Oxford Learning Centres, Inc. Trademark Acquisition and Royalty Investor Presentation

February 6, 2020

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Notice

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Certain statements contained in this presentation may constitute "forward-looking information" or "financial outlook" within the meaning of applicable securities laws that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information or financial outlook. The use of any of the words "anticipate", "continue", "estimate", "expect", "intend", "may", "will", "project", "should", "believe", "confident", "plan" and "intends" and similar expressions are intended to identify forward-looking information, although not all forward-looking information contains these identifying words. Specifically, forward-looking information or financial outlook in this presentation includes, but are not limited to, statements made in relation to: the completion of the indirect acquisition by DIV of certain trademarks and other intellectual property (the "Oxford Rights") from Oxford Learning Centres, Inc. ("Oxford") (the "Acquisition") and the immediate licence of the Oxford Rights back to Oxford for a royalty payment (the "Royalty"; and together with the Acquisition, the "Transaction"), the terms thereof and the expected timing therefor of February 2020; certain of the expected terms of the licence and royalty agreement governing the Royalty; the details of the Royalty, including the estimated annual amount thereof; statements related to the expected tax implications of the Acquisition on DIV; the means by which DIV intends to finance the Acquisition; the expectation that DIV will refinance a portion of funds drawn on the Acquisition Facility through a new facility post closing, and the expected terms of the new facility; DIV's business plans and strategies following the completion of the Transaction, including continuing to execute on its business plan of acquiring high quality trademarks and royalty streams on an accretive basis, resulting in greater diversification and dividend increases; the expectation that the Transaction will be accretive; Oxford's business plans and strategies following completion of the Transaction, including the expectation that Oxford will open approximately 11 new locations in 2020; the expected increase in Oxford management's ownership interest in Oxford; the expectation of market research firms that the tutoring industry in Canada, and globally, will continue to grow and the reasons for such expected growth; the expected impact of certain policy initiatives in Ontario on the supplemental education market; the expected financial impact of the Transaction on DIV, including on its pro forma payout ratio; the statement that DIV will increase its annual dividend to $0.235 per share, subject to completion of the Transaction and the timing therefor; DIV's corporate objectives; and DIV's expectation that it will pay a predictable and stable dividend to shareholders and increase the dividend as cash flow per share increases allow. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events, performance, or achievements of DIV to differ materially from those anticipated or implied in such forward-looking statements. DIV believes that the expectations reflected in these forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct. In particular there can be no assurance that: the Acquisition or the Transaction will close on the terms or in accordance with the timing currently expected, or at all; DIV will realize the expected benefits of the Transaction, or that it will be accretive; there will be any future increases in the Royalty payments made by Oxford to DIV; DIV or OX Royalties LP will be able to obtain the Oxford Credit Facility on the terms currently expected, or at all; the actual tax implications of the Acquisition on DIV will be consistent with the expected tax implications; the Transaction, if completed, will be successful; Oxford will meet its business objectives, including its objectives with respect to the future growth; Oxford will make the required royalty payments required under the Licence and Royalty Agreement and otherwise comply with its obligations under the Transaction Agreements; Oxford will not be adversely affected by the other risks facing its business; or DIV will be able to achieve any of its corporate objectives or make monthly dividend payments to the holders of its common shares. Given these uncertainties, readers are cautioned that forward-looking information and financial outlook included in this presentation are not guarantees of future performance, and such forward-looking information and financial outlook should not be unduly relied upon. More information about the risks and uncertainties affecting DIV's business and the businesses of its royalty partners can be found in the "Risk Factors" section of its Annual Information Form dated March 11, 2019 and the "Risk Factors" section of its management's discussion and analysis for the three and nine months ended September 30, 2019 that are available under DIV's profile on SEDAR at www.sedar.com.

In formulating the forward-looking statements contained herein, management has assumed that, among other things, all necessary consents and approvals for the Acquisition and the Transaction will be obtained and the Transaction will be completed in accordance with the timing currently expected and on the currently contemplated terms, all conditions to the draws on the Acquisition Facility and the Nurse Next Door Credit Facility will be satisfied, DIV and OX Royalties LP will be successful in obtaining the Oxford Credit Facility in accordance with the timing currently expected and on the currently contemplated terms, Oxford will be successful in meeting its stated corporate objectives, including its growth targets, DIV will realize the expected benefits of the Transaction, the Oxford business will not suffer any material adverse effect, and the business and economic conditions affecting DIV and Oxford will continue substantially in the ordinary course, including without limitation with respect to general industry conditions, general levels of economic activity and regulations. These assumptions, although considered reasonable by management at the time of preparation, may prove to be incorrect.

To the extent any forward-looking information or statements in this presentation constitute a "financial outlook" within the meaning of applicable securities laws, such information is being provided to assist investors in understanding the potential financial impact of the Transaction, the Oxford Credit Facility and the dividend increase on DIV.

