Neighbourly Pharmacy

A Community Pharmacy That Cares.

Financial Results for the Third Quarter 2022

February 15, 2022

Disclaimer

This presentation is dated February 15, 2022, and has been prepared in connection with the earnings reporting for the period ending January 1, 2022 of Neighbourly Pharmacy Inc. ("the "Company", "Neighbourly", "us" or "we").

Forward Looking Statements

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 results and may include information regarding our financial position, business strategy, growth strategies, financial results, taxes, dividend policy, plans, and objectives. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "expects", "estimates", "outlook", "forecasts", "projection", "prospects", "intends", "anticipates", "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".

Forward-looking information in this presentation includes, among other things, statements relating to the acceleration of our growth, the pursuit of additional acquisition opportunities, the payment of dividends, same-store sales improvements and the expected impacts of the ongoing COVID-19 pandemic on our results of operation.

This forward-looking information and other forward-looking information are based on the Company's opinions, estimates, and assumptions in light of its experience and perception of historical trends, current conditions, and expected future developments, as well as other factors that the Company currently believes 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.

Forward-looking information is necessarily based on a number of opinions, estimates, and assumptions that the Company considered appropriate and reasonable as of the date such statements are made in light of its experience and perception of historical trends, current conditions and expected future developments, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the risk factors set forth in the Company's Management's Discussion and Analysis for the twelve-weeks ended June 19, 2021 and under the heading "Risk Factors" in the final long form prospectus dated May 17, 2021 filed in connection with the IPO. If any of these risks or uncertainties materialize, or if the opinions, estimates, or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. The forward-looking information contained in this presentation represents the Company's expectations as of the date of this presentation(or as the date they are otherwise stated to be made), and are subject to change after such date. However, the Company disclaims any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events, or otherwise, except as required under applicable securities laws in Canada.

Non-IFRS Measures

This presentation makes reference to certain non-IFRS measures, such as Adjusted EBITDA, Pro-Forma Adjusted EBITDA, and Pro-Forma Revenue. These measures are not recognized under International Financial Reporting Standards ("IFRS") and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. These non-IFRS measures are used to provide readers 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 market participants frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures 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. See the "Appendix" of this presentation for reconciliations of Adjusted EBITDA, Pro-Forma Adjusted EBITDA, and Pro-Forma Revenue to the most directly comparable IFRS measures.

Key Performance Indicators

This presentation makes reference to certain key performance indicators, such as Same-store sales and corporate, general & administrative costs. We monitor key performance indicators to help us evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. These key performance indicators are also 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 industry metrics in the evaluation of issuers. Our key performance indicators may be calculated in a manner different than similar key performance indicators used by other companies

Presenters

Chris Gardner

Chief Executive Officer

Terri Smyth

Chief Financial Officer

Continued Trend of Improvement in Q3.22

+27%
Quarterly Revenue Improvement

+11%
Quarterly Adj. EBITDA[1] Improvement

41
Pharmacies Acquired Fiscal YTD[2]

(1) Non-IFRS measure. See "Non-IFRS Measures" in the Disclaimer.
(2) One pharmacy acquired subsequent to Q3.22.

Integration Efficiency, Acquisition Synergy

- Neighbourly continues to execute upon its acquisition and integration strategy - all 26 recently completed acquisitions were integrated within 24 hours of closing
- Expanded scale has created new synergies, including the consolidation of two locations and centralizing compounding within Alberta

Acquisition Criteria
Acquisition of community pharmacies that meet our **strict investment criteria**

Deal Sourcing
Nation-wide marketing initiatives, creating a **high level of awareness**

Closing
Transactions are frequently **completed within eight weeks** of signing an LOI

Integration
Fully integrated into our POS and procurement systems within **24 hours** of closing

Operation
Pharmacy operation with **minimal disruption to patients and staff**

Omicron: The Ongoing Impact of COVID-19

Revenue

- Persistent volatility in same-store metrics
- New prescription volumes remain approximately 15% below pre-pandemic levels

Staffing

- Staffing shortages due to illness, infections and exposures
- Additional pharmacy staffing required for absenteeism replacement and to accommodate accelerated timing of vaccination boosters
- Overall staff turnover has remained consistent to pre-pandemic levels

