



## CORPORATE PRESENTATION

MAY 2021



## FORWARD LOOKING STATEMENTS

This corporate presentation 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 presentation may be forward looking statements, including, without limitation: management's expectations, intentions and beliefs concerning the growth, results of operations, performance of the Trust and the Partners, the future financial position or results of the Trust, business strategy and plans and objectives of or involving the Trust 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 presentation contains forward-looking statements regarding: the anticipated financial and operating performance of the Partners; the ECR for the Partners; the timing and impact of restarting or increasing Distributions from Partners not currently paying the full amount or at all; the Trust's Run Rate Payout Ratio and Run Rate Revenue; the continued deferral of PFGP's Distributions and the timing to restart full Distributions; the impact of the new investments in within the last 12 months as well as the follow-on investments in GWM, BCC and Accscent, including, without limitation, the expected yield therefrom and the impact on the Trust's net cash from operating activities, Run Rate Revenue, Run Rate Cash Flow and Run Rate Payout Ratio; expected resets of Distributions in 2021; the Trust's consolidated expenses; expectations regarding receipt (and amount of) any common equity distributions from Partners in which Alaris holds common equity, including the impact on the Trust's net cash from operating activities, Run Rate Revenue, Run Rate Cash Flow and Run Rate Payout Ratio; the amount of the Trust's distributions to unitholders (both quarterly and on an annualized basis); the use of proceeds from the senior credit facility; the CRA proceedings (including the expected timing and financial impact thereof); potential Partner redemptions, including the timing, if at all, and amounts thereof; annualized net cash from operating activities; Run Rate Revenue and Run Rate Cash Flow; 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 deployment; Alaris' ability to deploy capital to and attract new private businesses to invest in and restarting Distributions from Partners not paying full contractual amounts; the impact of Alaris' ESG Policy and the issuance of its ESG report. To the extent that any forward-looking statements herein constitute a financial outlook or future oriented financial information (collectively, "FOFI"), including estimates regarding revenues, expenses, distributions to be paid, the impact of capital deployment and changes in Distributions from Partners (including expected resets, restarting full or partial Distributions and common equity distributions), Run Rate Payout Ratio, Run Rate Cash Flow and net cash from operating activities, 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. Readers are cautioned that the assumptions used in the preparation of forward-looking statements, including FOFI, although considered reasonable at the time of preparation, based on information in Alaris' possession as of the date hereof, may prove to be imprecise. In addition, there are a number of factors that could cause Alaris' actual results, performance or achievement to differ materially from those expressed in, or implied by, forward looking statements and FOFI, or if any of them do so occur, what benefits the Trust will derive therefrom. As such, undue reliance should not be placed on any forward-looking statements, including FOFI.



## FORWARD LOOKING STATEMENTS

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 continue 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 pre-COVID-19 operating environments; following a recovery from the COVID-19 impact, the businesses of the majority of the Partners will continue to grow; more private companies will require access to alternative sources of capital; the businesses of new Partners and those of existing partners will perform in line with Alaris' expectations and diligence; 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 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.

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## FORWARD LOOKING STATEMENTS

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The information contained in this presentation, and Alaris' annual management discussion and analysis for the year ended December 31, 2020, identifies additional factors that could affect the operating results and performance of the Trust. Without limitation of the foregoing assumptions and risk factors, the forward looking statements in this presentation regarding the revenues anticipated to be received from the Partners and the Trust'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 Trust and no material changes to the business of the Trust or current economic conditions that would result in an increase in general and administrative expenses.

The Trust has included the forward-looking statements and FOFI in order to provide readers with a more complete perspective on Alaris' future operations and such information may not be appropriate for other purposes. The forward-looking statements, including FOFI, contained herein are expressly qualified in their entirety by this cautionary statement. Alaris disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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## US INVESTOR DISCLOSURE

The securities of Alaris Equity Partners Income Trust ("Alaris" or the "Trust") have not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "US Investment Company Act") and Alaris is relying on the exemption from registration under the US Investment Company Act provided by Section 3(c)(7) of that Act. As such, securities of Alaris, and any beneficial interest therein, may not be purchased, offered, sold, pledged, or otherwise transferred except in accordance with specific restrictions necessary to comply with that exemption. Specifically, securities of Alaris must not be offered, purchased, sold or otherwise transferred or pledged, directly or indirectly, in the United States or to U.S. Persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended). In addition, beneficial owners of the securities of Alaris must be restricted to persons that: (a) are located outside the United States and that are not U.S. persons, or (b) are Qualified Purchasers as defined in Section 2(a)(51)(A) of the US Investment Company Act that provide certain certifications confirming that status; and (c) in either case, are not plans that are "employee benefit plans" (within the meaning of Section 3(3)) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") that are subject to Part 4 of Subtitle B of Title 1 of ERISA, or plans, individual retirement accounts or other arrangements that are subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, or any other state, local, non-U.S. or other laws or regulations that would have the same effect as the regulations promulgated under ERISA.




