DRI Healthcare Trust

ADVANCING SCIENCE

in the Fast Growing Pharmaceutical and Biotechnology Sector

Canaccord Genuity Growth Conference| August 12, 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 June 30, 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

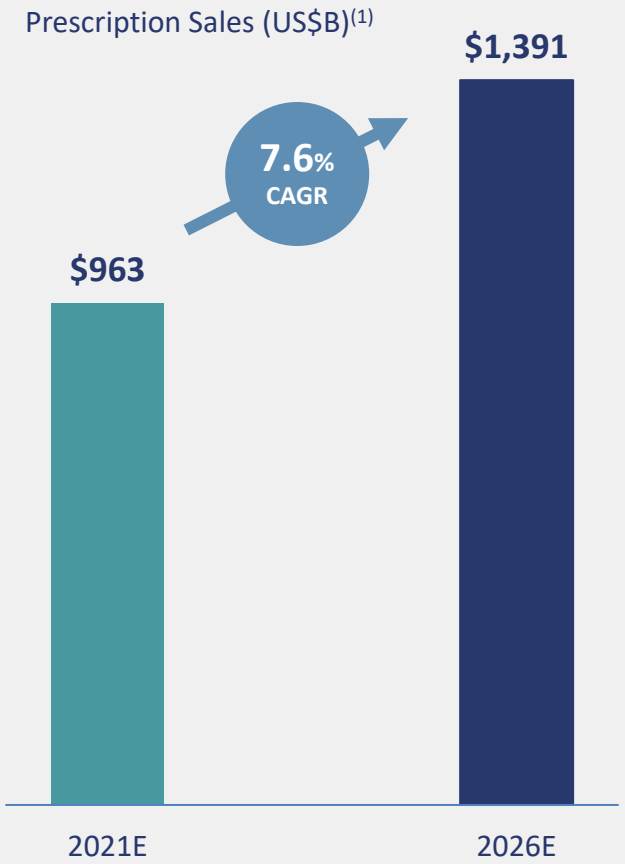
32-year history of collaboration with leading biotech & pharmaceutical companies, hospitals, universities and inventors

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

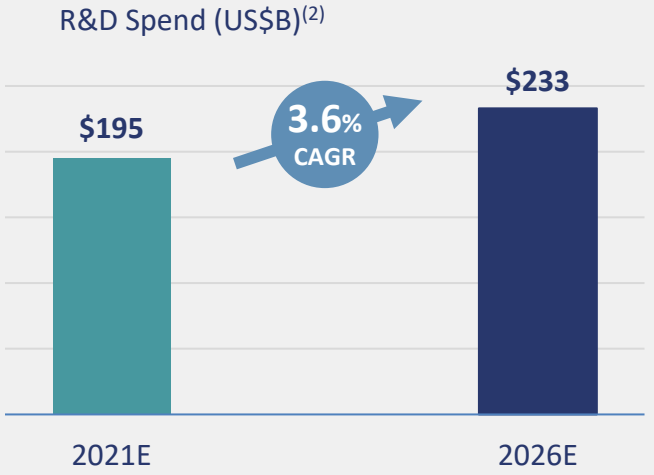
Funding innovation and advancing patient care in the rapidly growing and transforming pharmaceutical sector

