



Q2 2024 Earnings Call

August 8, 2024

 CareRx

Cautionary Statements

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. Forward looking information generally can be identified by the use of forward looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "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.sedarplus.ca, 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.

Non-IFRS Financial Measures and Non-IFRS Ratios

"EBITDA", "Adjusted EBITDA", "Adjusted EBITDA Margin" and "Adjusted EBITDA per share" are non-IFRS measures and "Net Debt to Adjusted EBITDA" is a non-IFRS ratio all of which do not have standardized meanings prescribed by IFRS. See "Non-IFRS Financial Measures", "Non-IFRS Ratios" and "Reconciliation of Non-IFRS Financial Measures" in CareRx's most recently filed Management's Discussion and Analysis available on SEDAR+ at www.sedarplus.ca.

All dollar figures are in Canadian dollars unless otherwise stated.



Puneet Khanna

President & Chief Executive Officer



Q2 2024

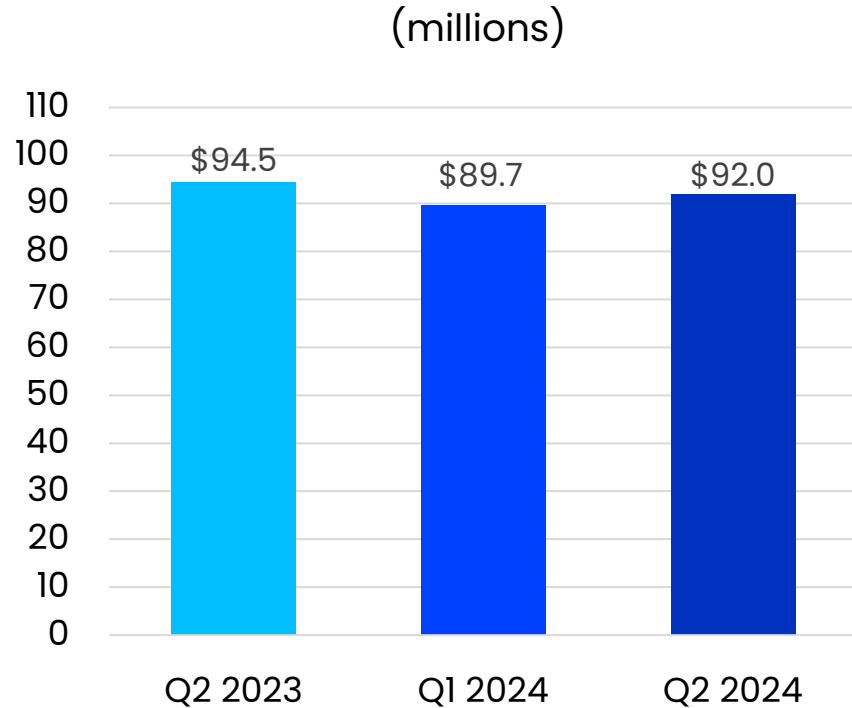
- Revenue in Q2 2024 of \$92.0 million
- Adjusted EBITDA in Q2 2024 of \$7.5 million
- Announced Board Chair transition
- Announced CFO transition
- Strengthened leadership team
- Completed sale of non-core pharmacy ops
- Hosted Premier of Ontario, Minister of LTC and MPPs at Oakville Fulfillment Centre
- Amended procurement agreement terms with major supplier



