DRI HEALTHCARE TRUST

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026

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INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(unaudited) *(in thousands of U.S. dollars)*		As at September 30, 2026	As at December 31, 2025
Assets			
Cash and cash equivalents		$ 41,062	$ 42,432
Royalties receivable		53,309	59,708
Current portion of financial royalty assets	note 15	21,946	—
Other current assets		1,246	983
Current assets		117,563	**103,123**
Intangible royalty assets, net of accumulated amortization and impairments	note 6	887,571	777,818
Financial royalty assets	note 15	114,018	57,276
Investment in marketable securities	note 15	—	3,311
Derivative asset	note 15	4,383	—
Other non-current assets		3,316	1,291
Non-current assets		1,009,288	**839,696**
Total assets		$ 1,126,851	$ **942,819**
Liabilities			
Accounts payable and accrued liabilities		$ 15,667	$ 6,240
Distributions payable to Unitholders	note 8	6,035	5,507
Current portion of credit facility	note 7	40,650	67,088
Current portion of unit-based compensation liability	note 12	628	1,704
Other current liabilities		8,678	5,810
Current liabilities		71,658	**86,349**
Long-term debt	note 7	570,953	415,851
Derivative liability	note 15	7,770	1,486
Unit-based compensation liability	note 12	434	199
Other non-current liabilities		2,162	354
Total liabilities		652,977	**504,239**
Equity			
Unitholders' capital	note 8	547,697	550,235
Other equity reserves	note 8	(12,910)	(11,200)
Accumulated other comprehensive earnings (loss)	note 15	5,068	(1,064)
Accumulated retained earnings (deficit)		(65,981)	(99,391)
Total equity		473,874	**438,580**
Total liabilities and equity		$ 1,126,851	$ **942,819**

See accompanying notes to the unaudited interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF NET EARNINGS (LOSS) AND COMPREHENSIVE EARNINGS (LOSS)

(unaudited) *(in thousands of U.S. dollars except per Unit data)*		Three months ended **September 30, 2026**	 September 30, 2025	Nine months ended **September 30, 2026**	 September 30, 2025
Income					
Royalty income	note 6	**$ 46,053**	$ 46,884	**$ 140,879**	$ 131,311
Financial royalty income	note 15	**647**	1,173	**3,963**	2,830
Net gain (loss) on marketable securities	note 15	**—**	435	**168**	1,855
Other interest income		**190**	253	**601**	907
Total income		**46,890**	**48,745**	**145,611**	**136,903**
Expenses					
Amortization of intangible royalty assets	note 6	**27,565**	26,326	**77,977**	75,822
Impairment of intangible royalty assets	note 6	**14,613**	13,691	**14,613**	13,691
Management fees	note 19	**—**	—	**—**	6,733
Performance fees	note 19	**—**	—	**—**	533
Interest expense	note 7	**8,496**	10,252	**28,158**	28,887
Deal investigation and research expenses	note 10	**1,042**	1,119	**2,645**	3,531
Compensation expense	note 11	**4,074**	3,542	**9,962**	4,125
Unit-based compensation	note 12	**577**	1,150	**1,850**	2,580
General and administrative expenses	note 13	**501**	819	**1,479**	1,016
Other operating expenses	note 14	**2,298**	1,946	**5,498**	10,490
Total expenses		**59,166**	**58,845**	**142,182**	**147,408**
Net gain on disposition of royalty assets	note 6	**59,883**	—	**59,883**	—
Gain (loss) on debt refinancing	note 7	**—**	—	**(9,794)**	(971)
Net unrealized gain (loss) on derivative instruments	note 15	**359**	—	**(1,153)**	—
Net unrealized gain (loss) on foreign exchange remeasurement	note 7	**(311)**	—	**2,956**	—
Termination fee	note 19	**—**	(48,000)	**—**	(48,000)
Net earnings (loss) before tax		**$ 47,655**	**$ (58,100)**	**$ 55,321**	**$ (59,476)**
Income tax recovery (expense)		**(1,150)**	**240**	**(3,778)**	**240**
Net earnings (loss)		**$ 46,505**	**$ (57,860)**	**$ 51,543**	**$ (59,236)**
Other comprehensive earnings (loss)					
Net unrealized gain (loss) on derivative instruments	note 15	**3,175**	184	**6,132**	(972)
Comprehensive earnings (loss)		**$ 49,680**	**$ (57,676)**	**$ 57,675**	**$ (60,208)**
Net earnings (loss) per Unit					
Basic	note 9	**$ 0.85**	$ (1.05)	**$ 0.94**	$ (1.06)
Diluted	note 9	**$ 0.84**	$ (1.05)	**$ 0.93**	$ (1.06)

See accompanying notes to the unaudited interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(unaudited) *(in thousands of U.S. dollars)*		Unitholders' Capital	Other Equity Reserves	Accumulated Other Comprehensive Earnings (Loss)	Accumulated Retained Earnings (Deficit)	Total Equity
Balance – December 31, 2024		**$ 562,583**	**$ (7,910)**	**$ (425)**	**$ (26,717)**	**$ 527,531**
Issuance of Units:						
Settlement of vested Restricted Units	note 8	1,733	—	—	—	1,733
Settlement of vested Deferred Units	note 8	162	—	—	—	162
Repurchase and cancellation of Units	note 8	(13,193)	—	—	—	(13,193)
Excise tax on Unit repurchases	note 8	(229)	—	—	—	(229)
Reserve for Units subject to automated purchase plan	note 8	—	(2,000)	—	—	(2,000)
Cash distributions to Unitholders	note 8	—	—	—	(16,696)	(16,696)
Other comprehensive earnings (loss)	note 15	—	—	(972)	—	(972)
Net earnings (loss)		—	—	—	(59,236)	(59,236)
Balance – September 30, 2025		**$ 551,056**	**$ (9,910)**	**$ (1,397)**	**$ (102,649)**	**$ 437,100**
Balance – December 31, 2025		**$ 550,235**	**$ (11,200)**	**$ (1,064)**	**$ (99,391)**	**$ 438,580**
Issuance of Units:						
Settlement of vested Restricted Units	note 8	**1,231**	**—**	**—**	**—**	**1,231**
Repurchase and cancellation of Units	note 8	**(3,719)**	**—**	**—**	**—**	**(3,719)**
Excise tax on Unit repurchases	note 8	**(50)**	**—**	**—**	**—**	**(50)**
Reserve for Units subject to automated purchase plan	note 8	**—**	**(1,710)**	**—**	**—**	**(1,710)**
Cash distributions to Unitholders	note 8	**—**	**—**	**—**	**(18,133)**	**(18,133)**
Other comprehensive earnings (loss)	note 15	**—**	**—**	**6,132**	**—**	**6,132**
Net earnings (loss)		**—**	**—**	**—**	**51,543**	**51,543**
Balance – September 30, 2026		**$ 547,697**	**$ (12,910)**	**$ 5,068**	**$ (65,981)**	**$ 473,874**

See accompanying notes to the unaudited interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of U.S. dollars)		Nine months ended September 30, 2026	Nine months ended September 30, 2025
Operating Activities			
Net earnings (loss)		$ 51,543	$ (59,236)
Adjustment for non-cash items:			
Interest expense	note 7	28,158	28,887
Amortization of intangible royalty assets	note 6	77,977	75,822
Impairment of intangible royalty assets	note 6	14,613	13,691
Depreciation of fixed assets and other intangible assets	note 13	296	136
Financial royalty income	note 15	(3,963)	(2,830)
Unit-based compensation expense	note 12	1,850	2,580
Net gain on disposition of royalty assets	note 6	(59,883)	—
Loss (gain) on debt refinancing	note 7	9,794	971
Net (gain) loss on marketable securities	note 15	(168)	(1,855)
Net unrealized (gain) loss on derivative instrument	note 15	1,153	—
Net unrealized (gain) loss on foreign exchange remeasurement	note 7	(2,956)	—
		118,414	**58,166**
Changes in non-cash working capital:			
Royalties receivable		6,399	9,477
Other current assets		(263)	(1,011)
Other non-current assets		(2,320)	(503)
Accounts payable and accrued liabilities		2,507	(888)
Performance fees payable	note 19	—	(1,665)
Other current liabilities		1,158	649
Other non-current liabilities		1,789	376
		9,270	6,435
Cash provided by operating activities		$ 127,684	$ **64,601**
Financing Activities			
Repurchase and cancellation of Units	note 8	(3,719)	(13,193)
Excise tax on Unit repurchases	note 8	(245)	—
Distributions to Unitholders paid in cash	note 8	(17,605)	(15,967)
Drawings from credit facility	note 7	321,000	67,000
Repayment of credit facility	note 7	(431,041)	(43,341)
Cash interest paid, net	note 7	(16,958)	(22,106)
Partial cancellation of 2024 Preferred Securities	note 7	(9,825)	(9,500)
Issuance of senior notes	note 7	250,000	—
Debt issuance costs paid	note 7	(6,955)	(388)
Cash provided by (used in) financing activities		$ 84,652	$ **(37,495)**
Investing Activities			
Purchase of royalty assets	note 5	$ (397,500)	$ (32,000)
Proceeds from disposition of royalty assets	note 5	176,210	—
Purchase of fixed assets and other intangible assets	note 19	—	(1,000)
Casgevy license fee	note 16	5,000	5,000
Proceeds from sale of marketable securities	note 15	3,479	—
Cash transaction costs paid	note 5	(895)	—
Cash used in investing activities		$ (213,706)	$ **(28,000)**
Increase (decrease) in cash and cash equivalents		$ (1,370)	$ (894)
Cash and cash equivalents, beginning of period		42,432	36,502
Cash and cash equivalents		$ 41,062	$ **35,608**

See accompanying notes to the unaudited interim condensed consolidated financial statements.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)
(in thousands of U.S. dollars except per unit data)

DRI Healthcare Trust was established as an unincorporated open-ended limited purpose trust under the laws of the Province of Ontario pursuant to a declaration of trust on October 21, 2020, as amended and restated on May 15, 2025. DRI Healthcare Trust is a "mutual fund trust" as defined in the *Income Tax Act* (Canada) but not a "mutual fund" within the meaning of applicable Canadian securities legislation. Effective July 1, 2025, DRI Healthcare Trust became a specified investment flow-through ("**SIFT**") trust for the purposes of the *Income Tax Act* (Canada).

DRI Healthcare Trust was formed to provide the holder of its Units ("**Unitholders**") with differential exposure to the pharmaceutical and biotechnology industries through ownership and acquisitions of pharmaceutical royalties. Persis Capital Inc. (formerly DRI Capital Inc.) ("**former external manager**") acted as an external manager for the Trust pursuant to the terms of a management agreement (the "**former management agreement**"). The former external manager provided management and other services up to June 30, 2025. On July 1, 2025, DRI Healthcare Trust completed the internalization of its investment management function (the "**Internalization**"). In connection with the Internalization, DRI Healthcare Trust and the former external manager entered into a certain termination agreement pursuant to which (i) the former management agreement was terminated, effective June 30, 2025; and (ii) the former external manager agreed to indemnify the Trust and its affiliates in respect of, among other things, damages, if any, related to the events described in note 20. To extinguish the former management agreement, along with all management and performance fee obligations, DRI Healthcare Trust paid a termination fee of $48,000. The termination of the former management agreement results in the elimination of management and performance fees on a prospective basis.

In addition, in connection with the Internalization, DRI Healthcare Trust acquired certain relevant assets of the former external manager for a purchase price of $1,000. As a result of the transaction contemplated by a certain asset purchase agreement entered into between the Trust and the former external manager, the employees of the former external manager transitioned to subsidiaries of DRI Healthcare Trust.

