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

Date of Report (Date of earliest event reported): April 20, 2021

Surgery Partners, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware	**001-37576**	**47-3620923**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

310 Seven Springs Way, Suite 500
Brentwood, Tennessee 37027
(Address of Principal Executive Offices) (Zip Code)

(615) 234-5900
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, If Changed Since Last Report)

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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	**SGRY**	**The Nasdaq Global Select Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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 April 20, 2021, Surgery Partners, Inc. (the "Company") issued a press release announcing, among other things, that its wholly-owned subsidiary, Surgery Center Holdings, Inc., intends to raise $125 million of incremental senior secured term loans (the "Incremental Term Loans") under its existing credit agreement in order to refinance $119 million of existing Incremental Term Loans that were raised in April 2020 and to pay the fees and expenses associated with this refinancing.

While the Company is still in the process of closing its first quarter ended March 31, 2021, in connection with its expected term loan refinancing, the Company is providing investors with the following preliminary unaudited estimates for the quarter:

- Surgical case volumes are projected to be approximately 125,000 cases
- Revenues are expected to exceed $505 million
- Same-facility revenues are projected to increase by approximately 16% to 17% over the prior year period, with strong volume growth and net revenue per case growth
- Adjusted EBITDA is expected to exceed $70 million, inclusive of at least $9 million of Adjusted EBITDA benefit from recognition of CARES Act grants in the quarter
- Cash and Equivalents is expected to be approximately $540 million as of March 31, 2021
- Credit Agreement EBITDA is expected to exceed $355 million

Item 7.01 Regulation FD Disclosure.

The Company's wholly-owned subsidiary, Surgery Center Holdings, Inc., intends to raise $125 million of Incremental Term Loans, subject to market and other considerations, to refinance $119 million of existing Incremental Term Loans that were raised in April 2020 and to pay the fees and expenses associated with this refinancing.

Certain information regarding the Incremental Term Loans and the Company will be presented to investors in connection with the refinancing and is furnished with this Current Report as exhibit 99.1.

Item 8.01 Other Events.

As previously disclosed, on August 31, 2017, the Company completed the sale and issuance of 310,000 shares of preferred stock, par value $0.01 per share, of the Company, designated as 10.00% Series A Convertible Perpetual Participating Preferred Stock (the "Series A Preferred Stock") to BCPE Seminole Holdings LP ("Bain Capital"), a fund advised by Bain Capital Private Equity, at a purchase price of $1,000.00 per share in cash (the "Preferred Private Placement") pursuant to the Securities Purchase Agreement (the "Preferred Stock Purchase Agreement"), dated as of May 9, 2017, by and between the Company and Bain Capital.

Pursuant to the Certificate of Designations, Preferences, Rights and Limitations of 10.00% Series A Convertible Perpetual Participating Preferred Stock of Surgery Partners, Inc. (the "Certificate of Designation"), the Company may require the conversion of all, but not less than all, of the Series A Preferred Stock pursuant to the terms and conditions of the Certificate of Designation, after the second anniversary of the date of issuance, if the volume weighted average closing price of the Common Stock for any twenty out of thirty consecutive trading days prior to such date, equals or exceeds $42.00 per share.

On April 20, 2021, the Company issued a press release announcing that it sent notice to Bain Capital of its intent to convert all of the outstanding Series A Preferred Stock into approximately 22.609 million shares of common stock, par value $0.01 per share, of the Company on May 17, 2021. Following the conversion, no shares of Series A Preferred Stock will remain outstanding. A copy of the press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Preliminary Unaudited Selected Financial Data

These preliminary unaudited estimates regarding surgical case volumes, Revenues, Same-facility Revenues, Adjusted EBITDA, Credit Agreement EBITDA and Consolidated Cash and Equivalents for the quarter ended March 31, 2021 are the responsibility of management and are subject to quarter-end adjustments in connection with the completion of our customary financial closing procedures, including management's review and finalization and to accounting review procedures by our independent registered public accounting firm, which have not yet been performed. During the course of our review process, items may be identified that would require us to make adjustments, which could result in material changes to our preliminary unaudited estimated financial results. Consequently, the results should not be viewed as a substitute for our earnings release and Quarterly Report on Form 10-Q, which are expected to be released on May 5, 2021. Actual results may differ materially from our preliminary expectations. We will provide a full GAAP reconciliation of final Adjusted EBITDA when we report our full first quarter financial results.

Non-GAAP Financial Measures

Adjusted EBITDA is a financial measure that has not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and the Company's definition and computation of this non-GAAP financial measure may vary from those used by other companies. Credit Agreement EBITDA is a non-GAAP measure that is defined under our credit agreement and may vary from those used by other companies. These measures have limitations as analytical tools and should not be considered in isolation or as a substitute or alternative to net income or loss, operating income or loss, or any other measures of operating performance derived in accordance with GAAP. The Company defines the term "Adjusted EBITDA" as income before income taxes adjusted for net income attributable to non-controlling interests, depreciation and amortization, interest expense, net, equity-based compensation expense, contingent acquisition compensation expense, transaction, integration and acquisition costs, reserve adjustments, loss on disposals and de-consolidations, net, gain on litigation settlements and certain other items that we do not believe are representative of our ongoing operations. Such adjustments and similar adjustments we make for the period ended March 31, 2021 are expected to be significant. The Company is unable to present a quantitative reconciliation of Adjusted EBITDA or Credit Agreement EBITDA to net income/loss for the period presented because management cannot reasonably predict with sufficient reliability all of the necessary components of net income/loss for the periods presented. The determination of the amounts that are excluded from non-GAAP financial measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts.

