MANAGEMENT DISCUSSION AND ANALYSIS

For the three and six months ended June 30, 2026

This management's discussion and analysis ("**MD&A**") is dated August 6, 2026, and should be read in conjunction with the unaudited condensed consolidated interim financial statements of Alaris Equity Partners Income Trust ("**Alaris**" or the "**Trust**") for the three and six months ended June 30, 2026 and 2025.

The Trust's unaudited condensed consolidated interim financial statements and the notes thereto have been prepared in accordance with IFRS Accounting Standards 34, Interim Financial Reporting, and are presented in Canadian dollars, rounded to the nearest thousand unless otherwise noted.

Forward-Looking Information

This MD&A includes forward-looking statements that involve known and unknown risks and uncertainties which may cause actual results to differ materially from those anticipated. Forward-looking statements are not guarantees of future performance. Key risk factors and assumptions are discussed under **"Forward-Looking Statements"** and **"Risks and Uncertainties."**

Non-GAAP and Other Financial Measures

Alaris uses certain Non-GAAP and other financial measures in evaluating its performance, including: *Alaris net distributable cash flow, Net book value, Acquisition Entities operating costs and expenses, Interest on intercompany loans and dividends paid to the Trust, Earnings Coverage Ratio, Run Rate Payout Ratio, Annualized distribution yield on preferred capital invested, Payout Ratio, Run Rate Revenue, Run Rate Cash Flow, Internal Rate of Return (IRR), Total Partner related changes included in Net gain on Corporate Investments and Total return on capital invested and per unit measures* (collectively, the "**Non-GAAP and Other Financial Measures**").

These measures are not standardized under International Financial Reporting Standards ("**IFRS**") and may not be comparable to similar measures used by other issuers. Definitions and reconciliations are provided in the Non-GAAP and Other Financial Measures section of this MD&A.

Partner Nomenclature

For clarity, the following short-form names are used to refer to Alaris' Partner companies: LMS Management LP and LMS Reinforcing Steel USA LP (collectively, "**LMS**"), SCR Mining and Tunneling, LP ("**SCR**"), Ohana Growth Partners, LLC ("**Ohana**"), formerly known as PF Growth Partners, LLC ("**PFGP**"), DNT Construction, LLC ("**DNT**"), Accscient, LLC ("**Accscient**"), Heritage Restoration Holdings, LLC ("**Heritage**"), Fleet Advantage, LLC ("**Fleet**"), Sono Bello, LLC ("**Sono Bello**" or "**Body Contour Centers**") formerly known as Body Contour Centers, LLC, GWM Holdings, Inc. and its subsidiaries ("**GWM**"), Amur Financial Group Inc. ("**Amur**"), Carey Electric Contracting LLC ("**Carey Electric**"), Edgewater Technical Associates, LLC ("**Edgewater**"), 3E, LLC ("**3E**"), Vehicle Leasing Holdings, LLC, dba D&M Leasing ("**D&M**"), Sagamore Plumbing and Heating, LLC ("**Sagamore**"), Federal Management Partners, LLC ("**FMP**"), The Shipyard, LLC ("**Shipyard**"), Cresa, LLC ("**Cresa**"), The Berg Demo Holdings, LLC. ("**Berg**"), Professional Electric Contractors of Connecticut, Inc. ("**PEC**"), McCoy Roofing Holdings LLC ("**McCoy**"), Renovo Medical Group, LLC ("**Renew**"), Optimus SBR ("**Optimus**"), Kubik Inc ("**Kubik**"), and Tesco – The Eastern Specialty Company, LLC ("**Tesco**").

Additional information, including the Trust's complete consolidated financial statements and notes, is available on **SEDAR+ (www.sedarplus.ca)** and at **www.alarisequitypartners.com**

OVERVIEW OF ALARIS' BUSINESS AND INVESTMENT MODEL

Alaris provides long-term equity capital to established private businesses (individually, a **"Private Company Partner"** and collectively the **"Partners"**) across North America. Our objective is to help these companies achieve their strategic and capital goals — whether for management buyouts, shareholder transitions, growth initiatives, or recapitalizations — while generating stable and growing distributions for our unitholders.

How We Invest
Alaris invests primarily through wholly owned subsidiaries ("**Acquisition Entities**") that deploy both equity and debt capital into Partners. The majority of our investments are structured as preferred equity, which provides regular, contractually set distributions — typically paid monthly or quarterly. These distributions are reset annually based on each Partner's performance, using transparent "top-line" metrics such as revenue, gross profit, or same-store sales. This structure allows Alaris to benefit as Partners grow, while maintaining predictable cash flows and downside protection.

In addition to preferred equity, we often take minority common equity positions alongside our Partners. These holdings strengthen alignment, provide additional upside through capital appreciation, and enable participation in common dividends when Partners perform strongly.

Some investments may also generate carried interest or other performance-based income, depending on the specific structure and return profile.

How We Operate
Alaris' operations are intentionally lean, with approximately twenty employees focused on Partner relationships, investment underwriting, and portfolio management. Our service subsidiary manages administrative and advisory functions for both the Acquisition Entities and certain third parties, earning fee revenue that offsets a portion of corporate costs.

Evolving Investment Strategies
Alaris continually refines its investment strategy to enhance unitholder value. We are exploring complementary investment structures, including the potential to raise and manage third-party capital that would expand our ability to invest in existing and new Partners, particularly in common equity opportunities.

This evolution supports three core objectives:

1. Increase growth and diversification across industries and geographies;
2. Enhance returns through participation in capital appreciation and carried interest; and
3. Deepen relationships with Partners by offering a broader range of capital solutions.

In short, Alaris' hybrid model combines the stability of income-generating preferred equity with the growth potential of common equity participation, positioning the Trust to deliver reliable cash flow and long-term value creation for unitholders.

NON-GAAP AND OTHER FINANCIAL MEASURES

In addition to the IFRS results presented in the Trust's unaudited condensed consolidated interim financial statements, the Trust uses a number of Non-GAAP financial measures, Non-GAAP ratios, supplementary financial measures, and Non-GAAP financial measures that are forward-looking. These measures are not standardized under IFRS and may not be comparable to similar measures used by other companies. They are provided to give investors additional insight into how management views the company's performance. Definitions and explanations of relevance are provided below. Reconciliations to the most directly comparable IFRS measures, where applicable, are provided in the MD&A's appendix. Forward-looking Non-GAAP measures reflect management's current expectations and are subject to the risks and assumptions described under Forward-Looking Statements.

Acquisition Entities Operating Costs and Other Expenses & Interest on Intercompany Loans and Dividends Paid to the Trust

Non-GAAP financial measures aggregating specified items from the Acquisition Entities' changes in net assets (liabilities) (see Note 3 of the financial statements), similar in nature to Net gain (loss) on Corporate Investments.

- **Acquisition Entities Operating costs and other expenses** include: Fair value loss on promissory notes, Operating costs and other, Transaction costs, Finance costs and senior credit facility, Acquisition Entities income tax recovery / (expense) – current / deferred, Net unrealized (gain) / loss on derivative contracts and Realized gain / (loss) on foreign exchange contracts.
- **Interest on intercompany loans and dividends paid to the Trust** include: Interest on intercompany loans and Acquisition Entities dividends paid to Trust.

These measures help investors isolate recurring costs and income streams from the underlying investment operations.

Alaris Net Distributable cash flow (and per unit)

A Non-GAAP financial measure management uses which represents external revenue generated by both the Trust and the Acquisition Entities, less:

- general and administrative expenses,
- transaction costs,
- third-party interest expense, and
- cash taxes paid (or received).

This metric aligns most closely with Cash from / (used in) operations, prior to changes in working capital, but includes the net cash flows of the Acquisition Entities. Investors use this measure to provide a comprehensive view of cash available for distributions, debt repayment, or reinvestment.

Annualized distribution yield on preferred capital invested

A supplementary financial measure calculated by dividing Partner distribution revenue – preferred, annualized for the period by the weighted average preferred unit capital invested during the period. Management uses this measure to monitor preferred investment distributions over time relative to the current investment base, making it a useful tool for investors to track the cash yield of preferred investments.

