

The logo features a teal plus sign to the left of the word "DRIHEALTHCARE" in a bold, dark blue, sans-serif font.

DRIHEALTHCARE

The background is a light blue gradient with a pattern of hexagons and circles. Several circular icons are overlaid: a plus sign, a test tube, a caduceus, and a pill.

ADVANCING SCIENCE

in the Fast-Growing Pharmaceutical and Biotechnology Sector

Q2 2023 Earnings Call | August 15, 2023

Disclaimer

This presentation has been prepared by DRI Healthcare Trust (the “Trust”). The Trust is an unincorporated open-ended fund trust governed by the laws of the Province of Ontario, Canada and is externally managed by DRI Capital Inc. (“DRI Capital” or the “Manager” and together with the Trust, “DRI Healthcare”). The Trust completed an initial public offering (the “IPO”) on February 11, 2021 in which it acquired an initial portfolio of royalty assets from DRI Capital. The predecessor of the Manager was founded in 1989. Any references to employees or historical figures prior to the IPO refer to those of the Manager.

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.

Statements regarding the Trust's 2025 outlook are based on its most up-to-date view of its prospects as of the date of this presentation. This long-term outlook includes potential royalty transactions currently in the Trust's pipeline and future royalty transactions that it may bring into its pipeline in accordance with its strict investment criteria. This long-term outlook assumes no material adverse events following the date of this presentation.

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, Normalized Total Cash Receipts, Total Cash Royalty Receipts and Adjusted EBITDA, 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.

Business Highlights

**Strong Financial
Results**

**Deployed \$285M
through
August 15th**

**Sold TZIELD
Royalty and
Received CTI
Loan Repayment**

**Projecting Mid-
Teens CAGR by
2025**

**Projecting Low
Single-Digits
CAGR by 2030**

**Completed
Successful
Follow-On-
Offering**

Q2 highlights

1 Returning value to unitholders

- Special distribution of \$0.5334 per unit
- Quarterly distribution of \$0.075 per unit

2 Accretive transaction

- Acquired first Orserdu royalty for \$85 million

3 Poised for growth

- \$210 million gross proceeds from sale of Tzield royalty
- \$54.8 million from prepayment of CTI loan receivable

Q2 financial highlights

Normalized Total Cash Receipts¹

\$28.7 million

+13% over Q2 2022

Total Income

\$28.1 million

+32% over Q2 2022

Adjusted EBITDA¹

\$25.1 million

+17% over Q2 2022

Adjusted EBITDA Margin¹

87%














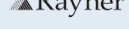


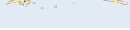

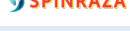


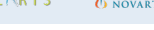
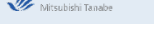



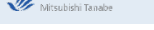




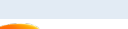



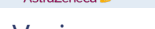

Adjusted Cash Earnings per Unit¹

\$0.40

Declared Cash Distributions per Unit

\$0.6084

Portfolio performance as of June 30, 2023

(US\$ thousands)		Primary Marketer(s)	Therapeutic Area	Total Cash Royalty Receipts ¹			Remarks				
	Q2 2023			Q2 2022	% Change						
Total Cash Royalty Receipts¹				\$27,057	\$24,022	13%					
 EMPAVELI [®]	 SYFOVRE [®]	 Apellis	 sobi	Heme-Onc / Ophthalmology	251	-	n/a	New product			
 EYLEA [®]	 REGENERON	 Santen	 Bayer	Ophthalmology	1,642	2,875	(43%)	Contractual step-down in royalty rate			
 FluMist Quadrivalent	 AstraZeneca			Influenza	30	-	n/a	n/a			
 Natpara [®]	 Takeda			Endocrinology	610	649	(6%)	n/a			
 OMIDRIA [®]	 Rayner			Ophthalmology	3,250	-	n/a	New product			
 ORACEA [®]	 GALDERMA			Dermatology	1,261	1,959	(36)%	Sales decline and change in mix			
 RYDAPT [®]	 NOVARTIS			Oncology	2,047	2,335	(12%)	Expected royalty expiries			
 SPINRAZA [®]	 Biogen			Neurology	3,933	4,573	(14%)	Expected decline in market share			
 Stelara [®]	 Simpsoni [®]	 ILARIS [®]	 Johnson & Johnson	 MERCK	 NOVARTIS	 Mitsubishi Tanabe	Autoimmune Diseases	349	576	(39%)	Expected royalty expiries
 VONJO [®]	 sobi			Heme-Onc	2,315	220	952%	Launch ahead of expectations			
 Xolair [®]	 Roche	 NOVARTIS		Respiratory	1,538	1,458	5%	n/a			
 Zejula [®]	 gsk			Oncology	740	-	n/a	New product – mCRPC approval (Feb '23)			
 Zytiga [®]	 Johnson & Johnson	 AstraZeneca		Oncology	8,543	8,958	(5%)	Expected generic entries ex-US			
Other Products ²	Various			Various	548	419	31%				

Portfolio assets have continued to show strong performance

1. Total Cash Royalty Receipts is a non-GAAP financial measure. See note 1 on page 5 of this presentation.

2. Other Products includes royalty income from certain other royalty assets as well as royalty assets which are fully amortized and, where applicable, the entitlements to which have generally expired.

