

DRI Healthcare Trust Reports Fourth Quarter and Annual 2024 Results

- Remediation of material weaknesses complete
- 45% increase in Normalized Total Cash Receipts over the prior year showcases continued execution and growth of portfolio
- Announcing 2025 royalty income guidance of \$172 to \$182 million, excluding milestone income and any new transactions, and increase in quarterly distribution to \$0.10 per unit

Toronto, Ontario – March 3, 2025 – DRI Healthcare Trust (TSX: DHT.UN/DHT.U) (“DRI” or “the Trust”) today announced its financial results for the fourth quarter and year ended December 31, 2024. The Trust’s annual 2024 financial statements and Management’s Discussion & Analysis (“MD&A”) have been filed on SEDAR+ (www.sedarplus.ca). All dollar amounts are expressed in U.S. dollars unless otherwise indicated.

“2024 was a year of evolution and a step forward for the Trust,” said Gary Collins, the Trust’s Chairman and Chief Executive Officer. “In addition to significant earnings growth compared to the previous year, we advanced our investment strategy, solidified our management team, and strengthened our governance practices. Our team showed great dedication as we worked diligently to enact new procedures with strong internal controls and focused on building better alignment for all stakeholders. Now that we have cleared our material weaknesses, we can look to the future and focus on a new chapter. With significant deployment capacity available against a robust pipeline and a committed team behind us, we are excited for the year to come.”

Fourth Quarter Highlights

- Total Income of \$62.3 million;
- Normalized Total Cash Receipts of \$44.6 million¹;
- Adjusted EBITDA of \$37.0 million¹;
- Comprehensive Earnings of \$7.9 million;
- Adjusted Cash Earnings per Unit of \$0.76 (basic and diluted)^{1,2};
- Net Earnings per Unit of \$0.12 (basic and diluted)²;
- Increased total credit available under the credit facility to \$631.6 million;
- Declared a special unit distribution of \$0.0237 and a regular quarterly cash distribution of \$0.085 per unit to unitholders of record as at December 31, 2024, which was paid on January 20, 2025.

Fiscal 2024 Highlights

- Deployed \$290.3 million in 4 royalty transactions;
- Total Income of \$187.5 million;
- Normalized Total Cash Receipts of \$190.0 million¹;
- Adjusted EBITDA of \$156.6 million¹;
- Comprehensive Loss of \$2.7 million;
- Adjusted Cash Earnings per Unit of \$2.18 (basic and diluted)^{1,3};
- Net Loss per Unit of \$0.06 (basic and diluted)³;
- Repurchased 406,346 Units under its Normal Course Issuer Bid (“NCIB”) at an average price of \$9.64, totaling \$3.9 million.
- Declared total distributions of \$20.5 million, comprised of cash distributions of \$19.2 million and unit distributions of \$1.3 million.

Subsequent to Quarter End

- Completed the funding of the Orserdu II milestone payment of \$10 million.
- Declared a quarterly cash distribution of US\$0.10 per unit for the first quarter of 2025, payable on April 18, 2025 to unitholders of record on March 31, 2025.

¹ Normalized Total Cash Receipts and Adjusted EBITDA are non-GAAP financial measures. Adjusted Cash Earnings per Unit is a non-GAAP ratio. These measures are not standardized measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. The reconciliation of these measures can be found later in this press release and in the Trust’s MD&A.

² The weighted average number of basic and diluted units for the purposes of calculating Earnings per Unit for the three months ended December 31, 2024 were 56,282,403 units and 56,678,956 units, respectively.

³ The weighted average number of basic and diluted units for the purposes of calculating Earnings per Unit for the year ended December 31, 2024 were 56,339,759 units and 56,339,759 units, respectively.

