



ADVANCING SCIENCE

in the Fast Growing Pharmaceutical and Biotechnology Sector

UBS Global Healthcare Conference | May 25, 2021

DISCLAIMER

This presentation contains “forward-looking information” within the meaning of applicable securities laws in Canada. Forward-looking information may relate to our future financial outlook and anticipated events or results and may include information regarding our financial position, business operations, business strategy, growth strategies, budgets, operations, financial results, taxes, distribution policy, plans and objectives. In certain cases, forward-looking statements that are predictive in nature, depend upon or refer to future events or conditions, and/or can be identified by the use of words such as “expect”, “continue”, “anticipate”, “intend”, “aim”, “plan”, “believe”, “budget”, “estimate”, “forecast”, “foresee”, “close to”, “target” or negative versions thereof and similar expressions, and/or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances. Forward-looking information includes our business model, the potential to expand our portfolio of royalties, our cash flows, anticipated prescription drug sale growth, R&D spending growth, our pipeline of acquisition opportunities, our target distribution payout ratio and our anticipated income taxation. This forward-looking information and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this presentation represents our expectations as of the date of this presentation (or as the date they are otherwise stated to be made) and are subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws in Canada. All of the forward-looking information contained in this presentation is expressly qualified by the foregoing cautionary statements.

This presentation also contains certain third-party information, including industry information such as global pharmaceutical spending and key opportunities, and information with respect to the products in which we have a royalty or other interest. Unless otherwise expressly stated, we obtained this information from our own internal resources as well as from reports, research and other information prepared by market research firms and other third parties, including the marketers of the products. While we are not aware of any misstatements regarding any third-party information presented in this presentation, this information is subject to risks and uncertainties and is subject to change based on various factors. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. While we believe the estimated global pharmaceutical spending information included in this presentation is generally reliable, such information is inherently uncertain and imprecise.

This presentation makes reference to certain non-IFRS measures (which may be identified as non-GAAP measures) and industry metrics such as EBITDA, adjusted EBITDA, adjusted EBITDA margin, total cash royalty receipts, adjusted cash earnings per unit and Debt to EBITDA. These measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our financial performance from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. Please see our MD&A for the three months ended March 31, 2021 for more information, together with reconciliations, as applicable, to the most comparable IFRS measure.

INVESTMENT HIGHLIGHTS

- Partner of choice in the global pharmaceutical royalty sector focused on small to medium-sized growth transactions
- Direct exposure to the fast-growing, global pharmaceutical industry
- Attractive business model with less susceptibility to traditional pharmaceutical model risks
- Robust cash flows from a high-quality, diversified pharmaceutical royalty portfolio
- Growth strategy supported by DRI Capital's proven origination capabilities

PARTNERING WITH INNOVATORS TO ADVANCE SCIENCE

DRI is a **leading acquiror** of pharmaceutical royalties, and **partner of choice** across the value chain

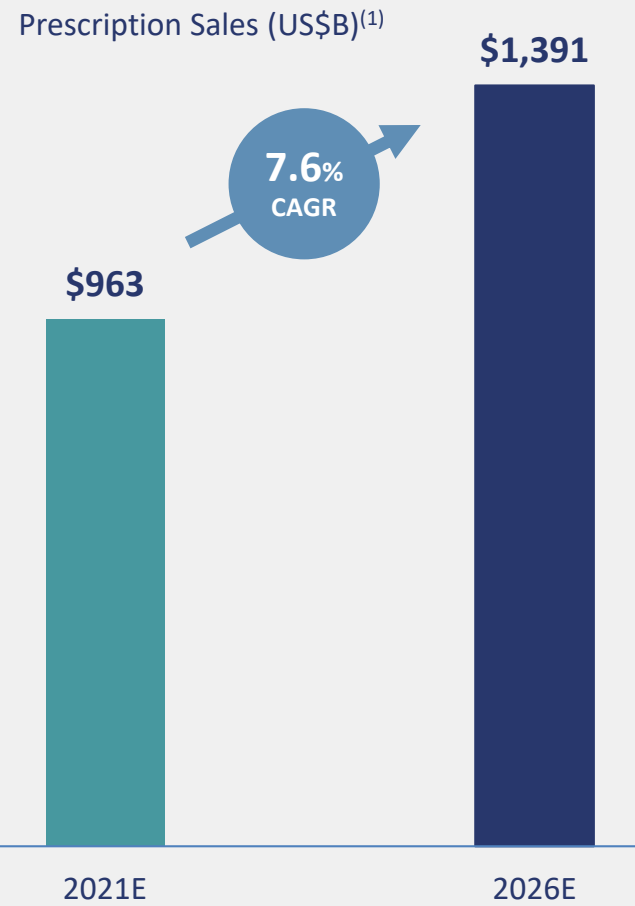
32-year history of collaboration with leading biotech & pharmaceutical companies, hospitals, universities and inventors

