

Alaris Royalty Corp. Releases Q3 2019 Financial Results

05.11.2019 | [CNW](#)

/NOT FOR DISTRIBUTION IN THE UNITED STATES.
FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF UNITED STATES SECURITIES LAW./

TSX-AD

CALGARY, Nov. 5, 2019 - [Alaris Royalty Corp.](#) ("Alaris" or the "Corporation") is pleased to announce its results for the three and nine months ended September 30, 2019. The results are prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Q3 2019 Highlights:

- Generated revenue of \$30.0 million in the quarter, the largest quarter in Corporation history and an increase of 32.3% on a per share basis compared to the prior year period. Revenue growth in the first nine months of 2019 was driven by record net deployment over the last twelve months including new investments in GWM Holdings, Inc. ("GWM"), Body Contour Centers, LLC ("BCC"), and Amur Financial Group Inc. ("Amur"), as well as a significant follow-on investment in PF Growth Partners, LLC ("PFGP"), in addition to the net positive resets in 2019. Revenue for the nine-month period was \$85.1 million, up 13.7% over the prior year period and up 20.7% on a normalized basis (excluding Labstat distributions received on redemption);
- Normalized EBITDA was \$25.9 million and \$74.8 million, an increase of 29.1% and 22.9% on a per share basis for the three and nine-month periods respectively. The increases are a result of the net deployment discussed above and costs in line with the comparable period, yielding Normalized EBITDA margins of 86.2% and 87.9% respectively;
- Continued portfolio improvements including BCC's Earnings Coverage Ratio ("ECR") moving from below 1.0x to between 1.2x and 1.5x, SCR Mining and Tunnelling, LP ("SCR") increasing its distribution for the third time in twelve months, Amur paying a dividend on Alaris' common share investment and a Run Rate payout ratio approaching 80%;
- An additional contribution of US\$60.2 million during the quarter into a top performing partner PFGP, which consisted of an incremental US\$43.7 million of preferred equity as well as an investment of US\$16.5 million in exchange for a minority ownership of the common equity in PFGP. This transaction also included an exchange of the Corporation's existing preferred units in PFGP valued at US\$27.8 million and a cost basis of US\$20.8 million, which crystallized a US\$7.0 million gain on these units. The Corporation's total investment in PFGP following the transaction is US\$88.0 million;
- The Corporation crystallized a \$9.3 million (US\$7.0 million) gain on the exchange of the current PFGP units for new units in conjunction with the new contributions in July 2019. The Corporation had previously recorded the increase in fair value through changes in investments at fair value, which was reclassified to Net Realized Gain from Investments. In this quarter, the Corporation recorded a \$9.4 million decrease in investments at fair value during the three months ended September 30, 2019 due in part to the removal of the US\$7.0 million unrealized gain on the fair value of the PFGP units. The remaining change in the investments at fair value was a nominal non-cash and unrealized loss as a result of the net change (five increases and three decreases) in the rest of the portfolio;
- Subsequent to September 30, 2019, the Corporation amended the senior credit facility wherein the syndicate increased the base amount from \$300 million to \$330 million. The \$50 million accordion remains undrawn and available;

- Total net capital deployment year to date of \$150.2 million includes gross deployment of \$170.3 million into one new partner and follow on contributions to three current partners, while there were redemptions of redeemable units of approximately \$20.1 million from two current partners; and
- The Corporation paid \$15.1 million of dividends during the three months ended September 30, 2019, resulting in an Actual payout ratio of 75.2% for the three-month period. For the nine months ended September 30, 2019, the Corporation paid \$45.2 million of dividends, an Actual Payout Ratio of 79.2%.

