ALARIS
EQUITY PARTNERS INCOME TRUST

MANAGEMENT DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2024

This management's discussion and analysis ("**MD&A**") is dated November 5th, 2024, and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2024, and 2023 for Alaris Equity Partners Income Trust ("**Alaris**" or the "**Trust**"). The Trust's condensed consolidated financial statements and the notes thereto have been prepared in accordance with International Accounting standard 34 and are recorded in Canadian dollars. Certain dollar amounts in the MD&A have been rounded to the nearest thousands of dollars.

This MD&A contains forward-looking statements that are not historical in nature and involve risks and uncertainties. Forward-looking statements are not guaranteed as to Alaris' future results since there are inherent difficulties in predicting those. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. See "Forward-Looking Statements" for a discussion of the risks, uncertainties and assumptions relating to those statements. Some of the factors that could cause results or events to differ from current expectations include, but are not limited to, the factors described under "Risks and Uncertainty". This MD&A also refers to certain Non-GAAP and Other Financial Measures, including Adjusted Earnings, components of Corporate Investments, EBITDA, Adjusted EBITDA, Alaris net distributable cashflow, Earnings Coverage Ratio, Run Rate Payout Ratio, Actual Payout Ratio, Run Rate Revenue, Run Rate Cash Flow, IRR and Per Unit amounts. The terms Adjusted Earnings, components of Corporate Investments, EBITDA, Adjusted EBITDA, Alaris net distributable cashflow, Earnings Coverage Ratio, Run Rate Payout Ratio, Actual Payout Ratio, Run Rate Revenue, Run Rate Cash Flow, IRR and Per Unit amounts (collectively, the "**Non-GAAP and Other Financial Measures**") are financial measures used in this MD&A that are not standard measures under International Financial Reporting Standards ("**IFRS**") . The Trust's method of calculating the Non-GAAP and Other Financial Measures may differ from the methods used by other issuers. Therefore, the Trust's Non-GAAP and Other Financial Measures may not be comparable to similar measures presented by other issuers.

Partner company names are referred to as follows: LMS Management LP and LMS Reinforcing Steel USA LP (collectively, "**LMS**"), SCR Mining and Tunneling, LP ("**SCR**"), Ohana Growth Partners, LLC ("**Ohana**"), formerly known as PF Growth Partners, LLC ("**PFGP**"), DNT Construction, LLC ("**DNT**"), Unify Consulting, LLC ("**Unify**"), Accscient, LLC ("**Accscient**"), Heritage Restoration, 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**"), and Cresa, LLC ("**Cresa**"). Former partner company names are referred to as follows: Brown & Settle Investments, LLC and a subsidiary thereof (collectively, "**Brown & Settle**"), Sandbox Acquisitions, LLC, Sandbox Advertising LP (collectively, "**Sandbox**"), and Stride Consulting LLC ("**Stride**").

The Non-GAAP and Other Financial Measures should only be used in conjunction with the Trust's audited consolidated financial statements, excerpts of which are available below, complete versions of these statements are available on SEDAR+ at sedarplus.ca

OVERVIEW

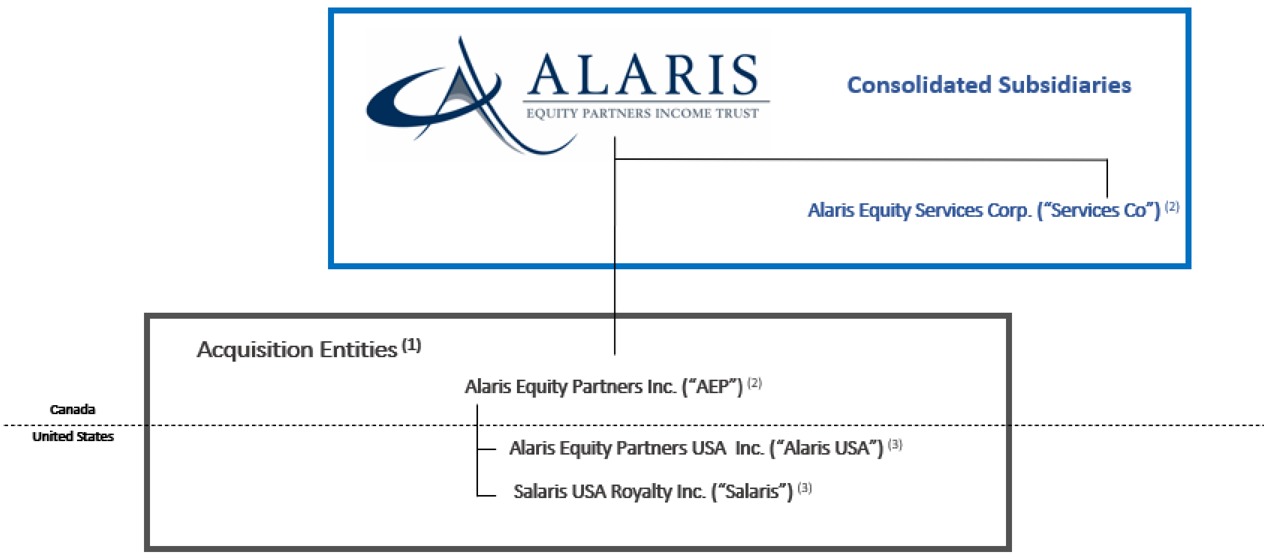
Alaris' investment and investing activity refers to providing equity to private companies to meet their business and capital objectives, which includes management buyouts, dividend recapitalization and growth and acquisitions. Alaris achieves this by investing its unitholder capital, as well as debt, through wholly-owned subsidiaries of Alaris, which are referred to as **"Acquisition Entities"**.

These investments into private businesses (individually, a "**Private Company Partner**" and collectively the "**Partners**") are primarily in the form of preferred equity, in addition to common equity, subordinated debt and promissory notes ("**Preferred Investments**"). The Acquisition Entities earn distributions, dividends and interest ("**Distributions**"), on preferred equity, subordinated debt and promissory notes that are received in regular monthly or quarterly payments that are contractually agreed to between the Acquisition Entity and each Private Company Partner. These payments are set for twelve months at a time and are adjusted annually based on the audited performance of each Private Company Partner's gross revenue, gross profit, same store sales or other similar "top-line" performance measures (the reset metric). The preferred equity investments have the ability to appreciate through these reset metrics and typically include a premium upon exit or redemption.

The Acquisition Entities' minority common equity investments in Partners participate in the growth and distributions in proportion to their ownership percentage. Receipt of Distributions on the common equity is not fixed in advance, but rather paid as cashflows permit and at the direction of the Partners' board. Alaris believes that the use of common equity in certain transactions will: (a) better align the interests with those of the Partners; (b) provide higher overall returns, including capital appreciation on investments realized at exit, than preferred equity alone; and (c) enable Alaris to increase its capital investment. Common equity Distributions are not fixed or set in advance, but rather will be paid as declared and cashflow of a Partner permits.

Based on the investment structure, the Acquisition Entities may earn additional revenue from carried interest, and other earnings related to the particular investment. In addition to these Acquisition Entities, Alaris has a service company which is focused on the management of the Acquisition Entities and Partner Investments and earns revenue from Acquisition Entities and third parties for the provision of their services. Alaris has limited general and administrative expenses with only twenty-one employees.

The simplified diagram below illustrates the type of subsidiaries included within Alaris' corporate structure and the basis on which they are accounted for following the change in Alaris' investment entity status in January of 2024, as described below.



(1) The Trust's investments in the Acquisition Entities are recorded as Corporate Investments at fair value through profit (loss)
(2) Principal place of business, Canada; 100% portion of ownership and voting rights
(3) Principal place of business United States; 100% portion of ownership and voting rights

Alaris continually evaluates its investment structure and strategies to ensure it is in a position to increase unitholder value. Alaris may adopt additional innovative investment structures and strategies that complement and enhance its existing preferred equity strategy and that increase its growth profile, diversify its revenue streams and strengthen its relationships with and available investment offerings for existing and prospective Partners. Additional investment structures and strategies may include the raising and managing of third-party capital to allow Alaris to make additional investments in existing Partners, including in common equity of existing Partners, and to earn management fees and carried interest.

In January of 2024, Alaris determined that it met the definition of an "investment entity", as defined by IFRS 10, Consolidated financial statements ("IFRS10"). While this does not represent a change in accounting standards, this change in status has fundamentally changed how Alaris prepares, presents and discusses its financial results relative to prior periods. **Accordingly, users of this interim MD&A and the unaudited interim consolidated financial statements to which it relates should exercise significant caution in reviewing, considering and drawing conclusions from period-to-period comparisons and changes.** Alaris is required to provide comparative financial statements and to discuss in the accompanying MD&A both the current and prior period information and changes therein, however, the change in Alaris' "investment entity" status and, as a result, the presentation of its financial results can cause direct comparisons between dates or across periods to be inappropriate or not meaningful if not carefully considered in this context. IFRS 10 requires that this change in accounting is made prospectively and as a result prior periods are not restated, herein or in the Q3 financial statements, to reflect the change in Alaris' investment entity status.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

Investment Entity Status

In January 2024, the Trust concluded that it met the definition of an "investment entity", as defined by IFRS 10. This change in status resulted from the change in how the Trust commits to its investors that its business purpose is to invest funds solely for the returns from capital appreciation, investment income or both. Over time, Alaris' investment strategy has evolved and now focuses not only on the Distributions on Preferred Investments but also combined exit returns driven by both the preferred equity exit premium and common equity capital appreciation. This conclusion will be reassessed on a continuous basis.

As a result of this change in status, the assets and liabilities of the Trust's subsidiaries that are themselves investment entities or intermediate holding companies, have been derecognized from the Trust's consolidated statement of financial position, and the Trust's investments in these subsidiaries have been recognized as Corporate Investments totaling $650.5 million as at January 1, 2024. The Trust recognized a gain on the deconsolidation of its Investment entity subsidiaries of $30.3 million on January 1, 2024. Included in this gain is the reclassification of the translation reserve into earnings, reflecting the foreign currency translation differences of certain subsidiaries. The Corporate Investments are subsequently measured at fair value through profit (loss) ("FVTPL"). The change in investment entity status is being accounted for prospectively from January 1, 2024, in accordance with IFRS 10.

As a result of this change in status, the following financial statement items are now recognized within Alaris' unaudited interim consolidated financial statements:

- ***Corporate Investments***

  Corporate Investments include Alaris' investments in its subsidiaries, primarily consisting of the Acquisition Entities, that meet the investment entity exception to consolidation criteria in IFRS 10. These subsidiaries primarily invest Alaris unitholder capital and debt in Alaris' Private Company Partners. Corporate Investments are measured at fair value through profit or loss in accordance with IFRS 9. The fair value of these Corporate Investments includes the fair value of intercompany loans receivable from the Acquisition Entities.