DRI Healthcare Trust's Units are listed on the Toronto Stock Exchange ("**TSX**") in Canadian dollars under the symbol "**DHT.UN**" and in U.S. dollars under the symbol "**DHT.U**".

The registered address for DRI Healthcare Trust is 100 King Street West, Suite 6200, Toronto, Ontario, M5X 1B8, Canada.

Throughout these statements, "**Trust**", "**we**", "**us**" and "**our**" refer to DRI Healthcare Trust and its consolidated subsidiaries.

These unaudited interim condensed consolidated financial statements (the "**consolidated financial statements**") were authorized for issuance by the board of trustees on November 4, 2026.

NOTE 1 | BASIS OF PREPARATION

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34, *Interim financial reporting*, using accounting policies consistent with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("**IASB**"). Accordingly, certain financial information and note disclosures normally included in annual financial statements prepared in accordance with IFRS Accounting Standards as issued by the IASB have been omitted or condensed. These consolidated financial statements should be read in conjunction with the Trust's audited annual consolidated financial statements and accompanying notes for the year ended December 31, 2025 ("**2025 consolidated financial statements**").

(b) Basis of Measurement

These consolidated financial statements have been prepared on a historical cost basis, adjusted for the revaluation of certain financial assets and liabilities recorded at fair value through net earnings (loss) as explained in note 3(e) to the Trust's 2025 consolidated financial statements.

(c) Basis of Consolidation

These consolidated financial statements represent the accounts of DRI Healthcare Trust and its directly or indirectly owned subsidiaries. Control is achieved when the Trust has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The results of operations of subsidiaries are included in the consolidated financial statements from the date on which the Trust obtains control. All intercompany balances and transactions have been eliminated. There have been no changes to the basis of consolidation as described in the Trust's 2025 consolidated financial statements as at September 30, 2026.

(d) Functional and Presentation Currency

The functional and presentation currency of the Trust is the United States dollar ("**U.S. dollar**"). We present our consolidated financial statements in U.S. dollars. All dollar amounts are expressed in U.S. dollars unless otherwise indicated. Accordingly, all references to "**US$**", "**$**" or "**dollars**" are to U.S. dollars, and all references to "**C$**" are to Canadian dollars. Dollar amounts in the tables and elsewhere in these consolidated financial statements are presented in thousands of U.S. dollars unless otherwise noted.

NOTE 2 | MATERIAL ACCOUNTING POLICIES

In the preparation of these consolidated financial statements, the Trust has consistently applied the material accounting policies as described in note 3 to the Trust's 2025 consolidated financial statements. The following accounting policy has been added in the current year, as described below.

Carry Compensation

The Trust awards carry compensation under its Carried Interest Plan (the "**Carry Plan**") to certain key employees of the Trust. Awards under the Carry Plan are granted annually in respect of each fiscal year. For each fiscal year, a pool of 100 carry points is established, with one full carry point representing the right to 1% of that fiscal year's Carried Interest. Carried Interest for each fiscal year means an amount equal to 1% of Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("**Adjusted EBITDA**") for such fiscal year, as reported by the Trust in its Management's Discussion and Analysis, subject to ongoing adjustment under the performance ratchet set out in the Carry Plan. On an annual basis, the Carried Interest is remeasured by multiplying the Carried Interest by the ratio of Adjusted EBITDA to Target Adjusted EBITDA for the applicable fiscal year of the Trust. The Carry Plan is further described in the Trust's most recent Management Information Circular available under our profile on SEDAR+ at www.sedarplus.ca.

Under the Carry Plan, the vested carry points are settled in cash by default, net of applicable withholding taxes. Participants may elect to have up to 50% of their carry points settled in newly issued Units of the Trust ("**Deferred Carry Points**"). The number of Units issuable upon vesting and settlement is determined by a formula based on the Trust's Unit price on the grant date and a performance metric based on net book value of the Trust's royalty assets. No Units are issued until the applicable carry points have vested in accordance with the applicable award agreement. The unvested Units are not entitled to distributions during the vesting periods, thus they are not credited with distribution equivalents on each distribution payment date.

The portion of each award settled in cash is accounted for as an employee benefit obligation and is recognized in compensation expense in the statements of net earnings (loss) and comprehensive earnings (loss). Deferred Carry Points are accounted for as cash-settled share-based payments and are recognized as Unit-based compensation expense in the statements of net earnings (loss) and comprehensive earnings (loss). Although Units of the Trust are issued to settle Deferred Carry Points, as the Trust is an open-ended trust, its Units are redeemable and thus require outstanding awards to be recognized as liabilities carried at fair value.

At each reporting date, these liabilities are measured to reflect current estimates of the amounts expected to be paid and the timing of settlement. The liabilities are adjusted for changes in fair value with a corresponding adjustment to either compensation expense or unit-based compensation expense in the period in which they occur. For unit-settled awards, when the awards are settled, the liability is reduced and a corresponding increase in equity is recorded.

NOTE 3 | USE OF JUDGMENTS AND ESTIMATES

In the preparation of these consolidated financial statements, the Trust has used consistent judgments and estimates, as described in note 4 to the Trust's 2025 consolidated financial statements.

NOTE 4 | RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Presentation and Disclosure in Financial Statements – IFRS 18

On April 9, 2024, the IASB issued IFRS 18: *Presentation and Disclosure in Financial Statements*, replacing IAS 1. The standard will change how the Trust presents results on the face of the consolidated statement of net earnings (loss) and comprehensive earnings (loss) and discloses information in the notes of the financial statements, including disclosures of certain non-GAAP measures, which are management-defined performance measures. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Trust is currently assessing the impact of the standard on its consolidated financial statements.

NOTE 5 | ASSET TRANSACTIONS

(a) Juvmo (tavapadon)

On September 19, 2026, the Trust entered into purchase agreements to acquire certain royalty participation rights in the U.S. net sales of Juvmo (tavapadon) from funds managed by Bain Capital and NovaQuest Capital Management for an aggregate purchase price of $316,000 upon approval of Juvmo (tavapadon) by the U.S. Food and Drug Administration ("**FDA**").

On September 25, 2026, the FDA approved Juvmo (tavapadon) for the treatment of motor symptoms that occur in Parkinson's disease. Following FDA approval of Juvmo (tavapadon) and the satisfaction of customary closing conditions, the transaction was completed on September 29, 2026, at which time the Trust funded the aggregate purchase price of $316,000. The transaction entitles the Trust to tiered royalties on annual U.S. net sales of Juvmo (tavapadon), at combined tiered, mid-single digit to low-double digit royalty rates, and certain sales milestone payments upon first reaching certain cumulative U.S. net sales thresholds. The Trust is also entitled to receive four annual fixed payments of $23,438 on or before the first four anniversaries of FDA approval of Juvmo (tavapadon), commencing on September 25, 2027. Under the terms of the purchase agreement, aggregate receipts are subject to a contractual hard cap of $437,500.

The transaction was funded through a combination of cash on hand and borrowings under the Trust's credit facility. Royalty receipts will be collected quarterly on a one-quarter lag, with the first royalty receipt being paid in the quarter immediately following the first commercial sale of Juvmo (tavapadon) in the U.S.

The Trust recognized two assets as part of the transaction; an intangible royalty asset of $236,500 representing the tiered royalty interest and sales milestone payments acquired, and a financial royalty asset of $79,500 measured at amortized cost representing the four annual fixed payments ("**Juvmo (tavapadon) fixed payments**"). Transaction costs of $670 and $225 were capitalized to the intangible royalty asset and the Juvmo (tavapadon) fixed payments financial asset, respectively.

(b) Xenpozyme

On May 29, 2026, as part of the Xenpozyme II transaction completed in 2024, the Trust received notice that a certain pre-specified performance-based event outlined in the purchase agreement had occurred, and the milestone payment conditions had been met. Consequently, the Trust recognized an increase in the cost base of the Xenpozyme II royalty asset of $6,500 for the nine months ended September 30, 2026. The milestone payment was funded on June 1, 2026.

(c) Lumvoa and elegrobart

On October 17, 2025, the Trust acquired a royalty interest in the U.S. net sales of Lumvoa and elegrobart from Viridian Therapeutics, Inc. ("**Viridian**") for an aggregate purchase price of up to $300,000, including a $55,000 upfront payment and up to $245,000 subject to the achievement of certain milestones. The transaction entitles the Trust to tiered royalties on annual U.S. net sales of Lumvoa and elegrobart, consisting of 7.50% on annual U.S. net sales up to and including $600,000, 0.80% on annual U.S. net sales above $600,000 and up to and including $900,000, and 0.25% on annual U.S. net sales above $900,000 and up to and including $2,000,000. Transaction costs of $1,990 were capitalized as part of the royalty transaction.

On June 26, 2026, the FDA approved Lumvoa for the treatment of thyroid eye disease ("**TED**"). Royalty receipts will be collected quarterly on a one-quarter lag, with the first royalty receipt being paid in the quarter immediately following the first commercial sale of Lumvoa in the U.S. Pursuant to the purchase agreement, Viridian was entitled to a regulatory milestone payment equal to $75,000 upon regulatory approval. Accordingly, the Trust recognized a corresponding increase of $75,000 in the cost base of the Lumvoa royalty asset during the nine months ended September 30, 2026. The regulatory milestone payment was funded on July 10, 2026.

As of September 30, 2026, certain pre-specified clinical milestone events totaling $40,000 defined under the purchase agreement have not been satisfied, which, coupled with the recognition of the $75,000 milestone, reduces the Trust's maximum remaining potential milestone obligation to $130,000.

Viridian also plans to submit a Biologics License Application to the FDA for elegrobart in the first quarter of 2027.

(d) Ekterly

On July 7, 2025, KalVista Pharmaceuticals, Inc. ("**KalVista**") elected to receive the one-time optional payment of $22,000 as part of the Ekterly transaction completed in 2024. As a result of the payment, the Trust's royalty entitlement on net sales up to and including $500,000 increased from 5.0% to 6.0% and the potential one-time sales-based milestone payment to KalVista increased from $50,000 to $57,000. The Trust funded the payment on July 9, 2025.

On July 6, 2026, the Trust exercised its contractual put option (the "**Put Option**") with respect to the Trust's royalty participation right in Ekterly for a total net repurchase price of $178,187 (the "**Put Price**"). The Put Option has been exercised in connection with the completion of Chiesi Group's acquisition of KalVista on June 11, 2026. Of the Put Price, $176,210 was recorded as proceeds from the disposition. The remaining $1,977 was recorded as an offset against royalties receivable from prior periods. On August 7, 2026, the Put Price payment was received in accordance with the terms of the royalty agreement, and the Trust is no longer entitled to royalty participation rights in Ekterly and no longer liable for the potential sales-based milestone payment. The Trust used a portion of the proceeds to repay the balance outstanding under the credit facility, as described in note 7.

(e) Orserdu II

On January 24, 2025, the Trust paid $10,000 to fund the Orserdu II milestone obligation, as a result of certain pre-specified events outlined in the purchase agreement having been met.

Summary of Transactions Completed

The following is a summary of the transactions completed for the nine months ended September 30, 2026.

For the nine months ended September 30, 2026	Lumvoa Milestone Payment	Xenpozyme II Milestone Payment	Juvmo (tavapadon) Transaction	Total
Assets				
Intangible royalty assets	$ 75,000	$ 6,500	$ 236,500	$ 318,000
Financial royalty assets	—	—	79,500	79,500
Net acquired assets	$ 75,000	$ 6,500	$ 316,000	$ 397,500

The following is a summary of the transactions completed for the year ended December 31, 2025.

For the year ended December 31, 2025	Orserdu II Milestone Payment	Ekterly Optional Payment	Lumvoa and elegrobart Transaction	Total
Assets				
Intangible royalty assets	$ 10,000	$ 22,000	$ 55,000	$ 87,000
Net acquired assets	**$ 10,000**	**$ 22,000**	**$ 55,000**	**$ 87,000**

NOTE 6 | ROYALTY ASSETS

The following table presents a roll of the intangible royalty assets held by the Trust.