Forward-Looking Statements

This report contains "forward-looking" statements, including statements regarding the anticipated conversion of the Series A Preferred Stock, the Incremental Term Loan, including its anticipated amount and use of proceeds, and statements about the results anticipated to be reported by the Company for the quarter ended March 31, 2021. These statements include, but are not limited to, the Company's projected case volume, revenue, same-facility revenues, Adjusted and Credit Agreement EBITDA, Cash and Equivalents for the period ended March 31, 2021, as well as expectations regarding the timing, amount and use of proceeds of the Incremental Term Loan. These statements can be identified by the use of words such as "believes," "anticipates," "expects," "intends," "plans," "continues," "estimates," "predicts," "projects," "forecasts," and similar expressions. All forward-looking statements are based on management's current expectations and beliefs only as of the date of this report and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those discussed in, or implied by, the forward-looking statements, including but not limited to the risk that we may not be able to consummate the Incremental Term Loan transaction on the terms or timeline anticipated, if at all, and, even if the Incremental Term Loan is consummated, we may not be able to consummate the refinancing on commercially reasonable terms, or at all, and the other risks identified above under the heading "Preliminary Unaudited Selected Financial Data" and in Item 1A under the heading "Risk Factors" in our recent Annual Report on Form 10-K and in the Company's current reports on Form 10-Q. The Company undertakes no obligation to revise or update publicly any forward-looking statements to reflect events or circumstances after the date of this report, or to reflect the occurrence of unanticipated events or circumstances.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Lender Presentation, dated April 2021
99.2	Press Release dated April 20, 2021, issued by Surgery Partners, Inc.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

Date: April 20, 2021	**Surgery Partners, Inc.**
	By: /s/ Thomas F. Cowhey
	Name: Thomas F. Cowhey
	Title: Executive Vice President and Chief Financial Officer

Exhibit 99.1

SURGERY PARTNERS

Lender Presentation

April 2021

Legal Disclaimer

Forward-Looking Statements
This presentation contains "forward-looking" statements, including statements regarding the anticipated conversion of the Series A Preferred Stock, the Incremental Term Loan, including its anticipated amount and use of proceeds, and statements about the results anticipated to be reported by the Company for the quarter ended March 31, 2021. These statements include, but are not limited to, the Company's projected case volume, revenue, same-facility revenues, Adjusted and Credit Agreement EBITDA, Cash and Equivalents for the period ended March 31, 2021, as well as expectations regarding the timing, amount and use of proceeds of the Incremental Term Loan. These statements can be identified by the use of words such as "believes," "anticipates," "expects," "intends," "plans," "continues," "estimates," "predicts," "projects," "forecasts," and similar expressions. All forward-looking statements are based on management's current expectations and beliefs only as of the date of this presentation and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those discussed in, or implied by, the forward-looking statements, including but not limited to the risk that we may not be able to consummate the Incremental Term Loan transaction on the terms or timeline anticipated, if at all, and, even if the Incremental Term Loan is consummated, we may not be able to consummate the refinancing on commercially reasonable terms, or at all, and the other risks identified above under the heading "Preliminary Unaudited Selected Financial Data" and in Item 1A under the heading "Risk Factors" in our recent Annual Report on Form 10-K and in the Company's current reports on Form 10-Q. The Company undertakes no obligation to revise or update publicly any forward-looking statements to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events or circumstances.

Data and Information Contained in this Presentation
This presentation also contains market research, estimates and forecasts, which are inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Certain data in this presentation was obtained from various external sources, and neither the Company nor its affiliates, advisers or representatives has verified such data with independent sources. Accordingly, neither the Company nor any of its affiliates, advisers or representatives makes any representations as to the accuracy or completeness of that data or to update such data after the date of this presentation. Such data involves risks and uncertainties and is subject to change based on various factors. The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the products or services of such owners.

Preliminary Unaudited Selected Financial Data
This presentation includes unaudited estimates regarding surgical case volumes, Revenues, Adjusted Revenues, Same-facility Revenues, Adjusted EBITDA, Credit Agreement EBITDA and Consolidated Cash and Equivalents for the quarter ended March 31, 2021. These estimates are the responsibility of management and are subject to quarter-end adjustments in connection with the completion of our customary financial closing procedures, including management's review and finalization and to accounting review procedures by our independent registered public accounting firm, which have not yet been performed. During the course of our review process, items may be identified that would require the Company to make adjustments, which could result in material changes to these preliminary unaudited estimated financial results. Consequently, the results should not be viewed as a substitute for the Company's earnings release and Quarterly Report on Form 10-Q, which are expected to be released on May 5, 2021. Actual results may differ materially from our preliminary expectations. We will provide a full GAAP reconciliation of final Adjusted EBITDA when we report our full first quarter financial results.

Non-GAAP Financial Measures
This presentation contains certain on-GAAP financial measures, including Adjusted Revenue, Adjusted EBITDA, and Credit Agreement EBITDA. Adjusted EBITDA is a financial measure that has not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and the Company's definition and computation of this non-GAAP financial measure may vary from those used by other companies. Credit Agreement EBITDA is a non-GAAP measure that is defined under our credit agreement and may vary from those used by other companies. These measures have limitations as analytical tools and should not be considered in isolation or as a substitute or alternative to net income or loss, operating income or loss, or any other measures of operating performance derived in accordance with GAAP. The Company defines the term "Adjusted EBITDA" as income before income taxes adjusted for net income attributable to non-controlling interests, depreciation and amortization, interest expense, net, equity-based compensation expense, contingent acquisition compensation expense, transaction, integration and acquisition costs, reserve adjustments, loss on disposals and de-consolidations, net, gain on litigation settlements and certain other items that we do not believe are representative of our ongoing operations. Such adjustments and similar adjustments we make for the period ended March 31, 2021 are expected to be significant. The determination of the amounts that are excluded from non-GAAP financial measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts. For additional information about our non-GAAP financial measures, and a reconciliation of certain non-GAAP financial measures to the most nearly comparable GAAP measures, see slides 18 and 19 of this presentation and the Company's 10-K.

Important Notice Regarding Information Contained in this Presentation
This investor presentation (this "Presentation") is intended to facilitate discussions with representatives of certain institutions regarding a notes offering for Surgery Partners, Inc. and its subsidiaries. You should not rely on the information contained in this Presentation and this Presentation does not purport to be all-inclusive or to contain all of the information that a prospective participant may consider material or desirable in making its decision to become an investor in the notes. In all cases, prospective participants should conduct their own investigation and analysis of the Company, their assets, financial condition and prospects, and of the data set forth in this Presentation.

This Presentation is not an offer to sell or the solicitation of an offer to buy any securities, nor will there be any sales of securities by the Company or its subsidiaries in any jurisdiction in which the offer, solicitation or sale would be unlawful. The Unsecured Notes offered in the offering to which this Presentation relates have not been and will not be registered under the Securities Act of 1933, as amended (the "Act"), or under any state securities laws. Securities may not be offered or sold in the United States to any persons unless they are registered or exempt from registration under the Act.

