MANAGEMENT DISCUSSION AND ANALYSIS

For the three months ended March 31, 2020

This management's discussion and analysis ("**MD&A**") should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2020 and 2019 for Alaris Royalty Corp. ("**Alaris**" or the "**Corporation**"). The Corporation's condensed consolidated interim financial statements and the notes thereto have been prepared in accordance with International Accounting Standard 34 and are recorded in Canadian dollars. Certain dollar amounts in the MD&A have been rounded to the nearest thousands of dollars.

This MD&A contains forward-looking statements that are not historical in nature and involve risks and uncertainties. Forward-looking statements are not guarantees as to the Corporation's future results since there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. See "Forward-Looking Statements" for a discussion of the risks, uncertainties and assumptions relating to those statements. Some of the factors that could cause results or events to differ from current expectations include, but are not limited to, the factors described under "Risks and Uncertainty" in the annual MD&A. This MD&A also refers to certain non-IFRS measures, including EBITDA, Normalized EBITDA, Earnings Coverage Ratio, Contracted EBITDA, Actual Payout Ratio, Adjusted Net Working Capital, Tangible Net Worth, Fixed Charge Coverage Ratio, IRR and Per Share values as well as certain financial covenants defined below to assist in assessing the Corporation's financial performance. The terms EBITDA, Normalized EBITDA, Earnings Coverage Ratio, Contracted EBITDA, Actual Payout Ratio, Tangible Net Worth, Fixed Charge Coverage Ratio, IRR and Per Share values (collectively, the "**Non-IFRS Measures**") as well as certain financial covenants as defined below are financial measures used in this MD&A that are not standard measures under IFRS. The Corporation's method of calculating the Non-IFRS Measures may differ from the methods used by other issuers. Therefore, the Corporation's Non-IFRS measures may not be comparable to similar measures presented by other issuers. See "Results of Operations" for a reconciliation of EBITDA and Normalized EBITDA to earnings.

Actual Payout Ratio: refers to Alaris' total cash dividends paid during the period (annually or quarterly) divided by the actual net cash from operating activities Alaris generated for the period.

EBITDA refers to earnings determined in accordance with IFRS, before depreciation and amortization, net of gain or loss on disposal of capital assets, interest expense and income tax expense. EBITDA is used by management and many investors to determine the ability of an issuer to generate cash from operations. Management believes EBITDA is a useful supplemental measure from which to determine the Corporation's ability to generate cash available for debt service, working capital, capital expenditures, income taxes and dividends.

Normalized EBITDA refers to EBITDA excluding items that are non-recurring in nature and is calculated by adjusting for non-recurring expenses and gains to EBITDA. Management deems non-recurring items to be unusual and/or infrequent items that the Corporation incurs outside of its common day-to-day operations. For the three months ended March 31, 2020, the distributions received upon redemption of SBI are considered by management to be a non-recurring charge. Transaction diligence costs are recurring but are considered an investing activity. Foreign exchange realized and unrealized gains and losses are recurring but not considered part of operating results and excluded from normalized EBITDA on an ongoing basis. Changes in investments at fair value are non-cash and although recurring are also removed from normalized EBITDA. Adjusting for these non-recurring items allows management to assess cash flow from ongoing operations.

Earnings Coverage Ratio refers to the Normalized EBITDA of a Partner divided by such Partner's sum of debt servicing (interest and principal), unfunded capital expenditures and distributions to Alaris. Management believes the earnings coverage ratio is a useful metric in assessing our partners continued ability to make their contracted distributions.

Per Share values, other than earnings per share, refer to the related financial statement caption as defined under IFRS or related term as defined herein, divided by the weighted average basic shares outstanding for the period.

Fixed Charge Coverage Ratio refers to EBITDA less unfunded maintenance capital expenditures divided by the sum of taxes, interest, debt repayments and dividends paid by Alaris. The Corporation's senior credit facility requires a minimum Fixed Charge Coverage Ratio as a financial covenant.

Contracted EBITDA refers to EBITDA for the previous twelve months excluding proceeds from any disposition of investments and any distributions accrued and not received but including all projected contracted payments from new and existing investments for the twelve-month period following the investment date. Contracted EBITDA is used in determining the Corporation's leverage covenant as required by our senior debt facility.

IRR refers to internal rate of return, which is a metric used to determine the discount rate that derives a net present value of cash flows to zero. Management uses IRR to analyze partner returns.

Tangible Net Worth refers to the sum of shareholders' equity. The Corporation's senior credit facility requires a minimum Tangible Net Worth as a financial covenant.

Adjusted Net Working Capital refers to current assets excluding promissory notes receivables, office lease items and investment tax credit receivable. Management believes this is a useful metric in determining the liquidity of the Corporation and ability to meet its short-term liabilities.

Partner company names are referred to as follows: LMS Management LP and LMS Reinforcing Steel USA LP (collectively, "**LMS**"), SCR Mining and Tunneling, LP ("**SCR**"), Kimco Holdings, LLC ("**Kimco**"), PF Growth Partners, LLC ("**PFGP**"), DNT Construction, LLC ("**DNT**"), Federal Resources Supply Company ("**FED**" or "**Federal Resources**"), M-Rhino Holdings LLC, dba Providence Industries ("**Providence**"), Unify Consulting, LLC ("**Unify**"), ccCommunications LLC ("**ccComm**"), Accscient, LLC ("**Accscient**"), Heritage Restoration, LLC ("**Heritage**"), Fleet Advantage, LLC ("**Fleet**"), Body Contour Centers, LLC ("**BCC**" or "**Body Contour Centers**"), GWM Holdings, Inc. ("**GWM**"), Amur Financial Group Inc. ("**Amur**") and Stride Consulting LLC. ("**Stride**"). Former partner company names are referred to as follows: Sandbox Acquisitions, LLC and Sandbox Advertising LP (collectively, "**Sandbox**"), Sales Benchmark Index LLC ("**SBI**"), Labstat International, LP ("**Labstat**"), Phoenix Holdings Limited, formerly KMH ("**Phoenix**") and End of the Roll Carpet and Vinyl, a Corporate Partnership ("**End of the Roll**").

The Non-IFRS measures should only be used in conjunction with the Corporation's unaudited condensed consolidated interim financial statements, excerpts of which are available below, complete versions of these statements are available on SEDAR at www.sedar.com.

OVERVIEW

The Corporation earns its revenues by providing capital to private businesses (individually, a "**Private Company Partner**" and collectively the "**Partners**") in exchange for distributions, dividends and interest ("**Distributions**") received in regular monthly payments that are contractually agreed to between the Corporation and each Private Company Partner. These payments are set for twelve months at a time and adjusted annually based on the audited performance of each Private Company Partner's gross revenue, gross margin, same store sales, or other similar "top-line" performance measure. The Corporation has limited general and administrative expenses with only fifteen employees.

Beginning in 2020, the Corporation has modified the presentation of the condensed consolidated statements of comprehensive income in order to simplify the presentation for all of the users of the statements. Changes include combining all revenues from Partners (distributions and interest) on one line including the impact of the foreign exchange contracts the Corporation enters into to manage the US dollar exposure of the revenues. Further detail is provided in note 4 to the condensed consolidated financial statements. Additionally, gains and losses, both realized from actual exits and unrealized from the quarterly fair value exercise have been moved up the table before a subtotal of "Total revenue and other operating income". Lastly, all of the general and administrative expenses (salaries & benefits, corporate & office and legal & accounting) have been combined on one line with analysis provided in this MD&A on the changes in the individual amounts.

RESULTS OF OPERATIONS

Quarter ended March 31, 2020 compared to Quarter ended March 31, 2019

Three months ended March 31	2020	2019	% Change
Revenue per share	$ 0.92	$ 0.76	+21.1%
Normalized EBITDA per share	$ 0.58	$ 0.68	-14.7%
Net cash from operating activities per share	$ 0.72	$ 0.56	+28.6%
Dividends per share	$ 0.41	$ 0.41	+0.2%
Basic earnings per share	$ (1.16)	$ 0.31	-474.2%
Fully diluted earnings per share	$ (1.16)	$ 0.31	-474.2%
Weighted average basic shares (000's)	36,694	36,496	

For the three months ended March 31, 2020, revenue per share increased by 21.1% due to distributions from new investments Amur and Stride, follow-on investments in PFGP and Unify and organic growth through the 2020 reset. The Corporation also received an additional US$7.0 million of distributions from SBI during the current period as part of their redemption in January 2020. These distributions were amounts owed up to the third anniversary date of the Corporation's initial investment, being August 31, 2020.

The negative basic and fully diluted earnings per share amounts for the three months ended March 31, 2020, are a result of the unrealized loss of investments at fair value recorded in the period of $96.5 million, which is primarily a result of the impact that COVID-19 has had on the Corporation's Partners. A portion of this loss is a reclassification of a previously recorded unrealized gain on redemption of SBI in the amount of $11.6 million, which was realized in January 2020. The residual unrealized loss of investments at fair value in the period was $84.9 million, which represents $2.33 per share. The $84.9 million reduction in fair value was a write-down of approximately 10% of the fair value of investments, leaving a book value of $739.7 million at March 31, 2020.

Normalized EBITDA of $0.58 per share decreased 14.7% compared to the three months ending March 31, 2019 due to the redemptions in the current period of SBI and Sandbox, offset by new distributions from Amur and Stride and incremental distributions from PFGP and Unify. Net cash from operating activities was $0.72 per share, an increase of 28.6% due to higher distributions and the timing of the payment of convertible debt interest being only on a semi-annual basis, with the next payment in June 2020. The Corporation paid $0.4125 per share of dividends during the three months ended March 31, 2020, resulting in an Actual Payout Ratio of 57.0% for the period, significantly lower than expected due to the additional distributions in the period and the timing of convertible debt interest payments.