"Significant deployment alongside the strength of our overall portfolio thus far in 2019 has translated into significant increases in revenue and EBITDA on a gross and per share basis," said Darren Driscoll, CFO. "The continued support from our lending syndicate further extending our senior credit facility gives us the flexibility to continue to meet our deployment demands," said Driscoll.

| Per Share Results | Three months ended | | | Nine months ended | | |
|---------------------------------------|--------------------|----------|----------|-------------------|----------|----------|
| Period ending September 30 | 2019 | 2018 | % Change | 2019 | 2018 | % Change |
| Revenue | \$ 0.82 | \$ 0.62 | +32.3% | \$ 2.33 | \$ 2.05 | +13.7% |
| Normalized EBITDA | \$ 0.71 | \$ 0.55 | +29.1% | \$ 2.04 | \$ 1.66 | +22.9% |
| Net cash from operating activities | \$ 0.55 | \$ 0.46 | +19.6% | \$ 1.56 | \$ 1.66 | -6.0% |
| Dividends | \$ 0.413 | \$ 0.405 | +1.9% | \$ 1.237 | \$ 1.215 | +1.8% |
| Basic earnings | \$ 0.57 | \$ 0.52 | +9.6% | \$ 1.48 | \$ 1.17 | +26.5% |
| Fully diluted earnings | \$ 0.57 | \$ 0.52 | +9.6% | \$ 1.47 | \$ 1.16 | +26.7% |
| Weighted average basic shares (000's) | 36,647 | 36,486 | | 36,567 | 36,483 | |

| Reconciliation of Net Income to EBITDA | Three months ended | | Nine months ended | |
|---|--------------------|-----------|-------------------|-----------|
| | September 30 | | September 30 | |
| \$ thousands | 2019 | 2018 | 2019 | 2018 |
| Earnings | \$ 20,884 | \$ 19,100 | \$ 54,112 | \$ 42,817 |
| Adjustments to Net Income: | | | | |
| Amortization and depreciation | 165 | 42 | 495 | 172 |
| Finance costs | 5,813 | 1,492 | 13,880 | 6,027 |
| Income tax expense | (261) | 2,736 | 4,845 | 11,581 |
| EBITDA | \$ 26,601 | \$ 23,371 | \$ 73,332 | \$ 60,597 |
| Normalizing Adjustments | | | | |
| Realized Gain on investment | (9,317) | - | (9,317) | (15,667) |
| Unrealized (Gain) / Loss on investments at fair value | 9,357 | (7,118) | 5,162 | (3,628) |
| Transaction diligence costs | 1,122 | - | 2,129 | - |
| Bad debt expense / (recovery) | - | - | (2,018) | 25,974 |
| Distributions received on redemption (Labstat) | - | - | - | (4,282) |
| Unrealized (gain) / loss on foreign exchange | (1,966) | 3,971 | 4,351 | (2,148) |
| Realized loss on foreign exchange | 90 | 6 | 1,138 | (146) |
| Normalized EBITDA | \$ 25,887 | \$ 20,230 | \$ 74,777 | \$ 60,700 |

Outlook

Run Rate Revenue is expected to be \$120.5 million annually, which include current contracted amounts, \$3.0 million from SCR (recently increased from \$2.4 million effective October 1, 2019), US\$2.3 million of distributions from Providence and no distributions from Kimco. Distributions on common equity investments are expected but will be variable in timing and amount and are therefore currently excluded from run rate distributions. Amur declared a common equity dividend in the three months ended September 30th of which the Corporation was entitled to and received \$0.4 million but until Amur establishes a track record of common dividends the Corporation will not incorporate them into the run rate.

