



November 7, 2019

Trading Symbol: TSX-V: NLH

## Nova Leap Health Corp. Posts Record Financial Results for Third Quarter 2019

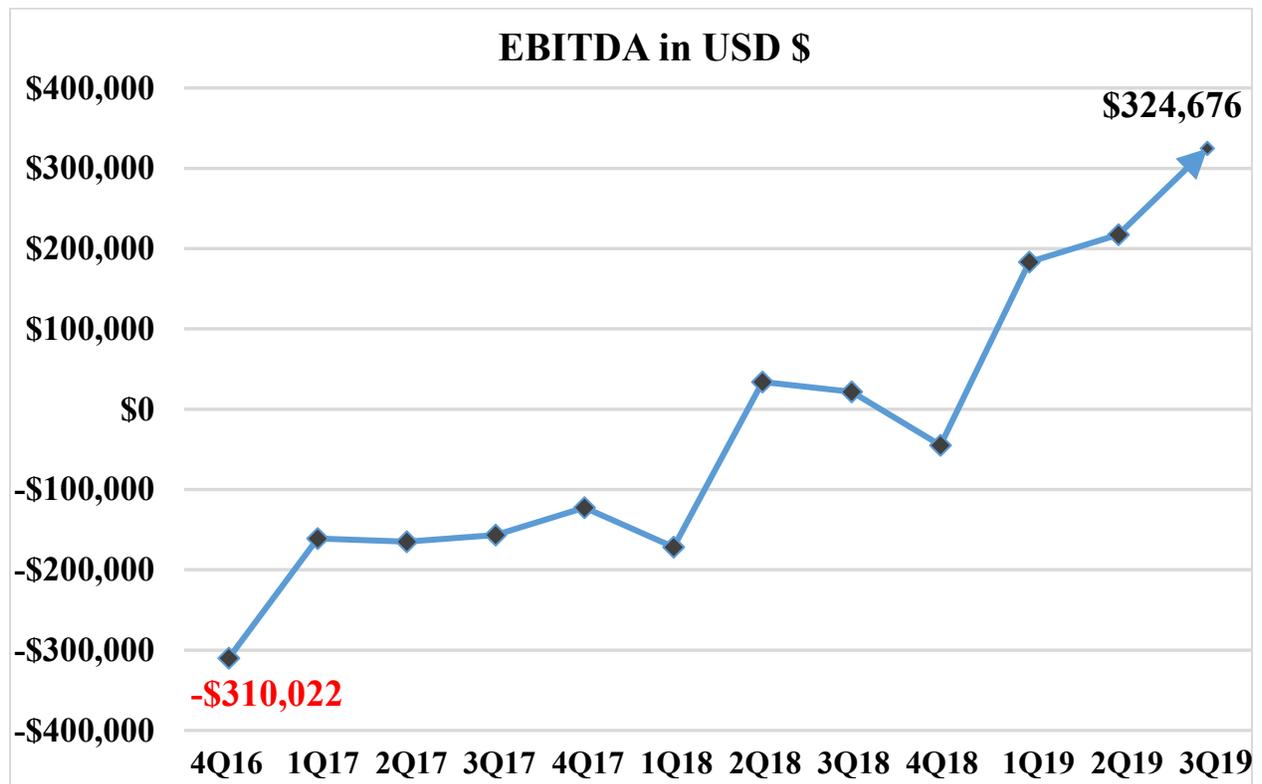
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**HALIFAX, November 7, 2019** - NOVA LEAP HEALTH CORP. (TSXV: NLH) (“Nova Leap” or “the Company”), a 2019 TSX Venture 50™ ranked company focused on the home health care industry, is pleased to announce the release of record financial results for the third quarter ended September 30, 2019. *All amounts are in United States dollars unless otherwise specified.*

### Nova Leap Third Quarter of 2019

Highlights for the quarter ended September 30, 2019 included the following:

