



Canada's Largest Seniors
Care Pharmacy Provider

TSX: CRRX

Investor Presentation

May 2022

Forward Looking Statements

Certain of the statements contained in this presentation are "forward looking information within the meaning of applicable Canadian securities legislation. Forward looking information includes, but is not limited to, business strategy, plans and other expectations, beliefs, goals, objectives, information and statements about possible future events, including CareRx's 2024 revenue, bed, and adjusted EBIDTA margin targets. Forward looking information generally can be identified by the use of forward looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "targets", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. You are cautioned not to place undue reliance on such forward-looking information. Forward looking information is based on current expectations, estimates and assumptions that involve a number of risks that are set out under the heading "Risks and Uncertainties" in CareRx's most recently filed Management's Discussion and Analysis available on SEDAR at www.sedar.com, which could cause actual results to vary and in some instances to differ materially from those anticipated by CareRx and described in the forward looking information contained in this presentation. No assurance can be given that any of the events anticipated by the forward looking information will transpire or occur or, if any of them do so, what benefits CareRx will derive therefrom and neither CareRx nor any other person assumes responsibility for the accuracy and completeness of any forward looking information. Other than as specifically required by applicable laws, CareRx assumes no obligation and expressly disclaims any obligation to update or alter the forward-looking information whether as a result of new information, future events or otherwise.

All dollar figures are in Canadian dollars unless otherwise stated.



Canada's largest and
fastest growing
provider of pharmacy
services to seniors
housing communities
and other congregate
care settings



The typical senior
in a long-term
care or retirement
home takes

4 to 12

medications
daily

Medication supply and
management is a critical
component of seniors home care

- Optimize medication regimen for optimal resident outcomes
- Ensure highest levels of safety
- Minimize hospital visits

Never has the level of care for these residents
been so important

Comprehensive Institutional Pharmacy Services Offering

Dispensing Services

- High-volume solutions for cost-effective supply of all medications
- Multi-dose compliance packaging
- Automated prescription transmission via digital pens
- Compounding and infusion capability
- Same day delivery
- 24/7 service
- Secure onsite drug destruction



Clinical and Support Services

- Pharmacist led medication reconciliation for new admissions (BOOMR™)
- On-site geriatric-certified clinical consultant pharmacists
- Safety audits and comprehensive medication reviews
- Medication management policy manuals and training
- Medication use and prescribing analytics
- Flu and Covid vaccine clinics
- Medical cannabis program
- Fall prevention program



Equipment and Technology

- Medication and treatment carts with tablet computers
- Digital prescribing technology
- Electronic medication administration software
- Automated dispensing cabinets
- Medication incident management system
- Medication and vaccine storage fridges and thermometers
- Other infrastructure to support pharmacy services



Growing National Scale

>95,000 beds serviced

>1,600 seniors housing
communities

31¹ fulfillment
centres

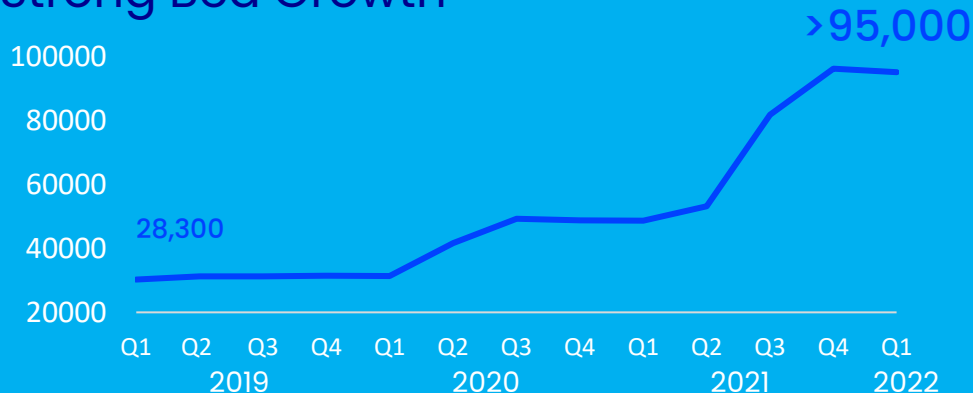
>3.1 M monthly
prescriptions

1. Prior to planned further consolidation of fulfillment centres resulting from the integration of the Medical Pharmacies acquisition.