Transaction Overview

- Surgery Partners, Inc. ("Surgery Partners" or the "Company") is a leading independent operator of short-stay surgical facilities, focused on providing high quality, cost effective solutions for surgical and related ancillary care
  - National network of 127 surgical facilities comprised of 110 ambulatory surgery centers (ASCs) and 17 surgical hospitals across 30 states as of December 31, 2020
- The Company generated Net Revenue and Credit Agreement EBITDA of $1,860.1 million and $343.3 million[1], respectively, for the Last Twelve Month period ended December 31, 2020 ("LTM")
  - Surgery Partners generated preliminary Q1 2021 Net Revenue and Adjusted EBITDA of at least $505 million and at least $70 million[2], respectively, representing at least 15% Revenue and at least 50% Adjusted EBITDA growth vs the Q1 2020 baseline
- The Company has performed well throughout the COVID-19 pandemic as a result of strong organic and acquisition related growth
  - Surgery Partners success in physician recruitment led to a 6% same-facility revenue increase in Q4 2020 as well as expansion of total joint procedures, which increased 110% in the Company's ASCs during Q4 2020
    - The Company recruited 560 new physicians in 2020 including 156 during Q4 2020
    - 2019 physician cohort exhibited strong performance with a 37% increase in cases for 2020
- On February 1, 2021, Surgery Partners closed a $260 million equity offering to invest into development activity, existing and new lines of service, including robotic purchases and the expansion of the Company's total joint and cardiology programs
  - Post equity offering, the Company had $567 million of pro forma December 31, 2021 cash on the balance sheet, which is expected to provide ample dry powder to continue reinvesting in the business
- On May 17, 2021, Surgery Partners plans to convert 22.6 million preferred shares to common equity shares
- Surgery Partners intends to raise a $125.0 million Fungible Incremental First Lien Term Loan to refinance the $119.1 million Non-Fungible Add-on First Lien Term Loan, pay applicable prepayment premiums and transaction related fees & expenses
  - Pro Forma for the transaction, the Company expects to achieve ~$5 million of annual cash interest savings by refinancing the Non-Fungible Add-On Term Loan priced at L+800
- The Company is requesting lender commitments by 12pm ET on Friday, April 23rd

(1) See pages 18 and 19 for full reconciliations of Adjusted EBITDA to income (loss) before income taxes and Credit Agreement EBITDA to cash from operating activities.
(2) Preliminary 1Q21 AEBITDA of at least $70 million includes at least $9 million of AEBITDA impact from recognition of CARES Act grants.

Sources, Uses and Pro Forma Capitalization

($ in Millions)

Sources & Uses

Fungible Incremental First Lien Term Loan	$	125.0	Paydown of Existing Debt	$	119.1
			Prepayment Penalty [1]		2.4
			Estimated OID, Financing Fees & Expenses		2.4
			Cash to Balance Sheet		1.2
Total Sources	$	**125.0**	**Total Uses**	$	**125.0**

Pro Forma Capitalization

	12/31/2020	As Adjusted		12/31/2020	As Adjusted
Cash and Cash Equivalents [2]	$ 567.1	$ 568.3	**2020 Credit Agreement EBITDA [6]**	$ **343.3**	$ **343.3**
Debt					
Revolver ($120.0 million)	-	-			
First Lien Term Loan	1,424.0	1,424.0			
Non-Fungible Add-On First Lien Term Loan	119.1	-			
Fungible Incremental First Lien Term Loan	-	125.0			
Finance Leases and Facility Level Debt of Wholly Owned Subsidiaries	171.0	171.0			
Total Secured Debt	**1,714.1**	**1,720.0**	**Secured Net Leverage**	**3.3x**	**3.4x**
Senior Unsecured Notes due 2025	370.0	370.0			
Senior Unsecured Notes due 2027	545.0	545.0			
Finance Leases and Facility Level Debt of Non Wholly Owned Subsidiaries [3]	101.8	101.8			
Total Debt	**2,730.9**	**2,736.8**			
Net Debt	**2,163.8**	**2,168.5**	**Total Net Leverage**	**6.3x**	**6.3x**
Preferred Equity	434.5	-			
Market Capitalization [4]	2,637.4	3,633.6			
Total Capitalization [5]	$ **5,802.8**	$ **6,370.4**	**Equity (including Preferred) / Total Capitalization**	**52.9%**	**57.0%**

(1) Non-Fungible Add-on First Lien Term Loan subject to a 2% prepayment penalty.
(2) December 31, 2020 cash balance pro forma for net proceeds from follow-on equity issuance in January 2021 of $249.2 million.
(3) Excludes debt of non wholly owned subsidiaries that corresponds to the equity interest share of third parties in such subsidiaries. Such debt is reflected as notes payable and secured loans on a consolidated basis in the Company's financial statements, and for the year ended December 31, 2020, such excluded debt totaled $125.9 million.
(4) Market cap based on stock price as of 4/15/21 and 59.9 million shares outstanding as of December 31, 2020 per 2020 10-K. As Adjusted is pro forma for 22.6 million preferred shares to be converted to common equity shares on May 17, 2021. Total equity as reported in the Company's financial statements is approximately $882.1 million as of December 31, 2020.
(5) Excludes non-controlling redeemable interests valued at approximately $306.8 million.
(6) See pages 18 and 19 for full reconciliations of Adjusted EBITDA to income (loss) before income taxes and Credit Agreement EBITDA to cash from operating activities.

Incremental Senior Secured Credit Facility

	Fungible Incremental First Lien Term Loan
Borrower	Surgery Center Holdings, Inc.
Guarantors	Same as existing First Lien Term Loan
Security	Same as existing First Lien Term Loan
Incremental Facility	$125.0 million Fungible Incremental First Lien Term Loan
Margin	L+325, with pricing step down to L+300 at 3.45x Secured Net Leverage (same as existing)
LIBOR Floor	1.00% (same as existing)
Maturity	Same as existing First Lien Term Loan (August 2024)
Incremental Facilities	Same as existing First Lien Term Loan
Amortization	1.0% annually with bullet at maturity (same as existing)
Voluntary Prepayments	Same as existing First Lien Term Loan
Mandatory Prepayments	Same as existing First Lien Term Loan
Financial Covenant	None (same as existing)
Affirmative and Negative Covenants	Same as existing First Lien Term Loan

Transaction Timeline

April 2021						
S	M	T	W	T	F	S
				1	**2**	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	**20**	21	22	**23**	24
25	**26**	27	28	29	30	