Earnings Coverage Ratio (ECR)

A supplementary financial measure calculated as each Partner's EBITDA divided by the sum of its debt servicing (interest and principal), unfunded capital expenditures, and distributions to Alaris. Management monitors ECR to assess a Partner's ongoing ability to meet its contractual obligations to Alaris. ECR is a useful metric for investors as it provides an indication of a Partner's financial health and sustainability.

Internal Rate of Return (IRR)

A supplementary financial measure representing the discount rate that yields a net present value of zero for projected Partner cash flows. Investors use IRR to assess realized and unrealized Partner-level returns.

Net Book Value (and per unit)

A supplementary financial measure equal to total assets minus total liabilities (equity value of the Trust). The per unit figure divides that amount by the weighted average basic units outstanding. These metrics measure growth in equity value, net of distributions, and enable period-over-period comparison of value creation. Investors finds this metric useful because it provides a clear indication of the underlying value of the Trust attributable to unitholders and the period over period value generated.

Payout Ratio

A Non-GAAP financial ratio used by management which represents total cash distributions paid to unitholders during the period, divided by Alaris net distributable cash flow for the same period. This metric is useful to investors as it reflects the proportion of available cash used to pay distributions and indicates the capacity for reinvestment or debt repayment.

Run Rate Cash Flow

A forward-looking supplementary financial measure that outlines the net cash from operating activities, net of distributions paid, that Alaris is expecting to have after the next twelve months. This measure is comparable to Net cash from / (used in) operating activities, less distributions paid, as outlined in Alaris' consolidated statements of cash flows. Investors find this measure useful because it provides insight into the expected cash available for reinvestment, debt repayment, or other corporate purposes after distributions.

Run Rate Payout Ratio

A forward-looking supplementary financial measure that refers to Alaris' distributions per unit expected to be paid over the next twelve months divided by the net cash from operating activities per unit calculated in the Outlook's Run Rate Cash Flow table. Run Rate Payout Ratio is a useful metric for management to track and to outline as it provides investors a summary of the percentage of the net cash from operating activities that can be used to either repay senior debt during the next twelve months and / or be used for additional investment purposes.

Run Rate Revenue

A forward-looking supplementary financial measure estimating expected revenue over the next twelve months based on current Partner contracts and known management or transaction fees, excluding potential Partner redemptions. It may include estimated common dividends or distributions based on historical practice. Run Rate Revenue provides investors with an indication of forward annualized revenue potential.

Total Partner Distribution Revenue

A supplementary financial measure summing Partner distribution revenue – preferred and Partner distribution revenue – common, which are components of Net gain on Corporate Investments as disclosed in Note 3 of the accompanying financial statements. Management believes this measure provides useful information for investors on the total cash yield from Partner distributions during the period.

Total Partner related changes included in Net gain on Corporate Investments

A Non-GAAP financial measure aggregating the total Net gain (loss) on Corporate Investments attributable to Partner activity detailed in Note 3 of the accompanying financial statements.

It includes:

- Net unrealized gain (loss) on Partner investments
- Net realized gain on Partner investments
- Partner distribution revenue - preferred
- Partner distribution revenue - common

This measure is useful to investors as it isolates change in Corporate Investments driven by Partner performance and aligns closely with “Net gain on Corporate Investments” under IFRS.

2026 FINANCIAL RESULTS

Key Highlights

	Three months ended June 30			Six months ended June 30		
$ thousands except per unit amounts	2026	2025	% Change	2026	2025	% Change
Change in Net book value [(1)] per unit	$ 0.52	$ (0.77)		$ 1.04	$ (0.65)	
Net book value [(1)] per unit	$ 25.83	$ 25.31	+2.1%	$ 25.83	$ 25.31	+2.1%
Total revenue and operating income	$ 42,916	$ 34,457	+24.5%	$ 80,285	$ 70,845	+13.3%
Cash from / (used in) operations, prior to changes in working capital	$ 23,477	$ (63,145)	n/a	$ 43,908	$ (43,328)	n/a
Total Partner distribution revenue [(1)]	$ 49,928	$ 41,771	+19.5%	$ 97,806	$ 84,743	+15.4%
Alaris net distributable cash flow [(1)]	$ 25,410	$ 17,920	+41.8%	$ 58,077	$ 48,036	+20.9%
Payout Ratio [(1)]	66.1%	86.5%	-23.3%	57.8%	64.5%	-10.8%
Annualized distribution yield on preferred capital invested [(1)]	12.8%	12.2%	+60pts	12.4%	12.6%	-20pts
New invested capital	$ 76,196	$ 32,749	+132.7%	$ 77,067	$ 153,632	-49.8%

***(1)** See Non-GAAP and other financial measures for discussion over managements usage of Non-GAAP and other financial measures used, including managements definition and analysis*

Trust Financial Results:

- **Net Book Value per unit** increased by $0.52 during the quarter to $25.83 per unit. The increase is driven by $0.92 per unit earnings and comprehensive income, which is inclusive of a $0.46 per unit foreign exchange gain, offset by a payment of $0.38 per unit in distributions to unitholders. For the six months ended June 30, 2026, Net book value per unit increased by $1.04 per unit, driven by $1.81 per unit earnings and comprehensive income, which is inclusive of a $0.91 per unit foreign exchange gain, offset by payment of $0.75 per unit in distributions to unit holders.
- **Total Revenue and Operating Income** increased 24.5% in the quarter and 13.3% year to date. Increases resulted from Partner distribution revenue on new preferred investments, as well as larger net realized and unrealized gains on Partner investments during the quarter and year to date.
- **Cash from / (used in) operations, prior to changes in working capital** increased in both comparable periods. In Q2 2025, the Trust invested the net proceeds of the $92 million convertible debenture into the Acquisition Entities, which was then used by the Acquisition Entities to repay outstanding senior debt.

Portfolio and Investment performance

- **Total Partner distribution revenue** increased 19.5% in the quarter and 15.4% year to date, reflecting higher preferred distributions from new and follow-on investments including Optimus, Renew, Shipyard, Cresa, and McCoy, made throughout 2025 as well as Kubik in 2026.
- **Alaris net distributable cash flow** increased 41.8% in the quarter and 20.9% year to date, from higher Partner distribution revenue highlighted above and lower cash taxes paid, partially offset by higher interest payments on the issuance of the convertible debentures in the second half of 2025. The payout ratio of 58% remained below the Trust's target range of 65%–70%.
- **Portfolio Returns:** The annualized yield on preferred capital invested was 12.8% in Q2 2026 and 12.4% year to date, consistent with the comparable periods in 2025.

RESULTS OF OPERATIONS

Net Gain on Corporate Investments

$ thousands except per unit amounts	Three months ended June 30 2026	2025	% Change	Six months ended June 30 2026	2025	% Change
Net gain on Corporate Investments	$ 18,564	$ 14,841	+25.1%	$ 31,907	$ 32,180	-0.8%
Net gain on Corporate Investments per unit	$ 0.41	$ 0.33	+24.2%	$ 0.70	$ 0.71	-1.4%

During the three months ended June 30, 2026, Net gain on Corporate Investments increased 25.1% compared to Q2 2025, and decreased 0.8% for the six months ended June 30, 2026. Net gain on Corporate Investments reflects the results of the underlying Acquisition Entities, including distribution revenue, realized gains or losses, and unrealized fair value adjustments, less amounts paid to the Trust for management fees, interest on intercompany debt and dividends.

The following tables present the results of the Acquisition Entities and the components of Net gain on Corporate Investments for the three and six months ended June 30, 2026 and 2025.