Successful track record of acquiring and replenishing a portfolio of royalty assets in market-leading therapeutics

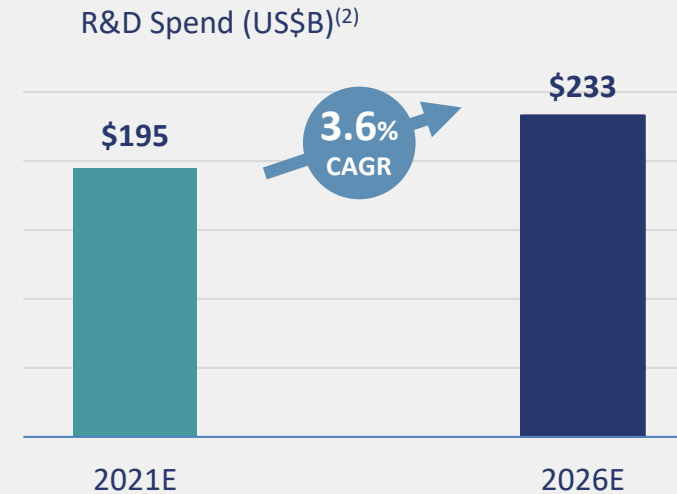
Funding innovation and advancing patient care in the rapidly growing and transforming pharmaceutical sector

COMPELLING INDUSTRY FUNDAMENTALS

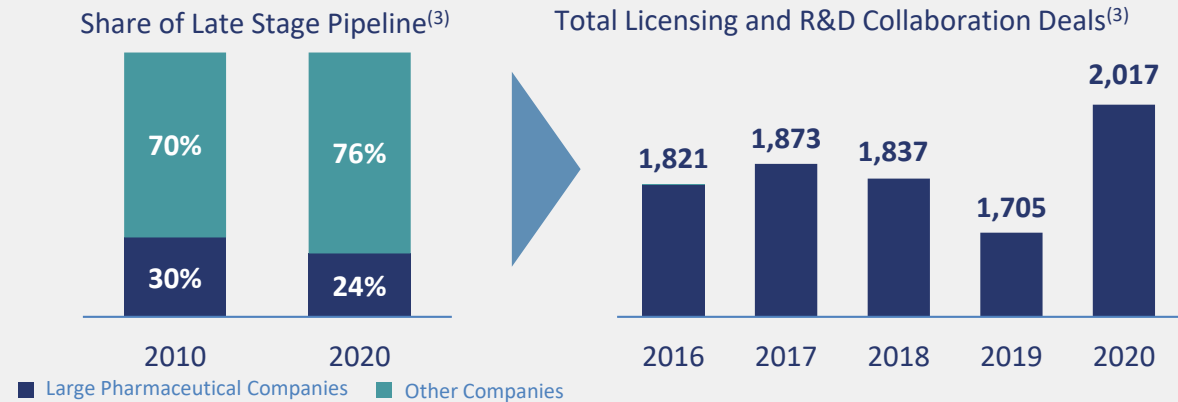
Worldwide prescription drug sales are accelerating...



...driving growth in worldwide R&D spending...



...and unprecedented demand for external innovation and capital.



TRACK RECORD OF GROWTH THROUGH ACQUISITION

DRI has made approximately \$2.1 billion in royalty acquisitions, including approximately \$2 billion through its predecessor funds and approximately \$100 million from co-investors



PORTFOLIO DELIVERS SOLID CASH FLOW

18

Royalty streams

14

Products

~8 yr.