Post quarter-end highlights



Dividend Declaration

Quarterly cash distribution

- Declared a distribution of \$0.075 per unit for Q3 2023
- Payable on October 20, 2023 to unitholders of record on September 30, 2023



Follow-On Offering

Second public offering

- Completed public offering of 9,223,000 units at \$8.03 per unit for gross proceeds of \$74.1 million
- Proceeds will be used to fund royalty transactions or to repay existing credit facility



Royalty Transactions

Additional Vonjo and Orserdu royalty streams

- Deployed \$66 million for Vonjo II
- Deployed \$130 million for Orserdu II

Rapid pace of execution and capital deployment continues to generate value for unitholders

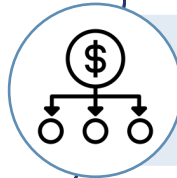
Investment Highlights



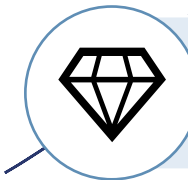
The longest standing and a global leader in buying healthcare royalties



Well positioned to capitalize on **generational industry growth** delivering attractive **uncorrelated cash flows**



Diversified portfolio of products by therapeutic area and marketer



High yield value opportunity that is priced attractively relative to peers

DRIHEALTHCARE

Our competitive advantages

1 Seasoned team

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

2 Disciplined capital allocation

based on robust investment criteria that has resulted in 22% net IRRs over three funds since 2006

3 Proactive sourcing

proprietary database tracking royalties on more than 2,000 drugs worldwide combined with deep industry relationships developed over our 30-year history

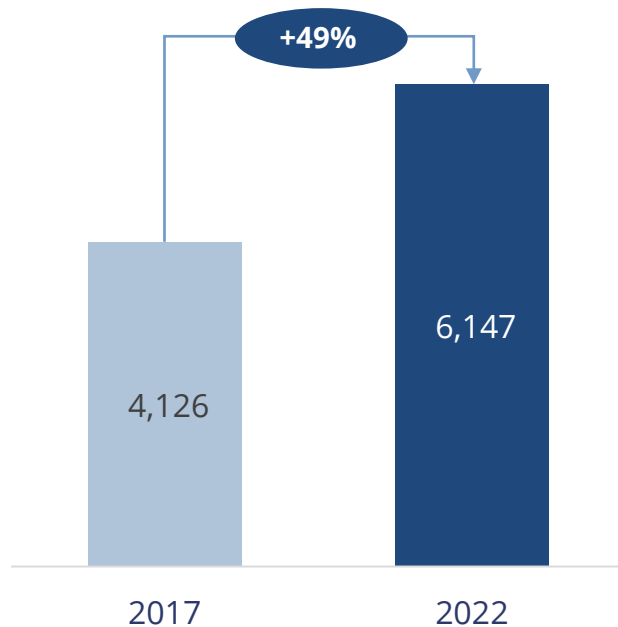
4 Strong execution

fundamental ground-up diligence on opportunities to execute high-quality transactions

1. IRR figure is net of fees and is based on results of funds managed by DRI Healthcare Trust's manager

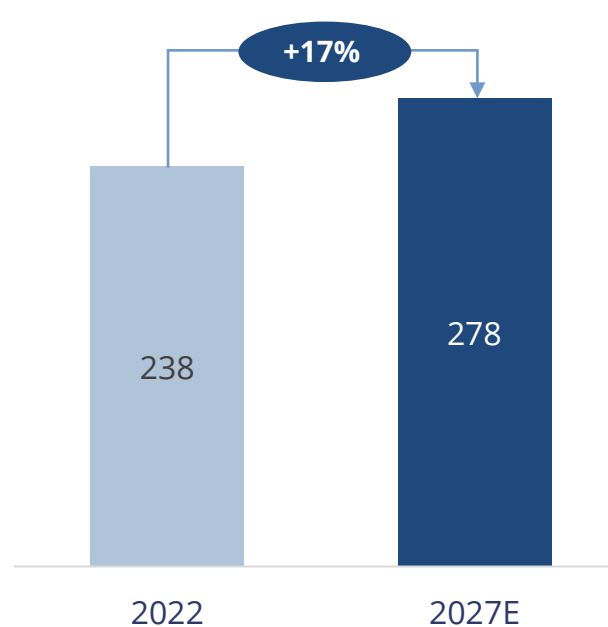
Long-term drivers support royalty financing growth

Growth of Biopharma clinical pipeline¹



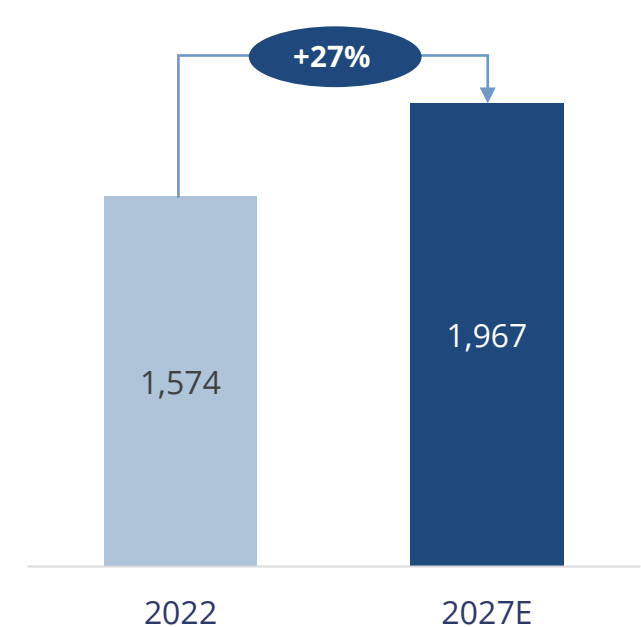
- Genomics
- Molecular diagnostics
- Data science