Partner Revenue ($ thousands)	Three months ended March 31, 2020	Three months ended March 31, 2019	% Change	Comment
SBI	$ 9,176	$ 3,967	+131.3%	One-time $9.2m of distributions as part of investment redemption in Jan-20
DNT	3,775	3,799	-0.6%	FX impact
FED	3,653	3,698	-1.2%	Negative 6% reset in Jan-20, FX impact
PFGP	2,696	1,172	+130.0%	Additional contribution in Jul-19
BCC	2,159	2,141	+0.8%	FX impact
GWM	2,020	1,855	+8.9%	Positive 8% reset Jan-20, FX impact
Accscient	1,869	1,811	+3.2%	Additional contribution Jan-19, FX impact
LMS	1,765	1,300	+35.8%	Positive 30% reset Jan-20, FX impact
Amur	1,623	-	+100.0%	Contribution closed in Jun-19
Unify	1,090	641	+70.0%	Additional contribution Dec-19
SCR	950	450	+111.1%	Monthly distributions increased to current amount of $350k
Heritage	829	797	+4.0%	Positive 6% reset, FX impact
Providence	514	1,571	-67.3%	Reduction to distributions per month beg. Apr-19, no distribution in Mar-20
Fleet	498	698	-28.7%	Partial redemption in Jul-20, FX impact
ccComm	294	779	-62.3%	No distributions beg. Feb-20, ccComm used for working capital needs
Stride	282	-	+100.0%	Contribution closed in Nov-19
Sandbox	-	1,914	-100.0%	Redemption in Feb-20, no distributions accrued in 2020
Total Distributions	**$ 33,193**	**$ 26,593**	**+24.8%**	
Interest	700	1,065	-34.3%	Redemption of Sandbox in Feb-20
Realized FX Gain / (Loss)	78	(170)	-145.9%	FX impact
Total Revenue, net of FX	**$ 33,971**	**$ 27,488**	**+23.6%**	

The total revenue and other operating income was a loss of $51.0 million in the three month period ended March 31, 2020, compared to income of $22.4 million in the prior period, a negative change of $73.4 million. The decrease in the current period is due to the current net realized and unrealized loss of investments at fair value recorded of $84.9 million. This loss was a result of the potential deferral of partner distributions and decreased expectations for 2021 resets on a number of investments, caused by the impact from the COVID-19 pandemic and related economic slowdown.

Finance costs were $4.8 million compared to $4.1 million in the prior year period, a 17.1% increase due to the additional finance costs incurred on the convertible debentures issued in June 2019. These were offset by lower interest on senior debt as there was a lower average debt outstanding in the period (weighted average outstanding debt of $169.1 million for the three months ending March 31, 2020 versus $229.0 million for the comparable period in 2019).

General and administrative costs, which includes salaries and benefits, corporate and office and legal and accounting fees, were $2.8 million in the period, an increase of 12.0% compared to $2.5 million in the prior year period. Salaries and benefits increased from $0.8 million in the three months ended March 31, 2019, to $0.9 million in the current period. Corporate and office expenses remained flat with $0.6 million in both the current and prior periods. Legal and accounting fees were $1.3 million compared to $1.1 million in the prior year period, an increase of 18.2% primarily due to the additional costs related to Sandbox post-close.

The Corporation incurred $2.0 million of transaction diligence costs during the three month period, compared to $0.2 million in the prior period. The increase was a result of costs in the current period related to the Sandbox transaction in addition to potential transactions that are currently under review.

For the three months ended March 31, 2020 the Corporation incurred stock-based compensation expenses of $0.7 million (2019 - $0.4 million) which includes: $0.6 million (non-cash expense) for the RSU Plan expense that is to be amortized over the thirty-six month vesting period of the plan (2019 - $0.2 million); and $0.1 million (non-cash expense) for the amortization of the fair value of outstanding stock options (2019 - $0.2 million).

The Corporation recorded a loss of $42.7 million in the current period compared to earnings of $11.3 million in the prior year period, a total reduction in earnings of $54.0 million. The decrease is due to the unrealized loss of investments at fair value recorded in the period as a result of the impact to Partners from the COVID-19 pandemic.

The Corporation recorded negative EBITDA of $49.5 million and Normalized EBITDA of $21.2 million for the three months ended March 31, 2020 compared to a positive EBITDA of $16.4 million and Normalized EBITDA of $24.8 million for the three months ended March 31, 2019. The 14.5% decrease in Normalized EBITDA is a result of the redemptions in the current period of SBI and Sandbox, partially offset by the addition of new partners Amur and Stride, 2020 positive resets and follow on contributions into PFGP and Unify. The additional distributions from SBI received upon their redemption were removed from EBITDA as a normalizing adjustment as they are non-recurring.

Reconciliation of Net Income to Normalized EBITDA ($ thousands)	Three months ended March 31, 2020	Three months ended March 31, 2019
Earnings / (Loss)	**$ (42,662)**	**$ 11,262**
Adjustments to Net Income:		
Depreciation and amortization	77	102
Finance costs	4,754	4,136
Income tax expense	(11,622)	836
EBITDA	**$ (49,453)**	**$ 16,336**
Normalizing Adjustments		
Realized (gain) / loss on investment	(11,603)	-
Unrealized loss on investments at fair value	96,527	5,097
Transaction diligence costs	1,977	179
Distributions received on redemption (SBI)	(9,176)	-
Unrealized (gain) / loss on foreign exchange	(6,993)	2,998
Realized (gain) / loss on foreign exchange	(78)	170
Normalized EBITDA	**$ 21,201**	**$ 24,780**

OUTLOOK

The Corporation's Q1 2020 revenue, cash flows and Normalized EBITDA were not affected by the COVID-19 pandemic. However, earnings were impacted by the reductions in the fair values of investments due to lower expected growth rates and anticipated reductions in future distributions from certain Partners. Due to the continued uncertainty regarding future impacts to Alaris' Partners from COVID-19, the Corporation deems it prudent to withhold from providing financial guidance for the remainder of 2020. The high level of uncertainty regarding the potential impact from COVID-19 as well as anticipated recovery from such and the timing of that recovery, makes it difficult to accurately project the expected distributions for the next twelve month period. The Corporation describes the impact COVID-19 has had on each Partner in further detail in the “Private Company Partner Update” below and continues to work with each management team to assist them through this unprecedented environment.

To provide additional flexibility to assess the potential impacts from COVID-19, the Corporation announced in March that following the payment of the March 2020 monthly dividend in April 2020, future dividends will be paid on a quarterly basis beginning with the dividend for Q2 to be declared in June 2020, payable July 15, 2020. The Corporation is also announcing a dividend reduction of approximately 30% beginning with the Q2 2020 dividend, to $1.16 annually and $0.29 per quarter (from $1.65 annually and $0.4125 per quarter). The reduced dividend will provide the required liquidity for the Corporation as we navigate through these uncertain times.

The senior debt facility was drawn to $150.5 million at March 31, 2020, with the capacity to draw up to another $188.6 million based on covenants and credit terms. The annual interest rate on that debt was approximately 5.9% at March 31, 2020.

Alaris’ unique capital structure continues to fill a niche in the private capital markets. Therefore, Alaris continues to attract interest in its capital from private businesses across North America and is confident it will contribute capital to new, and existing Partners in 2020. As a conservative measure, Alaris does not use any estimates for future revenue earned from the contribution of capital into new or existing Partners in its guidance or budgeting process.

Private Company Partner Update

The Corporation’s interest in each of the Partners consists of a preferred partnership interest, preferred equity interest, or loans, with a return based on distributions that are adjusted annually based on a formula linked to a top-line metric (i.e. sales, gross profit, same store sales) rather than a residual equity interest in the net earnings of such entities. From time to time the Corporation may also acquire a minority common equity position alongside its preferred equity or debt investments. The Corporation has no involvement in the day to day business of each Private Company Partner and has no rights to participate in normal course management decisions. The Corporation does not have any significant influence over any of the Partners nor does it have the ability to exercise control over such Partners except in limited situations of uncured events of default. Instead, the Corporation has certain restrictive covenants in place designed to protect the ongoing payment of the distributions payable to Alaris. In addition, the Partners are required to obtain the consent of Alaris in certain circumstances prior to entering into a material transaction or other significant matters outside the normal course of business. Such transactions include, without limitation, acquisitions & divestitures, major capital expenditures, certain changes in structure, certain changes in executive management, change of control and incurring additional indebtedness or amending existing debt terms.

The following is a summary of each of the Partners recent financial results. Included in this summary will be a comment on the Partners’ Earnings Coverage Ratio (“**ECR**”). Because this information other than with respect to fiscal year end is based on unaudited information provided by Private Company Partner management, each ECR, based on the most current information for the trailing twelve months, will be identified as part of a range. The ranges are: less than 1.0x, 1.0x to 1.2x, 1.2x to 1.5x, 1.5x to 2.0x and greater than 2.0x. A result greater than 1.0x is considered appropriate and the higher the number is, the better the ratio. The Corporation notes that these ECRs are based on historical results, in most cases prior to any impact of the COVID-19 pandemic. However, the expected impact was outlined qualitatively for each partner below.

