



# Q2 2020 Earnings Call

August 14, 2020



# Forward Looking Statements

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*All dollar figures are in Canadian dollars unless otherwise stated.*

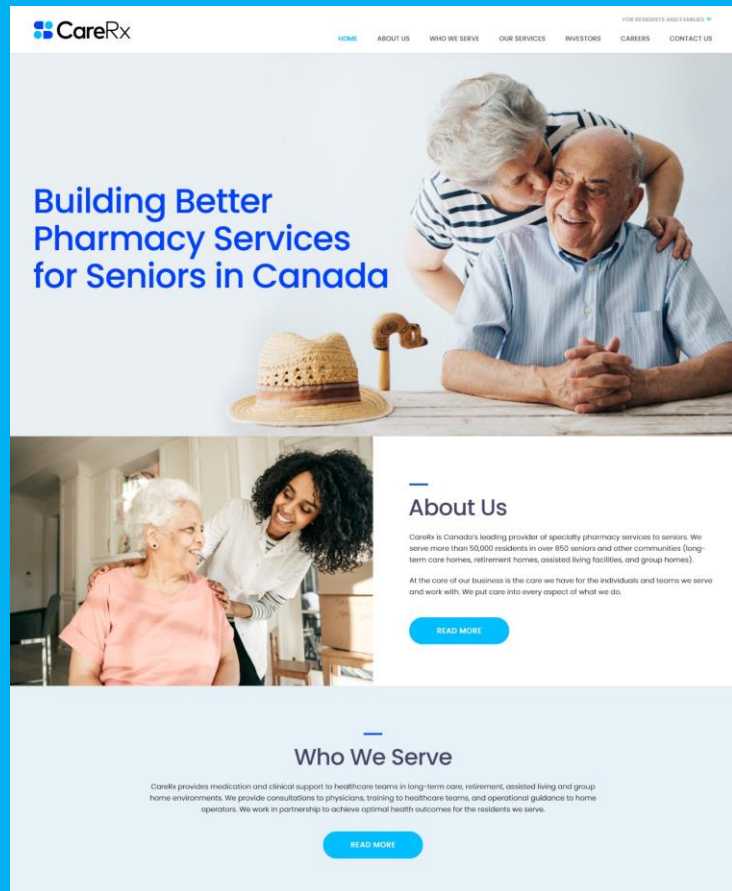


# David Murphy

President & Chief Executive Officer

# An Eventful Second Quarter

- Completed acquisition of Remedy'sRx Specialty Pharmacy on May 7, 2020
- Rebranded as CareRx Corporation
- Executed 20 for 1 share consolidation
- Raised gross proceeds of \$11.5 million through a bought deal private placement



# Q2 2020 Highlights

## Continuing Operations

Revenue	\$39.7M	+26.2%
Average Beds Serviced	41,754	+33.6%
Adjusted EBITDA	\$2.8M	+26.0%
Adjusted EBITDA Margin	7.1%	

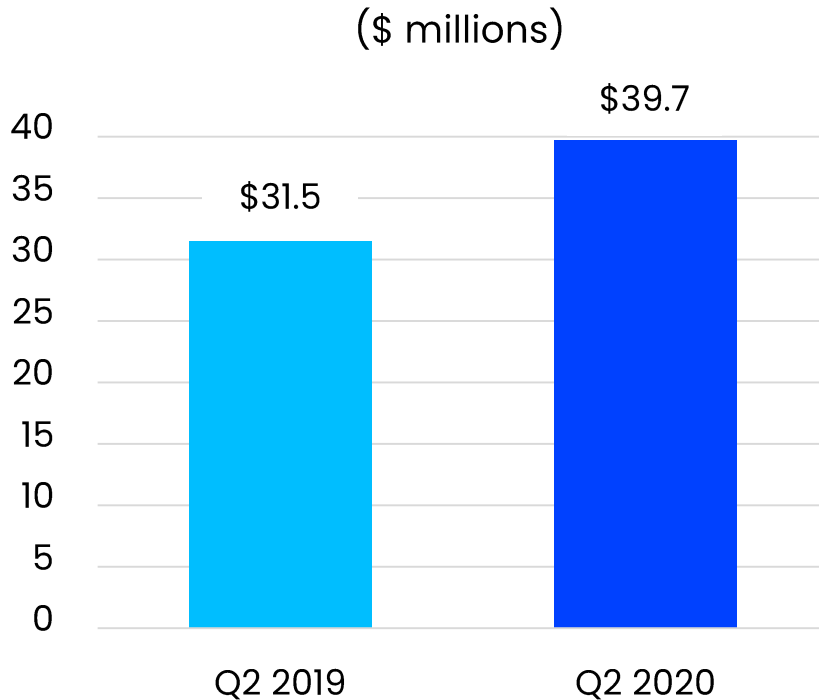
- Includes less than 2 months of contribution from the Remedy's business



