



Q4 2019 Earnings Call

March 27, 2020

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 Centric Health'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 Centric Health 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 Centric Health will derive therefrom and neither Centric Health nor any other person assumes responsibility for the accuracy and completeness of any forward-looking information. Other than as specifically required by applicable laws, Centric Health 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.

David Murphy

President & Chief Executive Officer

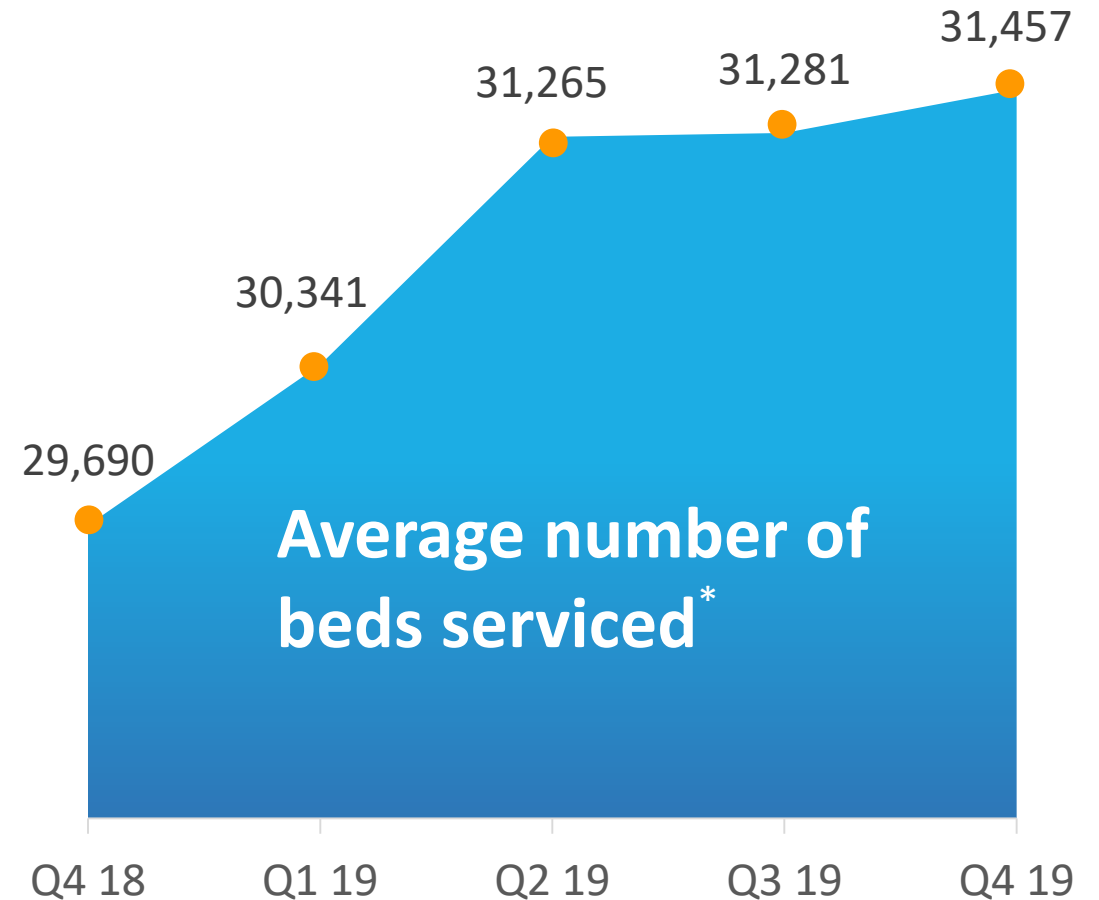
2019 Highlights

Specialty Pharmacy – Continuing Operations

	<u>4th Quarter</u>	<u>Full Year</u>
Revenue	+ 7.9%	+ 4.8%
Average Beds Serviced	+ 6.0%	+ 7.6%
Adjusted EBITDA	+ 86.7%	+ 62.7%
Adj. EBITDA Margin	12.3%	12.1%

Continued Growth in Number of Beds Serviced

In Q4 2019 we increased our average beds serviced by 1,767, or 6.0%, compared to Q4 2018



* Includes a restatement of previously reported numbers to reflect the impact of discontinued operations for retail pharmacies that were divested in 2019.