Weighted average
remaining duration⁽¹⁾

5 Products

\$1B+ Global annual sales

Including

2 Products

\$5B+ Global annual sales

9 Products

Included in

Top 5 drugs by indication⁽²⁾

\$31M

Q1 2021 Pro forma Total Cash
Royalty Receipts⁽³⁾

91%

Pro forma adjusted EBITDA
margin⁽⁴⁾


















(1) As of December 31, 2020.

(2) Based on Evaluate Pharma, 2019 Global sales; EvaluatePharma® January 2021, Evaluate Ltd.

(3) Total Cash Royalty Receipts is a non-IFRS measure that is presented on a pro forma basis. This includes cash royalties received from February 19, 2021, to March 31, 2021, and \$2.2M in cash royalties received prior to the acquisition from January 1, 2021 to February 18, 2021, and recorded as an increase in cash and cash equivalents as part of the purchase price of the assets

(4) Non-GAAP financial measure calculated as Pro forma Adjusted EBITDA divided by Pro Forma Total Cash Royalty Receipts for Q1 2021

PORTFOLIO OVERVIEW

Product Name	Primary Marketer(s)	Therapeutic Area	2020 Worldwide Sales (US\$M) ⁽¹⁾	Q1 2021 Worldwide Sales (US\$M) ⁽¹⁾	Q1 2021 Pro Forma Cash Royalty Receipts (US\$M)	Expected Royalty Expiry ⁽²⁾
Core Products						
		Rare Diseases	\$2,052	\$521	\$5.3	Q3 2031
		Respiratory	\$2,025	\$435	\$2.3	Q2 2032
		Ophthalmology	\$7,761	\$2,171	\$4.4	Q1 2027
		Oncology	\$2,097	\$588	\$ ⁽⁴⁾	Q2 2028
		Endocrinology	\$28	Not available	\$0.5	Q3 2024
		Oncology	Not available	Not available	\$2.6	Q1 2025
		Vaccine	\$295	\$2	\$2.2	Q4 2023
Mature Products⁽⁵⁾⁽⁶⁾						
		HIV	\$3,537	\$827	\$8.5	Q2 2021
		Autoimmune Disease	\$11,661	\$3,180	\$4.4	Q1 2025 ⁽⁷⁾

(1) Worldwide sales as reported by respective product marketers

(2) Quarter ended during which the final royalty payment is expected

(3) The portfolio include two royalty streams on Eylea, which are referred to as Eylea I and Eylea II

(4) Royalties on Zytiga collected semi-annually in Q2 and Q4 of each year

(5) Complera, Edurant, Odefsey and Juluca make up HIV Portfolio

(6) Stelara, Simponi and Ilaris make up the Autoimmune Portfolio; we are entitled to two royalty streams on each product in the Autoimmune Portfolio for a total of 6 streams

(7) Expected Royalty Expiry for Stelara is Q2 2024

GROWTH STRATEGY



**Acquire existing
pharmaceutical royalties**

**Create new
synthetic royalty streams**

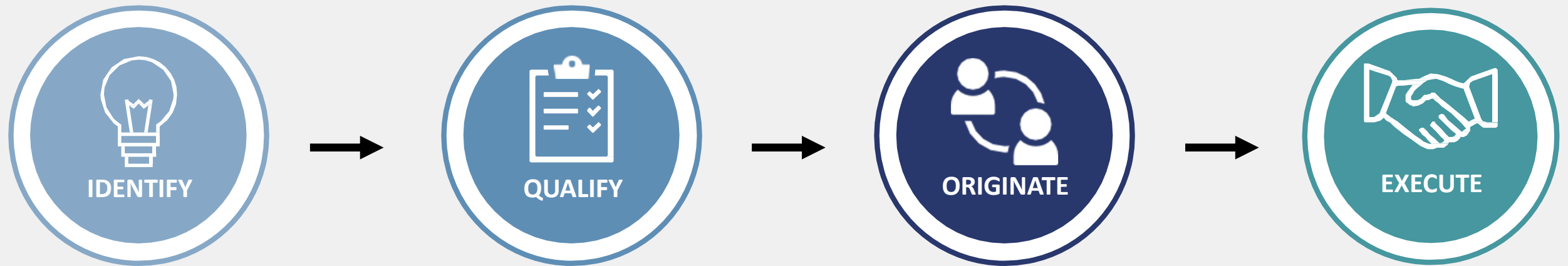
DRI'S ATTRACTIVE MARKET NICHE

**Growth-focused
accretive** small to
mid-sized
transactions of
\$25M to \$150M

- Medically necessary products
- Market leading products with strong growth potential
- Benefit from strong and long-lasting intellectual property
- Developed or marketed by industry leading, high-quality life sciences companies

