

The logo features a teal plus sign to the left of the company name.

DRIHEALTHCARE

The background of the banner contains several circular icons: a DNA helix, a plus sign, a syringe, a caduceus, and a pill.

ADVANCING SCIENCE

in the Fast-Growing Pharmaceutical and Biotechnology Sector

January 2023

Disclaimer

Certain statements made in this presentation, including responses to questions, may contain forward-looking statements within the meaning of the safe harbor provisions of Canadian provincial securities laws. Forward-looking statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements and actual results may differ materially from those expressed or implied in such statements.

For additional information about factors that may cause actual results to differ materially from expectations, and about material factors or assumptions applied in making forward-looking statements, please consult the MD&A, the Risk Factors section of the Annual Information Form and DRI Healthcare Trust's other filings with Canadian securities regulators. DRI Healthcare Trust does not undertake to update any forward-looking statements; such statements speak only as of the date made.

This presentation also makes reference to certain non-GAAP financial measures including Total Cash Receipts and certain non-GAAP ratios including Adjusted EBITDA Margin and Adjusted Cash Earnings per Unit. These measures and ratios are not standardized measures under IFRS and are therefore unlikely to be comparable to similar financial measures disclosed by other issuers. Rather, these measures and ratios are provided as additional information to complement those IFRS measures by providing further understanding of DRI Healthcare Trust's financial performance from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of financial information reported under IFRS.

All dollar figures in this presentation are stated in US dollars.

Low risk exposure to rapid biopharma growth

34-year¹

History

\$2.5B+

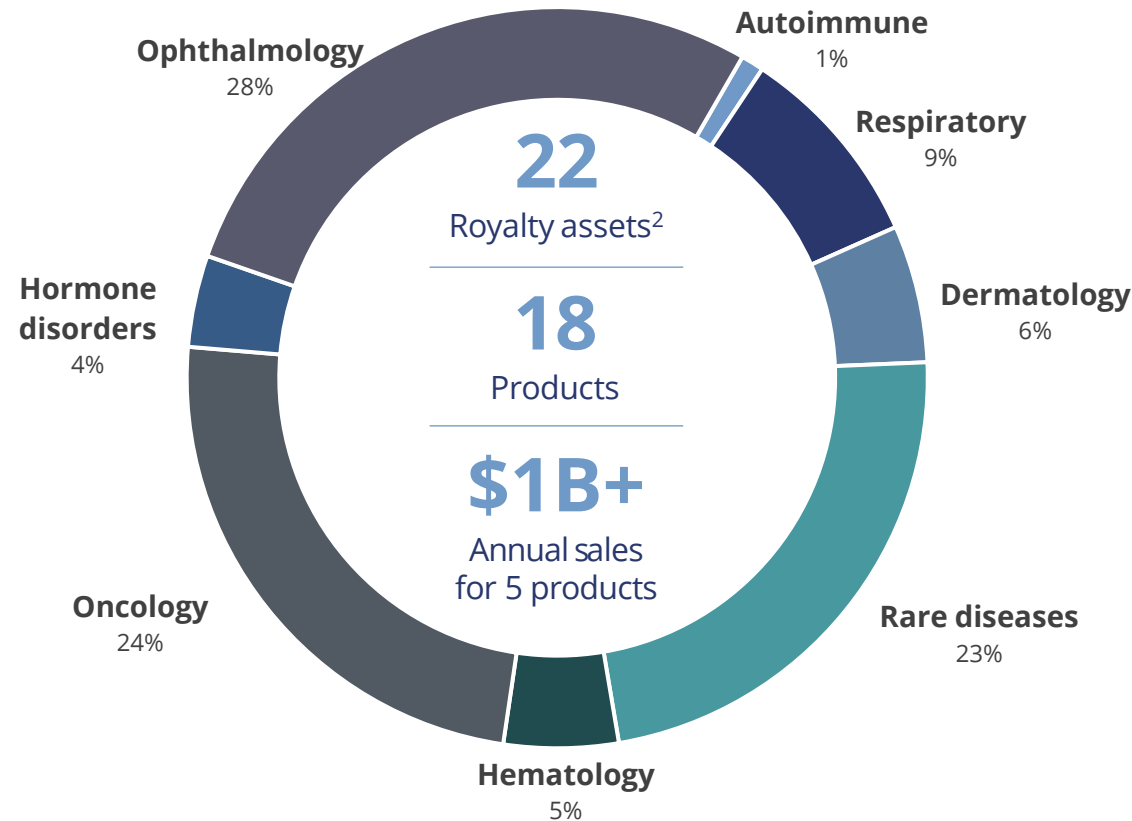
Capital deployed

68

Royalty acquisitions

6,500+

Royalty opportunities in
proprietary database



12 months ended September 30, 2022

\$93M

Total Income

\$87M

Adjusted EBITDA

86%

Adjusted EBITDA Margin

\$375M³

Capital deployed
since IPO

Diverse portfolio with large pharmaceutical company characteristics





A leading healthcare company focused on purchasing royalties on best-in-class therapeutics that treat serious medical conditions

1 Seasoned team of specialized investment professionals with life science backgrounds and advanced business and scientific degrees

2 Disciplined capital allocation to growth assets based on robust investment criteria that has resulted in 18% net IRRs over 16 years

3 Exceptional execution from a kind database tracking over 6,500 royalties on over 2,000 drugs with in depth research and diligence

Track record of delivering growth and value

Drug Royalty I 2006 – 2008	Drug Royalty II 2009 – 2013	Drug Royalty III 2013 – 2018	DHT 2021 - present
19 New Royalties valued at \$645M	27 New Royalties valued at \$730M¹	15 New Royalties valued at \$586M	8 New Royalties & 1 Loan valued at up to \$458M²
IRR 19%	IRR 18%	IRR 20%	Current Yield ³ >5%
			