Davide Pernarella

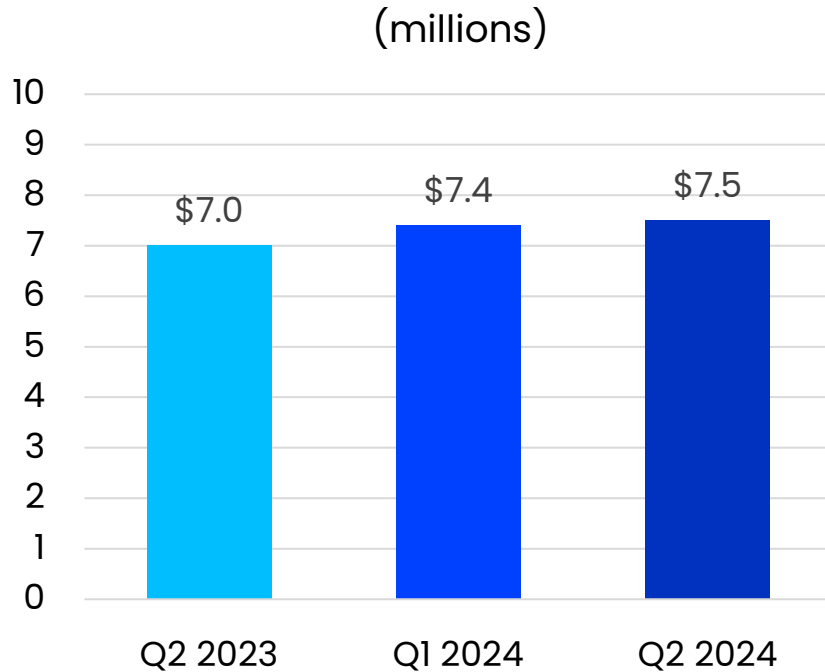
Interim Chief Financial Officer

Q2 2024 Financial Results | Revenue



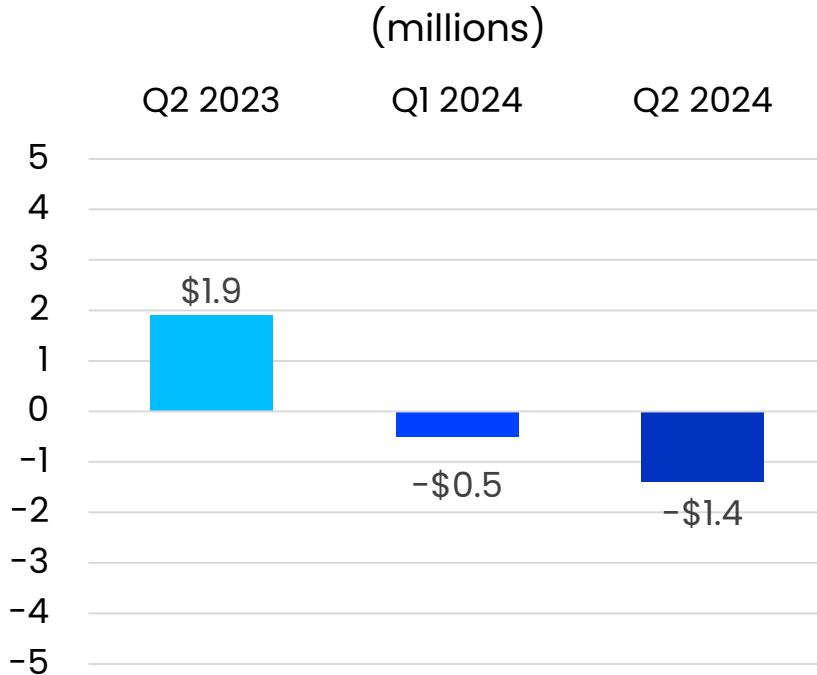
- Average beds serviced of 90,667: -4.8% vs Q2 2023
- Year-over-year revenue decline primarily driven by a net reduction in average number of beds serviced
- Quarter-over-quarter revenue increase primarily driven by two additional days to generate revenue

Q2 2024 Financial Results | Adjusted EBITDA



- Year-over-year Adjusted EBITDA increase primarily the result of efficiencies and cost savings initiatives that commenced during 2H 2023 as well as benefits from amended procurement agreement with major supplier
- Adjusted EBITDA margin increased to 8.2% or 70 basis points year-over-year

Q2 2024 Financial Results | Net Income



- Elimination of net income driven primarily by non-cash adjustments including intangible asset impairment as a result of the sale of a non-core pharmacy location, higher share-based compensation expense and income tax recovery recorded in Q2 2023 that did not recur in Q2 2024
- Partially offset by decreases in finance costs, depreciation and amortization expense, and transaction, restructuring and other costs, in addition to the impact of certain cost savings initiatives that commenced during 2H 2023

Balance Sheet

(millions except ratio)

At Jun 30/24

Cash	\$7.2 M
Net Debt ¹	\$46.8 M
Net Debt to Adjusted EBITDA ²	1.6x

- Quarter-over-quarter decrease in cash balance and decline in net debt due to repayment of term loan and operating loan

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

2. Annual run-rate based on Q2/24 Adjusted EBITDA.



Puneet Khanna

President & Chief Executive Officer





Operational Optimization

- Procurement initiatives and best practices to augment purchasing power
- Standardized operating model and policies & procedures to enhance operational efficiencies
- Expanding Lean methodology to generate data-driven decisions that increase productivity, promote continuous improvement and drive a performance culture

Prioritizing efficiencies to drive long-term operational performance and sustained profitable growth

Growth Strategy

Organic Bed Wins

- Broadening scope of products and services (e.g. Revicare, BOOMR., etc.)
- Leverage scale & capabilities to provide superior pharmacy services offering
- Increased focus on expansion to other congregate care settings
- LTC occupancy increasing post-Covid

Existing Partners Growth

- Large national and regional customers continue to acquire smaller competitors

New Home Construction

- Home operators expanding through increased capacity, new bed licenses and new construction

M&A Opportunities

- Strong track record of accretive acquisitions since 2020 in a highly fragmented market

The logo for Remedy's Rx, featuring the text "Remedy's Rx" in a green, sans-serif font with a small "A subsidiary of" in a smaller font below it.

Retail Pharmacy



Retail Pharmacy

The logo for Rexall, featuring a stylized "R" made of three colored squares (green, yellow, blue) followed by the text "Rexall" in a bold, sans-serif font.

Pharmacy Fulfillment
Centre & LTC Pharmacy
Services

The logo for Medical Pharmacies, featuring a stylized "M" made of three colored squares (green, yellow, blue) followed by the text "MEDICAL PHARMACIES" in a bold, sans-serif font.

LTC Pharmacy
Division

The logo for Hogan Pharmacy Services, featuring a stylized "H" made of three colored squares (green, yellow, blue) followed by the text "HOGAN PHARMACY SERVICES" in a bold, sans-serif font.

LTC Pharmacy
Services

Questions



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