



Investor Presentation

TSX: CRRX | July 2020



Forward Looking Statements

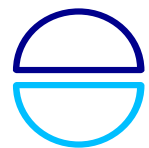
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All dollar figures are in Canadian dollars unless otherwise stated.

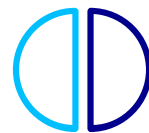
CareRx is Canada's leading provider of Specialty Pharmacy services to seniors in long-term care and retirement homes



Large, fast-growing seniors market



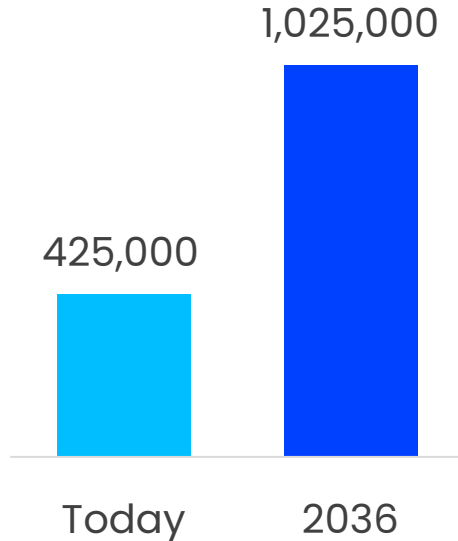
Existing, scalable national platform



Multiple organic growth and acquisition opportunities

Seniors Pharmacy Opportunity

Seniors residences – total beds



141%

estimated growth in the total number of long-term care and retirement home beds between now and 2036

4 – 12

of medications a typical senior takes daily

30

residents per nurse

90x

daily, nurses administer medications

Our Growing National Footprint

Beds serviced >50,000

Seniors Homes >850

Monthly prescriptions >1,400,000

Geographies **Western Canada & Ontario**



Best-in-Class Technology

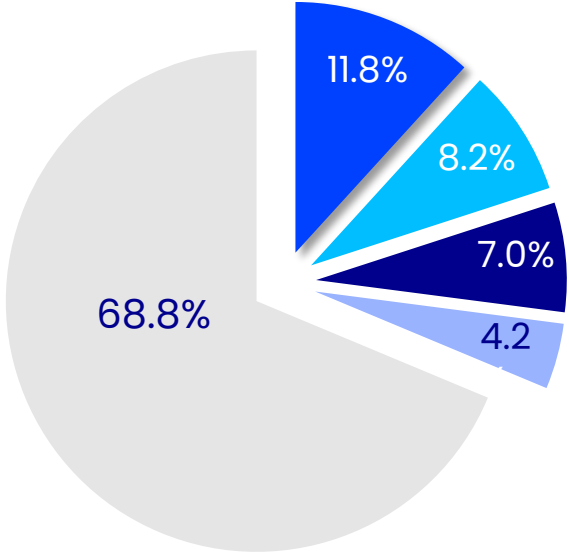
- High volume solutions for cost effective supply of chronic medication and other specialty clinical care services
- Automated preparation and verification of multi-dose compliance packaging of medication
- Provides highest level of safety and adherence for individuals with complex medication regimes



Best Positioned to Consolidate the Market

425,000

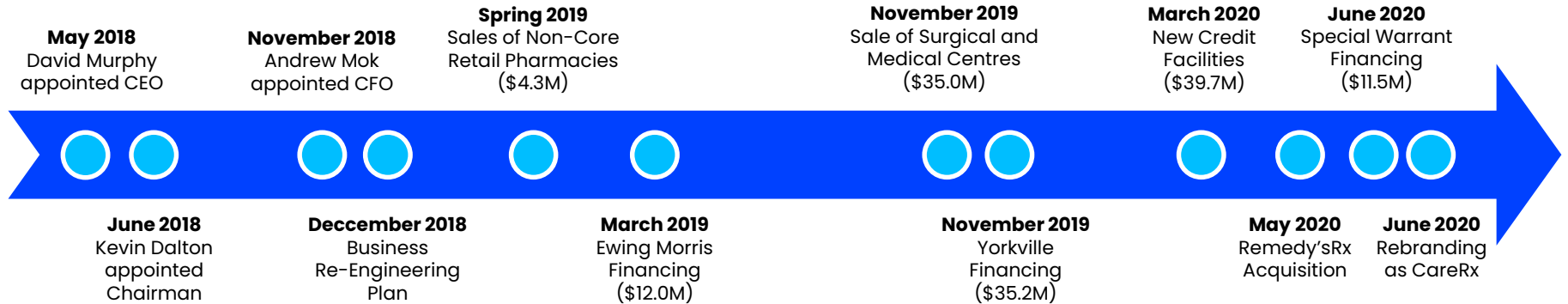
Total beds in
Canada



Beds		
CareRx	>50,000	
Competitor A	35,000	
Competitor B	30,000	
Competitor C	18,000	
All others	~292,000	

Note: Incumbent bed counts per management estimates; Total market size per CMHC Seniors Housing Report Canada

Transformation Timeline

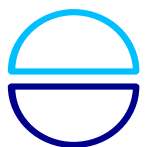


Growth Strategy Provides Opportunity for Significant Shareholder Value



Increase beds under contract

Well capitalized and positioned to win significant new RFPs and contracts



Consolidate the market

Highly fragmented market provides opportunity for accretive acquisitions to increase scale and realize operational efficiencies