Strongest Network in the Sector



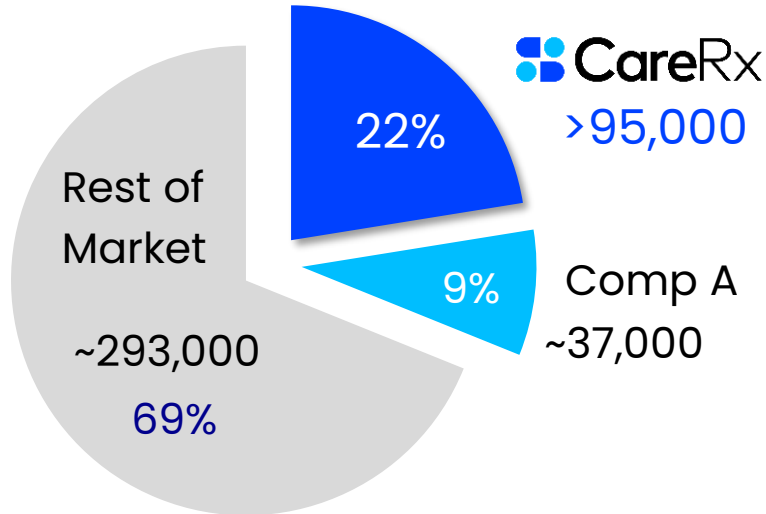
Strong Bed Growth



Today

Seniors housing beds - Canada

~425,000 (and growing)

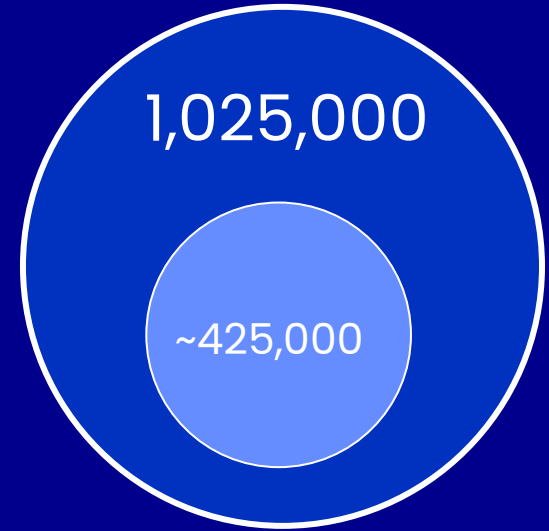


Note: Incumbent bed counts per management estimates. Total seniors housing beds per CMHC Seniors Housing Report Canada.

Next ~15 years

Number of beds in Canada
forecast to grow

>2x



A high-growth market with significant
opportunity to expand market share

Continuing the Growth Trajectory

Today

>95,000
beds

~\$380M
in revenue¹

Organic growth

Increase number of beds
under contract

Strategic acquisitions

Consolidate a highly
fragmented market

2024 Target

130,000
beds

\$500M
in revenue

1. Annualized run rate based on Q1/22 revenue.

Significant operating leverage as number of beds
under contract expands

Organic Growth: Well Positioned to Capitalize on a Transforming Market

Canadian LTC industry has commenced a period of **substantial expansion & consolidation**

Recent surge of **new licenses** for long-term care beds + **new construction & redevelopment** projects across the country + **acquisitions** by national home operators

Multiple Opportunities for Organic Growth

Grow with existing customers as they expand

- Acquisitions
- New home builds
- New bed license allocations
- Expansion/redevelopment of existing homes

Add new home partners

- Well positioned to win new contracts

Increase penetration within existing homes serviced

Successful Execution of Acquisition Strategy

Proven ability to acquire at accretive multiples,
rapidly integrate and realize synergies

May 2020

Remedy'sRx
Specialty Pharmacy

+18,500 beds

Purchase Price:
\$39 M + up to
\$5 M earn out

Multiple¹:
Pre-synergies: 8.8x
Post-synergies: 5.5x

April 2021

SmartMeds

+2,400 beds

Purchase Price:
\$4.5 M + up to
\$2.9 M earn out

Multiple¹:
Pre-synergies: 5.1x
Post-synergies: 3.3x

June 2021

Rexall

+4,000 beds

Purchase Price:
\$3.5M

August 2021

**Medical
Pharmacies**

LTC Pharmacy

+36,000 beds

Purchase Price:
\$75 M

Multiple:
Pre-synergies: 6.3x
Post-synergies: 4.4x

1. Price/Annualized run rate Adjusted EBITDA. Assumes full achievement of earnouts.

All acquisitions performing in line or ahead of expectations
Robust and active pipeline of additional opportunities