Revenue for Q4 2019 is expected to be \$30.1 million and \$115.2 million for the full fiscal year 2019, based on actual results year to date plus three months of run rate distributions. Annual general and administrative expenses are currently estimated at \$10.0 million for 2019 and include all public company costs. The Corporation's Run Rate Payout Ratio is approximately 84% when including run rate distributions, overhead expenses and existing capital structure. The table below sets out our estimated Run Rate Payout Ratio alongside the after-tax impact of potential changes to certain Partners distributions.

| Run Rate Cash Flow (\$ thousands except per share) | | Amount (\$) \$ / Share | |
|--|---|------------------------|---------|
| Revenue | \$1.32 USD/CAD exchange rate | \$ 120,500 | \$ 3.29 |
| General & Admin. | | (10,000) | (0.27) |
| Interest & Taxes | | (38,600) | (1.05) |
| Free cash flow | | \$ 71,900 | \$ 1.97 |
| Annual Dividend | | 60,500 | 1.65 |
| Excess Cash Flow | | \$ 11,400 | \$ 0.32 |
| Other Considerations (after taxes and interest): | | | |
| SCR, Kimco & Providence | Every addtl \$2 million in distributions received is \$0.05/share | +1,600 | +0.05 |
| New Investments | Every \$50 million deployed @ 14% | +3,188 | +0.09 |

The senior debt facility was drawn to \$266.5 million at September 30, 2019, with the capacity to draw up to another \$33.5 million based on covenants and credit terms, in addition to the \$50 million accordion facility for a total of \$83.5 million. The Corporation's senior lenders have agreed to extend the Corporation's ability to have greater than 2.5x senior debt to contracted EBITDA until March 31, 2020, in the event the Corporation is above this level. The annual interest rate on that debt was approximately 6.2% at September 30, 2019. Subsequent to September 30, 2019, the Corporation's senior lenders agreed to expand the Corporation's credit facility from \$300.0 million to \$330.0 million, with no change in covenant terms or access to the additional \$50 million accordion facility. The capacity after the expansion of the facility is \$63.5 million, with the ability to draw \$113.5 million when including the accordion facility.

The Consolidated Statement of Financial Position, Statement of Comprehensive Income, and Statement of Cash Flows are attached to this news release. Alaris' financial statements and MD&A are available on SEDAR at www.sedar.com and on our website at www.alarisroyalty.com.

Earnings Release Date and Conference Call Details

Alaris management will host a conference call at 5 pm MST (7 pm EST), Tuesday, November 5, 2019 to discuss the financial results for Q3 2019 and outlook for the Corporation.

Participants in North America can access the conference call by dialing toll free 1-888-390-0546. Alternatively, to listen to this event online, please click the webcast link and follow the prompts given: Q3 Webcast. Please connect to the call or log into the webcast at least 10 minutes prior to the beginning of the event.

For those unable to participate in the conference call at the scheduled time, it will be archived for instant replay for a week. You can access the replay by dialing toll free 1-888-390-0541 and entering the passcode 464980#. The webcast will be archived for 3 months and is available for replay by using the same link as above or by finding the link we'll have stored under the "Investor" section – "Presentation and Events", on our website at www.alarisroyalty.com.

An updated corporate presentation will be posted to the Corporation's website within 24 hours at www.alarisroyalty.com

About the Corporation:

Alaris provides alternative financing to private companies ("Partners") in exchange for royalties or distributions with the principal objective of generating stable and predictable cash flows for dividend

payments to its shareholders. Distributions from the Partners are adjusted annually based on the percentage change of a "top-line" financial performance measure such as gross margin or same store sales and rank in priority to the owner's common equity position.

Non-IFRS Measures

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

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

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

Run Rate Revenue refers to Alaris' total revenue expected to be generated over the next twelve months.

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

Normalized EBITDA refers to EBITDA excluding items that are non-recurring in nature and is calculated by adjusting for non-recurring expenses and gains to EBITDA. Management deems non-recurring items to be unusual and/or infrequent items that the Corporation incurs outside of its common day-to-day operations. For the three and six months ended June 30, 2018, the gains on the redemption of the Agility, and the Phoenix and Group SM bad debt expense are considered by management to be non-recurring charges. Transaction diligence costs are recurring but are considered an investing activity. Foreign exchange realized and unrealized gains and losses are recurring but not considered part of operating results and excluded from normalized EBITDA on an ongoing basis. Changes in investments at fair value are non-cash and although recurring are also removed from normalized EBITDA. Adjusting for these non-recurring items allows management to assess cash flow from ongoing operations.

