



A VITAL LINK IN HEALTHCARE

INVESTOR PRESENTATION
August 2020



Cautionary Note Regarding Forward-Looking Information

This presentation contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking information”) within the meaning of applicable securities laws. Forward-looking information may relate to our future financial outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, plans and objectives. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “budget”, “scheduled”, “estimates”, “outlook”, “forecasts”, “projection”, “prospects”, “strategy”, “intends”, “anticipates”, “does not anticipate”, “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances. This forward-looking information and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Certain assumptions in respect of our ability to execute our growth strategies; our ability to retain key personnel; our ability to maintain and expand geographic scope; our ability to obtain financing on acceptable terms; interest rates; the impact of competition; the changes and trends in our industry or the global economy; and the changes in laws, rules, regulations, and global standards are material factors made in preparing forward-looking information and management’s expectations.

When relying on forward-looking statements to make decisions, we caution readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not the times at or by which such performance or results will be achieved. For further details on the forward-looking information included in this presentation, see “Cautionary Note Regarding Forward-Looking Information” in the prospectus. A number of factors could cause actual results to differ, possibly materially, from the results discussed in the forward-looking statements. Prospective investors should carefully consider the risk factors described in Andlauer Healthcare Group’s Annual Information Form (“AIF”) dated March 12, 2020, and the Company’s most recent MD&A, before making an investment decision. The Company’s AIF and most recent MD&A are filed on SEDAR and posted on the Company’s website.

Certain statements included in this presentation may be considered a “financial outlook” for purposes of applicable Canadian securities laws, and as such, the financial outlook may not be appropriate for purposes other than this presentation. All forward-looking information in this presentation is made as of the date hereof. Except as expressly required by applicable law, we assume no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. All of the forward-looking information contained in this presentation is expressly qualified by the foregoing cautionary statements.

Non-IFRS Measures and Industry Metrics

This presentation makes reference to non-IFRS measures, including “EBITDA” and “EBITDA Margin”. These non-IFRS measures do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. They are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Our management will also use non-IFRS measures and in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. Please refer to the Company’s most recent MD&A for further discussion of these non-IFRS financial measures and for a reconciliation to comparable IFRS measures, including net income and comprehensive income.

Market and Industry Data

This presentation includes market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information as well as industry data prepared by management on the basis of its knowledge of the healthcare logistics and transportation services industry in which we will operate (including management’s estimates and assumptions relating to the industry based on that knowledge). Management’s knowledge of the healthcare logistics and transportation services industry has been developed through its experience and participation in the industry. Management believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness of this data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurances as to the accuracy or completeness of included information. Although management believes it to be reliable, we have not independently verified any of the data from management or third-party sources referred to in this presentation, or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

Capital Market Profile

/ IPO: December 2019 / TSX: “AND”

/ SVS market capitalization: \$535 million ³

/ Total market capitalization: \$1.61 billion ^{3 4}

/ Subordinate Voting Shares (“SVS”): 12.5 million

/ 52-week high / low: \$43.01 / \$18.00

/ Multiple Voting Shares (“MVS”): 25.1 million ¹

/ IPO issue price: \$15.00 ²

/ Quarterly dividend: \$0.05 / share (\$0.20 annualized)

/ Recent share price: \$42.83 ³

/ Dividend yield: ~ 0.5% ³

ANALYST COVERAGE



Capital
Markets



**NATIONAL
BANK**
FINANCIAL MARKETS



Scotiabank

STIFEL | **GMP**

1. MVS are 100% owned by Andlauer Management Group
2. As at December 11, 2019
3. As at August 18, 2020
4. Includes SVS and MVS

Company Overview

WHO ARE WE

- / **Leading and growing** supply chain management company with a platform of customized logistics and specialized transportation solutions for the healthcare sector
- / Four **competitive strengths** that span our platform and are designed for healthcare customers' needs:
 - Temperature management
 - Regulatory compliance and quality assurance
 - Supply chain visibility
 - Security
- / Compelling financial attributes:
 - Compound annual revenue growth of **~9%** since 2010
 - **~30%** revenue growth since 2016 and average annual EBITDA margin of **~23.5%** from 2016-2019
- / Focused, multi-pronged growth strategy

WE OPERATE A PLATFORM OF RELATED BUSINESSES...



