COMPELLING INDUSTRY FUNDAMENTALS

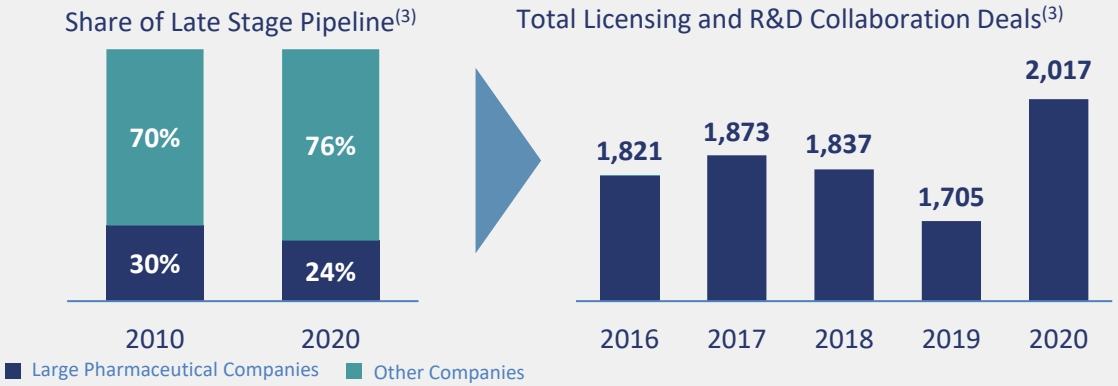
Worldwide prescription drug sales are accelerating…



…driving growth in worldwide R&D spending…



…and unprecedented demand for external innovation and capital.



1) Projected Worldwide Prescription Drug Sales (US$B) Source: *EvaluatePharma – World Preview 2020, Outlook to 2026*, July 2020
2) Projected Worldwide Total Pharmaceutical R&D Spend (US$B) Source: *EvaluatePharma – World Preview 2020, Outlook to 2026*, July 2020
3) Source *IQVIA Report – Global Trends in R&D: Overview Through 2020*, May 2021. 2020 data excludes COVID-19 related deals

DRI Healthcare Trust

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

DRUG ROYALTY I
(2006 – 2008)

19 Royalties

valued at

$645M

Remicade® INFLIXIMAB

Xolair® omalizumab

Enbrel® etanercept

DRUG ROYALTY II
(2009 – 2013)

27 Royalties

valued at

$730M(1)

Stelara® (ustekinumab)

ILARIS®

Simponi®

DRUG ROYALTY III
(2013 – 2018)

15 Royalties

valued at

$586M

EYLEA®

SPINRAZA®

KEYTRUDA® (pembrolizumab) Injection 100 mg

(1) Includes $82 million through RMF 2 Co-Investment Fund, also referred to as Drug Royalty II CIF

PORTFOLIO DELIVERS SOLID CASH FLOW

14
Royalty streams

10
Products

~8 yr.
Weighted average remaining duration(1)

6 Products
$1B+ 2020 Global Sales

Including

2 Products
$5B+ 2020 Global Sales

$64M
YTD 2021 Pro forma Total Cash Royalty Receipts(2)

89%
Pro forma adjusted EBITDA margin(3)

(1) As of June 30, 2021.
(2) 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 June 30 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
(3) Non-GAAP financial measure calculated as Pro forma Adjusted EBITDA divided by Pro Forma Total Cash Royalty Receipts for H1 2021

PORTFOLIO OVERVIEW

Product Name	Primary Marketer(s)	Therapeutic Area	2020 Worldwide Sales (US$M)[1]	H1 2021 Worldwide Sales (US$M)[1]	H1 2021 Pro Forma Cash Royalty Receipts (US$M)	Expected Royalty Expiry[2]
Core Products						
SPINRAZA	Biogen	Rare Diseases	$2,052	$1,020	$10.9	Q3 2031
Xolair omalizumab	Roche, NOVARTIS	Respiratory	$3,276	$1,677	$3.7	Q2 2032
EYLEA[3]	REGENERON, Santen, BAYER	Ophthalmology	$7,761	$4,437	$8.7	Q1 2027
Zytiga	Johnson & Johnson, AstraZeneca	Oncology	$2,470	$1,201	$9.5	Q2 2028
Natpara	Takeda	Endocrinology	$28	$20	$1.0	Q3 2024
RYDAPT	NOVARTIS	Oncology	Not available	Not available	$6.5	Q1 2025
FluMist Quadrivalent	AstraZeneca	Vaccine	$295	$3	$2.3	Q4 2023
Mature Products[4]						
Stelara, Simponi, ILARIS	Johnson & Johnson, MERCK, NOVARTIS, Mitsubishi Tanabe	Autoimmune Disease	$11,661	$6,487	$6.1	Q1 2025[6]
Recently Expired Royalties[5]						
COMPLERA, EDURANT, Odefsey, Juluca	GILEAD, ViiV Healthcare, Johnson & Johnson	HIV	$3,537	$1,718	$14.4	Expired as of Q2 2021