	Cost	Accumulated Amortization and Impairment	Net Book Value
As at December 31, 2024	**$ 1,127,944**	**$ (304,008)**	**$ 823,936**
Additions	22,000	—	22,000
Amortization	—	(75,822)	(75,822)
Impairment[i]	—	(13,691)	(13,691)
Dispositions[ii]	(41,730)	41,730	—
As at September 30, 2025	**1,108,214**	**(351,791)**	**756,423**
Additions[iii]	56,990	—	56,990
Amortization	—	(25,921)	(25,921)
Impairment[i]	—	(9,674)	(9,674)
As at December 31, 2025	**1,165,204**	**(387,386)**	**777,818**
Additions[iv]	**318,670**	**—**	**318,670**
Amortization	**—**	**(77,977)**	**(77,977)**
Impairment[v]	**—**	**(14,613)**	**(14,613)**
Dispositions[vi]	**(123,834)**	**7,507**	**(116,327)**
As at September 30, 2026	**$ 1,360,040**	**$ (472,469)**	**$ 887,571**

(i) During the year ended December 31, 2025, the Trust recognized an impairment loss of $13,691 related to the Vonjo II royalty asset and $9,674 related to the Omidria royalty asset, as described below.
(ii) The Trust wrote off the cost and related accumulated amortization of $874 and $874, respectively, related to the Ilaris royalty asset, and $5,218 and $5,218, respectively, related to the Simponi royalty asset, which were fully amortized as the royalty arrangements expired during the nine months ended September 30, 2025. During the nine months ended September 30, 2025, the Trust also wrote off the cost, related accumulated amortization and accumulated impairment of $35,638, $26,422 and $9,216, respectively, related to the Natpara royalty asset, as the Trust does not expect to receive material royalties beyond Q2 2025.
(iii) Includes capitalized transaction costs of $1,990 related to the Lumvoa and elegrobart royalty transaction, as described in note 5.
(iv) Includes capitalized transaction costs of $670 related to the Juvmo (tavapadon) royalty transaction, as described in note 5.
(v) During the three and nine months ended September 30, 2026, the Trust recognized an impairment loss of $14,613 related to the Zejula royalty asset, as described below.
(vi) On July 6, 2026, the Trust exercised its Put Option under the Ekterly royalty agreement, as described in note 5. The net book value of the royalty asset was $116,327 at the time of the disposition.

Net Book Value

During the nine months ended September 30, 2026, the Trust recorded additions to the cost of its intangible royalty assets totaling $318,670 (December 31, 2025 – $78,990) related to the royalty transactions, as described in note 5. In addition, the Trust recorded a disposition to the cost of its royalty assets of $123,834 and related accumulated amortization of $7,507 (December 31, 2025 – $41,730 and $41,730, respectively) related to the Ekterly disposition, as described in note 5.

During the three and nine months ended September 30, 2026, the Trust recorded amortization expense of $27,565 and $77,977, respectively (2025 – $26,326 and $75,822, respectively). The Trust records amortization related to intangible royalty assets from the date on which the Trust begins receiving economic benefit from the royalty asset.

Refer to note 15 for details on the Trust's financial royalty assets.

Ekterly Put Option

On July 6, 2026, the Trust exercised its Put Option in connection with its royalty participation right in Ekterly for total proceeds of $178,187, as described in note 5. Of this amount, $1,977 offset the royalties receivable recognized prior to the exercise of the Put Option, with the remaining $176,210 attributable to the disposition of the royalty asset. As at July 6, 2026, the royalty asset had a net book value of $116,327. As a result, the Trust recognized a gain on disposition of $59,883.

Xenpozyme II Milestone

On May 29, 2026, as part of the Xenpozyme II transaction the Trust received notice that a certain pre-specified performance-based event outlined in the purchase agreement had occurred, and the milestone conditions had been met, as described in note 5. Consequently, the Trust funded the payment on June 1, 2026 and recognized an increase in the cost base of the Xenpozyme II royalty asset of $6,500.

Lumvoa Milestone

On June 26, 2026, as part of the Lumvoa and elegrobart transaction, the Trust received notice that Lumvoa was approved by the FDA and the milestone conditions pursuant to the royalty agreement had been met, as described in note 5. Consequently, the Trust recognized an increase in the cost base of the Lumvoa royalty asset of $75,000 for the nine months ended September 30, 2026, which was funded on July 10, 2026.

Zejula Impairment

During the three months ended September 30, 2026, the continued underperformance of the Zejula royalty asset represented an indicator of potential impairment that required the Trust to determine the recoverable amount of Zejula to assess if the asset was impaired. The recoverable amount as of September 30, 2026 was calculated using a discounted cash flow model based on revised forecasted cash flows adjusted for the impact of the current market environment. The key assumptions and sources of estimation uncertainty were related to the discount rate and future cash flows. Zejula has experienced product label restrictions and is facing competition. Based on the Trust's analysis, the net book value of Zejula exceeded its recoverable amount, and the Trust recorded an impairment of $14,613 as at September 30, 2026. As a result of recognizing the impairment, the net book value of the Zejula intangible royalty asset as at September 30, 2026 was $6,880, which represented the recoverable amount.

Omidria Impairment

During fiscal 2025, the continued underperformance of the Omidria royalty asset represented an indicator of potential impairment that required the Trust to determine the recoverable amount of Omidria to assess if the asset was impaired. The recoverable amount as of December 31, 2025 was calculated using a discounted cash flow model based on revised forecasted cash flows adjusted for the impact of the current market environment. The key assumptions and sources of estimation uncertainty were related to the discount rate and future cash flows, including future sales of Omidria and key competitors. Based on the Trust's analysis, the net book value of Omidria exceeded its recoverable amount, and the Trust recorded an impairment of $9,674 as at December 31, 2025. As a result of recognizing the impairment, the net book value of the Omidria intangible royalty asset as at December 31, 2025 was $153,493, which represented the recoverable amount.

Vonjo II Impairment

During fiscal 2025, competitive pressures continued to have a greater impact than initially anticipated and combined with recent unfavorable net pricing changes impacting sales of Vonjo, these conditions represented indicators of potential impairment of the Trust's Vonjo I and Vonjo II intangible royalty assets. As such, the Trust was required to determine the recoverable amounts to assess if the Vonjo assets were impaired. The Trust calculated the recoverable amounts for Vonjo I and Vonjo II as at September 30, 2025 using a discounted cash flow model based on revised forecasted cash flows adjusted for the greater impact of competition, changes in net pricing and current market uptake of Vonjo. The key assumptions and sources of estimation uncertainty were related to the discount rate and future cash flows, including future sales of Vonjo and key competitors. Based on the Trust's analysis, the net book value of Vonjo II exceeded its recoverable amount, and the Trust recorded an impairment of $13,691 for Vonjo II as at September 30, 2025. Based on the updated forecast the net book value of Vonjo I did not exceed its recoverable amount and no impairment was recognized related to this asset. As a result of recognizing the impairment, the net book value of the Vonjo II intangible royalty asset as at September 30, 2025 was $39,015, which represented the recoverable amount.

The following table presents details about the products underlying the Trust's royalty assets as at September 30, 2026.

Royalty Asset	Therapeutic Area	Primary Marketer(s)	Acquisition Quarter	Expected Royalty Expiry[i], [ii]
Casgevy[iii]	Hematology	Vertex Pharmaceuticals	Q4 2024	Q1 2034
Empaveli/Syfovre[iv]	Hematology/Ophthalmology	Apellis, Sobi	Q3 2022	Q4 2033
Eylea I	Ophthalmology	Regeneron, Bayer, Santen	Q1 2021	Q1 2027
Eylea II	Ophthalmology	Regeneron, Bayer, Santen	Q1 2021	Q1 2027
Juvmo (tavapadon)[v]	Neurology	AbbVie	Q3 2026	Q4 2031
Lumvoa/elegrobart	Ophthalmology	Viridian Therapeutics	Q4 2025	Q2 2036
Omidria	Ophthalmology	Rayner Surgical	Q3 2022	Q4 2031
Oracea	Dermatology	Galderma	Q3 2021	Q1 2028
Orserdu I	Oncology	Menarini	Q2 2023	Q1 2035
Orserdu II	Oncology	Menarini	Q3 2023	Q1 2035
Rydapt	Oncology	Novartis	Q1 2021	Q2 2028
Spinraza	Neurology	Biogen	Q1 2021	Q3 2031
Vonjo I	Hematology	Sobi	Q1 2022	Q2 2034
Vonjo II	Hematology	Sobi	Q3 2023	Q2 2034
Xenpozyme[vi]	Lysosomal Storage Disorder	Sanofi	Q4 2022	Q4 2036
Xolair	Immunology	Roche, Novartis	Q1 2021	Q2 2033
Zejula	Oncology	GSK	Q3 2022	Q2 2033
Zytiga	Oncology	Johnson & Johnson	Q1 2021	Q2 2028
Other Products[vii]	Various	Various	Various	n/a

(i) Represents the quarter during which the final royalty payment is expected and is based on estimates of patent expiry dates in key geographies, loss of exclusivity and the contractual agreements of each royalty stream. These estimates may be impacted by regulatory, commercial or other product developments. Variance from the anticipated performance of royalty-bearing sales may also affect these estimates as a result of caps or other structuring.
(ii) 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.
(iii) Casgevy is classified as a financial royalty asset on the interim condensed consolidated statements of financial position due to the nature of the contractual cash flows from the transaction.
(iv) Empaveli/Syfovre includes two royalty streams on each product.
(v) Juvmo (tavapadon) includes two royalty streams as it is separated into an intangible royalty asset and a financial royalty asset on the interim condensed consolidated statements of financial position due to the nature of the transaction, as described in note 5.
(vi) Xenpozyme includes two royalty streams.
(vii) Other Products includes intangible royalty assets which are not individually material, as well as intangible royalty assets which are fully amortized or, where applicable, the entitlements to which have substantially expired.

The following table presents the Trust's royalty income and net book value by intangible royalty asset.

	Royalty Income				Net Book Value	
Intangible Royalty Asset	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025	As at September 30, 2026	As at December 31, 2025
Ekterly[i]	$ 120	$ 821	$ 3,845	$ 821	$ —	$ 120,173
Empaveli/Syfovre[ii]	159	123	4,997	4,900	17,405	19,406
Eylea I	1,015	1,244	2,937	3,612	955	3,788
Eylea II	212	268	617	778	496	1,968
Juvmo (tavapadon)[iii]	—	—	—	—	236,911	—
Lumvoa/elegrobart	1,850	—	1,850	—	128,400	56,990
Omidria	9,318	9,152	26,012	24,403	133,820	153,493
Oracea	889	811	2,830	2,913	1,877	2,999
Orserdu I	9,570	9,535	26,505	24,055	59,172	64,531
Orserdu II	9,570	9,535	26,833	24,715	102,442	111,721
Rydapt	592	805	1,848	3,238	2,649	3,781
Spinraza	4,179	3,772	11,669	11,265	48,386	56,004
Vonjo I	3,303	3,045	9,417	8,489	41,851	46,022
Vonjo II	703	662	1,985	1,862	34,427	37,859
Xenpozyme[iv]	1,553	1,165	4,241	3,513	39,583	35,921
Xenpozyme[iv] – milestone royalty income	—	—	450	—	n/a	n/a
Xolair	2,584	3,782	11,329	10,491	28,430	31,828
Zejula	(4)	1,228	2,316	3,463	6,880	23,965
Zytiga	129	391	(54)	773	3,887	6,794
Other Products[v]	311	545	1,252	2,020	—	575
Total	**$ 46,053**	**$ 46,884**	**$ 140,879**	**$ 131,311**	**$ 887,571**	**$ 777,818**

(i) On July 6, 2026, the Trust exercised its Put Option under the Ekterly royalty agreement, as described in note 5. As a result, royalty revenue recognized for the three months ended September 30, 2026 reflects only the period from July 1, 2026 to July 6, 2026. As at September 30, 2026, the net book value of the asset is nil.
(ii) Empaveli/Syfovre includes two royalty streams on each product.
(iii) The tiered royalty interest and sales milestone payments acquired as part of the Juvmo (tavapadon) transaction are recognized as an intangible royalty asset, as described in note 5.
(iv) Xenpozyme includes two royalty streams.
(v) Other Products includes intangible royalty assets which are not individually material, as well as intangible royalty assets which are fully amortized or, where applicable, the entitlements to which have substantially expired. Natpara current period and comparative results have been moved to Other Products starting in Q1 2026.