...FOCUSED ON A RANGE OF HEALTHCARE END MARKETS



Investment Highlights

- 1** **Leading Provider of Essential Healthcare Supply Chain Services**
- 2** **Coast-to-Coast, Closed-Loop Network Supported by Specialized Infrastructure**
- 3** **Technology Supporting a Comprehensive Service Platform**
- 4** **Partner of Choice for Leading Companies in the Healthcare Industry**
- 5** **Strong Financial Performance**
- 6** **Experienced Management Team Aligned with Shareholders and Strong Employee Culture**

Leading Provider of Essential Healthcare Supply Chain Services

	 Logistics & Distribution	 Packaging Solutions	 Ground Transportation	 Air Freight Forwarding	 Dedicated and Last Mile Delivery
Description	Client & customer integration, managed transportation, inventory management, secured warehousing, distribution & fulfillment	Co-packing / re-packing, assembly / custom work, design & supply, secondary Rx packaging	Blend of owner-operated and employee drivers, pick-up and delivery, courier, LTL, preferred carrier	Guaranteed contracted space, airport to airport furtherance, dedicated staff	Last mile shipments to pharmacies and veterinarian clinics, pharmacy home-delivery service
Contract	Typically 3 – 5 master service agreements, including quality agreements	Combination of contracts and project-based	Fee for service, often with quality agreements	Fee for service, often with quality agreements	Typically 3 – 5 year contracts
Primary Client	Pharmaceutical Manufacturers	Pharmaceutical Manufacturers	Third-Party Logistics Providers Wholesalers and Distributors Pharmaceutical Manufacturers	Third-Party Logistics Providers Wholesalers and Distributors Pharmaceutical Manufacturers	Wholesalers Distributors Pharmacies
Geography	Canada-wide	Canada-wide	Canada-wide	Canada-wide	Canada-wide (Home delivery in Winnipeg only)
% of 2019 Revenue⁽¹⁾	28%	7%	54%	6%	5%
Brands	 	 	 	 	  

(1) % of 2019 revenue prior to intersegment revenue eliminations

Coast-to-Coast, Closed-Loop Network Supported by Specialized Infrastructure



NATIONAL INFRASTRUCTURE



- / Nation-wide coverage with 29 leased facilities and five third-party cross-docks⁽¹⁾
- / ~2 million sq.ft. of operating space⁽¹⁾
- / GMP-licensed and temperature mapped distribution facilities



TEMPERATURE MANAGEMENT

- / Dedicated facilities
- / Specialized vehicles
- / Customized packaging



QUALITY ASSURANCE

- / Highly regulated environment
- / Significant GMP and GUI-0069 experience
- / Long-standing relationships



SUPPLY CHAIN VISIBILITY

- / Proprietary IT systems
- / Reporting and regulatory compliance
- / Purpose built monitoring system



SECURITY

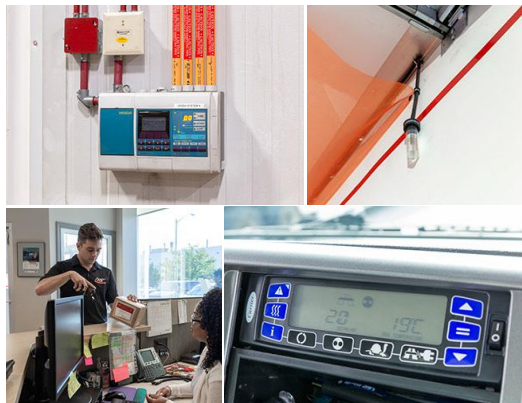
- / Specialized management protocol for high value and controlled products
- / Health Canada compliant vaults

(1) Square footage excludes five cross-docks

Technology Supporting a Comprehensive Service Platform

- / AHG's systems enable end-to-end monitoring, offer complete supply chain visibility and are integrated with those of our clients and end customers