Projected Growth of Worldwide Biopharma R&D Spend (\$B)²



- Pace of innovation
- Complex modalities
- Real-world outcomes

Projected Growth of Worldwide Medicine Spending (\$B)³

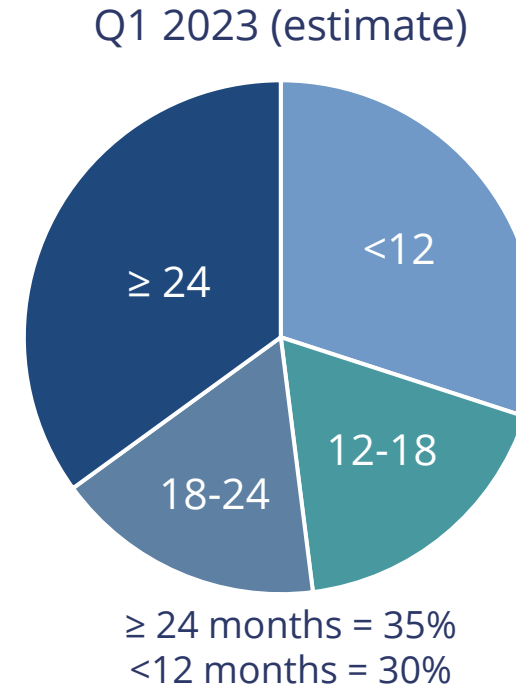
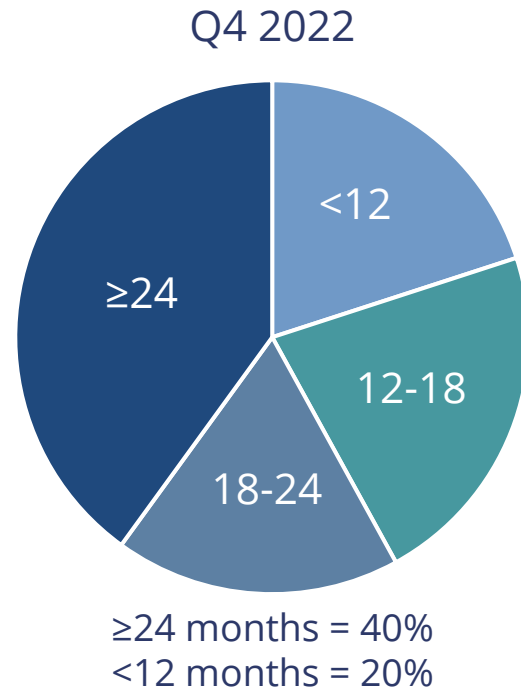


- Specialty medicines
- Aging population
- Emerging markets

Growing capital needs to develop novel drugs bolsters our pipeline

Biotechs' limited cash reserves

Cash Runway for Unprofitable Biotechs (months)



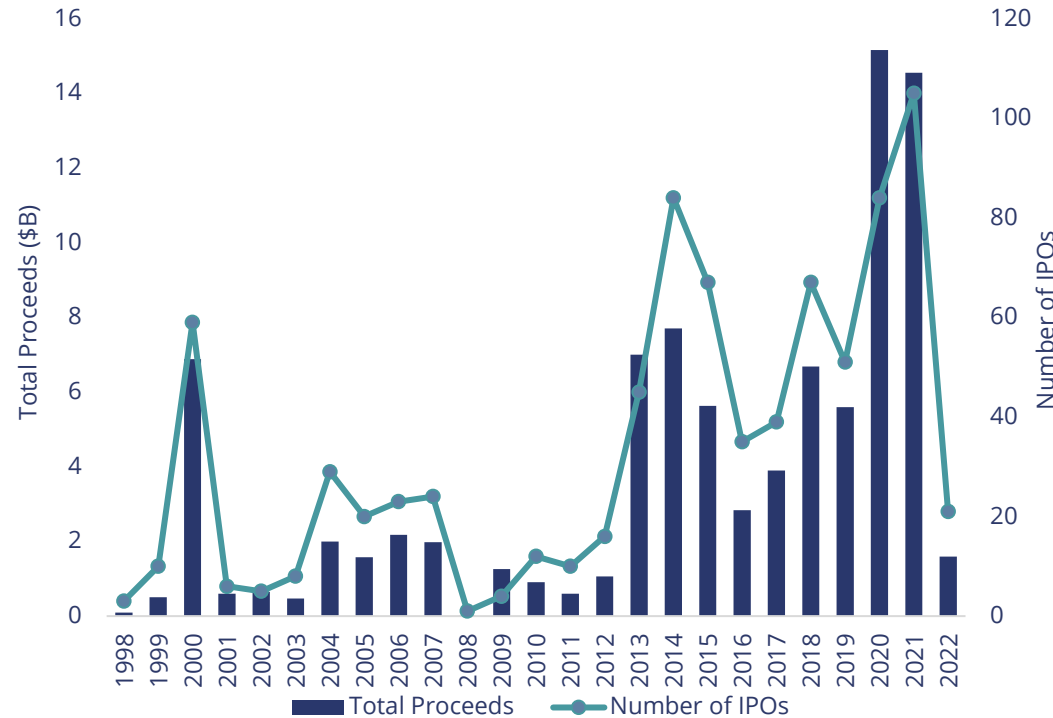
65% of unprofitable NASDAQ-listed biotechs are estimated to have <2 years of cash

