



Canada's Largest Seniors
Care Pharmacy Provider

TSX: CRRX

Investor Presentation

April 2021

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.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 leading
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 best patient outcomes
- Ensure highest levels of safety
- Minimize hospital visits
- Resident oversight by geriatric-certified clinical pharmacists

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

Best-in-Class Institutional Pharmacy Capabilities

- High-volume solutions for cost-effective supply of chronic medication
- Highest level of safety and adherence for individuals with complex medication regimes
- Industry-leading team of clinical pharmacists who work with home operators to provide exceptional medication management services
- Largest national footprint enables delivery of responsive, high-touch, local service



Best-in-Class Medication Management Technology

PACMED®

Automated strip packaging technology



PACVision®

Automated pouch verification technology



Digital Pen



Nexsys ADC™

Automated dispensing cabinet



PharmaPod

Medication incident management system



eMAR



PharmaConnect

Interactive patient portal



6 Technology leadership will increasingly be a competitive advantage in providing pharmacy services to seniors homes

Our Growing National Footprint

> **52,000** beds serviced
+36,000¹ – Medical Pharmacies
Pharmacy acquisition

> **900** seniors homes

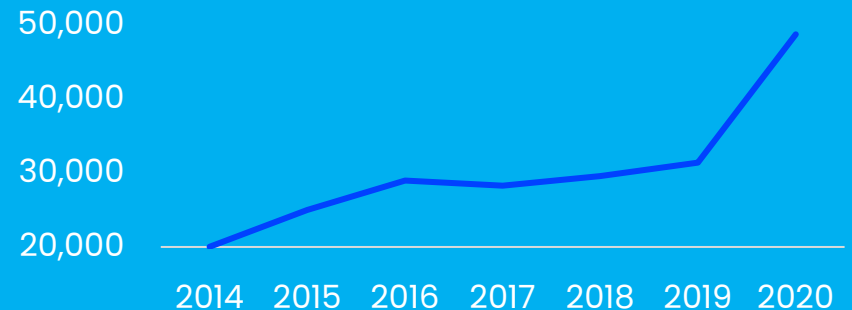
> **1.4 M** monthly prescriptions

18 fulfillment centres

Strongest Network in the Sector

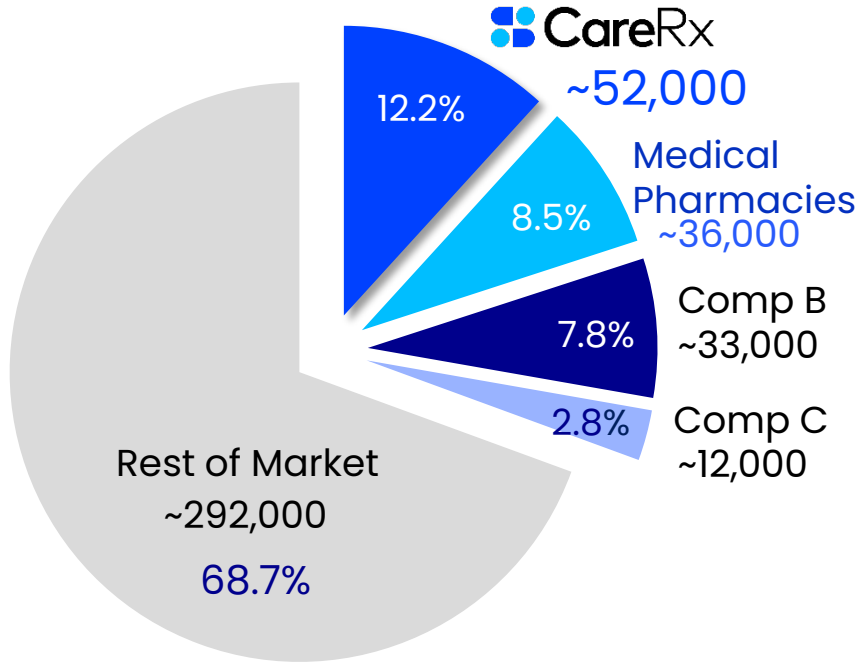


Strong Bed Growth



Total seniors housing beds in Canada

~425,000 (and growing)



Over the next ~15 years, the number of beds is forecast to grow

> 2x



Multiple Opportunities for Growth

Today

52,000
beds

Increase beds under contract

Well capitalized and positioned to win new large, national and regional contracts

- Expand with our seniors home customers
- Add new seniors homes contracts
- Expand into additional provinces

Make strategic acquisitions

Consolidate a highly fragmented market through accretive acquisitions to increase scale and realize operational efficiencies

2023 Target

100,000+
beds

Significant operating leverage as number of beds under contract expands

Disciplined 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 CareRx's best practices

3

At accretive
purchase multiples

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

Proven ability to rapidly integrate acquisitions and realize synergies

Remedy's: A Transformational Acquisition

- May 2020: Completed acquisition of Remedy'sRx Specialty Pharmacy
 - Added ~18,500 beds
 - Created the strongest national footprint in the sector
 - Capacity to scale and absorb new beds