Key Event   Holiday

Date	Title
April 20	Launch financing
April 23	Lender commitments due by 12pm ET
April 26	Close and fund

Surgery Partners Update

Confidential

Surgery Partners is the Leading Independent Operator of Surgery Centers in the United States

30 States

110 Ambulatory Surgery Centers

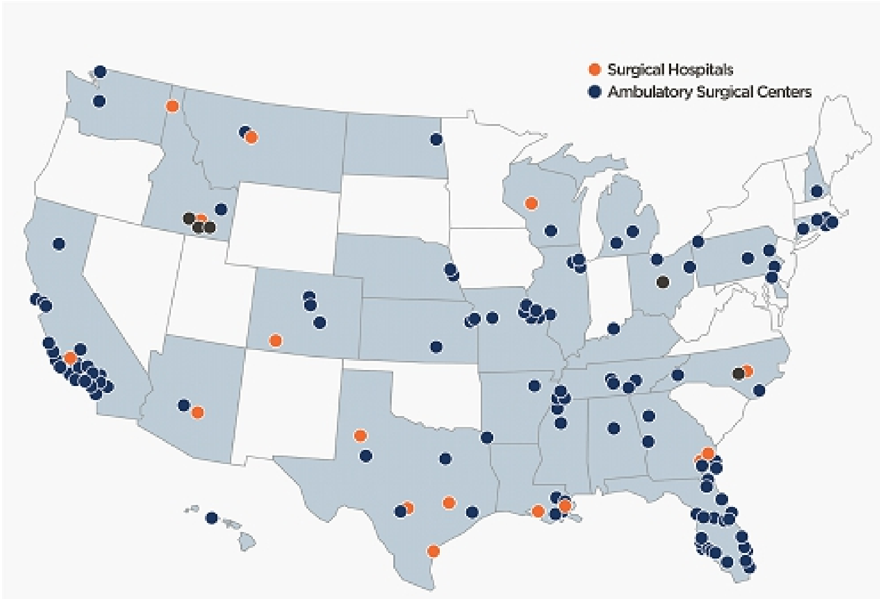
17 Short-Stay Surgical Hospitals

4,000 Affiliated Physicians

600,000+ Annual Patients

$1,860 million
2020 Revenue

$343 million
2020 Credit Agreement EBITDA[1]

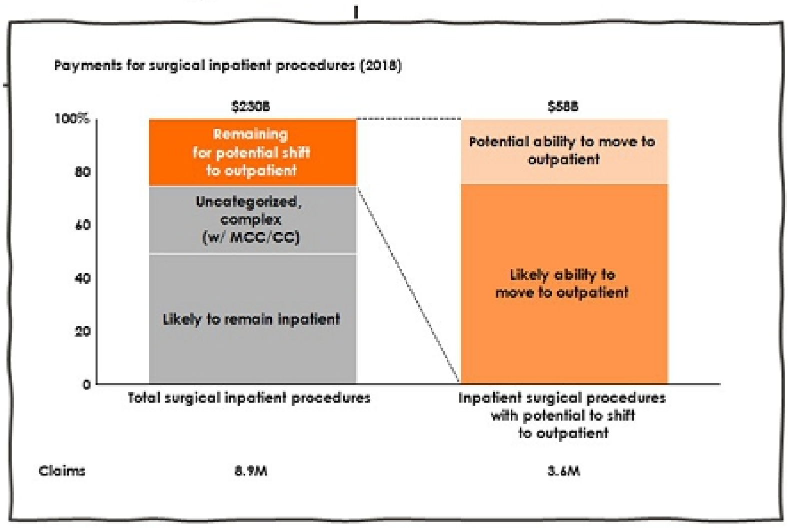


(1) See pages 18 and 19 for full reconciliations of Adjusted EBITDA to income (loss) before income taxes and Credit Agreement EBITDA to cash from operating activities.

TAM: Over $90B Outpatient Surgical Market and ~$60B of Cases Migrating to Outpatient

	Annual Revenue (US)	Annual Volume Growth
Inpatient	$500B+ $230B surgery	-2%
HOPD	$470B+ **$55B+ surgery**	2%
ASC	**$35B+ surgery**	6%
Office	$550B+	
Home	$100B+	

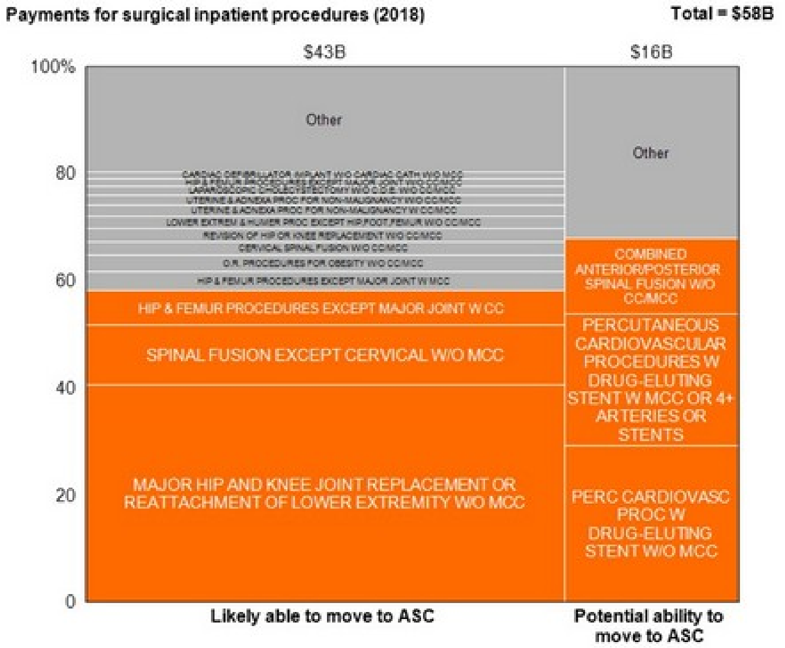
~$60B Incremental Shift of Inpatient Surgical Cases to the Outpatient Setting



1 Source: Bain & Co, McKinsey, Advisory Board, Sg2, AMA, Avanza, OECD, CMS, Management estimates

Musculoskeletal and Cardio Procedures Make Up 60%+ of Inpatient to Outpatient Opportunity

Inpatient Surgical Procedures with Potential to Shift to Outpatient Setting



Surgery Partners' Clinical and Operations platform well-positioned to accommodate shift