Financial Highlights

	Three months ended		Year ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
<i>(thousands of US dollars, except per unit amounts)</i>				
Total income	62,286	75,842	187,512	166,279
Management fees	2,938	3,426	11,397	22,335
Performance fees	1,665	5,918	1,896	24,534
Amortization of royalty assets	26,046	24,689	102,869	86,984
Impairment of royalty assets	9,686	—	15,787	9,216
Other expenses	14,950	9,885	59,528	39,265
Net gain from sale of royalty asset	—	—	—	110,122
Net gain on debt refinancing	—	—	2,176	—
Other loss	—	(785)	(1,575)	(2,571)
Net earnings (loss)	7,001	31,139	(3,364)	91,496
Net unrealized gain (loss) on derivative instruments	871	(1,741)	664	(1,089)
Comprehensive earnings (loss)	7,782	29,398	(2,700)	90,407
Net earnings (loss) per unit – basic	0.12	0.39	(0.06)	1.72
Net earnings (loss) per unit – diluted	0.12	0.39	(0.06)	1.71
Normalized Total Cash Receipts ⁴	44,599	52,253	189,992	131,181
Adjusted EBITDA ¹	36,965	46,953	156,642	114,514
Adjusted EBITDA Margin ¹	83 %	90 %	82 %	87 %
Adjusted Cash Earnings per Unit – Basic ¹	0.76	1.03	2.18	2.56
Adjusted Cash Earnings per Unit – Diluted ¹	0.76	1.03	2.18	2.55
Weighted average number of Units – Basic	56,282,403	56,332,607	56,339,759	44,479,802
Weighted average number of Units – Diluted	56,678,956	56,464,102	56,339,759	44,622,811

Asset Performance

As at December 31, 2024, the Trust's portfolio included 28 royalty streams on 21 products that address a variety of therapeutic areas, such as oncology, neurology, ophthalmology, endocrinology, hematology, dermatology, lysosomal storage disorders, immunology. On December 31, 2024, the intangible royalty asset portfolio had a book value, net of accumulated amortization, of \$823.9 million, which during the three months and year ended December 31, 2024 generated Total Cash Royalty Receipts¹ of \$44.6 million and \$190.0 million, respectively, and royalty income of \$61.4 million and \$184.7 million, respectively. On December 31, 2024, the financial royalty asset had a book value of \$57.5 million and generated a gain on the change of its fair value of \$0.5 million during the three months and year ended December 31, 2024.

⁴ Normalized Total Cash Receipts, Total Cash Royalty Receipts and Adjusted EBITDA are non-GAAP financial measures. Adjusted EBITDA Margin and Adjusted Cash Earnings per Unit are non-GAAP ratios. These measures and ratios are not standardized measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. The reconciliation of these measures can be found later in this press release and in the Trust's MD&A.

Portfolio

(thousands of US dollars)

Product	Therapeutic Area	Marketer(s)	Cash Receipts			
			Three months ended		Year ended	
			December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Empaveli/Syfovre	Hematology/Ophthalmology	Apellis, Sobi	1,977	1,438	6,268	1,876
Eylea I	Ophthalmology	Regeneron, Bayer, Santen	1,425	1,456	5,595	5,511
Eylea II	Ophthalmology	Regeneron, Bayer, Santen	309	317	1,211	2,022
FluMist	Influenza	AstraZeneca	—	944	—	2,423
Natpara	Endocrinology	Takeda	390	635	2,092	2,441
Omidria	Ophthalmology	Rayner Surgical	8,327	3,250	37,728	13,000
Oracea	Dermatology	Galderma	1,608	2,267	7,407	8,319
Orserdu I ¹	Oncology	Menarini	8,088	8,633	27,885	12,086
Orserdu II ¹	Oncology	Menarini	5,771	14,521	37,684	14,521
Rydapt ²	Oncology	Novartis	679	1,698	5,458	8,242
Spinraza	Neurology	Biogen	3,679	4,426	14,748	16,784
Stelara, Simponi and Ilaris ³	Immunology	Johnson & Johnson, Merck, Mitsubishi Tanabe, Novartis	189	278	798	1,300
Vonjo I	Hematology	Sobi	3,362	3,079	12,204	10,134
Vonjo II ¹	Hematology	Sobi	728	642	7,598	1,038
Xenpozyme	Lysosomal Storage Disorder	Sanofi	812	427	1,474	674
Xolair	Immunology	Roche, Novartis	3,535	3,198	10,658	9,945
Zejula	Oncology	GSK	953	867	3,900	3,126
Zytiga	Oncology	Johnson & Johnson	2,503	3,691	6,049	12,234
Other Products ⁴	Various	Various	264	486	1,235	2,241
Total Cash Royalty Receipts⁵			44,599	52,253	189,992	127,917
Interest receipts from loan receivable ⁶			—	—	—	3,264
Principal repayment of loan receivable ^{6,7}			—	—	—	50,000
Exit fee received for loan receivable ^{6,7}			—	—	—	1,000
Premiums for prepayment ^{6,7}			—	—	—	2,140
Proceeds from sale of royalty assets ^{7,8}			—	—	—	210,000
Total Cash Receipts⁵			44,599	52,253	189,992	394,321
Principal repayment of loan receivable ^{6,7}			—	—	—	(50,000)
Exit fee received for loan receivable ^{6,7}			—	—	—	(1,000)
Premiums for prepayment ^{6,7}			—	—	—	(2,140)
Proceeds from sale of royalty assets ^{7,8}			—	—	—	(210,000)
Normalized Total Cash Receipts⁵			44,599	52,253	189,992	131,181

