



Advancing Science

in the Pharmaceutical and
Biotechnology Sector

Q3 2024 Earnings Call | November 7, 2024

Disclaimer

This presentation has been prepared by DRI Healthcare Trust (the “Trust”). The Trust is an unincorporated open-ended trust governed by the laws of the Province of Ontario, Canada and is externally managed by DRI Capital Inc. (“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 Healthcare. The predecessor of DRI Healthcare was founded in 1989. Any references to employees or historical figures prior to the IPO refer to those of DRI Healthcare. This document includes information regarding the historical performance of private funds managed by DRI Healthcare, and is not indicative of future results.

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This presentation, including responses to questions related thereto, may contain “forward-looking information” within the meaning of, and made pursuant to the “safe harbor” provisions of, Canadian provincial securities laws. Statements that contain forward-looking information are predictive in nature, depend upon or refer to future events or conditions, and include, but are not limited to, statements which reflect management’s current opinions, estimates and assumptions regarding the operations, business, investment opportunities, the profitability and availability of royalty investments, results, performance, financial position and compounding of cash flow, expected financial results, priorities, objectives, strategies, prospects, pipeline, capital management and both short- and long-term outlook of the Trust and its subsidiaries, which are based on management’s experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate and reasonable in the circumstances. Statements containing forward-looking information are typically identified by words such as “guidance,” “target,” “project,” “assumes,” “seek,” “objective,” “outlook,” “commitment,” “believe,” “expect,” “will,” and other similar expressions.

Despite careful consideration and review of the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct, and undue reliance should not be placed on such statements. Forward-looking information is subject to known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results to materially differ from those depicted or implied by such information, including but not limited to the risk factors or assumptions identified in the Trust’s most recent Management’s Discussion and Analysis (“MD&A”), under “Risk Factors” in the Trust’s most recent Annual Information Form, and in the Trust’s other filings with Canadian securities regulators available on SEDAR+ at www.sedarplus.ca.

The forward-looking information contained in this presentation represents management’s expectations as of the date of this presentation, and are subject to change after such date. Except as may be required by applicable securities laws, the Trust does not undertake any obligation to update or revise any statement containing forward-looking information in this presentation, whether as a result of new information, future events or otherwise.

Non-GAAP Measures and Ratios

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 the International Financial Reporting Standards (“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 the 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. See “Financial Review: Non-GAAP Financial Measures” in the MD&A, which includes a reconciliation of IFRS to non-GAAP measures, such reconciliation being incorporated by reference herein.

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



Gary Collins

Chief Executive Officer,
DRI Healthcare Trust

Executive Appointments

New leadership to lead Trust to continued growth



Gary Collins
CEO,
DRI Healthcare
Trust



Amit Kapur
CFO,
DRI Healthcare
Trust



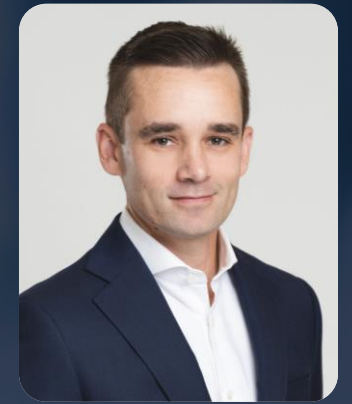
Ali Hedayat
Acting CEO,
DRI Healthcare



Navin Jacob
CIO,
DRI Healthcare



Sandy Kwan
CFO,
DRI Healthcare



David Plow
COO,
DRI Healthcare

Recent Highlights

Focus on deal execution, capital allocation and unitholder returns



Royalty Transactions

Casgevy and seabtralstat royalties

- Deployed \$162 million
- Innovative deal structures
- Increase portfolio duration and diversification



Amended Credit Agreement

Significant capacity for growth

- Increased total credit available from credit facilities to \$632 million
- Extended the maturity date of the amended credit agreement by one year



Dividend Declaration

Quarterly cash distribution

- Declared a distribution of \$0.085 per unit for Q4 2024
- Payable on January 20, 2025 to unitholders of record on December 31, 2024



Navin Jacob

Executive Vice President, Investments &
Chief Investment Officer,
DRI Healthcare

Casgevy transaction

Novel deal structure offers predictable annual cash flows plus potential additional payments