- ***Management and advisory fees***

  Management fees and advisory fees are earned for services provided directly to certain of the Trust's Acquisition Entities which are calculated as a percentage of invested capital, as well as transaction fees earned from partner investments. Revenues earned from management and advisory fees are recognized over time as the services are provided.

Assessment as investment entity

Judgment is required when making the determination of whether an entity or its subsidiaries meet the definition of an investment entity pursuant to IFRS 10.

Alaris conducts its business primarily through controlled subsidiaries (held either directly or indirectly), which consist of entities providing investment-related services as well as investment holding companies. Certain of these entities were formed for legal, tax, regulatory or similar reasons by Alaris and share a common business purpose. The assessment of whether Alaris, the parent entity, meets the definition of an investment entity was performed on an aggregate basis with these entities.

The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment management services.
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

When determining whether the Trust met the definition of an investment entity under IFRS 10, Alaris management applied significant judgement when assessing the entity's business purpose and how the Trust commits to its investors that its business purpose is to invest funds solely for the returns from capital appreciation, investment income or both.

Key estimates used in measuring fair value of Corporate Investments

The fair value of Corporate Investments is measured using an adjusted net asset method. The measurement of the fair value of the Corporate Investments is significantly impacted by the fair values of the net assets of the Acquisition Entities, which include the underlying Partner investments held directly and indirectly by them. Significant assumptions used in the valuation of the net assets, specifically of other long-term assets within the Acquisition Entities, included the timing of collection, and proceeds thereon, as well as the probability weighting of outcomes. The fair value is assessed at each reporting date with changes in fair value recognized in net earnings.

An important component of the fair value within the Acquisition Entities is the valuation of the underlying Partner investments held directly or indirectly, which require significant judgement due to the absence of quoted market values, inherent lack of liquidity and long-term nature of such investments. Investments at fair value are measured using a discounted cash flow model or capitalized cash flow. Significant assumptions used in the valuation of the preferred unit investments include the discount rate, timing of exit and changes in future Distributions. Significant assumptions used in the valuation of the common equity investments include the discount rate, terminal value growth rate, cash flow multiple and estimated future cash flows. Significant assumptions used in the valuation of the convertible preferred unit investments include the discount rate, estimated future cash flows, and cash flow multiple. See Note 3 in the accompanying unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2024 for related disclosure on assumptions used in fair value assessments.

The changes in fair value of Corporate Investments are further described on page 19 of this interim MD&A.

RESULTS OF OPERATIONS

Note where the financial information for Q3 2024 is comparable to specific information from the prior period Q3 2023 condensed consolidated interim financial statements, amounts have been provided for comparative purposes and have not been restated given the prospective nature of this change. As noted above, users of this interim MD&A and the unaudited condensed consolidated interim financial statements to which it relates should exercise significant caution in reviewing, considering and drawing conclusions from period-to-period comparisons and changes.

Net book value (1)

$ thousands except per unit amounts	30-Sep 2024	30-Jun 2024	31-Dec 2023
Total Assets	$ 1,130,415	$ 1,093,177	$ 1,474,894
Total Liabilities	$ 93,236	$ 91,556	$ 514,071
Net book value	**$ 1,037,179**	**$ 1,001,621**	**$ 960,823**
Weighted average basic units (000's)	45,498	45,498	45,498
Net book value per unit	$ 22.80	$ 22.01	$ 21.12

(1) Net book value and net book value per unit are Non-GAAP financial measures and represents the equity value of the company or total assts less total liabilities and the same amount divided by weighted average basic units outstanding. Net book value and net book value per unit are used by management to determine the growth in assets over the period net of amounts paid out to unitholders as distributions. Management believes net book value and net book value per unit are useful measures from which to compare the Trust's growth period over period. The Trust's method of calculating these Non-GAAP financial measures may differ from the methods used by other issuers. Therefore, they may not be comparable to similar measures presented by other issuers.

During the three months ended September 30, 2024, net book value increased by $0.78 per unit to $22.80 which is driven by $1.12 basic earnings per unit in the three months ended September 30, 2024, less the Q3 2024 dividend declared and paid of $0.34 per unit. During the nine months ended September 30, 2024, net book value increased by $1.68 per unit to $22.80 per unit at September 30, 2024. The increase in per unit net book value is the result of the $3.44 basic earnings per unit in the nine months ended September 30, 2024, less the earnings impact of the gain on reclassification of the translation reserve of $0.74 per unit, and further reduced by the quarterly dividends declared and paid a total of $1.02 per unit.

The following per unit results are supplementary financial measures and are provided for the three and nine months ended September 30, 2024, and where comparable 2023. Revenue and other operating income, net gain on Corporate Investments, general and administrative expenses, unit-based compensation, finance costs, and cash from operations are outlined below as obtained from the Trust's accompanying condensed consolidated interim financial statements for the three and nine months ended September 30, 2024, all divided by the weighted average basic units outstanding.

Revenue and Operating Income

	Three months ended September 30	Nine months ended September 30
$ thousands except per unit amounts	2024	2024
Net gain on Corporate Investments	$ 60,356	$ 92,136
Management and advisory fees	$ 5,289	$ 14,342
Interest and dividend income from Acquisition Entities	$ 3,869	$ 21,845
Total revenue and operating income	**$ 69,514**	**$ 128,323**
Revenue and operating income per unit	$ 1.53	$ 2.82

Revenue and Operating Income for three and nine months ended September 30, 2024, is $69.5 million and $128.3 million in the respective periods. Management and advisory fees include income from the Acquisition Entities and Management and advisory fee income from Partner investments. Interest and dividend income from Acquisition entities includes income from intercompany loans payable as well as Distributions from the Acquisition Entities to the Trust. The net gain on Corporate Investments was $60.4 million and $92.1 million for the three and nine months ended September 30, 2024, respectively. These gains represent the current period increase in Acquisition Entities net asset value. The drivers of Corporate Investments fair value increases are outlined in the below table and discussed by caption in the following.

Net gain on Corporate Investments (2)

$ thousands except per unit amounts	Three months ended September 30 2024	Nine months ended September 30 2024
Partner related changes in net gain on Corporate Investments **(i)**	$ 98,431	$ 187,211
Acquisition Entities operating costs **(ii)**	$ (29,821)	$ (60,637)
Corporate Investments earnings distributed to Trust **(iii)**	$ (8,254)	$ (34,438)
Net gain / (loss) on Corporate Investments	**$ 60,356**	**$ 92,136**
Net gain on Corporate Investments per unit	$ 1.33	$ 2.03

(2) Each of the components of Corporate Investments are Non-GAAP financial measures and are presented for better comparability to prior year reporting. These amounts are reconciled to information from note 3 of the condensed consolidated interim financial statements below. The Trust's method of calculating these Non-GAAP financial measures may differ from the methods used by other issuers. Therefore, they may not be comparable to similar measures presented by other issuers.

(i) Partner related changes in net gain on Corporate investment:

	Three months ended September 30			Nine months ended September 30		
$ thousands	2024	2023	% Change	2024	2023	% Change
Partner Distribution revenue - Preferred, including realized foreign exchange Note 1	$ 37,895	$ 37,844	+0.1%	$ 113,936	$ 108,543	+5.0%
Partner Distribution revenue - Common	$ 27,501	$ 8,815	+212.0%	$ 31,807	$ 10,903	+191.7%
Net realized gain from Partners investments	$ 29	$ 167	-82.6%	$ 9,005	$ 12,716	-29.2%
Net unrealized gain on Partners investments	$ 33,006	$ 39,428	-16.3%	$ 32,463	$ 37,688	-13.9%
Partner related changes in net gain on Corporate Investment	**$ 98,431**	**$ 86,254**	**+14.1%**	**$ 187,211**	**$ 169,850**	**+10.2%**
Partner related changes in net gain on Corporate Investment per unit	$ 2.16	$ 1.90	+13.7%	$ 4.11	$ 3.74	+9.9%

Note 1 – In Q3 2023, Partner Distribution revenue – Preferred, including realized foreign exchange and Partner Distribution revenue - Common were presented as one line on the face of the income statement titled "Revenues, including realized foreign exchange gain" in the amount of $47,165 for the three months ended and $120,706 for the nine months ended. Prior period Partner Distribution revenue – Preferred, including realized foreign exchange for the three and nine months ended September 30, 2023 above has been adjusted to exclude Sono Bello's management fee income (Q3 2023 three months - $506, Q3 2023 nine months ended - $1,260) for period over period comparability, which in 2024 is recognized in the Trust's Management and advisory fee income.

During the three months ended September 30, 2024, Partner related changes in net gain on Corporate Investments, increased by 14.1% as compared to the three months ended September 30, 2023. During the current quarter common Partner Distribution revenue increased by more than 200%, primarily as a result of common Distributions received from Fleet of US$14.7 million, which was greater than their prior year Distribution of US$5.9 million, and common Distribution received from Ohana of US$5.1 million, as compared to nil Distribution received in Q3 2023. Partially offsetting this increase is a quarter over quarter decrease to the Net unrealized gain on partner investments of 16.3% to $33.0 million during the three months ended September 30, 2024. Q3 2024's Net unrealized gain on Partner investments of $33.0 million is made up of notable increases to the fair value in Sono Bello of US$8.6 million, Amur of $8.3 million, Fleet of US$6.2 million, D&M of US$3.3 million, and Shipyard of US$3.0 million, which were partially offset by decreases to the fair value in Heritage of US$7.4 million and SCR $5.5 million. Alaris' fair value of investment in Ohana common equity also decreased during the quarter, however the decrease was predominantly the result of the common Distribution noted above, and therefore was offset by Partner Distribution revenue earned during the period.

During the nine months ended September 30, 2024, Partner related changes in net gain on Corporate Investments, increased by 10.2% as compared to the nine months ended September 30, 2023. During the current year, preferred Partner Distributions increased by 5.0%, which was driven by initial investments in Shipyard and FMP occurring partway through 2023, in addition to their more recent follow on investments in 2024, new investment in Cresa in Q2 2024, and LMS paying full Distributions as compared to 2023. These increases were partially offset by a reduction in Partner Distributions due to the redemption of Brown and Settle, which occurred in April 2024, and Heritage deferring Distributions in 2024. Common Distributions received by Partners increased over 190% during the nine months, driven primarily from common Distributions received by Fleet and Ohana described above in addition to common Distributions received from Edgewater in Q2 of the current year. Net realized and unrealized gains on Partner investments decreased by 29.2% and 13.9% respectively in the period. Current year decrease in realized gains primarily relate to the Sono Bello strategic transaction in Q1 2023 realizing a $12.5 million gain, as compared to 2024 which was primarily earned from redemption of Brown and Settle $7.0 million gain and the remaining FNC indemnity of $2.0 million. Net unrealized gain includes increases primarily to the fair value of Sono Bello, Fleet, Amur and Shipyard in 2024 and increases in Fleet, Sono Bello, Ohana, and Brown and Settle in 2023.

See the Partner Section for further details on changes to the fair value of Partner investments during the three and nine months ended September 30, 2024 in addition to Partner updates.