REPEATABLE PROCESS TO IDENTIFY AND SELECT ASSETS

Proprietary database with >6,500 royalties on >2,000 products



Secure and sustainable market position

Relationships and process are not easily replicated

High barriers to entry for new competitors

Out of scope of large-cap public investors, institutional asset managers and public pensions

PROVEN DUE DILIGENCE PROCESS

PRELIMINARY DILIGENCE

Initial Review

- Clinical profile
- Sales drivers
- Risk factors
- Preliminary valuation

COMPREHENSIVE DUE DILIGENCE

Medical & Commercial Review

- In-depth review of clinical data
- Prescription data review
- Competitive landscape assessment
- Marketer assessment
- Market access analysis
- Expert interviews

IP & Regulatory Review

- Obtain IP opinions
- Consult with regulatory lawyers
- Review loss of exclusivity

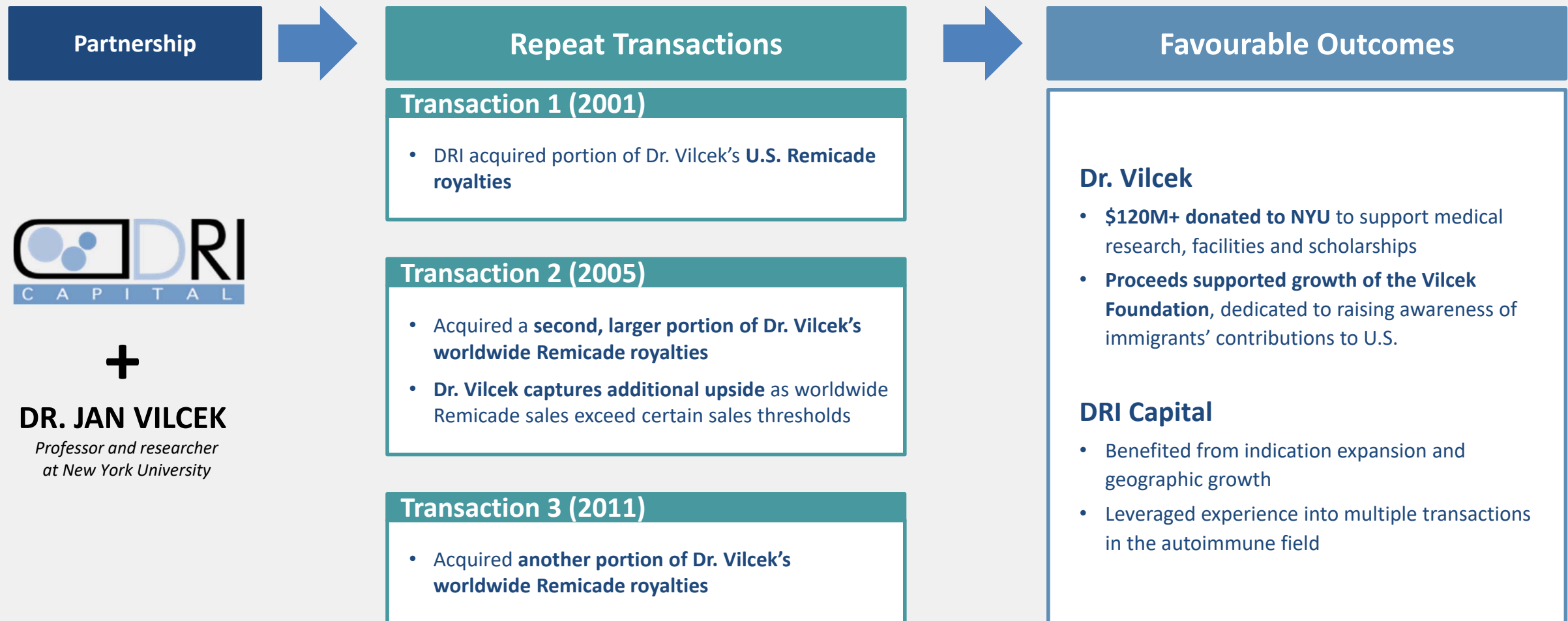
Legal Review

- Review underlying agreements