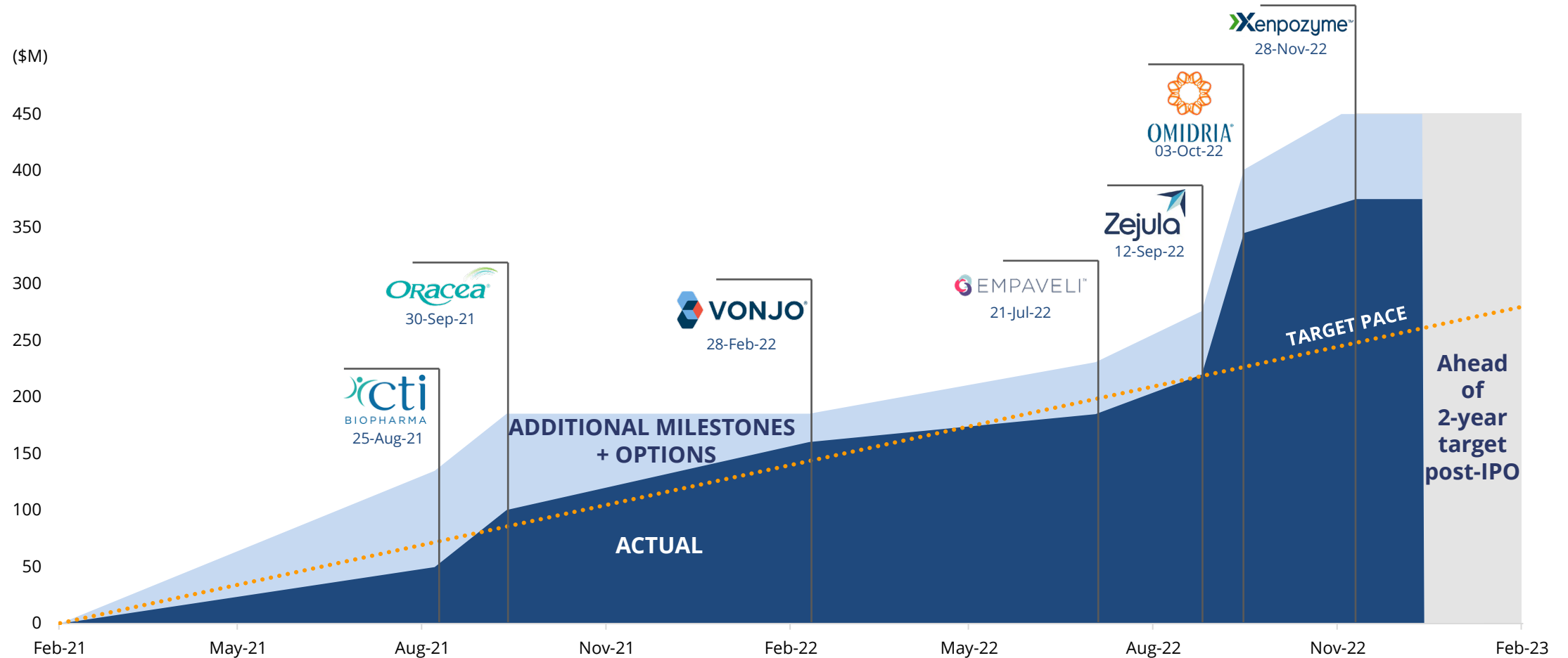
Consistent track record of efficient capital deployment at high returns

Delivering on our long-term strategy

	At IPO	Today	2025 target
Capital deployment	\$650 – 750 million over 5 years	\$375 million deployed + \$82.5 million in milestones and options	Exceed top end of initial target range
Sustainable cash generation	Declining cash curve due to expected asset expiries	Flat to slightly growing cash flows through till 2025 without any new deals	7% - 9% annual royalty receipt growth
Portfolio duration	8 years	>9 years	>10 years
Capital resources	IPO proceeds and debt capacity	Attractive credit facilities with compounding effect of cash flows	Expanded credit facilities with compounding effect of cash flows

Focus on building long-term and sustainable strategic growth

Current deployment exceeds targets

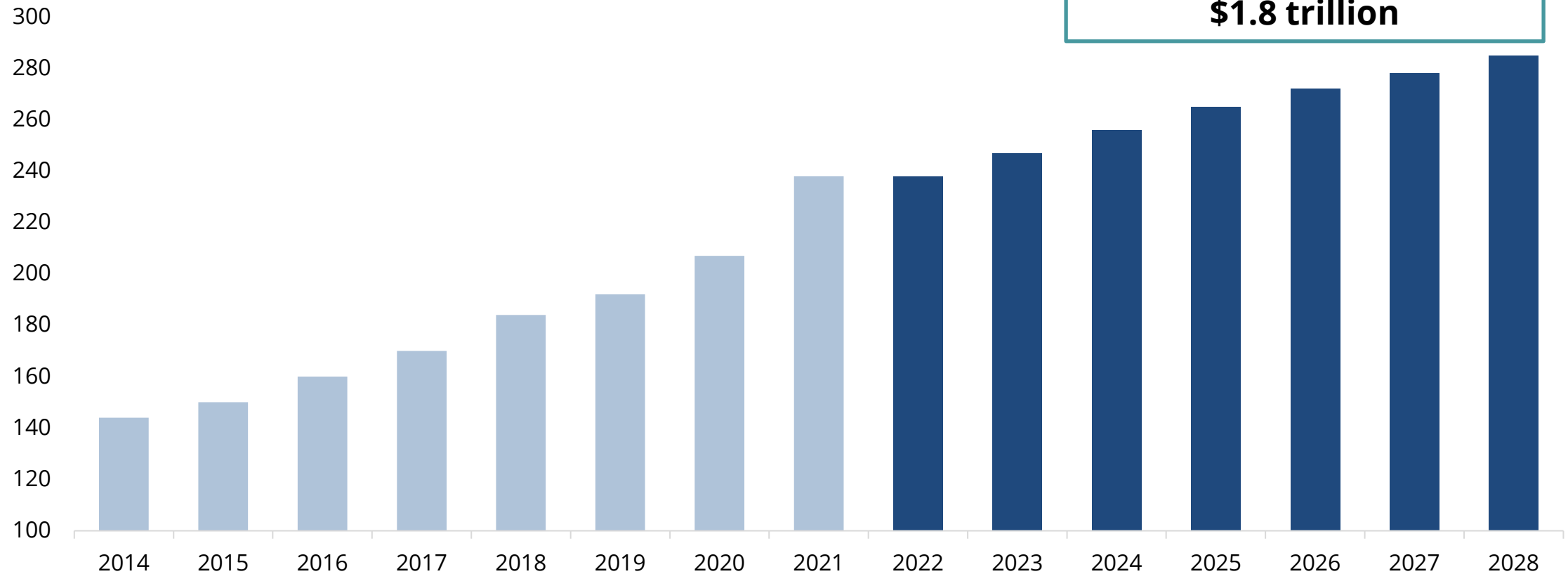


Successful execution of IPO strategy

Industry requires significant cash for R&D

Worldwide Total Pharmaceutical R&D Spend (\$B)¹

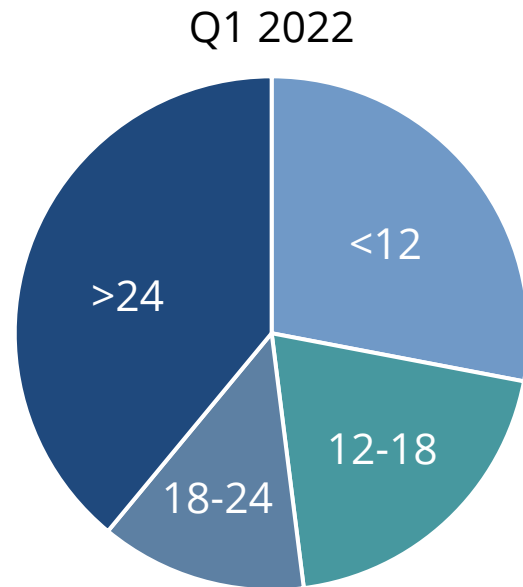
Total R&D spend 2021-2028
\$1.8 trillion