Description	The Corporation’s investment thesis is to generally partner with companies that have: (i) A history of success (average age of partners is approximately 20 years) • Offer a required service or products in mature industries; • Low risk of obsolescence; and • Non-declining asset bases (no exploration companies). (ii) Proven track record of free cash flow (iii) Low levels of debt - Allows excess cash flow to remain in the business to support growth and

	the Alaris distribution rather than paying principal and interest on debt. (iv) Low levels of capital expenditures required to maintain/grow a business – Our partners are typically not required to reinvest much of their cash flow back into their operations as they are typically asset light businesses with minimal equipment requirements. (v) Management continuity and quality management teams - The Corporation has invested in 31 partners since inception, exited our investment in fifteen partners over that time with eleven yielding highly positive results displayed by a total return of 63% and a median IRR of 20%.
Contribution History	The Corporation has invested over $1.3 billion into 31 partners and over 63 tranches of financing, including an average of approximately $170 million over the past five fiscal years (2014 – 2019).
Performance	The Corporation discloses an ECR to provide information on the financial health of our partners. The Corporation has four partners with ECR greater than 2.0x (Amur, Heritage, SCR and GWM), six in the 1.5x-2.0x range (Stride, BCC, DNT, LMS, Fleet and Unify), three between 1.2x-1.5x (Accscient, FED and PFGP) and three less than 1.0x (ccComm, Kimco and Providence).
Capital Structure	As a preferred equity investor, we have invested in a diverse group of capital structures and we pride ourselves on achieving the optimal capital structure for our partners so both Alaris and our partners benefit. Of our existing portfolio, seven of our sixteen have no debt, one partner has less than 1.0x Senior Debt to EBITDA and eight partners have debt greater than 1.0x Senior Debt to EBITDA on a trailing twelve months basis.
Reset	The annual distribution reset is another feature of our capital which we view as win-win. It aligns our interest with our partners while providing the majority of the upside to the entrepreneurs who create the business value. Of the partners which had resets effective in 2020 (January 1st), we had five with maximum resets (between +5% and +8%), one with no collar resetting positively at approximately 30% (LMS) and one having a reset just below their +6% collar. One partner had a negative reset of 6% and one other partner was flat year over year.

Accscient

Description	Accscient provides IT staffing, consulting, and outsourcing services and specializes in digital infrastructure management, enterprise resource planning, business intelligence and database administration.
Contribution History	In June 2017, the Corporation contributed an initial US$20.0 million into Accscient. The Corporation contributed an additional US$3.0 million in June 2018, US$7.0 million in August 2018 and US$8.0 million in January 2019. The contributions were used to fund or partially fund acquisitions which broadened their IT service offerings.
Impact of COVID-19	Accscient continues to provide IT consulting and staffing services remotely and the impact from COVID-19 to its business has been limited to date. Uncertainty surrounding future staffing levels and overall demand for services has resulted in Accscient's management proactively managing resources and costs to effectively manage through any potential temporary reduction in revenue going forward. Accscient has an ECR just below 1.5x, with adequate liquidity on its balance sheet.
Distributions & Fair Value	The Corporation expects to receive all of the contracted Accscient distributions, but will work with Accscient's management on a monthly basis given the current uncertainty on the timing of a recovery from COVID-19. However, due to an expected reduction to the 2021 distribution reset the Corporation recorded a decrease in the fair value of the Accscient units of US$1.7 million in the three months ended

	March 31, 2020, leaving the fair value of the Accscient units at US$36.6 million. As of this date, there have been no disruptions in distributions from Accscient. The annual contracted Accscient distributions are US$5.6 million (7.6% of the total contracted Partner distributions). The fair value of the Accscient units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the Accscient units is evaluated each quarter.
Performance	Based on unaudited statements provided by management for the two months ended February 29, 2020, revenue has remained consistent and EBITDA increased compared to the prior period. The Accscient distribution reset was flat on January 1, 2020 based on the organic percentage change in gross profit. The Accscient distribution resets annually and has a collar of plus or minus 6%.
ECR	For the twelve months ended February 29, 2020, the ECR remained between 1.2x and 1.5x. The ECR may decrease slightly in future periods as a result of the impact to the business of COVID-19.

Amur

Description	Amur is one of Canada's leading fully integrated independent originator, manager and servicer of home equity loans. Amur's business model revolves around home equity loans to homeowners who are looking to use the equity in their homes to fund debt consolidation, home renovations or other uses. Mortgages originated by the Company are primarily funded directly by three Mortgage Investment Corporations ("MICs") that Amur has exclusive relationships with. Amur generates revenue from the origination of the home equity loan and as the investment manager of the MICs.
Contribution History	In June 2019, the Corporation contributed $70.0 million into Amur ($50.0 million contribution in exchange for debt and preferred units in Amur, and $20.0 million in exchange for a minority ownership in the common equity in Amur).
Impact of COVID-19	Amur's operations have been uninterrupted thus far as the majority of their staff have been able to work remotely. The impact from COVID-19 has resulted in a softening of origination volumes and as a result Amur has focused on managing advertising spend and other variable costs. There has been no impact to revenue collected from management fees to date and Alaris expects limited impact moving forward. Therefore, no disruption in preferred distributions is expected.
Distributions & Fair Value	Amur has an ECR greater than 2.0x, and adequate liquidity thus the Corporation expects to receive all contracted preferred distributions. However, due to the impact on new mortgage originations, the expected 2021 reset has been reduced resulting in a $2.7 million decrease to the fair value of the Amur preferred equity investment during the three months ended March 31, 2020, leaving the fair value of the Amur units at $47.3 million. As of this date, there have been no disruptions in preferred distributions from Amur. The annual contracted Amur distributions are $6.5 million (6.5% of the total contracted Partner distributions). Previously, the Corporation disclosed the expectation for quarterly dividends on its common equity investment in Amur. As a result of COVID-19 and to ensure the company preserves liquidity, common equity dividends are no longer expected for the remainder of 2020. Amur will re-evaluate future dividends on common equity once COVID-19 related economic issues are resolved. As a result of an expected impact to Amur's internal cash flows from COVID-19, there was a decrease in the fair value of the Amur common equity units by $2.2 million during the three months ended March 31, 2020, leaving the fair value of the Amur common equity units at $17.8 million.

Performance	Based on unaudited statements provided by management for the three months ended March 31, 2020, revenue and EBITDA have remained consistent with the prior period. The Amur distribution will reset +/- 6% annually based on gross revenue, commencing January 1, 2021.
ECR	For the twelve months ended March 31, 2020, the ECR remained greater than 2.0x. The ECR may decrease slightly in future periods as a result of the impact to the business of COVID-19.

Body Contour Centers

Description	Body Contour Centers operates one of the largest private plastic surgery practices in the United States with over 40 locations across the country.
Contribution History	In September 2018, the Corporation contributed US$46.0 million into BCC.
Impact of COVID-19	BCC was required to temporarily stop taking new patients at all locations, but continued to provide post-operative care services to all patients. BCC has rescheduled over 90% of consults and surgeries for when they are able to reopen, which will provide for a backlog of procedures and revenues quickly after BCC returns to operations. BCC has proactively reduced their cost structure to ensure they retain the maximum amount of liquidity during a period with no revenue. The Corporation has deferred all distributions during the period in which BCC is unable to perform regular procedures and consultations. BCC re-opened one location on April 29th and has tentative re-opening dates throughout May at several other locations. This is a tentative date and is subject to change. It is expected that during this re-opening process BCC will be required to use liquidity for working capital purposes as it scales up its operations. The Corporation continues to work with BCC on forecasting future distributions.
Distributions & Fair Value	As mentioned above, the Corporation will be deferring distributions while BCC is temporarily closed and possibly into when they re-open to allow for cash to be used for working capital. These deferred distributions are expected to be received at a later date. However, timing is to be determined once BCC is operating under normal conditions again. As a result of the deferral of distributions, their expected recovery from the COVID-19 pandemic and a decrease to the expectation for the distribution reset in 2021, the impact on the discounted cash flows resulted in a decrease in the fair value of the BCC units by US$3.2 million during the three months ended March 31, 2020, leaving the fair value of the BCC units at US$43.7 million. The annual contracted BCC distributions are US$6.8 million (9.2% of the total contracted Partner distributions). The fair value of the BCC units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the BCC units is evaluated each quarter.
Performance	Based on unaudited statements provided by management for the two months ended February 29, 2020, revenue and EBITDA have increased significantly from the prior period. The first reset commenced January 1, 2020 and based on unaudited statements the Corporation expects the positive reset to be near the top of the collar (6%).
ECR	For the twelve months ended February 29, 2020, the ECR increased and is now between 1.5x and 2.0x. The Corporation expects the ECR to decline in future periods due to the impact of COVID-19, partially offset by any deferral of Alaris distributions.

ccComm

Description	ccComm is a Sprint retailer with over 90 locations throughout the Northwest and Central United States.
Contribution History	In January 2017, the Corporation purchased preferred units in ccComm for US$4.0 million. The Corporation contributed an additional US$2.2 million in August 2017, an additional US$10.0 million in May 2018, US$2.0 million in July 2019 and US$1.0 million in August 2019. The 2017 and 2018 additional contributions were used to fund acquisitions of Sprint locations and the contributions in 2019 were used for working capital needs.
Impact of COVID-19	As a result of COVID-19, the majority of ccComm's locations were temporarily closed during the COVID-19 crisis with those that remained open experiencing limited traffic with the numerous state-wide stay-at-home orders issued on the general public. With the majority of the ccComm stores closed or operating in areas with stay-at-home directives, ccComm's sales in March and April 2020 have been severely impacted. Although Sprint Corporate has made some concessions, the merger between Sprint Corporate and T-Mobile on March 31, 2020 causes additional short-term uncertainty. Once the conversion to T-Mobile is completed and the stores are re-opened following the temporary COVID-19 closures, there is potential longer term upside under the T-Mobile platform.
Distributions & Fair Value	The Corporation continues to monitor ccComm's performance and distributions will continue to be recorded only as received with no amount included in total contracted Partner distribution expectations. The Corporation is allowing ccComm to use any cash generated from operations to be invested in working capital and to assist in preparation for the transition to T-Mobile. Due to the continued expectation of not collecting distributions from ccComm for the next twelve months, uncertainty following the COVID-19 pandemic and its impact to the retail industry and also the impact the transition to T-Mobile will have on ccComm's operations, the Corporation has reduced the fair value of the ccComm units to US$3.8 million during the three months ending March 31, 2020, a decrease in the fair value of US$11.0 million. The Corporation remains supportive of ccComm and its dedicated management team. The merger between Sprint Corporate and T-Mobile is expected to have a positive impact on the Sprint retail network through an enhanced brand, improved network and increased volumes per location. However, due to the timing and uncertainty, the Corporation removed expectations of distributions in the near future until further clarity is obtained.
Performance	Based on unaudited statements provided by management for the two months ended February 29, 2020, revenue and EBITDA have both decreased from the prior period.
ECR	For the twelve months ended February 29, 2020, the ECR remained below 1.0x.