Tightening cash reserves highlight need to seek royalty-based financing

Source: Biocentury, Small biotechs in survival mode: 2Q23 preview, April 2023

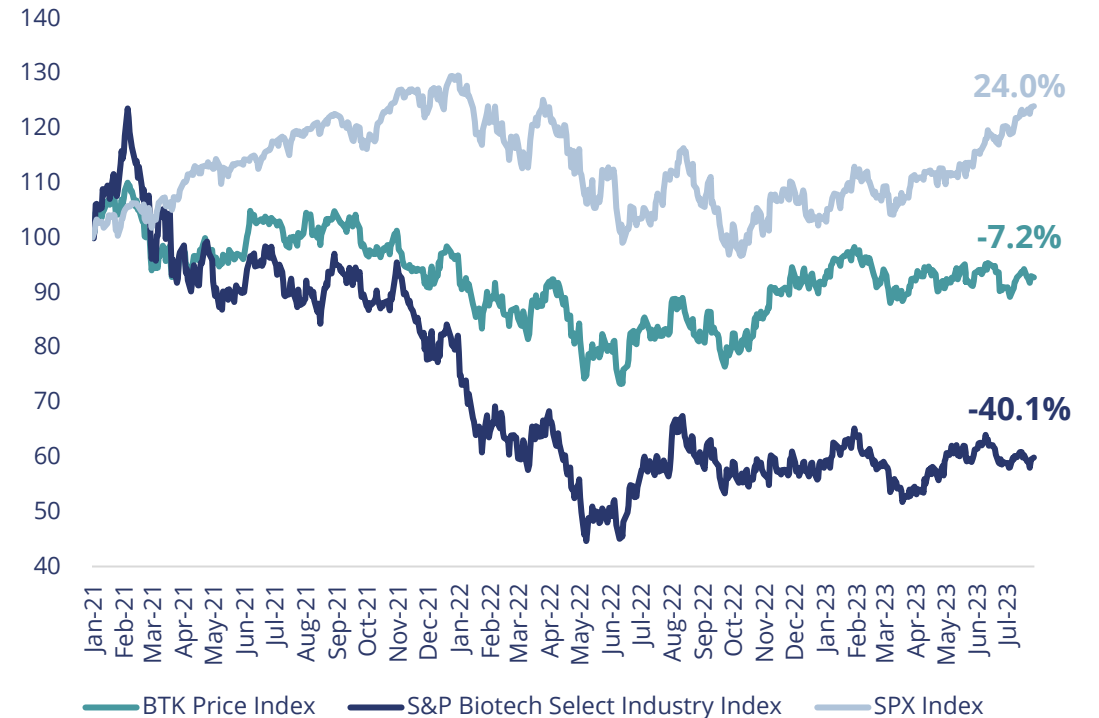
State of the biotech market

Biotech IPOs¹



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

Biotech Equities Performance²

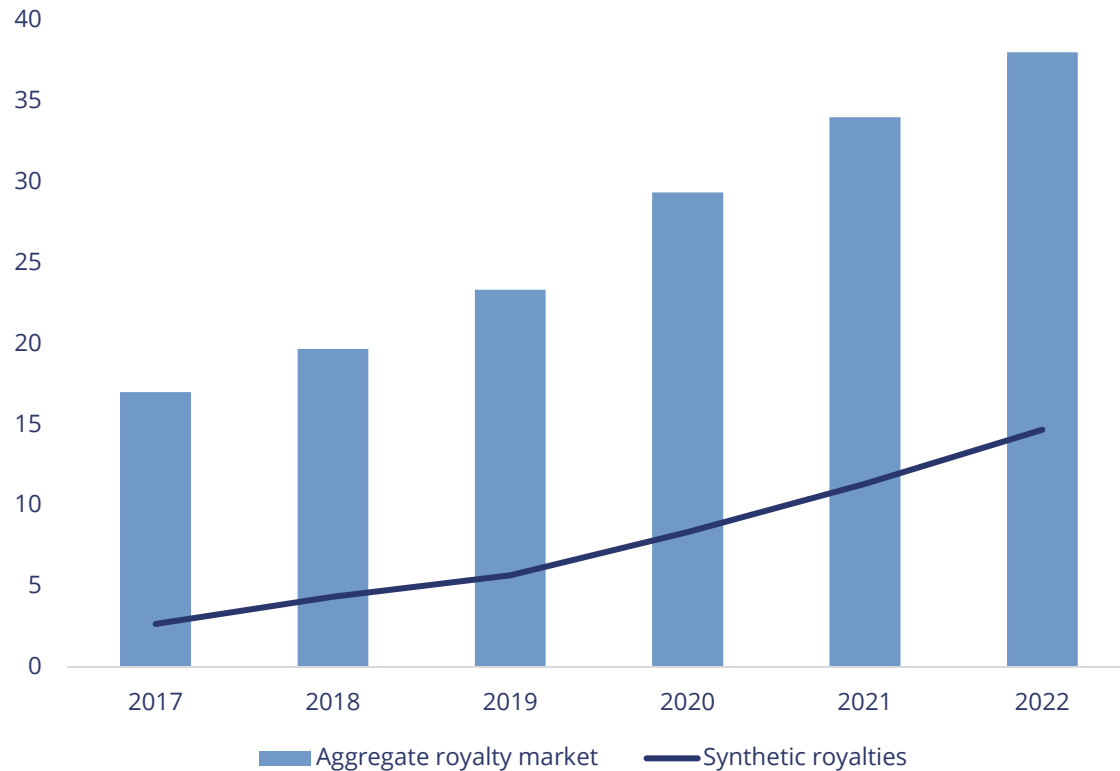


Struggling equity capital markets for biotechs

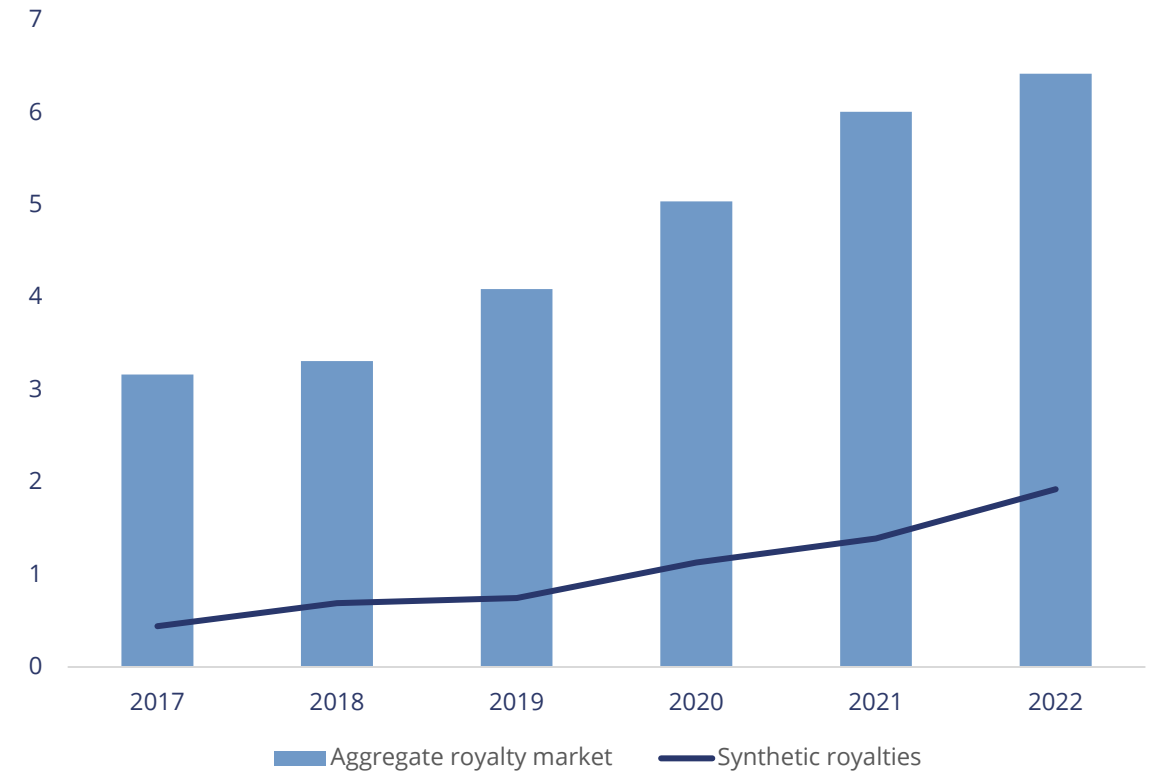
Creates an environment where a large amount of capital is required, making DRI's royalty financing very attractive

