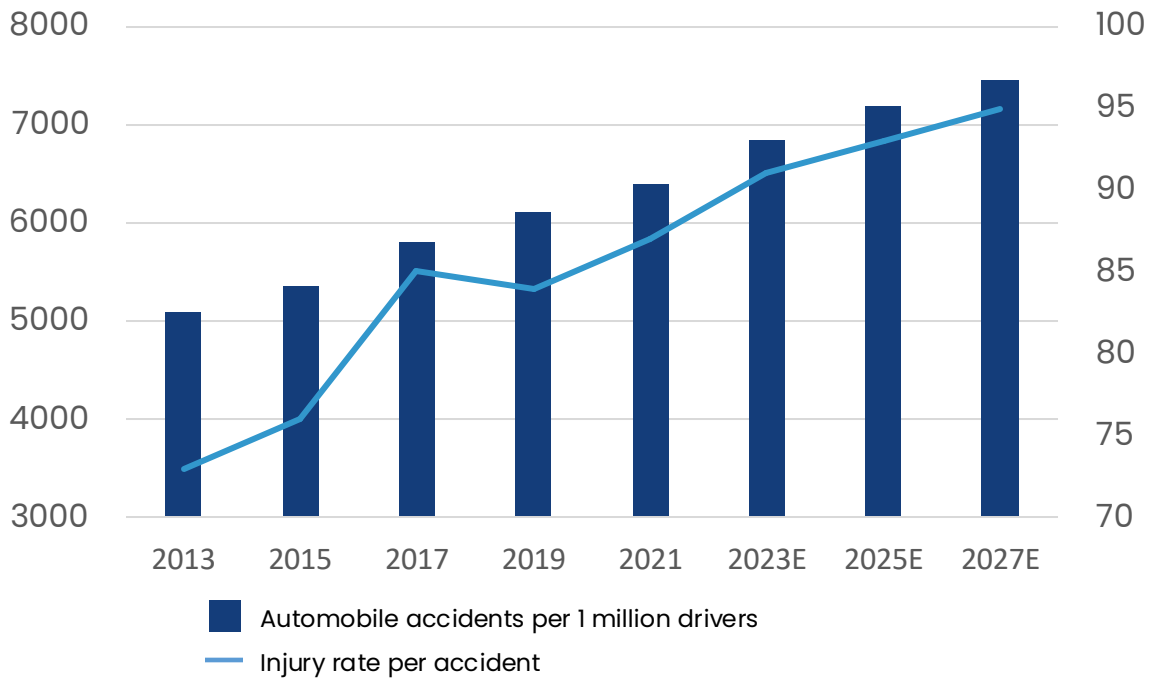
[1]Stratview Research; *Orthopedic Market Size, Share, Trend, Forecast, Competitive Analysis, and Growth Opportunity; 2022-2028*
[2]World Health Organization; *Ageing and Health Fact Sheet*
[3]Center for Disease Control; *Arthritis Indicator by Topic*
[4]Grandview Research; *US Joint Replacement Market Size & Outlook, 2022 - 2030*

FAVORABLE EXTERNAL GROWTH DRIVERS

Higher healthcare costs, broader care modalities, and increasing claim frequency are driving strong and sustainable growth for specialized personal injury providers

12.5% increase in automobile accidents expected through 2028*



- Increasing interest by institutional capital is driving innovation and consolidation for the industry
- Regulatory landscape in many states is favorable for specialized personal injury providers
- Specialized and sophisticated providers are better suited to capture referral sources

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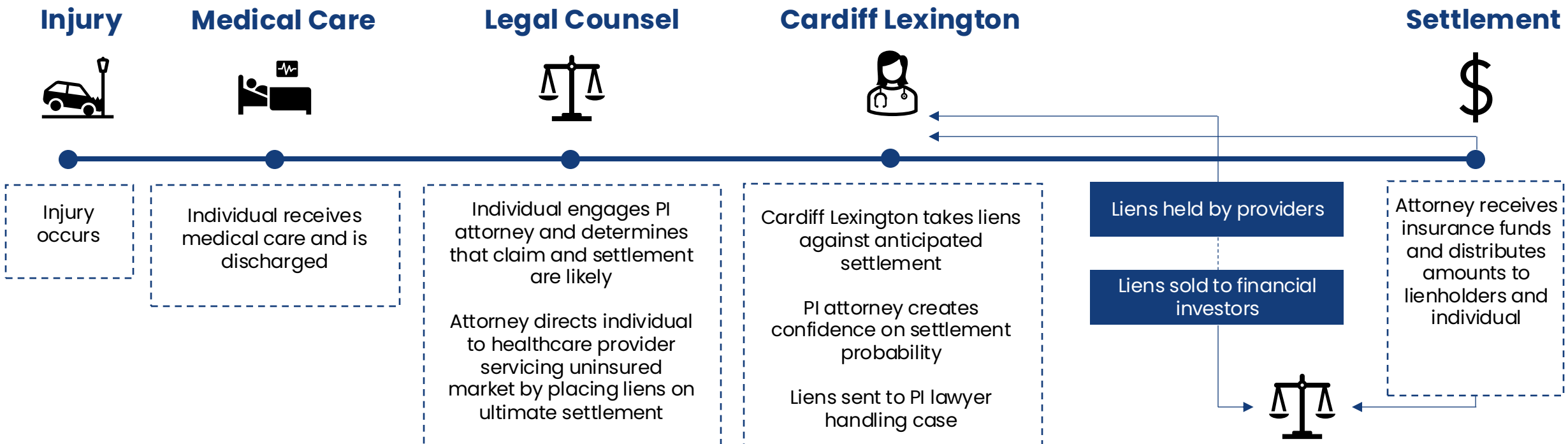
*Statista; *Number of accidents and traffic-related injury rate in the U.S. per 1M people forecasted through 2028*