FLEET-INTEGRATED HARDWARE



PROPRIETARY INFORMATION SYSTEMS

Order Management



- / Purchase order module
- / Sales order module
- / Accounts receivable module
- / Inventory control module
- / Reports

Operating System



- / Manage all shipments
- / Scanning, tracing, rating and reporting
- / Temperature monitoring data and shipment status

FULL VISIBILITY REPORTING



Partner of Choice for Leading Companies in the Healthcare Industry

LONGSTANDING RELATIONSHIPS WITH MAJOR INDUSTRY PROVIDERS

Strong client retention with an **average client relationship across the top 20 clients by revenue of 15+ years**

SELECT CLIENT RELATIONSHIPS

Pharmaceutical Manufacturers



Wholesalers and Distributors

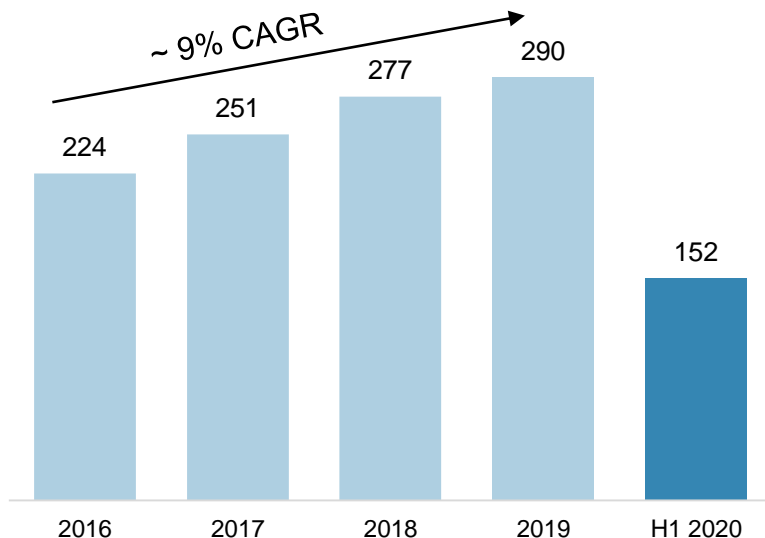


Third-Party Logistics Players

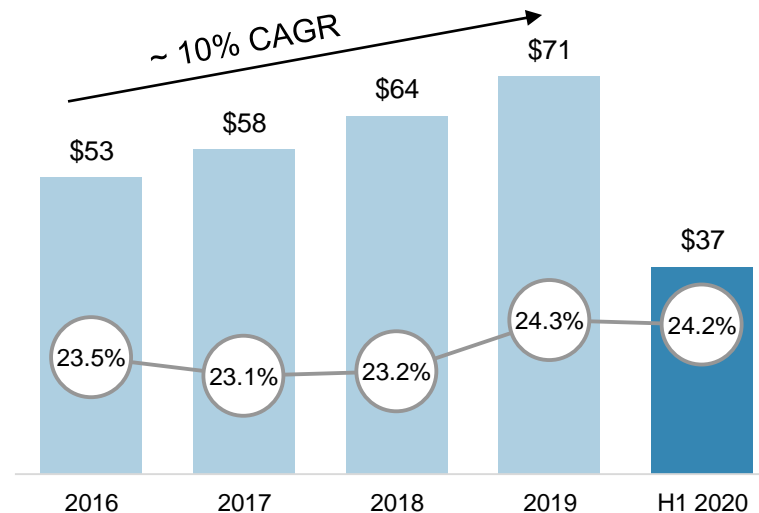


Strong Financial Performance

/ Revenue (\$ millions)



/ EBITDA (\$ millions)⁽¹⁾ and EBITDA Margin (%)






(1) Defined as net income (loss) and comprehensive income (loss) for the period before: (i) income tax (recovery) expense; (ii) interest income; (iii) interest expense; and (iv) depreciation and amortization

Experienced Management Team Aligned with Shareholders and Strong Employee Culture

- / Experienced management team with vast industry knowledge and a proven track record
- / 150 combined years working in the logistics, transportation and healthcare industries
- / CEO, through AMG, holds 67% interest, ensuring strong alignment with shareholders