Integration Completed Ahead of Schedule

- Consolidation of certain fulfillment centres primary driver of cost synergies
- Reduction to 18 fulfillment centres from 25 completed in Q4 2020

~\$3 M in annual cost saving synergies to be fully realized in Q1 2021

SmartMeds: Another High-Quality Tuck-In Acquisition

- Acquisition of SmartMeds Pharmacy:
 - Added 2,400 beds
 - Strengthens market position in Ontario
 - Excellent reputation as a leader in innovation, quality, and customer service

- Closing consideration of \$4 M cash plus \$475,000 common shares¹
- Earn-out component of up to an additional ~\$2.9 M²
- ROFR to acquire proprietary technology, SmartLink™
- Includes retail pharmacy in Burlington

1. Based on volume weighted average price prior to transaction close.

2. Payable following the second anniversary of closing, based on certain target being achieved.

Expected to be immediately accretive to earnings and contribute annualized run-rate revenue of \$13 M and EBITDA of \$1.5 M before any integration synergies

Medical Pharmacies Acquisition: ~70% Increase in Residents Served

April 19, 2021: Definitive Agreement to
Acquire LTC Division of Medical Pharmacies

- Will add ~36,000 beds, serviced through 18 centres in Ontario & Western Canada
- Further expands Canada's largest national platform
- Expected to generate annual revenue of ~\$150 M
- Further strengthens best-in-class offering, while enhancing growth opportunities

- **Consideration:**
 - \$70 M cash
 - 1 M CareRx common shares
- **Financing:**
 - \$55 M bought deal private placement
 - \$39 M incremental debt (and concurrent refinancing of existing senior and subordinated credit facilities)
- **Expected to be immediately accretive to earnings upon closing**
- **Closing targeted for late June/early July**

Acquisition expected to generate significant cost synergies
and contribute to expanded EBITDA margins via scale



Pharmacy At Your Door

by CareRx™

New digital business providing free same-day delivery service

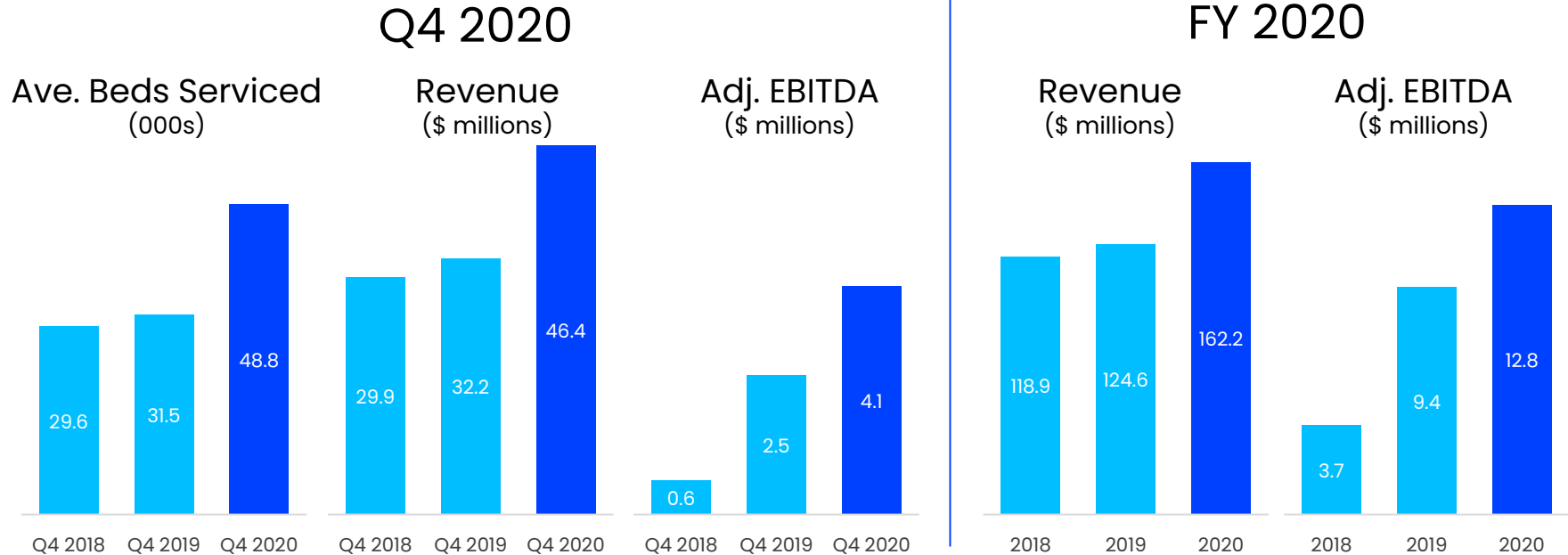
- Leverages existing CareRx national platform and technological capabilities
- Targets the 6 million Canadian seniors living at-home and other customers
- EasyPac™ packaging technology ensures medication adherence
- Pharmacist consultations by virtual video
- GPS tracking of deliveries



- Initial launch in greater Calgary area in July 2020
- Expanded to greater Edmonton area in Q4 2020 and to the greater Vancouver area in Q1 2021
- Potential roll-out for other markets across Canada

