



## DREAM UNLIMITED CORP. REPORTS FOURTH QUARTER RESULTS AND CLOSING OF SUMMIT ACQUISITION

*This press release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release.*

**TORONTO, February 21, 2023, Dream Unlimited Corp. (TSX: DRM) (“Dream”, “the Company” or “we”)** today announced its financial results for the three and twelve months ended December 31, 2022 (“fourth quarter”).

“Dream has been making progress growing our asset management business and our income property portfolio together adding to our recurring income,” said Michael Cooper, Chief Responsible Officer. “Our impact initiatives have also contributed to being awarded the Quayside development, which is closing in March. Arapahoe Basin had a very successful year and continued to contribute to our overall profit and value creation. Although there have been many challenges in 2022, Dream is beginning 2023 in very good shape and we are improving the quality of our business and its value.”

A summary of our consolidated results for the three and twelve months ended December 31, 2022 is included in the table below.

<i>(in thousands of dollars, except per share and outstanding share amounts)</i>	For the three months ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Revenue	\$ 167,692	\$ 150,122	\$ 343,768	\$ 325,922
Net margin	\$ 43,729	\$ 34,685	\$ 79,135	\$ 60,566
Net margin (%) <sup>(1)</sup>	26.1%	23.1%	23.0%	18.6%
Earnings (loss) before income taxes	\$ (57,525)	\$ 95,349	\$ 197,291	\$ 125,875
Earnings (loss) for the period	\$ (51,211)	\$ 80,317	\$ 164,445	\$ 110,661
Basic earnings (loss) per share	\$ (1.20)	\$ 1.87	\$ 3.86	\$ 2.52
Diluted earnings (loss) per share	\$ (1.20)	\$ 1.81	\$ 3.74	\$ 2.46
	<b>December 31, 2022</b>		December 31, 2021	
Total assets	\$ 3,956,494		\$ 3,488,674	
Total liabilities	\$ 2,402,802		\$ 2,066,461	
Total equity	\$ 1,553,692		\$ 1,422,213	
Total issued and outstanding shares	42,587,702		42,836,031	

Loss before income taxes for the three months ended December 31, 2022 was \$57.5 million, compared to earnings before taxes of \$95.3 million in the prior year comparative period. The decrease is primarily due to a fair value loss on Dream Impact Trust’s investment in the Virgin Hotels Las Vegas, lower fair value adjustments taken on our investment properties including those held within our equity accounted investments and a \$1.9 million loss on Dream Impact Trust units held by other unitholders.

Earnings before income taxes for the year ended December 31, 2022 was \$197.3 million, an increase of \$71.4 million relative to the prior year, primarily due to a one-time gain on a land settlement, condominium occupancies at Canary Commons in the first half of 2022 and \$80.4 million in fair value gains taken on Dream Impact Trust units held by other unitholders. This was partially offset by the aforementioned reasons and higher interest costs.

As of December 31, 2022 the Company has available liquidity<sup>(2)</sup> of \$285.7 million, in line with \$275.6 million as of December 31, 2021.

Subsequent to the fourth quarter, the Company’s Board of Directors approved an increase to the annual dividend per Subordinate Voting Share and Class B Share from \$0.40 per share to \$0.50 per share, effective with the dividend payable to shareholders on March 31, 2023.

### Highlights: Recurring Income

- In the fourth quarter, revenue and net operating income<sup>(1)</sup> derived from recurring income sources was \$42.7 million and \$14.3 million, respectively, compared to \$35.9 million and \$10.0 million in the comparative period. The increase in revenue is primarily due to our portfolio of multi-family rental properties in the GTA and Ottawa/Gatineau, and higher earnings at the Distillery District.