Strengthened our Balance Sheet

FY 2019 aggregate
gross proceeds of
\$86.8 million

- Divestiture of non-core assets
- Private placement equity raises



Continued, Successful Execution

In the fourth quarter:

- Closed the sale of the Surgical and Medical Centres division for gross proceeds of \$35.0 million
- Completed a private placement on for gross proceeds of \$35.2 million

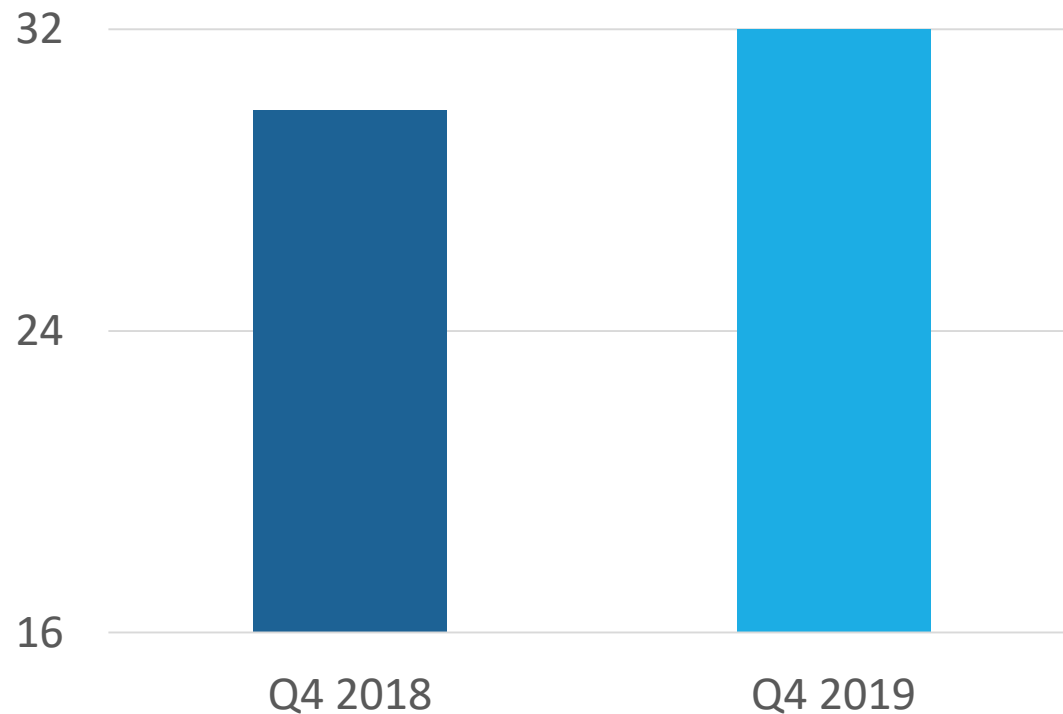
Strengthened Centric Health's ability to lead the market consolidation