DNT

Description	DNT specializes in turnkey civil construction services to residential, commercial and municipal end markets including excavation, the installation of wet and dry utilities such as electrical, gas, sewage and water in the Austin, San Antonio corridor.
Contribution History	In June 2015, the Corporation purchased preferred units in DNT, for an aggregate acquisition cost of US$70.0 million (US$40.0 million permanent units and US$30.0 million redeemable units). Since the Corporation's investment, DNT has repurchased US$2.2 million of the outstanding redeemable units as

	required under their annual redemption calculation.
Impact of COVID-19	DNT continued operations despite state-wide stay at home orders due to the deemed essential nature of their business. However, DNT has experienced a reduction in volume as uncertainty caused by COVID-19 has resulted in certain projects being paused. DNT's backlog has also been impacted as its customers assess the impact COVID-19 will have on new home sales. DNT has a current ECR of above 1.5x and sufficient net working capital on their balance sheet.
Distributions & Fair Value	Current monthly distributions continue in full but as a result of the impact of COVID-19 discussed above, DNT and Alaris have determined that distributions from DNT will be assessed on a monthly basis. The Corporation may provide temporary relief with deferred distributions, if needed, and would work with DNT's management on making any required deferred distributions up at a later date. As of this date, there have been no disruptions in distributions from DNT. As a result of the potential decrease in distributions from DNT in 2020 and a decrease in the expected distribution reset in 2021, the impact on the discounted cash flows resulted in a decrease in the fair value of the DNT units by US$3.5 million during the three months ended March 31, 2020, reducing the fair value of the DNT units to US$65.4 million. The annual contracted DNT distributions are US$11.9 million (16.2% of the total contracted Partner distributions). The fair value of the DNT units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the DNT units is evaluated each quarter.
Performance	Based on unaudited financial statements provided by management for the two months ended February 29, 2020, DNT's revenue and EBITDA have decreased from the prior period. Based on audited results, the positive reset effective January 1, 2020 was at the top of the collar at 6% as expected.
ECR	For the twelve months ended February 29, 2020, the ECR remained between 1.5x and 2.0x. The Corporation expects the ECR to decline in future periods due to the impact of COVID-19, partially offset by any deferral of Alaris distributions.

Federal Resources

Description	Federal Resources is a leading value-added provider of mission critical products and solutions to defense, first responder, homeland security and maritime end users in the United States.
Contribution History	In June 2015, the Corporation invested US$47.0 million in Federal Resources which comprised of US$7.0 million in preferred equity and a US$40.0 million secured subordinated loan. In April 2016 and December 2017, the Corporation made additional contributions of US$6.5 million and US$13.5 million, respectively, in subsidiaries of Federal Resources. The additional contributions were used to fund or partially fund acquisitions in their industry.
Impact of COVID-19	Federal Resources services a number of the sectors deemed critical by the United States government, and have therefore operated throughout the COVID-19 shutdown of non-essential services. FED has recently seen a number of new opportunities through the sourcing and distribution of various protective equipment and kits, partially offset by a slower moving supply chain and a reduction in their training program. The overall financial impact has been modestly positive although live opportunities could provide significant upside.

Distributions & Fair Value	The Corporation expects to receive all contracted FED distributions and for there to be minimal to no impact to their expected distribution reset in 2021; therefore, there was no change to the fair value of the FED units in the three months ended March 31, 2020. The annual contracted FED distributions are US$10.7 million (14.4% of the total contracted Partner distributions). The fair value of the FED units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the FED units is evaluated each quarter.
Performance	Based on unaudited financial statements provided by management for the three months ended March 31, 2020, Federal Resource's revenue and EBITDA have been consistent with the prior period. The Corporation is expecting a decrease of 6% effective January 1, 2020, based on unaudited results for the year ended December 31, 2019.
ECR	For the twelve months ended March 31, 2020, the ECR remained between 1.2x and 1.5x.

Fleet

Description	Fleet Advantage provides flexible leasing and truck lifecycle management solutions to large corporations with significant transportation requirements whom fleet management is not a core competency.
Contribution History	In June 2018, the Corporation contributed US$15.0 million into Fleet (US$7.5 million permanent units and US$7.5 million redeemable units). In July 2019, Fleet redeemed US$5.0 million of their outstanding redeemable units at par consistent with the terms of the operating agreement. There are US$2.5 million of redeemable units remaining.
Impact of COVID-19	Fleet has experienced a reduction in certain areas of the business with some of their customers experiencing reduced business volumes and thereby impacting Fleet's business. However, Fleet's management continues to manage costs efficiently throughout and are well positioned for the recovery period. Fleet has successfully moved all employees to working remotely with minimal impact to operations. Syndications have continued as a significant portion of Fleet's customer base are large distributors to industries supplying essential services. Fleet has a strong backlog and liquidity to help get through the economic slowdown.
Distributions & Fair Value	Fleet has a current ECR of over 1.5x and the Corporation expects to receive all contracted Fleet distributions, but will work with Fleet's management on a monthly basis given the current uncertainty on the timing of a recovery from COVID-19. However, due to an expected reduction to the 2021 distribution reset the Corporation recorded a decrease in the fair value of the Fleet units of US$0.6 million in the three months ended March 31, 2020, leaving the fair value of the Fleet units at US$9.9 million. As of this date, there have been no disruptions in distributions from Fleet. The annual contracted Fleet distributions are US$1.5 million (2.0% of the total contracted Partner distributions). The fair value of the Fleet units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the Fleet units is evaluated each quarter.
Performance	Based on unaudited financial statements provided by management for the two months ended February 29, 2020, Fleet's revenue and EBITDA have declined compared to the prior year.

	The first reset commenced January 1, 2020 and based on unaudited statements the Corporation expects the positive reset to be at the top of the collar (6%).
ECR	For the twelve months ended February 29, 2020, the ECR remained between 1.5x and 2.0x. The Corporation expects the ECR to decline in future periods due to the impact of COVID-19.

GWM

Description	GWM provides data-driven digital marketing solutions for advertisers globally. The company manages performance and branding campaigns for advertisers across all forms of digital media.
Contribution History	In November 2018, the Corporation invested a total of US$46.0 million (US$41.5 million of subordinated debt and US$4.5 million of preferred units) into GWM.
Impact of COVID-19	The GWM staff have successfully moved to working remotely which has allowed the majority of the company's operations to remain unaffected throughout the COVID-19 shutdowns. GWM's revenue has seen limited negative impact as a result of certain customers cutting back on advertising spending, while picking up new clients in sectors deemed to be providing essential services. GWM's ECR is well over 2.0x, holds significant excess net working capital and an undrawn credit facility, therefore no liquidity challenges are expected in the short or long term.
Distributions & Fair Value	The Corporation expects to receive all contracted GWM distributions and therefore there was no change to the fair value of the GWM units in the three months ended March 31, 2020. The annual contracted GWM distributions are US$6.0 million (8.2% of the total contracted Partner distributions). The fair value of the GWM units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the GWM units is evaluated each quarter.
Performance	Based on unaudited financial statements provided by management for the two months ended February 29, 2020, GWM's revenue and EBITDA have been consistent with the prior period. The first reset commenced January 1, 2020 and based on unaudited statements the Corporation expects the positive reset to be at the top of the collar (8%).
ECR	For the twelve months ended February 29, 2020, the ECR remained above 2.0x and is expected to remain at or near its current level going forward

Heritage Restoration

Description	Heritage is a leading specialty contractor providing masonry and masonry related services to the commercial building industry. With a focus on the restoration of existing structures, Heritage's services include masonry procurement, installation and restoration, concrete structure restoration, waterproofing and coating repair.
Contribution History	In January 2018, the Corporation contributed US$15.0 million into Heritage (US$12.0 million permanent units and US$3.0 million redeemable units).
Impact of COVID-19	The City of Boston and the City of Cambridge implemented the temporary shut down of non-essential services, including construction as a precaution to limit the impact of COVID-19, and as a result Heritage has experienced a slow down in its business. Heritage has one of the lowest fixed cost

	structures of our portfolio and continues to focus on keeping costs in line through the COVID-19 disruption. Heritage's backlog remains intact, however future project awards and timing could be impacted from the COVID-19 disruption. Heritage has a current ECR of over 2.0x, adequate liquidity and is managing its fixed costs efficiently.
Distributions & Fair Value	The Corporation expects to receive all contracted Heritage distributions, but will work with Heritage's management on a monthly basis given the current uncertainty on the timing of a recovery from COVID-19. However, due to the impacts of COVID-19 the Corporation has reduced 2021 distribution reset expectations resulting in a decrease of US$1.0 million in fair value of the Heritage units during the three months ended March 31, 2020, leaving the fair value of the Heritage units at US$15.2 million. As of this date, there have been no disruptions in distributions from Heritage. The annual contracted Heritage distributions are US$2.5 million (3.4% of the total contracted Partner distributions). The fair value of the Heritage units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the Heritage units is evaluated each quarter.
Performance	Based on unaudited financial statements provided by management for the two months ended February 29, 2020, Heritage's revenue and EBITDA have both increased compared to the prior period. The first reset commenced January 1, 2020 and based on unaudited statements the Corporation expects the positive reset to be at the top of the collar (6%).
ECR	For the twelve months ended February 29, 2020, the ECR remained above 2.0x. The ECR may decrease slightly in future periods as a result of the impact to the business of COVID-19.