(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) 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
(5) Complera, Edurant, Odefsey and Juluca make up HIV Portfolio
(6) Expected Royalty Expiry for Stelara is Q2 2024

GROWTH STRATEGY

Growth strategy supported by DRI's proven origination capabilities

Acquire traditional pharmaceutical royalties

Create new synthetic royalty streams

LEVERAGING OUR STRENGTHS TO DRIVE GROWTH

Growth-focused, accretive transactions of **$25M - $150M**

- Medically necessary products
- Market leading products with strong growth potential
- Strong and long-lasting intellectual property
- Developed or marketed by industry leading, high-quality life sciences companies
- Long-duration assets; seeking to extend the duration of our portfolio

Target transaction range represents an underserved niche with high barriers to entry that allows us to source and execute attractive, often proprietary, transactions

- Other royalty buyers tend to focus on significantly larger transactions
- Flexibility to structure creative, bespoke transactions that serve the immediate and longer-term objectives of our counterparties
- Extensive database of over 6,500 royalties on over 2,000 pharmaceutical products
- Deep relationships developed with hundreds of individual inventors, academic and medical institutions, and biotech firms seeking deals in this range

PROVEN DUE DILIGENCE PROCESS

PRELIMINARY DILIGENCE → **COMPREHENSIVE DUE DILIGENCE**

Initial Review

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

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

Partnership

DRI CAPITAL

+

DR. JAN VILCEK

Professor and researcher at New York University

Repeat Transactions

Transaction 1 (2001)

- DRI acquired portion of Dr. Vilcek's **U.S. Remicade royalties**

Transaction 2 (2005)

- Acquired a **second, larger portion of Dr. Vilcek's worldwide Remicade royalties**
- **Dr. Vilcek captures additional upside** as worldwide Remicade sales exceed certain sales thresholds

Transaction 3 (2011)

- Acquired **another portion of Dr. Vilcek's worldwide Remicade royalties**

Favourable Outcomes

Dr. Vilcek

- **$120M+ donated to NYU** to support medical research, facilities and scholarships
- **Proceeds supported growth of the Vilcek Foundation**, dedicated to raising awareness of immigrants' contributions to U.S.

DRI Capital

- Benefited from indication expansion and geographic growth
- Leveraged experience into multiple transactions in the autoimmune field