Royalty Income

Royalty income for the three and nine months ended September 30, 2026 were $46,053 and $140,879, respectively (2025 – $46,884 and $131,311, respectively). The Trust records royalty income from intangible royalty assets from the date on which the Trust begins receiving economic benefit from the royalty asset. During the nine months ended September 30, 2026, the Trust recognized $225 in milestone royalty income for each Xenpozyme royalty stream, for a total of $450, as a certain pre-specified clinical event outlined in the purchase agreement occurred (2025 – nil).

NOTE 7 | LONG-TERM DEBT

The Trust's long-term debt is composed of its i) long-term portion of credit facility; ii) preferred securities; iii) debentures; and iv) Senior Notes. The carrying amount of the Trust's long-term debt as at September 30, 2026 and December 31, 2025 is presented below.

	Credit facility – long-term	Preferred securities	Debentures	Senior notes	Total long-term debt
Balance – December 31, 2024	**$ 263,865**	**$ 110,937**	**$ —**	**$ —**	**$ 374,802**
New issuance/drawings	64,300	—	—	—	64,300
Repurchases/repayments	(43,341)	(9,500)	—	—	(52,841)
Loss (gain) on debt refinancing	—	971	—	—	971
Deferred transaction costs	(380)	—	—	—	(380)
Amortization of deferred transaction costs	1,044	451	—	—	1,495
Accretion of par value	—	2,891	—	—	2,891
Balance – September 30, 2025	**$ 285,488**	**$ 105,750**	**$ —**	**$ —**	**$ 391,238**
New issuance/drawings	42,500	—	—	—	42,500
Repurchases/repayments	(16,771)	—	—	—	(16,771)
Loss (gain) on debt refinancing	(789)	—	—	—	(789)
Deferred transaction costs	(1,890)	—	—	—	(1,890)
Amortization of deferred transaction costs	438	140	—	—	578
Accretion of par value	—	985	—	—	985
Balance – December 31, 2025	**$ 308,976**	**$ 106,875**	**$ —**	**$ —**	**$ 415,851**
New issuance/drawings[(i)]	**272,850**	**—**	**70,734**	**250,000**	**593,584**
Repurchases/repayments[(i)]	**(356,449)**	**(87,056)**	**—**	**—**	**(443,505)**
Loss (gain) on debt refinancing	**—**	**9,794**	**—**	**—**	**9,794**
Deferred transaction costs	**(562)**	**—**	**(3,740)**	**(2,653)**	**(6,955)**
Amortization of deferred transaction costs	**1,498**	**266**	**369**	**196**	**2,329**
Accretion of par value	**—**	**1,474**	**1,101**	**—**	**2,575**
FX remeasurement	**—**	**—**	**(2,720)**	**—**	**(2,720)**
Balance – September 30, 2026	**$ 226,313**	**$ 31,353**	**$ 65,744**	**$ 247,543**	**$ 570,953**

(i) Current portions of drawings and repayments related to the credit facility are $48,150 and $74,592 for the nine months ended September 30, 2026, respectively.

Credit Facility

The Trust's credit agreement, originally entered into on October 22, 2021 and as further amended, currently provides for a $570,000 senior secured revolving acquisition credit facility (the "**acquisition credit facility**") and a $50,000 senior secured revolving working capital credit facility (the "**working capital credit facility**", collectively, the "**credit facility**") which can be drawn against to fund general business purposes and to finance transactions.

On May 12, 2025, the Trust revised its credit agreement to reallocate $25,000 of the acquisition credit facility to the working capital credit facility, increasing it to $50,000. The credit available for investment remains unchanged as the working capital credit facility can be used for investment purposes. Furthermore, the interest rate on the credit agreement was revised to the Secured Overnight Financing Rate ("**SOFR**") plus (i) a margin which may vary from 1.75% to 2.50% based on the Trust's leverage ratio; and (ii) a margin of 0.10%. All other material terms of the credit agreement remain unchanged.

On October 3, 2025, the Trust further amended its credit agreement to, among other things, convert and merge the term credit facility into the acquisition credit facility. The total credit available under the acquisition credit facility increased by $70,000 and the outstanding amount under the acquisition credit facility increased by an amount corresponding to the outstanding amount under the term credit facility as at October 3, 2025, which was $63,250. This increased the total credit available under the acquisition credit facility to $570,000. The Trust also extended the maturity date of the amended credit agreement by two years to October 3, 2029, which may be extended by one-year increments subject to lender approval. Certain other terms were also adjusted to provide the Trust with greater flexibility. All other material terms of the credit agreement remain unchanged.

On February 24, 2026, the Trust amended its credit agreement to permit the issuance of up to $250,000 of the senior secured notes (the "**Senior Notes**") on a private placement basis. The amendment also included having the senior secured notes rank *pari passu* with the credit agreement and to be secured by the same collateral.

Interest payments are due on a quarterly basis and mandatory principal repayments totaling 3.75% of a predetermined reference amount are due on a quarterly basis for the acquisition credit facility. Principal repayments on the working capital credit facility are due on maturity. Principal repayments do not result in a corresponding decrease in the borrowing capacity under the acquisition credit facility and working capital credit facility.

During the nine months ended September 30, 2026, the Trust drew $50,000 from the acquisition credit facility to partially fund the $75,000 milestone payment for Lumvoa, and $271,000 to partially fund the Juvmo (tavapadon) transaction, as described in note 5. During the year ended December 31, 2025, the Trust drew on its acquisition credit facility to fund royalty transactions, as described in note 5, and its working capital credit facility to fund the Internalization transaction, as described in note 19. The details of the draws are presented below.

	Draw Date	Facility	Amount
2026			
Lumvoa milestone payment[(i)]	July 9, 2026	Acquisition credit facility	50,000
Juvmo (tavapadon)[(i)]	September 29, 2026	Acquisition credit facility	271,000
Total		**$**	**321,000**
2025			
Internalization and termination of management agreement	June 30, 2025	Working capital credit facility	$ 49,000
Ekterly[(i)]	July 9, 2025	Acquisition credit facility	18,000
Lumvoa and elegrobart[(i)]	October 17, 2025	Acquisition credit facility	50,000
Total		**$**	**117,000**

(i) These transactions were partially funded by the Trust's existing cash and cash equivalents.

During the nine months ended September 30, 2026, the Trust made total credit facility repayments of $431,041 (2025 – $43,341), including a repayment of $247,000 (2025 – nil) in connection with issuance of the Senior Notes, as described below, and $150,497 in connection with the Ekterly Put Price received, as described in note 5.

The carrying amount of the Trust's credit facility is presented below.

	As at September 30, 2026			As at December 31, 2025
	Total Available Credit	Remaining Available Credit	Balance Outstanding	Balance Outstanding
Acquisition credit facility	$ 570,000	$ 299,000	$ 271,000	$ 332,041
Working capital credit facility	50,000	50,000	—	49,000
	$ 620,000	$ 349,000	$ 271,000	**$ 381,041**
Deferred transaction costs, net of amortization	n/a	n/a	(4,037)	(4,977)
Total	$ 620,000	$ 349,000	$ 266,963	**$ 376,064**
Current portion of credit facility			40,650	67,088
Long-term portion of credit facility, net of unamortized transaction costs			226,313	308,976
Total			$ 266,963	**$ 376,064**

The following table presents the expected principal repayments to be made until the maturity of the credit facility as at September 30, 2026.

	Total
Remainder of 2026	$ 10,163
2027	40,650
2028	40,650
2029	179,537
	$ 271,000

The Trust is subject to certain financial as well as customary non-financial covenants under the credit agreement. Certain compliance requirements have also been revised as part of the amendments to the credit agreement. Substantially all of the assets of the Trust are pledged as collateral under the credit agreement. As at September 30, 2026, the Trust was in compliance with all covenant requirements under the credit agreement.

Interest Rate Swap

On August 31, 2023, the Trust entered into an interest rate swap agreement to fix the interest rate on a notional amount of $100,000 of the credit facility. On June 10, 2025, to reflect changes resulting from amendments to the credit agreement, the Trust extended the maturity on its original interest rate swap to November 1, 2027. On June 10, 2025 the Trust also entered into a second interest rate swap with equivalent terms for an additional notional amount of $50,000. Under the agreements, the Trust pays a fixed rate and in exchange receives a SOFR interest rate, offsetting the floating component on a portion of the credit facility, as described in note 15.

On December 1, 2025, as a result of the October 3, 2025 amendment to the credit agreement, the Trust further modified its interest rate swaps. The maturity dates for both swaps were extended to September 28, 2029. The second aforementioned interest swap was combined with the amended interest rate swap into a single $150,000 notional interest rate swap.

During the three and nine months ended September 30, 2026, the Trust recorded an increase in interest due to the interest rate swap of $215 and $699, respectively (2025 – reduction of $18 and $57, respectively).

Preferred Securities

On April 23, 2024, the Trust completed a refinancing of the Series A Preferred Securities, the Series B Preferred Securities (collectively, the "**2023 Preferred Securities**") and the Warrants issued in 2023 (the "**2023 Warrants**"). As a result of the refinancing, holders of the 2023 Preferred Securities received $135,202 principal amount of the Series C Preferred Securities (the "**2024 Preferred Securities**") and 1,749,996 new Warrants (the "**2024 Warrants**"). The 2023 Preferred Securities and the 2023 Warrants were canceled upon completion of the refinancing.

The 2024 Preferred Securities are unsecured, subordinated debt securities of the Trust and have a principal amount of $135,202, maturing on April 23, 2074. The 2024 Preferred Securities initially pay cash interest at a rate of 7.50% per annum on the principal amount, payable semi-annually on April 30 and October 31 of each year. The 2024 Preferred Securities are not redeemable by the Trust prior to April 30, 2029, except in the event of a change in control of the Trust. The interest rate on the 2024 Preferred Securities will increase to 10% per annum if any of the 2024 Preferred Securities are outstanding on April 30, 2029, and will be subject to an annual increase of 1.5% per annum if any of the 2024 Preferred Securities remain outstanding on each one year anniversary of such date, up to a specified cap.

On June 18, 2025, the Trust entered into an agreement with a holder of the 2024 Preferred Securities to partially purchase and cancel $10,000 in face value of the 2024 Preferred Securities for $9,500. The Trust paid outstanding accrued interest on the $10,000 face value up to and including June 18, 2025, the date of the transaction.

On February 10, 2026, the Trust entered into another agreement with a holder of the 2024 Preferred Securities to partially purchase and cancel an additional $9,924 in face value of the 2024 Preferred Securities for $9,825. The Trust paid outstanding accrued interest on the $9,924 face value up to February 10, 2026, the date of the transaction. During the three and nine months ended September 30, 2026, the Trust recorded a loss of nil and $1,162, respectively, related to the change in the gross carrying amount of the partial cancellation (2025 – nil and $971, respectively), which is included in gain (loss) on debt refinancing in the interim condensed consolidated statements of net earnings (loss) and comprehensive earnings (loss).