Kimco

Description	Kimco provides commercial janitorial services to over 375 customers which range in size from multi-location national customers to regional single-site customers.
Contribution History	In June 2014, the Corporation purchased preferred units in Kimco for an aggregate acquisition cost of US$29.2 million. The Corporation purchased additional preferred units for US$3.0 million in December 2015 and US$2.0 million in November 2016. In 2017, the Corporation contributed an additional US$4.0 million, by way of an unsecured promissory note, to reduce Kimco's total senior debt outstanding. The interest rate on this note is currently 8% per annum. In 2018, the Corporation loaned US$6.0 million to replace Kimco's existing subordinated debt from a third party, and US$3.8 million of promissory notes. The interest rates on these notes are currently 12% and 8% per annum, respectively.
Impact of COVID-19	Kimco has continued to provide service to a majority of their customers and have also provided additional ancillary cleaning services given the heightened demand for sanitizing solutions. The limited negative impact to Kimco from COVID-19 to date has come from the customers who have reduced required office janitorial services while their respective work forces are required to work from home but the overall impact of the pandemic on Kimco's business has been modestly positive.
Distributions & Fair Value	The Corporation continue to monitor Kimco's performance and as such distributions and interest will be recorded as received. Kimco has signed a term sheet with a new senior lender which combines its existing term debt and revolving credit facility, providing increased cash flow flexibility moving forward. Based on the limited negative impact to Kimco to date from COVID-19 and no change in the timing of future distributions from at December 31, 2019, there was no change to the fair value of the Kimco units

	at March 31, 2020. The fair value of the Kimco units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the Kimco units is evaluated each quarter.
Performance	Based on unaudited financial statements for the three months ended March 31, 2020, revenue and EBITDA have both increased compared to the prior year.
ECR	For the twelve months ended March 31, 2020, the ECR remained below 1.0x.

LMS

Description	LMS is a western Canadian concrete reinforcing steel fabricator and installer with operations in British Columbia, Alberta and Southern California.
Contribution History	The Corporation's original contribution into LMS was in 2007 subsequent to which it has since contributed a total of CAD$54.0 million. The Corporation completed a follow-on contribution in 2016 (to a U.S. affiliate) of US$4.4 million to partially fund an acquisition. LMS's distributions reset annually based on gross profit with no collar. In September 2018, the Corporation provided $5.0 million via a short-term loan bearing annual interest of 10%.
Impact of COVID-19	LMS has been able to continue to operate on all work sites despite the impacts COVID-19 is having on other industries, as the construction industry in their related geographic regions have been deemed essential services and they have been allowed to continue operations with limited restrictions. They continue to manage their costs and cash flow while assessing the impacts COVID-19 may have on the business. LMS continues to bid on new opportunities and recently had its highest ever backlog, however the Corporation and LMS continue to monitor the macroeconomic impact COVID-19 may have and react as necessary.
Distributions & Fair Value	The Corporation expects to receive all contracted LMS distributions, but will work with LMS management on a monthly basis given the current uncertainty COVID-19 is causing. As of this date, there have been no disruptions in distributions from LMS. As a result of the potential need to defer a small amount of distributions from LMS in 2020, a decrease in the expected distribution reset in 2021, and the working capital-intensive nature of LMS' operations, the Corporation has recorded a decrease to the fair value of the LMS units of $5.4 million during the three months ended March 31, 2020, leaving the fair value of the LMS units at $44.1 million. The annual contracted LMS distributions are $7.1 million (7.1% of the total contracted Partner distributions). The fair value of the LMS US units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the LMS US units is evaluated each quarter.
Performance	Based on unaudited financial statements provided by management for the three months ended March 31, 2020, LMS' revenue and EBITDA have both increased compared to the prior period. The Corporation is expecting a positive reset of 30% effective January 1, 2020, based on unaudited results for the year ended December 31, 2019.
ECR	For the twelve months ended March 31, 2020, the ECR has increased and is now between 1.5x and 2.0x. The Corporation expects the ECR to decline in future periods due to the impact of COVID-19, partially offset by any deferral of Alaris distributions.

PFGP

Description	PFGP, through its affiliates, operates over 65 fitness clubs in Maryland, Tennessee, Florida and Washington as a franchisee of Planet Fitness.
Contribution History	In November 2014, the Corporation purchased preferred units in PFGP, for an aggregate acquisition cost of US$35.0 million. In July 2015, the Corporation purchased an additional US$5.0 million of preferred units. In May 2018, PFGP redeemed US$19.2 million of their outstanding units for a redemption price of US$25.0 million resulting in a US$5.8 million gain on invested capital. The distribution resets +/- 5% based on same club sales. In July 2019, the Corporation contributed an additional US$60.2 million to PFGP. The contribution consists of a new US$43.7 million preferred equity investment and US$16.5 million in exchange for a minority ownership of the common equity in PFGP. In conjunction with the incremental investment, the Corporation also crystalized a US$7.0 million gain on existing units that had a US$20.8 million cost basis and the redemption price of US$27.8 million. Following the investment, the Corporation had US$71.5 million of preferred equity (US$43.7 million of new units and US$27.8 million of existing), in addition to US$16.5 million of common equity for a total invested amount of US$88.0 million. On March 13, 2020, the Corporation contributed an additional US$3.5 million (US$2.8 million of additional preferred units and an additional US$0.7 million investment in the common equity of PFGP). This contribution was part of an overall commitment made in July 2019 for a total of US$8.0 million towards PFGP expansion into new markets. Remaining commitment to fund is US$3.5 million, timing expected to be within the next twelve months.
Impact of COVID-19	As a result of COVID-19, PFGP temporarily closed all of its 67 locations as of March 18, 2020 resulting in membership dues being frozen and no revenue being generated during the period in which the locations remain closed. PFGP was proactive in reducing their cost structure and future build out plans to conserve cash flow. PFGP has proactively reduced all unnecessary costs following the temporary closures and thus far, membership cancellations have been minimal. Although a re-opening date has not been given by every state PFGP operates in, fitness clubs have been included in the U.S. Federal Government's Phase 1 plan. When PFGP does re-open it is expected that they will use available cash on their balance sheet to fund working capital as operations ramp back up. It is unknown at this time how COVID-19 will impact new membership growth at locations recently opened.
Distributions & Fair Value	The Corporation has revised their future expectations of cash distributions as PFGP began deferring distributions (for the reasons noted above) beginning in April with the expectation of distributions restarting in the second half of 2020. These deferred distributions are expected to be received at a later date; however, the Corporation will work with PFGP's management regarding the timing of the receiving the deferred distributions once PFGP is operating under normal conditions following the recovery from COVID-19. As a result of the expected deferral of distributions mentioned above and the expected decrease to the distribution reset in 2021, the impact on the discounted cash flows resulted in a decrease in the fair value of the PFGP preferred units by US$7.6 million during the three months ended March 31, 2020, leaving the fair value of the PFGP preferred units at US$67.6 million. Given that the Corporation also has an investment in the common equity of PFGP, based on the decrease in future earnings and the related decreased cash flows to PFGP in the near term, this resulted in a decrease in the fair value of the PFGP common equity units by US$2.2 million during the three months ended March 31, 2020, leaving the fair value of the PFGP common equity units at

	US$15.1 million. The annual contracted PFGP distributions on the preferred units are US$9.8 million (13.3% of the total contracted Partner distributions). The fair value of the PFGP units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the PFGP units is evaluated each quarter.
Performance	Based on unaudited financial statements provided by management for the two months ended February 29, 2020, PFGP's revenue and EBITDA have both increased compared to the prior period. The Corporation is expecting a positive reset of 5% effective January 1, 2020, based on unaudited results for the year ended December 31, 2019.
ECR	For the twelve months ended February 29, 2020, the ECR decreased slightly and is now between 1.2x and 1.5x. The Corporation expects the ECR to decline in future periods due to the impact of COVID-19, partially offset by any deferral of Alaris distributions.

Providence

Description	Providence is a leading provider of design, engineering, development, manufacturing and sourcing services for international apparel companies and retailers.
Contribution History	In April 2015, the Corporation contributed US$30.0 million into Providence.
Impact of COVID-19	The COVID-19 pandemic has negatively impacted Providence's operations. All facilities were temporarily closed causing some services to be halted or delayed. Key customers have also been impacted through decreased sales volumes, especially brick and mortar retailers. Providence has effectively cut costs to help manage through this downturn, but with uncertainty surrounding future revenue and impact to the overall apparel industry, the Corporation anticipates Providence may have difficulty servicing their debt as well as Alaris' distributions in the near term. As a result of the impacts of COVID-19 and issues discussed in previous quarters, liquidity management is now a key priority beginning in the second half of 2020.
Distributions & Fair Value	Due to the business interruption discussed above and the related strain on the business, the uncertainty and timing of any future distributions is unknown and as such distributions will be recorded as received. As a result of no future distributions expected to be paid by Providence and possible liquidity issues expected in the near term, the Corporation has reduced the fair value of the Providence units to nil during the three months ended March 31, 2020. This has resulted in a write-down of US$22.9 million.
Performance	Based on unaudited financial statements provided by management for the two months ended February 29, 2020, Providence's revenue and EBITDA have declined compared to the prior year.
ECR	For the twelve months ended February 29, 2020, the ECR remained below 1.0x.