- In the year ended December 31, 2022, revenue and net operating income<sup>(1)</sup> from recurring income sources improved by \$51.2 million and \$23.2 million, respectively, due to the aforementioned factors in addition to a growing asset management base, and improved performance at our recreational properties including Arapahoe Basin, our ski hill in Colorado, and the Broadview Hotel and Gladstone House, our boutique hotels in Toronto.
- Subsequent to December 31, 2022, we increased our interest in the Distillery District from 50% to 62.5% for total consideration of \$27.0 million. The 395,000 sf Distillery District historical retail area is a significant driver of recurring income and is 88.9% occupied as of year-end.
- Revenue for the three and twelve months ended December 31, 2022 includes \$11.5 million and \$47.7 million, respectively, in asset management fee revenue, compared to \$13.9 million and \$43.1 million, respectively, in the prior periods. The increase in the year is largely driven by the growth in asset management base from the addition of Dream Residential REIT to the Company's asset management platform and development activity at Dream Industrial REIT, while quarter-to-date fluctuations are driven by the timing of acquisition activity.
- In the year ended December 31, 2022, our portfolio of stabilized properties generated Adjusted EBITDA<sup>(1)</sup> of \$47.9 million, an increase of \$27.4 million over prior year, largely driven by the growth in our multi-family portfolio in the GTA and Western Canada. As of December 31, 2022, our portfolio comprises 1,599 apartment units (at project level) and is 96.3% occupied.
- In the year ended December 31, 2022, Arapahoe Basin had its strongest performance ever, generating Adjusted EBITDA<sup>(1)</sup> of \$12.6 million, up from \$10.7 million in 2021. Our new Lenawee Express lift, the first six-person chair at the ski hill, opened to the public on December 16, 2022 and has reduced ride time by more than 50% for our visitors. We also opened our revamped charcuterie restaurant, il Rifugio, and the German-themed Steilhang Hut in late December.
- 2022 results include \$5.6 million in equity accounted earnings on our 36% interest in Dream Office REIT, down from \$62.1 million in the comparative period due to fair value losses on Dream Office REIT's portfolio and a lower share of earnings on the REIT's 9.7% interest in Dream Industrial REIT. In addition, 2022 earnings include \$5.9 million in equity accounted earnings on our 12% interest in Dream Residential REIT from its operations since it launched on May 6, 2022.
- Subsequent to December 31, 2022, the Company acquired de facto control of Dream Office REIT through the ownership of 18,473,925 REIT and LP B units. Dream Office REIT cancelled 242,200 REIT units that increased the Company's ownership of the REIT to over 36%. The Company will account for the acquisition as a step acquisition and remeasure its existing equity interest in Dream Office REIT to fair value at the acquisition date.
- On February 17, 2023, we announced the closing of the transaction pursuant to which a joint venture between GIC and Dream Industrial REIT acquired Summit Industrial Income REIT in an all-cash transaction valued at \$5.9 billion, including the assumption of certain debt ("the Summit transaction"). A subsidiary of Dream will be the asset manager for the joint venture and Dream Industrial REIT will provide property management, accounting, construction management and leasing services to the joint venture at market rates. Dream and Dream Industrial REIT intend to continue employing the majority of Summit employees post-closing.
- As of December 31, 2022, assets under management<sup>(1)</sup> totalled \$18 billion, up nearly \$3 billion since year end, and included a combined 63% in the industrial and residential rental asset classes and 31% located outside of Canada. Fee earning assets under management<sup>(1)</sup> totalled \$11 billion as of quarter end, up \$2 billion since December 31, 2021. Upon closing of the Summit transaction, we added approximately \$5.9 billion to assets under management and fee-earning assets under management.
- Across the Dream group platform, which includes assets held through the Company, Dream Impact Trust, Dream Impact Fund, Dream Office REIT and Dream Residential REIT, we have over 8,200 apartment units and 13.7 million sf of gross leasable area ("GLA") in stabilized rental, retail and commercial properties, in addition to our recreational properties. Over the next four years, we expect to add an additional 3,050 units and 3.0 million sf of rental, retail and commercial GLA to our recurring income portfolio (at project level), including West Don Lands Blocks 8 and 3/4/7, Canary Block 10, three buildings at Zibi and LeBreton Library Flats.

## Highlights: Development

- In the three months ended December 31, 2022, our development business generated revenue and net margin of \$125.0 million and \$32.6 million, respectively, up by \$10.7 million and \$5.9 million from the comparative period. Results for the quarter were driven by higher acre sales in Western Canada.
- In the year ended December 31, 2022, we earned revenue and net margin of \$175.8 million and \$24.0 million, respectively, down from \$209.2 million and \$27.1 million in the comparative period. 2021 results included Phase 1 occupancies at Riverside Square with no comparable activity in 2022. This was partially offset by higher acre sales in Western Canada.
- In 2022, we achieved 858 lot sales and 39 acre sales, primarily across our Brighton, Alpine Park and Meadows communities in Saskatoon, Calgary and Edmonton, respectively. As of February 21, 2023, we have secured commitments for 420 lots and 23 acres (including 11 raw acres) across our Western Canada communities that we expect to contribute to earnings in 2023.
- In the second half of 2022, we launched sales for the first tower at Forma ("Forma East"), an 864-unit condominium project located in the heart of Toronto's entertainment district. This iconic project designed by Canadian-born architect Frank Gehry has achieved firm sales of approximately \$800 million or 71% of units released as of February 21, 2023.
- Included in our consolidated fourth quarter results is a fair value loss of \$54.8 million relating to Dream Impact Trust's investment in the Virgin Hotels Las Vegas. The loss was due to substantial new capital required which Dream Impact Trust declined to further invest, resulting in a reduction to the value of our ownership interest.
- Across the Dream group platform, we have approximately 4.4 million sf of GLA in retail or commercial properties and 25,900 condominium or purpose-built rental units (at the project level) in our development pipeline. For further details on our development pipeline, refer to the "Summary of Dream's Assets & Holdings" section of our MD&A.