$ thousands	*Three months ended June 30* 2026	2025	% Change	*Six months ended June 30* 2026	2025	% Change
Total Partner related changes included in Net gain on Corporate Investments						
Partner distribution revenue - preferred	$ 49,065	$ 39,549	24.1%	$ 93,717	$ 80,128	17.0%
Partner distribution revenue - common	863	2,222	-61.2%	4,089	4,615	-11.4%
Net unrealized gain on Partner investments	10,844	5,475	98.1%	13,501	15,541	-13.1%
Net realized gain on Partners investments	1,604	1,099	46.0%	6,911	1,099	528.8%
Total	**$ 62,376**	**$ 48,345**	**29.0%**	**$ 118,218**	**$ 101,383**	**16.6%**
Acquisition Entities operating costs and other expenses (1)	(19,827)	(14,617)	35.6%	(38,842)	(31,990)	21.4%
Management and advisory fees paid to Trust	(5,682)	(4,789)	18.6%	(11,382)	(9,395)	21.1%
Interest on intercompany loans and dividend income paid to Trust (1)	(18,303)	(14,098)	29.8%	(36,087)	(27,818)	29.7%
Net gain on Corporate Investments	**$ 18,564**	**$ 14,841**	**25.1%**	**$ 31,907**	**$ 32,180**	**-0.8%**
Annualized distribution yield on preferred capital invested	12.8%	12.2%		12.4%	12.6%	

(1) Calculations for these Non-GAAP financial measure are included in the Appendix to this MD&A.

Total Partner Distributions

Preferred Partner distribution revenue increased 24.1% and 17.0% for the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. The increases primarily reflect contributions from new and follow-on investments and annual contractual resets increased aggregate Partner preferred distributions by approximately 4% in 2026. These increases were partially offset by deferred distributions from GWM and FMP.

Common distribution revenue decreased 61.2% and 11.4% for the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. The decrease does not reflect changes in underlying portfolio performance, but rather the timing of discretionary common distributions by Partners. Common distributions are inherently variable and are dependent on the operating performance and capital allocation decisions. Historically, the second quarter is seasonally the lightest quarter for common distributions, with the third quarter typically generating the highest level of distributions. Subsequent to quarter end, Alaris recorded and received US$14.8 million of common distributions, including US$13.8 million from Fleet.

The annualized distribution yield on preferred capital invested was 12.8% for the three months ended and 12.4% for the six months ended June 30, 2026, reflecting contractual preferred distributions relative to invested capital.

Fair Value Adjustments

During the three months ended June 30, 2026, the Acquisition Entities recorded $12.4 million of net unrealized fair value gains, partially offset by the reclassification of $1.6 million of realized gains recognized on redemptions, resulting in a $10.8 million net increase in Partner investments (2025 – $5.5 million).

Fleet accounted for the majority of the quarter's fair value appreciation, increasing US$8.1 million during Q2 and US$18.8 million year-to-date. Alaris' common equity investment in Kubik also increased by $6.3 million during the quarter, with smaller valuation changes across seven other Partners. Including the fair value adjustments recognized in Q1 2026, Partner investments increased by a net $13.5 million for the six months ended June 30, 2026. Refer to the Partner section (page 18) for additional information.

During Q2 2026, a portion of the legacy Ohana investment was redeemed, resulting in a realized gain of US$1.1 million (CAD$1.6 million) and the reclassification of previously recognized unrealized gains to realized gains. In addition, 3E redeemed 57% of its preferred equity investment during the first quarter. Combined, these transactions resulted in realized gains of US$4.9 million (CAD$6.9 million) for the six months ended June 30, 2026.

Operating Costs and Expenses

Acquisition Entities operating costs and other expenses increased 35.6% and 21.4% for the three and six months ended June 30, 2026, respectively, compared to the corresponding periods in 2025. The increase primarily reflects higher deferred income tax expense, partially offset by lower current income tax expense and reduced transaction costs in 2026.

Intercompany Revenue Neutralization

Management and advisory fees, intercompany interest, and dividend income earned by the Trust from the Acquisition Entities are recognized as revenue by the Trust and as corresponding expenses by the Acquisition Entities. Accordingly, these items offset and have no net impact on earnings of the Trust.

Revenue and operating income

	Three months ended June 30			Six months ended June 30		
$ thousands except per unit amounts	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Net gain on Corporate Investments	$ 18,564	$ 14,841	+25.1%	$ 31,907	$ 32,180	-0.8%
Management and advisory fees	$ 6,244	$ 5,495	+13.6%	$ 12,584	$ 10,806	+16.5%
Interest and dividend income from Acquisition Entities	$ 18,108	$ 14,121	+28.2%	$ 35,794	$ 27,859	+28.5%
Total revenue and operating income	**$ 42,916**	**$ 34,457**	**+24.5%**	**$ 80,285**	**$ 70,845**	**+13.3%**
Total revenue and operating income per unit	$ 0.94	$ 0.76	+23.7%	$ 1.77	$ 1.56	+13.5%

Total revenue and operating income represent the aggregate returns generated by Alaris' Acquisition Entities and are primarily driven by the performance of the underlying Partner investments. The Trust earns income from the Acquisition Entities through net gains on Corporate Investments (including fair value adjustments), management and advisory fees, and interest and dividend income.

Management and advisory fees earned from the Acquisition Entities and third parties increased 13.6% and 16.5% for the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. The increase primarily reflects the growth of the investment portfolio resulting from new and follow-on investments completed throughout 2025.

Interest and dividend income increased approximately 28% for both the three and six months ended June 30, 2026, compared to the corresponding periods in 2025. The increase reflects higher distributions from the Acquisition Entities, together with increased interest income on incremental intercompany loans advanced by the Trust to fund the Cresa, McCoy, and Renew investments.

Trust's Operating and Finance costs

$ thousands except per unit amounts	Three months ended June 30 2026	2025	% Change	Six months ended June 30 2026	2025	% Change
General and administrative						
Salaries and benefits	$ 3,255	$ 2,027	+60.6%	$ 5,957	$ 4,534	+31.4%
Corporate and office	$ 2,500	$ 1,693	+47.7%	$ 4,037	$ 2,726	+48.1%
Legal and accounting fees	$ 647	$ 366	+76.8%	$ 1,360	$ 1,011	+34.5%
Total General and administrative	**$ 6,402**	**$ 4,086**	**+56.7%**	**$ 11,354**	**$ 8,271**	**+37.3%**
General and administrative per unit	$ 0.14	$ 0.09	+55.6%	$ 0.25	$ 0.18	+38.9%
Unit-based compensation	**$ 2,884**	**$ 1,333**	**+116.4%**	**$ 10,312**	**$ 5,175**	**+99.3%**
Unit-based compensation per unit	$ 0.06	$ 0.03	+100.0%	$ 0.23	$ 0.11	+109.1%
Finance costs	**$ 12,854**	**$ 1,646**	**+680.9%**	**$ 18,134**	**$ 2,798**	**+548.1%**
Finance costs per unit	$ 0.28	$ 0.04	+600.0%	$ 0.40	$ 0.06	+566.7%

General and Administrative Expenses

General and administrative expenses increased 56.7% and 37.3% for the three and six months ended June 30, 2026, respectively, compared to the same periods in 2025. The increase primarily reflects higher bonus accruals driven by realized gains on Partner redemptions recognized in 2026 and higher Partner distribution revenue compared to the prior year. Also contributing to the increase in the second quarter was the recognition of non-refundable GST related to prior periods. For the six-month period, the increase also reflects higher consulting fees associated with the development of the Total Return Participation Plan (the "TRP"), which was approved and implemented in Q1, and increased costs related to public company filings.

Unit-Based Compensation

Unit-based compensation expense increased 116.4% for the three months ended June 30, 2026, compared to the same period in 2025, primarily due to the increase in the Trust's unit price at quarter end, which resulted in a higher revaluation of the vesting units. For the six-month period, unit-based compensation expense increased 99.3%, reflecting both the higher unit price and the recognition of $3.1 million of compensation expense associated with the new TRP plan.

Finance Costs

Finance costs increased for the three and six months ended June 30, 2026, compared to the corresponding periods in 2025. The increase primarily reflects higher interest expense associated with the June and December 2025 issuances of convertible debentures, which increased finance costs by approximately $3.1 million and $6.1 million, respectively. Finance costs also include the remeasurement of the embedded conversion features of $7.6 million and $7.9 million, respectively, together with the amortization of associated transaction costs.