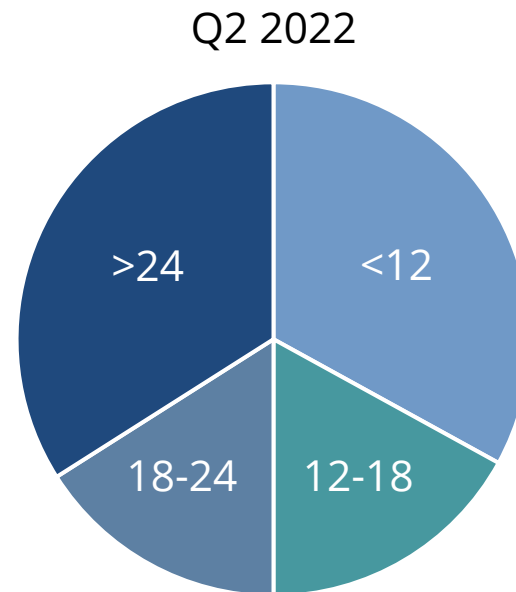
Expected annual R&D expenditure in excess of \$350B across the life sciences value chain²

Biotechs' limited cash reserves

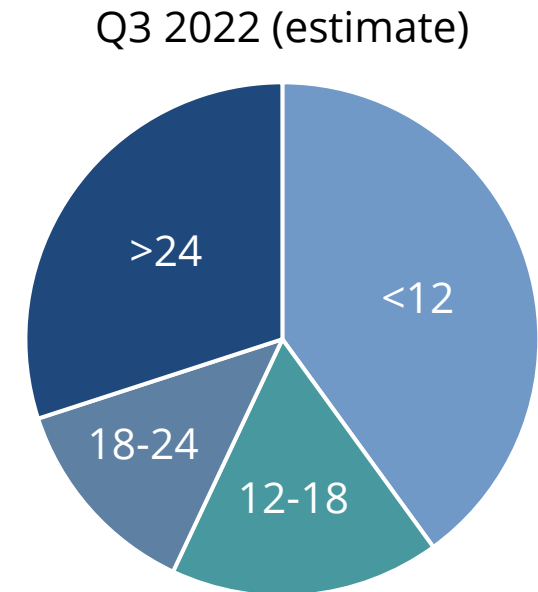
Cash Runway for Unprofitable Biotechs (months)



>24 months = 39%
<12 months = 28%



>24 months = 34%
<12 months = 33%



>24 months = 30%
<12 months = 40%

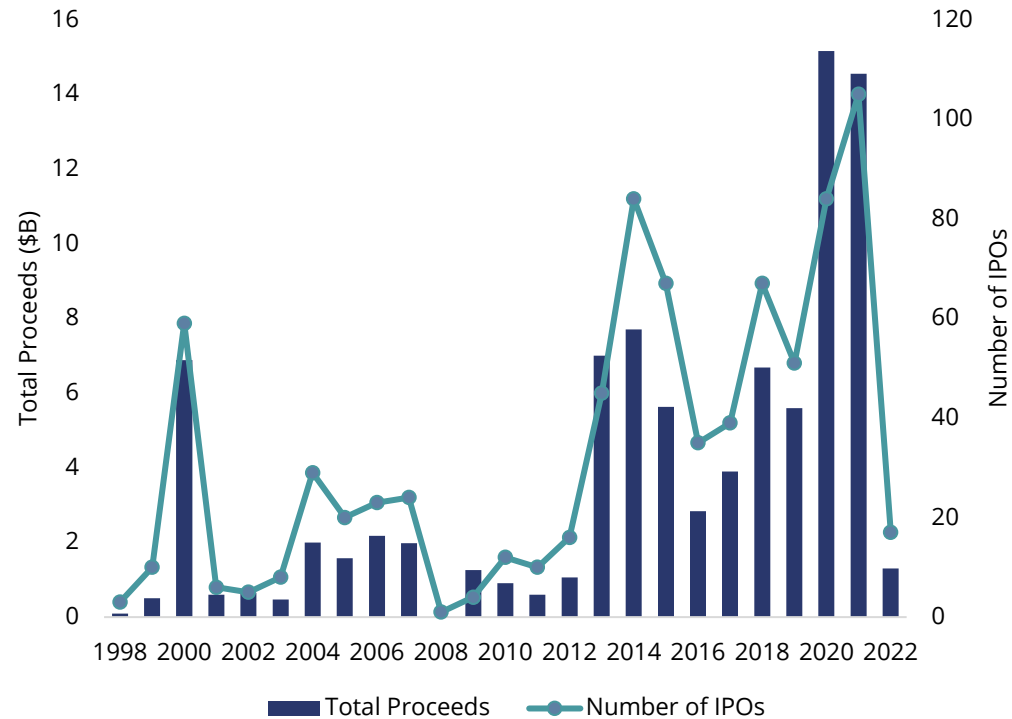
70% of unprofitable NASDAQ-listed biotechs are estimated to have <2 years of cash

Tightening cash reserves highlight need to seek royalty-based financing

Source: Biocentury, Biotech Recovery: Status – Delayed, October 2022

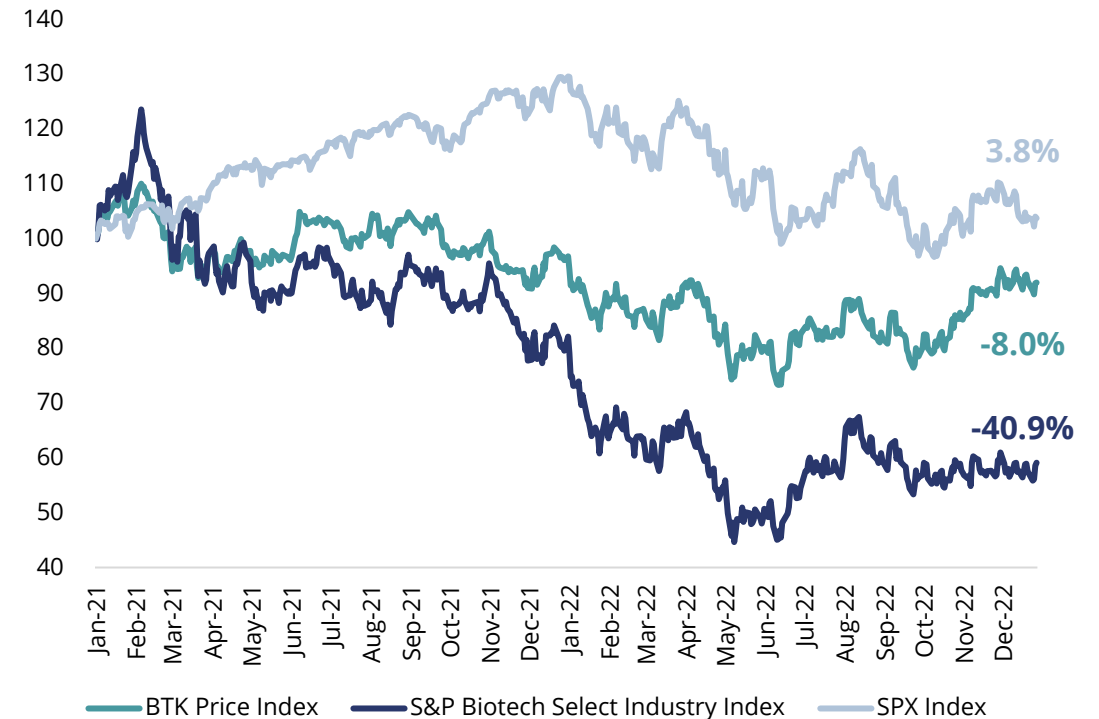
State of the biotech market

Biotech IPOs¹



**Rapid expansion of biotech market with
>500 IPOs in last 10 years**

Biotech Equities Performance²



Struggling equity capital markets for biotechs







Creates an environment where a large amount of capital is required, making DRI's royalty financing very attractive