PROVEN MODEL TAPPING INTO UNDERSERVED PATIENT MARKET



A UNIQUE AND POWERFUL ECONOMIC ENGINE

Leverages Extended A/R Timeline To Drive Significant Economic Returns

- **Frequently insulated by a Letter of Protection** to ensure payment in full from insurance settlement
- Ability to factor significantly extended A/R into care pricing

Receive a maximum of $25,000 from patient's Personal Injury Protection (PIP)

Typical A/R gestation period is 18-24 months

By waiting for insurance settlement, insulated from having to rely on declining reimbursement programs from CMS and health insurance companies





Beating industry average of ~75-85%*

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*Company data

EXPANDING MARKET PRESENCE

12 Nova Ortho & Spine locations strategically positioned in population centers **throughout Florida and Georgia** with plans to **expand to broader southeast US**

- Okeechobee (FL)
- Fort Pierce (FL)
- Vero Beach (FL)
- Palm Bay (FL)
- Tallahassee (FL)
- Madison (FL)
- Sebastian (FL)
- Rockledge (FL)
- Port St. Lucie (FL)
- Orlando (FL)
- Valdosta (GA)

Florida has the most personal injury claims per capita[1]; Valdosta, Georgia location represents broader expansion into broader southeast U.S.

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[1]Law.com; *New Study Finds Florida Has the Most Personal Injury Cases Per Capita. Is New Bad Faith Law to Blame?*

NOVA ORTHO AND SPINE MILESTONES AND ACCOMPLISHMENTS

2019

- Formation of Nova Ortho and Spine
- 3 Nova Ortho and Spine locations open at year end

2020

- Nova Ortho and Spine locations increase to 5 as Company expands into population centers throughout Florida

2021

- Cardiff Lexington completes acquisition of Nova Ortho and Spine
- 7 locations
- 10-year Management Agreement to align strategic growth priorities
- **Revenues grow to $5.4M, up 31% YoY**

2022

- **Revenues nearly double to $10.7M, a 98% increase YoY**
- Locations expand to 9
- Growing and engaged network of referral partners

2023

- **Revenues increase to $11.9M, a 11% increase YoY**
- Demand exceeding capability due to capital constraints
- 10 locations

2024

- **Adjusted revenue* of $11.1M**
- Expanded Nova Ortho and Spine to 12 locations; first location outside Florida

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*Adjusted revenue is a non-GAAP metric that is reconciled to GAAP revenue in the appendix of this presentation

LONG-TERM GROWTH STRATEGY

Enhance Working Capital and Operational Capacity

- All Nova Ortho and Spine locations **currently operating at 35% capacity and turning away business**
- **Increased working capital** is expected to significantly **enhance operational capacity**

Expand Geographically into Southeast US

- **12 Nova Ortho and Spine locations** throughout Florida and Georgia
- **Expanding into broader Southeast US** through organic growth and strategic acquisitions

Grow into Contiguous Businesses via Accretive M&A

- **Complementary verticals to existing business** include MRI clinics, Medevac providers, etc.
- **Strategically deploying capital** to expand addressable market through **accretive M&A**

TARGETING AN UNDERSERVED PATIENT POPULATION WITH PROVEN RESULTS

Cardiff Lexington by the Numbers

12

Nova Ortho and Spine locations throughout Florida & Georgia

$11.1M

2024 Adjusted Revenue*

$2.9M

2024 Adjusted EBITDA excluding other non-recurring costs*

95+%

Collection rate on patient claims



Expanding into the broader Southeast US through **organic growth & strategic M&A activity**