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## TRUST CONVERSION

- After receiving shareholder approval on August 31, 2020, Alaris Royalty Corp. converted to an income trust on September 1, 2020 and changed its name to "Alaris Equity Partners Income Trust" ("Alaris" or the "Trust").
- The common shares of Alaris Royalty Corp. (AD) were delisted at the end of day on September 3, 2020 and the Trust units began trading on the TSX on September 4, 2020 under the symbol TSX: AD.UN
- The conversion to the Trust resulted in a deemed disposition of the common shares in AD. Shareholders of AD received 1 trust unit of AD.UN for every 1 common share held in AD.
- The debentures outstanding continue to trade under the symbol AD.DB.
- The Trust believes the conversion will enhance long-term shareholder value as a result of:
  - A materially simplified cross-border investment structure involving fewer foreign jurisdictions, which should reduce compliance and other administrative costs and Alaris' exposure to changes in foreign laws;
  - Increasing the amount of cash available for distribution to unitholders and reducing the Payout Ratio; and
  - Allowing Alaris to comply with applicable US legislation while maintaining an internal efficiency substantially consistent with Alaris' prior corporate structure.
- As an income trust, Alaris is paying a trust distribution rather than a corporate dividend at a rate of \$0.31 per quarter (\$1.24 annually). The first trust distribution was declared in September 2020 and paid October 15, 2020.
- For more information, please visit our website at [www.alarisequitypartners.com](http://www.alarisequitypartners.com) and search for documents under the "investor section" or visit [www.sedar.com](http://www.sedar.com) and search for documents under Alaris' corporate profile.




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 <p><b>PROFILE</b></p> <p><small>Notes: (All unit price data as of closing price on May 6, 2021)</small></p>	<b>Corporate Summary</b>	
	Revenue (3 months ended March 31, 2021)	\$32.2 Million
	Quarterly Distribution	\$0.31 per unit (\$1.24 annually)
	Annualized Total Returns since listing date (Nov 2008)	340% (12.7% annualized)
	Number of Employees	16
	<b>Market Summary</b>	
	Ticker Symbol – Trust Units	TSX: AD.UN
	Average Daily Volume	221,703
	Units Outstanding:	44,962,316 basic
	Unit Price:	\$16.95 52 week high: \$17.28 (May 2021) 52 week low: \$8.65 (May 2020)
Market Capitalization:	~\$762 million	
Unitholder Breakdown: <i>(based on estimates and fully diluted)</i>	Retail- 60% Institutional- 30% Trustees and Officers- 10%	
Ticker Symbol – Convertible Debentures	AD.DB	
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**DEFINING THE BUSINESS**

Alaris’ long term goal is to create the optimal income stream available for investors

*Alaris provides capital to private businesses using an innovative structure that fills a niche in the private capital markets*



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## INVESTMENT HIGHLIGHTS

*The best companies in the world are never for sale. Alaris' unique investment structure generates attractive returns from a universe of businesses that would be otherwise unavailable to traditional equity investors*

- 1 Unique investment strategy combines equity like returns with debt like protections
- 2 Existing portfolio is generating an attractive baseline cash yield of 13%, with potential for incremental growth
- 3 Robust and consistent investment pipeline
- 4 Highly scalable business model with low overhead costs, resulting in EBITDA margins in excess of 80%
- 5 Highly experienced management team with a demonstrated track record of generating realized returns of 17% on exited investments



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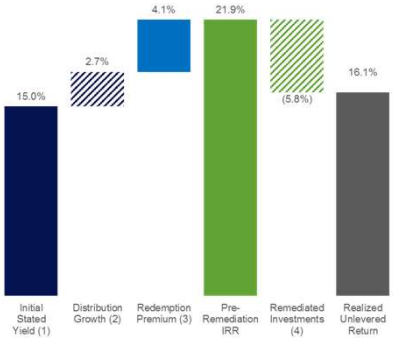
## ALARIS REPRESENTS A UNIQUE ASSET CLASS

Equity-Like Returns


- Attractive initial cash yields with participation in growth through an annual adjustment
- Adjustment tied to top-line growth in the underlying business
- Exposure to market-leading businesses that are not otherwise accessible to traditional equity investors
- In the event its investment is repurchased, Alaris is entitled to receive a premium in addition to the return of its original invested capital

Debt-Like Protections

- Comprehensive set of rights and remedies
- Consent rights over material changes in the underlying business of the Partner Companies
- Non-payment of distributions constitutes an event of default
- Uncured remedies include the ability to assume a more active role in management, and if necessary, take voting control
- Ultimately, Alaris can require the repurchase of its investment or engage in a controlled sales process
- Remedies for uncured defaults include the ability to assume a more active role in management, and if necessary, take voting control



(1) Reflects weighted average initial yield of realized investments  
 (2) Reflects IRR with impact of distribution adjustments and debt contributions (excludes Group SM, KMH, SHS and Providence)  
 (3) Reflects incremental IRR achieved from redemption premiums (excludes Group SM, KMH, SHS and Providence)  
 (4) Reflects impact on IRR from remediated investments (includes Group SM, KMH, SHS and Providence)



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## BENEFITS TO UNITHOLDERS

### Five Pillars to the Optimal Income Stream

Low Volatility of Cash Flow	Visibility of Cash Flows	Diversification of Revenue Streams	Liquidity for Unitholders	Growth in Cash Flow per Unit
<p>Alaris' preferred distributions are:</p> <ul style="list-style-type: none"> <li>Based on top-line performance and paid in priority to other equity</li> <li>Covered by a cash-flow buffer and protective covenants</li> <li>Paid monthly/quarterly providing steady cash returns vs returns on an exit</li> <li>Volatility reducing collars on &gt;90% of current distributions</li> </ul>	<ul style="list-style-type: none"> <li>Alaris adjusts its distributions from Partners annually and for 12 month periods</li> <li>Financial health of Partners is monitored closely each month</li> <li>The Trust has relatively low SG&amp;A expenses relative to profitability which has proven the scalability of the model</li> </ul>	<ul style="list-style-type: none"> <li>Currently have 20 Partners</li> <li>Long-term goal is to have no single revenue stream &gt;10% of total revenue (currently 3 of 20 are &gt;10% of revenue)</li> </ul>	<ul style="list-style-type: none"> <li>Average daily trading volumes provide adequate liquidity for unitholders</li> </ul>	<ul style="list-style-type: none"> <li>Historic organic growth in Partner revenues of 1% to 6% per year</li> <li>Add to cash flow per unit through accretive capital deployment</li> </ul>