¹ Cash receipts for the year ended December 31, 2024 includes milestone royalty receipts of \$2,104 from Orserdu I, \$18,939 from Orserdu II and \$5,000 from Vonjo II received in Q1 2024.

² Cash receipts for the year ended December 31, 2024 includes \$1,000 in additional cash receipts related to a one-time payment received in Q1 2024.

³ Stelara, Simponi and Ilaris includes two royalty streams on each product, for a total of six royalty streams held directly and indirectly.

⁴ 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.

⁵ Total Cash Receipts, Total Cash Royalty Receipts and Normalized Total Cash Receipts are non-GAAP financial measures. These measures are not standardized measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. The reconciliation of these measures can be found later in this press release and in the Trust's MD&A.

⁶ Interest receipts from loan receivable relates to the loan receivable, which was repaid in full on June 26, 2023. In accordance with the loan agreement, the Trust was also entitled to receive an exit fee and prepayment premiums upon prepayment of the loan, which were received in the second quarter of 2023.

⁷ This item represents cash received by the Trust in the quarter that is not expected to recur in the normal course of our operations. As such, these items are not included in Normalized Total Cash Receipts.

⁸ On April 27, 2023, the Trust sold the Tzield royalty asset.



Liquidity and Capital

On December 31, 2024, the Trust had cash and cash equivalents of \$36.5 million. The Trust's credit facility had an outstanding principal balance of \$324.2 million on December 31, 2024.

The Trust had 56,304,425 units issued and outstanding on December 31, 2024.

Distributions

On November 6, 2024, the board of trustees approved a quarterly cash distribution of \$0.0850 per unit to unitholders of record as of December 31, 2024, which was paid on January 20, 2025. On December 20, 2024, the board of trustees approved a special unit distribution of \$0.0237 per unit to unitholders of record as of December 31, 2024, which was issued to unitholders of record on December 31, 2024 and the units were immediately consolidated such that the total number of units outstanding did not change.

The Trust also announced today that its board of trustees has declared a quarterly cash distribution in the amount of \$0.10 per unit for the first quarter of 2025, payable on April 18, 2025, to unitholders of record as of March 31, 2025.

Normal Course Issuer Bid

During the year, the Trust repurchased and cancelled 406,346 of its own units under its NCIB for an aggregate amount of \$3.9 million at a weighted average price of C\$13.16 per unit (US\$9.64). As at December 31, 2024, the Trust does not have an active NCIB plan.

2024 Highlights

In addition to the strong performance of the asset portfolio during the year, the Trust took a number of steps to execute on the strategy outlined to its unitholders since its initial public offering.

On February 1, 2024, the Trust amended its existing royalty agreement with Omeros Corporation to expand its royalty interest on the U.S. net sales of Omidria for an upfront purchase price of \$115.0 million. In accordance with the terms of the amended royalty agreement, Omeros Corporation may also be entitled to additional consideration of up to \$55.0 million in the event that Omidria sales exceed certain thresholds within a predefined period of time. As a result of the amendment, the Trust will now be entitled to receive a 30% royalty on U.S. net sales of Omidria, until December 31, 2031, and all previously agreed-upon annual royalty caps have been eliminated. As part of the amendment, the Trust is no longer entitled to ex-U.S. royalties.

On June 28, 2024, The Trust bought an additional royalty stream on Xenpозyme for \$13.3 million. This royalty is in addition to our existing Xenpозyme royalty purchased in 2022. The transaction entitles us to an additional approximately 1.0% of worldwide net sales of Xenpозyme. In accordance with the royalty agreement, additional milestone payments totaling up to \$32.5 million may be paid by the Trust upon achievement of certain performance-based thresholds.