# Andrew Mok

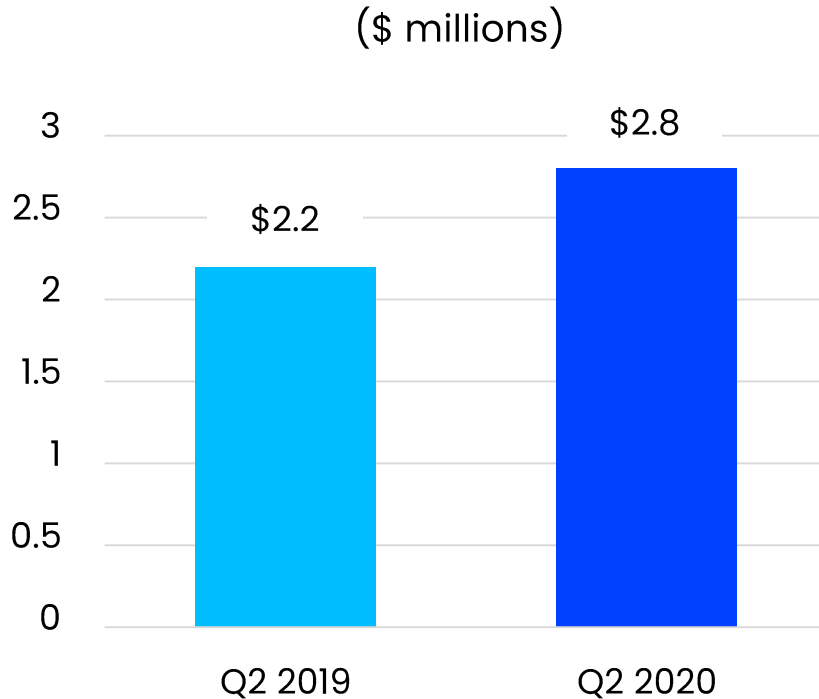
Chief Financial Officer

# Quarterly Results | Revenue



- Growth of 26.2%
- Includes less than 2 months of contribution from Remedy's
- Partially offset by the impact of the Ontario Drug Benefit Act ("ODBA") amendments

# Quarterly Results | Adjusted EBITDA



- Growth of 26.0% driven mostly by Remedy's acquisition
- Reduced corporate costs by 30.4%
- Impact of ODBA amendments reduced Adjusted EBITDA by \$0.4 million



# Special Warrants

Raised gross proceeds of \$11.5 million through a bought deal private placement of Special Warrants

- Closed on June 4, 2020
- Issued 57,500,000 Special Warrants, including full exercise of underwriters' over-allotment option
- Filed final prospectus on August 10, 2020

- Special Warrants converted into 2,875,000 Common Shares on August 13, 2020



# David Murphy

President & Chief Executive Officer

# Our Growing National Footprint

Beds serviced ~50,000

Seniors Homes >900

Monthly prescriptions >1,400,000

Geographies **Western Canada & Ontario**



# 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

# Outlook for 2020 / 2021

- Integration of Remedy's is underway
  - Portion of synergies to be realized this year
  - Expect full integration to be completed in the first half of 2021
- Growing organically
- Making strategic acquisitions





# Questions



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