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

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

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

The terms Run Rate Payout Ratio, Actual Payout Ratio, Run Rate Revenue, EBITDA, Normalized EBITDA, Earnings Coverage Ratio, Per Share and IRR should only be used in conjunction with the Corporation's annual audited financial statements, excerpts of which are available below, while complete versions are available on SEDAR at www.sedar.com.

Forward-Looking Statements

This news release contains forward-looking statements under applicable securities laws. Statements other than statements of historical fact contained in this news release are forward-looking statements, including, without limitation, management's expectations, intentions and beliefs concerning the growth, results of operations, performance of the Corporation and the Private Company Partners, the future financial position or results of the Corporation, business strategy, and plans and objectives of or involving the Corporation or the Partners. Many of these statements can be identified by looking for words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. In particular, this news release contains forward-looking statements regarding: the anticipated financial and operating performance of the Corporation's Partners; the revenues/contractual distributions to be received by Alaris in 2019 (annually and quarterly); expected resets to Distributions; common equity dividends from Amur; the Run Rate Payout Ratio; the Corporation's general and administrative expenses in 2019; the impact of expected operational improvements and future investments for the Corporation in 2019; interest and tax expenses in 2019; dividends to be paid; the Corporation's ability to deploy capital, including redeploying proceeds from any redemptions; the competitive landscape for new deals; run rate cash from operating activities; the cash requirements of the Corporation in 2019; and impact of capital deployment. To the extent any forward-looking statements herein constitute a financial outlook, including estimates regarding revenues, net cash from operating activities and expenses, they were approved by management as of the date hereof and have been included to provide an understanding with respect to 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.

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 in 2019 and 2020 and how that will affect Alaris' business and that of its Partners are material factors considered by Alaris management when setting the outlook for Alaris. Key assumptions include, but are not limited to, assumptions that the Canadian and U.S. economies will grow moderately in 2019 and 2020, that interest rates will not rise in a material way over the next 12 to 24 months, that the Partners will continue to make distributions to Alaris as and when required, that the businesses of the Partners will continue to grow, more private companies will require access to alternative sources of capital, and that Alaris will have the ability to raise required equity and/or debt financing on acceptable terms. Management of Alaris has also assumed that capital markets will remain stable and that the Canadian and U.S. dollar trading pair will remain in a range of approximately plus or minus 10% 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.

There can be no assurance that the assumptions, 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. The actual results of the Corporation and the Partners could materially differ from those anticipated in the forward-looking statements contained herein as a result of certain risk factors, including, but not limited to, the following: the dependence of Alaris on the Partners; reliance on key personnel; general economic conditions; failure to complete or realize the anticipated benefit of Alaris' financing arrangements with the Partners; a failure to obtain required regulatory approvals on a timely basis or at all; changes in legislation and regulations and the interpretations thereof; risks relating to the Partners and their businesses, including, without limitation, a material change in the operations of a Partner or the industries they operate in; inability to close additional Partner contributions or redeem proceeds from any redemptions in a timely fashion on anticipated term, or at all; a change in the ability of the Partners to continue to pay Alaris' distributions; a change in the unaudited information provided to the Corporation; and a failure to realize the benefits of any concessions or relief measures provided by Alaris to any Partner. Additional risks that may cause actual results to vary from those indicated are discussed under the heading "Risk Factors" and "Forward Looking Statements" in the Corporation's Management Discussion and Analysis for the year ended December 31, 2018, which is filed under the Corporation's profile at www.sedar.com and on its website at www.alarisroyalty.com. Accordingly, readers are cautioned not to place undue reliance on any forward-looking information contained in this news release. Statements containing forward-looking information reflect management's current beliefs and assumptions based on information in its possession on the date of this news release. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct.