On October 3, 2024, the Trust acquired a share of payment rights on a Cas9 gene-editing technology for Casgevy for a purchase price of \$57.0 million. The transaction entitles us to a share of the annual license fees, which range from \$5.0 million to \$40.0 million, and include certain sales-based annual license fee increases. We are also entitled to receive a mid-double-digit percentage of a \$50.0 million contingent payment eligible under the license agreement. The first payment is expected to be received in January 2025 and the term of the payment streams runs until 2034.

On November 4, 2024, the Trust acquired a royalty interest in the worldwide net sales of all formulations of sebetralstat for an aggregate purchase price of up to \$179.0 million, comprised of a \$100.0 million upfront payment, up to \$57.0 million in sales-based milestone payment and a one-time \$22.0 million optional payment. Additionally, the Trust made a \$5.0 million investment in KalVista's common stock in a private placement transaction. The transaction entitles the Trust to a tiered royalty of 5.0% on net sales up to and including \$500.0 million, 1.1% on net sales above \$500.0 million and up to and including \$750.0 million, and 0.25% on net sales above \$750.0 million.

On December 26, 2024, as part of the Orserdu II Transaction completed in 2023, the Trust received notice that certain pre-specified events outlined in the purchase agreement had occurred, and the milestone payment conditions had been met. As a result of pre-specified events being met, certain royalty deductions have been exempted, allowing the Trust to reclaim additional royalties and milestones on past sales and milestones since



acquisition. As a result, an additional \$15.7 million in royalty revenue was recognized during the year ended December 31, 2024. The additional royalty revenue is composed of \$5.5 million in milestones and \$9.6 million in royalties for Orserdu II, and \$0.6 million in milestones for Orserdu I. The exemption from certain deductions will apply to future royalties and milestones received for Orserdu II.

Throughout 2024, the Trust declared and subsequently paid cash distributions totalling \$0.34 per unit, for aggregate cash distributions of \$19.2 million, consistent with the Trust's policy of distributing cash equal to 20-30% of available cash flow to unitholders.

Fourth Quarter 2024 Conference Call & Webcast

As previously announced, management will hold a conference call on Tuesday, March 4, 2025 at 8:00 a.m. (ET) to review the Trust's 2024 annual results. You can join the call by dialing 416-945-7677 or 1-888-699-1199 approximately 15 minutes prior to the call to secure a line.

A live webcast of the conference call, including a slide presentation, will be available at <https://empportal.ink/3DZpBFV>. Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be required to join the webcast. The webcast will be archived on the Trust's website following the call date.

Non-GAAP Financial Measures

The reconciliations of non-GAAP financial measures and non-GAAP ratios for the three months and year ended December 31, 2024 and 2023 to the most directly comparable measures calculated in accordance with IFRS are presented below.

Total Cash Royalty Receipts, Total Cash Receipts and Normalized Total Cash Receipts

Total Cash Receipts refers to Total Cash Royalty Receipts plus cash receipts from all products. Total Cash Receipts includes cash receipts from interest as well as non-recurring cash receipts such as the principal payments related to the Trust's loan receivable, fees and premiums related thereto and proceeds from the sale of royalty assets which consist of the proceeds from the sale of the Tzield royalty. Total Cash Royalty Receipts refers to aggregate cash royalty receipts from the Trust's portfolio of royalty assets and forms part of Total Cash Receipts. Because of the lag between when the Trust records royalty income and receives the corresponding cash payments on its royalties, management believes Total Cash Receipts and Total Cash Royalty Receipts are useful measures when evaluating the Trust's operations, as they represent actual cash generated in respect of all royalty assets held during a period. The Trust also presents Normalized Total Cash Receipts, which refers to Total Cash Receipts adjusted to remove cash receipts that are not expected to recur in the normal course of its operations. Management believes that Normalized Total Cash Receipts will assist readers in evaluating the period over period performance of the Trust's royalty portfolio since Normalized Total Cash Receipts only includes cash receipts generated by royalties and other amounts payable pursuant to the terms of the Trust's royalty assets and interest on the Trust's loan receivable.