## BENEFITS TO BUSINESS OWNERS

<b>Non-Voting Preferred Equity</b>	Allows the entrepreneur to continue to run their successful businesses with minimal interference by Alaris.
<b>Long-Term Capital Partner</b>	Alaris does not require an exit. This allows the entrepreneur to focus on long-term goals rather than short-term goals of its equity sponsor.
<b>Tax Efficient</b>	The distributions paid to Alaris are essentially pre-tax as they lower the taxable income of remaining partners.
<b>Lower Participation in Growth</b>	Alaris reduces its participation in the growth of the business through the use of collars on its distribution and by basing the performance metric on the organic change in the business versus total growth.



## BENEFITS TO BUSINESS OWNERS

Alaris versus other sources of capital: Why choose Alaris?


	Debt	Alaris	Traditional Private Equity
Operating Control	None	None	Needs Control
Time Horizon	3-5 Years	Indefinite	3-6 Years
Growth Participation	Minimal	Capped	Full Carry
Future Funding	Maxes Out	Unlimited	Maxes Out
Dilution	Warrants	Preferred Shares	Common Equity
Deal Fees	Yes	No	Yes



## ALARIS' IDEAL PARTNER CRITERIA

<b>Old Economy Business</b>	<ul style="list-style-type: none"> <li>Required services or products in mature industries</li> <li>Businesses with a risk of obsolescence or a declining asset base are not a good fit</li> </ul>
<b>Track Record of Free Cash Flow</b>	<ul style="list-style-type: none"> <li>Alaris looks at historical free cash flow to predict sustainability of its distribution</li> <li>More free cash flow is required if a business displays more volatility of cash flows</li> </ul>
<b>Low Debt Levels &amp; Capital Expenditure Requirements</b>	<ul style="list-style-type: none"> <li>Debt levels can vary amongst our Partners depending on industry, but typically a business must have low levels of debt in its capital structure</li> <li>If a business requires excessive capital expenditures to maintain current cash flow it is likely not a candidate for Alaris</li> </ul>
<b>Management Continuity</b>	<ul style="list-style-type: none"> <li>Alaris does not manage the business of its Partners, therefore it relies on the ownership group/management team to continue to run the business</li> <li>Alaris invests in companies that are "not for sale", where management wants to stay in and grow instead of exiting</li> </ul>






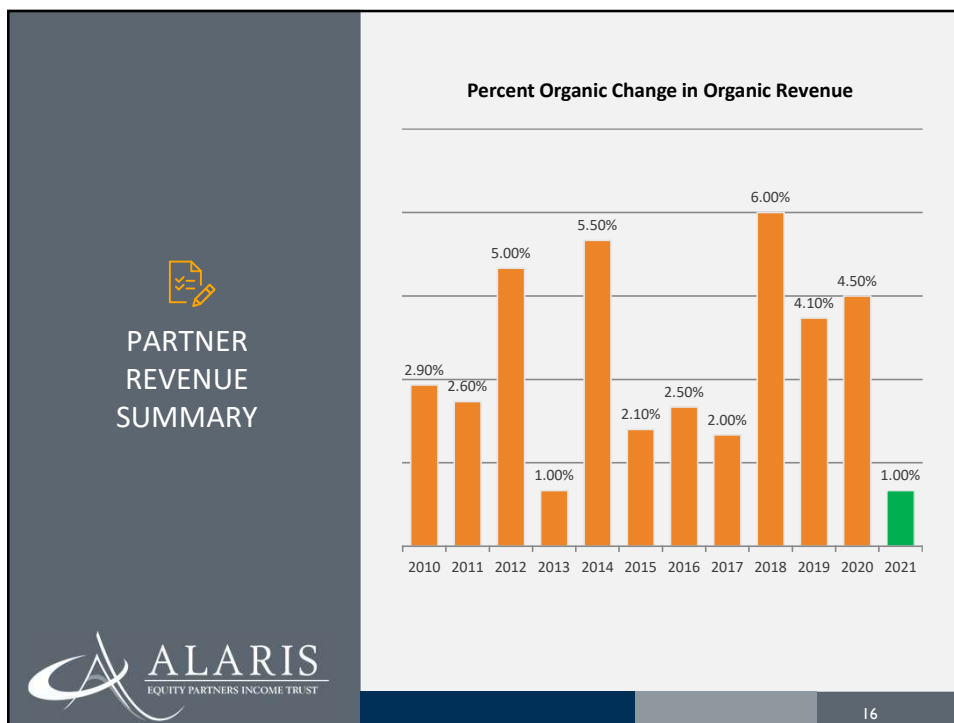
**PARTNER  
REVENUE  
SUMMARY**

Partner	Annual Distribution (CAD\$000s) <sup>(1)</sup>	% of total
GWM Holdings	15,318	11.7%
Federal Resources	14,296	10.9%
DNT	13,625	10.4%
Body Contour Centers	11,348	8.7%
Brown & Settle	9,482	7.2%
Accscient	8,684	6.6%
LMS	8,501	6.5%
Amur Financial	6,110	4.7%
Kimco	5,921	4.5%
FNC Title Services	5,677	4.3%
Edgewater	5,395	4.1%
PF Growth Partners <sup>(2)</sup>	5,045	3.9%
Unify	4,304	3.3%
SCR <sup>(3)</sup>	4,200	3.2%
3E	3,973	3.0%
Carey	3,046	2.3%
Heritage	2,997	2.3%
Fleet	1,984	1.5%
Stride	996	0.8%
ccComm <sup>(4)</sup>	-	0.0%
<b>Total Annualized Partner Revenue</b>	<b>\$ 130,904</b>	<b>100.0%</b>
Common Equity Dividends <sup>(5)</sup>	2,000	1.5%
Interest income	2,415	
<b>Total Revenue</b>	<b>\$ 135,319</b>	