- Understand relevant litigation
- Tax review

- Develop transaction structures that address diligence findings and counterparty needs

REMICADE CASE STUDY

DRI has the experience and flexibility to structure deals that address counterparty needs



Q1 2021 FINANCIAL RESULTS – PORTFOLIO HIGHLIGHTS

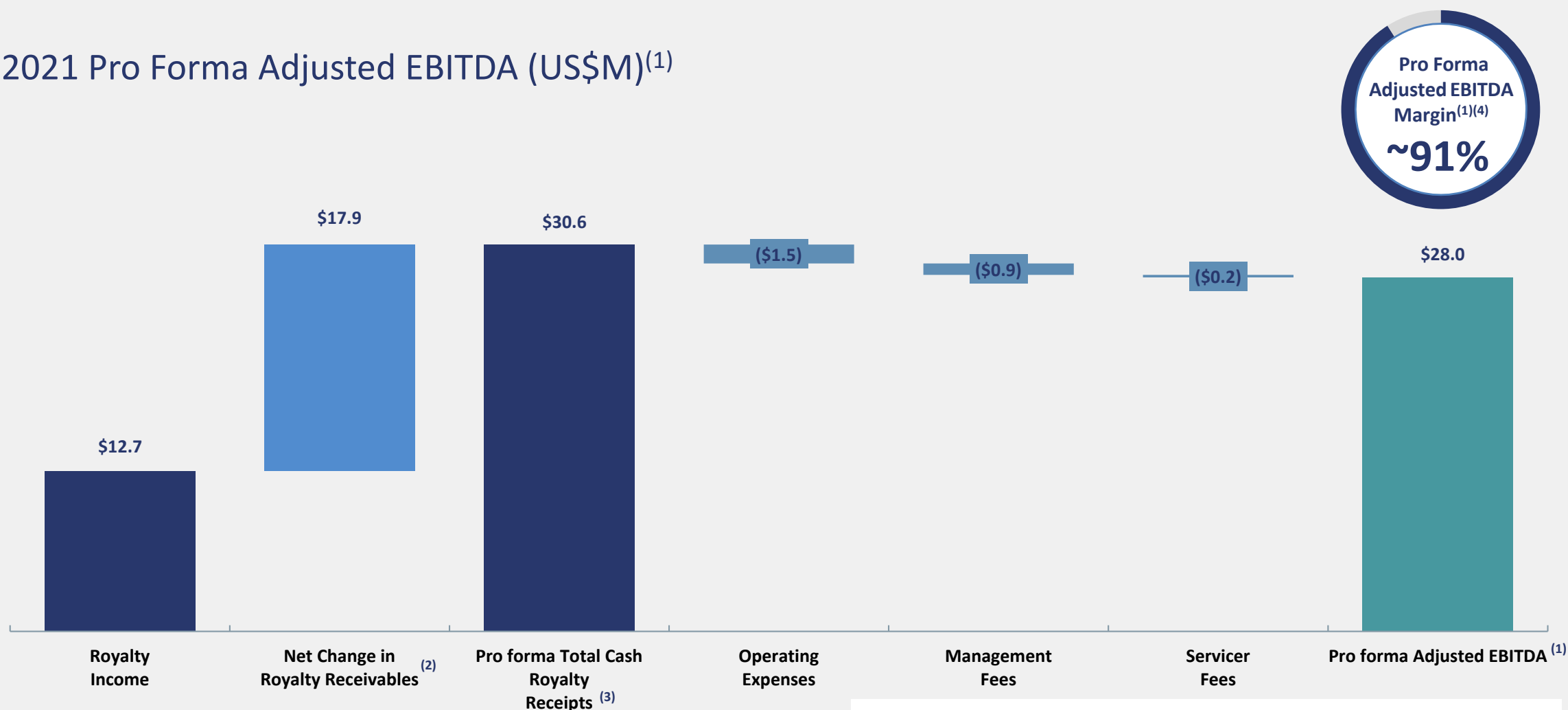
		Pro Forma Cash Royalty Receipts (US\$M) ⁽¹⁾ For the three months ended		
		March 31, 2021	March 31, 2020	% Change
Core Products	Spinraza	\$5.3	\$5.5	(4)%
	Eylea ⁽²⁾	\$4.4	\$4.2	4%
	Rydapt	\$2.6	\$2.7	(4)%
	Xolair	\$2.3	\$2.4	(5)%
	FluMist	\$2.2	\$1.2	91%
	Natpara	\$0.5	\$0.3	70%
	Zytiga	-	-	-%
Mature Products	HIV Portfolio (<i>Complera, Odefsey, Edurant, Juluca</i>)	\$8.5	\$8.1	5%
	Autoimmune Portfolio (<i>Stelara, Ilaris, Simponi</i>)	\$4.3	\$6.3	(31)%
Legacy Products	Various	\$0.5	\$2.4	(81)%
Pro Forma Total Cash Royalty Receipts⁽³⁾		\$30.6	\$33.1	(7)%