(thousands of US dollars)	Three months ended		Year ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Total income	62,286	75,842	187,512	166,279
[-] Other interest income	(378)	(393)	(2,273)	(861)
[+] Royalties receivable, beginning of period	45,580	40,886	64,082	27,748
[-] Royalties receivable, end of period	(62,362)	(64,082)	(62,362)	(64,082)
[+] Financial royalty assets, beginning of period	—	—	—	—
[+] Financial royalty assets, acquired during period ¹	57,000	—	57,000	—
[-] Financial royalty assets, end of period	(57,527)	—	(57,527)	—
[+] Acquired royalties receivable ²	—	—	3,560	5,343
[-] Non-cash royalty income ³	—	—	—	(4)
[-] Non-cash interest and other income on loan receivable ⁴	—	—	—	(1,102)
[+] Principal repayment of loan receivable ⁵	—	—	—	50,000
[+] Exit fee ⁵	—	—	—	1,000
[+] Proceeds from sale of royalty assets	—	—	—	210,000
Total Cash Receipts	44,599	52,253	189,992	394,321
[-] Principal repayment of loan receivable ⁵	—	—	—	(50,000)
[-] Exit fee received for loan receivable ⁴	—	—	—	(1,000)
[-] Premiums for prepayment of loan receivable ⁴	—	—	—	(2,140)
[-] Proceeds from sale of royalty assets ⁵	—	—	—	(210,000)
Normalized Total Cash Receipts	44,599	52,253	189,992	131,181
[-] Interest and other income on loan receivable	—	—	—	(6,506)
[+] Non-cash interest and other income on loan receivable ³	—	—	—	1,102
[+] Premiums for prepayment of loan receivable ⁴	—	—	—	2,140
Total Cash Royalty Receipts	44,599	52,253	189,992	127,917

¹ Financial royalty assets acquired during the period relates to the Casgevy financial asset.

² Acquired royalties receivable represent the Trust's royalty entitlements prior to the completion of the royalty transactions they relate to.

³ Non-cash royalty income is related to excess royalty payments received in prior periods in which the Trust has an obligation to the royalty payers. Royalty income of nil and nil, respectively, was used to reduce the obligation during the three months and year ended December 31, 2024 (2023 – nil and \$4, respectively). Royalty income earned in future periods related to other royalty assets will be used to repay the remaining obligation of US\$136.

⁴ As the loan receivable was fully prepaid on June 26, 2023, there was no non-cash interest and other income for the year ended December 31, 2024. For the three months and year ended December 31, 2023, non-cash interest and other income on loan receivable represents the amortization of commitment fees of nil and \$368, respectively, and the accretion of exit fees receivable of nil and \$734, respectively.

⁵ This item represents cash received by the Trust that is not expected to recur in the normal course of its operations. As such, this item is not included in Normalized Total Cash Receipts.

Adjusted EBITDA and Adjusted EBITDA Margin

Management believes Adjusted EBITDA provides meaningful information about the Trust's operating cash flows as it eliminates the effects of other non-cash expenses and accruals and income and expenses that are not expected to recur, that have been recorded on the statement of net earnings (loss) and comprehensive earnings (loss). The Trust refers to EBITDA when reconciling its comprehensive earnings (loss) to Adjusted EBITDA but does not use EBITDA as a measure of its performance. Management believes that Adjusted EBITDA Margin is a useful supplemental measure to demonstrate the operating efficiency of the Trust's business on a cash basis.

(thousands of US dollars)	Three months ended		Year ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Comprehensive earnings (loss)	7,872	20,182	(2,700)	90,407
[+] Amortization or royalty assets	26,046	24,689	102,869	86,984
[+] Impairment of royalty assets	9,686	9,216	15,787	—
[+] Amortization of other current assets ¹	—	—	—	240
[-] Other interest income	(378)	(393)	(2,273)	(861)
[+] Interest expense	9,489	6,336	34,905	26,503
EBITDA	45,715	60,030	148,588	212,489
[+] Royalties receivable, beginning of period	45,580	40,886	64,082	27,748
[-] Royalties receivable, end of period	(62,362)	(64,082)	(62,362)	(64,082)
[-] Performance fees payable, beginning of period	—	—	(5,918)	—
[+] Performance fees payable, end of period	1,665	5,918	1,665	5,918
[+] Financial royalty assets, beginning of period	—	—	—	—
[+] Financial royalty assets, acquired during period ²	57,000	—	57,000	—
[-] Financial royalty assets, end of period	(57,527)	—	(57,527)	—
[+] Unrealized loss on marketable securities	765	—	765	—
[+] Acquired royalties receivable ³	—	—	3,560	5,343
[+] Unit-based compensation ⁴	90	1,379	7,679	3,731
[+] Board of trustees unit-based compensation ⁵	(90)	296	375	809
[-] Non-cash royalty income ⁶	—	—	—	(4)
[-] Non-cash interest and other income on loan receivable ⁷	—	—	—	(1,102)
[-] Premiums for prepayment of loan receivable ⁸	—	—	—	(2,140)
[-] Net gain on sale of royalty asset ⁹	—	—	—	(110,122)
[+] Management fees on sale of royalty asset ¹⁰	—	—	—	13,650
[+] Performance fees on sale of royalty asset ¹⁰	—	—	—	18,616
[-] Net gain on debt refinancing ¹¹	—	—	(2,176)	—
[-] Other loss	—	785	1,575	2,571
[-] Net unrealized gain on derivative instruments	(871)	1,741	(664)	1,089
Adjusted EBITDA	36,965	46,953	156,642	114,514
[÷] Normalized Total Cash Receipts	44,599	52,253	189,992	131,181
Adjusted EBITDA Margin	83 %	90 %	82 %	87 %