(1) These are contracted amounts due to Alaris for the next 12 month period and for those denominated in USD based on a rate of USDCAD 1.2613. Actual amounts received may vary based on the impact of COVID-19 and changes in the exchange rate.  
 (2) Distributions from PFGP began being deferred in Q2 2020 as a result of COVID-19 and its impact to the business. PFGP is paying US\$333,000 per month from Jan 2021 to June 30, 2021 and can resume full payments after that if compliant with debt covenants (full annual distributions are equal to US\$59.4 million).  
 (3) SCR is paying partial distributions to Alaris of \$350,000 per month (\$4.2m annually). SCR and Alaris have agreed where in addition to the base annual amount of \$4.2m, SCR will pay an amount semi-annually based on the free cash flow of their business. Based on the most recent twelve month period this would have amounted to an additional \$1.8m to Alaris.  
 (4) ccComm is not currently paying distributions. Alaris will record distributions as received when their cash flows allow.  
 (5) Common Equity Dividends are an estimated amount and could include amounts from FNC, Amur, Carey and Edgewater in 2021.

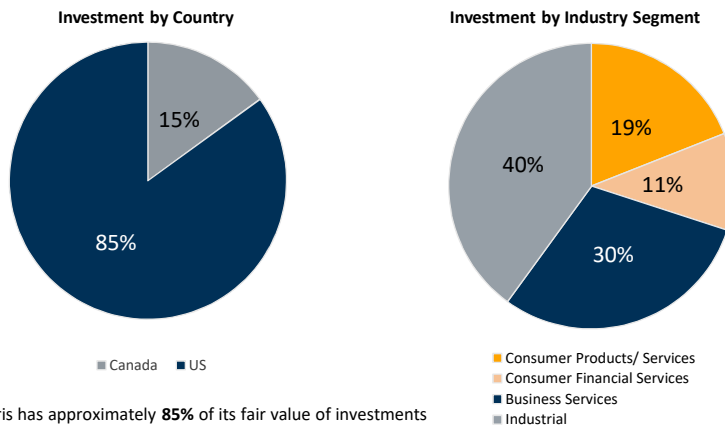


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## DIVERSIFICATION



- Alaris has approximately **85%** of its fair value of investments in US based companies.
- Today, **40%** of invested dollars are exposed to industrials, **30%** to business services, **19%** to consumer products and services and **11%** consumer financial services.



## PREFERRED EQUITY RETURNS FROM EXITS TO DATES

- Alaris has generated **\$391 million** in total returns (+57%) on partners that have either repurchased all of Alaris' units, ceased operations or where Alaris carries no fair value for preferred units from such partner.
- The monthly or quarterly distributions Alaris receives from its Partners ensures Alaris is getting a return on investment from Day 1, rather than on an exit event. This greatly reduces the investment risk.

\$millions CAD	Number of Years Invested	Capital Invested	Distributions Received	Exit Capital Received	Total Return	% total Return	IRR %
MAHC <sup>(1)</sup>	1.0	\$ (18.4)	\$ 7.2	\$ 20.0	\$ 8.8	48%	53%
Sequel	4.2	(77.4)	59.8	120.9	103.3	133%	29%
Agility	5.4	(20.2)	18.5	28.3	26.5	131%	25%
LifeMark	11.3	(67.5)	75.6	123.4	131.5	195%	24%
MediChair	6.8	(6.5)	6.4	10.0	9.9	152%	24%
SBI	2.4	(106.8)	42.7	122.7	58.6	55%	24%
EOR	13.2	(7.2)	17.4	12.6	22.8	317%	22%
Killick	4.0	(41.3)	19.7	45.0	23.5	57%	20%
Quelco	3.0	(28.2)	13.1	30.4	15.4	55%	19%
Labstat	6.0	(47.2)	43.8	61.3	57.9	123%	19%
Solowave	5.8	(42.5)	31.9	44.5	33.9	80%	17%
KMH	7.0	(54.8)	21.3	13.8	(19.8)	-36%	-13%
Sandbox <sup>(2)</sup>	3.9	(78.9)	25.7	33.7	(19.5)	-25%	-16%
Providence <sup>(3)</sup>	4.7	(38.9)	21.0	-	(17.9)	-46%	-27%
SHS <sup>(4)</sup>	0.9	(15.0)	1.0	1.1	(12.9)	-86%	-44%
Group SM	4.6	(40.5)	9.8	-	(30.7)	-76%	-67%
<b>Totals</b>		<b>\$ (691.2)</b>	<b>\$ 414.7</b>	<b>\$ 667.8</b>	<b>\$ 391.2</b>	<b>57%</b>	

(1) MAHC repurchased Alaris' units after 1 year, resulting in an additional 24 months of distributions being paid to Alaris on exit. This resulted in an IRR much higher than what is expected.  
 (2) Sandbox exit capital received excludes an additional US\$4.0 million currently held in escrow and the potential for a US\$2.0 million earn out. Returns on senior debt are included.  
 (3) Providence is expected to be wound up and Alaris does not anticipate any proceeds from such process.  
 (4) SHS went into receivership in December 2013, therefore no exit capital was received.