All of the forward-looking information and financial outlook disclosed in this presentation is qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments contemplated thereby will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, DIV contemplated by such forward-looking information and financial outlook contained herein. The forward-looking information and financial outlook included in this presentation is made as of the date of this presentation and DIV assumes no obligation to publicly update or revise such information to reflect new events or circumstances, except as may be required by applicable law.

Third Party Information

This presentation includes market information, industry data and forecasts obtained from independent industry publications, market research and analyst reports, surveys and other publicly available sources. Although DIV believes these sources to be generally reliable, such information cannot be verified with complete certainty. Accordingly, the accuracy and completeness of this information is not guaranteed. DIV has not independently verified any of the information from third party sources referred to in this presentation nor ascertained the underlying assumptions relied upon by such sources.

Non-IFRS Measures

This presentation makes reference to certain non-IFRS financial measures. These non-IFRS financial measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers, and should not be construed as an alternative to other financial measures determined in accordance with IFRS. Rather, these financial measures are provided as additional information to complement IFRS financial measures by providing further understanding of DIV's and Oxford's financial performance from management's perspective and the expected financial impact of the Transaction on DIV. Accordingly, non-IFRS financial measures should never be considered in isolation nor as a substitute to using net income as a measure of profitability or as an alternative to the IFRS consolidated statements of income or other IFRS financial measures. Management presents the non-IFRS measures, "EBITDA", "Normalized EBITDA", "distributable cash", "distributable cash per share", "payout ratio", "pay-out ratio net of DRIP", as well as "run-rate" and "pro-forma" variations thereof along with "SSSG", and "run-rate system sales" in this presentation.

Where annualized figures (both IFRS and non-IFRS) are presented in this presentation, they are based on DIV's results for the three months ended September 30, 2019. A non-IFRS measure in this presentation is qualified by the words "run-rate" it represents the annualized figure, which has been further adjusted to give effect to CEO incentive compensation that will cease in 8 months, 50% of the CEO incentive compensation being settled in restricted share units, incremental salaries and professional fees, non-recurring director fees, the Acquisition Facility and current taxes thereon. A non-IFRS measure in this presentation qualified by the words "run-rate with Nurse Next Door", it represents the "run-rate" figure as together with normalizing adjustments to give effect to the Nurse Next Door royalty transaction that completed on November 15, 2019 as per Appendix A. Where a non-IFRS measure in this presentation is qualified by the words "pro-forma", it represents the "run-rate with Nurse Next Door" figure as further adjusted to give effect to the Transaction and related debt financing.

"EBITDA" is calculated as earnings before interest, taxes, depreciation and amortization. "Normalized EBITDA" is calculated as EBITDA before certain items including: share-based compensation, litigation expense, impairment loss, other finance income (costs), and fair value adjustment on financial instruments. While Normalized EBITDA is not a recognized measure under IFRS, management of the Corporation believes that, in addition to net income, Normalized EBITDA is a useful supplemental measure as it provides investors with an indication of cash available for distribution prior to debt service needs, litigation expenditures and interest income. The methodologies used by the Corporation to determine Normalized EBITDA may differ from those utilized by other issuers or companies and, accordingly, Normalized EBITDA as used in this presentation may not be comparable to similar measures used by other issuers or companies. Readers are cautioned that Normalized EBITDA should not be construed as an alternative to net income or loss determined in accordance with IFRS as indicators of an issuer's performance or to cash flows from operating, investing and financing activities as measures of liquidity and cash flows.

"Distributable cash" is defined as Normalized EBITDA less interest expense on credit facilities, less distributions on LP units, plus interest income and less current taxes. Distributable cash per share is distributable cash divided by the weighted average number of DIV shares outstanding as of the end of Q3 2019 on a non-diluted basis. Pro-forma distributable cash per share is calculated as pro-forma distributable cash divided by the number of DIV shares outstanding as of January 31, 2020 on a non-diluted basis. Distributable cash and distributable cash per share are non-IFRS financial measures that do not have standardized meanings prescribed by IFRS, and therefore may not be comparable to similar measures presented by other issuers. Management believes that Distributable cash and distributable cash per share provide investors with useful information about the amount of cash the Corporation generates to cover dividends on the shares during the period.

The payout ratio is calculated by dividing the total dividends declared during a period by the distributable cash generated in that period. The payout ratio is not a recognized measure under IFRS, however, management of the Corporation believes that it provides supplemental information regarding the extent to which the Corporation distributes cash as dividends, when compared to its cash flow capacity. Payout ratio as used in this presentation may not be comparable to similar measures used by other issuers or companies. Payout ratio net of DRIP, is the payout ratio on a cash basis after adjusting for dividends paid by the Corporation in the form of DIV shares issued under DIV's dividend reinvestment plan.