Penetrate at-home market

National network of fulfillment centres and same-day delivery capability provide ability to capture at-home market

Growing Beds Under Care

Increase residents serviced in long-term care and retirement homes

- Leverage existing operations to increase penetration within homes serviced and cross-sell (medical cannabis, medical supplies, etc.)
- Focus on RFP wins with national and regional home operators
 - Over 45,000 new beds are up for RFPs in the next 14 months, providing significant opportunity to gain market share



M&A Strategy

1

Highly complementary

Leverage current market dynamics to make opportunistic roll-up acquisitions that grow bed count and improve scale

2

With strong synergy potential

Ability to realize substantial synergies through rationalization, improved purchasing power, and by implementing CRRX's best practices

3

At accretive purchase multiples

Highly accretive acquisitions at discounts to CRRX's average trading multiple result in strong value creation opportunities

Pharmacy At Your Door

New digital business providing free same-day delivery service

- Targets the six million Canadian seniors living at-home and other customers
- Offers enhanced convenience while promoting medical adherence
- Leverages existing CareRx national platform and technological capabilities
 - Initial launch in greater Calgary market with planned roll-out for other markets across Canada



**Pharmacy
At Your Door**
by CareRx™



Stabilized Funding Regime Creates Regulatory Clarity

- Several regulatory changes have impacted pharmacy reimbursement models in the past two years
- Term of each funding model provides a more stable and predictable regime for foreseeable future

Regulatory Change	Details	Term
Pan-Canadian Generic Drug Pricing Agreement	Effective April 2018 prices of 70 of most common generic drugs reduced by 25-40%, which affected drug markups	Agreement runs to March 2023
Alberta Funding Regime	Effective May 2018 cuts were made to dispensing fee and frequency of dispensing which affected Alberta retirement business	Funding model runs to March 2022
Ontario Funding Regime	Effective January 2020 changes in funding model from fee-for-service to capitation model for long-term care residents and clawbacks on drug markups and dispensing fees which affected retirement business	Funding model runs to March 2024

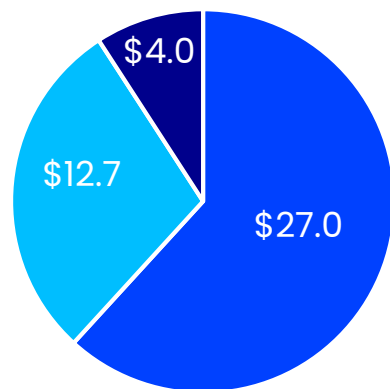
CareRx is an Essential Service Provider

- Safe and timely supply of medications to seniors remains an essential service during the COVID-19 pandemic
- Non-cyclical nature of seniors pharmacy business is generally unaffected by broader economic and market conditions
- Primary funding from provincial governments and other third party insurers minimizes counterparty risk



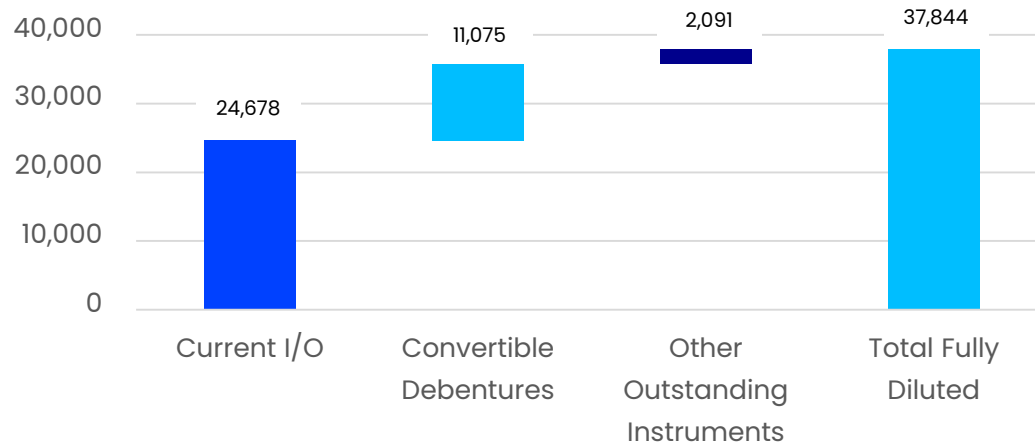
Capital Structure

Total Debt
(millions)



- Vendor take back
- Subordinated debt
- Senior debt

Shares Outstanding (000's)*



	Fully Diluted	Ownership
Yorkville	10,011,667	26.5%
Bruce Moody	5,997,328	15.8%
Jack Shevel	4,414,130	11.7%
Claret Asset Management	2,700,000	7.1%
Ewing Morris	1,541,733	4.1%
Other	13,179,011	3.5%
Total	37,843,869	100%

* Current I/O Includes 2.875 million special warrants issued on June 4, 2020.

Outlook for 2020 / 2021

- Integrating Remedy's acquisition
- Growing organically
- Making strategic acquisitions





1

Large, fast-growing
seniors market

2

Existing, scalable
national platform

3

Organic growth and
acquisition opportunities

www.carerx.ca