Royalty transaction activity is expanding with strong industry tailwinds

Trailing three-year average number of transactions¹



Trailing three-year average value of transactions (\$B)¹



Royalty financing's unique appeal has propelled it to mainstream adoption

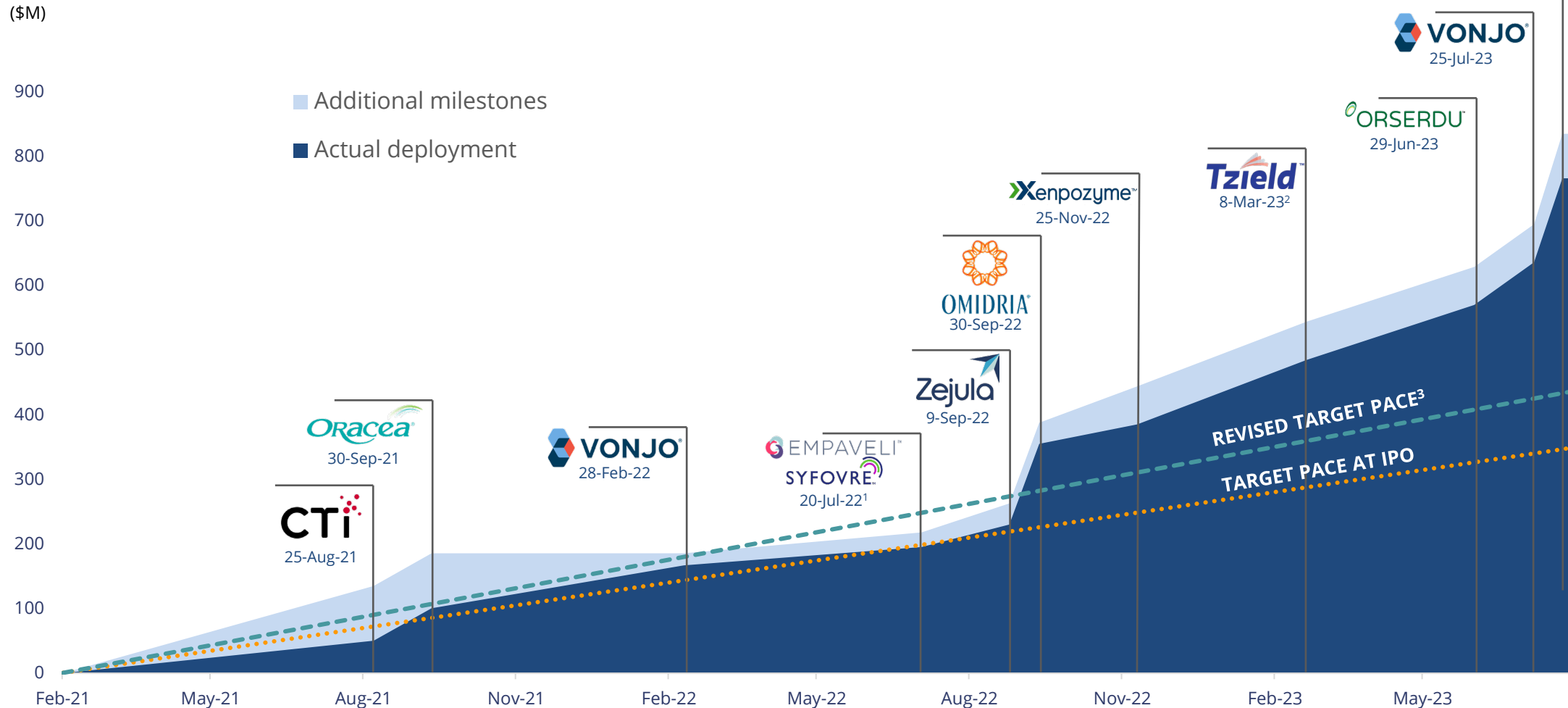
1. Source: Internal database. Includes royalty related monetization transactions across the ecosystem (inventor, academic/non-profit, biotech and pharma)

Delivering on our long-term objectives

	At IPO	Today	2025 ¹
Capital deployment	Target of \$650 – 750 million over 5 years	\$766 million deployed to date + \$69 million in potential milestones	Revised deployment target of \$850 – 900 million
Sustainable cash generation	Declining cash curve due to expected asset expiries	Mid-teens total income CAGR through 2025 and low single digit total income CAGR through 2030 excluding any new transactions	7% - 9% total income compound annual growth rate
Portfolio duration	8 years	>10 years	>10 years
Capital resources	IPO proceeds and debt capacity	Equity offering proceeds plus 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



Deployment pace and need for capital by counterparties → 5 year deployment target increased to \$850 – 900 million³

1. Includes \$24.5 million royalty acquired on July 20, 2022 and \$3.7 million royalty acquired from a separate counterparty on April 3, 2023
2. We sold our interest in Tziel on April 27, 2023 to an affiliate of Sanofi SA ("Sanofi")
3. Deployment target is consistent with historical deployment since IPO, combined with assumed future capital availability based on forecasted royalty receipts and credit capacity. Forecasted royalty receipts take into account the existing assets in our portfolio and future execution of transactions in our pipeline of opportunities at a pace consistent with our past performance.