Andrew Mok

Chief Financial Officer

Specialty Pharmacy Quarterly Results

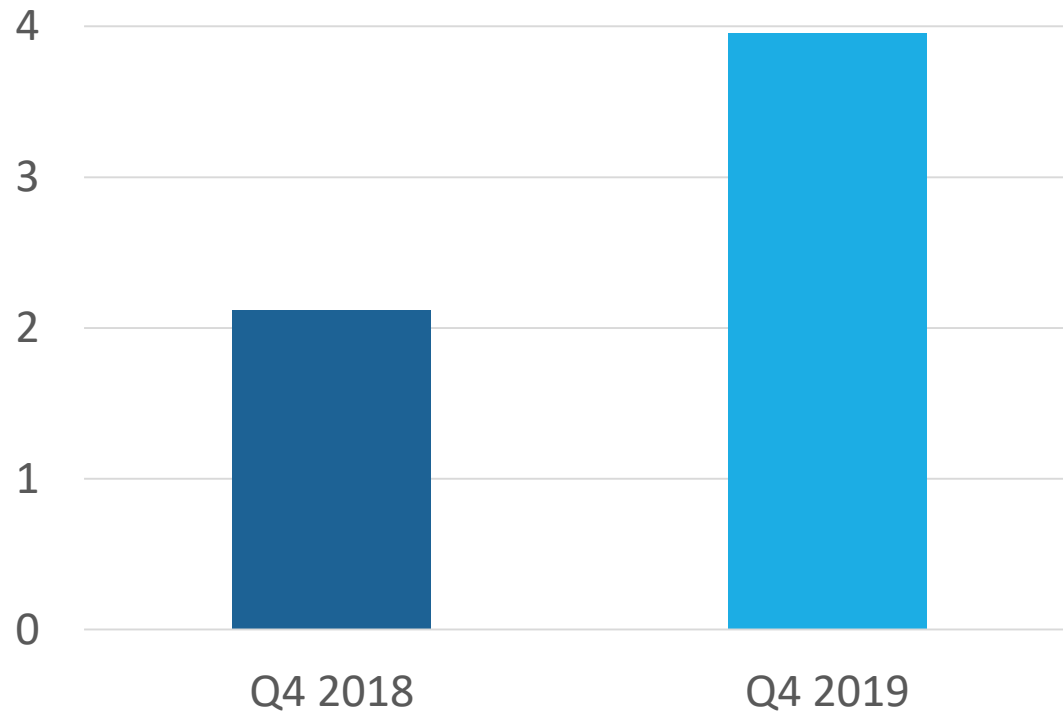
Revenue (\$ millions)



- Revenue of \$32.2 million in Q4 2019
- Up 7.9% from \$29.9 million in Q4 2018
- Driven by continued growth in the average number of beds serviced

Specialty Pharmacy Quarterly Results

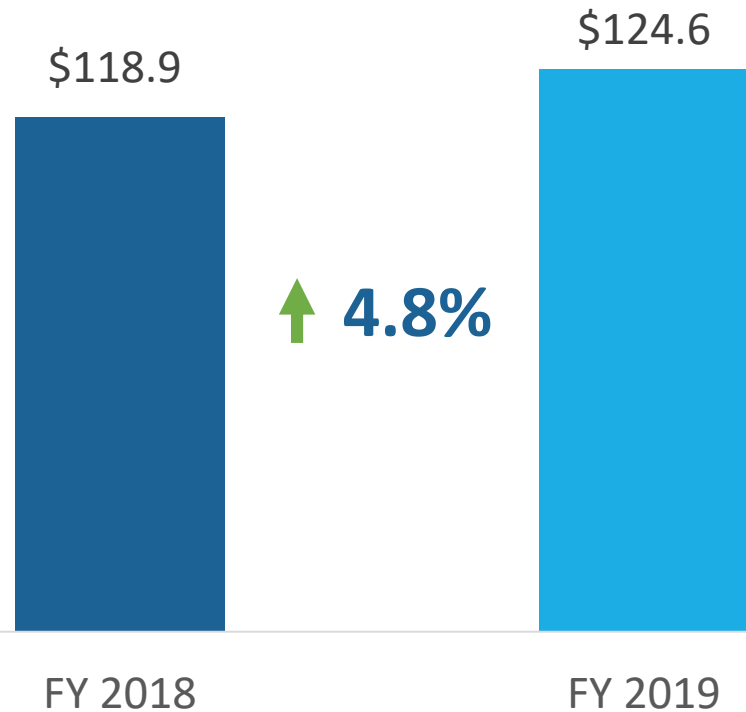
Adjusted EBITDA (\$ millions)