Earnings from operations and Earnings and comprehensive income

$ thousands except per unit amounts	Three months ended June 30 2026	2025	% Change	Six months ended June 30 2026	2025	% Change
Earnings from operations	**$ 33,496**	**$ 28,912**	**+15.9%**	**$ 58,354**	**$ 57,146**	**+2.1%**
Earnings from operations per unit	$ 0.73	$ 0.64	+14.1%	$ 1.28	$ 1.26	+1.6%
Earnings (loss) and comprehensive income (loss)	**$ 41,879**	**$ (17,935)**	**n/a**	**$ 82,284**	**$ 5,030**	**+1535.8%**
Earnings and comprehensive income per unit	$ 0.92	$ (0.39)	n/a	$ 1.81	$ 0.11	+1545.5%

Earnings from operations increased 15.9% for the three months ended June 30, 2026, compared to the same period in 2025, primarily reflecting higher Partner distribution revenue and net fair value gains. For the six-month period, earnings from operations increased 2.1%, as the benefit of higher Partner distribution revenue and net fair value gains was partially offset by compensation expense associated with the TRP Plan.

Earnings and comprehensive income increased for both the three and six months ended June 30, 2026, compared to the corresponding periods in 2025. The improvement was primarily attributable to unrealized foreign exchange gains in 2026, compared with unrealized foreign exchange losses in the prior year, reflecting the revaluation of the Trust's U.S.-denominated net assets at each reporting date.

Alaris net distributable cash flow

	Three months ended June 30			Six months ended June 30		
$ thousands except per unit amounts	2026	2025	% Change	2026	2025	% Change
Cash from / (used in) operations, prior to changes in working capital	**$ 23,477**	**$ (63,145)**	**n/a**	**$ 43,908**	**$ (43,328)**	**n/a**
Add back: Net invested / (return of) capital in Acquisition Entities	(4,866)	78,675		(6,884)	73,691	
Changes in working capital, Income tax payable and receivable	(660)	(2,308)		(109)	(2,282)	
Cash interest paid	(6,831)	-		(8,861)	(2,031)	
Distributable cash flow included in Net gain on Corporate Investments:						
Partner distribution revenue - preferred	49,065	39,549		93,717	80,128	
Partner distribution revenue - common	863	2,222		4,089	4,615	
Operating costs and other	(1,240)	(649)		(2,408)	(1,515)	
Transactions costs	(1,782)	(2,148)		(2,808)	(4,017)	
Finance costs and senior credit facility	(7,693)	(7,697)		(14,588)	(14,308)	
Acquisition Entities cash taxes paid	(347)	(7,170)		(62)	(5,182)	
Management and advisory fees paid to Trust	(5,682)	(4,789)		(11,382)	(9,395)	
Interest on intercompany loans	(5,918)	(3,051)		(11,717)	(6,244)	
Acquisition Entities dividends paid to Trust	(12,385)	(11,047)		(24,370)	(21,574)	
Realized loss on foreign exchange contracts	(591)	(522)		(448)	(522)	
Alaris net distributable cash flow	**$ 25,410**	**$ 17,920**	**+41.8%**	**$ 58,077**	**$ 48,036**	**+20.9%**
Alaris net distributable cash flow per unit	$ 0.56	$ 0.39	+43.6%	$ 1.28	$ 1.06	+20.8%

Note - In the prior year the Trust refined the calculation of its Non-GAAP financial measure – see section Non-GAAP and other financial measures.

Alaris net distributable cash flow per unit increased by 43.6% in Q2 2026 and 20.8% year to date, as compared to the corresponding periods in 2025. In both periods the increases primary reflect higher preferred Partner distribution revenue together with lower cash taxes paid by the Acquisition Entities in 2026.

The actual payout ratio for the six months ended June 30, 2026 was 58%, compared to 65% in the prior-year period. Giving effect to the recent distribution increase, the pro forma payout ratio for the six-month period was 59%, remaining below the Trust's target payout ratio of 65% to 70%.

Net book value

$ thousands except per unit amounts	30-Jun 2026	31-Mar 2026	31-Dec 2025	30-Jun 2025
Total Assets	$ 1,481,871	$ 1,452,372	$ 1,421,000	$ 1,251,338
Total Liabilities	$ 302,873	$ 304,112	$ 296,829	$ 178,515
Net book value	**$ 1,178,998**	**$ 1,148,260**	**$ 1,124,171**	**$ 1,072,823**
Shares outstanding	45,641	45,361	45,339	45,513
Net book value per unit	$ 25.83	$ 25.31	$ 24.79	$ 23.57

Net book value increased by $0.52 during the quarter to $25.83 per unit at June 30, 2026. The increase was driven by $0.92 per unit of earnings and comprehensive income, which is inclusive of $0.46 per unit foreign exchange gain and offset by $0.38 per unit in distributions to unitholders. For the six months ended June 30, 2026, Net book value per unit increased by $1.04 per unit. The year-to-date increase is driven by $1.81 per unit earnings and comprehensive income, which is inclusive of $0.91 per unit foreign exchange gain and offset by $0.75 per unit in distributions to unit holders.

SUMMARY OF QUARTERLY RESULTS

The below tables summarize Alaris' key consolidated financial information for the eight most recently completed quarters.

Quarterly Results Summary *$ thousands*	Q2-26	Q1-26	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24	Q3-24
Revenues	$ 42,916	$ 37,369	$ 30,911	$ 74,946	$ 34,457	$ 36,388	$ 26,666	$ 69,514
Earnings	$ 41,879	$ 40,405	$ (243)	$ 86,025	$ (17,935)	$ 22,965	$ 77,940	$ 51,027
Basic earnings per unit	$ 0.92	$ 0.89	$ (0.01)	$ 1.90	$ (0.39)	$ 0.50	$ 1.71	$ 1.12
Diluted earnings per unit	$ 0.83	$ 0.81	$ (0.01)	$ 1.76	$ (0.39)	$ 0.50	$ 1.69	$ 1.11
Net book value per unit	$ 25.83	$ 25.31	$ 24.79	$ 25.10	$ 23.57	$ 24.34	$ 24.22	$ 22.80
Period end USD to CAD exchange rate	$ 1.42	$ 1.39	$ 1.37	$ 1.39	$ 1.37	$ 1.43	$ 1.44	$ 1.35

Over the eight most recently completed quarters, revenue has demonstrated an overall upward trend, reflecting the Trust's continued deployment of capital into new and existing partner investments, growth in preferred Partner distributions and appreciation in the fair value of the investment portfolio. Revenue is also influenced by the timing of common distributions and changes in fair value of Partner investments, with third quarter typically representing the strongest revenue period. Q3 is a seasonally higher revenue period driven by the timing of common distributions and a generally higher period for fair value movement.

Quarterly earnings may fluctuate independently of revenue due to unrealized foreign exchange gains and losses arising from the revaluation of the Trust's U.S.-denominated net assets. Accordingly, earnings and earnings per unit are not necessarily indicative of the underlying operating performance or cash-generating ability of the business.

Net book value per unit has remained relatively stable over the period, with changes primarily reflecting fair value adjustments on Partner investments and period-end foreign exchange movements.

OUTLOOK

In Q2 2026, the Trust and its Acquisition Entities generated $50.6 million of total revenue from Partners, comprising $49.9 million of Partner distributions and $0.7 million of third-party transaction and management fees. This was ahead of previous guidance of $47.9 million, or 5.6%, primarily due to a higher foreign exchange rate realized on U.S. dollar distributions. The quarter reflects contributions from recent investments in Kubik, Renew and Optimus, together with continued growth in the existing portfolio.

Total Partner revenue for Q3 2026 is expected to be approximately $69.2 million, reflecting the seasonal concentration of common distributions in the third quarter, together with recent investment activity. Actual results may vary based on the timing and amount of discretionary common distributions. The Q3 outlook includes expected common distributions of $20.4 million, including US$13.8 million recorded from Fleet subsequent to June 30, 2026.