"Pro-forma payout ratio" for DIV is calculated as (i) DIV's annualized current monthly dividend, adjusted to give effect to the increase in the annual dividend expected to occur following completion of the Transaction, divided by (ii) DIV's annualized Q3 2019 distributable cash, adjusted to give effect to: the Transaction; the Nurse Next Door trademarks acquisition and licence and royalty agreement; the Nurse Next Door credit facility; the Acquisition Facility; CEO incentive compensation that will cease in 8 months, 50% of the CEO incentive compensation being settled in RSUs, incremental salaries and professional fees, non-recurring director fees, the reversal of interest income earned on excess cash and current taxes. Pro-forma payout ratio is not a recognized measure under IFRS; however, management of the Corporation believes that it provides supplemental information regarding the extent to which the Corporation distributes cash as dividends, when compared to its cash flow capacity. Pro-forma payout ratio as used in this presentation may not be comparable to similar measures used by other issuers. "Pro-forma payout ratio net of DRIP", is the pro-forma payout ratio on a cash basis after adjusting for dividends paid by the Corporation in the form of DIV shares issued under DIV's dividend reinvestment plan, which is estimated to have a participation rate of 15%.

"Pro-forma revenue" is calculated as DIV's annualized Q3 2019 revenues, adjusted to give effect to the Transaction and the Nurse Next Door trademarks acquisition and licence and royalty agreement. Pro-forma revenue is not a recognized measure under IFRS; however, management of the Corporation believes it provides supplemental information regarding the extent to which DIV shareholders have an interest in the consolidated revenues earned by DIV. Pro-forma revenue as used in this presentation may not be comparable to similar measures used by other issuers.

"Run-rate system sales" for Oxford means the system sales for the Oxford Learning Centres to be included in the royalty pool for a given period, including annualized amounts for any locations not open for the entire period.

"Same store sales growth" or "SSSG" for Oxford means the percentage increase in store sales over the prior comparable period for locations that were open in both the current and applicable prior periods, excluding stores that were permanently closed. Same store sales growth is a non-IFRS financial measure and does not have a standardized meaning prescribed by IFRS. However, DIV believes that SSSG is a useful measure as it provides investors with an indication of the change in year-over-year sales of Oxford locations. DIV's method of calculating same store sales growth may differ from those of other issuers or companies and, accordingly, same store sales growth may not be comparable to similar measures used by other issuers or companies.

DIV and its auditor are currently reviewing the application of certain IFRS standards to the contractual relationships between DIV's indirect subsidiary NND Royalties Limited Partnership ("NND Royalties LP") and Nurse Next Door and the impact thereof on DIV's financial reporting. The outcome of this review will determine how DIV reports the royalties NND Royalties LP receives from Nurse Next Door in DIV's consolidated financial statements, which may or may not be as revenue. Given such review is ongoing, for purposes of simplicity, in this presentation DIV has included the annualized royalties received by NND Royalties LP from Nurse Next Door in its revenues for the purpose of calculating certain of the non-IFRS measures presented herein, as DIV does for its other royalty partners.

For further details with respect to the calculation of such non-IFRS measures, see Appendix A hereto, and "Description of Non-IFRS and Additional IFRS Measures" in the DIV's management's discussion and analysis for the three and nine months ended September 30, 2019, a copy of which is available on SEDAR at www.sedar.com.

Transaction Overview

Diversified Royalty Corp. ("DIV") has entered into an agreement with Oxford Learning Centres, Inc. ("Oxford") to acquire the trademarks and certain other intellectual property used in Oxford's business and add a sixth royalty stream to DIV's portfolio for a purchase price of $44.0M.

Brand	• Founded in 1984, Oxford has grown into one of Canada's leading franchise supplemental education (tutoring) businesses with 155 locations (Canada – 123, US – 27, International – 5)
Positive Industry Trends	• Global private tutoring is expected to grow at a 7.1% CAGR between 2018 and 2026[1] driven by increased competition for university acceptances, deficiencies in the education system and increasing disposable income of parents
Annual Top-Line Royalty	• $4,270,000 royalty[2] and $40,000 annual management fee, representing ~10% of DIV's pro-forma revenues[3]
Sources of Capital	• $44M purchase price: $7M cash following a draw of the unused capacity under the Nurse Next Door credit facility and $37M from DIV's acquisition facility. DIV expects to re-finance ~$11M of the $37M from the acquisition facility with non-amortizing senior bank debt
Accretive Transaction, SSSG Participation	• 10.2x royalty acquisition multiple • DIV's royalty will track SSSG[3] of the locations in the Royalty Pool. Oxford's SSSG has averaged a combined 4% in Canada and US since 2011

1) Zion Market Research. https://www.globenewswire.com/news-release/2019/01/22/1703399/0/en/Global-Private-Tutoring-Market-Will-Reach-USD-177-621-Million-By-2026-Zion-Market-Research.html
2) The royalty payment under the license and royalty agreement is based on 7.67% of system sales of the 146 locations in the initial royalty pool (the "Royalty Pool'). Run–rate system sales[3] for the trailing twelve months ended Dec 31, 2019 for Oxford locations in the Royalty Pool is $55.7M.
3) Pro-forma revenues, SSSG and run-rate system sales are non-IFRS measures. See "Non-IFRS Measures" and "Appendix C".