1. Cash royalty receipts are presented on a pro forma basis. This includes cash royalties received from February 19, 2021, to March 31, 2021, as well as \$2.3M in cash royalties received prior to the acquisition from January 1, 2021, to February 18, 2021, which has been recorded as an increase in cash and cash equivalents as part of the purchase price of the assets indirectly acquired by the Trust following the IPO.
2. Includes combined cash royalty receipts for the Eylea I and Eylea II assets.

3. Total Cash Royalty Receipts is a non-IFRS measure that is presented on a pro forma basis. This includes cash royalties received from February 19, 2021 to March 31, 2021, as well as \$2.3M in cash royalties received prior to the acquisition from January 1, 2021 to February 18, 2021, which has been recorded as an increase in cash and cash equivalents as part of the purchase price of the assets.

STRONG CASH FLOW GENERATION

Q1 2021 Pro Forma Adjusted EBITDA (US\$M)⁽¹⁾



Pro Forma Adjusted EBITDA Margin⁽¹⁾⁽⁴⁾
~91%

Adjusted Cash Earnings per Unit⁽⁵⁾: \$0.54

1. Adjusted EBITDA and Adjusted EBITDA Margin are non-IFRS measures for the 3-month period ended March 31, 2021, on a proforma basis
 2. The Net Change in Royalties Receivable represents royalties receivable, beginning of period, less royalties receivable, end of period, plus acquired royalties receivable and acquired cash royalties received included in the purchase prices of the assets on February 19, 2021
 3. Total Cash Royalty Receipts is a non-IFRS measure that is presented on a pro forma basis. This includes cash royalties received from February 19, 2021, to March 31, 2021, and \$2.2M in cash royalties received prior to the acquisition from January 1, 2021 to February 18, 2021, and recorded as an increase in cash and cash equivalents as part of the purchase price of the assets

4. Non-IFRS measure, calculated as Pro Forma Adjusted EBITDA / Total Cash Royalty Receipts
 5. Non-IFRS measure, calculated as Net Earnings plus net earnings and other comprehensive earnings plus: (i) amortization of royalty assets, plus (ii) impairment of royalty asset, less (iii) reversal of impairment of royalty assets, less (iv) net gain on interest rate derivatives, less (v) net gain on foreign exchange derivatives.