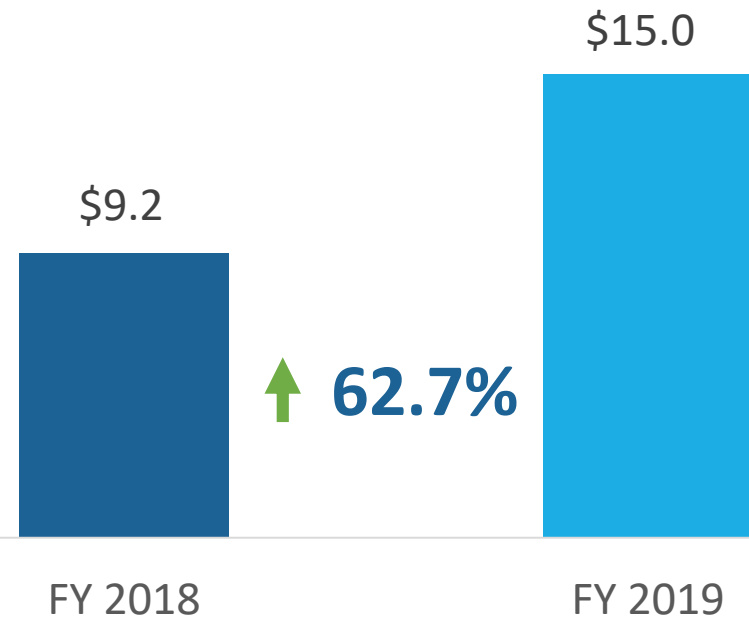
- Adjusted EBITDA of \$4.0 million
- Up 86.7% from Q4 2018
- Adjusted EBITDA Margin = 12.3% vs 7.1% in Q4 2018

Specialty Pharmacy Full Year Results

Revenue (\$ millions)



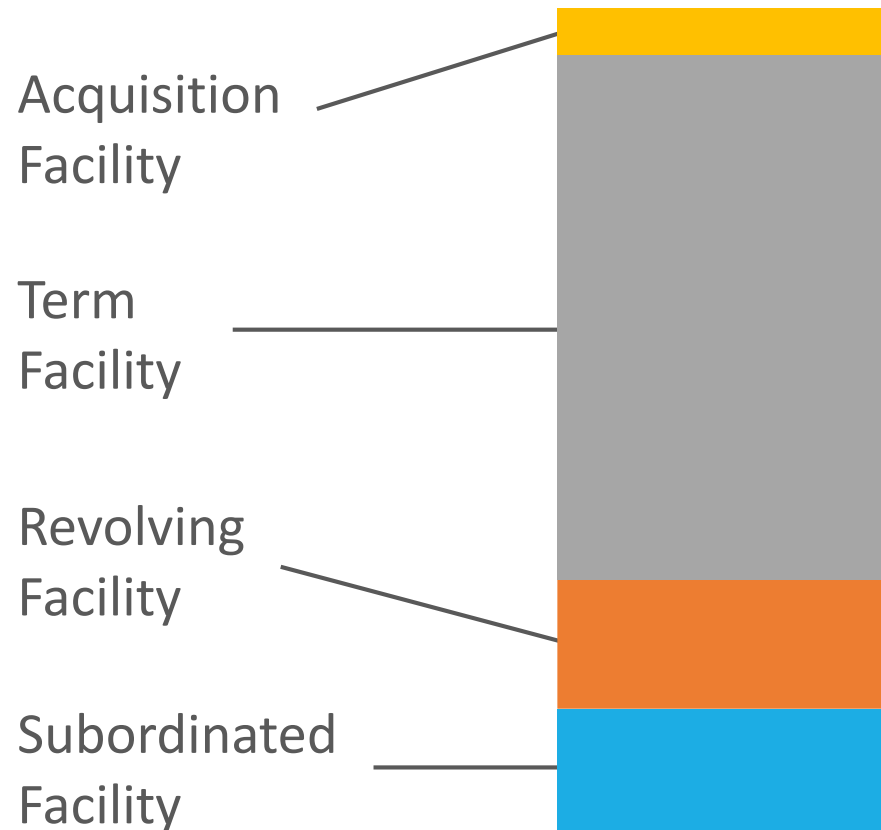
Adjusted EBITDA (\$ millions)