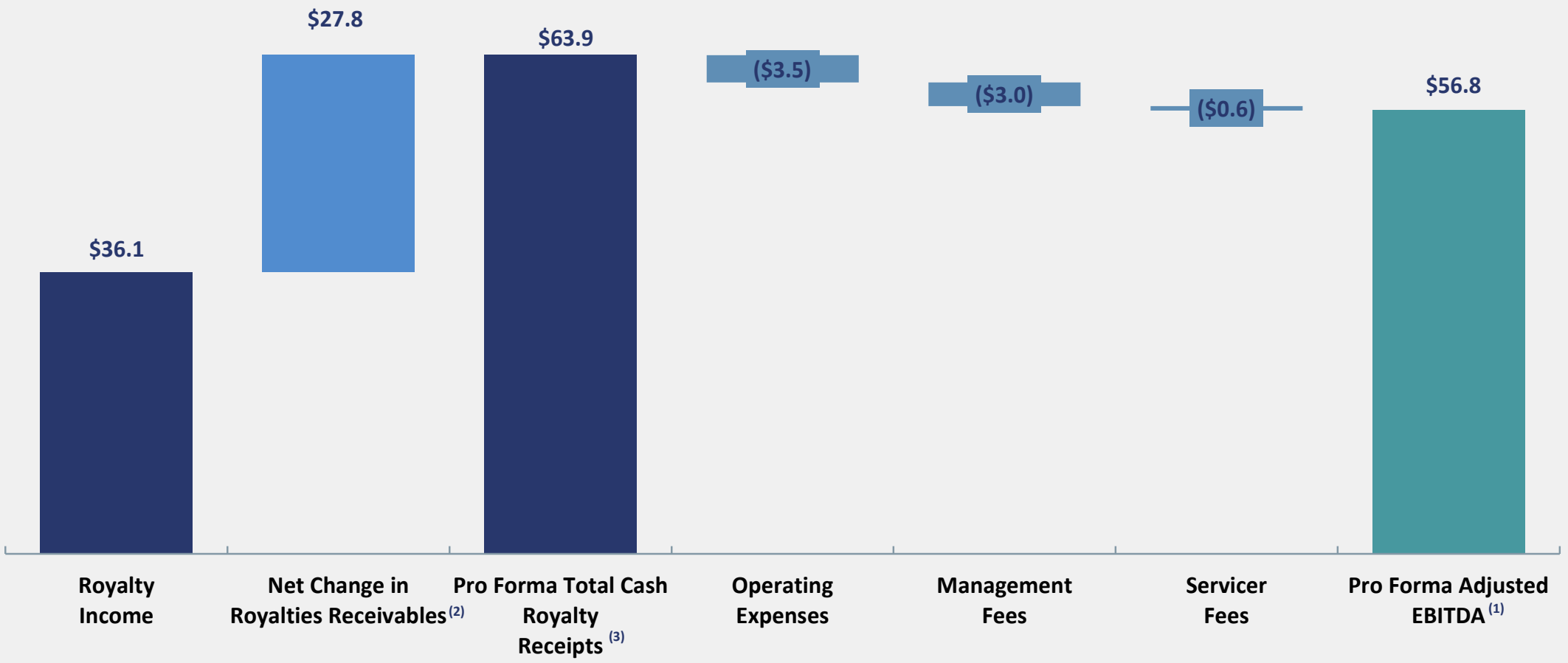
Q2 2021 FINANCIAL RESULTS – PORTFOLIO HIGHLIGHTS

		Cash Royalty Receipts (US$M) For the three months ended		
		June 30, 2021	June 30, 2020	% Change
Core Products	Eylea[1]	4,352	3,644	19%
	FluMist	23	-	n/a
	Natpara	513	305	68%
	Rydapt	3,856	1,970	96%
	Spinraza	5,615	5,642	-
	Xolair	1,417	1,406	1%
	Zytiga	9,498	8,267	15%
Mature Products	Autoimmune Portfolio (*Stelara, Ilaris, Simponi*)	1,747	2,503	(30%)
	Rilpivirine Portfolio *(Complera, Odefsey, Edurant, Juluca)*[2]	5,901	7,629	(23%)
Legacy Products	Various	407	442	(8%)
	Total Cash Royalty Receipts[3]	**33,329**	**31,808**	**5%**

1. Includes combined cash royalty receipts for the Eylea I and Eylea II assets.
2. The Trust's entitlement to royalties for the Rilpivirine portfolio ended during the quarter ended June 30, 2021, in accordance with the terms of the royalty agreement.
3. Total Cash Royalty Receipts is a non-IFRS measure and is presented on a pro forma basis for the three months ended June 30, 2020.

STRONG YTD CASH FLOW GENERATION

Pro Forma Adjusted EBITDA for the Six Months Ended June 30, 2021 (US$M)[1]



Pro Forma Adjusted EBITDA Margin[1][4]
~89%

Adjusted Cash Earnings per Unit[5]
US$0.97

1. Adjusted EBITDA and Adjusted EBITDA Margin are non-IFRS measures for the six months ended June 30, 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 price of the assets on February 19, 2021 .
3. Total Cash Royalty Receipts is a non-IFRS measure that has been presented on a pro forma basis. This includes cash royalties received from February 19, 2021 to June 30 2021, as well as 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.
4. Non-IFRS measure, calculated as Pro Forma Adjusted EBITDA / Pro Forma Total Cash Royalty Receipts.
5. Non-IFRS measure, calculated as 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; divided by weighted average units outstanding