(ii) Less: Acquisition Entities operating costs

	Three months ended September 30			Nine months ended September 30		
$ thousands	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Provision for promissory notes	$ 2,298	$ -	+100.0%	$ 2,298	$ -	+100.0%
Transactions costs	$ 378	$ 1,696	-77.7%	$ 2,531	$ 3,252	-22.2%
Finance costs, senior credit facility and convertible debentures Note 1	$ 6,962	$ 7,342	-5.2%	$ 22,193	$ 18,465	+20.2%
Income tax expense - current	$ 2,987	$ 6,954	-57.0%	$ 10,018	$ 13,156	-23.9%
Income tax expense - deferred	$ 16,109	$ 4,657	+245.9%	$ 21,272	$ 7,746	+174.6%
Realized (gain) / loss on foreign exchange contracts	$ -	$ 24	-100.0%	$ (521)	$ 1	> -500%
Operating costs and other	$ 1,087	na		$ 2,846	na	
Acquisition Entities operating costs	**$ 29,821**	**$ 20,673**		**$ 60,637**	**$ 42,620**	

Note 1: In the three months ended September 30, 2023, the Trust's total Finance costs of $8,510 was made up of $4,890 of interest and facility fees on the senior credit facility, $2,452 of interest and accretion on the convertible debentures, and $1,168 of interest on the senior unsecured debentures. Finance costs incurred by the Acquisition Entities relate to the senior credit facility and convertible debentures. In the nine months ended September 30, 2023, the Trust's total Finance costs of $21,909 was made up of $11,203 of interest and facility fees on the senior credit facility, $7,262 of interest and accretion on the convertible debentures, and $3,444 of interest on the senior unsecured debentures. Finance costs incurred by the Acquisition Entities relate to the senior credit facility and convertible debentures. The 2023 comparatives have been adjusted to reflect these debt facilities for comparability.

Acquisition Entities operating costs reduce the overall net gain on Corporate Investments during the period.

During the three and nine months ended, September 30, 2024, the Acquisition Entities recorded a provision of US$1.7 million on the total outstanding promissory notes to Heritage of US$3.0 million. See Partner section for further details on Heritage's promissory notes receivable.

Transaction costs of $0.4 million and $2.5 million in the three and nine months ended September 30, 2024, respectively, decreased to their respective comparable period in 2023, largely due to the prior years closing of Shipyard, FMP and the strategic investment in Sono Bello in 2023. In 2024, costs relate to the closing of new investment in Cresa, work related to follow on investments and ongoing deal evaluation.

Finance costs relate to the debt held directly by the Acquisition Entities, the senior credit facility, and prior to Q3 2024, the convertible debentures, which were redeemed on June 30, 2024. For the three months ended September 30, 2024, finance costs decreased by 5% as compared to the prior period primarily due to the redemption of the convertible debentures on June 30, 2024 and their related accretion expense no longer being incurred. This was partially offset by overall higher average debt outstanding in Q3 2024, in addition to a slightly higher realized interest rate as a result of the redemption of the convertible debentures. For the nine months ended September 30, 2024, finance costs increased due to higher average debt outstanding in 2024, coupled with higher realized interest rates resulting from increases in market rates, the redemption of the convertible debentures, as well as changes in Alaris' interest rate swap contracts. Two favorable swap contracts expired in June 2023 partially replaced with a new contract in July 2023.

Total current and deferred taxes incurred by the Acquisition Entities in the three months ended September 30, 2024, of $19.1 million (2023 – $11.6 million) increased by 64.5%, and during the nine months then ended of $31.3 million (2023 – $20.9 million) increased by 49.7%. These increases are largely as a result of higher net earnings of the Acquisition Entities in the current period. During the nine months ended September 30, 2024 the Acquisition Entities paid a total of $3.4 million of net cash taxes during the period.

Realized gains and losses on foreign exchange contracts are the result of executed foreign exchange contracts entered into by the Acquisition Entities. These contracts are in addition to foreign exchange contracts entered into for the conversion of US denominated Distributions that are included in Preferred Partner Distribution revenues. In the nine months ended September 30, 2024, there was a net gain of $0.5 million as compared to a prior period nominal loss.

Operating costs and other reflect administrative costs directly attributed to the Acquisition Entities and in the prior year were a component of the consolidated general and administrative costs and as such are not reflected in the prior period comparative above. In the three and nine months ended September 30, 2024, operating costs and other of $1.1 million and $2.8 million respectively, are primarily related to the amortization of directly held insurance premiums and accounting and legal costs related to the entity's operations or Partner investments.

(iii) Less: Corporate Investments earnings distributed to Trust:

	Three months ended September 30	Nine months ended September 30
$ thousands	**2024**	**2024**
Management and advisory fees paid to Trust	$ 4,535	$ 12,743
Interest on intercompany loans	$ 2,839	$ 20,307
Acquisition Entities dividends paid to Trust	$ 880	$ 1,388
Corporate Investments earnings distributed to Trust (iii)	**$ 8,254**	**$ 34,438**

The Acquisition Entities incur costs for services and debt provided by the Trust, and when cashflows permit, distribute income to the Trust by way of dividend. As a result, these costs and distributions decrease the net gain on Corporate Investments but increase income directly within the Trust, resulting in no impact to earnings. Management and advisory fees paid to the Trust amounted to $4.5 million in the three months ended September 30, 2024, and $12.7 million in the nine months ended September 30, 2024, as compared to the Trust's Management and advisory fee income of $5.3 million and $14.3 million in the above respective periods; the difference relates to transaction fees earned directly by the Trust from the Sono Bello investment.

Interest on intercompany loans payable to the Trust amounted to $2.8 million in the three months ended September 30, 2024, and $20.3 million in the nine months ended September 30, 2024. Dividends distributed by the Acquisition Entities and paid to the Trust was $0.9 million in the three months ended September 30, 2024, and $1.4 million in the nine months ended September 30, 2024. Interest and dividend income from the Acquisition Entities is consistent to the amount of income the Trust recorded in the same period, the slight variance is the result of foreign exchange on US dollar revenues and the spot rate in which the Trust records this revenue.

Trust's Operating and Finance costs

	Three months ended September 30			Nine months ended September 30		
$ thousands except per unit amounts	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
General and administrative						
Salaries and benefits	$ 2,946	$ 1,898	+55.2%	$ 7,907	$ 5,850	+35.2%
Corporate and office	$ 1,017	$ 1,266	-19.7%	$ 3,328	$ 4,091	-18.7%
Legal and accounting fees	$ 521	$ 851	-38.8%	$ 2,073	$ 15,581	-86.7%
Total General and administrative	**$ 4,484**	**$ 4,015**	**+11.7%**	**$ 13,308**	**$ 25,522**	**-47.9%**
General and administrative per unit	$ 0.10	$ 0.09	+11.1%	$ 0.29	$ 0.56	-48.2%
Unit-based compensation	**$ 1,133**	**$ 448**	**+152.9%**	**$ 3,629**	**$ 2,891**	**+25.5%**
Unit-based per unit	$ 0.02	$ 0.01	+100.0%	$ 0.08	$ 0.06	+33.3%
Finance costs, senior unsecured debenture Note 1	**$ 1,150**	**$ 1,168**	**-1.5%**	**$ 3,445**	**$ 3,444**	**+0.0%**
Finance costs, senior unsecured debentures per unit	$ 0.03	$ 0.03	+0.0%	$ 0.08	$ 0.08	+0.0%

Note 1: In the three months ended September 30, 2023, the Trust's total Finance costs of $8,510 was made up of $4,890 of interest and facility fees on the senior credit facility, $2,452 of interest and accretion on the convertible debentures, and $1,168 of interest on the senior unsecured debentures. Finance costs incurred by the Acquisition Entities relate to the senior credit facility and convertible debentures. In the nine months ended September 30, 2023, the Trust's total Finance costs of $21,909 was made up of $11,203 of interest and facility fees on the senior credit facility, $7,262 of interest and accretion on the convertible debentures, and $3,444 of interest on the senior unsecured debentures. Finance costs incurred by the Acquisition Entities relate to the senior credit facility and convertible debentures. The 2023 comparatives have been adjusted to reflect these debt facilities for comparability.

In the three months ended September 30, 2024, General and administrative expense (which includes salaries and benefits, corporate and office, and legal and accounting fees), increased by 11.7% as compared to the three months ended September 30, 2023. Salaries and benefits expense of $2.9 million (2023 - $1.9 million) increased by $1.0 million primarily due to an increase in management bonus expense as a result of performance in the quarter. Corporate and office expenses of $1.0 million (2023 - $1.3 million) decreased by 19.7% as compared to the prior period as a result of the amortization of certain insurance premiums that are now recorded within the Acquisition Entities, partially offset by higher travel and public company costs. Legal and accounting fees of $0.5 million (2023 – $0.9 million) decreased by 38.8% as compared to the prior period, partially due to certain legal and accounting costs being recorded within the Acquisition Entities and reflected within the net gain on Corporate Investments as discussed above.

In the nine months ended September 30, 2024, General and administrative expense decreased by 47.9%, which is primarily due to the elimination of legal costs associated to the Sandbox litigation and settlement of that dispute in early 2023, as well as the items described above.

Unit-based compensation increased in both the three and nine months ended September 30, 2024. Increases in unit-based compensation are primarily the result of the period over period change in the Trust's unit price and the nature of the RTU and PTU liability being revalued each period.

As a result of the conversion to Investment Entity Accounting and the related deconsolidation or the Acquisition Entities the above finance costs only reflect the costs related to the senior unsecured debenture held by the Trust. Costs relating to the senior credit facility and the convertible debenture are reflected in the net gain on Corporate Investments. Finance costs in the three and nine months ended September 30, 2024 remained relatively consistent with the comparable period in 2023.

Adjusted Earnings (3)

$ thousands except per unit amounts	Three months ended September 30 2024	2023	% Change	Nine months ended September 30 2024	2023	% Change
Earnings	$ 51,027	$ 63,770		$ 156,475	$ 97,710	
Add back: Foreign exchange (gain) loss	$ 11,334	$ (3,947)		$ (19,224)	$ 156	
Add back: Gain on derecognition of previously consolidated entities	$ -	na		$ (30,260)	na	
Adjusted earnings	**$ 62,361**	**$ 59,823**	**+4.2%**	**$ 106,991**	**$ 97,866**	**+9.3%**
Adjusted earning per unit	$ 1.37	$ 1.31	+4.6%	$ 2.35	$ 2.15	+9.3%

(3) Adjusted earnings and Adjusted earnings per unit are a Non-GAAP financial measure and Non-GAAP Ratio and refer to earnings determined in accordance with IFRS, before impact of the one time gain on derecognition of previously consolidated entities and foreign exchange (gain) loss and the same amount divided by weighted average basic units outstanding. Adjusted earnings and Adjusted earnings per unit are used by management to determine earnings excluding fluctuations due to unrealized changes in exchange rates that impact earnings and specifically the fair value of Corporate investment. Management believes Adjusted earning and Adjusted earnings per unit are useful measures from which to compare the Trust's earnings period over period. The Trust's method of calculating these Non-GAAP financial measures and ratio may differ from the methods used by other issuers. Therefore, they may not be comparable to similar measures presented by other issuers.