Total Bank Debt

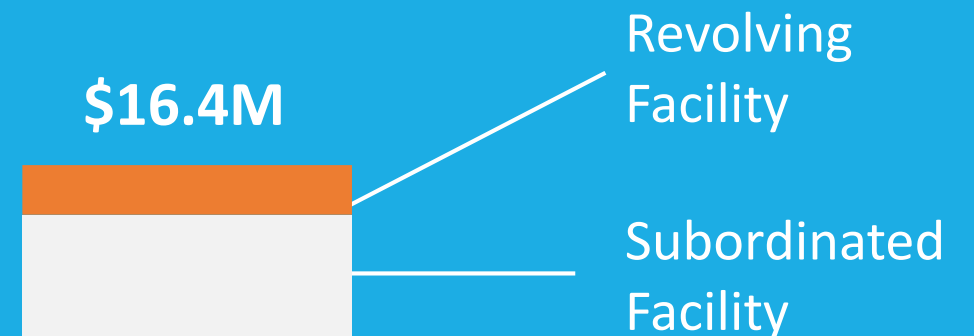
September 30, 2019

\$77.7M



December 31, 2019

\$16.4M



David Murphy

President & Chief Executive Officer

 **Centric Health**



Remedy'sRx
Specialty Pharmacy

**Becoming
Canada's
largest
specialty
pharmacy**

Acquisition of Remedy'sRx

- Signed definitive agreement on March 23rd for the acquisition of Remedy Holdings Inc. and the Remedy'sRx Specialty Pharmacy Business
- Purchase price of \$39.0 million
 - Potential earn-out of up to \$5.0 million based on certain performance thresholds being met on the first two anniversaries of closing
- Expected to close in Q2 2020

Remedy'sRx[®]
Specialty Pharmacy



A Look at the Combined Business



Combined Business



Beds Serviced	~31,500
Geography	Western Canada & Ontario
Revenue	\$125mm



Beds Serviced	~50,000
Geography	Western Canada & Ontario
Revenue	\$185mm



Beds Serviced	~18,500
Geography	Western Canada & Ontario
Revenue	\$60mm



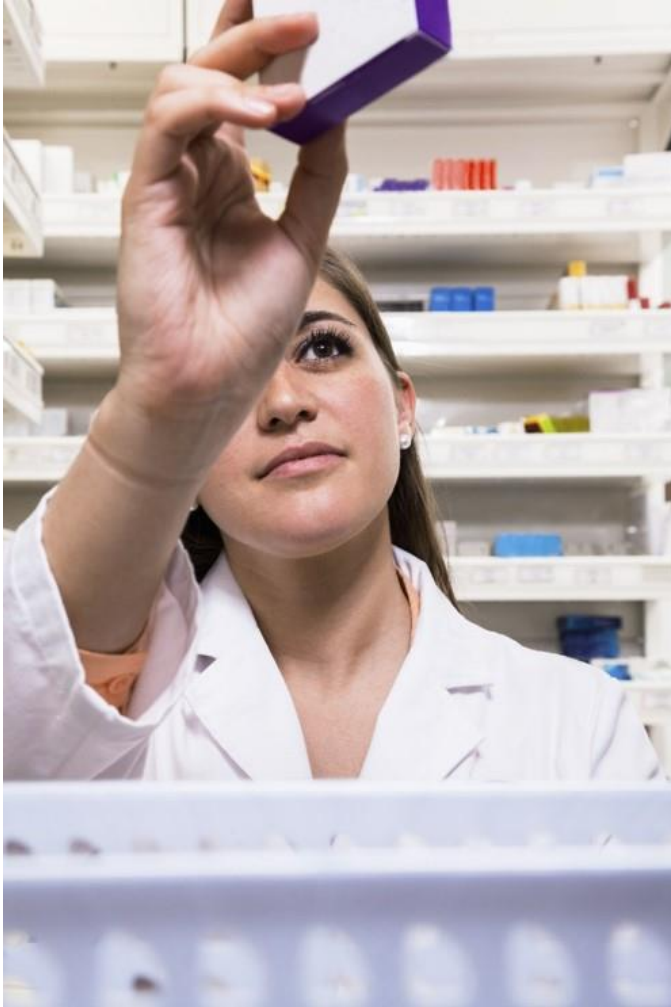
Canada's largest specialty pharmacy, well positioned to further strengthen market position

Compelling Transaction Rationale

- Creates largest Canadian specialty pharmacy business, best positioned to capitalize on industry dynamics that present near-term opportunities to capture market share
- Highly complementary organizations with significant opportunity to implement best practices and create highly efficient, best-in-class service capabilities
- Ability to realize material synergies and long-term value creation as a result of overlapping geographies and increased scale



Our Vital Role During the COVID-19 Pandemic



- Pharmacy is an essential service – our sites remain fully operational
- Ensuring the safe and timely delivery of medications to seniors in the homes we service
- Working with suppliers and home operator partners to minimize disruptions

Questions?