On March 20, 2026, the Trust issued C$108,723 aggregate principal amount of convertible unsecured subordinated debentures (the "**debentures**") to the holders of the 2024 Preferred Securities. The purchase price for the debentures was exclusively satisfied through the exchange of $79,698 in principal amount of the outstanding 2024 Preferred Securities. No cash consideration was paid by the holders of the 2024 Preferred Securities. The difference between the carrying amount of the 2024 Preferred Securities, excluding the related unamortized deferred transaction costs, and the fair value of the debentures as at March 20, 2026, the date of the transaction, was $7,380, which was recognized as a loss on debt refinancing in the interim condensed consolidated statements of net earnings (loss) and comprehensive earnings (loss) during the nine months ended September 30, 2026. Upon closing of the debentures, an aggregate principal amount of $35,580 of the 2024 Preferred Securities remain issued and outstanding, the terms of which are unchanged. Unamortized deferred transaction costs of $1,252 related to the portion of the 2024 Preferred Securities exchanged are also recognized as a loss on debt refinancing.

The carrying amount of the preferred securities is presented below.

	As at September 30, 2026	As at December 31, 2025
Series C Preferred Securities	$ 31,821	$ 108,862
Deferred transaction costs, net of amortization	(468)	(1,987)
Total	$ 31,353	**$ 106,875**

Debentures

The debentures are denominated in Canadian dollars and bear interest at a rate of 5.75% per annum on the principal amount, payable semi-annually on February 28 and August 31 of each year and mature on February 28, 2031. The debentures are convertible at the holder's option into Units of the Trust at any time prior to the maturity date, at a conversion price of C$21.99 per Unit ("**conversion option**"). The debentures are redeemable at the Trust's option between February 28, 2029 to February 27, 2030, subject to conditions. On and after February 28, 2030, the debentures are redeemable at the Trust's option at par plus accrued and unpaid interest. The Trust also has the option to settle the debentures upon redemption or at maturity by issuing and delivering the Trust's Units at 95% of a prescribed market price.

The Trust initially recognized the debentures using a discount rate of 7.5%, which is indicative of the fair market value of the debentures at the time of issuance. The carrying amount of the debentures will be accreted to their par value up until their maturity date. Deferred transaction costs of $3,740 attributable to the issuance of the debentures were initially recognized and will be amortized using the effective interest rate method over the same period as the debentures' accretion period.

The Trust determined that the conversion option is classified as an embedded derivative liability and is separately recognized from the carrying amount of the debentures. The conversion option is further described in note 15. Transaction costs of $344 attributable to the issuance of the conversion option were included in other operating expenses.

The Trust remeasures its financial instruments denominated in foreign currencies using the period end spot rate. For the three and nine months ended September 30, 2026, the Trust recorded a net gain (loss) of $(311) and $2,956, respectively, related to the remeasurement of its debentures and conversion option (2025 – nil).

The carrying amount of the debentures is presented below.

	As at September 30, 2026	As at December 31, 2025
Debentures	$ 69,121	$ —
Deferred transaction costs, net of amortization	(3,377)	—
Total	**$ 65,744**	**$ —**

Senior Notes

On March 24, 2026, the Trust completed a private placement of $250,000 Senior Notes, consisting of a Series A tranche with $106,000 in aggregate principal amount maturing on March 24, 2031 and a Series B tranche with $144,000 in aggregate principal amount maturing on March 24, 2033. The Series A Senior Notes bear interest at a rate of 5.35% per annum and the Series B Senior Notes bear interest at a rate of 5.65% per annum, both payable semi-annually on June 30 and December 31 of each year. The Senior Notes are secured on a first lien basis, rank *pari passu* with the credit agreement and are secured by the same assets of the Trust that are pledged under the credit agreement. Total proceeds net of transaction costs of $247,000 were used to repay the Trust's credit facility. Deferred transaction costs of $2,653 were initially recognized and amortized using the effective interest rate method up to the maturity date.

The carrying amount of the Senior Notes is presented below.

	As at September 30, 2026	As at December 31, 2025
Series A Senior Notes	$ 106,000	$ —
Series B Senior Notes	144,000	—
Deferred transaction costs, net of amortization	(2,457)	—
Total	**$ 247,543**	**$ —**

The summary of total interest expense for the three and nine months ended September 30, 2026 and 2025 is presented below.

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Interest on credit facility net borrowings	$ 1,061	$ 6,016	$ 8,283	$ 16,301
Standby fees	558	276	1,372	886
Amortization of deferred transaction costs	271	513	1,498	1,044
Increase (reduction) in interest expense from interest rate swap	215	(18)	699	(57)
Total interest expense on credit facility	**$ 2,105**	**$ 6,787**	**$ 11,852**	**$ 18,174**
Interest on preferred securities	$ 672	$ 2,367	$ 3,373	$ 7,371
Accretion of par value	308	959	1,474	2,891
Amortization of deferred transaction costs	43	139	266	451
Total interest expense on preferred securities	**$ 1,023**	**$ 3,465**	**$ 5,113**	**$ 10,713**
Interest on debentures	$ 1,124	$ —	$ 2,393	$ —
Accretion of par value	523	—	1,101	—
Amortization of deferred transaction costs	174	—	369	—
Total interest expense on debentures	**$ 1,821**	**$ —**	**$ 3,863**	**$ —**
Interest on senior notes	$ 3,452	$ —	$ 7,134	$ —
Amortization of deferred transaction costs	95	—	196	—
Total interest expense on senior notes	**$ 3,547**	**$ —**	**$ 7,330**	**$ —**
Total interest expense	**$ 8,496**	**$ 10,252**	**$ 28,158**	**$ 28,887**

Total costs associated with transactions related to the raising of debt for the three and nine months ended September 30, 2026 and 2025 are presented below.

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Financing costs				
Net unrealized gain (loss) on foreign exchange remeasurement	$ (311)	$ —	$ 2,956	$ —
Interest expense	$ (8,496)	$ (10,252)	$ (28,158)	$ (28,887)
Gain (loss) on debt refinancing	—	—	(9,794)	(971)
Issuance of conversion option[(i)]	—	—	(344)	—
Net unrealized gain (loss) on derivative instruments	359	—	(1,153)	—
Financing costs, net	**$ (8,448)**	**$ (10,252)**	**$ (36,493)**	**$ (29,858)**

(i) During the three and nine months ended September 30, 2026, the Trust recorded nil and $344, respectively, related to the issuance of the conversion option on the debenture, which is included in other operating expenses in the interim condensed consolidated statements of net earnings and comprehensive earnings.

NOTE 8 | EQUITY

Authorized Equity

The authorized equity capital consists of (i) an unlimited number of Units; and (ii) an unlimited number of Preferred Units, issuable in series.

(i) Units

Each Unit represents a proportionate undivided beneficial ownership interest in the Trust, which entitles the holder to one vote, participation in distributions made by the Trust on a pro rata basis and, in the event of the termination or winding-up of the Trust, in the pro rata share of its net assets remaining after the satisfaction of all its liabilities. Units are fully paid and non-assessable when issued and are transferable. The Units rank among themselves equally and ratably without discrimination, preference or priority. Each Unit entitles the holder thereof to one vote at all meetings of Unitholders. The Units are redeemable by the holder thereof and the Units have no other conversion, retraction, redemption or pre-emptive rights. Fractional Units do not entitle the holders thereof to vote, except to the extent that such fractional Units may represent in the aggregate one or more whole Units.

The following table outlines the changes in the number of Units outstanding from December 31, 2024 to September 30, 2026.

	Units	Weighted Average Cost per Unit	Total Cost
Balance – December 31, 2024	**56,304,425**	**n/a**	**$ 562,583**
Issuance of Units:			
Units issued on the settlement of vested Restricted Units	179,265	$ 9.67	$ 1,733
Units issued on the settlement of vested Deferred Units	17,759	$ 9.10	$ 162
Repurchase and cancellation of Units – NCIB	(1,351,897)	$ 9.76	$ (13,193)
Excise tax on Unit repurchases	n/a	n/a	$ (229)
Balance – September 30, 2025	**55,149,552**	**n/a**	**$ 551,056**
Issuance of Units:			
Units issued on the settlement of vested Restricted Units	21,636	$ 10.77	$ 233
Repurchase and cancellation of Units – NCIB	(97,352)	$ 10.66	$ (1,038)
Excise tax on Unit repurchases	n/a	n/a	$ (16)
Balance – December 31, 2025	**55,073,836**	**n/a**	**$ 550,235**
Issuance of Units:			
Units issued on the settlement of vested Restricted Units	**99,383**	**$ 12.39**	**$ 1,231**
Repurchase and cancellation of Units – NCIB	**(311,758)**	**$ 11.93**	**$ (3,719)**
Excise tax on Unit repurchases	**n/a**	**n/a**	**$ (50)**
Balance – September 30, 2026	**54,861,461**	**n/a**	**$ 547,697**

*Settlement of vested Restricted Units ("**RUs**")*

The following table outlines the Units issued upon settlement of vested RUs during the nine months ended September 30, 2026, the nine months ended September 30, 2025, and the three months ended December 31, 2025.

	Units Issued on Settlement of Restricted Units		
	Nine months ended September 30, 2026	Nine months ended September 30, 2025	Three months ended December 31, 2025
Restricted Units Grant Date:			
June 10, 2022	—	6,878	—
September 10, 2022	—	11,613	—
November 22, 2022	—	14,033	—
August 17, 2023	—	2,907	—
October 25, 2023	—	28,770	—
December 21, 2023	**2,824**	2,547	—
January 10, 2024	—	75,410	—
May 1, 2024	**2,617**	2,909	—
May 31, 2024	**13,734**	12,851	—
August 13, 2024	**20,586**	19,841	6,772
July 1, 2025	**35,339**	—	13,829
July 1, 2025	**15,937**	—	—
September 4, 2025	**1,701**	—	—
September 4, 2025	**2,088**	1,506	—
November 10, 2025	**3,160**	—	1,035
August 17, 2026	**1,397**	—	—
Total	**99,383**	**179,265**	**21,636**

*Settlement of Deferred Units ("**DUs**")*

During the nine months ended September 30, 2026, there were no vested DUs requiring settlement and the Trust did not issue any Units (2025 – 17,759 Units).

*Normal course issuer bid ("**NCIB**")*

On May 9, 2025, the Trust was granted approval by the TSX to acquire, from time to time, if considered advisable, up to 3,148,536 Units of the Trust for cancellation between May 20, 2025 and May 19, 2026 ("**May 2025 NCIB**"). In connection with the May 2025 NCIB, the Trust established an automated unit purchase plan ("**AUPP**") whereby Units of the Trust may be repurchased, between May 20, 2025 and May 19, 2026, at the discretion of a dealer to the AUPP using commercially reasonable efforts and subject to trading parameters defined in the AUPP.

On May 12, 2026, the Trust was granted approval by the TSX to acquire, from time to time, if considered advisable, up to 3,060,594 Units of the Trust for cancellation between May 20, 2026 and May 19, 2027 ("**May 2026 NCIB**"). In connection with the May 2026 NCIB, the Trust established an AUPP whereby Units of the Trust may be repurchased between May 20, 2026 and May 19, 2027 at the discretion of a dealer to the AUPP using commercially reasonable efforts and subject to trading parameters defined in the AUPP.

During the nine months ended September 30, 2026, the Trust acquired and canceled 311,758 Units at an average price of $11.93, totaling $3,719. As at September 30, 2026, in aggregate, the Trust acquired and canceled 4,924,516 Units at an average price per Unit of $7.39, totaling $36,377 under all current and previous normal course issuer bid plans.