TRANSACTION OVERVIEW

Approved by the FDA in December 2023 for the treatment of sickle cell disease ("SCD") and in January 2024 for the treatment of transfusion-dependent beta thalassemia ("TDT"), and approved by the EMA in February 2024 for both indications

\$57.0 million up front purchase price

Entitled to receive specific payments based on a sublicensing agreement for the Cas9 gene-editing technology for Casgevy

Payments collected annually in Q1

Deal completed in October 2024

STRONG GROWTH POTENTIAL

Potential additional annual sales-based milestones in every year

Entitled to receive a mid-double-digit percentage of a \$50 million contingent payment

Only approved gene-edited cell therapy for SCD and TDT

Payment streams run until 2034

Sebetralstat royalty transaction

First pre-approval royalty acquisition and PIPE investment highlight evolving investment strategy

Sebetralstat

TRANSACTION OVERVIEW

New Drug Application submitted to the FDA with a PDUFA¹ date of June 17, 2025. European Medicines Agency has validated the submission of the Marketing Authorization Application.

\$100 million up front purchase price plus \$5 million PIPE²

Entitled to a tiered royalty on worldwide net sales

Royalties collected on a quarterly basis beginning the quarter immediately following approval of the drug

Deal completed in October 2024

STRONG GROWTH POTENTIAL

Potential \$50 million sales-based milestone if annual net sales reach \$550 million before January 1, 2031

Marketer has option to receive a \$22 million payment if sebetralstat is approved prior to October 1, 2025

If the option is exercised, the first tier royalty rate increases and the milestone amount increases from \$50 to \$57 million

Royalties are anticipated to be collected through at least 2041

1. The Prescription Drug User Fee Act ("PDUFA") date is the deadline by which the FDA will review a new drug. 2. Private investment in public equity.

Portfolio performance

Portfolio assets show continued growth

(\$ millions)	Q3 2024	Q3 2023	% Change ¹	Q2 2024	% Change ¹
TOTAL CASH ROYALTY RECEIPTS²	\$38.9	\$25.2	54%	\$43.0	(10)%
Sebetralstat	-	-	n/a	-	n/a
casgevy	-	-	n/a	-	n/a
Xenpozyme [™]	-	0.2	n/a	0.7	n/a
OMIDRIA [™]	9.5	3.3	195	11.3	(16)
ORSERDU [™]	11.2	3.4	224	8.9	26
VONJO [™]	3.7	3.1	19	3.5	6
Zejula [™]	1.1	0.8	36	0.9	22
EMPAVELI [™] SYFOVRE [®]	1.7	-	n/a	2.5	(32)
ORacea [™]	1.4	2.8	(47)	1.9	(26)
EYLEA [™]	1.8	1.6	13	1.6	13
Natpara [™]	0.4	0.6	(25)	0.7	(43)
RYDAPT [™]	0.6	1.7	(64)	2.0	(70)
SPINRAZA [™]	4.0	4.3	(8)	3.3	21
Stelara [™] Simponi [™] ILARIS [™]	0.2	0.2	(19)	0.2	-
Xolair [™]	3.0	2.7	13	1.7	76
Zytiga [™]	-	-	n/a	3.5	n/a
Other Products ³	0.3	0.5	(50)	0.3	-

1. Total % Change columns are based on figures rounded to the thousands and align with the information in our MD&A. 2. Total Cash Royalty Receipts is a non-GAAP financial measure. See "Financial Review: Non-GAAP Financial Measures" in our MD&A. 3. 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.

DRI HEALTHCARE

Robust pipeline of over
\$3 billion
in potential opportunities¹



Address important unmet needs with life-changing therapies for patients



Marketed by leading biotech or biopharma companies



Provides strong intellectual property and regulatory protection

¹. As of November 7, 2024. Represents the aggregate value of potential opportunities that meet or exceed DRI Healthcare's qualitative and quantitative investment criteria.