## Highlights: Impact Investing

- In 2022, the Dream group of companies released our Net Zero by 2035 Action Plan, available [here](#). The Action Plan details Dream's commitment, targets and milestones, investment and emissions boundaries, actionable delivery strategy, and oversight and transparency plans. With over \$6 billion in net zero communities within our development pipeline, we believe our bold approach to mitigating climate change will create further investment opportunities and create shareholder value.
- For the second consecutive year, both Dream Impact Trust and Dream Office REIT have achieved a five-star GRESB rating, placing both companies in the top 20% global benchmark. The strong ratings were attributed to strong performance in leadership, policies, reporting, targets and data monitoring and review. Annual participation in the GRESB assessment provides us with the opportunity for a third-party assessment of our progress on achieving our impact/ESG related goals across the Dream platform.
- In 2022, the National Capital Commissions ("NCC") announced in partnership with Canada Housing Mortgage Corporation ("CMHC") that Dream was selected to develop the first phase of the Building LeBreton project in Ottawa, Ontario. In the fourth quarter, the city of Ottawa's planning committee approved two towers at our LeBreton Library Flats site, granting us an exemption to the city's 25 storey height limit. The 31 and 36 storey towers will deliver 608 rental units, including 250 units designated as affordable, and will be the largest net zero carbon residential community in Canada upon completion in 2026.
- In the year ended December 31, 2022, Waterfront Toronto approved a project agreement for the development of a 12 acre site at the east end of downtown Toronto's waterfront to build Canada's largest all-electric, zero-carbon master-planned community. The community will comprise over 4,000 units, including over 800 affordable housing units and 3.5 acres of public space with a car-free green oasis from Parliament Street to Bonnycastle Street that will connect projects further west towards Jarvis Street.
- Through the Dream Community Foundation, which is privately funded by the Cooper family, extensive programming has been introduced at Weston Common, our 841-unit multi-family rental community, where approximately 25% of the units are affordable. Programming offered in 2022 included over 2,000 meals provided as part of an ongoing breakfast club, language classes, community event sponsorship,

back-to-school supply kits and the introduction of a scholarship program to assist with the post-secondary education. The Foundation will look to extend this programming beyond Weston Common in 2023.

### Share Capital & Return to Shareholders

- In the year ended December 31, 2022, 0.4 million Subordinate Voting Shares were purchased for cancellation by the Company at an average price of \$39.53 under a normal course issuer bid ("NCIB") for total proceeds of \$14.9 million (year ended December 31, 2021 - 2.4 million Subordinate Voting Shares at an average price of \$25.29).
- Dividends of \$25.6 million and \$38.3 million were declared and paid on our Subordinate Voting Shares and Class B Shares in the three and twelve months ended December 31, 2022, inclusive of a special dividend of \$0.50 per share paid in the fourth quarter (three and twelve months ended December 31, 2021 - \$4.3 million and \$13.5 million, respectively).

Select financial operating metrics for Dream's segments for the three and twelve months ended December 31, 2022 are summarized in the table below.

	For the three months ended December 31, 2022			
<i>(in thousands of dollars, except outstanding share amounts)</i>	Recurring income	Development	Corporate and other	Total
Revenue	\$ 42,705	\$ 124,987	\$ —	\$ 167,692
% of total revenue	25.5%	74.5%	—%	100.0%
Net margin	\$ 11,119	\$ 32,610	\$ —	\$ 43,729
Net margin (%) <sup>(1)</sup>	26.0%	26.1%	n/a	26.1%

	For the year ended December 31, 2022			
Revenue	\$ 167,985	\$ 175,783	\$ —	\$ 343,768
% of total revenue	48.9%	51.1%	—%	100.0%
Net margin	\$ 55,116	\$ 24,019	\$ —	\$ 79,135
Net margin (%) <sup>(1)</sup>	32.8%	13.7%	n/a	23.0%

	As at December 31, 2022			
Segment assets	\$ 2,258,140	\$ 1,669,623	\$ 28,731	\$ 3,956,494
Segment liabilities	980,905	613,966	807,931	2,402,802
Segment shareholders' equity	1,277,235	1,055,657	(779,200)	1,553,692
Shareholders' equity per share <sup>(4)</sup>	\$ 29.99	\$ 24.79	\$ (18.30)	\$ 36.48