As at September 30, 2026, the Trust recorded an other current liability of $5,000 representing the maximum amount that would be required to settle the AUPP in effect on September 30, 2026, with a corresponding decrease in other equity. The actual number of Units repurchased under the AUPP may be less than the estimate as at September 30, 2026, resulting in a decrease in other current liabilities and an increase in other equity. The other current liability of $3,290 representing the maximum amount that would have been required to settle the AUPP in effect on December 31, 2025, was reversed during the nine months ended September 30, 2026, resulting in a net decrease in other equity of $1,710.

Subsequent to September 30, 2026, the Trust acquired an additional 8,100 Units under the May 2026 NCIB at an average price of $12.71, totaling $103 under the AUPP.

Excise tax on share repurchases

As a SIFT trust, the Trust is subject to a 2% excise tax on the excess of the fair market value of equity repurchases over equity issuances, unless such repurchases are below the exemption threshold of C$1,000. For the nine months ended September 30, 2026, the Trust recorded an excise tax of $50 related to repurchases under the NCIB programs (2025 – $229).

(ii) Preferred Units

Preferred Units may, from time to time, be issued in one or more series. Subject to the provisions of our declaration of trust, the board of trustees of the Trust may, by resolution, from time to time before the issue of Preferred Units determine the maximum number of Units of each series, create an identifying name for each series, attach special rights or restrictions to the Preferred Units of each series including, without limitation, any right to receive distributions (which may be cumulative or non-cumulative and variable or fixed) or the means of determining such distributions, the dates of payment thereof, any terms or conditions of redemption or purchase, any conversion rights, any retraction rights, any rights on the liquidation, dissolution or winding-up of the Trust, and any sinking fund or other provisions. Except as provided in any special rights or restrictions attaching to any series of Preferred Units issued from time to time, the holders of Preferred Units will not be entitled to receive notice of, attend or vote at any meeting of Unitholders.

Preferred Units rank on parity with the Preferred Units of every other series and are entitled to preference over our Units, and any other of our Units ranking junior to the Preferred Units, with respect to payment of distributions. In the event of the liquidation, dissolution or winding-up of the Trust, whether voluntary or involuntary, the holders of Preferred Units will be entitled to preference with respect to distribution of our property or assets over our Units, and any other of our Units ranking junior to the Preferred Units, with respect to the repayment of capital paid up and the payment of unpaid distributions accrued on the Preferred Units.

As at September 30, 2026, no Preferred Units had been issued or were outstanding (December 31, 2025 – nil).

(iii) Warrants

On April 23, 2024 the Trust completed a refinancing of the 2023 Preferred Securities and the 2023 Warrants, as described in note 7. As a result of the refinancing, the 2023 Warrants were redeemed for $20,441 and 1,749,996 2024 Warrants were issued. Each 2024 Warrant entitles the holder thereof to acquire one Unit of the Trust for an exercise price of $15.00 at any time until the expiry of the 2024 Warrants on April 23, 2029.

The fair value of the 2024 Warrants was estimated at $4,322 on issuance date using the Black-Scholes valuation model. The assumptions used to determine the fair value of the 2024 Warrants include: (i) an exercise price of $15.00; (ii) an average risk-free interest rate of 4.38%; (iii) a five-year term; (iv) an average expected volatility of 30.5%, estimated based on market data; and (v) an expected distribution yield of 3.35%.

As at September 30, 2026, the net value of the 2024 Warrants recognized in other equity reserves was $4,106 (December 31, 2025 – $4,106).

Distributions

Distributions in respect of a quarter are paid on or about each distribution date to Unitholders of record as at the close of business on the corresponding distribution record date.

The following table presents distributions made by the Trust during the nine months ended September 30, 2026 and year ended December 31, 2025.

	Record Date	Payment Date	Distribution per Unit	Total Distribution
2026				
Q1 2026 – Quarterly cash distribution	March 31, 2026	April 20, 2026	$ 0.1100	$ 6,052
Q2 2026 – Quarterly cash distribution	June 30, 2026	July 20, 2026	$ 0.1100	$ 6,046
Q3 2026 – Quarterly cash distribution	September 30, 2026	October 20, 2026	$ 0.1100	$ 6,035
Total			**$ 0.3300**	**$ 18,133**
2025				
Q1 2025 – Quarterly cash distribution	March 31, 2025	April 17, 2025	$ 0.1000	$ 5,631
Q2 2025 – Quarterly cash distribution	June 30, 2025	July 18, 2025	$ 0.1000	$ 5,550
Q3 2025 – Quarterly cash distribution	September 30, 2025	October 20, 2025	$ 0.1000	$ 5,515
Q4 2025 – Quarterly cash distribution	December 31, 2025	January 20, 2026	$ 0.1000	$ 5,507
Total			**$ 0.4000**	**$ 22,203**

During the three and nine months ended September 30, 2026, the board of trustees of the Trust declared cash distributions totaling $6,035 and $18,133, respectively (2025 – $5,515 and $16,696, respectively).

Subsequent to September 30, 2026, the board of trustees of the Trust declared a quarterly cash distribution of $0.11 per Unit to Unitholders of record as at December 31, 2026 and payable on January 20, 2027.

NOTE 9 | NET EARNINGS PER UNIT

For the three months ended September 30, 2026, the Trust generated basic and diluted net earnings (loss) per Unit of $0.85 and $0.84, respectively (2025 – $(1.05) and $(1.05), respectively). For the nine months ended September 30, 2026, the Trust generated basic and diluted net earnings (loss) per Unit of $0.94 and $0.93, respectively (2025 – $(1.06) and $(1.06), respectively). The following table presents weighted average number of Units outstanding for the purpose of calculating net earnings (loss) per Unit.

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Basic	**54,982,140 Units**	55,351,226 Units	**55,009,341 Units**	55,944,375 Units
Diluted	**55,251,123 Units**	55,351,226 Units	**55,238,533 Units**	55,944,375 Units

NOTE 10 | DEAL INVESTIGATION AND RESEARCH EXPENSES

Deal investigation and research expenses include the ongoing costs associated with the Trust's research and due diligence activities and other expenses necessary for the assessment of potential asset acquisition opportunities, including consulting, legal, research data and data subscription expenses.

The Trust recorded total deal investigation and research expenses of $1,042 and $2,645 for the three and nine months ended September 30, 2026, respectively (2025 – $1,119 and $3,531, respectively).

Directly attributable costs associated with successful acquisitions of intangible royalty assets and financial royalty assets measured at amortized cost are capitalized as part of the cost in accordance with IFRS Accounting Standards as issued by the IASB.

NOTE 11 | COMPENSATION EXPENSE

Prior to July 1, 2025, compensation expense was included in other operating expenses in the interim condensed consolidated statements of net earnings (loss) and comprehensive earnings (loss) and only included compensation related to the Trust's Chief Executive Officer and Chief Financial Officer. With the completion of the Internalization transaction on July 1, 2025, a wholly owned subsidiary of the Trust hired the employees of the former external manager. For the three and nine months ended September 30, 2026, compensation expense reflects the compensation for these employees as well as the Trust's executive officers. The nine-month comparative period ended September 30, 2025 has been reclassified to present compensation expense as a separate line item, consistent with the current period's presentation. The three-month comparative period ended September 30, 2025 already reflects the current presentation and was not adjusted.

During the three and nine months ended September 30, 2026, the Trust recognized total compensation expense of $4,074 and $9,962, respectively (2025 – $3,542 and $4,125, respectively).

Carry Compensation

The Trust provides carry compensation under its Carry Plan, as described in note 2. During the three and nine months ended September 30, 2026, the Trust recognized $60 and $60, respectively, related to the Carry Plan to be settled in cash (2025 – nil).

NOTE 12 | UNIT-BASED COMPENSATION

The Trust has unit-based compensation from its RUs and carry compensation.

Restricted Units

The Trust provides RU unit-based compensation under its Omnibus Equity Incentive Plan, as described in note 3(o) to the Trust's 2025 consolidated financial statements. The total number of Units authorized to be issued under the Omnibus Equity Incentive Plan is the lower of (i) 5,101,741; and (ii) 10% of the total outstanding Units of the Trust.

For the three and nine months ended September 30, 2026, the unit-based compensation expense was $577 and $1,850, respectively (2025 – $1,150 and $2,580, respectively).

The following table provides the details of RUs up to September 30, 2026.

	Restricted Units
Balance – December 31, 2024	**437,371 Units**
Granted on July 1, 2025[(i)]	99,254 Units
Granted on July 1, 2025[(ii)]	99,254 Units
Granted on September 4, 2025[(iii)]	7,580 Units
Granted on September 4, 2025[(iv)]	13,125 Units
Distribution equivalent Units granted[(v)]	10,123 Units
Vesting of Restricted Units	(348,078) Units
Forfeiture of Restricted Units	(4,243) Units
Balance – September 30, 2025	**314,386 Units**
Restricted Units granted:	
Granted on October 15, 2025[(ii)]	17,158 Units
Granted on November 10, 2025[(vi)]	8,917 Units
Distribution equivalent Units granted[(v)]	2,607 Units
Vesting of Restricted Units	(41,852) Units
Balance – December 31, 2025	**301,216 Units**
Restricted Units granted:	
Granted on March 31, 2026[(vii)]	**16,162 Units**
Granted on April 6, 2026[(ii)]	**9,102 Units**
Granted on July 1, 2026[(ii)]	**85,713 Units**
Granted on August 17, 2026[(viii)]	**15,042 Units**
Distribution equivalent Units granted[(v)]	**6,273 Units**
Vesting of Restricted Units	**(210,312) Units**
Balance – September 30, 2026	**223,196 Units**

(i) Vested equally on a quarterly basis beginning October 1, 2025 until July 1, 2026.
(ii) Vesting equally over three years on each anniversary date.
(iii) Vesting equally on September 10, 2025, September 10, 2026 and September 10, 2027.
(iv) Vesting equally on April 1, 2026, April 1, 2027 and April 1, 2028.
(v) All RUs are credited with distribution equivalents in the form of additional RUs on each distribution payment date in respect of which normal distributions are paid on the Trust's Units. Such distribution equivalents are subject to the same vesting conditions as the instruments to which they relate.
(vi) Vested equally on a quarterly basis beginning November 13, 2025 until August 13, 2026.
(vii) Vesting on March 31, 2029.
(viii) Vesting equally on a monthly basis beginning September 1, 2026 until January 1, 2027.

The carrying value of the Trust's unit-based compensation liability related to the outstanding awards was as follows:

	As at September 30, 2026	As at December 31, 2025
Current portion of unit-based compensation liability	**$ 628**	$ 1,704
Long-term portion of unit-based compensation liability	**434**	199
Total unit-based compensation liability	**$ 1,062**	**$ 1,903**

Options and Performance Units

No Options or Performance Units were granted as at September 30, 2026 and December 31, 2025. Certain members of the board of trustees of the Trust elected to be compensated fully or partially in DUs, as described in note 14.

Carry Compensation

The Trust provides carry compensation under its Carry Plan, as described in note 2. The maximum number of Units authorized to be issued under the Carry Plan is 1,000,000. For the three and nine months ended September 30, 2026, the Trust recorded $18 and $18, respectively, related to Deferred Carry Points granted (2025 – nil). The Deferred Carry Points granted during the three and nine months ended September 30, 2026 vest on December 31, 2029.

NOTE 13 | GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses include overhead costs incurred in the management of the business, such as, among others, depreciation of fixed assets, amortization of other intangible assets, premises and office expenses. For the three and nine months ended September 30, 2026, the Trust recorded total general and administrative expenses of $501 and $1,479, respectively (2025 – $819 and $1,016, respectively).

NOTE 14 | OTHER OPERATING EXPENSES

A summary of the Trust's other operating expenses by nature is presented below.