Amit Kapur
CFO,
DRI Healthcare Trust

Q3 2024 financial highlights

Normalized Total Cash Receipts¹

\$38.9 million

↑ 54% over Q3 2023

Total Income

\$41.6 million

↑ 22% over Q3 2023

Adjusted EBITDA¹

\$31.3 million

↑ 53% over Q3 2023

Adjusted EBITDA Margin¹

80%

Adjusted Cash Earnings per Unit¹

\$0.45

Declared Cash Distributions per Unit

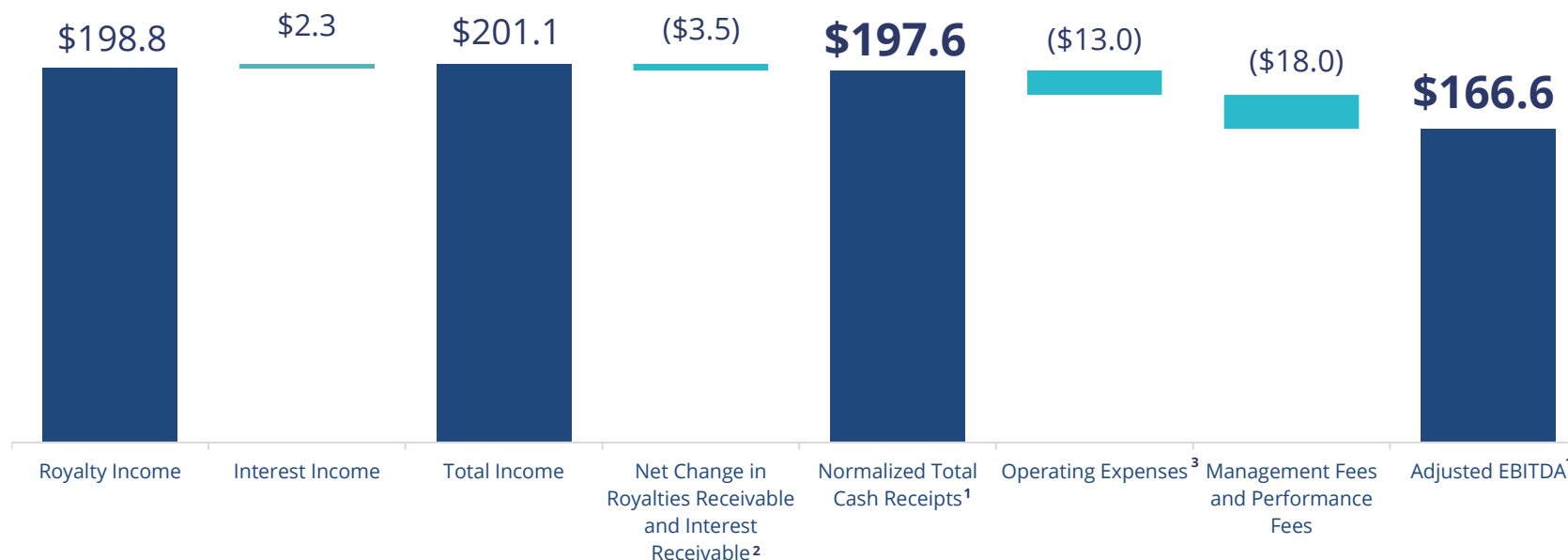
\$0.085

1. Normalized Total Cash Receipts and Adjusted EBITDA are non-GAAP measures. Adjusted EBITDA Margin and Adjusted Cash Earnings per Unit are non-GAAP ratios. See "Financial Review: Non-GAAP Financial Measures" in our MD&A.

Strong cash generation

Cash available to drive portfolio growth and maintain distributions to unitholders