Management currently estimates Run Rate Revenue for the next twelve months to be approximately $208.4 million, based on contractual Partner distributions and management's assumptions as of the date of this MD&A.

Run Rate Outlook

The Run Rate Cash Flow table below presents management's estimate of the Trust's and its Acquisition Entities' combined cash generation over the next twelve months. This forward-looking supplementary financial measure illustrates projected Alaris net distributable cash flow, less expected distributions to unitholders, and provides an indication of the Trust's expected cash generation capacity. This measure may not be comparable to similar measures presented by other issuers.

Run rate general and administrative expenses are currently estimated at approximately $20.5 million, including public company costs incurred by both the Trust and its Acquisition Entities. The analysis assumes annual distributions of $1.52 per unit, consistent with the Trust's most recent distribution announcement. Based on current revenue and expense assumptions, the Run Rate Payout Ratio is expected to range between 60% and 65%.

The Run Rate Payout Ratio does not include the impact of potential future investments. The table below also presents the estimated after-tax impact of incremental net investments, the impact of a 1% increase in the interest rates based on current outstanding U.S. dollar debt, and the impact of a $0.01 change in the USD/CAD exchange rate.

Run Rate Cash Flow *$ thousands except per unit*		**Amount ($)**	**$ / Unit**
Run Rate Revenue, Partner Distribution revenue		**$ 208,400**	**$ 4.57**
General and administrative expenses		(20,500)	(0.45)
Third party Interest and taxes		(78,800)	(1.73)
Net cash from operating activities		**$ 109,100**	**$ 2.39**
Distributions paid		(69,400)	(1.52)
Run Rate Cash Flow		**$ 39,700**	**$ 0.87**
Other considerations (after taxes and interest):			
New investments	Every $50 million deployed @ 14%	+2,790	+0.06
Interest rates	Every 1.0% increase in interest rates	-3,500	-0.08
USD to CAD	Every $0.01 change of USD to CAD	+/- 990	+/- 0.02

LIQUIDITY AND CAPITAL RESOURCES

Credit Facility

The US$450 million facility, held jointly by AEP and Alaris USA and guaranteed by the Trust, is secured by a general security agreement over the Trust's assets and syndicated among Canadian chartered banks. At June 30, 2026, US$322.8 million was drawn on the facility.

Borrowings bear interest at variable rates based on Canadian Overnight Repo Rate Average ("**CORRA**"), Canadian Prime Rate, U.S. Base Rate, or Secure Overnight Financing Rate ("**SOFR**"), depending on currency of the borrowing. The annualized blended borrowing rate, including standby fees, averaged 6.22% for the six months ended June 30, 2026.

Convertible Debentures

The Trust has $207.0 million of convertible unsecured senior debentures outstanding, consisting of:

- $92.0 million issued in June 2025, bearing interest at 6.50% per annum and maturing on June 30, 2030. The debentures are convertible at the holder's option at $24.85 per Trust unit (approximately 40.2414 units per $1,000 principal) and are non-redeemable prior to June 30, 2028.
- $115.0 million issued in December 2025, bearing interest at 6.25% per annum and maturing on December 31, 2030. These debentures are convertible at the holder's option at $27.00 per Trust unit (approximately 37.0370 units per $1,000 principal) and are non-redeemable prior to December 31, 2028.

Following the applicable non-redemption periods, both series may be redeemed by the Trust, subject to the conditions set out in the applicable indentures.

Senior Unsecured Debentures

The Trust's $65.0 million of senior unsecured debentures issued in 2022 remain outstanding and mature on March 31, 2027. The debentures bear interest at 6.25% per annum and are redeemable at the Trust's option at par, plus accrued and unpaid interest. In accordance with the terms of the indenture, the Trust may satisfy its obligation to repay principal at maturity or upon redemption through the issuance of freely tradeable Trust units.

Distributions

During Q2 2026, the Trust declared a quarterly distribution of $0.38 per unit, payable on July 15, 2026, for a distribution of $17.3 million (Q2 2025 – $0.34 per unit; $15.5 million). For the six months ended June 30, 2026, total distributions declared were $0.75 per unit, or $34.1 million in aggregate (2025 – $0.68 per unit; $31.0 million).

Financial Instruments

Financial instruments include contractual agreements that give rise to a financial asset for one party and a corresponding financial liability or equity instrument for another. On initial recognition, financial instruments, including derivatives, are recorded at fair value. Subsequent measurement depends on classification as either amortized cost or fair value through profit or loss ("FVTPL").

The Trust applies the following classifications:

Financial Instrument	Measurement Method
Cash	Amortized cost
Accounts receivables	Amortized cost
Corporate Investments	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Distribution payable	Amortized cost
Senior unsecured debenture	Amortized cost
Convertible debenture	Amortized cost
Conversion component of convertible debenture	FVTPL

The Trust and its Acquisition Entities use derivative financial instruments to manage exposure to foreign currency and interest rate risk.

Foreign Exchange Contracts

Forward foreign exchange contracts are used to hedge a portion of expected Canadian dollar-denominated distributions and expenses, reducing the impact of fluctuations in the USD/CAD exchange rate on future cash flows. These contracts are remeasured at each reporting date, with unrealized gains or losses recorded in profit or loss of the Acquisition Entities.

As at the date of this MD&A, Alaris had forward foreign exchange contracts outstanding to sell US$33.5 million at a weighted average exchange rate of CAD$1.37 per US$1.00 over the next 16 months.

Interest Rate Swaps

Interest rate swaps are used to manage the Trust's exposure to variable-rate borrowings under its credit facility by fixing the interest rate on a portion of its outstanding debt. As at June 30, 2026, the Acquisition Entities had three interest rate swaps outstanding:

- US$50 million fixed at 2.99% through July 2026
- US$50 million fixed at 3.35% through October 2028; and
- US$50 million fixed at 3.23% through July 2029.

Collectively, these swaps convert US$150.0 million of floating-rate borrowings into fixed-rate obligations for the respective contract terms.

Contractual Obligations

The Trust has the following financial instruments, including expected contracted payments, which mature as follows:

30-Jun-26 *$ thousands*	Total	0-6 Months	6 mo – 1 yr	1 – 2 years	Year 3 and Thereafter
Accounts payable and accrued liabilities	$ 5,910	$ 2,757	$ 107	$ 2,157	$ 889
Distributions payable	17,344	17,344	-	-	-
Senior unsecured debenture (1)	69,062	2,031	67,031	-	-
Convertible debenture (1)	260,340	3,594	6,584	13,168	236,994
Total	$ 352,656	$ 25,726	$ 73,722	$ 15,325	$ 237,883

(1) Includes expected interest payments in addition to the principal repayment at maturity.

Through its ownership of the Acquisition Entities, the Trust is also exposed to the following financial instruments, including expected contractual payments:

30-Jun-26 *$ thousands*	Total	0-6 Months	6 mo – 1 yr	1 – 2 years	Year 3 and Thereafter
Accounts payable and accrued liabilities	$ 4,198	$ 4,198	$ -	$-	$-
Derivative contracts	961	961	-	-	-
Senior credit facility(1)	616,302	15,035	15,035	30,069	556,164
Total	$ 621,461	$ 20,194	$ 15,035	$ 30,069	$ 556,164

(1) Includes estimated interest payments in addition to the principal repayment at maturity. Estimated interest payment are calculated based on current outstanding balance drawn as of June 30, 2026

Liquidity and Risk Management

The Trust and its subsidiaries actively monitor liquidity and market risks to ensure sufficient financial flexibility to meet operating requirements, debt obligations, and investment commitments. Financial instruments and related obligations mature over a range of short and long-term periods, with expected cash outflows including both principal and interest.

Management expects the Trust to meet its obligations as they become due through a combination of cash on hand, operating cash flows, available capacity under its credit facility, refinancing or amendments to existing financing arrangements, proceeds from Partner redemptions, issuance of Trust units (subject to market conditions), and other financing alternatives. In addition, under the terms of the 2022 senior unsecured debentures, the Trust may elect to satisfy all or a portion of the principal amount at redemption or maturity through the issuance of freely tradeable Trust units. Liquidity forecasts are prepared on a regular basis to support operating requirements, capital deployment, debt servicing, and compliance with financial covenants.