Omicron's impact is expected to persist through Q4.22

Serving our Communities

140,000+
COVID-19 Vaccinations

55,000+
Influenza Vaccinations

Neighbourly Pharmacy

Financial Highlights

Acquisitions Continue to Drive Revenue and EBITDA

$139.2M
Q3.22 Revenue
+27.3%

$14.5M
Q3.22 Adj. EBITDA[1]
+11.6%

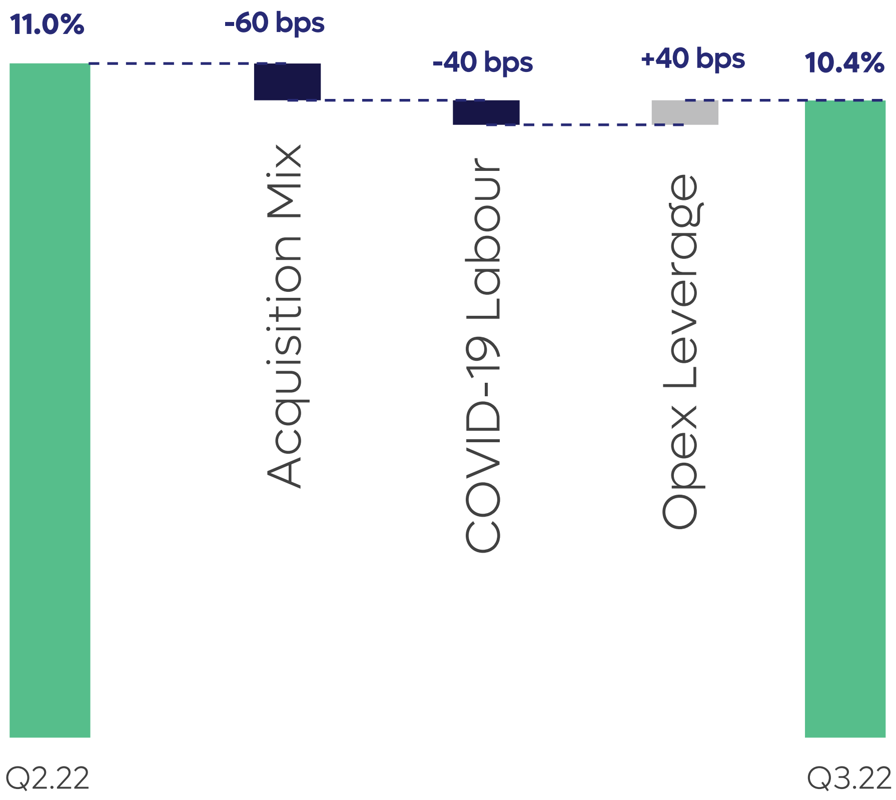
10.4%
Q3.22 Adj. EBITDA Margin[1]
11.9% in Q3.21 ; 11.0% in Q2.22

- Strong results driven by additions to Neighbourly's network over the course of the last four quarters
- Revenue from these locations accounted for $21.9 million (73.5%) of Neighbourly's Q3.22 increase
- Adjusted EBITDA benefited from new locations and same store growth across the network, offset by incremental public company costs and a temporary increase in labour costs from Omicron related absenteeism

(1) Non-IFRS measure. See "Non-IFRS Measures" in the Disclaimer.

Factors Impacting Sequential Adj. EBITDA[1] Margin

Adj. EBITDA[1] Margin Comparison



Acquisition Mix

- Q3.22 includes a full quarter's contribution from **13 recently acquired clinical pharmacies** in Ontario with a greater mix of specialty and high-cost medication
- These locations **contribute similar absolute EBITDA, and lower EBITDA margins** due to their payor and pharmacy mix
- EBITDA **margin rates will vary based on the timing of acquisitions and the margin mix** of newly acquired locations

Incremental COVID-19 Related Labour Costs

- **Temporary increases** related to the impact of Omicron - illness and exposure created staffing shortages that were addressed through higher cost relief and additional staffing
- Labour intensive **COVID-19 vaccinations and the acceleration of boosters**

Opex Leverage

- Q3 is a seasonally strong sales quarter, providing **greater leverage against various fixed costs**

 (1) Non-IFRS measure. See "Non-IFRS Measures" in the Disclaimer.

Operating Metrics

Pharmacy is Our Foundation

2.3M

Q3.22 Total Prescription Count[1]

- +26.5% from Q3.21
- +2.7% same-store prescription growth from Q3.21

78.4%

Q3.22 Pharmacy Revenue Percentage

- 75.3% in Q3.21
- Consistency reflects strategy of patient-focused locations

(1) Prescription Count represents the sum of transactions processed pursuant to an order by a prescriber in a given time frame.