In the three months ended September 30, 2024, Adjusted earnings per unit increased by 4.6% as compared to the prior period. This increase is primarily driven by higher common Partner Distribution revenue, offset by a decrease to the Net unrealized gain on Partner Investments in Q3 2024, in addition to higher Q3 2024 operating expenses as discussed above, all as compared to Q3 2023 .

In the nine months ended September 30, 2024, Adjusted earnings per unit increased by 9.3% as compared to the prior year. This increase is the result of higher Partner Distribution revenue, primarily common Distributions, and lower total operating costs in the current year as a result of the settlement of the Sandbox litigation and the legal costs associated to it in the nine months ended September 30, 2023. Offsetting these net increases in Adjusted earnings per unit during the nine months ended September 30, 2024, is a decrease to the net realized and unrealized gain on Partner Investments, higher total income tax expense and an increase in finance costs, all as compared to the nine months ended September 30, 2023.

Adjusted EBITDA(4)

$ thousands except per unit amounts	Three months ended September 30 2024	2023	% Change	Nine months ended September 30 2024	2023	% Change
Earnings	$ 51,027	$ 63,770		$ 156,475	$ 97,710	
Depreciation and amortization	135	58		396	169	
Finance costs	1,150	8,510		3,445	21,909	
Total income tax expense	251	11,611		554	20,902	
EBITDA	**$ 52,563**	**$ 83,949**	**-37.4%**	**$ 160,870**	**$ 140,690**	**+14.3%**
Adjustments:						
Gain on derecognition of previously consolidated entities	$ -	$ -		$ (30,260)	$ -	
Foreign exchange	11,334	(3,947)		(19,224)	156	
Sandbox litigation and legal costs	-	21		-	13,697	
Finance costs, senior credit facility and convertible debentures	6,962	-		22,193	-	
Acquisition Entities income tax expense - current	2,987	-		10,018	-	
Acquisition Entities income tax expense - deferred	16,109	-		21,272	-	
Adjusted EBITDA	**$ 89,955**	**$ 80,023**	**+12.4%**	**$ 164,869**	**$ 154,543**	**+6.7%**
Adjusted EBITDA per unit	$ 1.98	$ 1.76	+12.5%	$ 3.62	$ 3.40	+6.5%

(4) Adjusted EBITDA and EBITDA are Non-GAAP financial measures and refer to earnings determined in accordance with IFRS, before depreciation and amortization, interest expense (finance costs) and income tax expense. EBITDA is used by management and many investors to determine the ability of an issuer to generate cash from operations. Adjusted EBITDA and Adjusted EBITDA per unit, which is a non-GAAP ratio that removes the impact from unrealized fluctuations in exchange rates and their impact on the Trust's investments at fair value, as well as one time items and the impact of finance costs and taxes included within the net gain on Corporate Investments incurred by the Acquisition Entities and, on a per unit basis, is and the same amount divided by weighted average basic units outstanding. Management believes Adjusted EBITDA, EBITDA and Adjusted EBITDA per unit are useful measures from which to determine the Trust's ability to generate cash available for servicing its loans and borrowings, income taxes and distributions to unitholders. The Trust's method of calculating these Non-GAAP financial measures and ratio's may differ from the methods used by other issuers. Therefore, they may not be comparable to similar measures and ratios presented by other issuers.

For the three and nine months ended September 30, 2024, Adjusted EBITDA per unit increased by 12.5% and 6.5%, respectively, as compared to the comparable periods in 2023. Increases in Adjusted EBITDA per unit in both the three and nine months ended September 30, 2024 are primarily due to higher Partner Distribution revenue. Partially offsetting these increases are decreases to the net realized and unrealized gain on Partner Investments in 2024, and higher adjusted operating expenses as compared to the prior year once the Sandbox litigation and legal costs have been removed from the comparable nine months ended September 30, 2023 in the calculation of adjusted EBITDA. Refer to Partner related changes in net gain on Corporate Investments and Acquisition Entities operating costs above for further detail on this net increase.

In order to provide an overview of cash generated by Alaris and its wholly-owned subsidiaries, the Trust in combination with the Acquisition Entities, the Alaris Net Distributable Cashflow table below summarizes all third party cash receipts and operating cash outflows. Management believes an extended group overview provides a more transparent view of overall cash flow and distributable cashflow of the Trust.

Alaris net distributable cashflow (5)

	Three months ended September 30			Nine months ended September 30		
$ thousands except per unit amounts	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Partner Distribution revenue - Preferred, including realized foreign exchange	$ 37,895	$ 37,844		$ 113,936	$ 108,543	
Partner Distribution revenue - Common	27,501	8,815		31,807	10,903	
Third party management and advisory fees	504	506		1,526	1,260	
Expenditures of the Trust:						
General and administrative	(4,484)	(3,087)		(13,308)	(23,476)	
Current income tax expense	(509)	-		(1,345)	-	
Third party cash interest paid by the Trust	(2,031)	(2,032)		(4,062)	(4,062)	
Expenditures incurred by Acquisition Entities:						
Operating costs and other	(1,087)	(928)		(2,846)	(2,046)	
Transactions costs	(378)	(1,693)		(2,531)	(3,204)	
Acquisition Entities income tax expense - current	(2,987)	(6,954)		(10,018)	(13,156)	
Cash interest paid, senior credit facility and convertible debentures	(6,668)	(6,329)		(18,038)	(12,586)	
Alaris' changes in net working capital	(14,922)	(6,063)		(7,106)	(7,253)	
Alaris net distributable cashflow	**$ 32,834**	**$ 20,079**	**+63.5%**	**$ 88,015**	**$ 54,923**	**+60.3%**
Alaris net distributable cashflow per unit	$ 0.72	$ 0.44	+63.6%	$ 1.93	$ 1.21	+59.5%

(5) Alaris net distributable cashflow and Alaris net distributable cashflow per unit are non-GAAP measure and non-GAAP financial ratio that refer to all sources of external revenue in both the Trust and the Acquisition Entities less all general and administrative expenses, third party interest expense and tax expense and compare most closely to net cash from operating activities but include the net cash of the Acquisition Entities as well. Alaris net distributable cashflow is a useful metric for management and investors as it provides a summary of the total cash from operating activities that can be used to pay the Trust distribution, repay senior debt and/or be used for additional investment purposes. The Trust's method of calculating these Non-GAAP measure and ratio may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers The 2023 comparatives are presented prior to the Trust's change in status as an investment entity and have been aligned with the most comparative balance in the 2024 presentation.

Alaris net distributable cashflow per unit increased by 63.6% in the three months ended September 30, 2024 as compared to Q3 2023. Increase in distributable cashflow during the quarter is primarily due to higher common Distributions received and lower cash taxes paid as compared to Q3 2023.

During the nine months ended September 30, 2024, Alaris net distributable cashflow per unit increased by 59.5% as compared to the prior year. The increase is primarily due to the Sandbox settlement in the prior year and associated legal costs, higher cash taxes paid in 2023 as compared to cash taxes paid during the current year, as well as higher Partner Distribution revenue during the current year. These increases are partially offset by higher total cash interest paid, as a result of a higher realized interest rate on a larger average amount of debt outstanding as compared to 2023. After adjusting the comparative prior period for costs associated to the Sandbox settlement and litigation of $13.7 million, Alaris net distributable cashflow for the nine months ended September 30, 2023 is $68.6 million, resulting in an adjusted increase of 28.3% as compared to the nine months ended September 30, 2024 of $88.0 million.

The Actual Payout Ratio (6) for the Trust, based on the Alaris net distributable cash flow for the nine months ended September 30, 2024 is 53%.

(6) Actual Payout Ratio is a non-GAAP financial ratio and refers to Trust total cash distributions paid during the period (annually or quarterly) divided by the Alaris net distributable cashflow for the period. It represents the free cash flow after distributions paid to unitholders available for either repayments of senior debt and/or to be used in investing activities. The Trust's method of calculating this supplementary financial measure may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers.

SUMMARY OF QUARTERLY RESULTS

Alaris' quarterly consolidated financial results following the change in Alaris' investment entity status in January 2024, are not directly comparable to the historical results.

The below tables summarize Alaris' key consolidated financial information for the last eight quarters. Amounts are in thousands except for income per unit.

Quarterly Results Summary	Q3-24	Q2-24	Q1-24
Revenues	$ 69,514	$ 28,495	$ 30,314
Earnings	51,027	31,675	73,773
Basic earnings per unit	$ 1.12	$ 0.70	$ 1.62
Diluted earnings per unit	$ 1.11	$ 0.69	$ 1.52

Consolidated quarterly results prior to change in investment entity status are summarized below:

Quarterly Results Summary	Q4-23	Q3-23	Q2-23	Q1-23	Q4-22
Revenues	$ 41,861	$ 47,165	$ 36,853	$ 36,688	$ 51,115
Earnings	40,738	63,770	28,387	5,553	34,504
Basic earnings per unit	$ 0.90	$ 1.40	$ 0.62	$ 0.12	$ 0.76
Diluted earnings per unit	$ 0.86	$ 1.31	$ 0.61	$ 0.12	$ 0.73

OUTLOOK

During the three months ended September 30, 2024, the Trust, through its Acquisition Entities invested approximately $48 million, which was used to invest in convertible preferred units of Ohana. Subsequent to the quarter Alaris invested an additional US$10.0 million into Cresa, bringing Alaris' total investment in Cresa to US$30.0 million and as of the date of this MD&A the total invested during the year to approximately $139 million. These transactions are summarized in the outlook below, which includes Alaris' Run Rate Revenue (7) for the next twelve months, which is expected to be approximately $171 million. This includes current contracted amounts, an additional $1.2 million from LMS related to Distributions deferred in 2023 and an estimated $19.4 million of common dividends. In Q3 2024, the Trust together with its Acquisition Entities earned $65.9 million, $65.4 million in Partner Distributions net of foreign exchange and $0.5 million of third party transaction fee revenue, which was ahead of previous guidance of $38.7 million, primarily due to common Distributions received from Fleet of $19.8 million, Ohana of $6.8 million and Amur of $0.5 million, as well as a higher realized foreign exchange rate on US denominated distributions. As with all common Distributions, these Distributions are not fixed or set in advance, but rather paid as declared and cashflow of partner permits. Alaris expects total revenue from its Partners in Q4 2024 of approximately $38.9 million.

The Run Rate Cash Flow table below outlines the Trust and its Acquisitions Entities combined expectation for Partners Distribution revenue, transaction fee revenue, general and administrative expenses, third party interest expense, tax expense and distributions to unitholders for the next twelve months. The Run Rate Cash Flow is a forward looking supplementary financial measure and outlines the net cash from operating activities, less the distributions paid, that Alaris is expecting to generate over the next twelve months. The Trust's method of calculating this measure may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers.