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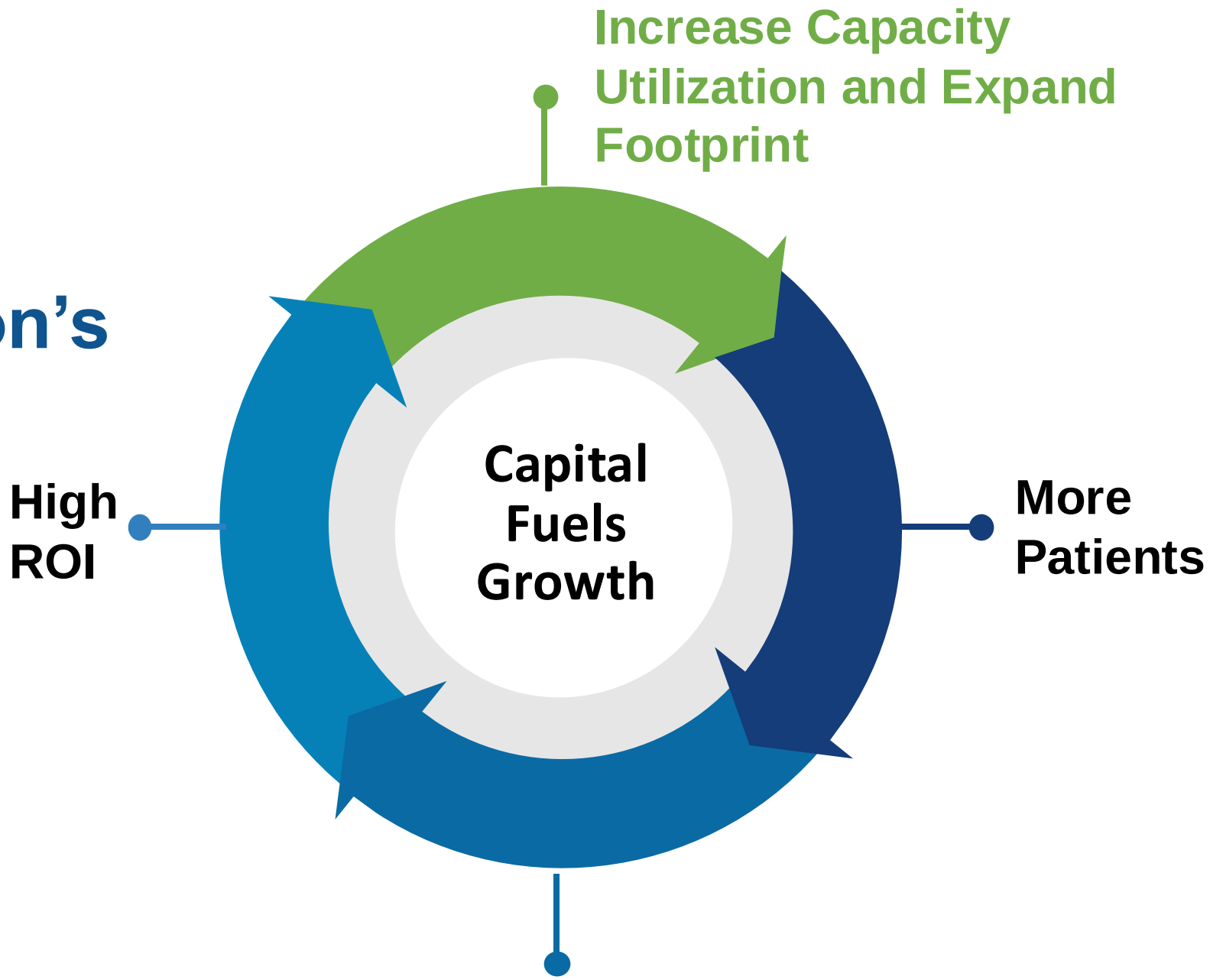
*Adjusted EBITDA excluding other non-recurring costs and adjusted revenue is a non-GAAP metric that is reconciled to GAAP r

SUMMARY

Cardiff Lexington's Flywheel Effect

Building an innovative economic high growth model that profitably bridges the gap between underserved patients and healthcare providers



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Thank You

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APPENDIX

RECONCILIATION OF NON-GAAP METRICS

	Three months ended		Twelve months ended	
Non-GAAP Adjusted EBITDA excluding other non-recurring costs	**12/31/24**	**12/31/23**	**12/31/24**	**12/31/23**
		(Restated)		(Restated)
Net Income (loss) before discontinued operations	$(910,342)	$240,301	$(3,191,687)	$3,114,914
Adjustments to reconcile net income/(loss) to EBITDA				
Interest	1,241,847	192,568	3,045,504	1,956,266
Taxes	0	0	0	0
Depreciation	3,365	9,412	13,461	20,777
Amortization	0	41,854	24,821	136,518
EBITDA	**$334,870**	**$484,135**	**$(107,901)**	**$5,228,475**
Change in estimate for settlement realization rate	0	0	1,650,474	0
Stock compensation expense for shares issued	244,500	0	544,725	0
Adjusted EBITDA	**$579,370**	**$484,135**	**$2,087,298**	**$5,228,475**
Scaling and restructuring costs for business growth	284,252	0	764,778	
Acquisition related costs	30,581	0	30,581	
Adjusted EBITDA excluding other non-recurring costs	**$894,202**	**$484,135**	**$2,882,657**	**$5,228,475**

	Three months ended	Twelve months ended
Non-GAAP Adjusted Revenue	**12/31/24**	**12/31/24**
GAAP revenue	$3,120,710	$240,30
Adjustments to claim settlement realization rate	-	
Non-GAAP Adjusted Revenue	$3,120,710	**$484,135**

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