Source: Bain & Co
Note: Numbers may not sum due to rounding

Our Leading Musculoskeletal & Cardio Platform is Well Positioned to Capture this Opportunity

Musculoskeletal

$3 billion
Annual savings by shifting 50% of joint cases to ASCs[1]

9%+
Surgery Partners' historic orthopedic case growth

11
Robots added in 2020, bringing total to 30

80%+
Surgery Partners' facilities perform MSK procedures

Cardio

17
Cardiac catherization procedures approved in 2019

6
PCI procedures approved in 2020

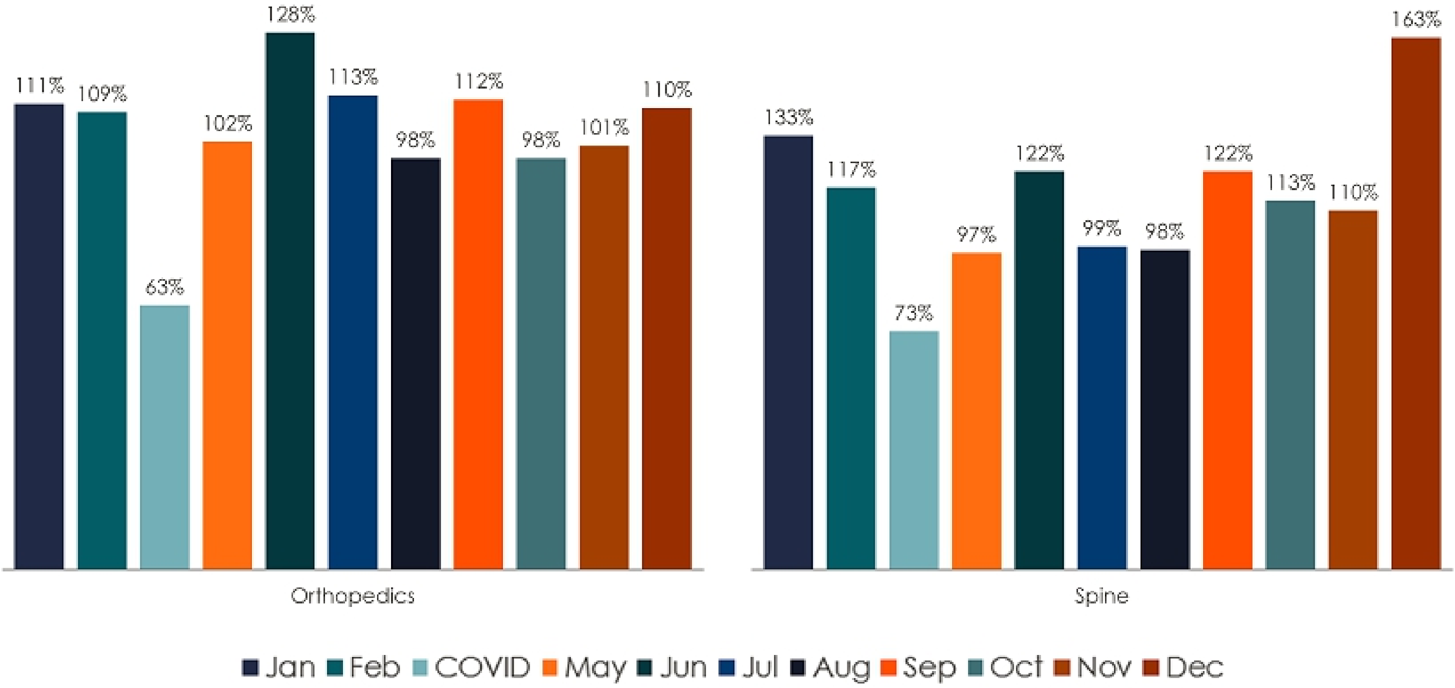
6%+
Surgery Partners' historic cardio case growth

60%+
Surgery Partners' facilities with potential for Cardio

(1) "New Research Highlights the Safety and Cost Savings Associated with Ambulatory Surgery Centers." UNH Research. 2020.

Musculoskeletal has Proven Most Resilient Through COVID Disruption

Year-over-year surgical cases by key service lines (1)