SCR

Description	SCR provides mining, surface and underground construction, electrical and mechanical services to the Canadian mining industry.

Contribution History	In May 2013, the Corporation purchased partnership units in SCR for an aggregate acquisition cost of $40.0 million.
Impact of COVID-19	The impact of COVID-19 on SCR has been minimal to date as mining sites in the Sudbury basin have been considered an essential service and their operations have been permitted to continue operations throughout the economic slowdown.
Distributions & Fair Value	The Corporation expects to receive all SCR distributions that have been agreed on between SCR management and the Corporation, which is currently $4.2 million annually (4.2% of the total contracted Partner distributions). Therefore, there was no change to the fair value of the SCR units in the three months ended March 31, 2020.
Performance	Based on unaudited financial statements provided by management for the two months ended February 29, 2020, SCR's revenue and EBITDA have both increased significantly compared to the prior period. With no senior lender, SCR and Alaris have full flexibility on the timing of future increases to distributions.
ECR	At the current distributions amount of $4.2 million and for the twelve months ended February 29, 2020, the ECR for SCR has increased and is now above 2.0x. The ECR may decrease slightly in future periods as a result of the impact to the business of COVID-19.

Stride

Description	Stride is a consulting company specializing in code development under the Agile methodology, which entails embedding and working alongside their clients to create customized solutions for each engagement. Agile is a project management methodology that aims to develop software in a faster, more efficient and less error prone process.
Contribution History	In November 2019, the Corporation contributed US$6.0 million into Stride.
Impact of COVID-19	Stride has successfully moved their entire workforce to working remotely with consultants' utilization remaining unchanged throughout the transition. Stride management has proactively managed their costs to conservatively manage cash flow. Due to the shorter-term nature of Stride's engagements they have focused on actively refilling their pipeline, however, there could be minor medium-term impacts from COVID-19.
Distributions & Fair Value	The Corporation expects to receive all contracted Stride distributions, but will work with Stride's management on a monthly basis given the current uncertainty on the timing of a recovery from COVID-19. The Corporation does expect a nominal decrease to the 2021 distribution reset; however, not material enough that it would require a reduction to the fair value of the Stride units in the three months ended March 31, 2020. As of this date, there have been no disruptions in distributions from Stride. The annual contracted Stride distributions are US$0.8 million (1.1% of the total contracted Partner distributions). The fair value of the Stride units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the Stride units is evaluated each quarter.
Performance	Based on unaudited statements provided by management for the two months ended February 29, 2020, revenue and EBITDA have increased compared to the prior period. The Stride distribution will reset +/- 6% annually based on revenue, commencing January 1, 2021.

ECR	For the twelve months ended February 29, 2020, the ECR remained between 1.5x and 2.0x. The ECR may decrease slightly in future periods as a result of the impact to the business of COVID-19.

Unify

Description	Unify is a management consulting firm that works with companies to provide innovative, customized consulting solutions across four primary service lines: Business Intelligence, Enterprise Resource Planning Services, Project Leadership & Product Management, and Organizational Change Management.
Contribution History	In October 2016, the Corporation contributed US$18.0 million (comprised of US$12.0 million of permanent units and US$6.0 million of redeemable units) to Unify, LLC. In December 2018, Unify redeemed US$6.0 million representing all redeemable units outstanding. The units were redeemed at par, consistent with the terms of the agreement. In December 2019, the Corporation contributed an additional US$10.5 million into Unify in exchange for additional preferred units. In addition to the contribution, the transaction also included an exchange of the Corporation's existing preferred units, which were valued at US$14.5 million (original cost of US$12.0 million). As a result of the transaction, the Corporation received new preferred units in Unify valued at US$25.0 million. The new Unify units result in an initial annualized distribution of US$3.3 million.
Impact of COVID-19	Unify has been impacted from COVID-19, but their workforce has been able to continue working remotely. Additionally, given the diverse set of clients Unify work with, it has allowed for continued work amongst clients that have had a limited negative impact from COVID-19 to date. Unify has successfully moved their workforce to working remotely with a focus on managing its bench and the consultants' utilization.
Distributions & Fair Value	Unify has a current ECR of over 1.5x and the Corporation expects to receive all contracted Unify distributions along with no expected change at this time in expected distribution reset in 2021, therefore there was no change to the fair value of the Unify units in the three months ended March 31, 2020. The annual contracted Unify distributions are US$3.3 million (4.4% of the total contracted Partner distributions). The fair value of the Unify units will fluctuate each quarter with foreign exchange rates but the underlying valuation of the Unify units is evaluated each quarter.
Performance	Based on unaudited financial statements prepared by Unify management for the two months ended February 29, 2020, revenue and EBITDA have both increased compared to the prior period. The Unify distributions will reset +/-5% based on net revenue, commencing January 1, 2021.
ECR	For the twelve months ended February 29, 2020, the ECR remained between 1.5x and 2.0x. The ECR may decrease slightly in future periods as a result of the impact to the business of COVID-19.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2020 the Corporation has a $330 million credit facility with a syndicate of Canadian chartered banks, the facility has a four year term with a maturity date in September 2021. The interest rate is based on a combination of the CAD Prime Rate ("Prime"), Bankers' Acceptances ("BA"), US Base Rate ("USBR") and LIBOR and the applicable spread determined by the Corporations Funded Debt to Contracted EBITDA. The Corporation realized a blended interest rate of 5.9% for the three months ended March 31, 2020.

At March 31, 2020 the Corporation met all of its covenants as required by the facility. Those covenants include a maximum funded debt to contracted EBITDA of 2.5:1, which can be increased to 3.0:1 for up to ninety days (actual ratio is 1.69:1 at March 31, 2020); minimum Tangible Net Worth of $450.0 million (actual amount is $570.4 million at March 31, 2020); and a minimum Fixed Charge Coverage Ratio of 1:1 (actual ratio is 1.28:1 at March 31, 2020). At March 31, 2020, the Corporation had US$101.0 million and CAD$8.0 million (CAD$150.5 million) drawn on its credit facility (December 31, 2019 – US$197.2 million and CAD$27.5 million, total of CAD$285.2 million).

Subsequent to March 31, 2020, the Corporation had drawn an additional $7.0 million for the purposes of the NCIB share buyback program. Following this additional draw, the Corporation has the capacity to draw up to another $172.5 million based on covenants and credit terms, along with an incremental $16.1 million using the accordion feature, for a total capacity of $188.6 million. Additionally, the Corporation has a term sheet with its syndicate of senior lenders for an amendment that, if necessary, will give Alaris the required flexibility on financial covenants and permitting deployment as it navigates through the next twelve to eighteen months.

In the year ended December 31, 2019, the Corporation issued convertible debentures. The hybrid instrument has a face value of $100.0 million, annual interest rate of 5.5% payable semi-annually and maturity of five years from the issue date. The debentures are convertible at the holder's option at any time prior to the close of business on the earlier of the business day immediately preceding the maturity date of June 30, 2024 and the date specified by the Corporation for redemption of the debentures into fully paid and non-assessable common shares of the Corporation at a conversion price of $24.25 per Common Share, being a conversion rate of approximately 41.2371 Common Shares for each $1,000 principal amount of Debentures.

Holders of debentures are advised that conversions of debentures into common shares pursuant to the terms of the debenture indenture dated June 11, 2019 will be processed up until the date that is five business days prior to each upcoming interest payment.

The Corporation declared a monthly dividend of $0.1375 per common share in each of the first three months of 2020, $0.4125 per share and $15.1 million in aggregate (2019 - $0.4125 per share and $15.1 million in aggregate). Beginning in the three month period ending June 30, 2020, the Corporation will declare and pay dividends on a quarterly basis. These dividends, following the approximate 30% reduction, will be $0.29 per common share on a quarterly basis ($1.16 per common share on an annualized basis).

As disclosed in its consolidated financial statements for the year ended December 31, 2019, the Corporation has exposure to credit risk, other price risk, liquidity risk, and market risk, including foreign exchange risk and interest rate risk. Due to the current global economic situation, the Corporation has provided updated disclosures on these risks as follows:

Credit Risk and Other Price Risk

The risks on which the Corporation is exposed has not changed in the period. However, as the Corporation's exposure to these risks is influenced by the individual characteristics of each Partner, this risk has changed for each Partner during the period. The carrying amount of investments, trade and other receivables, promissory notes, and cash and cash equivalents continues to represent the maximum credit exposure.

Liquidity Risk

Liquidity risk is the risk the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities. The most significant financial liability is that of the loans and borrowings and the convertible debenture, both of which are not due within the next twelve months. During the period, distributions from Partners were received as expected and continue to generate cash flows to satisfy these obligations. There is increased risk that in future periods, should these distributions decrease, that the Corporation will not have sufficient liquidity to meet these liabilities. The Corporation is onside with its lending covenants as previously disclosed, and currently has enough resources to satisfy those obligations becoming due within the next twelve months.

Market Risk

Market risk includes the risk that changes in market prices, such as foreign exchange rates and interest rates will impact the Corporation's income or value of its financial instruments. There has been a significant impact on interest rates in the period due to the current global pandemic, and also resulting impacts on foreign exchange rates. The Corporation continues to manage these risks in the same manner as those disclosed in the consolidated financial statements for the year ended December 31, 2019 through the use of derivative contracts, and does not believe its risks related to these factors have increased significantly.

The Corporation had adjusted net working capital of approximately $22.3 million at March 31, 2020. Under the current terms of the various commitments, the Corporation has the ability to meet all current obligations as they become due.