WELL-CAPITALIZED FOR GROWTH

- Strong cash position at March 31, 2021
- US\$106 million of cash and cash equivalents available to support acquisitions and operations
- US\$39.6 million of royalty receivables
- US\$285 million of royalty assets (net book value)
- US\$69.9 million of secured notes (principal value)
 - *US\$10.7 million principal payment made on April 15, 2021*
- Ability to increase leverage to 2x – 3x annualized Debt/EBITDA multiple

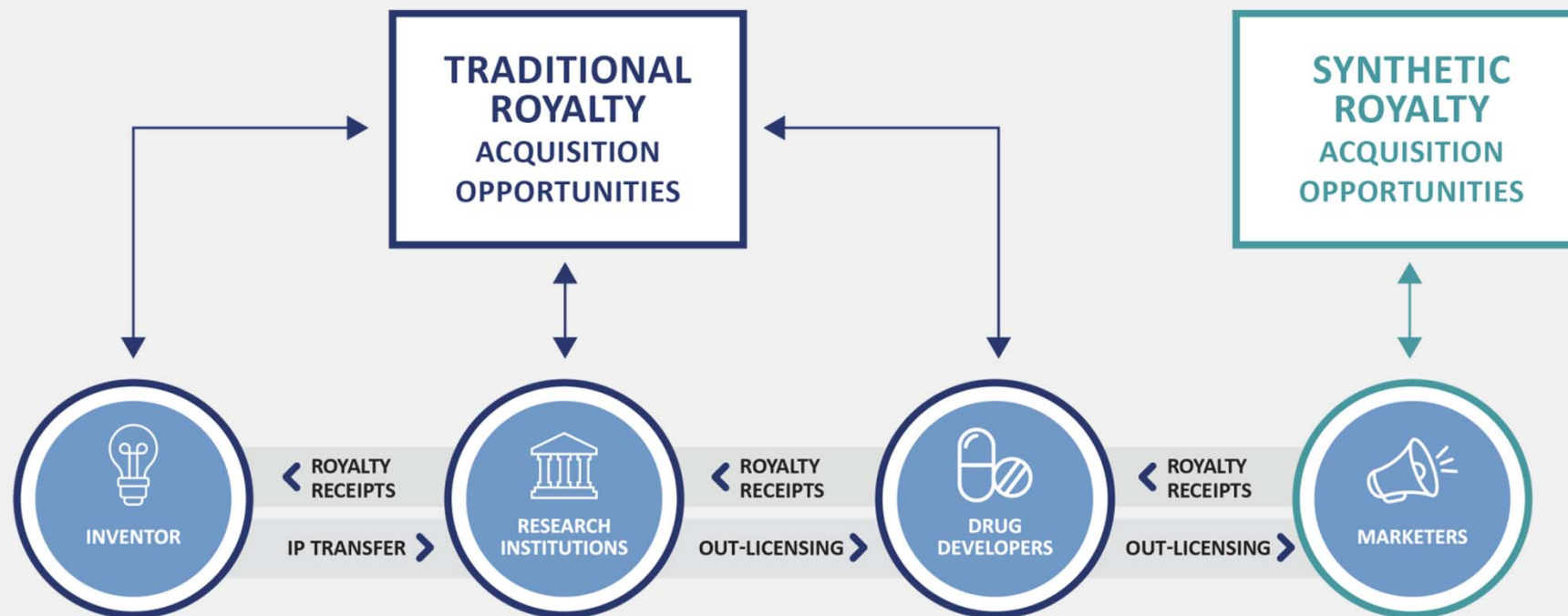
OUTLOOK

Target **sustainable**
compounded
growth in cash
royalty receipts

- US\$650 to US\$750 million five-year aggregate acquisition target
- Long duration assets: will seek to maintain and extend weighted average remaining duration for the portfolio
- Active and growing pipeline

THE PHARMACEUTICAL ROYALTY MODEL

- DRI provides unitholders with direct exposure to the fast-growing, global pharmaceutical industry with reduced development and R&D risk
- Through Traditional Royalty acquisitions or the creation of Synthetic Royalties, DRI advances science by supporting the inventors, institutions and small marketers crucial for biopharma innovation



TAX EFFICIENT STRUCTURE

Canadian Trust with Irish Subsidiary

- We are structured as a pass-through entity, eliminating all trust / entity-level income tax
- External management facilitates our efficient operating and tax structure
- As a result of our structure, investors get direct exposure to a portfolio of pharmaceutical products, with no trust or other entity level income taxes and minimal SG&A
- Trust-level income will be allocated to unitholders (which will only be taxable to Canadian resident taxable investors)

Closing Transactions