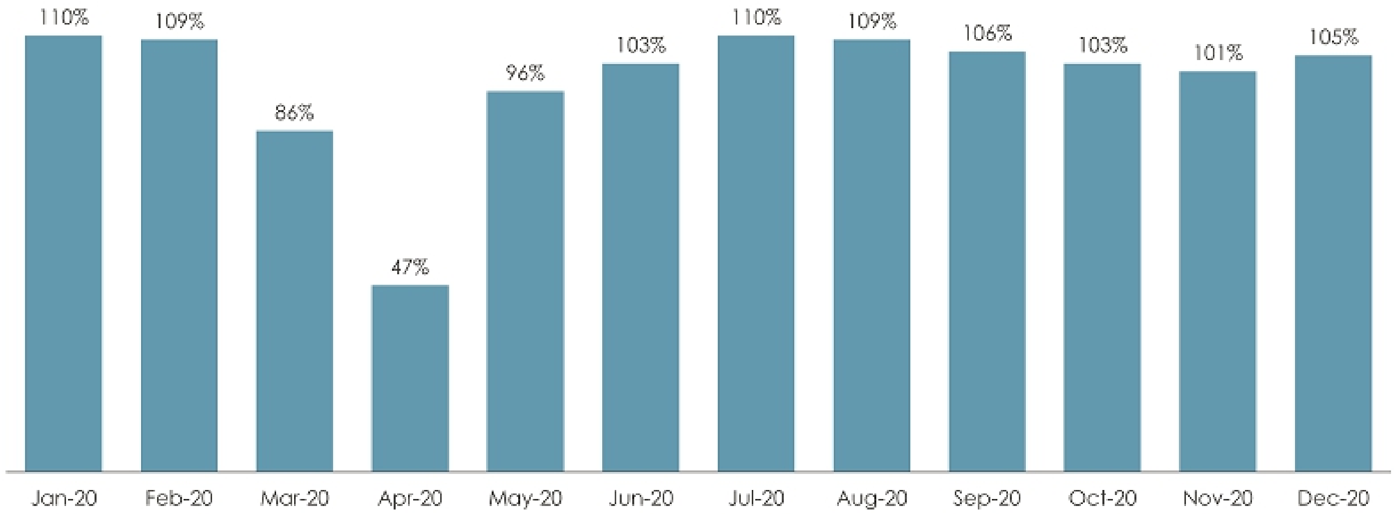


Note: COVID period represents March and April 2020
(1) Not days adjusted

Business Has Proven Resilient Through COVID-19 Disruption

Net Revenue Has Experienced Strong Rebound Since April

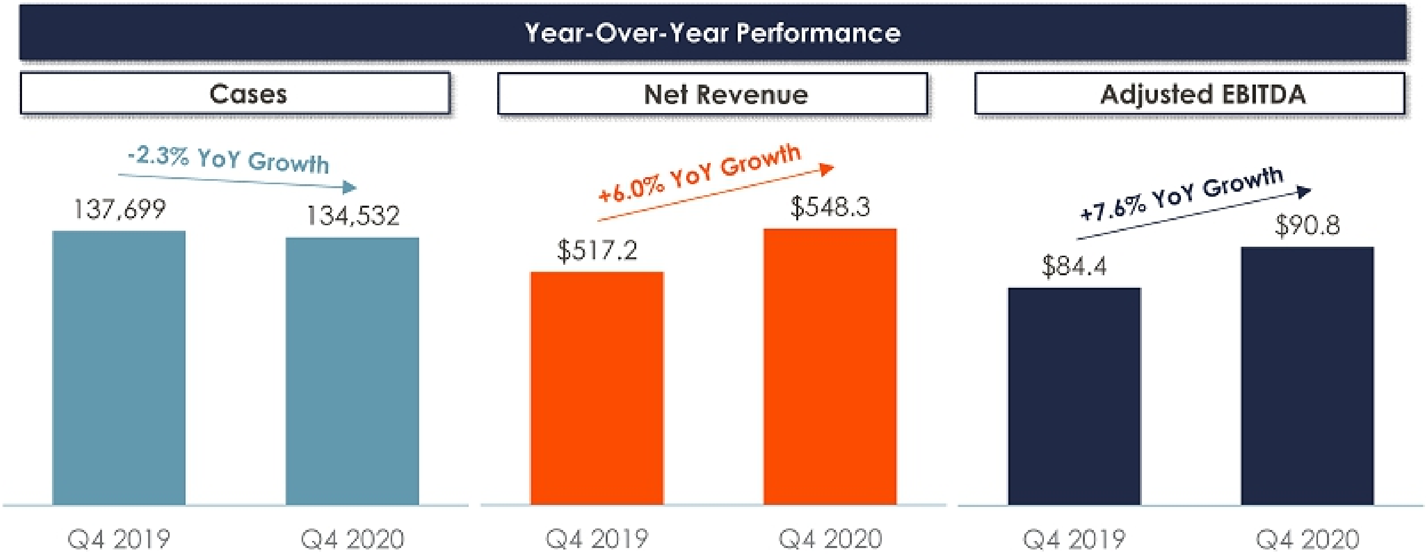
Percentage of procedures performed



Same facility net revenue expected to continue to exceed prior year in 1Q 2021

Note: Days Adjusted

Q4 2020 Performance



- Surgery Partners continued to exhibit strong performance in 4Q20 with Revenue and Adjusted EBITDA increasing by 6.0% and 7.6%, year-over-year, respectively
- Surgery Partners Revenue increased 6.0% vs Q4 2019 driven by 5.8% growth in days-adjusted same-facility revenue and 9.3% increase in revenue per case, offset by a 3.2% decrease in same-facility cases due to COVID-related reductions in surgeries
  - The Company recruited 156 physicians in Q4 2020 which is anticipated to continue to drive growth
  - Total joint procedures grew significantly, contributing to a 110% increase in the Company's ASCs during Q4 2020
- Surgery Partners Adjusted EBITDA increased 7.6% vs Q4 2019 driven by (i) strong adjusted revenue per case growth of ~11.0% which drove operating leverage

First Quarter 2021 Preliminary Financials

	Preliminary Unaudited Estimate[1]
	1Q 2021
Surgical Case Volume	~125,000
Revenues	At least $505 Million
Same-facility Revenues	16% to 17% *Strong volume growth over prior year quarter*
Adjusted AEBITDA[2]	At least $70 Million *Includes at least $9M of AEBITDA benefit from CARES Act grants recognition*
Credit Agreement EBITDA	At least $355 Million
Cash & Cash Equivalents	Approximately $540 Million *Includes ~$120M of Medicare Advanced Payments*

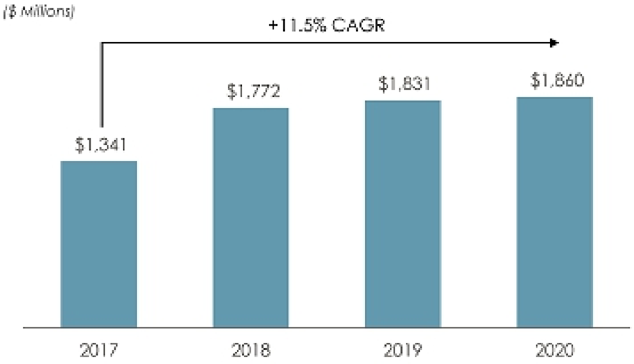
(1) Numbers are preliminary, unaudited and subject to change.
(2) See page 19 for reconciliation to Adjusted EBITDA. Adjusted EBITDA is not a measurement of financial performance under GAAP. Adjusted EBITDA includes at least $9 million of benefit from CARES Act grants recognized during the three months ended March 31, 2021.