Medical Pharmacies: Our Largest & Most Significant Acquisition to Date

August 23, 2021: Completed Acquisition of LTC Pharmacy Division of Medical Pharmacies

- Added ~36,000 beds, serviced through 17 centres in Ontario & Western Canada
- Further expanded Canada's largest national platform
- Proforma contribution of annualized revenue of ~\$150 M & Adjusted EBITDA of ~\$12 M
- Further strengthened best-in-class offering, while enhancing growth opportunities



- 6 sites consolidated to-date with 4 site consolidations remaining
- Total expected annualized cost savings synergies of \$5 M

Integration projects otherwise expected to be substantially completed by end of Q3/22 resulting in annualized cost savings of ~\$4.5 M realized by that time

Hogan: Adds Innovative Pharmacy Services Delivery Model

March 29, 2022: Agreement to Acquire Hogan Long-Term Care Pharmacy

- Currently servicing ~725 beds
- On closing, will sign a new 7-year contract with largest customer – expected to add >1,200 beds over 4 years
- Multiple: 5.7x (before expected bed growth and cost savings synergies)
- Expected contribution of annualized revenue of ~\$4 M & Adjusted EBITDA of ~\$0.6 M
- Expected to close May 2022

Award-Winning Hogan Model:

- Uses biometrically secured "smart" medication dispensing cabinets
- 24/7 pharmacist support
- Fully integrated enterprise resource planning system



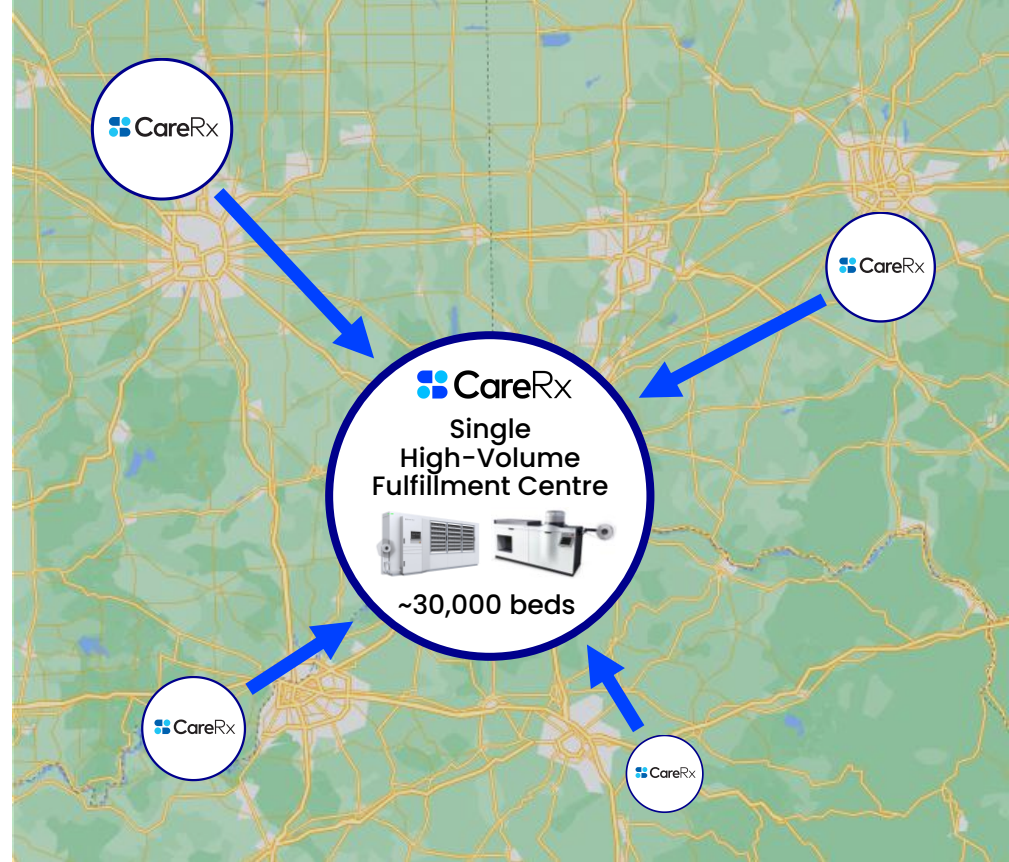
Reduces medication errors and waste, and improves resident care and safety