Alaris Royalty Corp.
Condensed consolidated statements of financial position (unaudited)

| | 30-Sep | 31-Dec |
|--|--------------|------------|
| \$ thousands | 2019 | 2018 |
| Assets | | |
| Cash and cash equivalents | \$ 14,866 | \$ 22,774 |
| Prepayments | 1,313 | 2,181 |
| Trade and other receivables | 3,068 | 923 |
| Income taxes receivable | 2,857 | 1,484 |
| Investment tax credit receivable | - | 2,798 |
| Promissory notes receivable | 28,337 | 23,252 |
| Current Assets | \$ 50,441 | \$ 53,413 |
| Promissory notes and other receivables | 26,177 | 26,959 |
| Deposits | 20,206 | 20,206 |
| Property and equipment | 612 | 344 |
| Investments | 924,419 | 790,175 |
| Investment tax credit receivable | 2,475 | - |
| Deferred income taxes | - | 281 |
| Non-current assets | \$ 973,889 | \$ 837,965 |
| Total Assets | \$ 1,024,330 | \$ 891,378 |
| Liabilities | | |
| Accounts payable and accrued liabilities | \$ 4,246 | \$ 3,670 |
| Dividends payable | 5,042 | 5,013 |
| Foreign exchange contracts | 348 | 1,333 |
| Office Lease | 379 | - |
| Income tax payable | 693 | 1,257 |
| Current Liabilities | \$ 10,708 | \$ 11,273 |
| Deferred income taxes | 13,674 | 16,137 |
| Loans and borrowings | 266,528 | 228,103 |
| Convertible debentures | 90,526 | - |
| Non-current liabilities | \$ 370,728 | \$ 244,240 |
| Total Liabilities | \$ 381,436 | \$ 255,513 |

Equity

| | | |
|---|------------|------------|
| Share capital | \$ 624,374 | \$ 621,082 |
| Equity component of convertible debenture | \$ 5,500 | \$ 0 |
| Equity reserve | 14,614 | 14,679 |
| Translation reserve | 22,180 | 32,725 |
| Retained earnings / (deficit) | (23,774) | (32,621) |
| Alaris Royalty Corp. | | |
| Total Equity | \$ 642,894 | \$ 635,865 |

Total Equity consolidated statements of comprehensive income (unaudited)

| | | | | |
|------------------------------|--------------|------------|------------------------------------|-----------------------------------|
| Total Liabilities and Equity | \$ 1,024,330 | \$ 891,378 | Three months ended September 30 | Nine months ended September 30 |
|------------------------------|--------------|------------|------------------------------------|-----------------------------------|

\$ thousands except per share amounts

2019 2018 2019 2018

Revenues

| | | | | |
|---------------|-----------|-----------|-----------|-----------|
| Distributions | \$ 28,840 | \$ 22,241 | \$ 81,693 | \$ 73,249 |
| Interest | 1,185 | 443 | 3,391 | 1,518 |
| Total Revenue | \$ 30,025 | \$ 22,684 | \$ 85,084 | \$ 74,767 |

Other income / (loss)

| | | | | |
|--|----------|-------|----------|-----------|
| Net realized gain from investments | \$ 9,317 | \$ - | \$ 9,317 | \$ 15,667 |
| Net unrealized gains (losses) of investments at fair value | (9,357) | 7,118 | (5,162) | 3,628 |
| Realized gain / (loss) on foreign exchange contracts | (90) | (6) | (1,138) | 146 |
| Total other income / (loss) | (130) | 7,112 | \$ 3,017 | \$ 19,441 |