Creating win-win deals for multiple counterparties



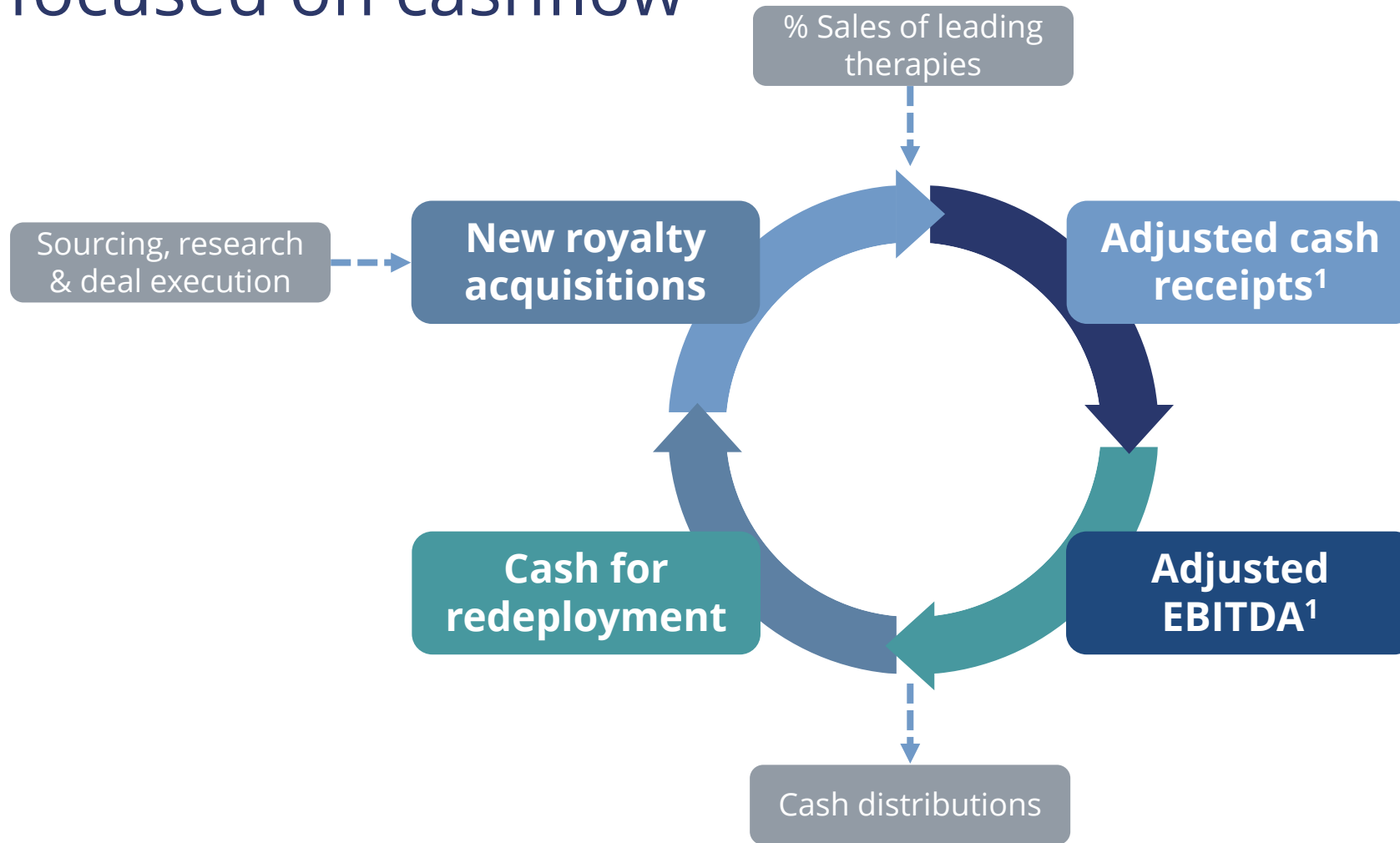
A proven and repeatable asset identification, selection and execution process

Proven track record of sourcing and closing accretive transactions

	Investment Thesis	Transaction Size
	High-quality oncology product with strong growth potential	\$110.0 million + \$25.0 million in potential milestones
	Dermatology product with existing commercial track record	\$50.5 million
	Hematology product with long-term horizon and attractive growth prospects	\$24.5 million + \$21.0 million option
	High-quality oncology product with multiple pipeline indications	\$35.0 million + \$10.0 million in potential milestone
	Structured transaction on established product providing cash accretion	\$125 million
	Only approved product for ASMD with strong IP and long duration	\$30.0 million + \$26.5 million in potential milestones

Completed six transactions since IPO totaling up to \$458 million, with \$375 million deployed to date

Sustainable and efficient business model focused on cashflow

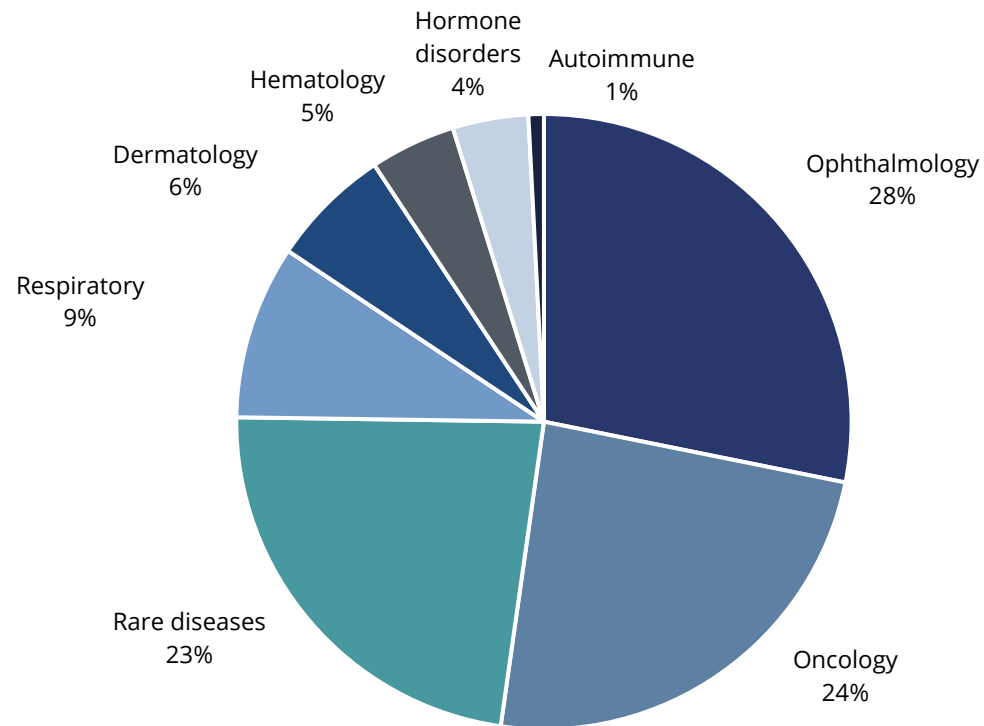


Diversified portfolio generates significant cash to deploy to new royalties and investors