Appendix

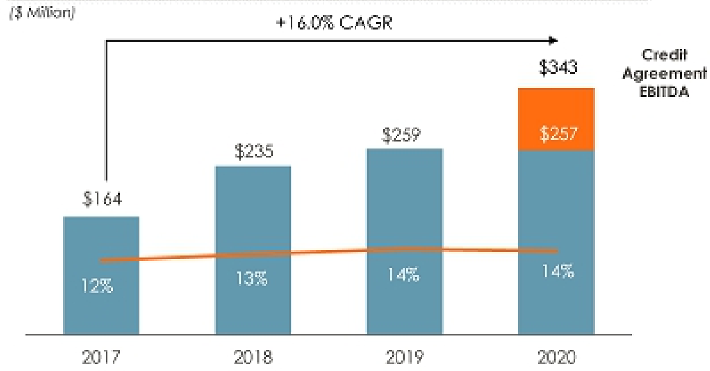
Historical Financial Results

As Reported Basis

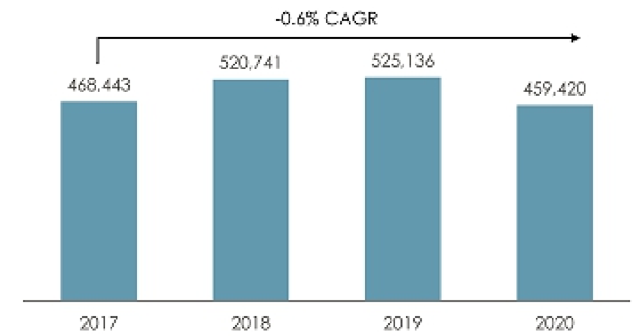
Net Revenue



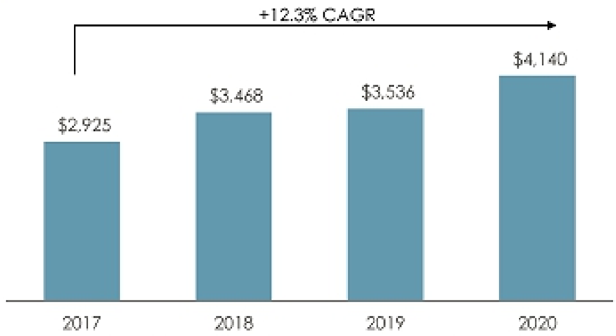
Adjusted EBITDA and Adjusted EBITDA Margin(1)



Case Volume(2)



Adjusted Revenue Per Case(2,3)



(1) See pages 18 and 19 for full reconciliations of Adjusted EBITDA to income (loss) before income taxes and Credit Agreement EBITDA to cash from operating activities.
(2) Case volume and net revenue per case are attributable to consolidated facilities only. Case volume and net revenue per case are also represented in Company filings on a same-facility basis, which includes both consolidated and non-consolidated facilities.
(3) Adjusted Revenue excludes provision for doubtful accounts of $41.7 million, $25.3 million, $34.2 million, and $28.8 million for 2020, 2019, 2018, and 2017, respectively.

Reconciliation to Credit Agreement EBITDA

The following table reconciles Credit Agreement EBITDA to cash flows from operating activities, the most directly comparable GAAP financial measure (in millions and unaudited):

Credit Agreement EBITDA Adjustments		
		2020
Cash flows from operating activities	**$**	**246.9**
Plus (minus):		
Non-cash interest income, net		(4.5)
Non-cash lease expense		(39.4)
Deferred income taxes		21.9
Income from equity investments, net of distributions received		(0.5)
Changes in operating assets and liabilities, net of acquisitions and divestitures		59.3
Medicare accelerated payments and deferred governmental grants		(135.2)
Income tax expense		(20.1)
Net income attributable to non-controlling interests		(117.4)
Interest expense, net		201.8
Transaction, integration and acquisition costs		38.2
Loss on litigation settlements and other litigation costs		6.4
Gain on escrow release		(0.8)
Acquisitions and synergies[1]		86.7
Total Adjustments	**$**	**96.4**
Credit Agreement EBITDA	**$**	**343.3**

(1) Represents impact of acquisitions as if each acquisition had occurred on January 1, 2020. Further this includesrevenue synergies from other business initiatives, de novo facilities and an adjustment for the effects of adopting the new lease accounting standard, as defined in the credit agreement governing the Senior Secured Credit Facilities.

Reconciliation to Adjusted EBITDA

The following table reconciles Adjusted EBITDA to (loss) income before income taxes, the most directly comparable GAAP financial measure (in millions and unaudited):

EBITDA Adjustments	2020	2019	2018
Income (loss) before income taxes	**$ (18.8)**	**$ 54.6**	**$ (69.2)**
Plus (minus):			
Net income attributable to non-controlling interests	(117.4)	(119.9)	(110.1)
Depreciation and amortization	94.8	76.5	67.4
Interest expense, net	201.8	178.9	147.0
Equity-based compensation	13.2	10.2	9.3
Transaction, integration & acquisition costs[1]	38.2	36.1	34.0
Impairment charges	33.5	7.9	74.4
(Gain) loss on disposals and deconsolidations, net	5.7	(4.4)	31.8
Loss (gain) on litigation settlements & other litigation costs[2]	6.4	4.6	46.0
Reserve adjustments[3]	-	-	2.7
Contingent acquisition compensation expense	-	-	1.5
Gain on escrow release[4]	(0.8)	-	-
Loss on debt extinguishment	-	11.7	-
Tax receivable agreement expense (benefit) expense	-	2.4	-
Total Adjustments	**$ 275.4**	**$ 204.0**	**$ 304.0**
Adjusted EBITDA	**$ 256.6**	**$ 258.6**	**$ 234.8**
Impact of grant funds[5]	(31.1)	-	-
Adjusted EBITDA excluding grant funds	**$ 225.5**	**$ 258.6**	**$ 234.8**

(1) This amount includes transaction and integration costs of $23.2 million, $19.0 million, and $31.7 million in 2020, 2019, and 2018, respectively, of which acquisition related costs accounted for $6.6 million, $19.0 million, and $2.3 million in 2020, 2019, and 2018, respectively.
(2) This amount includes litigation settlement costs of $1.2 million, $0.2 million and $46.0 million in 2020, 2019, and 2018, respectively. This amount also includes other litigation costs of $5.2 million and $4.4 million in 2020 and 2019, respectively, with no comparable costs in 2018.
(3) This amount represents adjustments to revenue in order to apply consistent policies to businesses acquired by Surgery Partners in prior periods.
(4) Included in other income in the consolidated statement of operations in 2020, with no comparable gain in 2019 and 2018.
(5) Represents the impact of grant funds recognized, net of amounts attributable to non-controlling interests.

Exhibit 99.2

SURGERY PARTNERS, INC. ANNOUNCES TERM LOAN REFINANCING AND CONVERSION OF PREFERRED STOCK; PROVIDES PRELIMINARY FIRST QUARTER 2021 FINANCIAL PERFORMANCE UPDATE

- **Refinancing $119 million of incremental term loans raised in April 2020**
- **Provided notice to BCPE Seminole Holdings LP ("Bain Capital") of its intention to convert Series A preferred stock into 22.609 million common shares**
- **First Quarter 2021 Revenue expected to exceed $505 million and Adjusted EBITDA anticipated to be at least $70 million; 2021 Projected Adjusted EBITDA to be at least $315 million**

BRENTWOOD, Tenn., April 20, 2021 (GLOBE NEWSWIRE) - Surgery Partners, Inc. (NASDAQ:SGRY) ("Surgery Partners" or the "Company"), a leading short-stay surgical facility owner and operator, announced its intent to raise incremental term loans, convert Series A Preferred Stock into Company Common Stock and provided a preliminary financial update on first quarter 2021 results.

