

DRI Healthcare Trust Reports First Quarter 2021 Results

- With IPO complete, Trust is focused on executing its business plan -

Toronto, Ontario – May 10, 2021 – DRI Healthcare Trust (TSX: DHT.UN/DHT.U) (“DRI” or “the Trust”) today announced its results for the period ended March 31, 2021. The Trust’s first quarter 2021 financial statements and Management’s Discussion & Analysis have been filed on SEDAR (www.sedar.com). This news release is not in any way a substitute for reading the Trust’s financial statements, including notes to the financial statements and the Trust Management’s Discussion & Analysis.

Results and Highlights for the First Quarter Ended March 31, 2021

- On February 19, completed an IPO and concurrent private placement to raise aggregate gross proceeds of US\$400 million;
- On March 23, the Board of Trustees approved the payment of a distribution of US\$0.0167 per trust unit, subsequently paid on April 20, 2021;
- Royalty Income of US\$12.7 million (for the period February 19 (completion of IPO) to March 31, 2021)¹
- Pro forma Adjusted EBITDA of US\$28.0 million⁴
- Pro forma Adjusted EBITDA Margin of 91%⁴

Subsequent to Quarter End

- The Trust’s board of trustees has declared a cash distribution of US\$0.0375 per unit for the second quarter of 2021

“The key highlight of this past quarter was the completion of our initial public offering in February,” said Behzad Khosrowshahi, Chief Executive Officer of DRI Healthcare Trust. “With this significant milestone, we are ideally positioned to execute on the strategy we presented during our IPO – to grow our diversified portfolio of pharmaceutical royalties and provide investors with direct exposure to the fast-growing, global bio-pharmaceutical industry. We are confident that pharmaceutical royalties will continue to play an important role in funding critical innovation, and that we will continue to be the partner of choice to those innovators.”

“We are pleased with the performance of our assets in the latest quarter, which demonstrates our sound strategy of targeting growth-oriented royalties on medically necessary pharmaceutical products, and the value of our network of relationships and proprietary methods of identifying and executing the acquisition of new quality assets for our diversified portfolio,” continued Mr. Khosrowshahi.

| Results of Operations <i>(thousands of U.S. dollars, except per unit amounts)</i> | Period ended March 31, 2021¹ |
|---------------------------------------------------------------------------------------------|----------------------------------------------------|
| Royalty Income | 12,691 |
| Management fees | 883 |
| Amortization expenses | 6,793 |
| Other operating expenses | 1,824 |
| Net earnings and other comprehensive earnings | 3,191 |
| Earnings per unit ² | 0.17 |
| Pro Forma Total Cash Royalty Receipts ³ | 30,590 |
| Pro Forma Adjusted EBITDA ⁴ | 27,963 |
| Pro Forma Adjusted EBITDA Margin ⁴ | 91% |
| Adjusted Cash Earnings per Unit ⁴ | 0.54 |

“As this is our first reporting quarter since closing the IPO on February 19, 2021, the financial results reflect our progress over just 39 days. For this quarter, we have provided certain pro forma non-IFRS measures to aid unitholders in evaluating the performance of our business over the full quarter,” added Chris Anastasopoulos, CFO of the Trust.

Asset Performance

The Trust’s existing portfolio consists of 18 royalty streams on 14 products that address medically necessary therapeutic areas, such as oncology, rare diseases, ophthalmology, endocrinology, HIV, autoimmune and vaccines. These assets were acquired as part of the IPO for US\$291.5 million. At March 31, 2021 the royalty asset portfolio had a book value, net of accumulated amortization, of US\$284.7 million. On a pro forma basis, the royalty asset portfolio generated Total Cash Royalty Receipts of US\$30.6 million² in the first quarter.