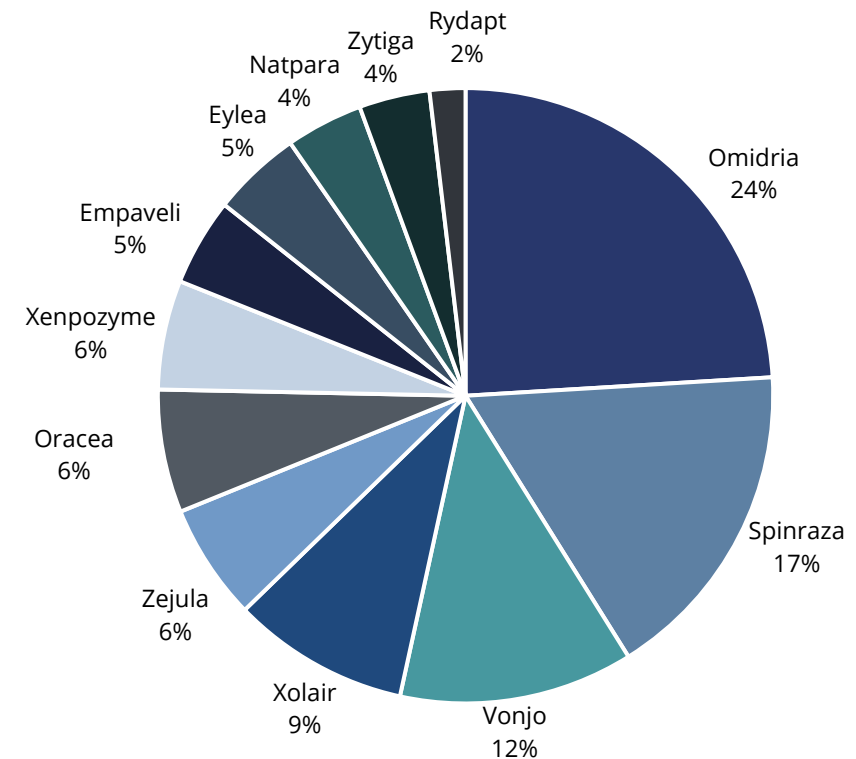
1. Adjusted EBITDA and Adjusted Cash Receipts are non-GAAP measures

Robust diversified portfolio

By Therapeutic Area¹



By Product¹



No individual product accounts for more than 24% of net book value

1. Based on net book value pro forma as at September 30, 2022

Last 12 months financial highlights

\$101 million

Total Cash Receipts¹

(Q3 2022 - \$19 million)

\$93 million

Total Income

(Q3 2022 - \$27 million)

\$87 million

Adjusted EBITDA¹

(Q3 2022 - \$16 million)

\$20 million

Net Earnings and Other
Comprehensive Earnings
(Q3 2022 - \$8 million)

\$1.90

Adjusted Cash Earnings per
Unit¹
(Q3 2022 - \$0.57)

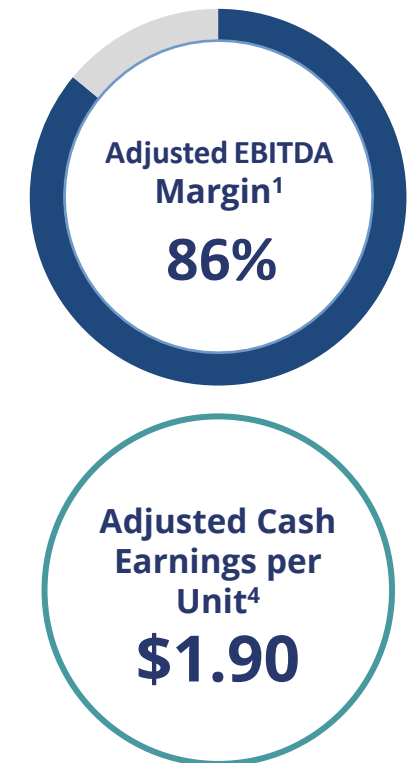
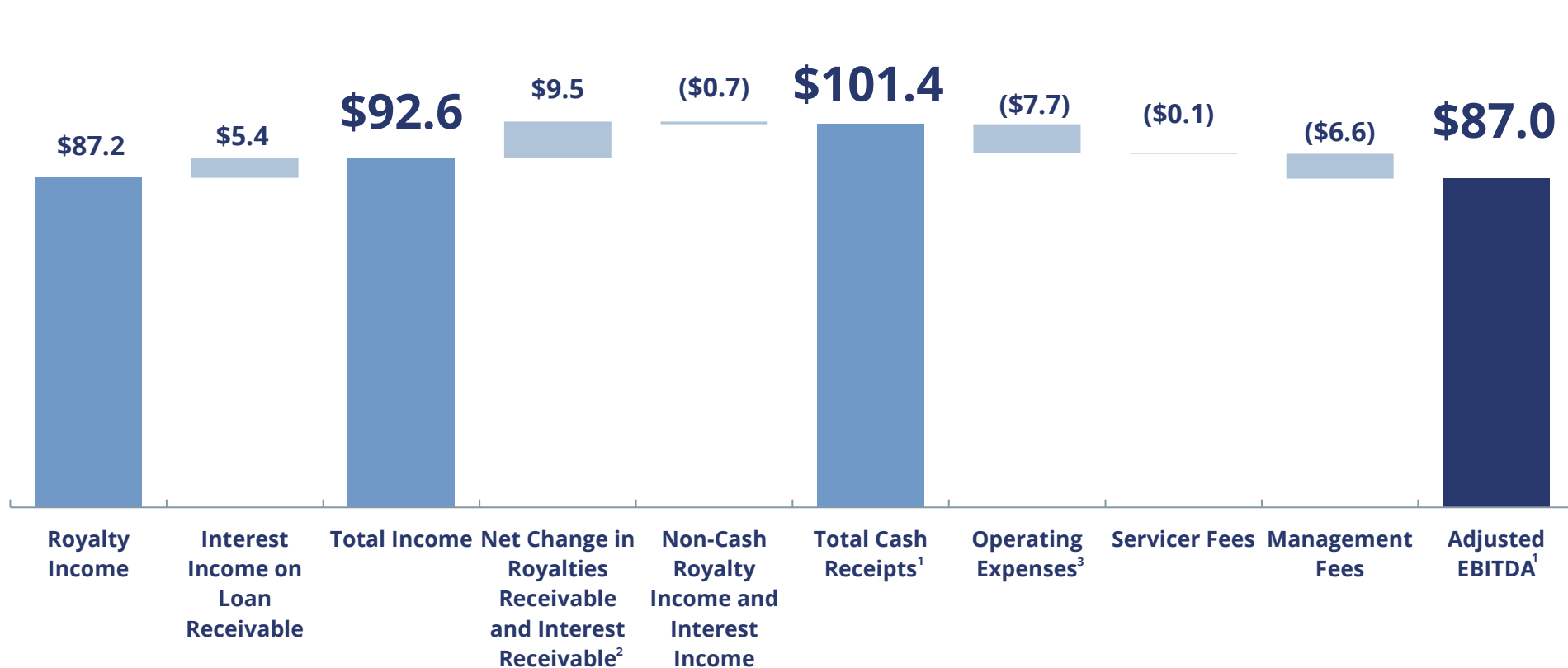
\$0.52

Distribution per unit
(Includes \$0.22 special distribution in
Q1 2022)

1. Total Cash Receipts and Adjusted EBITDA are non-GAAP measures and Adjusted EBITDA Margin and Adjusted Cash Earnings per Unit are non-GAAP ratios.