Extends technology leadership position & provides additional service choice for seniors living partners

Driving Efficiencies Through Expanded Scale

New high-volume fulfillment centre in Oakville, ON

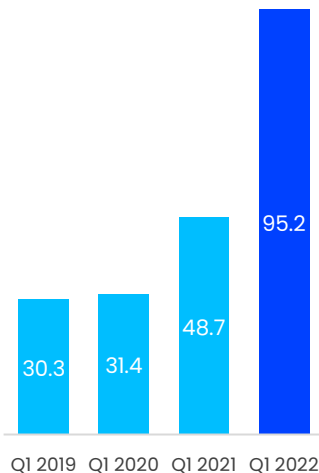
- Enables higher volumes without additional labour costs
- Capable of serving ~30,000 beds – 3x that of previously largest facility
- First pharmacy in Canada to use BD Rowa™ Dose technology



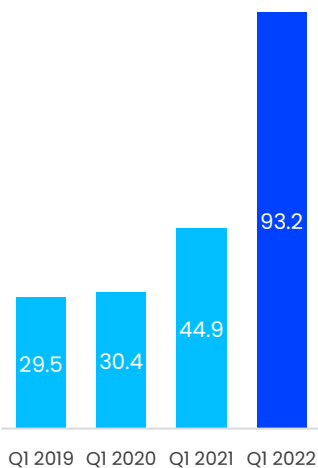
Expected to generate additional operating efficiencies and enhance operating margins

Successful Execution of Our Growth Strategy

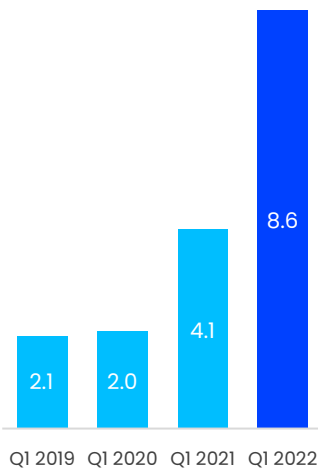
Ave. Beds Served
(000s)



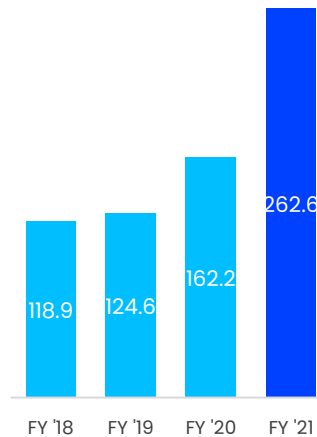
Revenue
(from continuing ops)
(\$ millions)



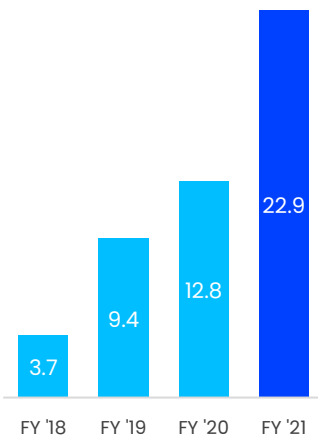
Adj. EBITDA
(from continuing ops)
(\$ millions)



Revenue
(from continuing ops)
(\$ millions)



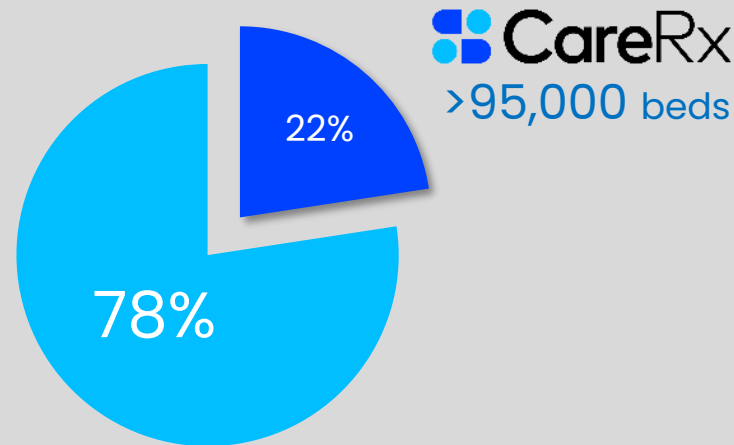
Adj. EBITDA
(from continuing ops)
(\$ millions)