Operating Metrics

COVID-19 Related Same Store Volatility

2.2%

Q3.22 Same Store Sales[1] Growth

5.5%	0.4%	8.2%	1.2%
Q3.21	Q4.21	Q1.22	Q2.22

Historical

- Driven by measured normalization of consumer buying patterns
- Have now lapped higher "front shop" comparables
- Trailing eight-quarter average of 3.5%

2.7%

Q3.22 Same Store Rx Count[2] Growth

3.1%	-0.8%	-2.1%	2.9%
Q3.21	Q4.21	Q1.22	Q2.22

Historical

- Growth of 4.0% when including Pharmacy Services (vaccinations/testing/other services)
- 30-day fill policy implemented in Q1.21, persisted through Q2.21
- New prescription volume negatively impacted by Omicron
- Trailing eight-quarter average of 2.7%

(1) Same-store sales represents sales from stores that were owned and operated by the Company for the entirety of both periods. Neighbourly calculates same-store sales using revenue determined in accordance with IFRS.

(2) Prescription Count represents the sum of transactions processed pursuant to an order by a prescriber in a given time frame (excludes Pharmacy Services such as vaccinations).

Neighbourly Pharmacy

Operating Metrics

Scalable Platform Provides Operating Leverage

3.9%

Q3.22

CG&A[1] as a Percentage of Revenue

6.3%	4.2%	4.3%	3.8%
FY2018	FY2019	FY2020	FY2021

Historical

- Increase from 3.6% in Q3.21 reflects inclusion of costs related to becoming a public company
- This metric is expected to improve over time as Neighbourly's scalable platform gains increased operating leverage

(1) Corporate, general & administrative costs represents costs incurred at the corporate level (as opposed to costs incurred at the store level) and is a component of Operating, general and administrative expenses..

Pro-Forma Capitalization

(In $ Millions)

	Third Quarter 2022	Acquisitions Completed Post Q3	Pro-Forma
Debt	$100.1		$100.1
Lease Liabilities	$52.4	$0.2	$52.6
Total Debt	**$152.4**		**$152.6**
Cash	*$40.1*	*($3.0)*	*$37.1*
Net Debt	**$112.3**		**$115.6**
Pro-Forma Adjusted EBITDA[1]			**$58.7**
Net Debt / Pro-Forma Adjusted EBITDA			**1.97x**

- Pro-Forma Adjusted EBITDA reflects inclusion of corporate costs from new locations, public company related costs, and acute but temporary COVID-19 related labour spend
- Balance Sheet remains well positioned to continue to fund acquisition strategy

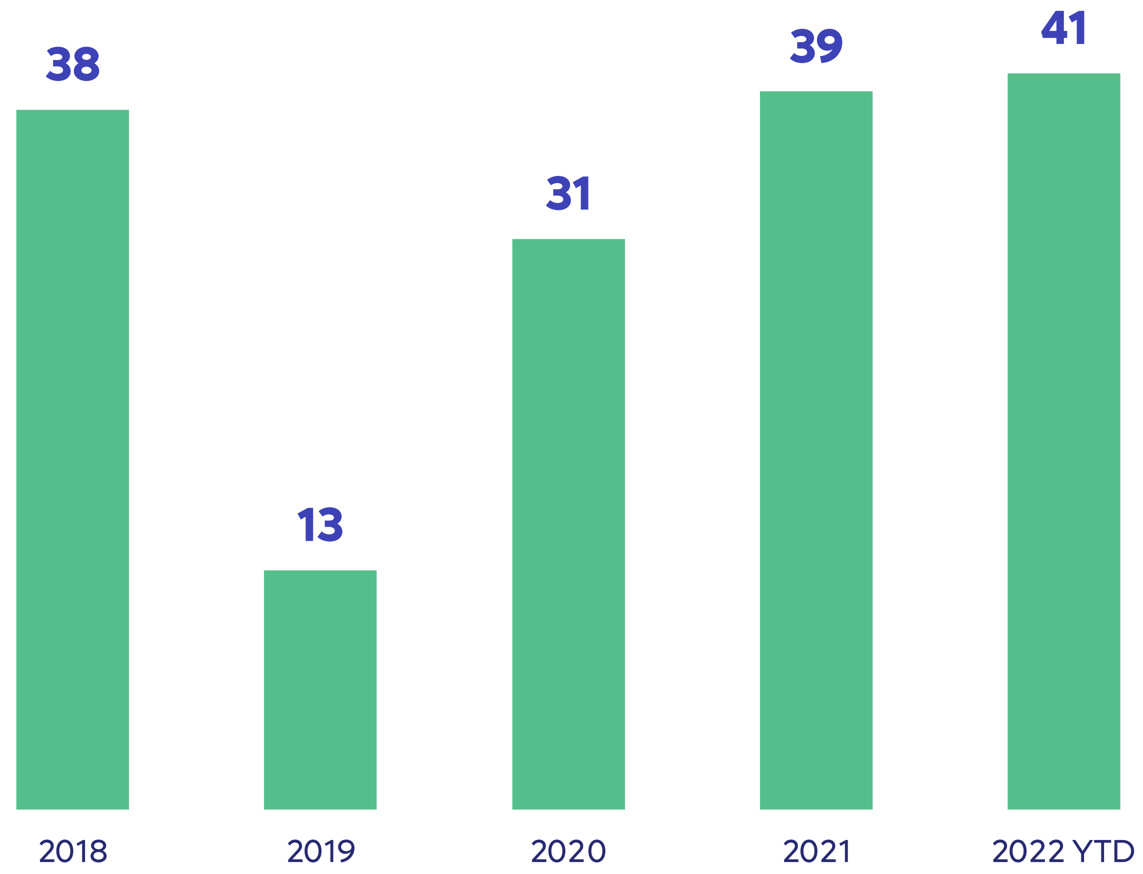
(1) Non-IFRS measure. See "Non-IFRS Measures" in the Disclaimer.