EXPERIENCED MANAGEMENT TEAM

		Industry Experience	Tenure	Prior Company Experience
	Michael Andlauer Chief Executive Officer	35	28	
	Peter Bromley Chief Financial Officer and Corporate Secretary	25	1	
	Bob Brogan President, Specialty Solutions	35	18	
	Reg Sheen President, Logistics	25	5	
	Stephen Barr President, Transportation	30	10	

STRONG EMPLOYEE CULTURE



Transparency



Accountability



Excellence

Employee culture has driven the Company forward as an **industry leader in the provision of high-quality healthcare logistics and transportation services**





Financial Review

Specialized fleet with monitored temperature management

Q2 2020 Financial Review

- / Slight overall revenue decline reflects: accelerated purchasing behaviour of clients' customers in Q1 2020 in response to COVID-19; the temporary reduction in capacity in AHG packaging facilities due to social distancing measures; and the cancellation of certain healthcare activities such as elective surgical procedures and closures of clinics which use certain products of AHG's clients.

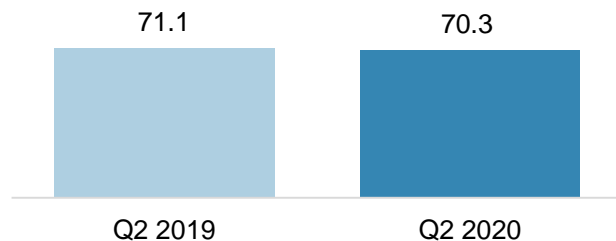
(In 000's, except percentages)	Three months ended June 30, 2020	Three months ended June 30, 2019	Year over Year Change
Revenue			
Logistics and Distribution	\$21,660	\$22,393	(3.3%)
Packaging	3,851	5,299	(27.3%)
Ground Transportation	39,504	40,932	(3.5%)
Air Freight Forwarding	5,390	4,559	18.2%
Dedicated and Last Mile Delivery	6,192	4,164	48.7%
Less: Intersegment Eliminations	(6,344)	(6,200)	2.3%
Total Revenue	\$70,253	\$71,147	(1.3%)



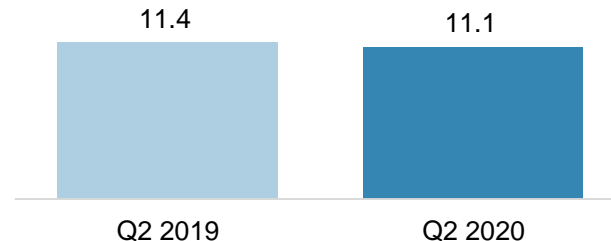
Q2 2020 Financial Review

/ EBITDA and EBITDA margin remain strong

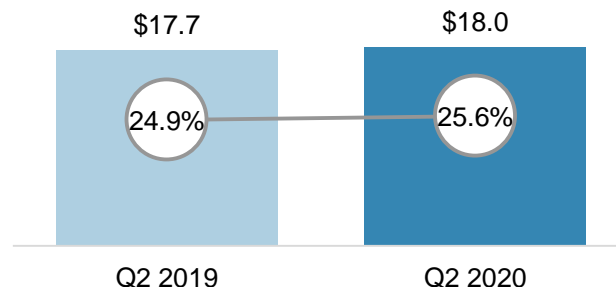
REVENUE (\$ millions)



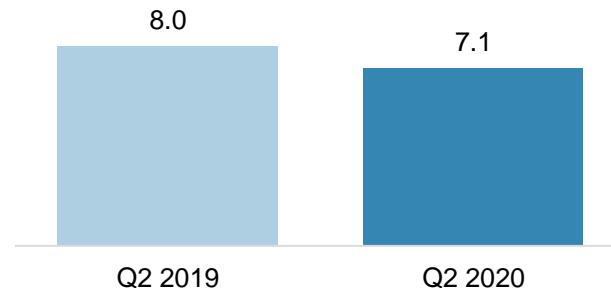
OPERATING INCOME (\$ millions)



EBITDA (\$ millions)⁽¹⁾ & MARGIN (%)



NET INCOME AND COMPREHENSIVE INCOME (\$ millions)



(1) Defined as net income (loss) and comprehensive income (loss) for the period before: (i) income tax (recovery) expense; (ii) interest income; (iii) interest expense; and (iv) depreciation and amortization.