Royalty Portfolio (For the quarter ended March 31, 2021)

(thousands of U.S. dollars)

| Product | Therapeutic Area | Marketer(s) | Q1 2021 Pro Forma Cash Royalty Receipts ⁵ |
|------------------------------------------------------------|------------------|---------------------------------------|------------------------------------------------------------|
| Core Products | | | |
| Spinraza | Rare Diseases | Biogen | 5,308 |
| Eylea I | Ophthalmology | Regeneron, Bayer, Santen | 3,027 |
| Rydapt | Oncology | Novartis | 2,601 |
| Xolair | Respiratory | Roche, Novartis | 2,266 |
| FluMist | Vaccine | AstraZeneca | 2,239 |
| Eylea II | Ophthalmology | Regeneron, Bayer, Santen | 1,345 |
| Natpara | Endocrinology | Takeda | 510 |
| Zytiga | Oncology | Johnson & Johnson | — |
| Total Core Products | | | 17,296 |
| Mature Products | | | |
| HIV Portfolio ⁶ | HIV | Johnson & Johnson, Gilead, ViiV | 8,467 |
| Autoimmune Portfolio ⁷ | Autoimmune | Johnson & Johnson, Merck, Novartis | 4,361 |
| Total Mature Products | | | 12,828 |
| Legacy Products⁸ | | | 466 |
| Pro Forma Total Cash Royalty Receipts^{3,5} | | | 30,590 |

1. The Trust completed its initial public offering (“IPO”) on February 19, 2021. The Trust had no active operations prior to February 19, 2021.
2. The weighted average number of units for the period ended March 31, 2021 is 18,271,153 units.
3. Total Cash Royalty Receipts is a non-IFRS measure that has been presented on a pro forma basis. This includes cash royalties received by the Trust from February 19, 2021 to March 31, 2021, as well as \$2.3 million in cash royalties received prior to the acquisition from January 1, 2021 to February 18, 2021, which has been recorded as an increase in cash and cash equivalents as part of the purchase price of the assets indirectly acquired by the Trust following completion of the IPO.
4. Adjusted EBITDA, Adjusted EBITDA Margin and Cash Earnings per Unit are non-IFRS measures for the period ended March 31, 2021 and have been presented on a pro forma basis. These non-IFRS measures do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Adjusted EBITDA represents net earnings and other comprehensive earnings plus (i) amortization of royalty assets, plus (ii) interest expense, plus (iii) royalties receivable at the beginning of the period, less (iv) royalties receivable at the end of the period, plus (v) acquired royalties receivable, plus (vi) acquired cash royalties received, and reversing the impact of the following: plus (vii) impairment of royalty assets, less (viii) reversal of impairment of royalty assets, less (ix) net gain on interest rate derivatives, less (x) net gain on foreign exchange derivatives. Adjusted EBITDA Margin is calculated as Pro Forma Adjusted EBITDA / Pro Forma Total Cash Royalty Receipts. Cash Earnings per Unit represents net earnings and other comprehensive earnings plus: (i) amortization of royalty assets, plus (ii) impairment of royalty asset, less (iii) reversal of impairment of royalty assets, less (iv) net gain on interest rate derivatives, less (v) net gain on foreign exchange derivatives.
5. Cash royalty receipts for the three months ended March 31, 2021 are presented on a pro forma basis and represent the cash that the Trust would have received had the assets been acquired as of January 1, 2021. The Trust was the beneficiary of such cash receipts and has recorded

the increase in cash as a result of cash collections from January 1, 2021 to February 18, 2021, within cash and cash equivalents acquired. The reconciliation of Total Cash Royalty Receipts, which is a non-IFRS measure, can be found in the Trust's MD&A.

6. *The HIV Portfolio consists of an agreement to receive royalties on sales of Complera, Edurant, Odefsey and Juluca.*
7. *The Autoimmune portfolio consists of an agreement to receive royalties on sales of Stelara, Simponi and Ilaris. The royalty assets include two royalty streams on each product, for a total of six royalty streams held directly and indirectly.*
8. *Legacy Products represent royalty income from royalty assets that are fully amortized and, where applicable, the entitlements to which have generally expired.*

Liquidity and Capital

At March 31, 2021 the Trust had cash on hand of US\$105.7 million as a result of net proceeds of the IPO and related transactions, and cash generated by the business in the subsequent period ended March 31, 2021. The Trust's secured notes had an outstanding balance of US\$69.9 million at March 31, 2021, which was subsequently reduced with a payment of US\$10.7 million made on April 15, 2021.