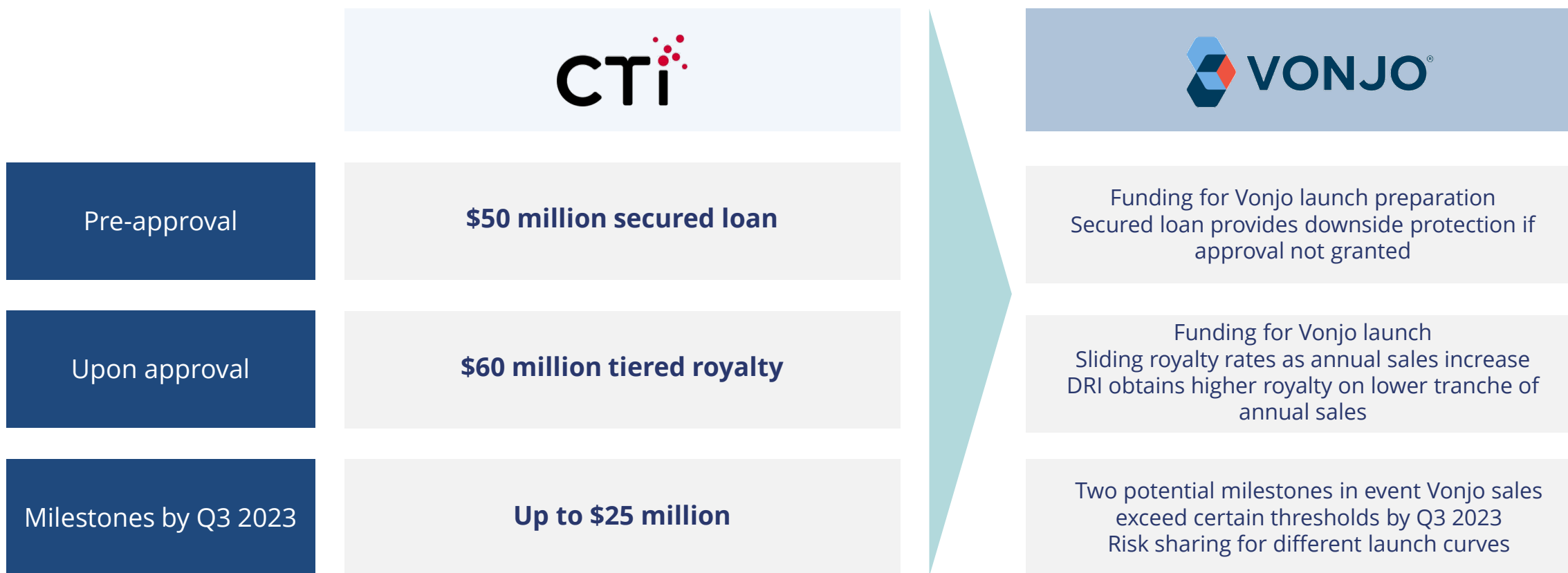
Strong cash generation

Adjusted EBITDA for the Last Twelve Months Ended September 30, 2022 (\$M)¹



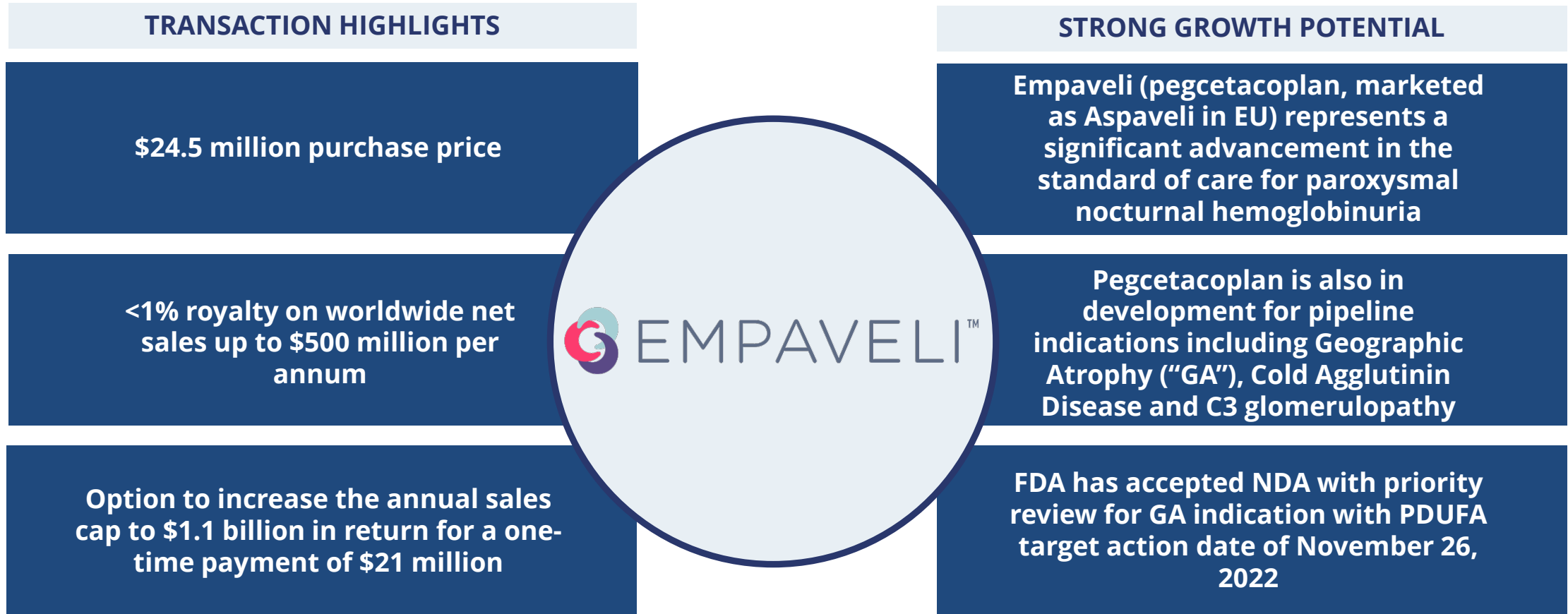
Cash available to drive portfolio growth and maintain distributions to unitholders