Incremental Term Loans

Surgery Partners announced today that it intends to raise $125 million of Incremental Term Loans (the "Incremental Term Loans") to refinance $119 million of existing Incremental Term Loans that were raised in April 2020 and to pay the fees and expenses associated with this refinancing. At prevailing market rates, the Company expects that this refinancing transaction would save the Company in excess of $5 million in interest expense annually.

Conversion of Series A Preferred Stock

The Company also announced today that it has sent notice to BCPE Seminole Holdings LP ("Bain Capital") of its intent to convert all of the outstanding 10.00% Series A Convertible Perpetual Participating Preferred Stock into approximately 22.609 million shares of Company Common Stock on May 17, 2021.

"We are pleased that our company has achieved this important milestone," said Eric Evans, Chief Executive Officer of Surgery Partners. "It's a testament to the relentless focus of our colleagues and physician partners on clinical quality and patient experience excellence as well as our management team's execution on our strategic initiatives."

"We continue to be excited about the long-term growth prospects for Surgery Partners and look forward to seeing its many investments come to fruition over the coming years as management continues to execute on their strategy," said Devin O'Reilly, Managing Director of Bain Capital.

Interim Update on First Quarter 2021 Performance

While the Company is still in the process of closing its first quarter ended March 31, 2021, in connection with the offering of the Incremental Term Loans, the Company is providing investors with the following preliminary unaudited estimates for the quarter:

- Surgical case volumes are projected to be approximately 125,000 cases
- Revenues are expected to exceed $505 million
- Same-facility revenues are projected to increase by approximately 16% to 17% over the prior year period, with strong volume growth and net revenue per case growth
- Adjusted EBITDA is expected to exceed $70 million, inclusive of at least $9 million of Adjusted EBITDA benefit from recognition of CARES Act grants in the quarter
- Cash and Equivalents is expected to be approximately $540 million as of March 31, 2021
- Credit Agreement EBITDA is expected to exceed $355 million

Based on the preliminary financial results for the first quarter of 2020, the Company projects that Adjusted EBITDA for 2021 will be at least $315 million.

About Surgery Partners

Headquartered in Brentwood, Tennessee, Surgery Partners is a leading healthcare services company with a differentiated outpatient delivery model focused on providing high quality, cost effective solutions for surgical and related ancillary care in support of both patients and physicians. Founded in 2004, Surgery Partners is one of the largest and fastest growing surgical services businesses in the country, with more than 180 locations in 30 states, including ambulatory surgery centers, surgical hospitals, multi-specialty physician practices and urgent care facilities. For additional information, visit www.surgerypartners.com.

Preliminary Unaudited Selected Financial Data

These preliminary unaudited estimates regarding surgical case volumes, Revenues, Same-facility Revenues, Adjusted EBITDA, Credit Agreement EBITDA and Consolidated Cash and Equivalents for the quarter ended March 31, 2021 are the responsibility of management and are subject to quarter-end adjustments in connection with the completion of our customary financial closing procedures, including management's review and finalization and to accounting review procedures by our independent registered public accounting firm, which have not yet been performed. During the course of our review process, items may be identified that would require us to make adjustments, which could result in material changes to our preliminary unaudited estimated financial results. Consequently, the results should not be viewed as a substitute for our earnings release and Quarterly Report on Form 10-Q, which are expected to be released on May 5, 2021. Actual results may differ materially from our preliminary expectations. We will provide a full GAAP reconciliation of final Adjusted EBITDA when we report our full first quarter financial results.

Non-GAAP Financial Measures

Adjusted EBITDA is a financial measure that has not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and the Company's definition and computation of this non-GAAP financial measure may vary from those used by other companies. Credit Agreement EBITDA is a non-GAAP measure that is defined under our credit agreement and may vary from those used by other companies. These measures have limitations as analytical tools and should not be considered in isolation or as a substitute or alternative to net income or loss, operating income or loss, or any other measures of operating performance derived in accordance with GAAP. The Company defines the term "Adjusted EBITDA" as income before income taxes adjusted for net income attributable to non-controlling interests, depreciation and amortization, interest expense, net, equity-based compensation expense, contingent acquisition compensation expense, transaction, integration and acquisition costs, reserve adjustments, loss on disposals and de-consolidations, net, gain on litigation settlements and certain other items that we do not believe are representative of our ongoing operations. Such adjustments and similar adjustments we make for the period ended March 31, 2021 are expected to be significant. The determination of the amounts that are excluded from non-GAAP financial measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts.

Forward-Looking Statements

This press release contains "forward-looking" statements, including statements regarding the anticipated conversion of the Series A Preferred Stock, the Incremental Term Loan, including its anticipated amount and use of proceeds, and statements about the results anticipated to be reported by the Company for the quarter ended March 31, 2021. These statements include, but are not limited to, the Company's projected case volume, revenue, same-facility revenues, Adjusted and Credit Agreement EBITDA, Cash and Equivalents for the period ended March 31, 2021, as well as expectations regarding the timing, amount and use of proceeds of the Incremental Term Loan. These statements can be identified by the use of words such as "believes," "anticipates," "expects," "intends," "plans," "continues," "estimates," "predicts," "projects," "forecasts," and similar expressions. All forward-looking statements are based on management's current expectations and beliefs only as of the date of this press release and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those discussed in, or implied by, the forward-looking statements, including but not limited to the risk that we may not be able to consummate the Incremental Term Loan transaction on the terms or timeline anticipated, if at all, and, even if the Incremental Term Loan is consummated, we may not be able to consummate the refinancing on commercially reasonable terms, or at all, and the other risks identified above under the heading "Preliminary Unaudited Selected Financial Data" and in Item 1A under the heading "Risk Factors" in our recent Annual Report on Form 10-K and in the Company's current reports on Form 10-Q. The Company undertakes no obligation to revise or update publicly any forward-looking statements to reflect events or circumstances after the date of this press release, or to reflect the occurrence of unanticipated events or circumstances.

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