"With a solid portfolio of cash-generating royalties to grow the business and prudent debt levels, we look forward to building long-term unitholder value as a publicly traded entity," commented Chris Anastasopoulos.

The Trust had units outstanding of 40,107,407 on March 31, 2021, all of which were issued in connection with the IPO and concurrent private placement on February 19, 2021.

Distributions

A distribution to unitholders of US\$0.0167 per trust unit was paid on April 20, 2021. The Trust also announced today that its board of trustees has declared a quarterly cash distribution in the amount of US\$0.0375 per unit for the second quarter of 2021. The distribution will be payable on July 20, 2021, to unitholders of record at the close of business on June 30, 2021.

2021 First Quarter Conference Call & Webcast

As previously announced, management will hold a conference call on Monday, May 10, 2021, at 10:30 a.m. (ET) to review the Trust's 2021 first quarter results. You can join the call by dialling 1-888-231-8191 or 647-427-7450. A live audio webcast of the conference call will be available through <http://bit.ly/DRI2021Q1>. An archived replay of the webcast will be available for 90 days. A taped replay of the conference call will also be available until Tuesday, May 18, 2021, at midnight by calling 1-855-859-2056 or 416-849-0833, reference number 1765677.

About DRI Healthcare Trust

DRI Healthcare Trust provides unitholders with differentiated exposure to the anticipated growth in the global pharmaceuticals and biotechnology markets. Our business model is focused on managing and growing a diversified portfolio of pharmaceutical royalties with the aim to deliver attractive growth in cash royalty receipts over the long term. DRI Healthcare Trust is an unincorporated open-ended trust governed by the laws of the Province of Ontario, externally managed by its manager, DRI Capital Inc. DRI Healthcare Trust's units are listed and trade on the Toronto Stock Exchange in Canadian dollars under the symbol "DHT.UN" and in U.S. dollars under the symbol "DHT.U".

Caution concerning forward-looking statements

This news release may contain forward-looking information within the meaning of applicable securities legislation. Forward-looking information generally can be identified by the use of forward-looking words such as "expect", "continue", "anticipate", "intend", "aim", "plan", "believe", "budget", "estimate", "forecast", "foresee", "close to", "target" or negative versions thereof and similar expressions. Some of the specific forward-looking information in this news release may include, among other things, statements regarding our belief that pharmaceutical royalties will continue to play an important role in funding critical innovation, and that the Trust will continue to be the partner



of choice to those innovators our development and acquisition opportunities. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Trust's control that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, those that are disclosed in the Trust's most recent annual information form. Certain assumptions underlying the forward-looking information in this news release include: the Trust's assumptions regarding demand and growth in pharmaceutical sales, R&D and opportunities for royalty investing; the competitive environment in which the Trust operates; the performance of the Trust's manager; the Trust's ability to implement its growth strategies; the Trust's ability to obtain financing and maintain its existing financing on acceptable terms; the Trust's ability to maintain good business relationships with marketers and other industry partners; timely receipt of cash royalty receipts; expectations regarding the duration of royalties; the Trust's ability to keep pace with changing consumer preferences; the absence of material adverse changes in the Trust's industry or the global economy; currency exchange and interest rates; the impact of competition; the changes and trends in the Trust's industry or the global economy; and stability in laws, rules, regulations and global standards in the pharmaceutical industry. All forward-looking information in this news release speaks as of the date of this news release. The Trust does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law. Additional information about these assumptions and risks and uncertainties is contained in the Trust's filings with securities regulators, including its latest annual information form and Management's Discussion and Analysis. These filings are also available at the Trust's website at dricapital.com.

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