## EARNINGS COVERAGE HEAT MAP

- The table to the right displays the range of earnings coverage ratios ("ECR") for each of our Partners over the last 4 quarters. Generally speaking, a ratio above 1.0x provides enough earnings to cover distributions to Alaris, interest and principal payments to lenders as well as unfunded capital expenditures.
- Of the 20 partners listed, one falls below less than 1.0x earnings coverage, one is in the 1.0x to 1.2x range, three are in the 1.2x to 1.5x range, seven are in the 1.5x to 2.0x range and eight are in the >2.0x earnings coverage range.
- In Q1-21 vs Q4-20, 17 Partners had no change in the ECR range, along with 3 new Partners added.

Partner	Q2-20	Q3-20	Q4-20	Q1-21
DNT	1.5x-2.0x	1.5x-2.0x	1.5x-2.0x	1.5x-2.0x
Federal Resources	>2.0x	>2.0x	>2.0x	>2.0x
Planet Fitness	1.5x-2.0x	1.2x-1.5x	1.0x to 1.2x	1.0x to 1.2x
LMS	1.5x-2.0x	1.5x-2.0x	1.5x-2.0x	1.5x-2.0x
Accosient	1.2x-1.5x	1.2x-1.5x	1.2x-1.5x	1.2x-1.5x
Unify	>2.0x	>2.0x	>2.0x	>2.0x
Heritage	>2.0x	>2.0x	1.5x-2.0x	1.5x-2.0x
SCR	1.5x-2.0x	1.5x-2.0x	>2.0x	>2.0x
Kimco	1.2x-1.5x	>2.0x	>2.0x	>2.0x
ccComm	<1.0x	<1.0x	<1.0x	<1.0x
Fleet	1.5x-2.0x	>2.0x	>2.0x	>2.0x
Body Contour Centers	<1.0x	1.5x-2.0x	>2.0x	>2.0x
GWM Holdings	>2.0x	1.2x-1.5x	1.5x-2.0x	1.5x-2.0x
Amur Financial	>2.0x	1.5x-2.0x	1.5x-2.0x	1.5x-2.0x
Stride	1.5x-2.0x	>2.0x	>2.0x	>2.0x
Carey	1.5x-2.0x	1.5x-2.0x	1.5x-2.0x	1.5x-2.0x
Edgewater	n.a.	n.a.	1.2x-1.5x	1.2x-1.5x
FNC Title Services	n.a.	n.a.	n.a.	>2.0x
Brown & Settle	n.a.	n.a.	n.a.	1.5x-2.0x
3E	n.a.	n.a.	n.a.	1.2x-1.5x

SCR's ECR is based on their current fixed distributions as opposed to fully contracted




## INVESTMENT HISTORY

Capital Deployed (\$ millions)



- Since Inception:
  - Invested over \$1.8 billion in 36 Partners and more than 75 tranches
  - Collected over \$680 million of distributions
  - Over \$665 million of capital received through exit events (repurchases)
- 5 year average of ~\$167 million of gross capital deployed
- Year to date 2021 Alaris has deployed over \$174 million






**BALANCE SHEET**

Summary of Debt Capacity and Covenants Millions CAD\$ Figure 1	Proforma May 6, 2021
Senior debt outstanding	\$312
Senior debt to EBITDA	2.5x
Senior debt to EBITDA Covenant <sup>(1)</sup>	3.5x <sup>(1)</sup>
Credit Available for Investment Purposes	\$88
Convertible Debentures Outstanding	\$100.0
Current Fixed Charge Ratio	1.14:1.00 <sup>(2)</sup>
Fixed Charge Covenant	1.00:1.00
Tangible Net Worth (TNW)	\$699.8 <sup>(2)</sup>
TNW Covenant	\$450.0

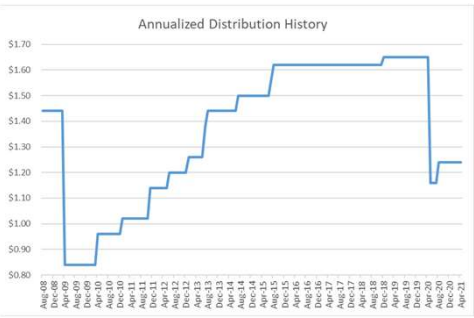
(1) This covenant includes a maximum funded debt to contracted EBITDA of 3.0:1, which can be increased temporarily to 3.5:1 up to September 30, 2021. After which the maximum is 2.5:1 and can be increased to 3.0:1 for up to 90 days.  
 (2) Calculated as of March 31, 2021.  
 (3) Alaris also has \$100 million face value of Convertible Debentures bearing interest of 5.50% per annum, payable semi-annually with a maturity of June 30, 2024.




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## DISTRIBUTION HISTORY & SUSTAINABILITY


- Since 2008 Alaris has provided consistent dividend income through its monthly dividend, and now, through trust distributions.
- In March 2020, Alaris made the decision to change its dividend from monthly to quarterly. The first payment of such quarterly dividend was in July. The new annualized dividend for the July payment was changed to \$1.16 per share (\$0.29 per quarter). This was a reduction of 30% from the previous annualized dividend of \$1.65.
- Alaris announced the conversion to an income trust on September 1, 2020. At that time Alaris raised the quarterly distributions to \$0.31 per quarter (\$1.24 annually). This was a 7% increase compared to the previous dividend paid and was done to reflect the difference in taxation of a trust distribution vs a corporate dividend. Alaris estimates its Annualized Payout Ratio to be less than 70% at the current level of trust distributions.
- Since inception, Alaris has paid over 150 consecutive monthly or quarterly dividends/distributions totaling more than \$17 per share/unit and over \$475 million gross.
- If you were to have invested \$100,000 at the IPO price of \$12 per share in 2008 you would have received a cumulative total of \$144,896 in dividends/distributions (bottom right table) and your initial investment would be worth \$141,244 on May 6, 2021 (based on closing price of \$16.95) for a total return of \$286,140.