First Half 2020 Financial Review

/ Solid improvements in revenue, operating income and EBITDA amid heightened economic volatility

(In 000's, except percentages)	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019	Year over Year Change
Revenue			
Logistics and Distribution	\$45,227	\$43,940	3.0%
Packaging	11,195	11,714	(4.4%)
Ground Transportation	85,833	81,746	5.0%
Air Freight Forwarding	10,655	9,572	11.3%
Dedicated and Last Mile Delivery	12,459	7,846	58.8%
Less: Intersegment Eliminations	(13,466)	(12,275)	9.7%
Total Revenue	\$151,903	\$142,543	6.6%
Operating expenses	(128,410)	(120,217)	6.8%
Operating income	\$23,493	\$22,326	5.2%
Net income and comprehensive income	\$15,249	\$15,507	(1.7%)
EBITDA⁽¹⁾	\$36,758	\$34,953	5.2%
EBITDA Margin	24.2%	24.5%	(30 bps)

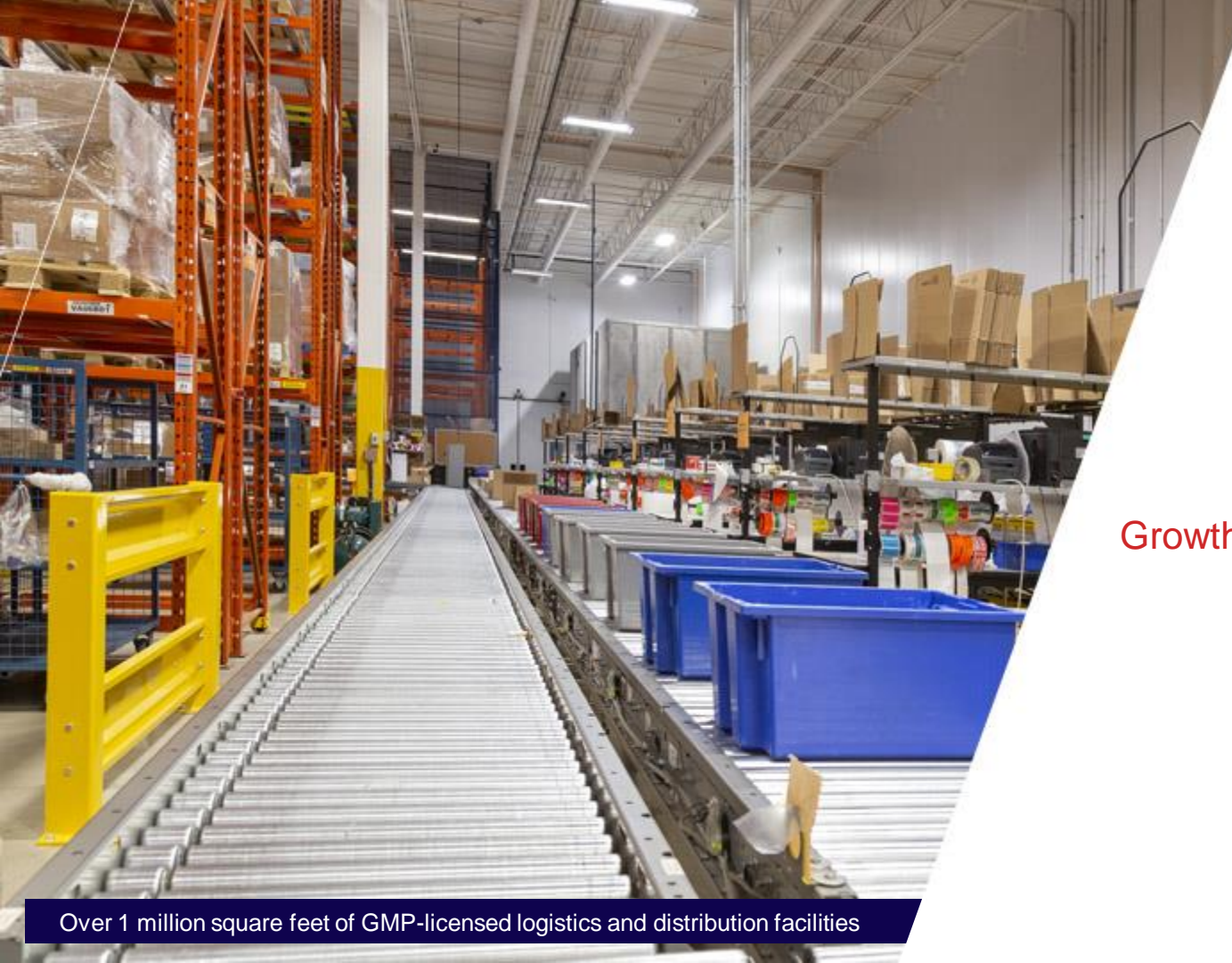
(1) Defined as net income (loss) and comprehensive income (loss) for the period before: (i) income tax (recovery) expense; (ii) interest income; (iii) interest expense; and (iv) depreciation and amortization