Currently servicing >95,000 beds in >1,600
seniors and additional communities

Better Positioned Than Ever for Continued Growth

- Positioned to benefit from increased scale and enhanced capabilities
- Experiencing accelerated organic growth
- Significantly strengthened position as a natural consolidator in a highly fragmented market:
 - Strong pipeline of opportunities



Market Opportunity via
Organic Growth & Acquisitions
~330,000 seniors housing beds¹

1. Additional bed opportunities available, including group homes, corrections facilities and other congregate living settings.

Recently secured long-term contract extensions with
3 of 4 largest customers: ~18,000 beds – average
contract term of 5.5 years from end of 2021



1

Large, high-growth
seniors living market

2

Canada's largest
seniors care
pharmacy provider

3

Leading customer
value proposition and
national network

4

Compelling organic
and acquisition
growth opportunities

5

Significant operating
leverage



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Appendix

2024 Targets

Number
of beds



130,000

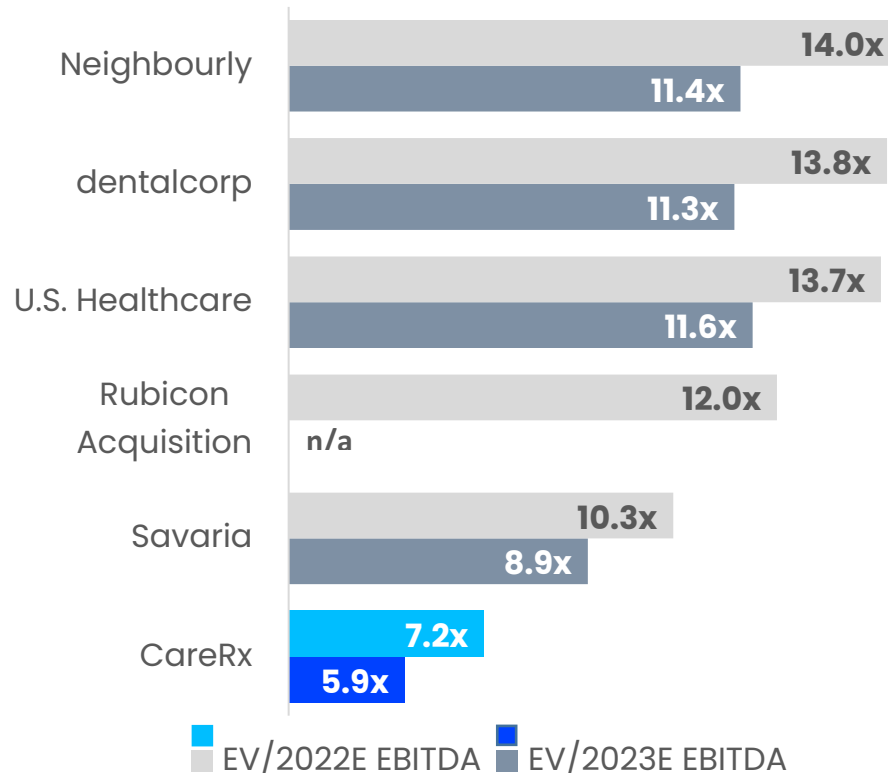
Revenue



\$500M

Note: Number of beds and revenue for 2024 are management targets only, and not intended to constitute future-oriented financial information, financial outlook or other earnings guidance of CareRx. See "Forward Looking Statements".

Compelling Value



1. Rubicon acquisition multiple based on Rubicon's adjusted EBITDA for the trailing 12-month period ended September 30, 2021.