Run rate general and administrative expenses are currently estimated at $17.0 million and include all public company costs incurred by the Trust and its Acquisition Entities. The Trust's Run Rate Payout Ratio (8) is expected to be within a range of 65% and 70% when including Run Rate Revenue (7), overhead expenses and its existing capital structure. The table below sets out our estimated Run Rate Cash Flow as well as the after-tax impact of positive net investment, the impact of every

1% increase in Secure Overnight Financing Rate ("**SOFR**") based on current outstanding USD debt and the impact of every $0.01 change in the USD to CAD exchange rate.

The Trust's Run Rate Payout Ratio (8) does not include new potential investment opportunities. However, Alaris expects to maintain our track record of net positive capital investment as a result of the demand for Alaris' capital which continues to fill a niche in the private capital markets.

Run Rate Cash Flow *($ thousands except per unit)*		**Amount ($)**	**$ / Unit**
Run Rate Revenue, Partner Distribution revenue		**$ 171,300**	**$ 3.77**
General and administrative expenses		(17,000)	(0.37)
Third party Interest and taxes		(57,100)	(1.26)
Net cash from operating activities		**$ 97,200**	**$ 2.14**
Distributions paid		(61,900)	(1.36)
Run Rate Cash Flow		**$ 35,300**	**$ 0.78**
Other considerations (after taxes and interest):			
New investments	Every $50 million deployed @ 14%	+2,426	+0.05
Interest rates	Every 1.0% increase in SOFR	-2,600	-0.06
USD to CAD	Every $0.01 change of USD to CAD	+/- 900	+/- 0.02

(7) Run Rate Revenue is a supplementary financial measure and refers to Alaris' total revenue expected to be generated over the next twelve months based on contracted Distributions from current Partners, excluding any potential Partner redemptions, it also includes an estimate for common dividends or distributions based on past practices, where applicable. Run Rate Revenue is a useful metric as it provides an expectation for the amount of revenue Alaris can expect to generate in the next twelve months based on information known. The Trust's method of calculating this supplementary financial measure may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers.

(8) Run Rate Payout Ratio is 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 Run Rate Cash Flow table. Run Rate Payout Ratio is a useful metric for Alaris to track and to outline as it provides 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. The Trust's method of calculating this financial ratio may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers. Run Rate Payout Ratio is comparable to Actual Payout Ratio as defined above in (6). There are no differences between Alaris' calculation of the run rate payout ratio and its actual pay out ratio as described herein.

LIQUIDITY AND CAPITAL RESOURCES

The Trust guarantees AEP's $500 million senior credit facility, which is used primarily to support capital investments in Partners. At September 30, 2024 the senior credit facility was drawn to $332.9 million net of the unamortized debt amendment and extension fees of $2.4 million. During the year, Alaris applied the proceeds from the redemption of the Brown and Settle investment to reduce drawn amounts under the senior credit facility. Alaris used its borrowing capacity available after the application of the proceeds to repay AEP's convertible debentures which matured on June 30, 2024. Subsequent to September 30, 2024, Alaris drew on senior debt to fund a follow investment with a current partner as well as used proceeds from excess cashflow to repay debt. Following these draws and repayments, the total drawn on the senior facility on the date of this MD&A is approximately $334 million with the capacity to draw an addition $166 million based on covenants and credit terms.

The $500 million senior credit facility with a syndicate of Canadian chartered banks has a maturity date in September 2026 and is secured by a general security agreement on all of Alaris' assets. The interest rate is based on a combination of the Canadian Overnight Repo Rate Average ("**CORRA**"), Canadian Prime Rate ("**Prime**"), US Base Rate ("**USBR**") and SOFR. The Trust realized an annualized blended interest rate of 8.0% (inclusive of standby fees) for the nine months ended September 30, 2024.

In 2022, the Trust issued senior unsecured debentures ("**Debentures**"). The Debentures have a face value of $65.0 million, annual interest rate of 6.25% payable semi-annually and maturity date of March 31, 2027. The Debentures will not be redeemable by the Trust before March 31, 2025 (the "**First Call Date**"). On and after the First Call Date and prior to March 31, 2026, the Debentures will be redeemable, in whole or in part at the Trust's option at a redemption price equal to 103.125% of the principal amount of the Debentures redeemed plus accrued and unpaid interest, if any. On and after March 31, 2026, and prior to the Maturity Date, the Debentures will be redeemable, in whole or in part at the Trust's option at par plus accrued and unpaid interest, if any, up to but excluding the date set for redemption. The Trust has the option to satisfy its obligations to repay the principal amount of and premium (if any) on the Debentures due at redemption or on maturity by issuing and delivering that number of freely tradeable trust units of the Trust to Debenture holders.

Alaris declared a quarterly distribution in September 2024, payable in October 2024 of $0.34 per unit (2023 - $0.34 per unit) totalling $15.5 million in aggregate (2023 - $15.5 million). The total distributions declared during the nine months ended September 30, 2024 was $1.02 per unit totalling $46.4 million in aggregate (2023 - $1.02 per unit and 2023 - $46.4 million in aggregate).

Financial Instruments

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

Financial Instrument	Measurement Method
Cash	FVTPL
Accounts receivable and prepayments	Amortized cost
Corporate investments	FVTPL
Accounts payable and accrued liabilities	Amortized cost or FVTPL
Distributions payable	Amortized cost
Senior unsecured debenture	Amortized cost
Other liabilities	FVTPL

The Trust has exposure to derivative financial instruments that the Acquisition Entities hold to hedge foreign currency exposure and variable interest rate exposure. The Acquisition Entities purchase forward exchange rate contracts to match a portion of the quarterly distributions and expenses in Canadian dollars on a rolling 12-month basis and also for a portion of the expected distributions and expenses in Canadian dollars on a rolling 12 to 24 month basis. The fair value of the forward contracts is estimated at each reporting date and any unrealized gain or loss on the contracts is recognized within the Acquisition Entities profit or loss. At September 30, 2024, for the next twelve months, Alaris has total contracts to sell US$21.5 million forward at an average $1.3610 CAD. For the following twelve months, Alaris has total contracts to sell US$7.5 million forward at an average $1.3548 CAD.

The Trust, through its Acquisition Entities, has an interest rate swap that allows for a fixed interest rate of 2.99% in place of SOFR on US$50.0 million of debt with an expiry in July 2026.

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

30-Sep-24	Total	0-6 Months	6 mo – 1 yr	1 – 2 years	Year 3 and Thereafter
Accounts payable and accrued liabilities	$ 11,313	$ 10,526	$ 787	$-	$-
Distributions payable	15,469	15,469	-	-	-
Senior unsecured debenture	65,000	-	-	-	65,000
Total	$ 91,782	$ 25,995	$ 787	$ -	$ 65,000

The Trust, through its legal rights and ownership of the Acquisition Entities is also exposed to the following financial instruments that mature as follows:

30-Sep-24	Total	0-6 Months	6 mo – 1 yr	1 – 2 years	Year 3 and Thereafter
Accounts payable and accrued liabilities	$ 4,620	$ 4,620	$ -	$-	$-
Derivative contracts	48	48	-	-	-
Senior credit facility	332,856	-	-	332,856	-
Total	$ 337,524	$ 4,668	$ -	$ 332,856	$ -

The Trust in combination with Acquisition Entities expects to meet is current cashflow requirements with respect to current accounts payable and accrued liabilities, distributions payable and all scheduled interest payments on the senior debt through cash on hand and operating cashflows. Included in Accounts payable and accrued liabilities is a $5.9 million liability accrued related to the RTU plan which is expected to be settled in Trust units.

Alaris expects to be able to meet all of its current and non current financial obligations as they become due, by utilizing some or all of the following sources of liquidity available to the Trust or in combination with the Acquisition Entities: (i) cash on hand, (ii) cashflows generated from operations, (iii) current credit facilities under the stipulated terms of the agreement, (iv) refinancing or amendments to current credit facilities, (v) issuance of Trust units, subject to market conditions, (vi) Partner redemptions, and (vii) alternative financing. The Trust monitors forecasted liquidity requirements to ensure it can meet operational needs through sufficient availability of both cash and credit facility capacity, while also ensuring Alaris is able to meet its financial covenants related to debt agreements. As disclosed in the financial statements for the year ended December 31, 2023, Alaris has exposure to credit risk, other price risk, liquidity risk, and market risk, including foreign exchange risk and interest rate risk.

OUTSTANDING UNITS

The Trust is authorized to issue an unlimited number of trust units. At September 30, 2024 the number of units issued and outstanding is 45,498,191.

As at November 5, 2024 Alaris had 45,498,191 units outstanding.

TRANSACTIONS WITH RELATED PARTIES

During the period ended September 30, 2024, the Trust derived revenues from the provision of management and advisory services from Acquisition Entities of $4.5 million during the three months ended September 30, 2024 and $12.7 million during the nine months ended September 30, 2024. At September 30, 2024, the Trust has a net receivable included in accounts receivable and prepayments from Acquisition Entities of $0.8 million.

The Trust has intercompany loans receivable from Acquisition Entities. The loans have terms ranging from 3 to 10 years, but can be repaid at anytime without penalty. These loans bear interest at a rate ranging from 10% to 12%. The Trust recognized $3.0 million of interest income related to these loans for the three months ended September 30, 2024 and $20.4 million of interest income for the nine months ended September 30, 2024. The corresponding interest expense incurred by the Acquisition Entities offset part of the Trust’s Corporate investment gain. During the nine months ended September 30, 2024 the Trust received $291.9 million of net principal loan repayments, reducing the carrying value of the loans outstanding. There is no impact on net earnings from these intercompany loans. Partially offsetting the net principal loan repayments, during the nine months ended September 30, 2024, the Trust made net capital contributions of $267.8 million to the Acquisition Entities, the majority of which was used to repay debt within the Acquisition Entities. The Acquisition Entities paid $0.9 million and $1.4 million dividends to the Trust during the three and nine months ended, respectively. Distributions received from the Acquisition Entities are recorded as income as part of the Trust’s Revenue and operating income.

The Trust guarantees a $500 million senior credit facility AEP holds with a syndicate of Canadian chartered banks, which has a maturity date in September 2026 and is secured by a general security agreement on all of Alaris’ assets. The interest rate is based on a combination of the Canadian Overnight Repo Rate Average (“CORRA”), Canadian Prime Rate (“Prime”), US Base Rate (“USBR”) and Secure Overnight Financing Rate (“SOFR”). At September 30, 2024, AEP had a balance of $332.9 million (net of unamortized bank amendment and extension fees of $2.4 million) drawn on its credit facility (December 31, 2023 – $242.4 million, net of unamortized bank amendment and extension fees $3.2 million). At September 30, 2024, AEP met all of its covenants as required by the agreement. The covenants include a maximum funded debt to contracted EBITDA of 3.0:1 (actual ratio was 1.98 at September 30, 2024); minimum fixed charge coverage ratio of 1:1 (actual ratio was 1.55x at September 30, 2024); and a minimum tangible net worth of $600.0 million (actual amount was $1,037.2 million at September 30, 2024).