WORKING CAPITAL

The Company's Adjusted Net Working Capital (defined as current assets, excluding promissory notes and investment tax credits receivable, less current liabilities) at March 31, 2020 and December 31, 2019 is set forth in the tables below.

Adjusted Net Working Capital	31-Mar-20	31-Dec-19
Cash	$ 24,371	$ 17,104
Prepayments	1,847	1,509
Foreign exchange contracts	-	555
Trade and other receivables	2,614	1,226
Income taxes receivable	9,639	4,205
Total Current Assets	**$ 38,471**	**$ 24,599**
Accounts payable and accrued liabilities	3,066	2,713
Dividends payable	5,019	5,047
Derivative contracts	6,835	-
Office Lease	775	837
Income tax payable	449	384
Total Current Liabilities	**$ 16,144**	**$ 8,981**
Adjusted Net Working Capital	**$ 22,327**	**$ 15,618**

FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another entity. Upon initial recognition all financial instruments, including derivatives, are recognized on the balance sheet at fair value. Subsequent measurement is then based on the financial instruments being classified into one of two categories: amortized cost and fair value through profit or loss. The Corporation has designated its financial instruments into the following categories applying the indicated measurement methods.

Financial Instrument	Measurement Method
Cash and cash equivalents	Amortized cost
Trade and other receivables	Amortized cost
Promissory notes and other receivables	Amortized cost
Investments	Fair Value or amortized cost
Accounts payable and accrued liabilities	Amortized cost
Loans and borrowings	Amortized cost
Convertible debentures	Amortized cost
Foreign exchange contracts	Fair Value

The Corporation will assess at each reporting period whether there is a financial asset carried at amortized cost that is impaired using the expected credit loss model. An impairment loss is included in net earnings.

The Corporation holds derivative financial instruments to hedge its foreign currency exposure and variable interest rate exposure. The Corporation purchases forward exchange rate contracts to match between 75% and 90% of expected monthly dividends and expenses in Canadian dollars on a rolling 12 month basis and also for between 20% to 50% of the expected dividends and expenses in Canadian dollars on a rolling 12 to 24 month basis. The fair value of the forward contracts will be estimated at each reporting date and any unrealized gain or loss on the contracts will be recognized in profit or loss. As at March 31, 2020, for the next twelve months, the Corporation has total contracts to sell US$38.7 million forward at an average $1.3250 CAD. For the following twelve months, the Corporation has total contracts to sell US$29.5 million forward at an average $1.3381 CAD.

The Corporation has an interest rate swap that was initiated in 2019 and that expires in September 2021 along with the maturity of the credit facility. The interest rate swap allows for a fixed interest rate of 1.50% in replace of LIBOR on $50.0 million notional amount of USD debt.

The Corporation has the following financial instruments that mature as follows:

Contractual Obligations	Total	< 1 year	1 – 3 years	4 – 5 years	> 5 years
Loans and borrowings	$ 150,493	$ -	$ 150,493	$ -	$ -
Convertible debenture	100,000	-	-	100,000	-
Additional contributions to BCC	63,522	-	63,522	-	-
Additional contributions to Stride	5,646	-	5,646	-	-
Additional contribution to PFGP	4,941	4,941	-	-	-
Office lease	775	187	364	286	-
Total Contractual Obligations	$ 325,377	$ 5,128	$ 220,025	$ 100,286	$ -

The Corporation has sufficient cash on hand to settle all current accounts payable, accrued liabilities, dividends payable and all scheduled interest payments on the senior debt. In the event the senior debt is not renewed and principal payments become due, the debt would be refinanced, or alternatively, management expects that there would be sufficient cash flow from operations and expected Partner redemptions to meet all required repayments.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") for the Corporation.

DC&P are designed to provide reasonable assurance that material information relating to the Corporation is made known to the CEO and CFO by others, particularly in the period in which the annual filings are being prepared, and that information required to be disclosed in documents filed with securities regulatory authorities is recorded, processed, summarized and reported within the time periods specified in securities legislation, and includes controls and procedures designed to ensure that such information is accumulated and communicated to the Corporation's management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure. ICFR are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Corporation follows the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 2013 framework.

Management, including the CEO and CFO, does not expect that the Corporation's DC&P and ICFR will prevent or detect all misstatements or instances of fraud. The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues, misstatements or instances of fraud, if any, within the Corporation have been detected. There was no change to the Corporation's ICFR that occurred during the most recent interim period that has materially affected, or is reasonably likely to materially affect, the Corporation's ICFR.

SUMMARY OF CONTRACTUAL OBLIGATIONS

The Corporation has an outstanding senior credit facility and convertible debentures both of which are described under "Liquidity and Capital Resources", a commitment to fund two additional contributions (first for US$20.0 million and second of US$25.0 million) to BCC when specified financial metrics have been reached, a commitment to fund PFGP an additional US$3.5 million in the next twelve months and leases for office space. The Corporation also has a commitment to fund Stride with an additional contribution of US$4.0 million, subject to the Corporation's approval and Stride achieving certain financial targets.

Contractual Obligations	Total	< 1 year	1 – 3 years	4 – 5 years	> 5 years
Loans and borrowings	$ 150,493	$ -	$ 150,493	$ -	$ -
Convertible debenture	100,000	-	-	100,000	-
Additional contributions to BCC	63,522	-	63,522	-	-
Additional contributions to Stride	5,646	-	5,646	-	-
Additional contribution to PFGP	4,941	4,941	-	-	-
Office lease	775	187	364	286	-
Total Contractual Obligations	$ 325,377	$ 5,128	$ 220,025	$ 100,286	$ -

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

Management is required to make estimates when preparing the financial statements. Significant estimates include the valuation of investments at fair value, valuation of accounts receivable and promissory notes and income taxes. Refer to the consolidated financial statements for the year ended December 31, 2019. Also refer to disclosures included in the condensed consolidated interim financial statements for the period ended March 31, 2020 as it relates to key estimates and judgments as it relates to the impact of COVID-19.

RECENT ACCOUNTING PRONOUNCEMENTS

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Corporation's consolidated financial statements as at and for the year ended December 31, 2019.

SUMMARY OF QUARTERLY RESULTS

Amounts are in thousands except for income (loss) per unit/share:

In each period, an unrealized (non-cash) foreign exchange gain/loss has impacted earnings.

Quarterly Results Summary	Q1-20	Q4-19	Q3-19	Q2-19	Q1-19	Q4-18	Q3-18	Q2-18
Revenue	$ 33,971	$ 30,884	$ 30,025	$ 27,401	$ 27,658	$ 25,311	$ 22,685	$ 28,442
Earnings	$ (42,662)	$ (17,854)	$ 20,884	$ 21,967	$ 11,261	$ 17,981	$ 19,100	$ 26,863
Basic and Diluted Income	$ (1.16)	$ (0.49)	$ 0.57	$ 0.60	$ 0.31	$ 0.49	$ 0.52	$ 0.74
(loss) per Share/Unit	$ (1.16)	$ (0.48)	$ 0.57	$ 0.60	$ 0.31	$ 0.49	$ 0.52	$ 0.73

In Q1 2020, the Corporation recognized a net realized and unrealized loss from investments of $84.9 million, caused by the impact that COVID-19 has had and will continue to have on our Partner's operations. This unrealized loss was the main cause of the overall loss in the period of $42.7 million. Offsetting this fair value loss was an increase in revenues mainly due to the $9.2 million of additional distributions paid by SBI at the time of their redemption in January as a result of redeeming their preferred units prior to the three-year anniversary of the investment, which would have otherwise occurred in Q3 2020.

In Q4 2019, the Corporation recognized a loss on assets held for sale of $45.9 million, relating to the Sandbox sale as well as a $6.2 million reduction in the investments at fair value. These were partially offset by a $2.5 million realized gain from the Unify follow-on contribution. In Q3 2019, the Corporation crystallized a gain on investments of $9.3 million upon closing the PFGP additional contribution, which was offset by a net reduction in the investments at fair value of $9.4 million, resulting in a nominal loss. In Q2 2019, the Corporation received $2.0 million from a Phoenix recovery of previously recorded bad debts and the Corporation recorded a $9.3 million net increase in investments in fair value. In Q1 2019, the Corporation recorded a $5.0 million net decrease in investments at fair value.

In Q4 2018, the Corporation recorded a $0.3 million net increase in investments at fair value. In Q3 2018, the Corporation recorded a $7.1 million net increase in investments at fair value. In Q2 2018, the Corporation recorded a $6.4 million gain on the repurchase of the End of the Roll intangible asset, a partial redemption of the PFGP units, an additional $4.3 million of previously forgone distributions on the redemption of Labstat and a $0.5 million increase in the fair value of investments at fair value.

OUTSTANDING SHARES

At March 31, 2020, the Corporation had authorized, issued and outstanding, 36,409,305 voting common shares.

During the three months ended March 31, 2020, 12,593 shares were issued on the vesting of RSUs and no options were granted, issued or exercised.

On March 20, 2020, the Corporation announced it had received approval from the Toronto Stock Exchange ("TSX") to establish a normal course issuer bid ("NCIB") program. Under the NCIB, the Corporation may purchase for cancellation up to 3,473,720 common shares. The program commenced on March 24, 2020 and will remain in effect until March 23, 2021 or such earlier time as the NCIB is completed or terminated at the option of the Corporation. During the three months ended March 31, 2020, the Corporation purchased 312,369 common shares for cancellation for a total cost, including transaction costs, of $2.4 million under the NCIB. The weighted-average price of the shares repurchased, including transaction costs, was $7.81 per share.