Strong Balance Sheet

/ Balance sheet capitalized for growth and dividend payments

(in \$000s)	As at June 30, 2020	As at December 31, 2019
Cash and cash equivalents	\$39,231	\$18,712
Total Assets	\$227,835	\$212,995
Debt		
Revolving credit facility	-	3,929
Term loan	24,611	24,555
Lease liabilities	98,869	88,713
Due to related parties	-	335
Total Debt	\$123,480	\$117,532
Total Liabilities	\$153,671	\$151,490
Total Equity	\$74,164	\$61,505
Debt / LTM EBITDA⁽¹⁾	1.7x	1.7x

(1) EBITDA defined as net income (loss) and comprehensive income (loss) for the period before: (i) income tax (recovery) expense; (ii) interest income; (iii) interest expense; and (iv) depreciation and amortization



Andlauer
HEALTHCARE GROUP

Growth Opportunities

Over 1 million square feet of GMP-licensed logistics and distribution facilities

Attractive Industry Fundamentals

/ We are well-positioned at the forefront of several accelerating market trends

TRENDS DRIVING INDUSTRY GROWTH



Aging Population and Increased Life Expectancy



Increasing Number of Healthcare and Adjacent Products with Unique Logistics Needs



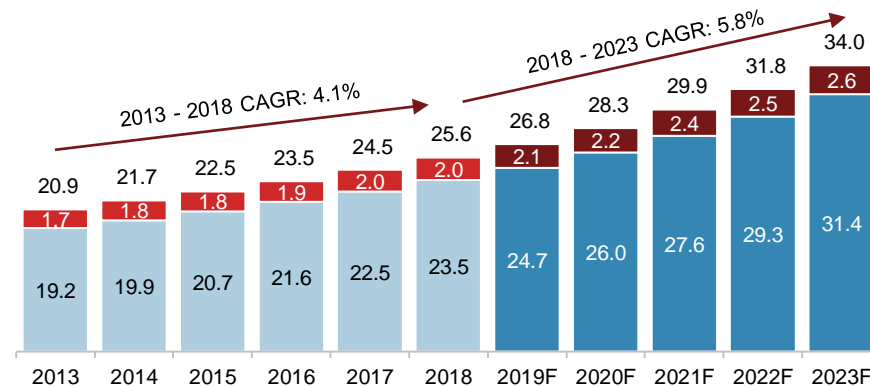
Increasing Industry Regulation



Increasing Demand for Distributed and Ancillary Healthcare Logistics Services

NORTH AMERICAN OUTSOURCED HEALTHCARE LOGISTICS AND TRANSPORTATION MARKET (US\$BN)⁽¹⁾

	Historical CAGR 2013 - 2018	Forecasted CAGR 2018 - 2023
Canada	3.6%	5.2%
U.S. & Mexico	4.2%	5.9%
North America	4.1%	5.8%