The Trust has no contractual commitments to provide any other financial or other support to its unconsolidated subsidiaries.

SUMMARY OF CONTRACTUAL OBLIGATIONS

Alaris, through its Acquisition Entities, has an outstanding senior credit facility and senior unsecured debentures, all of which are described under "Liquidity and Capital Resources" and leases for office space.

PARTNER INVESTMENT OVERVIEW

The Acquisition Entities investment in each of the Partners consists of a preferred partnership interest, preferred equity interest or loans, with a return generated from Distributions that are adjusted annually based on a formula linked to a top-line metric (i.e. sales, gross profit, same store sales) rather than a residual equity interest in the net earnings of such entities, other than the recent strategic investment into Sono Bello that has a fixed Distribution rate in exchange for exposure to common equity upside through the conversion feature.

Alaris may also invest in a common equity position along side its preferred equity or loans. Common equity investments are assessed on each individual opportunity, will not appear in every new Partner and will generally be a smaller portion of total capital invested. Alaris management believes this feature will facilitate access to more transactions as well as an opportunity to participate in our Partners growth, amplifying returns on exit and resulting in realizable value for Alaris' unit holders. Additionally, in certain situations where Alaris owns common equity, there is an expectation of a current yield by way of discretionary common dividends or Distributions consistent with past practices in the business and as cash flows allow. The Run Rate Revenue (7) includes an estimate for common equity dividends or Distributions from the Partners based on each Partner's forecasted cash flows for the next twelve months and expected capital allocation decisions. As of September 30, 2024, the total fair value of Alaris' common equity investments of $230.0 million is approximately 16% of total investments.

Alaris is not involved in the day to day business of each Private Company Partner and has no rights to participate in normal course management decisions. Alaris does not have any significant influence over any of the Partners nor does it have the ability to exercise control over such Partners except in limited situations of uncured events of default. Instead, Alaris has certain restrictive covenants in place designed to protect the ongoing payment of Distributions to Alaris. In addition, the Partners are required to obtain the consent of Alaris in certain circumstances prior to entering into a material transaction or other significant matters outside the normal course of business. Such matters include, without limitation, acquisitions & divestitures, major capital expenditures, certain changes in structure, certain changes in executive management, change of control and incurring additional indebtedness or amending existing debt terms.

Included in the summary table below is each Partners' Earnings Coverage Ratio ("**ECR**") (9). Because this information, other than with respect to a fiscal year end, is based on unaudited information provided by Private Company Partner management, each ECR, as based on the most current information for the trailing twelve months, will be identified as part of a range. The ranges are: less than 1.0x, 1.0x to 1.2x, 1.2x to 1.5x, 1.5x to 2.0x and greater than 2.0x. A result greater than 1.0x is considered appropriate and the greater the number is, the better the ratio. Alaris notes that these ECRs are based on historical results.

(7) Run Rate Revenue is a supplementary financial measure and refers to Alaris' total revenue expected to be generated over the next twelve months based on contracted Distributions from current Partners, excluding any potential Partner redemptions, it also includes an estimate for common dividends or distributions based on past practices, where applicable. Run Rate Revenue is a useful metric as it provides an expectation for the amount of revenue Alaris can expect to generate in the next twelve months based on information known. The Trust's method of calculating this supplementary financial measure may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers.

(9) Earnings Coverage Ratio ("ECR") is a supplementary financial measure and refers to the EBITDA of a Partner divided by such Partner's sum of debt servicing (interest and principal), unfunded capital expenditures and Distributions to Alaris. Management believes the earnings coverage ratio is a useful metric in assessing our Partners' continued ability to make their contracted Distributions. The Trust's method of calculating this financial measure may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers.

Description: Alaris' investment thesis is to generally partner with companies that have:

(i) A history of success (average age of Partners is approximately 28 years)

- Offer a required service or products in mature industries;
- Low risk of obsolescence; and
- Non-declining asset bases.

(ii) Proven track record of free cash flow.

(iii) Low levels of debt – reduced leverage minimizes financial risk from business fluctuations and allows for free cash flow to remain in the business to support growth and make common and preferred equity Distributions.

(iv) Low levels of capital expenditures required to maintain/grow a business – Our Partners are typically not required to reinvest a significant amount of their cash flow back into their operations as they are typically asset light businesses with minimal capital requirements.

(v) Management continuity and quality management teams - Alaris has invested in 41 Partners since inception, exited our investment in 22 Partners over that time with 16 yielding highly positive results displayed by an overall total return from exited investments of 65% and a median IRR (10) of 19%.

Contribution History: Alaris has invested over $2.4 billion into 41 partners and over 100 tranches of financing, including an average of approximately $202 million per year over the past five fiscal years (2019 – 2023). Alaris invested a total of approximately $139 million to date in 2024.

Performance: Alaris discloses an ECR to provide information on the financial health of our partners. Alaris has nine partners with an ECR greater than 2.0x (Amur, Carey Electric, Cresa, DNT, Edgewater, Fleet, LMS, Sagamore and Unify), one in the 1.5x-2.0x range (FMP), three between 1.2x-1.5x (GWM, Shipyard and Sono Bello), four between 1.0x-1.2x (3E, Accscient, D&M, and Ohana), and two in the range of less than 1.0x (Heritage and SCR).

Capital Structure: With a primary focus on being a preferred equity investor, we have invested in a diverse group of capital structures and we pride ourselves on achieving the optimal capital structure so both Alaris and our Partners benefit. Of our existing portfolio, eight of our nineteen Partners have no debt, three partners have less than 1.0x Senior Debt to EBITDA and eight partners have debt greater than 1.0x Senior Debt to EBITDA on a trailing twelve month basis.

Reset: The annual Distribution reset is another feature of our capital which we view as win-win. The reset allows Alaris to participate in the growth of its Partners while providing the majority of the upside to the entrepreneurs who create the business value.

(10) IRR is a supplementary financial measure and 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 Trust's method of calculating this supplementary financial measure may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers.

The following is a summary of each of the Partners' recent financial results. The below table outlines the date the original contribution to each Partner was made, the total invested to date (net of any partial redemptions since the initial investment), Run Rate Revenue [7] on the preferred equity and subordinated debt investments for the next twelve months, ECR range for the most recent trailing twelve month periods received, year-to-date changes in revenue and EBITDA compared to the comparable period in 2023 and the unrealized gains or losses to the investments at fair value for the three and nine months ended September 30, 2024.

See commentary following the below table for additional relevant information on each Partner wherein either a fair value change, an investment or redemption has occurred during the three and nine months ended September 30, 2024. Unless specifically discussed, the ECR range outlined below is consistent with the prior quarterly disclosure. For fair values of each investment refer to Note 3 in the Trust's accompanying condensed consolidated interim financial statements for the three and nine months ended September 30, 2024.

Partner	Original Investment Date	Current Total Invested (000's)	Run Rate Revenue (000's)	As a % of total	ECR Range	2025 Reset estimate	Year-to-date changes in (1):		Fair Value Changes		Fair Value
							Revenue	EBITDA	Three Months	Nine Months	
Sono Bello	Sep 2018	US $145,000	US $13,825	12%	1.2x - 1.5x	n/a	↑	↓	US +$8,600	US +$11,400	US $170,300
Ohana	Nov 2014	US $130,495	US $11,102	10%	1.0x - 1.2x	+ 2.0%	↑	↑	US ($5,134)	US ($3,134)	US $149,461
GWM	Nov 2018	US $106,000	US $7,729	7%	1.2x - 1.5x	+ 3.0%	↑	↓	US +$1,000	US +$300	US $77,177
Shipyard	Aug 2023	US $87,000	US $9,800	9%	1.2x - 1.5x	+ 2.0%	↑	↑	US +$3,000	US +$5,000	US $92,000
D&M	Jun 2021	US $80,207	US $9,324	8%	1.0x - 1.2x	+ 3.0%	↑	↔	US +$3,300	US +$1,700	US $74,407
Accscient	Jun 2017	US $72,000	US $9,208	8%	1.0x - 1.2x	- 1.0%	↔	↑	US +$1,700	US +$800	US $66,977
Amur	Jun 2019	CA $70,000	CA $7,062	5%	> 2.0x	+ 6.0%	↑	↑	CA +$8,300	CA +$8,300	CA $88,700
DNT	Jun 2015	US $62,800	US $10,977	10%	> 2.0x	+ 6.0%	↑	↑	US +$2,500	US +$2,500	US $65,643
LMS	Feb 2007	CA $60,565	CA $7,384	5%	> 2.0x	+ 18.0%	↓	↑	CA +$900	CA +$2,000	CA $48,520
SCR	May 2013	CA $40,000	CA $4,200	3%	< 1.0x	n/a	↓	↓	CA ($5,500)	CA ($5,500)	CA $15,003
FMP	Apr 2023	US $40,000	US $5,059	4%	1.5x - 2.0x	+ 2.0%	↑	↑	US +$1,300	US +$1,300	US $42,600
3E	Feb 2021	US $39,500	US $5,628	5%	1.0x - 1.2x	+ 2.0%	↔	↑	US +$500	US +$500	US $40,500
Edgewater	Dec 2020	US $34,000	US $4,517	4%	> 2.0x	+ 1.0%	↔	↓	US +$1,500	US +$2,400	US $42,100
Sagamore	Nov 2022	US $24,000	US $2,820	3%	> 2.0x	+ 6.0%	↑	↑	US +$2,700	US +$2,700	US $25,500
Fleet	Jun 2018	US $23,000	US $2,360	2%	> 2.0x	+ 2.0%	↑	↑	US +$6,200	US +$8,500	US $78,735
Cresa	May 2024	US $30,000	US $3,000	3%	> 2.0x	n/a	↑	↓	US +$600	US +$600	US $20,600
Heritage	Jan 2018	US $18,500	US $00	0%	< 1.0x	- 6.0%	↓	↓	US ($7,400)	US ($10,200)	US $8,200
Carey Electric	Jun 2020	US $14,000	US $1,829	2%	> 2.0x	+ 5.0%	↑	↑	US +$800	US +$900	US $15,680
Unify	Oct 2016	US $11,000	US $1,573	1%	> 2.0x	- 5.0%	↓	↑	nil	nil	US $12,228

Note 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 2023.

<u>3E</u> – utility service provider working on critical infrastructure throughout Southeastern and Midwest U.S.

- 3E's revenue has remained relatively consistent in the current period as compared to the same period in 2023, while EBITDA has improved. The increase in EBITDA is driven by incremental profits generated by a division acquired in late 2023, in addition to growth in legacy divisions when compared to the prior period. Based on current and forecasted results, the fair value of Alaris' preferred equity investment has increased by US$0.5 million. The fair value of 3E on September 30, 2024 is US$40.5 million.