| | | | | |
|--|-----------|-----------|-----------|-----------|
| Salaries and benefits | \$ 785 | \$ 776 | \$ 2,437 | \$ 2,806 |
| Corporate and office | 614 | 694 | 2,266 | 2,678 |
| Legal and accounting fees | 765 | 232 | 2,377 | 2,013 |
| Transaction diligence costs | 1,122 | - | 2,129 | - |
| Non-cash stock-based compensation | 1,974 | 753 | 3,227 | 2,288 |
| Bad debt expense / (recovery) & reserve | - | - | (2,018) | 25,974 |
| Depreciation and amortization | 165 | 42 | 495 | 172 |
| Total operating expenses | 5,425 | 2,497 | 10,913 | 35,931 |
| Earnings before the undernoted | \$ 24,470 | \$ 27,299 | \$ 77,188 | \$ 58,277 |
| Finance costs | 5,813 | 1,492 | 13,880 | 6,027 |
| Unrealized (gain) / loss on foreign exchange contracts | 345 | (629) | (988) | 1,285 |

| | | | | |
|---|--------------------------------|-----------|-----------|-----------|
| Unrealized foreign exchange (gain) / loss | (2,311) | 4,598 | 5,339 | (3,433) |
| Earnings before taxes | \$ 20,623 | \$ 21,836 | \$ 58,957 | \$ 54,398 |
| Current income tax expense / (recovery) | 1,016 | (2,218) | 6,333 | 7,889 |
| Deferred income tax expense / (recovery) | (1,277) | 4,954 | (1,488) | 3,692 |
| Total income tax expense / (recovery) | (261) | 2,736 | 4,845 | 11,581 |
| Earnings | \$ 20,884 | \$ 19,100 | \$ 54,112 | \$ 42,817 |
| Other comprehensive income | | | | |
| Foreign currency translation differences | 4,297 | (6,678) | (10,545) | 7,594 |
| Total comprehensive income | \$ 25,181 | \$ 12,422 | \$ 43,567 | \$ 50,411 |
| Earnings per share | | | | |
| Basic | \$ 0.57 | \$ 0.52 | \$ 1.48 | \$ 1.17 |
| Fully diluted | \$ 0.57 | \$ 0.52 | \$ 1.47 | \$ 1.16 |
| Weighted average shares outstanding | | | | |
| Alaris Royalty Corp. | | | | |
| Condensed consolidated statements of cash flows (unaudited) | | | | |
| Basic | 36,847 | 36,486 | 36,567 | 36,483 |
| Fully Diluted | 36,938 | 36,767 | 36,858 | 36,765 |
| | Nine months ended September 30 | | | |
| \$ thousands | 2019 | 2018 | | |
| Cash flows from operating activities | | | | |
| Earnings for the period | \$ 54,112 | \$ 42,817 | | |
| Adjustments for: | | | | |
| Finance costs | 13,880 | 6,027 | | |
| Deferred income tax expense / (recovery) | (1,488) | 3,692 | | |
| Depreciation and amortization | 495 | 172 | | |
| Bad debt expense / (recovery) & reserve | - | 25,974 | | |
| Net realized gain from investments | (9,317) | (15,667) | | |
| Net unrealized gains (losses) of investments at fair value | 5,162 | (3,628) | | |
| Unrealized (gain) / loss on foreign exchange contracts | (988) | 1,285 | | |
| Unrealized foreign exchange (gain) / loss | 5,339 | (3,433) | | |
| Transaction diligence costs | 2,129 | - | | |
| Non-cash stock-based compensation | 3,227 | 2,288 | | |
| Change in: | | | | |

Cash flows from investing activities

Cash flows from financing activities

| | | |
|---|---------|---------|
| Proceeds from loans and borrowings | 111,882 | 131,672 |
| Curtis Krawetz, Vice President, Investments and Investor Relations, Alaris Royalty Corp. , 403-221-7305 | | |
| Proceeds from convertible debenture, net of fees | 95,527 | - |

| | | |
|---|------------|-------------|
| Net decrease in cash and cash equivalents | \$ (6,949) | \$ (18,484) |
|---|------------|-------------|

Impact of foreign exchange on cash balances (959)

SOURCE [Alaris Royalty Corp.](#)