Annualized Distribution History



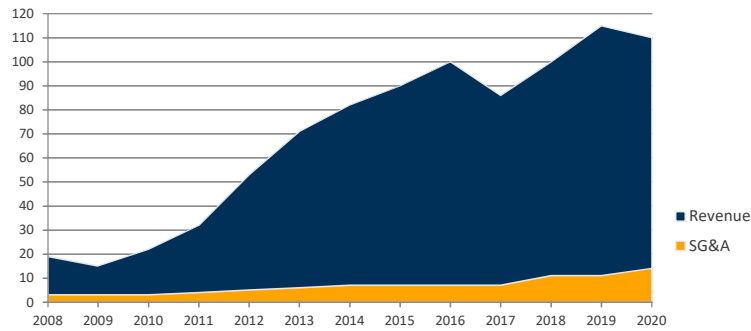
\$100,000 investment at IPO of \$12 per share



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## SCALABLE MODEL

Alaris' model is highly scalable  
Revenue Growth vs Operating Expenses



- Alaris' unique structure, which gives it protections that allow for a non-controlling investment, allows it to be a monitor of its Partners, not an operator.
- For the addition of every 5 new (net) Partners, Alaris would likely have to add 1 employee to the monitoring team.



## RECENT FINANCIAL RESULTS


### Three months ended March 31, 2021 vs same period 2020:

- 5.1% decrease in revenue from Partners to \$32.2 million
- 35.2% increase in Normalized EBITDA to \$28.8 million
- 0.8% increase in net cash from operating activities to \$26.8 million
- 7.8% decrease in dividends declared to \$13.9 million

### Per Unit highlights:

- 15.1% decrease in revenue from Partners to \$0.79
- 22.4% increase in Normalized EBITDA \$0.71
- 8.3% decrease in net cash from operating activities to \$0.66
- 24.8% decrease in dividends declared at \$0.31

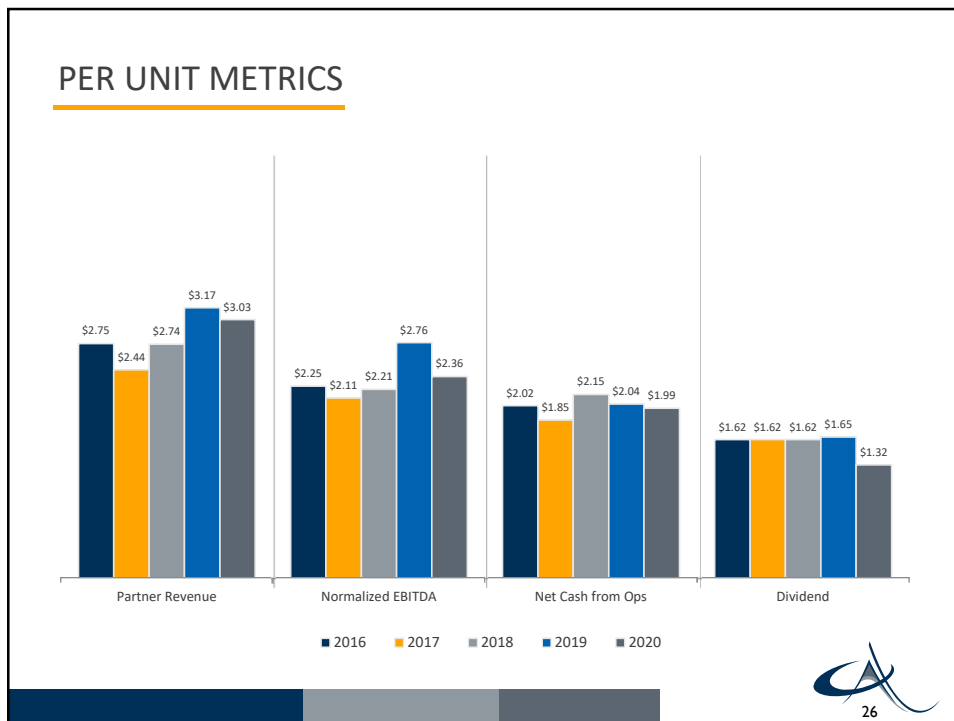




**HISTORIC  
FINANCIAL  
SUMMARY**



Millions (CAD \$)	2016A	2017A	2018A	2019A	2020A
Revenue	\$100.04	\$89.07	\$100.08	\$114.97	\$109.47
% Change	21%	-11%	12%	15%	-5%
SG&A	\$9.17	\$8.06	\$12.13	\$10.72	\$14.52
% Change	16%	-12%	50%	-12%	35%
Normalized EBITDA	\$81.84	\$76.98	\$80.81	\$100.94	\$85.70
% Change	15%	-6%	5%	25%	15%
Net Cash from Ops	\$73.30	\$67.25	\$78.31	\$74.78	\$71.86
% Change	31%	-8%	16%	-5%	-4%
Distributions Declared	\$58.84	\$59.2	\$59.20	\$60.37	\$48.55
% Change	12%	0%	0%	2%	-20%
Payout Ratio	80%	88%	76%	81%	68%
Shares outstanding (millions)	36.34	36.45	36.50	36.71	39.00