WELL-CAPITALIZED FOR GROWTH

- Strong balance sheet at June 30, 2021
- US$145.7 million of cash and cash equivalents available to support acquisitions and operations (including US$30.1 million held in trust subject to July 15 debt payment)
- US$29.7 million of royalties receivable
- US$273.7 million of royalty assets (net book value)
- US$59.2 million of secured notes (principal value)
  - *Subsequent US$12.1 million principal payment made on July 15, 2021*
- Ability to increase leverage to 2x – 3x annualized Debt/EBITDA multiple

OUTLOOK AND SUMMARY

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

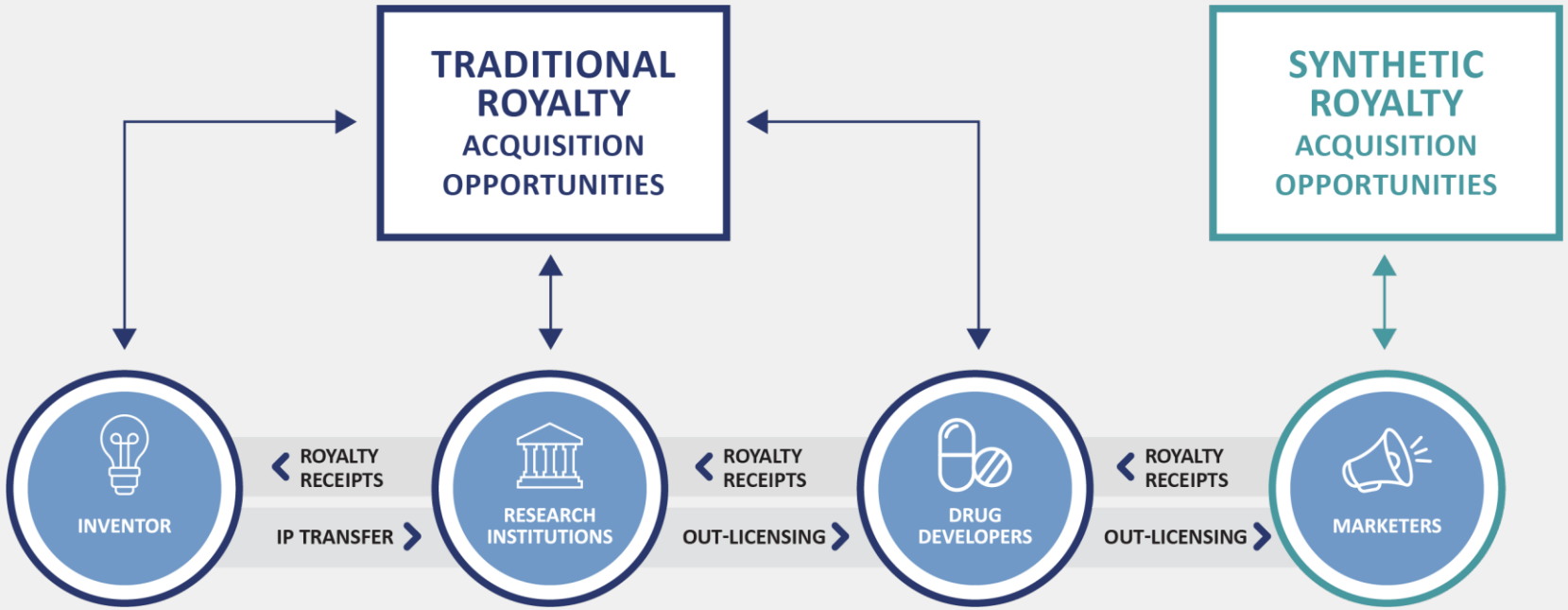
- Strong performance of our existing assets
- On track to deliver on growth targets
  - US$650 to US$750 million five-year aggregate acquisition target
- Acquisition pipeline remains strong and growing; transactions advancing with continual expansion of opportunities

Appendices

DRI Healthcare Trust

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