At June 30, 2026, approximately US$127.2 million remained available under the credit facility, providing the Trust with continued liquidity to fund future investments and working capital requirements.

The Trust's risk management framework addresses exposure to credit, liquidity and market risks, including interest rate and foreign exchange risk. Additional information is provided in the accompanying consolidated financial statements.

OUTSTANDING UNITS

The Trust is authorized to issue an unlimited number of Trust units. As at June 30, 2026, and as of the date of the MD&A, 45,641,495 units were issued and outstanding.

During the six months ended June 30, 2026, 232,339 units were issued upon the vesting of the directors and management Restricted Trust Units (“RTUs”), and 70,345 units were issued in connection with the vesting of awards under the managements TRP plan. As of the date of the MD&A, 652,399 RTUs remained outstanding under the Trust’s long-term incentive plan.

TRANSACTIONS WITH RELATED PARTIES

Intercompany Transactions

The Trust earned management and advisory fees of $6.2 million for the three months ended June 30, 2026 (2025 – $5.5 million), comprising $5.5 million from the Acquisition Entities (2025 – $4.8 million) and $0.7 million from third parties (2025 – $0.7 million). For the six months ended June 30, 2026, management and advisory fees totaled $12.6 million (2025 – $10.8 million), consisting of $11.2 million from the Acquisition Entities (2025 – $9.4 million) and $1.4 million from third parties (2025 – $1.4 million).

At June 30, 2026, there were no amounts receivable from the Acquisition Entities (December 31, 2025 – $2.1 million receivable).

The Trust has U.S. dollar-denominated intercompany loans outstanding to the Acquisition Entities with contractual terms ranging from three to ten years. The loans are repayable at any time without penalty and bear interest at rates ranging from 10% to 12% per annum.

Intercompany interest income totaled $5.7 million for the three months ended June 30, 2026 (2025 – $3.1 million) and $11.4 million for the six months ended June 30, 2026 (2025 – $6.3 million).

Dividends received from the Acquisition Entities totaled $12.4 million during the three months ended June 30, 2026 (2025 – $11.1 million) and $24.4 million during the six months ended June 30, 2026 (2025 – $21.6 million). These dividends are recognized within Revenue and Operating Income.

Credit Facility

The senior secured credit facility is held jointly by AEP and Alaris USA, guaranteed by the Trust and secured by a general security agreement over substantially all assets. The facility is syndicated among Canadian chartered banks.

At June 30, 2026, US$322.8 million (CAD$458.4 million) was drawn on the facility, compared to US$312.8 million (CAD$428.3 million) at December 31, 2025.

As at June 30, 2026, the Acquisition Entities were in compliance with all financial covenants, including:

Covenant	Requirement	June 30, 2026
Funded debt to contracted EBITDA	Maximum 3x	2.4x
Fixed charge coverage ratio	Minimum 1x	1.54x
Tangible net worth	Minimum $732 million	$1,179 million

Other Considerations

The Trust has no contractual obligation to provide additional financial support to its unconsolidated subsidiaries. However, the Trust remains exposed to changes in the financial condition of the Acquisition Entities, as changes in their net asset values affect the fair value of the Trust’s investments.

SUMMARY OF CONTRACTUAL OBLIGATIONS

The Trust's material contractual obligations consist primarily of its senior unsecured debentures, convertible unsecured senior debentures, office lease commitments and, through its Acquisition Entities, its senior secured credit facility, each of which is described under "Liquidity and Capital Resources”. Through its Acquisition Entities, the Trust has a remaining commitment to invest an additional US$5.0 million in Tesco. This commitment is incremental to the initial investment completed subsequent to June 30, 2026 and is contingent upon Tesco achieving specified financial performance thresholds.

Management is not aware of any other material contractual obligations that are expected to have a significant impact on the Trust's liquidity or capital resources.

PARTNER INVESTMENT OVERVIEW

Alaris' investment approach focuses on providing long-term capital to established, cash-generative private businesses with recurring revenue characteristics and experienced management teams. The Trust typically invests using preferred equity structures designed to generate contractual distributions, complemented by selective common equity positions in certain Partners. The portfolio is diversified across industries and geographies and is managed through ongoing monitoring of Partner performance and investment terms.

Investment Structure

Investments are held through the Acquisition Entities and are primarily structured as preferred partnership or equity interests, or Partner loans. Preferred distributions generally reset annually based on an agreed top-line performance metric, which may include sales, gross profit, or same-store sales, depending on the Partner. These annual resets provide an embedded mechanism for contractual distribution growth while preserving downside protection. Certain investments, including Sono Bello and Ohana, include fixed distribution rates and additional participation features in common equity upside, including conversion rights.

In addition to preferred investments, Alaris selectively invests in common equity alongside preferred equity or loan investments. These typically represent a smaller share of total invested capital, as of the date of this MD&A, common equity holdings at acquisition cost totaled $359.5 million or 19% of total invested capital. These investments provide additional long-term value creation through both capital appreciation and common distributions and are reflected in Run Rate Revenue based on managements estimates of Partner distributions over the next twelve months.

Governance and Partner Relationship

Alaris is not involved in the day-to-day management of its Partners and does not generally exercise control. Instead, Alaris maintains protective covenants designed to preserve the value if its investments and safeguard contractual distribution payments.

Partners are generally required to obtain Alaris' consent before undertaking material transactions outside the normal course of business, including acquisitions or divestitures, significant capital expenditures, changes in executive management, new borrowings or changes to existing debt arrangements, or structural reorganizations. This governance framework supports transparency while allowing management teams to continue operating their business independently.

Investment Thesis

Alaris targets businesses that generally demonstrate the following characteristics:

1. **Established operating history** – Partners are typically mature businesses; the average Partner operating history is approximately 30 years.
2. **Strong and recurring cash flow generation** – a demonstrated ability to generate cash flow to support long-term contractual distribution obligations.
3. **Conservative leverage** – capital structures intended to support resiliency and reinvestment capacity.
4. **Low capital intensity** – Asset-light or service-oriented business models with modest ongoing capital expenditure requirements.
5. **Experienced management teams** – Proven operators with demonstrated track records of creating long-term value.

Since inception, Alaris has completed 48 Partner investments and 23 exits, generating a median IRR of 19% and an aggregate realized return of approximately 65%.

Investment History

Since inception, Alaris has deployed over $3.3 billion across 48 Partners investments through over 100 individual financings. During the five fiscal years from 2021–2025, the Trust invested an average of approximately $311 million annually. Total capital invested in 2026 is $126.1 million, including the investment in Tesco, completed subsequent to June 30, 2026.

Partner Performance

The ECR is a key measure of the sustainability of Partner distributions and the overall health of the portfolio. ECR measures a Partner's earnings relative to its contractual distribution obligations. An ECR above 1.0x indicates that a Partner is generating sufficient earnings to fully support its contractual distributions.

Because interim Partner information is unaudited and provided by Partner management, ECRs are disclosed within ranges based on the most current information available.

Alaris' current portfolio has a weighted average ECR of approximately 1.5x. Approximately 84% of contractual preferred distributions are generated by Partners with ECR's above 1.2x, reflecting the overall strength of the portfolio.

- 9 Partners reported ECRs greater than 2.0× *(Amur, Carey Electric, Cresa, Edgewater, Fleet, Kubik, LMS, Renew, and SCR)*.
- 3 Partners reported ECR's between 1.5x–2.0x *(DNT, Sagamore, and Berg)*.
- 7 Partners reported ECR's between 1.2x–1.5x *(3E, Accscient, D&M, Optimus, PEC, Shipyard, and Sonobello)*.
- 2 Partners reported ECR's between 1.0x–1.2x (Ohana and *Tesco*).
- 4 Partners reported ECR's below 1.0x *(FMP, GWM, Heritage, and McCoy)*.

Capital Structure

Alaris structures each investment based on the Partner's cash flow profile, capital structure and distribution coverage, with the objective of maintaining strong downside protection and long-term distribution sustainability.