<u>Accscient</u> – IT staffing, consulting and outsourcing services throughout the United States

- Accscient's revenue has remained relatively consistent while EBITDA has grown in the current year as compared to in 2023. The EBITDA growth is a result of operating cost efficiencies that the company has implemented over the last twelve months. Although Accscient's gross profit has been flat year-over-year, the preferred equity fair value increased by US$0.7 million during the three months ended September 30, 2024 due to a decrease to the discount rate as a result of lower market rates at Q3 2024 as compared to at Q2 2024. The resulting change to the fair value of the preferred equity in the nine months ended September 30, 2024, is a net decrease of US$0.2 million.
- Due to positive changes to the discount rate as described above, the fair value of Alaris' investment in Accscient's common equity has increased by US$1.0 million in the three and nine months ended September 30, 2024. The resulting fair value of the total investment in Accscient on September 30, 2024, is US$67.0 million.

<u>Amur</u> – mortgage originations and asset management in Canada

- Amur's revenue and EBITDA have increased in the current period as compared to the same period in 2023. Alaris has increased the 2025 preferred equity reset expectation, in addition to a decrease in the discount rate due to declining market rates. This has resulted in an increase to the fair value of Alaris' investment in Amur's preferred units by $3.5 million in the three and nine months ended September 30, 2024.
- Strong consumer sentiment which is expected to continue as the market realizes further interest rate cuts has driven Amur's recent financial performance and continued growth outlook. As a result, there was an increase to the fair value of Amur's common equity of $4.8 million in the three and nine month ended September 30, 2024. The resulting fair value of the investment in Amur on September 30, 2024 is $88.7 million.

<u>Carey Electric</u> – electrical contracting in Illinois

- Carey Electric's revenue and EBITDA have increased as compared to the same period in 2023 due to additional projects and incremental demand for their services. Based on current period results and the outlook for the remainder of the year, Alaris has increased the expected 2025 reset on preferred Distributions to the top of their collar. Increase in expected reset, in addition to a decrease to the discount rate due to market rate changes during the quarter, resulted in an increase to the fair value of Carey Electric's preferred equity of US$0.8 million in the three months ended September 30, 2024, and a net increase of US$0.3 in the nine months ended September 30, 2024.
- During the nine months ended September 30, 2024, due to Carey's increase in revenue and EBITDA as noted above, the fair value of the common equity investment increased by US$0.6 million. The resulting fair value of the Carey Electric investment at September 30, 2024 is US$15.7 million.

***Cresa* – commercial real estate advisory firm focused on tenant representation**

- Cresa is a leading global commercial real estate advisory firm dedicated to exclusively representing tenants, with over 50 offices across North America. With a unique approach that integrates full-spectrum real estate solutions, Cresa advocates for tenants without conflicts of interest, ensuring tenant business environments align with corporate strategies. Cresa emphasizes strategic partnership, innovation, and client-centric services to enhance business operations and real estate efficiency.
- In Q2 2024, Alaris contributed US$20.0 million to Cresa in exchange for preferred equity with an initial annual Distribution of US$2.8 million, which will reset annually based on changes in Cresa's revenue to a maximum of +/-7%. The Distributions will reset for the first time on January 1, 2026. Cresa may pay in-kind ("PIK") up to US$0.8 million (up to 4% of the 14%). Cresa must fully pay any outstanding PIK balance at the earliest of either the fifth anniversary of the initial contribution or the redemption of the Alaris preferred equity investment. As expected, Cresa has utilized the PIK option and is paying their Distributions less the PIK amount. Alaris also agreed to contribute follow-on tranches of preferred equity, including US$10.0 million (at Cresa's discretion) and US$15.0 million for which the timing is based on Cresa meeting certain financial metrics and subject to Alaris board approval. Each follow-on tranche has the same yield and reset metrics as the initial tranche.
- Due to decreases in market rates during the period, and the resulting decrease to the discount rate used in the calculation of the fair value of Alaris' investment in Cresa, the fair value of Alaris' preferred equity investment has increased by US$0.6 million in the three months ended September 30, 2024. The resulting fair value of the investment in Cresa on September 30, 2024, is US$20.6 million.
- Subsequent to the quarter end, Alaris contributed US$10.0 million of additional preferred equity with the same metrics as the initial preferred equity investment. This second tranche, funded at Cresa's discretion, was used to fund acquisitions of businesses that support Cresa's growth initiatives. Following this contribution, Alaris' total investment in Cresa is US$30.0 million.

***D&M* – independent direct-to-consumer provider of vehicle sourcing and leasing services in Texas**

- During Q1 2024, Alaris contributed an additional US$5.7 million into D&M which consisted of US$5.5 million of additional preferred equity at an initial yield of 14%, and US$0.2 million of common equity. The Alaris follow-on contribution was used by D&M to acquire the remaining interest in their Austin operation, a top performing geography. Following this contribution, Alaris' total investment in D&M is US$80.2 million.
- During the quarter, market rates declined, which presents a positive outlook for D&M and the anticipated timing for lease renewals and incremental new lease volume. In addition, the discount rate used in the valuations assumptions decreased due to lower interest rates, resulting in an increase to the fair value of the preferred equity investment in D&M by US$2.1 million in the three months ended September 30, 2024, and a net increase of US$1.3 million in the nine months ended September 30, 2024.
- Revenue has increased when compared to the same period in the prior year. Increases in revenue, along with managements positive outlook and the reduction of market rates, have resulted in an increase to the fair value of Alaris' common equity investment by US$1.2 million in the three months ended September 30, 2024, and a net increase of US$0.4 million in the nine months ended September 30, 2024. The resulting fair value of the overall D&M investment on September 30, 2024 is US$74.4 million.

DNT – civil construction contractor in Austin and San Antonio, Texas

- DNT's revenue has increased as compared to the same period in 2023, driven by market demand for new home developments in the San Antonio, Austin and Houston markets. The increase in revenue has resulted in Alaris increasing the expected reset for FY25, which, in addition to a decrease to the discount rate due to changes in market rates, resulted in a fair value increase of US$2.5 million in the three and nine months ended September 30, 2024. The resulting fair value of the investment in DNT on September 30, 2024 is US$65.6 million.

***Edgewater* – professional and technical services firm supporting the U.S. Department of Energy**

- Edgewater's revenue has remained relatively consistent as compared to the prior year, however, due to strategic investments made in infrastructure in the business, EBITDA has decreased slightly. During the period interest rates decreased and as a result there was a decrease to the discount rate used in the fair value calculations. As a result during the three months ended September 30, 2024, the fair value of the investment in preferred equity increased by US$0.7 million, resulting in a total increase to the preferred equity by US$3.1 million during the nine months ended September 30, 2024.
- The fair value of Alaris' investment in Edgewater's' common equity also increased during the current period by US$0.8 million primarily due to the discount rate decrease noted above, which results in a net decrease to the common equity investment during the nine months ended September 30, 2024 of US$0.7 million. The resulting fair value of the total investment in Edgewater on September 30, 2024 is US$42.1 million.

***Fleet* – provides fleet leasing and truck lifecycle management solutions in the U.S.**

- Fleet's revenue and EBITDA have improved as compared to the same period in 2023. Due to changes in market rates and the resulting decrease to the discount rate used in the fair value of Alaris' investment in Fleet's preferred equity, there was an increase of US$0.7 million during the three and nine months ended September 30, 2024.
- Fleet continues to execute its organic growth strategies and generate significant free cash flow. During Q3 2024, Fleet declared a common Distribution based on their fiscal year ended June 30, 2024, of which US$14.7 million is owed to Alaris based on Alaris' investment in Fleet's common equity. Subsequent to Q3 2024, the common dividend was collected in full.
- Based on Fleet's growth and established relationships with customers, as well as an improvement to the discount rate during Q3 2024, the fair value of Alaris' common equity investment in Fleet increased by US$5.5 million during the three months ended September 30, 2024. Following this increase there has been a cumulative increase of US$7.8 million in the nine months ended September 30, 2024. The resulting fair value of Alaris' investment in Fleet is US$78.7 million.

***FMP* – organizational management consulting firm in the U.S public sector**

- During Q2 2024, Alaris contributed US$3.5 million of additional preferred equity at an initial yield of 14%. This second tranche was funded by Alaris based on FMP achieving certain financial hurdles as agreed upon in Alaris' initial investment in FMP. Following this contribution, Alaris' total investment in FMP is US$40.0 million.
- FMP's current year results have shown growth in both revenue and EBITDA as compared to the same period in the prior year. Considering this, and a decrease to the discount rate due to changes in market rates, there has been an increase to Alaris' investment in the preferred and common equity of FMP by US$0.6 million and US$0.7 million, respectively, during the three and nine months ended September 30, 2024. The resulting fair value of Alaris' investment in FMP on September 30, 2024 is US$42.6 million.

***GWM* – provides data-driven digital marketing solutions for advertisers globally**

- GWM's revenue has improved slightly over the prior year as the Company continues to grow and diversify their client base. Alaris has revised its expectation for the 2025 reset down to +3%, which offset by a lower discount rate, as a result of a reduction in market rates during Q3 2024, has led to an increase in the fair value of the Alaris' investment in the preferred equity of US$1.0 million during the quarter. The resulting net increase for the nine months ended September 30, 2024 is US$0.3 million, resulting in a fair value in the total GWM investment of US$77.2 million.

***Heritage* – provides masonry and masonry services to the commercial building industry in Massachusetts**

- In Q4 2023, the Heritage CEO was, unfortunately, required to retire from the business for personal reasons on a shorter timeline earlier than anticipated. Alaris immediately brought in a professional management team to assist with the go-forward management succession. In addition to the transition of leadership, operational setbacks on certain projects have led to a meaningful decrease in revenue as well as margin and, therefore, also EBITDA in the current year, as compared to prior years. Margin improvement and business recovery has taken longer than anticipated, however, Alaris expects Heritage to return to profitability in 2025. Heritage has deferred Distributions during 2024 in order to support cashflow flexibility during this transition period. Alaris had previously anticipated that the deferral of Distributions would last until the end of 2024, however, it is now expected this deferral to extend into 2025.
- As a result of these factors and the decrease in Heritage's EBITDA, the fair value of Alaris' common equity investment in Heritage has been reduced to nil during the nine months ended September 30, 2024, representing a decrease to the fair value of US$1.0 million. Additionally, Alaris has adjusted the estimated 2025 preferred equity Distribution reset to the bottom of Heritage's collar which in addition to the estimated deferral of Heritage's preferred Distributions into 2026, has resulted in a decrease to the fair value of Alaris' preferred equity investment in Heritage of US$7.4 million in the three months ended September 30, 2024, and a decrease of US$9.2 million in the nine months ended September 30, 2024. The resulting fair value at September 30, 2024 in the total Heritage investment is US$8.2 million.
- As part of supporting the professional management team in place and helping Heritage management work through working capital constraints, Alaris contributed an addition US$1.0 million in promissory notes during the three months ended September 30, 2024, which makes the total contribution to Heritage in promissory notes of US$3.0 million during the year. Alaris has taken an allowance of US$1.7 million against the total US$3.0 million of promissory notes based on a probability weighted credit loss percentage applied to estimated repayments of the promissory notes and discounted based on the timing of the scenarios. The resulting fair value of the promissory notes receivable on September 30, 2024 is US$1.3 million.