Comp Table

Source: FactSet

		Adj. EBITDA % Growth (2022E)	EV/Adj. EBITDA (2022E)	EV/Sales (2022E)	Adj. EBITDA Margin (2022E)	Net Debt/Adj. EBITDA (2022E)
Canada	Savaria Corp.	21%	10.3x	1.6x	16%	6.1x
	Dentalcorp.	24%	13.8x	2.6x	19%	NA
	Neighbourly Pharmacy	116%	14.0x	1.7x	12%	6.1x
	Nova Leap Health Corp.	NA	14.4x	1.0x	7%	9.1x
U.S.	LHC Group Inc.	6%	21.5x	2.4x	11%	3.6x
	AMN Healthcare Services Inc.	24%	6.2x	1.0x	16%	2.2x
	Option Care Health Inc.	17%	18.3x	1.6x	9%	4.5x
	MEDNAX Inc.	5%	8.5x	1.2x	14%	3.4x
	Addus HomeCare Corp.	10%	14.4x	1.6x	11%	2.3x
	Aveanna Healthcare Holdings Inc.	11%	9.6x	1.0x	10%	9.1x
	Healthcare Services Group Inc	-8%	15.7x	0.7x	4%	NA
	U.S. Physical Therapy Inc.	13%	20.0x	3.0x	15%	3.5x
	Hanger Inc.	10%	9.3x	1.0x	11%	5.9x
	Tactile Systems Technology Inc.	-15%	17.8x	1.1x	6%	3.4x
	InfuSystem Holdings Inc.	37%	8.8x	1.7x	20%	1.5x
	Average	18%	13.2x	1.5x	12%	4.1x
	Median	11%	13.9x	1.5x	12%	3.5x
	CareRx	68%	7.2x	0.7x	10%	1.7x

Balance Sheet

(millions except ratio)

At Mar. 31/21

Cash	\$28.5
Net Debt ¹	\$64.6
Net Debt to Adjusted EBITDA ²	1.9x

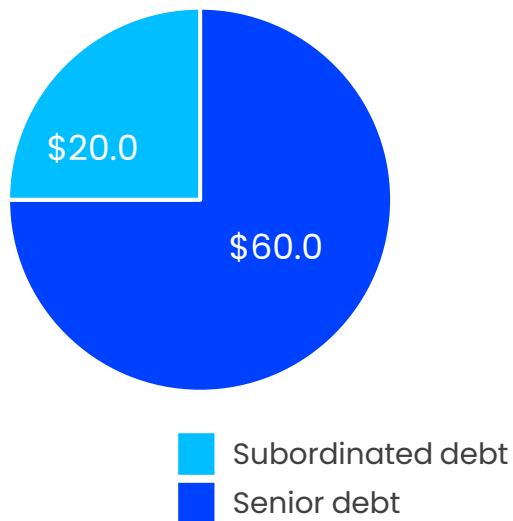
- Ending cash balance and cash used in operations were impacted by the timing of working capital movements, including a \$6.3M reduction in accounts payable during Q1/22

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

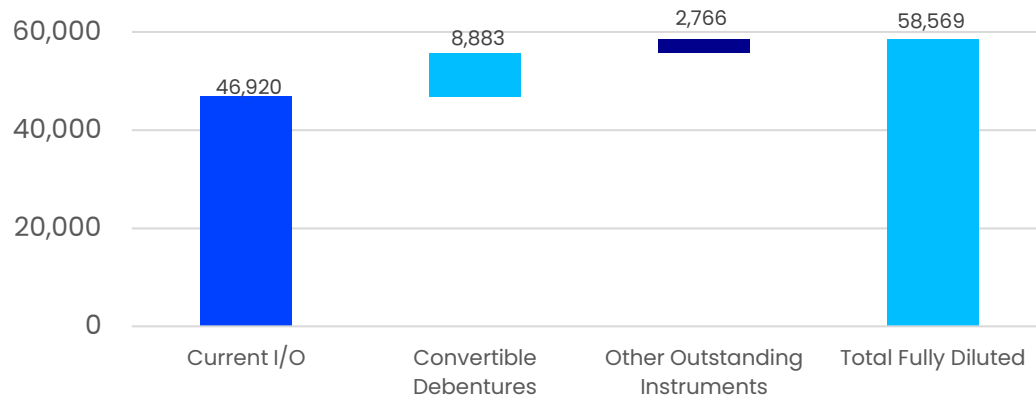
2. Annual run-rate based on Q1/22 Adjusted EBITDA.

Capital Structure

Total Debt (at Mar 31/22) (millions)



Shares Outstanding (000's)



	Fully Diluted	Ownership
Yorkville Asset Management	13,558,307	23.1%
Bruce Moody	6,027,388	10.3%
Seymour Investment Management	5,277,100	9.0%
Jack Shevel	5,035,488	8.6%
Claret Asset Management	3,046,955	5.2%
Other	25,624,020	43.7%
Total	58,569,258	100%



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