Subsequent to March 31, 2020, the Corporation purchased an additional 702,238 common shares for cancellation for a total cost, including transaction costs, of $6.2 million under the NCIB. The weighted-average price of the shares repurchased to date, including transaction costs, is $8.52 per share.

At March 31, 2020, 410,268 RSUs and 1,433,866 stock options were outstanding under the Corporation's long-term incentive compensation plans. The outstanding stock options have a weighted average exercise price of $22.67, and as of March 31, 2020 all 1,433,866 options outstanding were out of the money.

At May 5, 2020, the Corporation had 35,729,867 common shares outstanding after the purchase and cancellation of 679,438 shares since March 31, 2020. During the month of May, Alaris purchased for cancellation an additional 22,800 shares.

INCOME TAXES

In 2015, the Corporation received a notice of reassessment from the Canada Revenue Agency ("CRA") in respect of its taxation year ended July 14, 2009. The Corporation has since received notices of reassessment from the CRA in respect of its taxation year ended December 30, 2009 through December 30, 2017 (collectively the "Reassessments"). Pursuant to the Reassessments, the deduction of approximately $121.2 million of non-capital losses and utilization of $7.6 million in investment tax credits ("ITCs") by the Corporation was denied, resulting in reassessed taxes and interest of approximately $50.9 million.

The Corporation has received legal advice that it should be entitled to deduct the non-capital losses and claim the ITCs and as such, the Corporation remains of the opinion that all tax filings to date were filed correctly and that it will be successful in appealing such Reassessments. The Corporation intends to continue to vigorously defend its tax filing position. In order to do that, the Corporation was required to pay 50% of the reassessed amounts as a deposit to the CRA. The Corporation has paid a total of $20.2 million in deposits to the CRA relating to the Reassessments to date. It is possible that the Corporation may be reassessed with respect to the deduction of its tax pools in its tax filings for the 2018 and 2019 taxation years, thereby disallowing ITC's of $0.5 million, on the same basis. The carrying values of the remaining ITCs of $3.3 million at March 31, 2020 are at risk should the Corporation be unsuccessful in defending its position.

The Corporation anticipates that appeals and legal proceedings through the CRA and the courts will take considerable time to resolve and the payment of the deposits, and any taxes, interest or penalties owing will not materially impact the Corporation's payout ratio. The Corporation firmly believes it will be successful in defending its position and therefore, any current or future deposit paid to the CRA would be refunded, plus interest. The Corporation will continue to file its tax returns by claiming the remaining available ITCs in subsequent tax filings.

On April 8, 2020, the U.S. Treasury Department and IRS published the final regulations ("Regulations") addressing hybrid financing arrangements. The key impact that these Regulations have on Alaris is that certain interest payments made by the Corporation's US entities are no longer deductible beginning with the Corporation's tax year that began on January 1, 2019. Management is reviewing the impact of the Regulations on the Corporation and its preliminary estimate is that there is an increase in current tax expense of $6.1 million and deferred tax expense of $5.4 million. As the Regulations were substantively enacted on April 8, 2020, this is not included in the March 31, 2020 tax provision. In connection with these Regulations, all taxes have been paid, with the exception of $1.8 million that is due July 15, 2020. The Corporation is in the process of analyzing its capital structure to minimize the future effects of these Regulations.

Certain information contained herein may be considered to be future oriented financial information or financial outlook under applicable securities laws, including statements regarding expected revenues (annually and quarterly) and anticipated expenses. The purpose of providing such information in this MD&A is to demonstrate the visibility the Corporation has with respect to its revenue streams, and such statements are subject to the risks and assumptions identified for the business in this MD&A, and readers are cautioned that the information may not be appropriate for other purposes. See also "Forward Looking Statement" below.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking information and forward-looking statements (collectively, "forward-looking statements") under applicable securities laws, including any applicable "safe harbor" provisions. Statements other than statements of historical fact contained in this MD&A may be forward looking statements, including, without limitation: management's expectations, intentions and beliefs concerning the growth, results of operations, performance of the Corporation and the Private Company Partners, the future financial position or results of the Corporation, business strategy and plans and objectives of or involving the Corporation or the Partners. Many of these statements can be identified by looking for words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. In particular, this MD&A contains forward-looking statements regarding: the anticipated financial and operating performance of the Corporation's Partners; the impact of COVID-19 on the operations of the Corporation and those of its Partners; the Earnings Coverage Ratio for the Partners; expected amendments to the Corporation's senior credit agreement and the impact thereof; the amount of the Corporation's dividend (both quarterly and on an annualized basis); the use of proceeds from the Corporation's senior credit facility; the CRA proceedings (including the expected timing and financial impact thereof); the impact of a change in U.S tax legislation; annualized net cash from operating activities; changes in Distributions from Partners; the proposed resolutions to outstanding issues with certain Partners; the restart of Distributions from any partners not currently paying a Distribution or increasing the level of Distribution where a Partner is paying less than the full contracted amount; the timing for collection of deferred or unpaid Distributions; impact of new capital deployment; impact of the reduction in the Corporation's dividend; and Alaris' ability to attract new private businesses to invest in. To the extent that any forward-looking statements herein constitute a financial outlook, including without limitation, estimated revenue, distributions and expenses, dividends to be paid, the impact of capital deployment and changes in distributions from Partners, they were approved by management as of the date hereof and have been included to assist readers in understanding management's current expectations regarding Alaris' financial performance and are subject to the same risks and assumptions disclosed herein. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur. Forward-looking statements are subject to risks, uncertainties and assumptions and should not be read as guarantees or assurances of future performance. Accordingly, readers are cautioned not to place undue reliance on any forward-looking information contained in this MD&A. Statements containing forward looking information reflect management's current beliefs and assumptions based on information in its possession on the date of this MD&A. Although management believes that the expectations represented in such forward looking statements are reasonable, there can be no assurance that such expectations will prove to be correct.

By their nature, forward-looking statements require Alaris to make assumptions and are subject to inherent risks and uncertainties. Assumptions about the performance of the Canadian and U.S. economies over the next 24 months and how that will affect Alaris' business and that of its Partners (including, without limitation, the ongoing impact of the COVID-19) are material factors considered by Alaris management when setting the outlook for Alaris. Key assumptions include, but are not limited to, assumptions that: the Canadian and U.S. economies will begin to recover from the ongoing economic downturn created by the response to COVID-19 within the next twelve months; interest rates will not rise in a material way over the next 12 to 24 months, that those Partners detrimentally affected by COVID-19 will recover from the pandemic's impact and return to their current operating environments; following a recovery from the COVID-19 impact, the businesses of the majority of our Partners will continue to grow; more private companies will require access to alternative sources of capital; and that Alaris will have the ability to raise required equity and/or debt financing on acceptable terms. Management of Alaris has also assumed that that the Canadian and U.S. dollar trading pair will remain in a range of approximately plus or minus 15% of the current rate over the next 6 months. In determining expectations for economic growth, management of Alaris primarily considers historical economic data provided by the Canadian and U.S. governments and their agencies as well as prevailing economic conditions at the time of such determinations.

Some of the factors that could affect future results and could cause results to differ materially from those expressed in the forward looking statements contained herein include risks relating to: the ongoing impact of the COVID-19 pandemic on the Corporation and its Partners (including, without limitation how many Partners will experience a slowdown or closure of their business and the length of time of such slowdown or closure); management's ability to assess and mitigate the impacts of COVID-19; the dependence of the Corporation on the Partners; risks relating to the Partners and their businesses; reliance on key personnel; general economic conditions, including the ongoing impact of COVID-19 on the Canadian, U.S. and global economies; failure to complete or realize the anticipated benefits of transactions; limited diversification of Alaris' transactions; management of future growth; availability of future financing; inability to close new partner contributions in a timely fashion on anticipated terms, or at all; competition; government regulation; leverage and restrictive covenants under credit facilities; a failure to close the expected amendments to Alaris' senior credit facility in line with anticipated terms or at all; the ability of the Partners to terminate (by way of a redemption) the various agreements with Alaris or a material portion of Alaris investment; unpredictability and potential volatility of the trading price of the common shares; fluctuations in the amount of cash dividends; income tax related risks; ability to recover from the Partners for defaults under the various agreements with Alaris; potential conflicts of interest; dilution; changes in the financial markets; risks associated with the Partners and their respective businesses; a change in the ability of the Partners to continue to pay Alaris at expected Distribution levels or restart Distributions (in full or in part); a failure to collect material deferred Distributions; a material change in the operations of a Partner or the industries in which they operate; a failure to realize the benefits of any concessions or relief measures provided by Alaris to any Partner or to successfully execute an exit strategy for a partner where desired; a failure to obtain by the Corporation or the Partners required regulatory approvals on a timely basis or at all; changes in legislation and regulations and the interpretations thereof; litigation risk associated with the CRA's reassessment and the Corporation's challenge thereof; and material adjustments to the unaudited internal financial reports provided to Alaris by the Partners. The information contained in this MD&A, and the Corporation's annual management discussion and analysis for the year ended December 31, 2019, identifies additional factors that could affect the operating results and performance of the Corporation. Without limitation of the foregoing assumptions and risk factors, the forward looking statements in this MD&A regarding the revenues anticipated to be received from the Partners and the Corporation's general and administrative expenses are based on a number of assumptions including no adverse developments in the business and affairs of the Partners that would impair their ability to fulfill their payment obligations to the Corporation and no material changes to the business of the Corporation or current economic conditions that would result in an increase in general and administrative expenses.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this MD&A are made as of the date of this MD&A and Alaris does not undertake or assume any obligation to update or revise such statements to reflect new events or circumstances except as expressly required by applicable securities legislation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation, including the Corporation's Annual Information Form, is on available on SEDAR at www.sedar.com or under the “Investors” section of the Corporations website at www.alarisroyalty.com.