***LMS* – rebar and post-tensioning fabrication and installer in British Columbia, Alberta and California**

- LMS's revenue is slightly lower as compared to the same period in the prior year, however their gross profit has shown significant improvements due to lower realized steel prices in the current period. During the three months ended September 30, 2024, the fair value of Alaris' preferred equity increased by $0.9 million, resulting in a total increase of $2.0 million in the nine months ended September 30, 2024. The fair value of Alaris' investment in LMS on September 30, 2024, is $48.6 million.

***Ohana* – Planet Fitness franchisee with over 70 fitness clubs in the U.S.**

- During the quarter, Alaris contributed US$35.1 million into Ohana as a dividend recap in exchange for convertible preferred equity with a 14% yield fully paid-in-kind. The investment was funded through US$30.0 million of incremental cash and a US$5.1 million common equity dividend received by Alaris. In addition, the remaining US$1.4 million commitment owed by Alaris in exchange for incremental common equity ownership was forgiven.
- Ohana's revenue and EBITDA continue to increase in line with their anticipated growth trajectory. Planet Fitness Corporate has approved an increase in the base membership (~40% of all members) from US$10.00 to US$15.00 per month which also contributes to the expectation for this growth to continue in 2024 and beyond. This in addition to changes to Ohana's discount rate due to market rate changes resulted in an increase to the fair value Alaris' investment in Ohana preferred equity of US$1.6 million for the three months ended September 30, 2024, and US$2.7 million in the nine months ended September 30, 2024.
- These increases are offset by a decrease of US$6.7 million to the fair value of Alaris' investment in Ohana's common equity in the three months ended September 30, 2024, resulting in a net decrease of US$5.8 million in the nine months ended September 30, 2024. The decrease in the common equity fair value in the three months ended September 30, 2024 is primarily attributable to the US$5.1 million dividend received by Alaris which was reinvested into our convertible preferred equity vs. our common equity in Ohana. Thus, on a combined basis the decrease in the common equity value also increased our convertible preferred equity value for the same amount therefore has a net neutral impact to our total investment in Ohana. The fair value of the total Ohana investment on September 30, 2024 is US$149.5 million.

***Sagamore* – specialty HVAC and plumbing services provider, serving broader New England area**

- Sagamore's revenue and EBITDA have increased during the current period as compared to the same period in 2023. Based on current periods results as well as Sagamore management's outlook for the remainder of the year, Alaris has adjusted the estimated 2025 preferred equity Distribution reset to the top of Sagamore's collar. This in addition to a decrease to the discount rate due to market rate changes has resulted in an increase of US$1.0 million to the fair value of Alaris investment in Sagamore's preferred equity in the current period.
- Based on management's outlook in addition to a decrease to the discount rate as noted above, the fair value of Alaris' investment in Sagamore's common equity also has increased by US$1.7 million. The resulting overall fair value of Alaris' investment in Sagamore on September 30, 2024 is US$25.5 million.
- Due to Sagamore's increase in EBITDA, Sagamore's ECR improved and is now greater than 2.0x.

SCR – Mining services in Eastern Canada

- SCR's revenue and EBITDA have declined as compared to the same period in 2023. This decline is attributed to slower business development initiatives, and a reduction in capital expenditures over the past few years. Due to declining trends, Alaris has decreased the fair value of Alaris' investment in SCR by $5.5 million in the three and nine months ended September 30, 2024. The resulting fair value of the investment in SCR on September 30, 2024 is $15.0 million.

***The Shipyard* – Integrated marketing agency in the U.S**

- The Shipyard's revenue and EBITDA have improved in 2024 relative to the same period in 2023. Due to the decrease in market rates during the quarter, resulting in a change to the discount rate used in the valuation, the fair value of the preferred investment in The Shipyard has increased by US$2.1 million in the three months ended September 30, 2024, and US$2.9 million in the nine months ended September 30, 2024.

- During Q2 2024, Alaris contributed an additional US$22.0 million of preferred equity in exchange for an initial yield of 14%, The Shipyard used these funds to complete an acquisition of a complimentary public relations & advertising agency. Also, during Q2 2024, Alaris funded the remaining preferred equity commitment of US$5.5 million at a 14% yield upon the company meeting certain financial thresholds, which was agreed as part of Alaris' initial investment in Q3 2023.
- The Shipyard has continued to improve year-over-year results which in addition to a decrease in their discount rate as a result of changes in market rates have resulted in an increase to the fair value of Alaris' common equity investment of US$0.7 million in the three months ended September 30, 2024, and US$2.1 million in the nine months ended September 30, 2024. The fair value of the total The Shipyard investment on September 30, 2024, is US$92.0 million.

***Sono Bello (Body Contour Centers)* – cosmetic surgery practice across the United States with over 70 locations**

- Sono Bello's revenue increased as compared to the same period in 2023, however EBITDA has decreased due to higher advertising costs and decline in the conversion rate of patient consultations which management considers as temporary headwinds as a result of growth in new locations. Sono Bello continues to focus on growth as they develop the "Contour" brand and expand their company's service offerings beyond liposuction to breast augmentation. Based a decrease to the discount rate used in the valuation assumptions due to a decline in market rates during the period, the fair value of the Alaris' investment in Sono Bello increased by US$8.6 million in the three months ended September 30, 2024, and US$11.4 million in the nine months ended September 30, 2024. The resulting fair value in Sono Bello at September 30, 2024 is US$170.3 million.

***Unify* – IT consulting based in Washington State and California**

- During Q3 2024, Unify issued Alaris a notice of repurchase with the intention of redeeming Alaris' US$11.0 million of preferred equity in Q4 2024. The proceeds from redemption will equate to US$12.3 million, representing a 1.90x MOIC (7) and a 19.4% IRR (9) over the eight year hold period.

PARTNER REDEMPTIONS

***Brown & Settle* – full-service site development contractor, based in the Mid-Atlantic region of the U.S.**

On April 16, 2024, Brown & Settle redeemed all of Alaris' preferred and common equity for gross proceeds of US$71.5 million, resulting in a total return to Alaris on the Brown & Settle investment of US$30.8 million, representing an unlevered IRR (9) of 15% and MOIC (7) of 1.5x.

***Stride Consulting* – IT consulting company working alongside clients to create customized solutions**

On July 31, 2024, Stride redeemed all outstanding preferred units in Alaris' investment in Stride Consulting, LLC totaling US$4.0 million for gross proceeds to Alaris USA of US$4.1 million, representing an unlevered IRR (9) of 15% and MOIC (7) of 1.6x.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

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

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

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

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking information and forward-looking statements (collectively, "forward-looking statements") under applicable securities laws, including any applicable "safe harbor" provisions. Statements other than statements of historical fact contained in this MD&A may be forward looking statements, including, without limitation: management's expectations, intentions and beliefs concerning the growth, results of operations, performance of the 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 MD&A contains forward-looking statements regarding: the anticipated financial and operating performance of the Partners, including resets on Distributions; the ECR for the Partners; net cash from operating activities; the Trust's Run Rate Payout Ratio, Run Rate Cash Flow and Run Rate Revenue; the impact of new investments and follow-on investments; the Trust's and Acquisition Entities consolidated expenses (quarterly and annually); expectations regarding receipt (and amount of) any common equity distributions or dividends 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 use of proceeds from the senior credit facility; potential Partner redemptions, including the timing, if at all, thereof and the amounts to be received by the Trust; annualized net cash from operating activities; changes in Distributions from Partners; the proposed resolutions to any outstanding issues with certain Partners including any deferred Distributions; the timing for collection of deferred or unpaid Distributions; impact of new investment structures; impact of changes to the U.S./Canadian dollar exchange rate; impact of changes in interest rates; and Alaris' ability to invest capital to and attract new private businesses to invest in. 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 investment and changes in Distributions from Partners (including expected resets, restarting full or partial Distributions and common equity Distributions), Run Rate Payout Ratio, Run Rate Revenue, 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.

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 impact of any global health crises, like COVID-19, and global economic and political factors) are material factors considered by Alaris management when setting the outlook for Alaris. Key assumptions include, but are not limited to, assumptions that: the Russia/Ukraine conflict, conflicts in the Middle East, and other global economic pressures over the next twelve months will not materially impact Alaris, its Partners or the global economy; interest rates will not rise in a matter materially different from the prevailing market expectation over the next 12 months; global heath crises, like COVID-19 or variants there of will not impact the economy or our partners operations in a material way in the next 12 months; the businesses of the majority of our 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.

Some of the factors that could affect future results and could cause results to differ materially from those expressed in the forward looking statements contained herein include risks relating to: the dependence of the Trust on the Partners; risks relating to the Partners and their businesses; reliance on key personnel; general economic conditions, including global health crises, the Russia/Ukraine conflict conflicts in the Middle East, other global conflicts, global supply chain issues or inflationary measures on the Canadian, U.S. and global economies; failure to complete or realize the anticipated benefits of transactions or additional investment structures, including asset management or increased common equity ownership; limited diversification of Alaris' transactions; management of future growth; availability of future financing; inability to close new partner contributions in a timely fashion on anticipated terms, or at all; competition; government regulation; leverage and restrictive covenants under credit facilities; the ability of the Partners to terminate (by way of a redemption) the various agreements with Alaris or a material portion of Alaris investment; an inability to reinvest any redemption proceeds in a timely fashion or at all; a failure to collect proceeds on a redemption in line with expectations or at all; unpredictability and potential volatility of the trading price of the Trust's units; fluctuations in the amount of cash distributions; income tax related risks; ability to recover from the Partners for defaults under the various agreements with Alaris; potential conflicts of interest; dilution; changes in the financial markets; risks associated with the Partners and their respective businesses; a change in the ability of the Partners to continue to pay Alaris at expected Distribution levels or restart Distributions (in full or in part); a failure to collect material deferred Distributions; a material change in the operations of a Partner or the industries in which they operate; a failure to realize the benefits of any concessions or relief measures provided by Alaris to any Partner or to successfully execute an exit strategy for a partner where desired; a failure to obtain by the Trust or the Partners required regulatory approvals on a timely basis or at all; a failure to settle outstanding litigation on expected terms or at all; changes in legislation and regulations and the interpretations thereof; litigation risk associated with the CRA's reassessment and the Trust's challenge thereof; and material adjustments to the unaudited internal financial reports provided to Alaris by the Partners. The information contained in this MD&A and the Trust's management discussion and analysis and annual information form for the December 31, 2023 fiscal year, 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 MD&A 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.

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

ADDITIONAL INFORMATION

Additional information relating to 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.