Oxford Learning Centres – Overview

- Founded in 1984 – head office in London, Ontario
- Oxford operates 155 locations:
  - Canada (123 locations – 2 corporate and 121 franchise)
  - United States (27 locations – 2 corporate and 25 franchise) under the Grade Power brand
  - Internationally (5 franchise locations)
- Oxford generates annual system sales of approximately $56 million
- Oxford is one of Canada's leading franchise tutoring services, achieving best in class learning outcomes through the application of its proprietary cognitive learning methodology which improves educational outcomes by focusing on teaching students 'how to think' rather than 'what to think'
- This unique teaching style is complemented by Oxford's library of over 1,700 proprietary booklets, which are constantly being refined, expanded and updated by Oxford's curriculum team

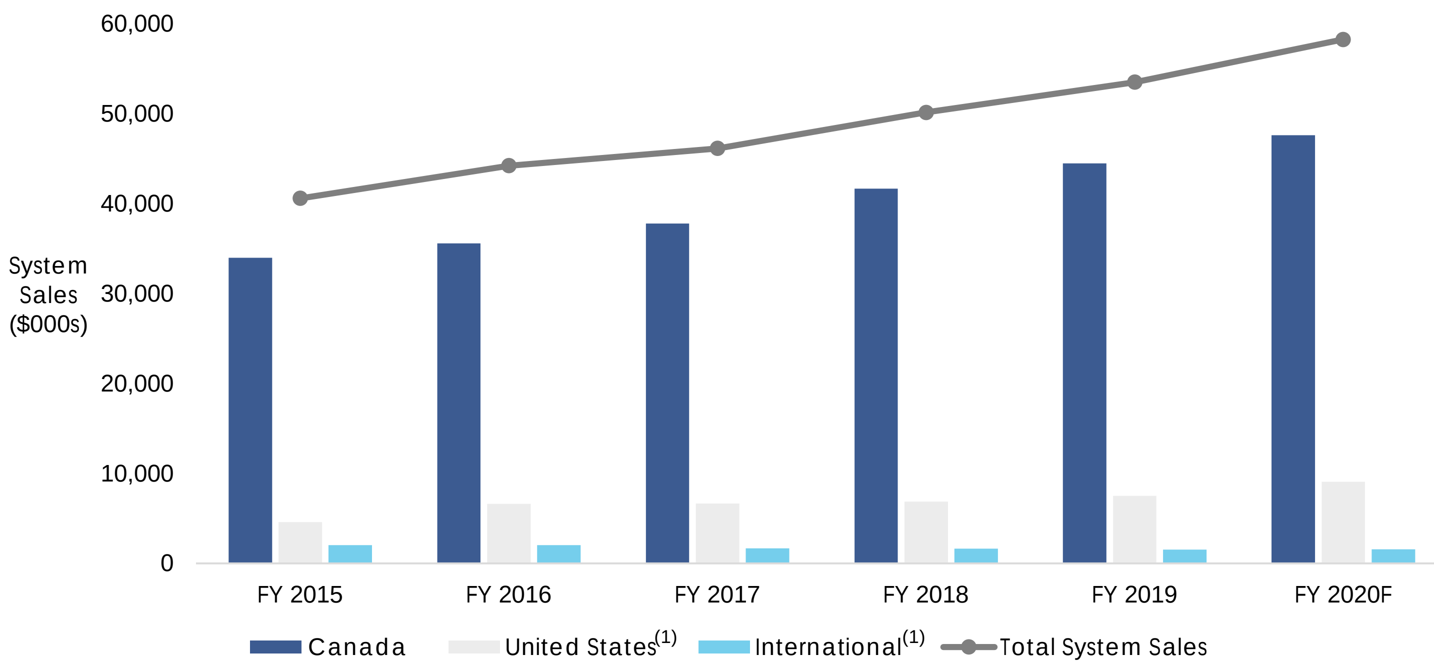
Excellent Royalty Candidate

- DIV believes Oxford is an excellent royalty acquisition for the following reasons:
  - **Financial Performance:** strong financial performance over an extended period
  - **Supplemental Education Market:** strong sectoral trends driving growth for the foreseeable future
  - **Business Model:** ~100% franchise business[(1)]
  - **Growth:** history of steady growth from new locations and from SSSG[(2)]
  - **Experienced Management:** over 90 combined years of experience at Oxford
  - **Alignment/Motivation:** Oxford's management team will increase its ownership materially while the founders will retain control of the business
  - **Fit:** industry diversification and size
  - **Accretive:** DIV is purchasing the trademarks and a high-quality royalty stream at an accretive multiple

1) Four locations are corporate stores held for resale.
2) SSSG is a non-IFRS measure – see "Non-IFRS Measures".

Financial Performance

- Oxford generated TTM system sales of ~$56M as of December 31, 2019 and has grown system sales for all locations combined by 7.4% per year since 2015
- Oxford has opened 22 net new franchise locations since 2015 and expects to open approximately 11 new locations in calendar 2020



1) Converted to Canadian dollars based on the average exchange rate for the period.