Robust Acquisition Pipeline

Acquisition Criteria

- Share Neighbourly's values
- Operate within smaller markets or established medical clinics
- Act as a significant healthcare provider for their community
- Derive the majority of their revenue from prescriptions
- Possess meaningful scale

Acquired Pharmacies by Fiscal Year



Neighbourly Pharmacy

A Community Pharmacy That Cares.

Contact:

investorrelations@nbly.ca

Neighbourly Pharmacy

A Community Pharmacy That Cares.

Appendix

Reconciliation of Adjusted EBITDA

The following table provides a reconciliation of loss and comprehensive loss to Adjusted EBITDA for the periods indicated:

	16 weeks ended		40 weeks ended		12 weeks ended
in 000's	2022	2021	2022	2021	2021
Loss and comprehensive loss for the period	-$652	-$111,954	-$80,980	-$120,786	$30,269
Income tax expense (recovery)	$863	$756	$4,890	$816	$1,775
Finance (income) costs, net	$2,652	$5,063	-$2,452	$10,216	$5,788
Fair value changes of financial liabilities	-	$110,855	$67,228	$118,339	-$37,934
Depreciation and amortization	$7,996	$5,730	$18,155	$13,335	$5,783
Impairment loss	$320	-	$343	-	$116
Acquisition, transaction and integration costs	$1,824	$2,466	$23,743	$4,068	$3,113
Share-based compensation	$1,467	$45	$3,663	$139	$47
Adjusted EBITDA	$14,470	$12,961	$34,590	$26,127	$8,957
Revenue	$139,180	$109,371	$315,192	$223,221	$83,273
Adjusted EBITDA margin	10.4%	11.9%	11.0%	11.7%	10.8%

Reconciliation of Pro-Forma Figures

in 000's

Pro-Forma Adjusted EBITDA

Adjusted EBITDA for the 40 weeks ended January 1, 2022	$34,590
Adjusted EBITDA for the 12 weeks ended March 27, 2021	$8,957
Incremental Adjusted EBITDA for new stores acquired after January 2, 2021 as if owned on January 2, 2021	$13,178
Incremental Adjusted EBITDA for stores acquired, or to be acquired on or after January 1, 2022 to date as if owned on January 2, 2021	$400
Adjustment for professional, other fees and COVID-related for the 40 weeks ended January 1, 2022	$498
Adjustment for professional, other fees and COVID-related for the 12 weeks ended March 27, 2021	$1,037
Pro-forma Adjusted EBITDA for the 52 weeks ended January 1, 2022	**$58,660**

Pro-Forma Revenue

Revenue for the 40 weeks ended January 1, 2022	$315,192
Revenue for the 12 weeks ended March 27, 2021	$83,273
Incremental Revenue for new stores acquired after January 2, 2021 as if owned on January 2, 2021	$87,754
Incremental Revenue for stores acquired, or to be acquired on or after January 1, 2022 to date as if owned on January 2, 2021	$2,034
Pro-forma Revenue for the 52 weeks ended January 1, 2022	**$488,253**