¹ In connection with the Empaveli/Syfovre transaction completed in 2022, the Trust acquired other current assets. The related amortization expense is recorded in other operating expenses.

² Financial royalty assets acquired during the period relates to the Casgevy financial asset

³ Acquired royalties receivable represent the Trust's royalty entitlements prior to the completion of the royalty transactions they relate to, as described under the Transactions Completed section of the MD&A.

⁴ For the three months and year ended December 31, 2024, unit-based compensation expense was \$90 and \$7,679, respectively (2023 – \$1,379 and \$5,079, respectively, which includes \$1,348 paid in cash to the third quarter of 2023).

⁵ Certain members of the board of trustees elected to be compensated fully or partially in deferred units ("DUs") under the Trust's Omnibus Equity Incentive Plan.

⁶ Non-cash royalty income is related to excess royalty payments received in prior periods in which the Trust has an obligation to the royalty payers. Royalty income of nil and nil, respectively, was used to reduce the obligation during the three months year ended December 31, 2024 (2023 – nil and \$4, respectively). Royalty income earned in future periods related to other royalty assets will be used to repay the remaining obligation of US\$136.

⁷ As the loan receivable was fully prepaid on June 26, 2023, there was no non-cash interest and other income for the three months ended December 31, 2024. For the year ended December 31, 2023, non-cash interest and other income on loan receivable represents the amortization of commitment fees of nil and \$368, respectively, and the accretion of exit fees receivable of nil and \$734, respectively.

⁸ The Trust received a prepayment premium for prepayment of the loan receivable, as described under the Loan receivable section of the MD&A.

⁹ During the second quarter of 2023, the Trust sold its royalty interest in the worldwide sales of Tzield, as described under the Tzield Transactions section of the MD&A.

¹⁰ During the year ended December 31, 2024, the Trust paid management fees of US\$13,650 and performance fees of US\$18,616 related to the sale of the Tzield royalty asset, pursuant to the investment management agreement, as described in note 2(n) to the Trust's 2024 annual consolidated financial statements.

¹¹ During the second quarter of 2024, the Trust refinanced its 2023 Preferred Securities and 2023 Warrants, as result of the refinancing an accounting gain was recorded.

Adjusted Cash Earnings per Unit

Management believes that Adjusted Cash Earnings per Unit provides meaningful information about the Trust's performance as it provides a measure of the cash generated by the Trust's assets on a per unit basis, excluding cash earnings that are not expected to recur.