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Board of trustees fees	$ 425	$ 416	$ 1,133	$ 1,271
Professional fees	319	664	1,544	7,204
Other expenses	1,554	866	2,821	2,015
Total other operating expenses	**$ 2,298**	**$ 1,946**	**$ 5,498**	**$ 10,490**

Board of trustees fees

Certain members of the board of trustees of the Trust have elected to be compensated fully or partially in DUs under the Trust's Omnibus Equity Incentive Plan. The DUs granted pursuant to the election vest immediately and are settled in accordance with the established terms of the award agreement, but not earlier than the resignation or termination of the respective trustee from the board of trustees of the Trust. All DUs are credited with distribution equivalents in the form of additional DUs on each distribution payment date in respect of which normal distributions are paid on the Trust's Units. Such distribution equivalents are subject to the same vesting conditions as the instruments to which they relate. DUs are initially recognized at fair value and are subsequently remeasured at fair value on each reporting date, as described in note 3(o) to the Trust's 2025 consolidated financial statements.

During the three and nine months ended September 30, 2026, the Trust granted 14,484 and 42,431 DUs, respectively (2025 – 15,105 and 47,985, respectively), in lieu of cash compensation to trustees and 2,232 and 6,447 distribution equivalent Units, respectively (2025 – 1,836 and 6,147, respectively), in relation to the quarterly distributions. Board compensation expense for the three and nine months ended September 30, 2026 included $344 and $910, respectively (2025 – $370 and $926, respectively), related to the issuance of DUs and the related distribution equivalents. The fair value of the DUs vested but not settled was $3,347 as at September 30, 2026 (December 31, 2025 – $2,437) and is included in other current liabilities.

Professional fees

For the three and nine months ended September 30, 2026, the Trust recorded total professional fees of $319 and $1,544, respectively (2025 – $664 and $7,204, respectively), related to professional services including audit, legal, tax, valuation and consulting.

Other expenses

Other expenses for the three and nine months ended September 30, 2026 were $1,554 and $2,821, respectively (2025 – $866 and $2,015, respectively), and included donations of $255 and $755, respectively (2025 – $250 and $763, respectively), primarily related to the pledge agreement with the Mayo Clinic, as described in note 18.

NOTE 15 | FINANCIAL INSTRUMENTS

The financial assets and liabilities held by the Trust as at September 30, 2026 were as follows:

	Fair value through net earnings – recognized	Fair value through net earnings – designated as hedging instruments	Amortized cost	Total
Financial Assets				
Cash and cash equivalents	$ 41,062	$ —	$ —	$ 41,062
Royalties receivable	—	—	53,309	53,309
Current portion of financial royalty assets	—	—	21,946	21,946
Financial royalty assets	56,225	—	57,793	114,018
Derivative asset	—	4,383	—	4,383
	$ 97,287	$ 4,383	$ 133,048	$ 234,718
Financial Liabilities				
Accounts payable and accrued liabilities	$ —	$ —	$ 15,667	$ 15,667
Distributions payable to Unitholders	—	—	6,035	6,035
Current portion of credit facility	—	—	40,650	40,650
Other current liabilities	—	—	5,331	5,331
Derivative liability	7,770	—	—	7,770
Long-term debt	—	—	570,953	570,953
Other non-current liabilities	—	—	2,084	2,084
	$ 7,770	$ —	$ 640,719	$ 648,489

The financial assets and liabilities held by the Trust as at December 31, 2025 were as follows:

	Fair value through net earnings – recognized	Fair value through net earnings – designated as hedging instruments	Amortized cost	Total
Financial Assets				
Cash and cash equivalents	$ 42,432	$ —	$ —	$ 42,432
Royalties receivable	—	—	59,708	59,708
Financial royalty assets	57,276	—	—	57,276
Investment in marketable securities	3,311	—	—	3,311
	$ 103,019	$ —	$ 59,708	$ 162,727
Financial Liabilities				
Accounts payable and accrued liabilities	$ —	$ —	$ 6,240	$ 6,240
Distributions payable to Unitholders	—	—	5,507	5,507
Derivative liability	—	1,486	—	1,486
Current portion of credit facility	—	—	67,088	67,088
Other current liabilities	—	—	3,373	3,373
Long-term debt	—	—	415,851	415,851
Other non-current liabilities	—	—	354	354
	$ —	$ 1,486	$ 498,413	$ 499,899

Juvmo (tavapadon) fixed payments

As part of the Juvmo (tavapadon) transaction described in note 5, the Trust acquired entitlement to four annual fixed payments of $23,438 each, irrevocably earned and payable on or before the first four anniversaries of FDA approval of Juvmo (tavapadon), commencing on or before September 25, 2027. Due to the nature of the contractual cash flows, the Trust recognized a financial royalty asset measured at amortized cost representing these four annual fixed payments. The Trust initially recognized $79,500 upon completion of the transaction, representing approximately 25% of the total purchase price. Transaction costs of $225 were capitalized and amortized using the effective interest rate method up to September 25, 2030, the last expected fixed payment date.

As at September 30, 2026, the long-term carrying amount of the Trust's financial royalty assets at amortized cost relating to the Juvmo (tavapadon) transaction was $57,793, in addition to a current portion of $21,946. During the three and nine months ended September 30, 2026, the Trust recorded income from the Juvmo (tavapadon) financial royalty asset of $14 (2025 – nil).

Investment in marketable securities

As part of the Ekterly transaction completed in 2024, the Trust purchased 500,000 shares in KalVista common stock through a private investment in public equity arrangement for $10 per share for a total cost of $5,000.

During the year ended December 31, 2025, the Trust sold 295,000 shares for an average price of $16.09, as a result, the fair value of the remaining marketable securities was $3,311 as at December 31, 2025. During the three months ended March 31, 2026, the Trust sold the remaining 205,000 shares for an average price of $16.97, and recognized a realized gain of $1,429. Prior to the sale during the quarter, the Trust recorded an unrealized loss of $1,261 related to the change in fair value of the marketable securities, which resulted in a net gain of $168 recognized during the three months ended March 31, 2026, after which the Trust no longer held any marketable securities.

During the three and nine months ended September 30, 2025, the Trust did not sell any shares of the marketable securities and did not record a realized gain. The Trust recorded an unrealized gain of $435 and $1,855, respectively, related to the change in fair value of the marketable securities.

Interest rate swap

The Trust uses an interest rate swap as a derivative financial instrument designated as a cash flow hedge to manage its exposure to fluctuations in interest rates on its amended credit agreement, as described in note 7. As a result of the October 3, 2025 amendment to the amended credit agreement, on December 1, 2025, the Trust modified and consolidated its existing interest rate swaps into a single $150,000 notional interest rate swap maturing on September 28, 2029. The Trust discontinued hedge accounting for the previous swaps and designated the new interest rate swap as a cash flow hedge. The Trust does not hold or use any derivative financial instruments for speculative trading purposes. Under the agreements, the Trust pays a fixed rate and in exchange receives a SOFR interest rate, offsetting the floating component on a portion of the credit facility.

During the three and nine months ended September 30, 2026, the Trust recorded $122 and $358, respectively (2025 – nil and nil, respectively) in net unrealized gain on derivative instruments which represents the ineffective portion of the hedge and recognized a net gain in unrealized fair value of $3,175 and $6,132, respectively (2025 – net gain of $184 and net loss of $972, respectively) into other comprehensive earnings which represents the effective portion of the hedge. The ineffective portion of the hedge is due to the notional amount of the interest rate swap being greater than the outstanding principal balance on the credit facility, the hedged item. On September 29, 2026 the hedge became fully effective as the outstanding principal balance on the credit facility was higher than the notional amount of the interest rate swap.

The details of the interest rate swap are as follows:

Derivative Instruments	Maturity Date	Notional Value	Fair value as at September 30, 2026	Fair value as at December 31, 2025
Interest rate swap	September 28, 2029	$ 150,000	$ 4,383	$ (1,486)

The Trust applies hedge accounting to the effective portion of the interest rate swap, as described in note 3(e) to the Trust's 2025 consolidated financial statements. During the three and nine months ended September 30, 2026, the Trust also recorded an increase in interest due to the interest rate swaps of $215 and $699, respectively (2025 – reduction of $18 and $57, respectively) as a result of the hedge against interest rate fluctuations on the amended credit agreement, as described in note 7.

Conversion option

In connection with the issuance of debentures described in note 7, the Trust recognized an embedded derivative liability for the conversion option of the debentures. The exercise price represents a 30% premium to the volume-weighted average price of the Trust's Units from February 25, 2026 to February 27, 2026. The fair market value of the conversion option was initially recognized as $6,497 upon issuance using the Black-Scholes valuation model. The assumptions used to determine the initial fair value of the conversion option included: (i) exercise price of C$21.99; (ii) average risk-free interest rate of 2.5%; (iii) expected maturity date of February 28, 2031; (iv) average expected volatility of 25%; and (v) expected distribution yield of 3.23%. During the three and nine months ended September 30, 2026, the Trust recognized a net gain of $237 and net loss of $1,511, respectively (2025 – nil and nil, respectively) in profit or loss related to the fair value change of the conversion option derivative instrument.

NOTE 16 | FAIR VALUE MEASUREMENTS

Financial instruments measured at fair value are allocated within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. Transfers between the three levels of the fair value hierarchy are recognized on the date of the event or change in circumstances that caused the transfer.

There were no transfers among the three levels of the fair value hierarchy during the three and nine months ended September 30, 2026 (2025 – nil).

As at September 30, 2026, the Trust only had cash and cash equivalents measured at fair value and classified as Level 1 financial instruments. As at December 31, 2025, the Trust had cash and cash equivalents and investments in marketable securities measured at fair value and classified as Level 1 financial instruments. Investments in marketable securities were measured using quoted prices in active markets for identical assets.

As at September 30, 2026 and December 31, 2025, the Trust had derivative instruments measured at fair value classified as Level 2 financial instruments. The derivative instrument is related to the interest rate swap described in note 15, and the fair value is estimated using a valuation model that predicts future cash flows over the contractual terms of the agreement based on observable market data, such as interest rate curves.

The Casgevy royalty asset is classified as a Level 3 financial instrument. In computing the fair value of the Casgevy royalty asset, a discounted cash flow model is used and is based on unobservable market data including estimated cash flows based on the Trust's internal model, and a spread adjustment to the discount rate reflecting deal-specific risks and the Trust's required return. The conversion option is also classified as a Level 3 financial instrument as certain elements of its valuation are dependent on non-observable market data, such as the Trust's expected volatility rate. The Trust uses the Black-Scholes valuation model at each reporting date.

The carrying values of financial assets and liabilities held at amortized cost approximate their fair values.

The following table provides a reconciliation to the ending balances of the Trust's Level 3 financial instruments.

Reconciliation of Level 3 Financial Instruments	Casgevy financial asset	Conversion Option liability
Balance – December 31, 2024	$ 57,527	$ —
Cash receipts from Level 3 financial instruments	(5,000)	—
Change in fair value due to passage of time	5,748	—
Change in fair value due to movement in risk-free rate	768	—
Change in fair value due to changes in forecast timing[(i)]	(3,686)	—
Balance – September 30, 2025	**$ 55,357**	**$ —**
Cash receipts from Level 3 financial instruments	—	—
Change in fair value due to passage of time	1,956	—
Change in fair value due to movement in risk-free rate	(37)	—
Change in fair value due to changes in forecast timing[(i)]	—	—
Balance – December 31, 2025	**$ 57,276**	**$ —**
Additions	**—**	**(6,497)**
Cash receipts from Level 3 financial instruments	**(5,000)**	**—**
Change in fair value due to passage of time	**5,769**	**(1,572)**
Change in fair value due to movement in risk-free rate	**(1,820)**	**—**
Change in fair value due to foreign exchange remeasurement	**—**	**299**
Balance – September 30, 2026	**$ 56,225**	**$ (7,770)**

(i) The expected timing of the contingent payment receipt related to Casgevy has been adjusted due to delays and the discounted cash flow model has been updated to reflect the Trust's new expectation. There has been no change to the anticipated likelihood that the contingent payment will be received.