Deal structure case study: CTI Biopharma / Vonjo



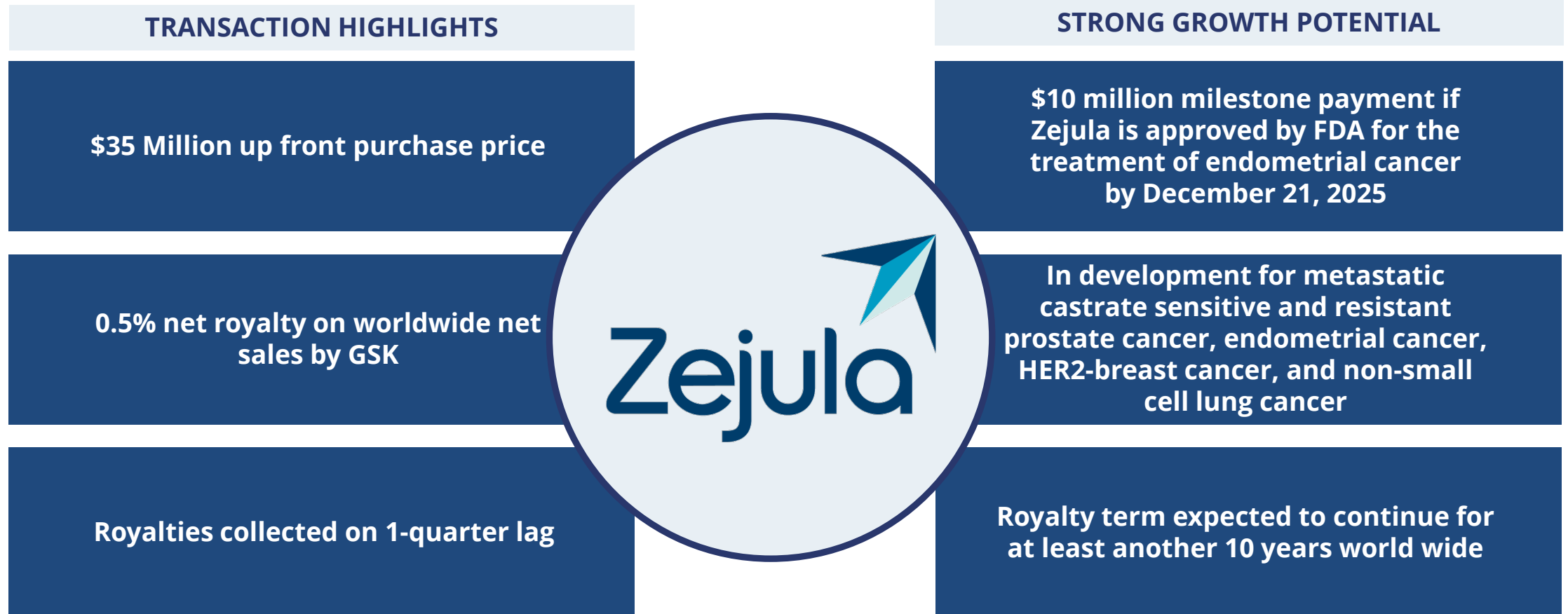
Proven ability to provide flexibility in deal structuring while managing risk

Empaveli royalty transaction



Long-term horizon and attractive growth prospects

Zejula royalty transaction



Multiple indications in development represent a pipeline in a product

Omidria royalty transaction

TRANSACTION HIGHLIGHTS

\$125 Million up front purchase price, subject to annual cash receipt caps

Approved for intracameral use during cataract surgery or intraocular lens replacement

Marketed by Rayner Surgical with royalties collected monthly



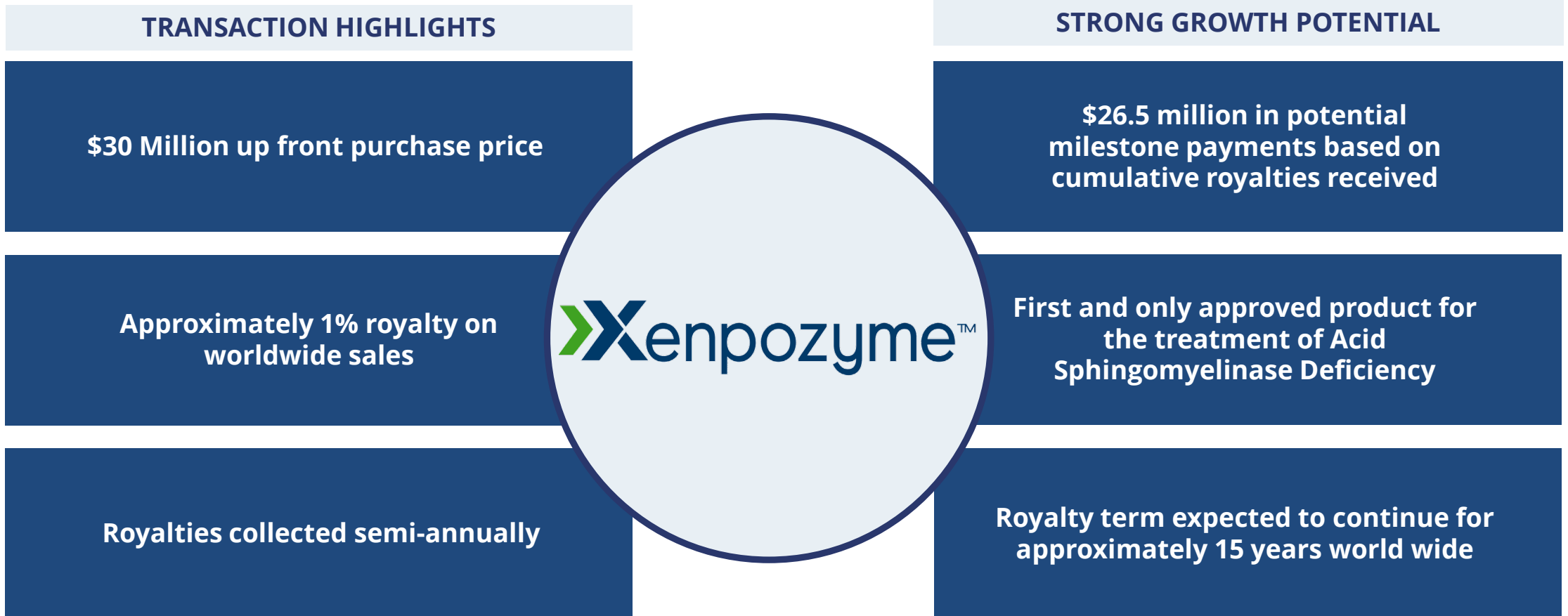
STRUCTURED GROWTH

Annual Royalty Receipt Caps (\$M)













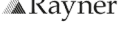























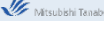

Substantial near-term cash flows with long-term structural growth

Xenpozyme royalty transaction



Long duration product with strong IP protection will generate high multiple on invested capital