Supplemental Education Market

- In total, the global market is expected to grow from $96B in 2017 at a CAGR of 7.1% until 2026[(1)]. This growth is expected to be driven by the following factors[(1)]:
  - Rise in competition among students to gain admissions to universities and colleges
  - Increasing disposable income of parents
- The tutoring industry in Canada is valued at ~$1.0B annually[(2)]. Social changes in Canada have led to an increase in the demand for out-of-school tutoring[(2)]
- According to a study by the University of Toronto in 2017, ~25% of Ontario parents said that they purchased tutoring services in the past three years[(3)]
- The private tutoring market is highly fragmented due to large contingents of locally based tutors providing services on a small scale/individual basis
- December 2018, the Ontario government announced it would cut $25M in funding for education programmes aimed at providing support to students (tutoring)[(4)]
- March 2019, the Ontario government announced class sizes between grade 4 and grade 12 would be expanded over the next four years[(5)]

1) Zion Market Research. https://www.globenewswire.com/news-release/2019/01/22/1703399/0/en/Global-Private-Tutoring-Market-Will-Reach-USD-177-621-Million-By-2026-Zion-Market-Research.html
2) Financial Post. https://business.financialpost.com/personal-finance/young-money/get-ready-to-fork-over-1-billion-canada-school-is-back-and-so-is-tutoring
3) Ontario Institute for Studies in Education of the University of Toronto (OISE). https://www.oise.utoronto.ca/oise/UserFiles/Media/Media_Relations/OISE-Public-Attitudes-Report-2018_final.pdf
4) Globe and Mail. https://www.theglobeandmail.com/canada/article-ontario-government-cuts-millions-of-dollars-for-tutors-and-student/
5) Globe and Mail. https://www.theglobeandmail.com/canada/article-ontario-announces-that-high-school-class-sizes-will-increase-sex-ed/

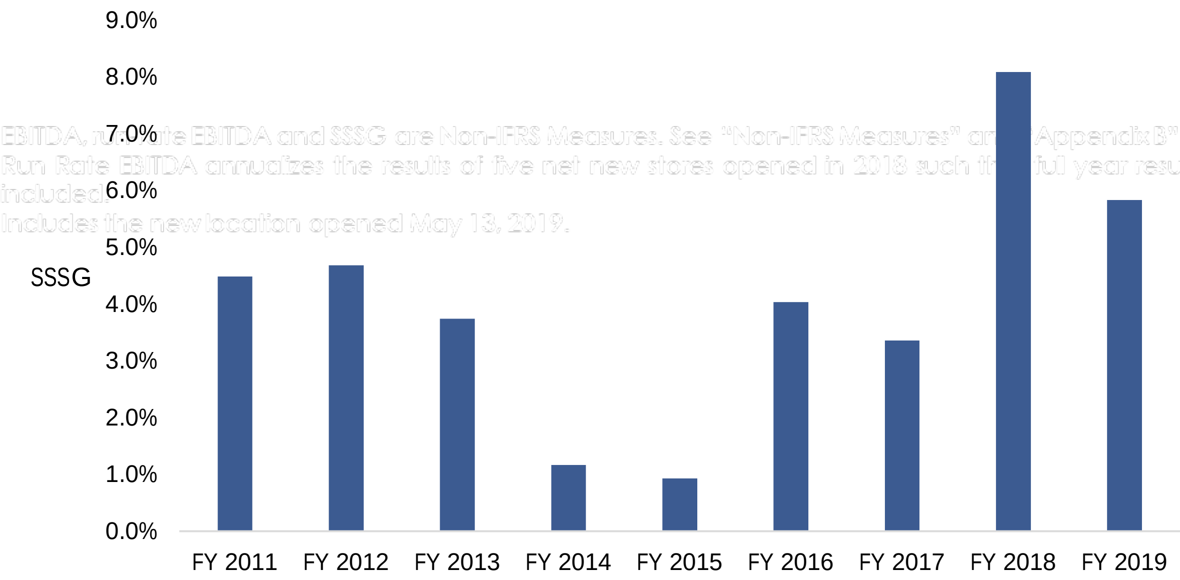
Business Model

- ~100% of Oxford's locations are run by local franchise operators[(1)]
- Centres range from 900 to 2,000 sq. ft (avg 1,300), depending on the number of students which range from ~50 to 250+ (average 143 students at mature locations)
- Ideally, centres are located in high-traffic locations such as strip malls and close to local schools
- Depending on the size and location of the centre, start-up costs are $100,000 to $270,000. The majority of start-up costs are capital expenditures on leasehold improvements, equipment, franchise fees and initial marketing campaigns and salaries.
- Centres traditionally take approximately 36 months to mature
- A mature Canadian Oxford location generates annual revenues of ~$350,000 to ~$400,000 and provides an attractive return on capital over time for the franchisee.

1) Four locations are corporate stores held for resale.

Growth

- Oxford has generated a 7.4% CAGR in annual system sales over the past five years and expects continued strong system sales growth as new franchisees are added
- From 2011 to 2019, Oxford has averaged a combined 4% SSSG(1) in Canada and US



- Oxford has opened 22 net new locations over the past five years and is forecasting approximately 11 new locations in 2020.