## CORPORATE INFORMATION

Board of Directors	Committees	Auditors	
Jay Ripley, Chairman	- Transaction (Chair) - Compensation and Audit		KPMG, LLP
Mitch Shier, Director	- Corporate Governance (Chair) - Transaction		
Mary Ritchie, Director	- Audit (Chair) - Corporate Governance		
Bob Bertram, Director	- Compensation (Chair) - Corporate Governance and; - Transaction		
Sophia Langlois, Director	- Audit - Compensation		
Steve King, Director			
		Banking Syndicate	Bank of Montreal (co-lead) HSBC Bank Canada (co-lead) ATB Financial National Bank of Canada Royal Bank of Canada Canadian Western Bank The Toronto-Dominion Bank
		Analyst Coverage	Acumen Capital Finance Partners, Trevor Reynolds CIBC World Markets, Nik Priebe Cormark Securities Inc., Jeff Fenwick Desjardins Securities, Gary Ho National Bank Financial, Zachary Evershed RBC Capital Markets, Scott Robertson Scotia Capital, Phil Hardie Stifel Canada, Anoop Prihar



## APPENDICES



## APPENDIX A: SUMMARY OF PARTNERS (IN US\$ UNLESS NOTED)

Millions (\$)	3E	Accscent LLC	AMUR Financial Group	Body Contour Centers (DBA Sono Bello)	Brown & Settle	Carey Electric	ccComm
<b>Industry</b>	Industrials: Utility Services	Business Services: IT Consulting and Staffing	Financial Services: Mortgage Origination (home equity)	Consumer Discretionary: Cosmetic Surgery	Industrials: Site Preparation	Industrials: Electrical Contractor Services	Consumer Discretionary: Sprint Mobile Retailer
<b>Total Alaris Capital Injected (\$000's)</b>	\$22.5	\$46.0 (5 tranches)	CDN\$50.0 (preferred) CDN\$20.0 (common)	\$66.0 (2 tranches)	\$66.0	\$16.1 (preferred) \$0.9 (common)	\$19.2 (4 tranches)
<b>Use of Proceeds</b>	Recapitalization	Recapitalization and growth capital	Partial Liquidity	Partial Liquidity	MBO of Equity Sponsor	Partial Liquidity	Growth Capital
<b>Annualized Distributions to Alaris (\$000's)</b>	\$3.15	\$6.89	CDN\$6.11	\$9.00	\$7.50	\$2.40	\$2.69 (currently not paying distribution)
<b>Annual Reset Metric</b>	Percentage change in gross profit	Percentage change in gross profit	Percentage change in gross revenue	Percentage change in same clinic sales	Percentage change in gross revenue	Percentage change in gross sales	Percentage change in net revenue
<b>Distribution Collar</b>	+/- 6% per year	+/- 5% per year	+/- 6% per year	+/- 6% per year	+/- 6% per year	+/- 5% per year	+/- 6% per year
<b>Partner Since</b>	February 2021	June 2017	June 2019	Sept 2018	February 2021	June 2020	January 2017

Note 1: See the "Private Company Partner Update" section of the Management Discussion and Analysis for the period ended March 31, 2021 for more information related to capital contributed, annualized distributions and earnings coverage ratios.



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## APPENDIX A: SUMMARY OF PARTNERS (IN US\$ UNLESS NOTED)

Millions (\$)	DNT Construction	Edgewater Technical Associates	Fleet Advantage	Federal Resources	FNC Title Services	GWM	Heritage Restoration
<b>Industry</b>	Industrials: Civil Construction Services	Business Services: Professional and Technical Services to the Nuclear Energy Industry	Business Services: Fleet Management	Industrials: Distributor of Products to Federal and Local Agencies	Business Services: Title Services to Reverse Mortgage Lenders	Business Services: Digital Marketing Solutions	Industrials: Masonry Restoration, Waterproofing and Coating Repair
<b>Total Alaris Capital Injected (\$000's)</b>	\$62.8	\$30.6 (preferred) \$3.4 (common)	\$10.0	\$67.0 (3 tranches)	\$32.15 (preferred) \$7.85 (common)	\$101.0 (2 tranches)	\$15.0
<b>Use of Proceeds</b>	MBO of Majority Holder(s)	MBO and partial liquidity	Growth Capital and partial liquidity	MBO of Equity Sponsor	MBO and partial liquidity	MBO of Equity Sponsor	MBO
<b>Annualized Distributions to Alaris (\$000's)</b>	\$10.8	\$4.3	\$1.57	\$11.33	\$4.5	\$12.14	\$2.38
<b>Annual Reset Metric</b>	Percentage change in gross revenue	Percentage change in gross profit	Percentage change in net revenue	Percentage change in gross revenue	Percentage change in gross profit	Percentage change in gross revenue	Percentage change in gross profit
<b>Distribution Collar</b>	+/- 6% per year	+/- 6% per year	+/- 6% per year	+/- 6% per year	+/- 7% per year	+/- 8% per year	+/- 6% per year
<b>Partner Since</b>	June 2015	December 2020	June 2018	June 2015	January 2021	November 2018	January 2018

Note 1: See the "Private Company Partner Update" section of the Management Discussion and Analysis for the period ended March 31, 2021 for more information related to capital contributed, annualized distributions and earnings coverage ratios.