(thousands of US dollars, except per unit amounts)	Three months ended		Year ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Comprehensive earnings (loss)	7,872	20,182	(2,700)	90,407
[+] Amortization or royalty assets	26,046	24,689	102,869	86,984
[+] Impairment of royalty assets	9,686	9,216	15,787	9,216
[+] Amortization of other current assets ¹	—	—	—	240
[+] Unrealized loss on marketable securities	765	—	765	—
[+] Unit-based compensation ²	90	1,379	7,679	3,731
[+] Board of trustees unit-based compensation ³	(90)	296	375	809
[-] Change in fair value of financial royalty assets	(527)	—	(527)	—
[-] Non-cash royalty income ⁴	—	—	—	(4)
[-] Non-cash interest and other income on loan receivable ⁵	—	—	—	(1,102)
[-] Premiums for prepayment of loan receivable ⁶	—	—	—	(2,140)
[-] Net gain on sale of royalty assets ⁷	—	—	—	(110,122)
[+] Management fee on sale of royalty asset ⁸	—	—	—	13,650
[+] Performance fee on sale of royalty asset ⁸	—	—	—	18,616
[-] Net gain on debt refinancing ⁹	—	—	(2,176)	—
[-] Other loss	—	785	1,575	2,571
[-] Net unrealized gain on derivative instruments	(871)	1,741	(664)	1,089
Adjusted Cash Earnings	42,972	58,288	122,983	113,945
Adjusted Cash Earnings per Basic Unit	0.76	1.03	2.18	2.56
Adjusted Cash Earnings per Fully Diluted Unit	0.76	1.03	2.18	2.55
Weighted average number of Units – Basic	56,282,403	56,332,607	56,339,759	44,479,802
Weighted average number of Units – Diluted	56,678,956	56,464,102	56,339,759	44,622,811

¹ In connection with the Empaveli/Syfovre Transaction completed in 2022, the Trust acquired other current assets. The related amortization expense is recorded in other operating expenses.

² For the year ended December 31, 2024, unit-based compensation expense were \$90 and \$7,679, respectively (2023 – \$1,379 and \$5,079, respectively, which includes \$1,348 paid in cash to the third quarter of 2023).

³ Certain members of the board of trustees elected to be compensated fully or partially in DUs under the Trust's Omnibus Equity Incentive Plan.

⁴ Non-cash royalty income is related to excess royalty payments received in prior periods in which the Trust has an obligation to the royalty payers. Royalty income of nil and nil, respectively, was used to reduce the obligation during the three months and year ended December 31, 2024 (2023 – nil and \$4, respectively). Royalty income earned in future periods related to other royalty assets will be used to repay the remaining obligation of US\$136.

⁵ As the loan receivable was fully prepaid on June 26, 2023, there was no non-cash interest and other income for the year ended December 31, 2024. For the year ended December 31, 2023, non-cash interest and other income on loan receivable represents the amortization of commitment fees of nil and \$368, respectively, and the accretion of exit fees receivable of nil and \$734, respectively.

⁶ The Trust received a prepayment premium for prepayment of the loan receivable, as described under the Loan receivable section of the MD&A.

⁷ During the second quarter of 2023, the Trust sold its royalty interest in the worldwide sales of Tzield, as described under the Tzield Transactions section of the MD&A.

⁸ During the year ended December 31, 2024, the Trust paid management fees of US\$13,650 and performance fees of US\$18,616 related to the sale of the Tzield royalty asset, pursuant to the investment management agreement, as described in note 2(n) to the Trust's 2024 annual consolidated financial statements.

⁹ During the second quarter of 2024, the Trust refinanced its 2023 Preferred Securities and 2023 Warrants, as result of the refinancing an accounting gain was recorded.



About DRI Healthcare Trust

The Trust is managed by DRI Capital Inc., the pioneer in global pharmaceutical royalty monetization. Since its initial public offering in 2021, the Trust has deployed more than \$1.0 billion, acquiring more than 25 royalties on 20-plus drugs, including Eylea, Orserdu, Omidria, Spinraza, Stelara, Vonjo, Zejula and Zytiga. The 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". To learn more, visit drihealthcare.com or follow us on [LinkedIn](#).

Caution concerning forward-looking statements

This news release may contain forward-looking information within the meaning of applicable securities legislation. Forward-looking information can generally be identified by the use of 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 the Trust's ability to execute on its strategy, the value to be provided to unitholders, timing of royalty payments, statements that we expect to receive payments based on licensing in connection with CASGEVY®, the potential and timing of royalty payments, and the anticipated royalty income and anticipated sales of the products underlying such royalties. 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 and under "Risk Factors" in the Trust's MD&A. The anticipated royalty terms for products in our portfolio may be shorter than the period of patent protection for the applicable product, depending on many factors, including the entry of generic drugs into the marketplace and competition, all of which are outside our control. No assurance can be given that these are all the factors that could cause actual results to vary materially from the forward-looking statements in this press release. You should not put undue reliance on forward-looking statements. No assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do occur, the actual results, performance or achievements of the Trust could differ materially from the results expressed in, or implied by, any forward-looking statements. 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 drihealthcare.com.

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