1) SSSG is a non-IFRS Measure – see "Non-IFRS Measures."

Management

- Oxford is led by an award-winning team focused on building culture, brand and success:
  - Nick Whitehead: Chairman/Founder of Oxford – led the business until his retirement in 2017
  - Lenka Whitehead, President: Lenka served as Chief Operational Officer of Oxford since 2002. During this time, Lenka also acted as owner/operator of an Oxford franchise
  - Lynne Killinger, CFO: Lynne has been the CFO of Oxford since 2000 and is a Chartered Professional Accountant
  - Marty Robertson, National Director of Operations: Marty was National Director of US Operations from January 2018 to April 2019 and Franchise Performance and Growth Manager from August 2013 to December 2017
  - Kelley McGregor, Director of Curriculum: Kelley has been with Oxford for over thirty years, holding various positions, starting as an education director. She joined Oxford at the time it started creating its own curriculum in 1987; therefore, has seen the full array of the Oxford curriculum from its inception to its current extensive roster

Management

- In both 2018 and 2019, Oxford was honoured by the Canadian Franchise Association (“CFA”) with a Franchisees’ Choice Award. The award recognizes exceptional rankings in franchisee satisfaction and is awarded based on the results of the CFA franchise satisfaction survey the organization sends to all members
- Oxford received a Bronze Award of Excellence for traditional (brick and mortar) franchise organizations with more than 100 locations. The award is the pinnacle of franchise achievement in Canada, recognizing excellence in franchise operations. Winning franchise systems must demonstrate a dedication to superior franchisee relations, leadership, business planning, marketing, training and support, ongoing operations and communications

Alignment/Motivation

- Oxford's trademark sales and royalty transaction with DIV is being used as an opportunity to increase management's ownership in the business up to 30% while allowing the founders to retain control of the business
- DIV strongly believes meaningful management ownership provides a strong benefit to the entire organization – Mr. Lube's management team increased its ownership from 0% to ~20% as part of the DIV royalty transaction completed in 2015 and Mr. Lube's business has never performed better, to the benefit of all stakeholders
- DIV also strongly believes that continuity of ownership is a critical success factor for the ongoing success of all franchise businesses, including Oxford – the long term relationships and trust developed by the founders with Oxford franchisees over the past 30+ years is important to Oxford's continued success

Fit

- Diversification/Industry
  - The acquisition of Oxford represents DIV's sixth royalty stream
  - With investments in Mr. Lube, Air Miles, Sutton Realty, Mr. Mikes, and Nurse Next Door, DIV currently has no exposure to the supplemental education market
  - The supplemental education market represents a significant market with a very large growth opportunity
- Oxford's royalty and management fee represent ~10% of DIV's pro-forma revenue(1)

1) Pro-forma revenue is a non-IFRS measure. See "Non-IFRS Measures" and "Appendix C".

Fit

Diversified Royalty Corp.(1)

Sutton LP	Mr. Lube LP	Air Miles LP	Nurse Next Door LP	Mr. Mikes LP	Oxford LP
10%	40%	18%	12%	10%	10%

Expanding across diverse and attractive industries

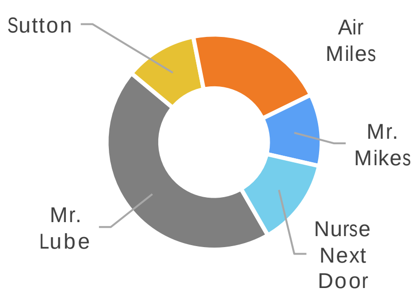
1) The percentages of revenues as presented is based on pro-forma revenue. Pro-forma revenue is a non-IFRS measure. See “Non-IFRS Measures” and “Appendix C”. DIV and its auditor are currently reviewing the application of certain IFRS standards to the contractual relationships between DIV’s indirect subsidiary NND Royalties LP and Nurse Next Door and the impact thereof on DIV’s financial reporting. The outcome of this review will determine how DIV reports the royalties NND Royalties LP receives from Nurse Next Door in DIV’s consolidated financial statements, which may or may not be as revenue. Given such review is ongoing, for purposes of simplicity, DIV has presented the royalties received by NND Royalties LP from Nurse Next Door as revenue, as DIV does for its other royalty partners.