Adjusted EBITDA for the Last Twelve Months Ended September 30, 2024 (\$M)¹



Adjusted EBITDA Margin¹

84%

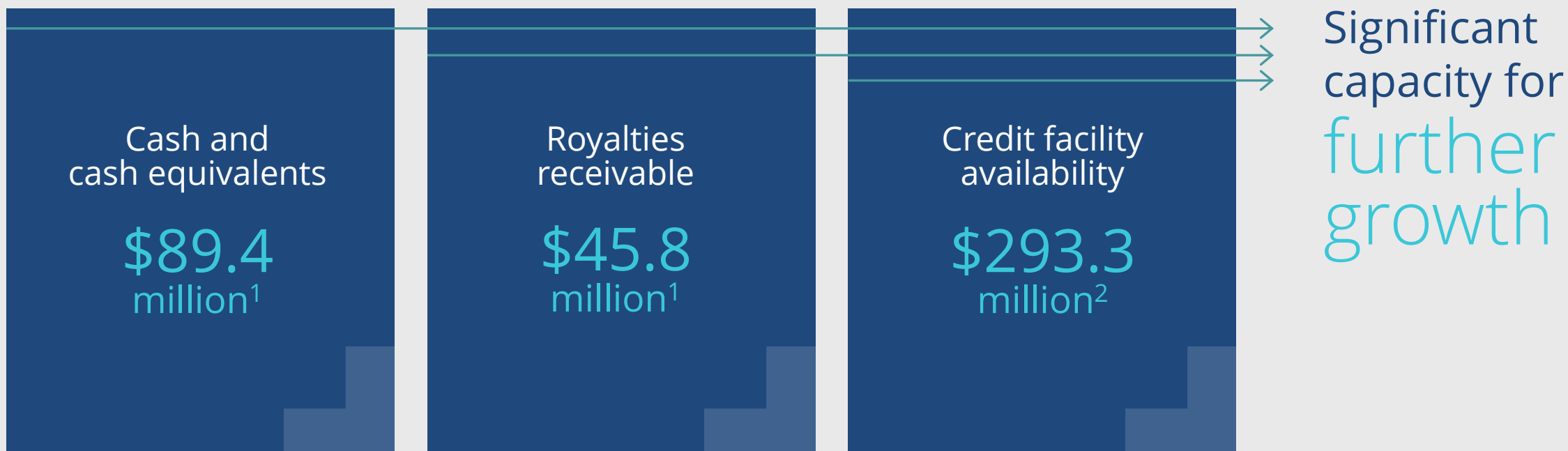


Adjusted Cash Earnings per Unit⁴

\$2.44

1. Adjusted EBITDA and Normalized Total Cash Receipts are non-GAAP financial measures. Adjusted EBITDA Margin and Adjusted Cash Earnings per Unit are non-GAAP ratios. Adjusted EBITDA Margin is calculated as Adjusted EBITDA / Normalized Total Cash Receipts. **2.** The Net Change in Royalties Receivable and Interest Receivable represents royalties and interest receivable at the beginning of period, less royalties and interest receivable at the end of period, plus acquired royalties receivable included in the purchase price of the assets, less other interest income and less prepayment premium income on loan receivable. **3.** Operating expenses are net of \$0.8 million related to board of trustee unit-based compensation. **4.** Adjusted Cash Earnings per Unit is calculated as comprehensive earnings (loss), plus: (i) amortization of royalty assets, (ii) amortization of other current assets, (iii) impairment of royalty assets, (iv) unit-based compensation, (v) board of trustees unit-based compensation, (vi) management and performance fees on sale of royalty asset and (vii) other loss, less: (i) non-cash royalty income, (ii) non-cash interest and other income on loan receivable, (iii) prepayment premium income on loan receivable, (iv) net gain on sale of royalty assets, (v) net gain on debt refinancing, and (vi) net unrealized gain on derivative instruments; divided by weighted average units outstanding.

Well capitalized for growth



¹. As at September 30, 2024, \$57 million of which was used to fund the Casgevy transaction on October 3, 2024. ². As at November 6, 2024 and reflects the expansion of the credit facility to \$631.6 million announced on November 1, 2024 and the \$105 million drawn on October 25, 2024 to fund the sebetralstat transaction.



Ali Hedayat
Acting CEO,
DRI Healthcare

Delivering on our long-term objectives

Focus on sustainable strategic growth

	GUIDANCE AT IPO (FEB 2021)	GUIDANCE TODAY
Capital deployment target	\$650 – \$750 million over 5 years	More than \$1.25 billion over 5 years¹
Sustainable cash generation	Declining cash curve due to expected asset expiries	High-teens royalty income CAGR through 2025 and mid- to high-single digit royalty income CAGR through 2030 (excluding any new transactions)
Portfolio duration	8 years	>10 years
Capital resources	IPO proceeds and debt capacity	Equity offering proceeds and attractive credit facilities with compounding effect of cash flows

¹. Statements regarding the Trust's outlook over 5 years 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.

DRI HEALTHCARE

Key
priorities



Rebuild trust with a focus on strong governance and tone from the top



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



Execute on strong pipeline and operate at peak performance



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