Of the current portfolio, 16 of 25 Partners had either no senior debt or senior leverage below 1.0x senior debt to EBITDA, supporting the overall resilience of the portfolio.

Distribution Resets

Annual distribution resets are a key feature of many Partner investments. Contractual distributions are generally adjusted based on agreed operating performance metrics, including revenue, gross profit or same-store sales, depending on the Partner. This structure provides the opportunity for contractual distribution growth while maintaining alignment with Partner operating performance.

The following table summarizes each Partner's investment metrics and recent performance, including capital invested (net of redemptions), estimated Run Rate Revenue for the next twelve months, ECR range, year-over-year revenue and EBITDA changes, and unrealized fair value movements for the three and six months ended June 30, 2026. Commentary below highlights material changes during the period.

Partner	Original Investment Date	Current Total Invested (000's)	Run Rate Revenue (000's)	As a % of total	ECR Range	2026 Reset	Year-to-date changes in (1)		Fair Value Changes		Fair Value (000's)
							Revenue	EBITDA	Three months	Year to date	
Sono Bello	Sep 2018	US $152,277	US $14,444	9%	1.2x - 1.5x	n/a	↓	↓	nil	nil	US $164,277
Ohana	Nov 2014	US $133,865	US $9,185	6%	1.0x - 1.2x	n/a	↑	↓	US +$430	US +$430	US $152,666
Optimus	Nov 2025	CA $115,522	CA $11,050	6%	1.2x - 1.5x	n/a	↓	↓	nil	nil	CA $115,522
Shipyard	Aug 2023	US $108,500	US $13,209	9%	1.2x - 1.5x	2%	↓	↓	nil	US ($6,300)	US $116,900
GWM	Nov 2018	US $106,000	US $7,366	5%	< 1.0x	-8%	↓	↓	US ($900)	US ($900)	US $63,577
D&M	Jun 2021	US $80,207	US $10,511	7%	1.2x - 1.5x	7%	↑	↑	US +$1,000	US +$2,500	US $85,707
Kubik	Apr 2026	CA $75,300	CA $8,125	4%	> 2.0x	n/a	n/a	n/a	CA +$6,300	CA +$6,300	CA $81,600
Accscient	Jun 2017	US $72,000	US $9,694	7%	1.2x - 1.5x	5%	↓	↔	nil	US ($600)	US $73,077
Amur	Jun 2019	CA $70,000	CA $7,718	4%	> 2.0x	6%	↓	↑	nil	CA +$900	CA $96,400
DNT	Jun 2015	US $62,800	US $12,334	9%	1.5x - 2.0x	6%	↔	↓	nil	nil	US $70,643
PEC	Feb 2025	US $61,120	US $4,817	3%	1.2x - 1.5x	-7% (3)	↓	↓	nil	nil	US $58,120
LMS	Feb 2007	CA $56,000	CA $7,736	4%	> 2.0x	9%	↓	↓	nil	nil	CA $46,007
Cresa	May 2024	US $50,500	US $7,364	5%	> 2.0x	7%	↑	↑	nil	US +$900	US $54,000
SCR	May 2013	CA $40,000	CA $4,200	2%	> 2.0x	n/a	↓	↓	nil	nil	CA $19,203
FMP	Apr 2023	US $40,000	US $0	0%	< 1.0x	n/a	↓	↓	nil	nil	US $20,200
Tesco	Jul 2026	US $35,000	US $3,920	3%	1.0x - 1.2x	n/a	n/a	n/a	nil	nil	US $35,000
Edgewater	Dec 2020	US $34,000	US $4,662	3%	> 2.0x	6%	↑	↑	nil	nil	US $63,000
Renew	Nov 2025	US $30,000	US $3,710	3%	> 2.0x	n/a	n/a	n/a	US +$700	US +$700	US $30,700
McCoy	Aug 2025	US $27,000	US $2,660	2%	< 1.0x	n/a	n/a	n/a	US ($2,800)	US ($2,800)	US $24,200
Sagamore	Nov 2022	US $24,000	US $3,040	2%	1.5x - 2.0x	2%	↓	↓	US ($1,500)	US ($3,400)	US $25,900
Fleet	Jun 2018	US $23,000	US $2,168	1%	> 2.0x	-2%	↑	↑	US +$8,100	US +$18,800	US $116,635
Heritage (2)	Jan 2018	US $21,500	US $0	0%	< 1.0x	n/a	↓	↑	nil	nil	US $5,800
Berg	Feb 2025	US $21,000	US $2,569	2%	1.5x - 2.0x	7%	↑	↓	US ($700)	US ($700)	US $21,900
Carey Electric	Jun 2020	US $19,200	US $2,249	2%	> 2.0x	5%	↓	↓	nil	nil	US $19,280
3E	Feb 2021	US $16,865	US $2,589	2%	1.2x - 1.5x	6%	↓	↓	nil	US +$777	US $19,128

(1) The year-to-date changes in Revenue and EBITDA are based on unaudited information provided by management of each Private Company Partner and are summarized here based on being either relatively consistent or whether or not they've increased or decreased, when compared against the same period in 2025.
(2) Includes loans made to Heritage that are considered long-term.
(3) PEC's fiscal year end is June, reset of -7% is applied to distributions July 2026 onwards.

Partner Commentary — Significant Developments

The following discussion highlights Partners that experienced significant fair value movements (greater than $2.5 million during the quarter or $5.0 million year to date), distribution deferrals, covenant-related developments or significant investment activity during the period. Partners not discussed below did not experience material valuation changes or other significant developments during the period.

Fair Value Increases

Fleet's common equity fair value increased by US$8.1 million during the quarter and US$18.8 million year to date. The increase primarily reflects continued growth in origination volume added to Fleet's syndication backlog, improved operating performance and an increase in Alaris' ownership interest resulting from profits interest allocations and equity redemptions.

Kubik's common equity fair value increased by $6.3 million during the quarter. The increase reflects the successful conversion of backlog into revenue during the first half of 2026, continued strength in the remaining backlog, favorable market conditions and ongoing customer wins.

Fair Value Decreases and Distribution Developments

McCoy's fair value decreased by US$2.8 million during the quarter, including a US$2.0 million reduction in the preferred equity investment and a US$0.8 million reduction in the common equity investment. The decrease reflects softer operating performance during the first half of 2026, primarily due to lower storm-related activity ahead of the company's seasonally stronger second half of the year.

Shipyard’s fair value decreased by a total of US$6.3 million during the six months ended June 30, 2026, inclusive of a US$4.6 million decrease in the common equity investment and a decrease of US$1.7 million in the preferred equity investment. The reduction was recognized during the first quarter of 2026 and reflects a lower operating outlook for the second half of 2026 and into 2027 following the loss of a significant customer.

Investment Activity

During the quarter, Alaris completed a $75.3 million investment in Kubik. The Trust also redeemed its common equity investment in Down Under Growth Partners ("DUGP"), a legacy investment associated with Ohana, for proceeds of US$3.1 million, resulting in a realized gain of US$1.1 million.

Subsequent to June 30, 2026, Alaris completed an initial investment of US$35.0 million in Tesco.

As previously disclosed in the MD&A for the three months ended March 31, 2026, 3E partially redeemed Alaris' preferred investment, resulting in a realized gain of US$3.8 million.

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking information and forward-looking statements (collectively, “forward-looking statements”) within the meaning of applicable securities laws, including any applicable safe harbor provisions. Statements other than statements of historical fact may constitute forward-looking statements.

Forward-looking statements include, without limitation, statements regarding management’s expectations, intentions, beliefs, plans, objectives, projections and estimates concerning:

- the Trust’s growth, results of operations and financial performance;
- the performance and financial position of the Partners;
- future distributions, resets and redemptions;
- capital deployment plans and financing activities; and
- the Trust’s business strategy and objectives.

Forward-looking statements may be identified by terminology such as “believe”, “expect”, “anticipate”, “intend”, “will”, “may”, “estimate”, “project”, “continue” and similar expressions, including the negative thereof.