Accretive

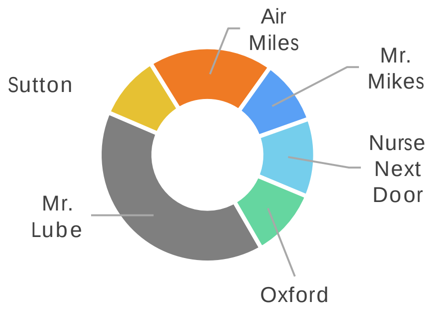
Run-Rate(1) w/ Nurse Next Door

Pro-Forma(2)

$37.3M
Revenue



$41.6M
Revenue



$35.4M
Normalized EBITDA(3)

$39.7M
Normalized EBITDA(3)

1) Run-Rate is based on DIV's results for the three months ended September 30, 2019, annualized, and includes the adjustments to give effect to the Nurse Next Door royalty transaction that completed on November 15, 2019 as per Appendix C. DIV and its auditor are currently reviewing the application of certain IFRS standards to the contractual relationships between DIV's indirect subsidiary NND Royalties LP and Nurse Next Door and the impact thereof on DIV's financial reporting. The outcome of this review will determine how DIV reports the royalties NND Royalties LP receives from Nurse Next Door in DIV's consolidated financial statements, which may or may not be as revenue. Given such review is ongoing, for purposes of simplicity, DIV has presented the royalties received by NND Royalties LP from Nurse Next Door as revenue, as DIV does for its other royalty partners.
2) Pro-Forma is the Run-Rate amount after giving effect to the Oxford transaction as per Appendix C.
3) Normalized EBITDA, Pro-Forma Normalized EBITDA and Pro-Forma Revenues as well as the Run-Rate amounts are non-IFRS measures – See "Non-IFRS Measures", "Appendix A" and "Appendix C".

Accretive

Run-Rate w/ Nurse Next Door[(1)]	Pro-Forma[(2)]
$25.1M Distributable Cash[(3)]	**$27.0M** Distributable Cash[(3)]
$0.2312 Distributable Cash per Share[(3)]	**$0.2464** Distributable Cash per Share[(3)]
$0.2300 Dividend per Share	**$0.2350** Dividend per Share
99.5% Payout Ratio[(3)]	**~95.4% (after dividend increase)** Payout Ratio[(3)]
84.6% Payout Ratio, net of DRIP[(3)]	**~81.1% (after dividend increase)** Payout Ratio, net of DRIP[(3)]
$237.0M UCC	**$281.0M** UCC
~$1M (+$57M undrawn facilities) Cash	**~$1M (+$13M undrawn facility)** Cash[(4)]

1) Run-Rate is based on DIV's results for the three months ended September 30, 2019, annualized, and includes normalizing adjustments to give effect to the Nurse Next Door royalty transaction that completed on November 15, 2019 as per Appendix B.
2) Pro-Forma is the Run-Rate amount after giving effect to the Nurse Next Door transaction as per Appendix B.
3) Distributable Cash, Distributable Cash per Share, Payout Ratio, Payout Ratio net of DRIP, as well as the respective Run-Rate and Pro-Forma amounts are non-IFRS measures. See "Non-IFRS Measures" and "Appendix B".
4) The Oxford purchase price of $44M is funded by DIV's existing debt capacity.

Dividend

- DIV’s board of directors has approved a 2.2% increase in DIV’s annual dividend from 23 cents per share to 23.5 cents per share, commencing March 1, 2020**,** subject to closing of the transaction
- DIV’s payout ratio improves from slightly under 100% to approximately 95% after the dividend increase (81% net of DRIP)[1]

1) Payout Ratio, Pro-Forma Payout Ratio, and Pro-Forma Payout Ratio net of DRIP are non-IFRS measures. See “Non-IFRS Measures” and “Appendix B” .

Deal Analysis

- **Brand.** Oxford has been in business since 1984 and has grown into one of Canada's leading supplemental education businesses with 123 locations across Canada
- **Management.** Oxford has an experienced management team which has won many awards and managed its impressive growth in revenue and profitability
- **Business Model.** Oxford is a well-run franchise business with 155 locations, strong store-level economics and strong SSSG[(1)]
- **Diversification.** No correlation with Sutton, Mr. Lube, Air Miles, Mr. Mikes and Nurse Next Door – the supplemental education market is supported by strong industry trends
- **Size.** A $44.0M trademark acquisition and $4.3M annual royalty and management fee represents ~10% of DIV's pro-forma revenues[(1)]
- **Payout Ratio.** DIV's payout ratio improves from slightly under 100% to ~95% after dividend increase (~81% net of DRIP) [(1)]

1) SSSG, Pro-forma Revenues, Payout Ratio, Pro-Forma Payout Ratio, and Pro-Forma Payout Ratio net of DRIP are non-IFRS measures. See "Non-IFRS Measures", "Appendix B" and "Appendix C".