Strong Financial Momentum

Continuing Operations

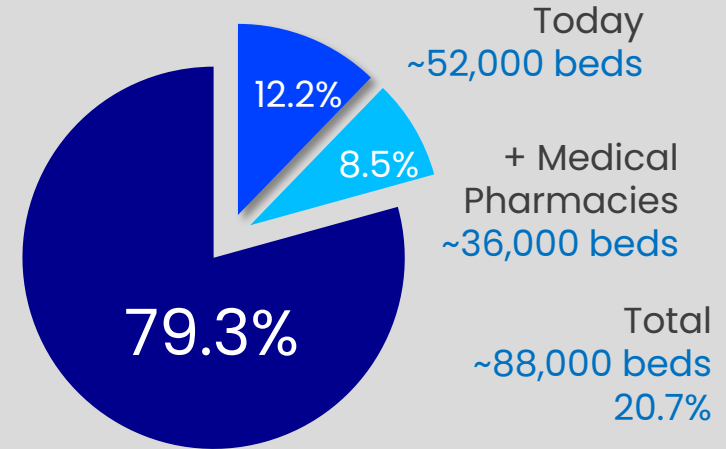


36% growth in annual revenue and 246% growth in annual AEBITDA over last two years

2020: A New Baseline for Continued Growth

- Positioned to benefit from increased scale and enhanced capabilities
- Will continue to aggressively pursue organic growth
- Natural consolidator in a highly fragmented market:
 - Strong pipeline of opportunities

 CareRx



Market Opportunity via Organic Growth & Acquisitions
~337,000 seniors housing beds¹

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

Committed to innovation and exploring strategic adjacencies that leverage our core capabilities



1

Large, high-growth seniors market

2

Canada's largest seniors care pharmacy provider

3

Leading customer value proposition and national network

4

Natural consolidator in a highly fragmented market

5

Significant operating leverage



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Appendix

Strengthened Balance Sheet

NOTE: ALL DATA BELOW IS PRIOR TO THE PENDING EQUITY FINANCING & DEBT REFINANCING ANNOUNCED APRIL 19, 2021

(millions except ratio)

At Dec. 31/20	
Cash	\$19.6
Net Debt ¹	\$38.5
Net Debt to Adjusted EBITDA ²	2.4 x

Post Q4 – Completed a \$21.2 M combined public offering & private placement (\$4.25/share)

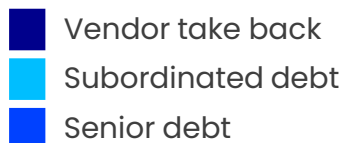
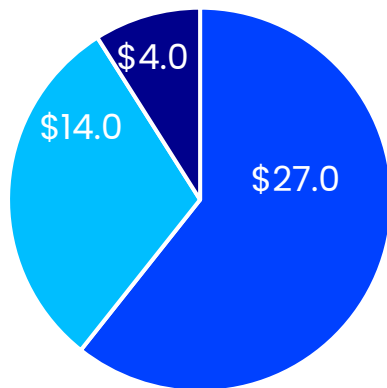
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1. Debt = borrowings (principal) not including the November 2019 Convertible Debentures.
2. Annual run-rate based on Q4/2020 adjusted EBITDA.

Capital Structure

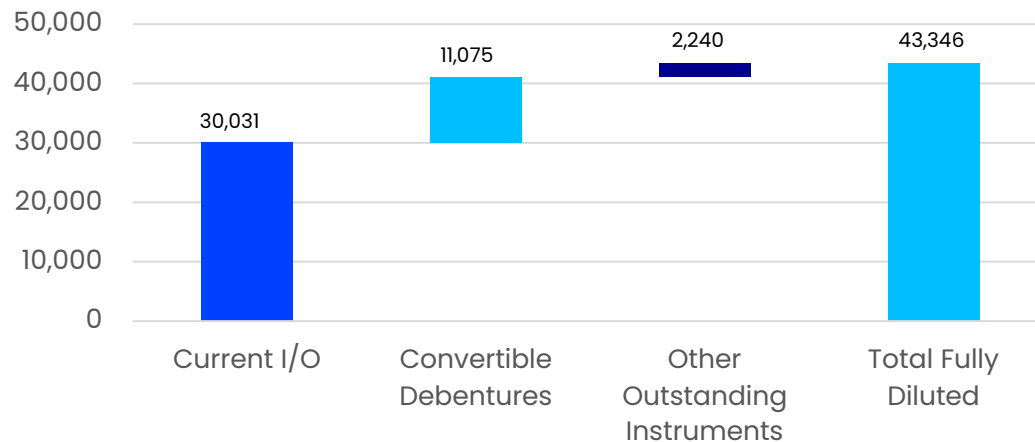
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Total Debt
(at Dec. 31/20) (millions)



20

Shares Outstanding (000's)



	Fully Diluted	Ownership
Yorkville	11,281,078	26.0%
Bruce Moody	6,009,327	13.9%
Jack Shevel	5,257,866	12.1%
Claret Asset Management	2,700,000	6.2%
Ewing Morris	1,541,733	3.6%
Other	16,555,788	38.2%
Total	43,345,791	100%



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