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## APPENDIX A: SUMMARY OF PARTNERS (IN US\$ UNLESS NOTED)

Millions (\$)	Kimco	LMS	PF Growth Partners	SCR	Stride Consulting	Unify
<b>Industry</b>	Business Services: Commercial Janitorial and Hospitality Services	Industrials: Rebar Fabrication and Installation	Consumer Discretionary: Health and Fitness Clubs	Industrials: Mining Services	Industry: IT Consulting	Business Services: IT Consulting
<b>Total Alaris Capital Injected (\$000's)</b>	\$34.2 (3 tranches)	CDN\$59.8 (4 tranches)	\$75.2 (Preferred) <sup>(1)</sup> US\$17.3 (Common)	CDN\$40.0	\$6.0	\$25.0 <sup>(1)</sup>
<b>Use of Proceeds</b>	MBO of parent Company	Estate Planning and growth	Estate planning and growth capital	Estate planning and growth capital	Growth capital and partial liquidity	MBO of majority owner by minority
<b>Annualized Distributions to Alaris (\$000's)</b>	\$4.70	CDN\$8.51	\$4.00 (Began deferring distributions in Q2-20 – paying \$333k per month)	CDN\$5.60 (currently paying \$4.2m per year)	\$0.79	\$3.41
<b>Annual Reset Metric</b>	Percentage change in net revenue	Percentage change in gross profit	Percentage change in same club sales	Percentage change in gross revenue	Percentage change in gross revenue	Percentage change in gross revenue
<b>Distribution Collar</b>	+/- 6% per year	No collar	+/- 5% per year	+/- 6% per year	+/- 6% per year	+/- 5% per year
<b>Partner Since</b>	June 2014	April 2007	November 2014	May 2013	November 2019	October 2016

Note 1: See the "Private Company Partner Update" section of the Management Discussion and Analysis for the period ended March 31, 2021 for more information related to capital contributed, annualized distributions and earnings coverage ratios.



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## APPENDIX B: OFFERING HISTORY

The following table summarizes the equity offerings Alaris has completed since its public listing in November 2008.

Date of Announcement	Issue Price	Shares Issued (\$000's)	Gross Proceeds (\$000's)	Date Closed	Price on Closing Date
30 - Sept - 09	\$6.00	2,300	\$13,800	22 - Oct - 09	\$7.75
27 - Apr - 10	\$9.00	2,080	\$18,720	18 - May - 10	\$9.24
29 - Nov - 10	\$10.50	2,477	\$26,009	26 - Dec - 10	\$11.46
21 - Nov - 11	\$16.25	2,465	\$40,050	12 - Dec - 11	\$16.80
13 - Jun - 12	\$19.50	2,515	\$49,043	27 - Jun - 12	\$20.77
18 - Dec - 12	\$22.00	2,461	\$54,142	11 - Jan - 13	\$25.36
25 - Jun - 13	\$30.90	3,427	\$105,894	16 - Jul - 13	\$32.91
6 - Jun - 14	\$26.70	3,274	\$87,418	25 - Jun - 14	\$29.36
25 - Jun - 15	\$30.50	3,772	\$115,035	16 - Jul - 15	\$31.29
18 - Nov - 20	\$13.75	3,347	\$46,014	8 - Dec - 20	\$14.61
9 - Feb - 21	\$16.00	5,909	\$94,550	9 - Mar - 21	\$16.20
<b>Totals</b>		<b>34,027</b>	<b>\$650,675</b>		



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## NON-IFRS MEASURES

The terms EBITDA, Normalized EBITDA and Payout Ratio are financial measures used in this presentation that are not standard measures under International Financial Reporting Standards ("IFRS"). The Trust's method of calculating EBITDA, Normalized EBITDA and Payout Ratio may differ from the methods used by other issuers. Therefore, the Trust's EBITDA, Normalized EBITDA and Payout Ratio may not be comparable to similar measures presented by other issuers.

**EBITDA** refers to net earnings (loss) 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 Trust's ability to generate cash available for debt service, working capital, capital expenditures, income taxes and distributions. The Trust provides a reconciliation of net income to EBITDA in its quarterly and annual management discussion and analysis.

**Normalized EBITDA** refers to EBITDA excluding items that are non-recurring in nature, such as gains associated with the reduction of interest in one partner and an impairment loss in another with which the Trust has transacted. Management deems non-recurring charges to be unusual and/or infrequent charges that the Trust incurs outside of its common day-to-day operations. Adding back these non-recurring charges allows management to better assess EBITDA from ongoing operations.

**Payout Ratio:** The term "payout ratio" is a financial measure used in this presentation that is not a standard measure under International Financial Reporting Standards. Actual Payout ratio means Alaris' total distributions paid over a fiscal year divided by its net cash from operating activities over that same period. Annualized Payout Ratio means Alaris' total annualized distribution per unit expected to be paid over the next twelve months divided by the estimated net cash from operating activities per unit Alaris expects to generate over the same twelve month period (after giving effect to the impact of all information disclosed to date).

**Run Rate Payout Ratio:** refers to Alaris' total distribution per unit expected to be paid over the next twelve months divided by the estimated net cash from operating activities per unit Alaris expects to generate over the same twelve month period (after giving effect to the impact of all information disclosed as of the date of this report).

**Earnings Coverage Ratio** refers to the Normalized EBITDA of a Partner divided by such Partner's sum of debt servicing (interest and principal), unfunded maintenance capital expenditures and distributions to Alaris.

**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.

The terms EBITDA, Normalized EBITDA and Payout Ratio should only be used in conjunction with the Trust's annual audited and quarterly reviewed financial statements, which are available on SEDAR at [www.sedar.com](http://www.sedar.com).

Date of Presentation: Information contained herein is given as of May 6, 2021 unless otherwise stated.



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# THANK YOU

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