Appendix A

The following table reconciles net income for the three months ended September 30, 2019 to Pro-Forma Normalized EBITDA:

(000s)		Q3 2019		Annualized
Revenues	$	8,103	$	32,412
Operating expenses		(951)		(3,804)
Finance costs, net		(1,625)		(6,500)
Income before income taxes		5,527		22,108
Income tax expense		(1,591)		(6,364)
Net income	$	3,936	$	15,744
Interest expense on credit facilities		1,557		6,228
Income taxes		1,591		6,364
EBITDA[(1)]		7,084		28,336
Adjustments:				
Share-based compensation		363		1,452
Other finance income, net		152		608
Fair value adjustment on financial instruments		(84)		(336)
Normalized EBITDA[(1)]		**7,515**		**30,060**
CEO incentive amount[(2)] and non-recurring director fees				561
Run-Rate Normalized EBITDA[(1)]				**30,621**
Nurse Next Door Normalized EBITDA contribution[(1)(3)]				4,814
Run-Rate Normalized EBITDA with Nurse Next Door				**35,435**
Oxford Normalized EBITDA contribution[(1)(4)]				4,251
Pro-Forma Normalized EBITDA[(1)]			**$**	**39,685**

1) EBITDA, Normalized EBITDA, as well as the run-rate and pro-forma representations thereof and run-rate system sales are non-IFRS measures. See “Non-IFRS Measures”.
2) The CEO incentive amount relates to compensation that will cease in 8 months and 50% of the incentive amount being settled in RSUs.
3) The Nurse Next Door Normalized EBITDA contribution is calculated as the annualized royalty amount retained by DIV of $4,814, management fees of $75 less incremental operating expenses of $75.
4) The Oxford Normalized EBITDA contribution is calculated as the estimated initial royalty of $4,270 based on run-rate system sales[(1)] for the TTM Dec 2019, management fees of $40 less incremental operating expenses of $58.

Appendix B

The following table reconciles Normalized EBITDA for the three months ended September 30, 2019 to Pro-Forma Distributable Cash:

(000s)		Q3 2019		Annualized
Normalized EBITDA[1]	$	7,515	$	30,060
Less: interest expense on credit facilities		(1,557)		(6,228)
Less: distributions on LP units		(22)		(88)
Add: interest income		274		1,096
Less: current income taxes		(764)		(3,056)
Distributable cash[1]	**$**	**5,446**	**$**	**21,784**
Adjustments:				
CEO incentive amount[2] and non-recurring director fees				561
Standby fee on acquisition facility				(94)
Current taxes[3]				(104)
Run-Rate Distributable Cash[1]			**$**	**22,146**
Nurse Next Door Distributable Cash contribution[1][4]				2,993
Run-Rate Distributable Cash with Nurse Next Door				**25,139**
Oxford Distributable Cash contribution[1][5]				1,868
Pro-Forma Distributable Cash with Nurse Next Door and Oxford[1]			**$**	**27,007**
Dividends declared[6]			$	25,758
Dividends declared, net of DRIP[6]			$	21,895
Pro-forma distributable cash per share			$	0.2464
Pro-forma dividend per share			$	0.2350
Pro-forma payout ratio				95.4%
Pro-forma payout ratio, net of DRIP				81.1%

1) Normalized EBITDA, Distributable Cash, Distributable Cash per Share, Payout Ratio, Payout Ratio net of DRIP as well as the run-rate and pro-forma representations thereof are non-IFRS measures. See "Non-IFRS Measures".
2) The CEO incentive amount relates to compensation that will cease in 8 months and 50% being settled in RSUs.
3) Amount gives effect to the run-rate distributable cash adjustments and the deferred financing costs related to the acquisition facility at a 27% tax rate.
4) The Nurse Next Door Distributable Cash contribution is calculated as the Nurse Next Door Normalized EBITDA contribution of $4,814, less interest expense of $580, interest income on the excess cash of $1,096 and current taxes of $145.
5) The Oxford Distributable Cash contribution is calculated as Oxford Normalized EBITDA contribution of $4,251, less interest expense of $1,824 and current taxes of $559.
6) Dividends declared is calculated as the dividend per share of $0.2350/share (taking into account the dividend increase) multiplied by the number of shares outstanding as of Jan 31, 2020.

Appendix C

The following table reconciles Revenue for the three months ended September 30, 2019 to Pro-Forma Revenue:

(000s)		Q3 2019		Annualized
Mr. Lube	$	4,139	$	16,556
Sutton		1,011		4,044
Air Miles		1,946		7,784
Mr. Mikes		1,007		4,028
Revenue		**8,103**		**32,412**
Nurse Next Door(1)(2)				4,889
Run-Rate Revenue with Nurse Next Door				**37,301**
Oxford(3)				4,310
Pro-Forma Revenue with Nurse Next Door and Oxford			**$**	**41,611**

1) DIV and its auditor are currently reviewing the application of certain IFRS standards to the contractual relationships between DIV's indirect subsidiary NND Royalties LP and Nurse Next Door and the impact thereof on DIV's financial reporting. The outcome of this review will determine how DIV reports the royalties NND Royalties LP receives from Nurse Next Door in DIV's consolidated financial statements, which may or may not be as revenue. Given such review is ongoing, for purposes of simplicity, DIV has included the annualized royalties received by NND Royalties LP from Nurse Next Door in its revenues, as DIV does for its other royalty partners.
2) Nurse Next Door revenue is calculated as the annualized amount retained by DIV of $4,814 and management fees of $75.
3) Oxford revenue is calculated as the estimated initial royalty of $4,270 based on run-rate system sales(4) for the TTM Dec 2019 and management fees of $40.
4) Run-rate system sales is a non-IFRS measure – See "Non-IFRS Measures".