Specific Forward-Looking Statements Included in this MD&A

This MD&A includes forward-looking statements relating to, among other matters:

- anticipated financial and operating performance of the Partners, including expected distribution resets and ECR levels;
- total Partner Revenue, Run Rate Revenue, Run Rate Cash Flow and Run Rate Payout Ratio;
- net cash from operating activities;
- the timing and amount of common distributions;
- the impact of new and follow-on investments;
- potential Partner redemptions and the reinvestment of proceeds;
- the impact of interest rate movements, including SOFR;
- the impact of fluctuations in the USD/CAD exchange rate;
- expected gains on common equity investments and future exits;
- the use of proceeds from the senior credit facility and other capital raising activities;
- the impact of U.S. government procurement changes affecting FMP; and
- the Trust’s ability to attract new private businesses and deploy capital on acceptable terms.

Financial Outlook and Future-Oriented Financial Information (FOFI)

To the extent that forward-looking statements herein constitute financial outlook or future-oriented financial information (“FOFI”) — including estimates regarding revenues, expenses, distributions, Run Rate metrics, net cash from operating activities, or the impact of capital investments and distribution resets — such information:

- has been approved by management as of the date of this MD&A;
- is provided to assist readers in understanding management’s current expectations regarding financial performance; and
- may not be appropriate for other purposes.

FOFI is subject to the same assumptions, risks and uncertainties as other forward-looking statements described herein.

Assumptions Underlying Forward-Looking Statements

Forward-looking statements are based on a number of material assumptions, including but not limited to:

Economic and Market Assumptions:

- that the Canadian and U.S. economies will perform substantially in line with prevailing expectations over the next 12–24 months;
- that interest rates and tax rates will not vary materially from current market expectations;
- that the USD/CAD exchange rate will remain within a reasonable range of recent levels;
- that global geopolitical conflicts, including Russia/Ukraine, Iran conflict, and other Middle East conflicts, will not materially disrupt economic conditions; and
- that global health events will not materially impact economic activity.

Partner-Specific Assumptions:

- that the majority of Partners will continue to generate sufficient earnings to support contracted distributions;
- that no material adverse developments will impair a Partner's ability to fulfill its payment obligations;
- that deferred distributions will be resolved in line with expectations; and
- that new and follow-on investments will perform in accordance with underwriting assumptions.

Capital and Financing Assumptions:

- that Alaris will have continued access to debt and equity financing on acceptable terms;
- that credit facilities will remain available and covenant compliance will be maintained; and
- that capital deployment opportunities will continue to arise within the private markets.

Although management believes these assumptions are reasonable as of the date hereof, they may prove to be inaccurate.

Risks and Uncertainties

Forward-looking statements are subject to known and unknown risks and uncertainties that may cause actual results to differ materially from those expressed or implied. These include, without limitation:

Partner and Portfolio Risks:

- dependence on the financial performance of the Partners;
- changes in a Partner's ability to pay distributions;
- defaults, deferred payments or redemptions;
- failure to collect redemption proceeds or deferred distributions as expected; and
- limited diversification within the portfolio.

Economic and Market Risks:

- general economic conditions in Canada, the United States and globally;
- inflation, supply chain disruptions and trade disputes including, without limitation, tariffs affecting the Trust, Acquisition Entities, or the Partners;
- interest rate volatility;
- foreign exchange fluctuations; and
- geopolitical instability including, without limitation, the Russia/Ukraine conflict, the Iran conflict, and other conflicts in the Middle East.

Financing and Structural Risks:

- availability of financing;
- compliance with leverage and covenant requirements;
- inability to reinvest redemption proceeds on acceptable terms;
- dilution and volatility in the trading price of the Trust's units.

Operational, Regulatory and Legal Risks:

- changes in legislation, taxation or regulation, or the interpretation thereof;
- litigation risk, including CRA reassessment matters;
- failure to obtain required regulatory approvals;
- cybersecurity risks and technology disruptions;
- reliance on key personnel; and
- risks associated with unaudited information provided to the Trust by the Partners

Additional risk factors are described in the Trust's Annual Information Form and prior MD&A filings.

Caution Regarding Reliance

Forward-looking statements are not guarantees of future performance. Readers are cautioned not to place undue reliance on such statements.

The forward-looking statements contained herein are made as of the date of this MD&A. Except as required by applicable securities laws, the Trust undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

ADDITIONAL INFORMATION

Additional information relating to Alaris, including Alaris' Annual Information Form, is on available on SEDAR+ at www.sedarplus.ca or under the "Investors" section of Alaris' website at www.alarisequitypartners.com.

APPENDIX TO MD&A: NON-GAAP MEASURES AND RATIOS

(i) Payout Ratio calculation

The below table is to be used to provide details on how to calculate Alaris Payout Ratio. The calculation divides the Trust's distributions paid by Alaris net distributable cash flow. Alaris net distributable cash flow is most closely comparable to GAAP measure Cash from / (used in) operations, prior to changes in working capital and reconciled within this MD&A. The Trust also considers the Payout Ratio considering cash distributions used in the NCIB. Alaris net distributable cash flow is reduced by NCIB distributions prior to dividing by the Trust's distributions paid to derive the Payout Ratio adjusted for NCIB.

	Three months ended June 30		Six months ended June 30	
$ thousands	2026	2025	2026	2025
(1) **Alaris net distributable cash flow**	**$ 25,410**	**$ 17,920**	**$ 58,077**	**$ 48,036**
(2) Trust's Distributions	$ (16,784)	$ (15,496)	$ (33,559)	$ (31,007)
Actual Payout Ratio (2) / (1)	**66.1%**	**86.5%**	**57.8%**	**64.5%**
NCIB cash distributions (3)	$ -	$ (2,410)	$ -	$ (6,701)
(4) **Alaris net distributable cash flow adjusted for NCIB**	**$ 25,410**	**$ 15,510**	**$ 58,077**	**$ 41,335**
Actual Payout Ratio adj for NCIB (4) / (2)	**66.1%**	**99.9%**	**57.8%**	**75.0%**
Proforma distributions at $0.76 /unit for the six months ended June 30, 2026 (5)	n/a	n/a	$ (34,013)	n/a
Alaris net distributable cash flow proforma distribution increase (5) / (1)	**n/a**	**n/a**	**58.6%**	**n/a**

(ii) Acquisition Entities operating costs and other expenses and Interest on intercompany loans and dividend income paid to Trust

	Three months ended June 30		Six months ended June 30	
$ thousands	2026	2025	2026	2025
Acquisition Entities operating costs and other expenses				
Fair value loss on promissory notes	$ -	$ -	$ -	$ (1,146)
Operating costs and other	(1,240)	(649)	(2,408)	(1,515)
Transactions costs	(1,782)	(2,148)	(2,808)	(4,017)
Finance costs and senior credit facility	(7,693)	(7,697)	(14,588)	(14,308)
Acquisition Entities income tax recovery / (expense) - current	(2,373)	(4,686)	(6,469)	(9,850)
Acquisition Entities income tax recovery / (expense) - deferred	(6,999)	(551)	(12,771)	(2,469)
Net unrealized gain on derivative contracts	851	1,636	650	1,837
Realized loss on foreign exchange contracts	(591)	(522)	(448)	(522)
	$ (19,827)	**$ (14,617)**	**$ (38,842)**	**$ (31,990)**
Interest on intercompany loans and divided income paid to Trust				
Interest on intercompany loans	$ (5,918)	$ (3,051)	$ (11,717)	$ (6,244)
Acquisition Entities dividends paid to Trust	(12,385)	(11,047)	(24,370)	(21,574)
	$ (18,303)	**$ (14,098)**	**$ (36,087)**	**$ (27,818)**

Acquisition Entities operating costs and other expenses and Interest on intercompany loans and dividends income paid to the Trust are the aggregate of the below items incurred by the Acquisition Entities, that management does not consider directly attributable to the Trust's investment in Partners included in financial statement Note 3 of the accompanying unaudited condensed and consolidated interim financial statements.