Portfolio performance

(\$ thousands) Asset	Primary Marketer(s)	Therapeutic Area	Total Cash Royalty Receipts ^{1,2} LTM 9/30/22	Net Book Value 9/30/22
 EMPAVELI [®]	Apellis	Hematology	-	24,036
 EYLEA [®]	 REGENERON  Santen  BAYER	Ophthalmology	13,547	24,492
 FluMist Quadrivalent	 AstraZeneca	Vaccine	3,128	2,803
 Natpara [®]	 Takeda	Endocrinology	2,684	21,240
 OMIDRIA [®]	 Rayner	Ophthalmology	-	125,603
 ORACEA [®]	 GALDERMA	Dermatology	8,120	33,763
 RYDAPT [®]	 NOVARTIS	Oncology	10,403	9,775
 SPINRAZA [®]	 Biogen	Spinal Muscular Atrophy	16,969	89,154
 VONJO [®]	 CTI	Oncology	1,404	64,284
 Xenpozyme [™]	 SANOFI	ASMD	-	30,000
 Xolair [®]	 Roche  NOVARTIS	Respiratory	9,330	48,715
 Zejula [®]	 gsk	Oncology	-	34,759
 Zytiga [®]	 Johnson & Johnson  AstraZeneca	Oncology	17,978	19,444
 Stelara [®]  Simponi [®]  ILARIS [®]	 Johnson & Johnson  NOVARTIS  MERCK  Mitsubishi Tanabe	Autoimmune	4,893	4,363
Various			1,798	3,076
Total			90,254	535,507

DHT's assets have continued to show strong performance

Growth opportunities from existing assets

	Phase 1	Phase 2	Phase 3	Phase 4
Rydapt	Rydapt + HDM201 in r/r AML with FLT mutation			
	Rydapt + decitabine in unfit AML patients			
Spinraza	DEVOTE: Higher dose Spinraza			
	ASCEND: Higher dose Spinraza in patients who had received Evrysdi			
	RESPOND: Spinraza in patients who had received Zolgensma			
Zytiga	MAGNITUDE: Combination of Zytiga + Zejula in mCRPC			
	AMPLITUDE: Combination of Zytiga + Zejula in mHSPC			
Xolair	OUTMATCH: Xolair monotherapy or as adjunct therapy in food allergies			
Eylea	CANDELA: Higher dose Eylea in wet AMD			
	PULSAR + PHOTON: Higher dose Eylea in wet AMD and DME			
Vonjo	PACIFICA: Confirmatory trial in Myelofibrosis			
Empaveli	DERBY/OAKS: Registrational trial in Geographic Atrophy			
	DISCOVERY: Treatment for IgA Nephropathy, Lupus Nephritis, PNM, or C3G			
	PLAUDIT: Treatment for wAIHA or CAD			
Zejula	FIRST: 1L treatment of stage III/IV Ovarian Cancer with Dostarlimab			
	ZEST: tBRCAm HER2-negative BC or tBRCAwt TNBC who have detectable ctDNA after completion of definitive therapy			
	RUBY: maintenance treatment of Recurrent or Primary Advanced Endometrial Cancer with dostarlimab			
	ZEAL: 1L maintenance therapy in combination with pembrolizumab in NSCLC			
	AMPLITUDE: Combination of Zytiga + Zejula in mHSPC			

Additional indications have potential to enhance royalty streams

Well capitalized for growth

\$20.5 million¹
Cash and cash equivalents

+

\$36.4 million¹
Royalties receivable

+

\$216.9 million^{1,2}
Drawn on credit facilities

**Significant
capacity for
further
growth**

Significant capital available for deployment

Committed to best practices in ESG



Environmental

Building a platform for sustainability

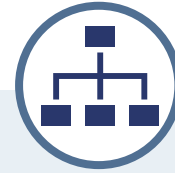
- Review of sustainability practices of our business partners
- Head office located in a Gold LEED-certified building
- Commitment to waste reduction
- Employee environmental training and awareness
- Intend to take steps to minimize or offset our carbon footprint



Social

Accountability and integrity as core values

- Highly diverse and inclusive team
- Balanced gender representation
- Employee time off each quarter for charitable volunteering
- Professional development and career advancement
- Corporate giving and donations



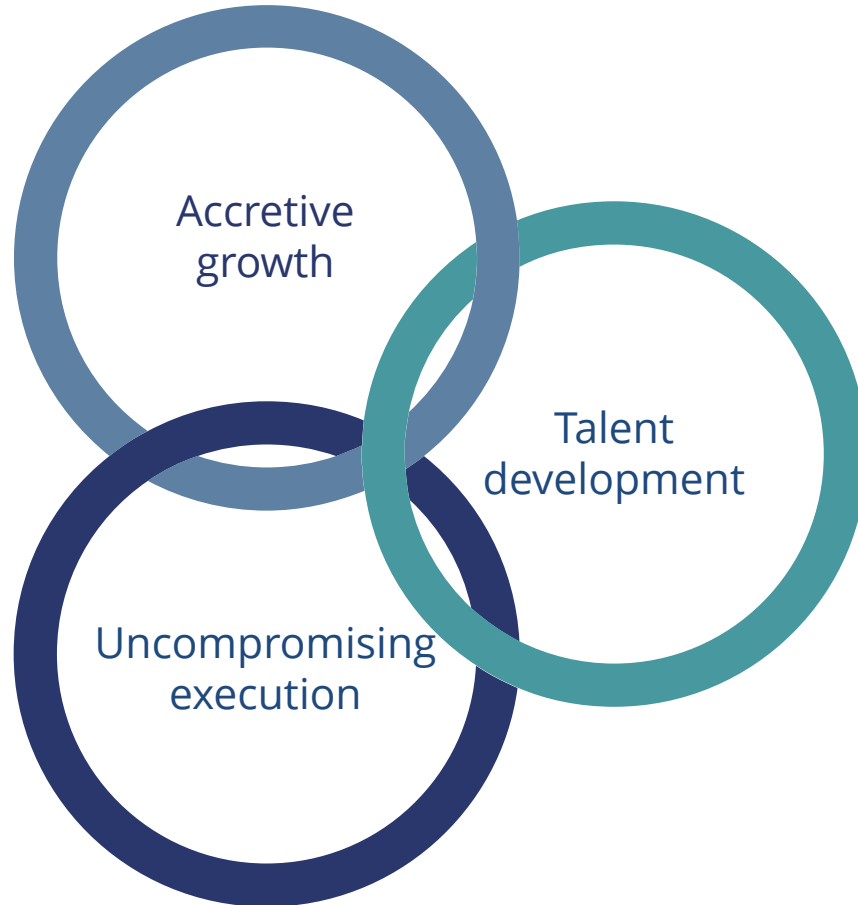
Governance

Valuing diversity and community support

- Best practice governance policies in place
- Diverse and majority independent Board
- Board oversight of ESG and risk management
- Active unitholder engagement
- Robust cybersecurity
- Whistleblower policy in place

Striving to deliver value to our stakeholders, our community, and society as a whole

Our key priorities



Execute on strong pipeline with a focus on long-term, sustainable growth generating strong unitholder returns

Invest in our people and build the industry leading royalty investment team

Operate at peak performance in all aspects of our business

DRIHEALTHCARE



Contact Us

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