Orserdu royalty transactions

TRANSACTION HIGHLIGHTS

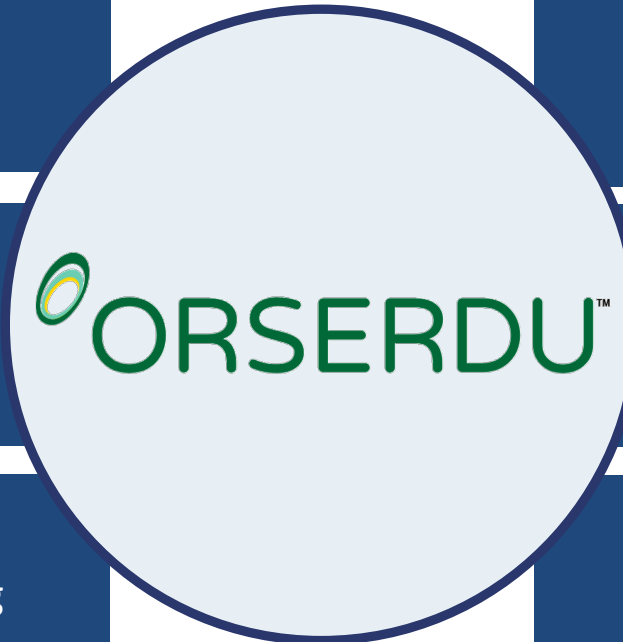
Orserdu I

\$85 million up front purchase price
Mid single digit tiered royalty on worldwide net sales

Orserdu II

\$130 million up front plus potential \$10 million milestone
Low to high single digit tiered royalty on worldwide net sales

Royalties collected on a 1-quarter lag



STRONG GROWTH POTENTIAL

Approved by the FDA in January 2023 and currently under review by the EMA for potential approval

Significant PFS benefit over SOC in ESR1m patients with limited side effects and convenience of oral administration

The Trust is also entitled to receive regulatory and sales-based milestones in addition to royalties

Uncapped royalties on long-duration asset

Vonjo II royalty transaction

TRANSACTION HIGHLIGHTS

\$66 million purchase price for tiered royalty on worldwide net sales

Approved by the FDA in February 2022 as the only treatment for Myelofibrosis with severe thrombocytopenia

DRI entitled to receive up to \$107.5 million in milestone payments



STRONG GROWTH POTENTIAL

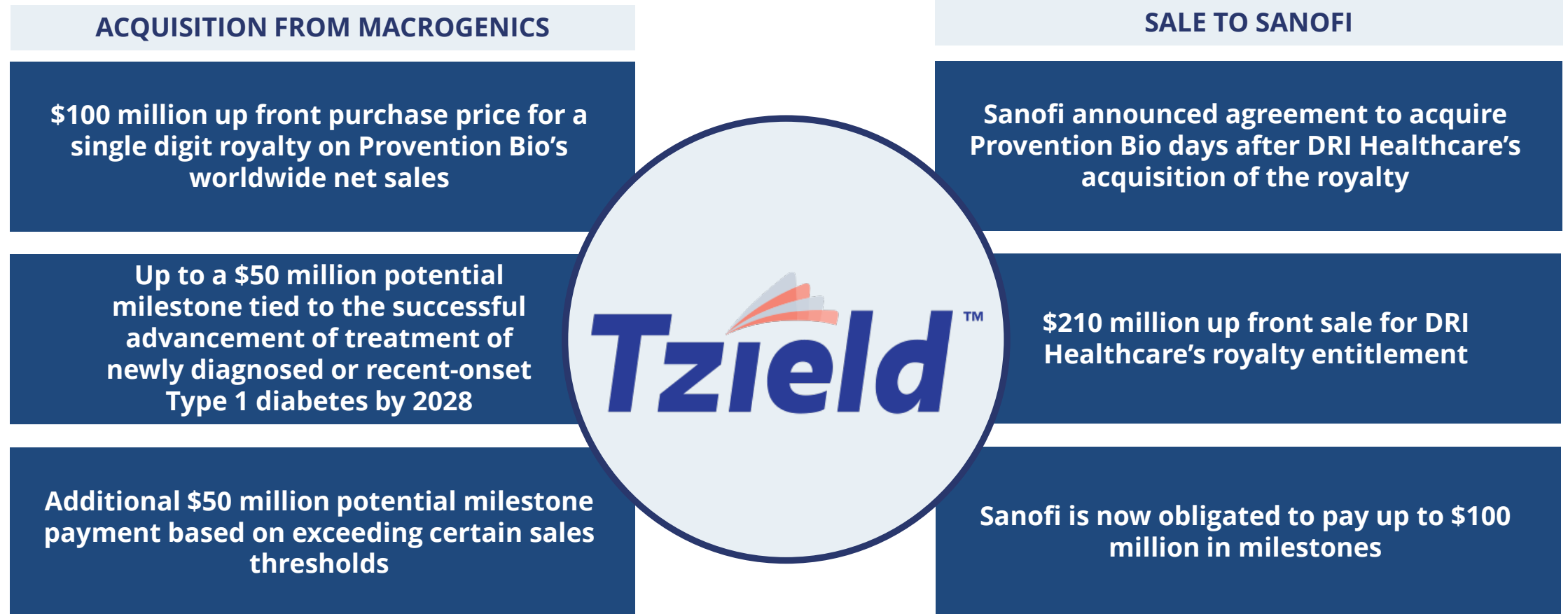
First year of sales strongly exceeded analyst consensus estimates