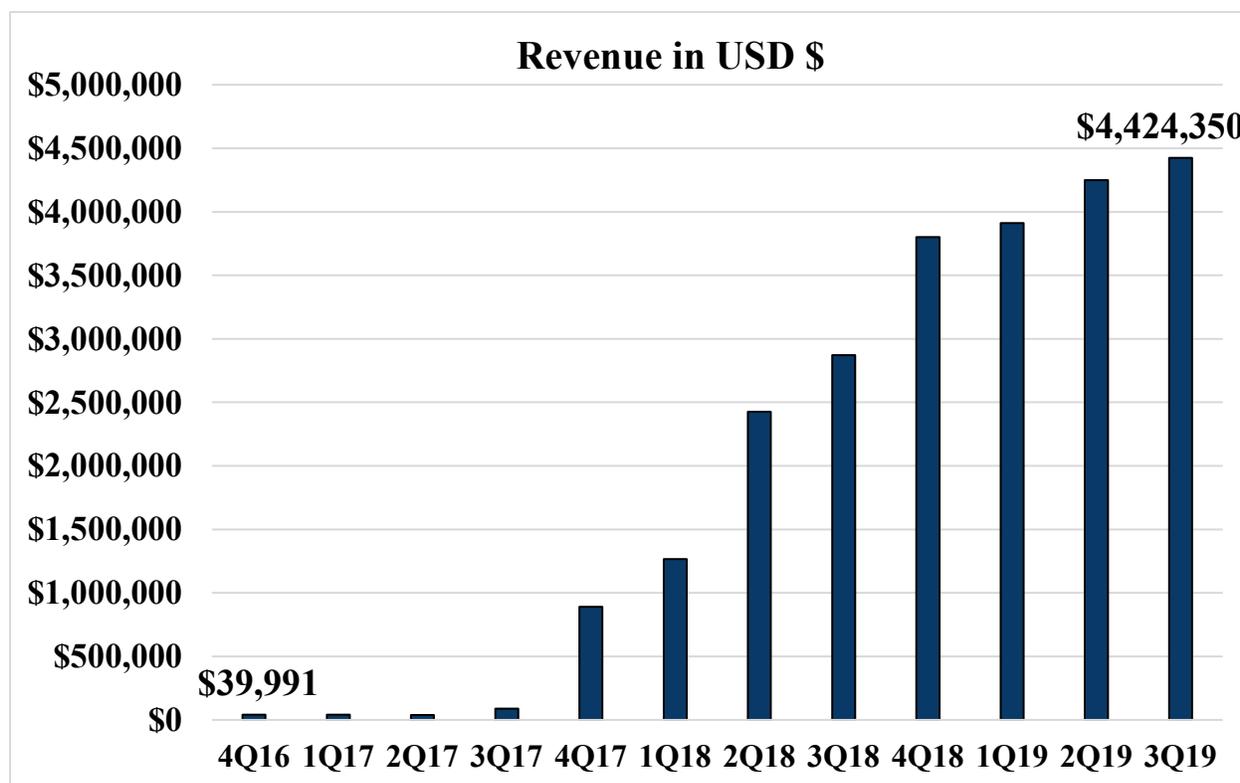
- Nova Leap’s financial results for Q3 2019 are the best in the Company’s history;
- Record quarterly EBITDA of \$324,676 in Q3 2019 was an increase of 685% over Q3 2018 EBITDA of \$41,357 and an increase of 49.2% over Q2 2019 EBITDA of \$217,549;





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- Q3 2019 was the Company’s 9th consecutive quarter of revenue growth;
- Q3 2019 record revenues of \$4,424,350 were 54.1% higher than Q3 2018 revenues of \$2,871,010 and 4.1% higher than Q2 2019 revenues of \$4,249,781;



- Record operating cash flows of \$199,471 in Q3 2019 was an increase of \$21,155 over Q2 2019 operating cash flows of \$178,316;
- The Company reported adjusted net income of \$2,985 for Q3 2019, a significant improvement over Q2 adjusted net loss of \$148,933;
- Subsequent to Q3, successfully closed the previously announced acquisition of Around the Clock Home Care in Oklahoma;
- Subsequent to Q3, successfully closed the previously announced acquisition of Keystone Homecare in Massachusetts.