Spending on healthcare logistics and transportation has been outpacing GDP growth⁽²⁾ and is forecasted to accelerate

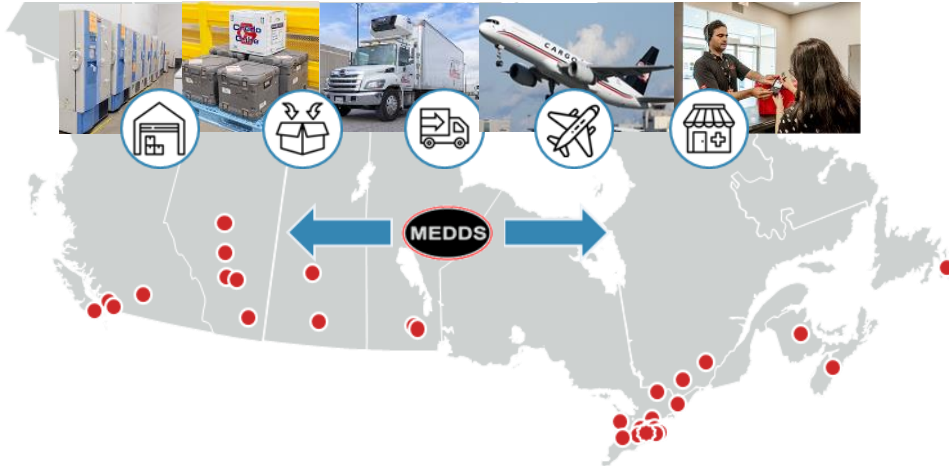
(1) Source: Healthcare Logistics Market in North America 2019 – 2023 report by Technavio dated October 2019.
 (2) Canadian GDP has grown at a CAGR of 1.7% between 2013 and 2019 per Statistics Canada, Table 36-10-0130-01
 / A Vital Link in Healthcare

Strengthen Healthcare Clients' Connection to our Growing Platform

/ Continued client education and increased regulatory oversight drives increased spending on AHG services

EXPANDING DEDICATED DELIVERY BUSINESS

- / Leverage our existing nation-wide network of facilities, dedicated equipment and client relationships
- / Expand on regional relationships with existing clients in new geographies and secure new client contracts



DEVELOPING NEW SERVICES

- / We are continuously developing new offerings that complement our existing logistics services offering



RA & QA Consulting



Destruction



Clinical Trial Logistics

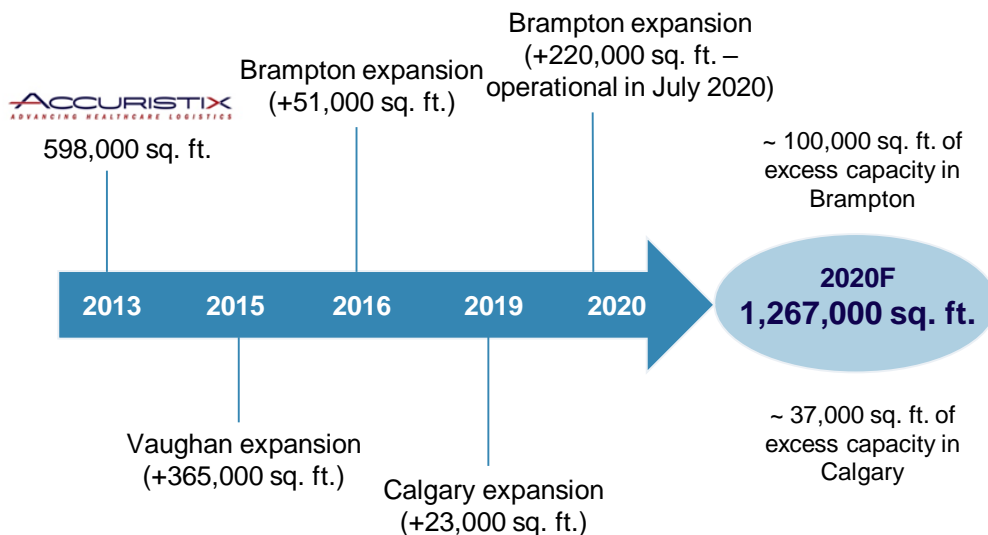


Medical Devices

Acquire New Clients and Expand Capacity

- / AHG has a history of securing new clients as a foundation for growth
- / Adding incremental square footage to serve new clients, while adding excess capacity through capital efficient leases
- / Management is focusing on a number of new opportunities and markets