\$6.5 million payment made to CTI in January 2023 for achieving sales milestone on Vonjo I royalty

On June 6, 2023, Sobi acquired CTI for \$1.7 billion

Second royalty on Vonjo increases exposure to long duration high-quality asset

Tziield royalty transactions



Allows for reinvesting of proceeds to generate compounding effect

Robust pipeline

\$2.8 billion in near-term opportunities

Address important unmet needs with life-changing therapies for patients

Marketed by leading biotech or biopharma companies

Provides strong intellectual property and regulatory protection

Further portfolio diversification and extension with attractive returns

All deals in the pipeline meet or exceed strict investment criteria

Well capitalized for growth

\$121.3 million¹
Cash and cash equivalents



\$29.1 million¹
Royalties receivable



\$74.1 million²
Gross proceeds from public offering

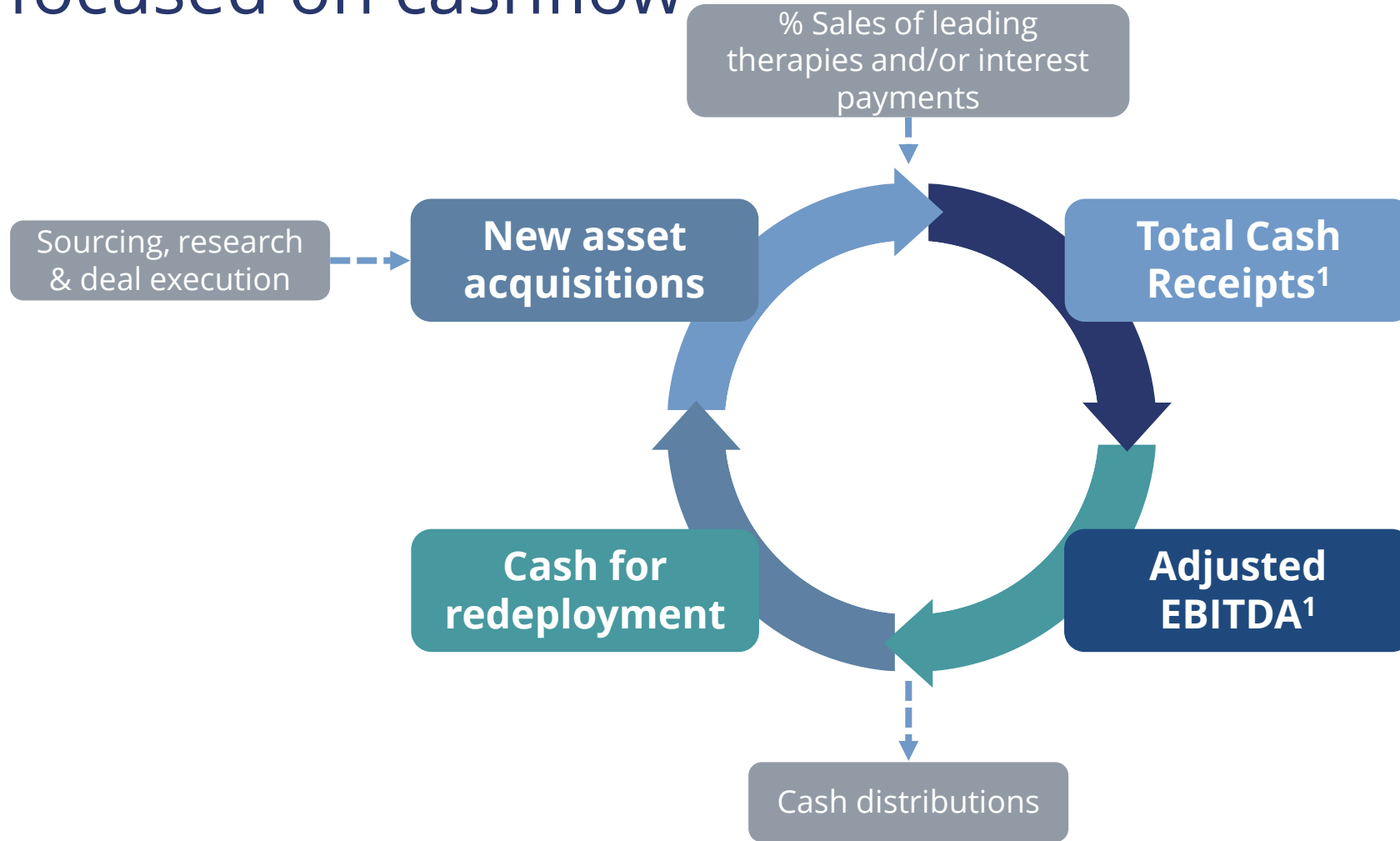


\$168.2 million¹
Available from credit facilities