**President & CEO’s Comments on Company Performance**

“Third quarter results were the best in our Company’s history”, stated Chris Dobbin, President & CEO. “From a financial perspective, our focus remains on cash flow growth in existing operations and the



## NEWS RELEASE

deployment of free cash flow to high return potential opportunities. Our two most recent acquisitions in Oklahoma and Massachusetts, which were not reflected in Q3 results, are examples of such opportunities.

### *Thinking big by acting small*

It is a fair statement to say that Nova Leap acquires small home care businesses. Investors and others interested in our Company can examine past press releases to see that the home care operations we acquired between September 2017 and November 2019 generated revenues from approximately \$1 million to \$3.2 million. Combined, these small businesses are forming the beginning of what we believe will be a large international organization. Nova Leap will continue to target small home care businesses for acquisition. It has been our model of success.

We pay attention to unit economics. So much so that operating segment EBITDA increased to 12.9% in Q3, the highest in the Company's history. We do this through a decentralized structure because we believe that centralized bureaucratic organizations lead to a lot of waste. Head Office costs as a percentage of revenue were 53% in 2017, 11% in 2018, 7.1% in Q1, 6.7% in Q2 and 5.6% in Q3. That trend demonstrates our ability to scale the Company with existing personnel and infrastructure. The two acquisitions in Oklahoma and Massachusetts, that will be reflected in Q4, did not require additional Head Office resources."

This news release should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2019, notes to the financial statements, and management's discussion and analysis, which have been filed on SEDAR.

### **About Nova Leap**

Nova Leap is an acquisitive home health care services company operating in one of the fastest growing industries in the U.S. & Canada. The Company performs a vital role within the continuum of care with an individual and family centered focus, particularly those requiring dementia care. Nova Leap has grown significantly since inception through a geographically focused expansion plan and achieved the #10 Ranking in the 2019 TSX Venture 50™ in the Clean Technology & Life Sciences sector. The Company is geographically diversified with operations in 5 different U.S. states: Vermont, New Hampshire, Massachusetts, Rhode Island and Oklahoma as well as Nova Scotia, Canada.

### ***NON-GAAP MEASURES:***

*Earnings before interest, taxes, depreciation and amortization ("EBITDA"), is calculated as the net loss, before acquisition and transaction costs, non-cash expenses (including loss from disposal of assets, impairments, amortization and depreciation and stock-based compensation), interest expense, net of interest income and income tax expense.*

*Adjusted net income is net income adjusted for stock-based compensation expense, acquisition expenses, foreign exchange gains/losses, restructure charges, and severance and other costs.*



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### ***FORWARD LOOKING INFORMATION:***

*Certain information in this press release may contain forward-looking statements, such as statements regarding future expansions and cost savings, the Company's expected annualized recurring revenue run rate and plans regarding future acquisitions and financings. This information is based on current expectations and assumptions, including assumptions concerning the Company's ability to integrate its acquired businesses and maintain previously achieved service hour and revenue levels, that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. Risks that could cause results to differ from those stated in the forward-looking statements in this release include regulatory changes affecting the home care industry, unexpected increases in operating costs and competition from other service providers. All forward-looking statements, including any financial outlook or future-oriented financial information, contained in this press release are made as of the date of this release and included for the purpose of providing information about management's current expectations and plans relating to the future. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in the Company's filings with the Canadian securities regulators, which filings are available at [www.sedar.com](http://www.sedar.com).*

### **For further information:**

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### **CAUTIONARY STATEMENT:**

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*