NOTE 17 | CAPITAL MANAGEMENT

As at September 30, 2026, the Trust's capital was $1,173,961 (December 31, 2025 – $1,044,460) and consisted of its Unitholders' capital of $547,697 (December 31, 2025 – $550,235), current portion and long-term debts of $621,942 (December 31, 2025 – $489,903) and 2024 Warrants of $4,322 (December 31, 2025 – $4,322). All capital items are shown prior to the deduction of deferred transaction costs, net of amortization.

The Trust's objectives in managing capital are to:

- Build long-term value for its Unitholders;
- Maintain optimal liquidity for pursuing acquisitions, meeting its obligations and making distributions to Unitholders;
- Achieve reasonable return on capital and control the risk and exposure associated with capital investments; and
- Maintain an optimal capital structure and reduce the cost of capital.

On June 18, 2025, the Trust partially purchased and canceled $10,000 in face value of the 2024 Preferred Securities for $9,500, as described in note 7.

On October 3, 2025, the Trust revised its credit agreement to convert and merge the term credit facility into the acquisition credit facility, as described in note 7. The total credit available under the acquisition credit facility increased by $70,000 and the outstanding amount under the acquisition credit facility increased by an amount corresponding to the outstanding amount under the term credit facility as at October 3, 2025, which was $63,250.

On February 10, 2026, the Trust further partially purchased and canceled $9,924 in face value of the 2024 Preferred Securities for $9,825, as described in note 7.

On March 20, 2026, the Trust entered into subscription agreements with the holders of its outstanding 2024 Preferred Securities, pursuant to which the Trust agreed to issue C$108,723 aggregate principal amount of debentures through the exchange of $79,698 in principal amount of 2024 Preferred Securities, as described in note 7. Upon closing, an aggregate principal amount of $35,580 of the 2024 Preferred Securities remained issued and outstanding.

On March 24, 2026, the Trust completed a private placement of $250,000 aggregate principal amount of Senior Notes, consisting of two tranches, as described in note 7. The Trust used the net proceeds of the Senior Notes to repay a portion of its acquisition and working capital credit facilities.

There have been no other changes in the composition of the Trust's capital or its capital management policies during the nine months ended September 30, 2026 compared to the prior period. As at September 30, 2026 and December 31, 2025, the Trust was in compliance with all externally imposed capital requirements.

NOTE 18 | COMMITMENTS

On November 25, 2022, the Trust bought royalties on the sales of Xenpozyme. In accordance with the terms of the royalty agreement, the royalty seller may be entitled to additional consideration of up to $26,000 in the event that cumulative royalties received by the Trust on Xenpozyme sales exceed certain thresholds within a predefined period of time.

On April 3, 2023, the Trust bought an additional royalty stream on Empaveli/Syfovre. In accordance with the terms of the royalty agreement, the royalty seller may also be entitled to an additional payment of $4,000 if worldwide net sales exceed certain thresholds within a predefined period of time.

On August 16, 2023, the Trust entered into a pledge agreement with the Mayo Clinic. In accordance with the terms of the agreement, the Trust intends to contribute $5,000 in total ($1,000 annually, payable in quarterly installments) to the Mayo Clinic to directly support and further the Center for Regenerative Biotherapeutics. To date, the Trust has paid a total of $3,250.

On February 1, 2024, the Trust expanded its interest in royalties on the sales of Omidria. In accordance with the terms of the amended royalty agreement, the royalty seller may be entitled to an additional payment of up to $27,500 in potential sales-based milestone payments.

On June 28, 2024, the Trust bought an additional royalty stream on Xenpozyme. As at September 30, 2026, in accordance with the terms of the royalty agreement, the royalty seller may be entitled to additional consideration of up to $26,000 in potential performance-based milestone payments.

On October 17, 2025, the Trust completed the Lumvoa and elegrobart transaction, as described in note 5. In accordance with the terms of the royalty agreement, the royalty seller may be entitled to additional consideration of up to $245,000 subject to the achievement of certain milestones. As at September 30, 2026, the Trust's potential milestone obligation was reduced to $130,000 as certain pre-specified clinical milestones related to elegrobart were not achieved and the Trust completed the funding of the $75,000 milestone pertaining to Lumvoa receiving FDA approval.

NOTE 19 | RELATED-PARTY TRANSACTIONS

Internalization transaction

Prior to July 1, 2025, except for its officers, DRI Healthcare Trust had no employees of its own and was externally managed pursuant to the former management agreement with the former external manager. The former external manager provided administrative and management services to the Trust and evaluated new investment opportunities. Effective June 30, 2025, the Trust terminated the management agreement with the former external manager and, on July 1, 2025, completed the internalization of its investment management function. Under the former management agreement, the Trust paid management and performance fees to the external manager. As part of the Internalization, the Trust terminated the former management agreement for a termination fee of $48,000. The termination of the former management agreement resulted in the elimination of management and performance fees on a go forward basis. As part of the transaction, the former external manager agreed to indemnify the Trust and its affiliates for, among other things, damages related to irregularities in expenses it charged the Trust.

In addition, in connection with the Internalization, the Trust acquired certain relevant assets of the former external manager for a purchase price of $1,000 pursuant to a certain asset purchase agreement. Following the Internalization, the employees of the former external manager transitioned to a subsidiary of DRI Healthcare Trust.

Transactions with the former external manager

Persis Capital Inc. (formerly DRI Capital Inc.) served as the external manager of the Trust until June 30, 2025. Management fees and performance fees were payable by the Trust pursuant to the former management agreement prior to Internalization. Effective July 1, 2025, management and performance fees are no longer payable by the Trust as a result of the termination of the former management agreement.

The Trust recorded the following transactions with its former external manager during the three and nine months ended September 30, 2026 and 2025.

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Management fee expense	$ —	$ —	$ —	$ 6,733
Performance fee expense	—	—	—	533
Other related party transactions	—	252	—	252
Total	**$ —**	**$ 252**	**$ —**	**$ 7,518**

Key management compensation

During the three and nine months ended September 30, 2026 and 2025, the Trust issued compensation to members of the board of trustees of the Trust, as described in note 14, and to certain officers of the Trust, as detailed below.

	Three months ended September 30, 2026	Three months ended September 30, 2025	Nine months ended September 30, 2026	Nine months ended September 30, 2025
Cash compensation and short-term benefits	$ 844	$ 962	$ 3,071	$ 1,545
Unit-based compensation	566	914	1,684	1,296
Total	**$ 1,410**	**$ 1,876**	**$ 4,755**	**$ 2,841**

During the three and nine months ended September 30, 2026, the Trust paid total cash compensation and short-term benefits of $844 and $3,071, respectively (2025 – $962 and $1,545, respectively), related to compensation for certain officers of the Trust, including salaries, bonuses, and benefits.

During the three and nine months ended September 30, 2026, the Trust recorded unit-based compensation expense of $566 and $1,684, respectively (2025 – $914 and $1,296, respectively), related to the RU grants and the accretion of the related distribution equivalent Units paid to certain officers of the Trust.

The following table provides the details of RUs granted to certain officers of the Trust during the nine months ended September 30, 2026.

	Total Units December 31, 2025	Units Granted	Distribution Equivalent Units Granted[(i)]	Vesting of Restricted Units	Total Units September 30, 2026
Restricted Units Grant Date:					
August 13, 2024[(ii)]	44,104	—	397	(44,501)	—
July 1, 2025[(iii)]	75,806	—	682	(76,488)	—
July 1, 2025[(iv)]	101,073	—	2,413	(34,298)	69,188
September 4, 2025[(v)]	13,365	—	279	(4,495)	9,149
October 15, 2025[(iv)]	17,308	—	464	—	17,772
November 10, 2025[(vi)]	6,746	—	61	(6,807)	—
March 31, 2026[(vii)]	—	5,271	141	—	5,412
April 6, 2026[(iv)]	—	9,102	161	—	9,263
July 1, 2026[(iv)]	—	85,713	737	—	86,450
August 17, 2026[(viii)]	—	15,042	103	(3,008)	12,137
Balance	**258,402**	**115,128**	**5,438**	**(169,597)**	**209,371**

(i) All RUs are credited with distribution equivalents in the form of additional RUs on each distribution payment date in respect of which normal distributions are paid on the Trust's Units. Such distribution equivalents are subject to the same vesting conditions as the instruments to which they relate.
(ii) Vested equally on a quarterly basis beginning November 13, 2024 until August 13, 2026.
(iii) Vested equally on a quarterly basis beginning October 1, 2025 until July 1, 2026.
(iv) Vesting equally over three years on each anniversary date.
(v) Vesting equally on April 1, 2026, April 1, 2027 and April 1, 2028.
(vi) Vested equally on a quarterly basis beginning November 13, 2025 until August 13, 2026.
(vii) Vesting on March 31, 2029.
(viii) Vesting equally on a monthly basis beginning September 1, 2026 until January 1, 2027.

The following table outlines the Units issued upon settlement of vested RUs to certain officers of the Trust during the three and nine months ended September 30, 2026.

	Units Issued on Settlement of Restricted Units	
	Three months ended September 30, 2026	Nine months ended September 30, 2026
Restricted Units Grant Date:		
May 31, 2024	—	1,214
August 13, 2024	6,954	20,586
July 1, 2025	27,890	51,276
September 4, 2025	—	2,088
November 10, 2025	1,063	3,160
August 17, 2026	1,397	1,397
Total	**37,304**	**79,721**

NOTE 20 | CONTINGENT LIABILITY

On or about September 19, 2024, a statement of claim was issued on behalf of Andrea Reid, seeking leave to institute a securities class proceeding before the Ontario Superior Court of Justice against Persis Capital Inc. (formerly DRI Capital Inc.), DRI Healthcare Trust, Behzad Khosrowshahi, former CEO of Persis Capital Inc. and the Trust and Chris Anastasopoulos, former CFO of Persis Capital Inc. and the Trust, on behalf of a class of investors who acquired Units of the Trust between February 11, 2021 to August 6, 2024 (and held such Units until August 6, 2024).

During the nine months ended September 30, 2026, a settlement of C$8,000 was reached among the parties in the legal proceeding described above. The settlement was endorsed by the court on September 22, 2026. In connection with the Internalization, the former external manager agreed to fully indemnify the Trust against the damages arising from the legal proceeding and paid the settlement after receiving court endorsement. As a result, the Trust was not responsible for paying or contributing any monies towards the settlement amount and the Trust is no longer exposed to any potential loss arising from this matter as at September 30, 2026.

NOTE 21 | SUBSEQUENT EVENTS

NCIB repurchases

During the period from October 1, 2026 to November 4, 2026, the Trust acquired 8,100 Units under the May 2026 NCIB at an average price of $12.71, totaling $103 under the AUPP, as described in note 8.

2026 fourth quarter distribution declared

On November 4, 2026, the board of trustees of the Trust declared a quarterly distribution of $0.11 per Unit to Unitholders of record as at December 31, 2026 and payable on January 20, 2027.

INVESTOR INFORMATION

Traded Units
The Trust's Units are traded on the Toronto Stock Exchange.

Trading Symbols
Canadian dollars: DHT.UN
U.S. dollars: DHT.U

Registrar and Transfer Agent
Computershare
320 Bay Street, 14th floor
Toronto, Ontario M5H 4A6

All questions related to unit certificates or distribution receipts should be directed to the Registrar and Transfer Agent.

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Investor requests for copies of quarterly or annual reports and information about the company should be directed to the Investor Relations team.

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