RECENT & EXPECTED ACCURISTIX DISTRIBUTION CENTRE CAPACITY ^{1 2}



(1) Reflects net new additions from facility openings and closures

(2) Does not include new Winnipeg facility in 2014 (10k sq.ft.) and new Vancouver facility in 2017 (10k sq.ft.)

GROWTH FROM NEW AND EXISTING CLIENTS

Market	Opportunities
Pharmaceuticals	/ Clients re-evaluating their current service providers represent opportunities for new business
Medical Devices	/ Health Canada regulations becoming more stringent
Nutraceuticals	/ Health Canada regulations becoming more stringent
Medical Cannabis	/ Expanding market with more opportunities in the future

Expand and Strengthen Platform Through Healthcare-Related Acquisitions

/ Leveraging our core capabilities across a broader array of services to enhance our platform

STRATEGIC APPROACH TO M&A

/ Increasing scale by completing complementary tuck-in acquisitions



Packaging Solutions



**Temperature-Controlled
Transportation**

/ Accelerating expansion in growing verticals and gaining expertise in new verticals and geographies



**Quality Assurance
Consulting**



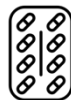
Clinical Trials



Destruction



**Geographical
Expansion**



**Primary
Packaging**



**Customs
Brokerage**



**International Freight
Forwarding**



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Appendix

Directors	Principal Occupation
Rona Ambrose ^{1 2 3}	Former leader of the Conservative Party of Canada. Former minister across nine Canadian government departments, including federal Health Minister.
Michael Andlauer	CEO of Andlauer Healthcare Group. Founder, President and CEO of Andlauer Management Group Inc.
Andrew Clark ^{1 2*} <i>Lead Director</i>	CEO of Park Lawn Corporation (TSX: PLC)
Peter Jelley <i>Chair</i>	President and CEO of Bulldog Capital Partners Inc. President and CEO of Trout River Capital Ltd. Formerly Head of Investment Banking at National Bank Financial Inc.
Cameron Joyce	President and CEO of Accuristix from 2009 to 2015. Chair of the Board of Directors of Accuristix from 2015 to 2019.
Joseph Schlett	Independent financial consultant with more than four decades of public accounting experience, including over 35 years with SB Partners LLP.
Evelyn Sutherland ^{1 2 3}	CFO of Staples Canada ULC
Thomas Wellner ^{1 3*}	President and CEO of Revera Inc.

¹ Independent director | ² Member of Compensation, Nominating & Governance Committee | ³ Member of the Audit Committee | * Denotes Committee Chair

A Highly Regulated Environment

- / Regulation and security requirements are increasing in both Canada and abroad

AHG'S KEY COMPANY COMPLIANCE STATUTES, REGULATIONS AND GUIDELINES

- / Health Canada's Good Manufacturing Practices Guide for Drug Products (GUI-0001)
- / Health Canada's Guidance on Drug Establishment Licenses and Associated Fees (GUI-0002)
- / Health Canada's Guidelines for Environmental Control of Drugs During Storage and Transportation (GUI-0069)
- / Health Canada's Guidance Document on the Import Requirements for Health Products Under the Food and Drugs Act and its Regulations (GUI-0084)
- / Health Canada's Guidelines for Active Pharmaceutical Ingredients (GUI-0104)
- / Health Canada's Guidance Documents for Medical Devices
- / Health Canada's Guidance Documents for Natural and Non-Prescription Health Products
- / Food and Drugs Act and its regulations, including the Food and Drug Regulations and Natural Health Product Regulations
- / Cannabis Act and its regulations
- / Controlled Drugs and Substances Act and its regulations, including the Precursor Control Regulations and the Narcotic Control Regulations

