



Q3 2020 Earnings Call

November 6, 2020



Forward Looking Statements

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All dollar figures are in Canadian dollars unless otherwise stated.



David Murphy

President & Chief Executive Officer

Q3 2020

Continuing strong
financial results

+

Significant progress on
Remedy's integration



Q3 2020 Financial Highlights

Continuing Operations

(millions except margin)

(+/- compared to Q3 2019)

Revenue	\$45.6	+45%
Average Beds Serviced	49,344	+58%
Adjusted EBITDA	\$3.8	+37%

- First full quarter of revenue contribution from Remedy's – minimal contribution from integration synergies
- Adjusted EBITDA margin of 8.4%

Significant Progress on Remedy's Integration

- Commenced consolidation of certain fulfillment centres
- Primary driver of cost synergies
- 4 fulfillment centres closed to date
 - 2 in Q3
 - 2 subsequent to quarter end
- 3 centres still to be closed
- Total reduction to 18 from 25 by end of 2020

Integration is ahead of schedule and will be completed by the end of this year

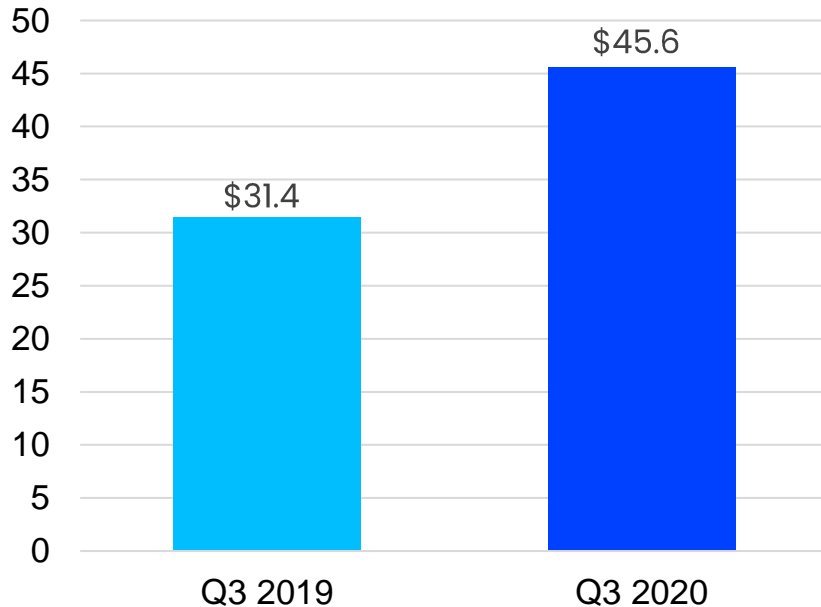


Andrew Mok

Chief Financial Officer

Q3 2020 Financial Results | Revenue

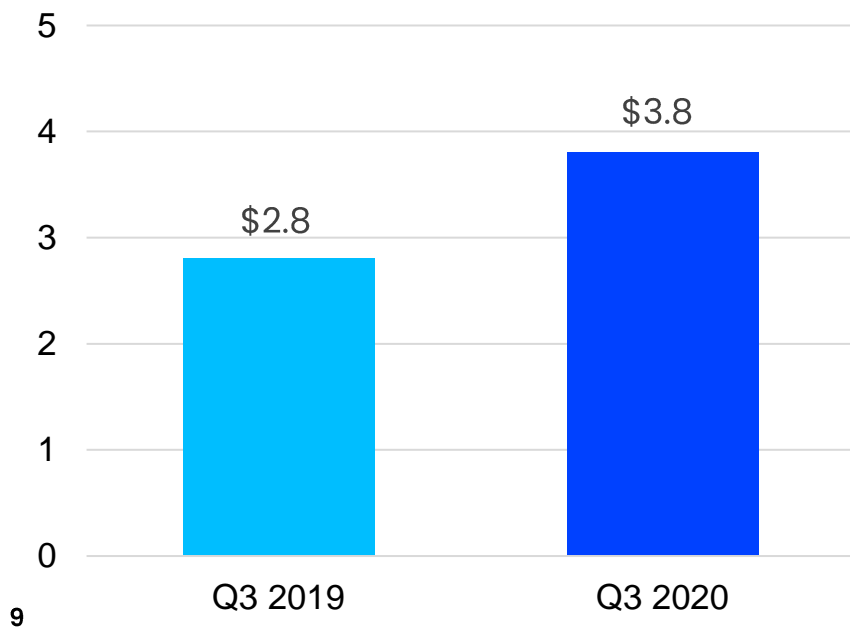
(millions)



- 45% year-over-year growth
- Remedy's contributed \$15.8 million
- Partially offset by the impact of the Ontario Drug Benefit Act ("ODBA") amendments

Q3 2020 Financial Results | Adjusted EBITDA

(millions)



- 37% year-over-year growth
- Remedy's contributed \$1.2 million
- Net impact of ODBA amendments reduced Adjusted EBITDA by \$0.3 million
- Reduced corporate costs by 15%
- Reduced other operating costs by \$0.2 million

Balance Sheet and Cash Flows

(millions except ratio)

At Sept. 30/20	
Cash	\$18.3
Net Debt ¹	\$39.1
Net Debt to Adjusted EBITDA ²	2.6 x
Q3 2020	
Cash provided by operations ³	\$1.5

Subsequent to quarter end, divested of a shell, non-operating subsidiary

- Pre-1954 charter company
- Gross proceeds of \$1.5 million to be recognized in Q4 2020

1. Debt = borrowings (principal) not including the November 2019 Convertible Debentures.

2. Annual run-rate based on Q3/2020 adjusted EBITDA.

3. \$1.6 million was paid in Q3 from cash provided by operations related to a pre-closing tax liability assumed as part of the Remedy's acquisition.



David Murphy

President & Chief Executive Officer

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 opportunities 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

Strengthened Senior Management Team

- Added Puneet Khanna as SVP, Corporate Development
- Extensive industry experience and deep relationships
- Proven track record of building strong business relationships and driving growth
- Former CEO of MED e-care Health Solutions
- More than a decade with Medical Pharmacies (VP Sales and Marketing) and MediSystem Pharmacy





1

Large, fast-growing
seniors market

2

Existing, scalable
national platform

3

Organic growth and
acquisition opportunities

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Questions



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