**Significant
capacity for
further
growth**

Significant capital available for deployment

Sustainable and efficient business model focused on cashflow

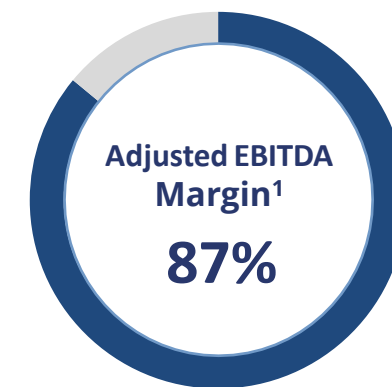
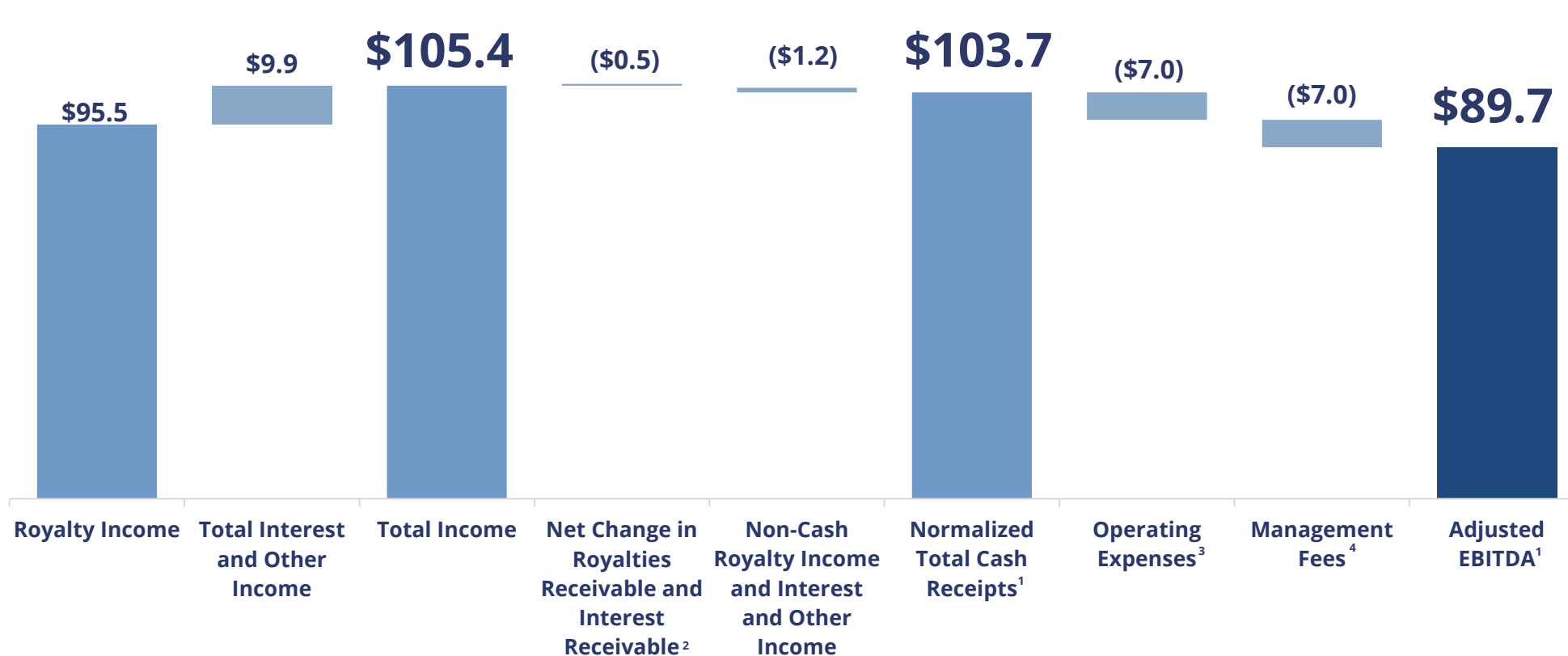


Business model allows for continuous compounding of cash flows

1. Total Cash Receipts and Adjusted EBITDA are non-GAAP measures. See note 1 on page 5 of this presentation.

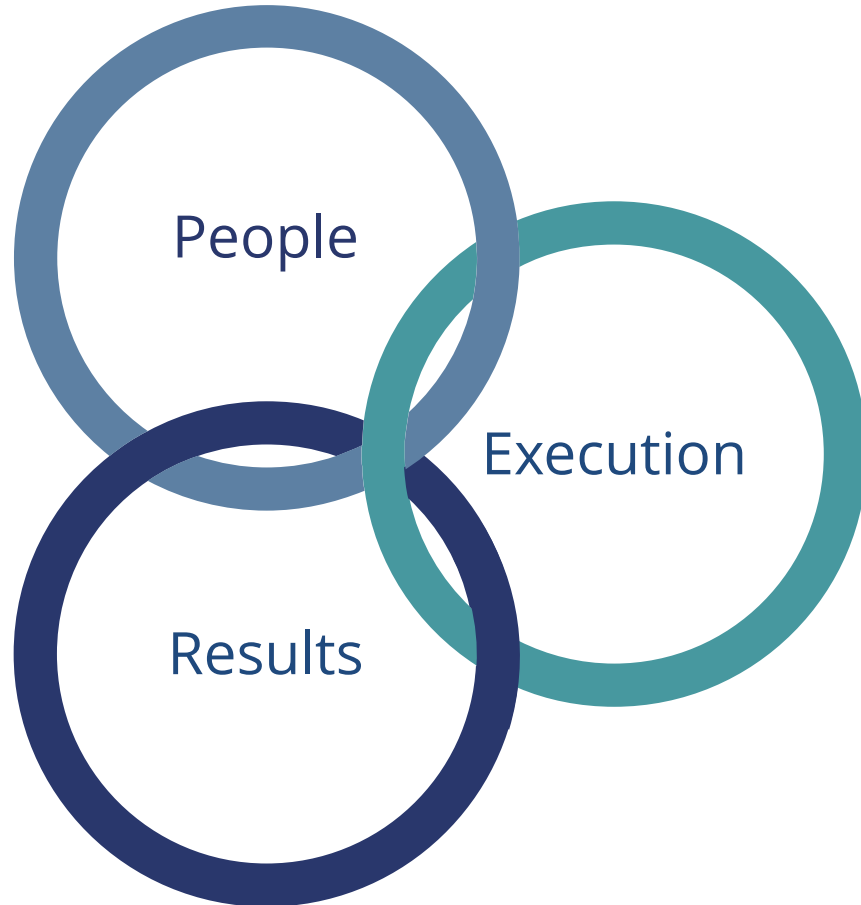
Strong cash generation

Adjusted EBITDA for the Last Twelve Months Ended June 30, 2023 (\$M)¹



Cash available to drive portfolio growth and maintain distributions to unitholders

Our key priorities



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

Execute on strong pipeline and operate at peak performance in all aspects of our business

Focus on long-term, sustainable growth generating strong unitholder returns

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Contact Us

David Levine

ir@drihealthcare.com