	For the three months ended December 31, 2021			
<i>(in thousands of dollars, except outstanding share amounts)</i>	Recurring income	Development	Corporate and other	Total
Revenue	\$ 35,883	\$ 114,239	\$ —	\$ 150,122
% of total revenue	23.9%	76.1%	—%	100.0%
Net margin	\$ 7,996	\$ 26,689	\$ —	\$ 34,685
Net margin (%) <sup>(1)</sup>	22.3%	23.4%	n/a	23.1%

	For year ended December 31, 2021			
Revenue	\$ 116,766	\$ 209,156	\$ —	\$ 325,922
% of total revenue	35.8%	64.2%	—%	100.0%
Net margin	\$ 33,502	\$ 27,064	\$ —	\$ 60,566
Net margin (%) <sup>(1)</sup>	28.7%	12.9%	n/a	18.6%

	As at December 31, 2021			
Segment assets	\$ 1,885,019	\$ 1,575,453	\$ 28,202	\$ 3,488,674
Segment liabilities	739,363	558,870	768,228	2,066,461
Segment shareholders' equity	1,145,656	1,016,583	(740,026)	1,422,213
Shareholders' equity per share <sup>(4)</sup>	\$ 26.75	\$ 23.73	\$ (17.28)	\$ 33.20

## Conference Call

Senior management will host a conference call on February 21, 2023 at 5:00 pm (ET). To access the call, please register for the audio conference using the following link: <https://register.vevent.com/register/B1c5adda2edc5b47eaa717e6d719fe9856>. Once registered, participants will receive an email with dial-in details, including a unique PIN. A taped replay of the webcast will be archived for 90 days.

## Other Information

Information appearing in this press release is a select summary of results. The financial statements and MD&A for the Company are available at [www.dream.ca](http://www.dream.ca) and on [www.sedar.com](http://www.sedar.com).

## About Dream Unlimited Corp.

Dream is a leading developer of exceptional office and residential assets in Toronto, owns stabilized income generating assets in both Canada and the U.S., and has an established and successful asset management business, inclusive of over \$23 billion of assets under management<sup>(1)</sup> across four Toronto Stock Exchange ("TSX") listed trusts, our private asset management business and numerous partnerships as of February 21, 2023. We also develop land and residential assets in Western Canada. Dream expects to generate more recurring income in the future as its urban development properties are completed and held for the long term. Dream has a proven track record for being innovative and for our ability to source, structure and execute on compelling investment opportunities. A comprehensive overview of our holdings is included in the "Summary of Dream's Assets and Holdings" section of our MD&A.

## Dream Unlimited Corp.

Deb Starkman  
Chief Financial Officer  
(416) 365-4124  
[dstarkman@dream.ca](mailto:dstarkman@dream.ca)

Kim Lefever  
Director, Investor Relations  
(416) 365-6339  
[klefever@dream.ca](mailto:klefever@dream.ca)

## Non-GAAP Measures and Other Disclosures

In addition to using financial measures determined in accordance with IFRS, we believe that important measures of operating performance include certain financial measures that are not defined under IFRS. Throughout this press release, there are references to certain non-GAAP measures and other specified financial measures including earnings before income taxes after adjusting for fair value on Dream Impact Trust units held by other unitholders, net operating income, adjusted EBITDA, Dream Impact Trust and consolidation and fair value adjustments, which management believes are relevant in assessing the economics of the business of Dream. These performance and other measures are not financial measures under IFRS, and may not be comparable to similar measures disclosed by other issuers. However, we believe that they are informative and provide further insight as supplementary measures of financial performance, financial position or cash flow, or our objectives and policies, as applicable. Certain additional disclosures such as the composition, usefulness and changes, as applicable, of the non-GAAP financial measures included in this press release have been incorporated by reference from the management's discussion and analysis of Dream for the three months and year ended December 31, 2022, dated February 21, 2023 (the "MD&A for the fourth quarter of 2022") and can be found under the section "Non-GAAP Financial Measures", subheadings "Earnings before income taxes after adjusting for fair value on Dream Impact Trust units held by other unitholders", "Net operating income", "Adjusted EBITDA", and "Dream Impact Trust & Consolidation and fair value adjustments". The composition of supplementary financial measures included in this press release has been incorporated by reference from the MD&A for the fourth quarter of 2022 and can be found under the section "Supplementary and Other Financial Measures". The MD&A for the fourth quarter of 2022 is available on SEDAR at [www.sedar.com](http://www.sedar.com) under Dream's profile and on Dream's website at [www.dream.ca](http://www.dream.ca) under the Investors section.

## Non-GAAP Financial Measures

"Adjusted EBITDA" represents net income for the period adjusted for interest expense on debt; amortization and depreciation; share of earnings from equity accounted investments; and net current and deferred income tax expense (recovery). The most directly comparable financial measure to adjusted EBITDA is net earnings. This non-IFRS measure is an important measure used by the Company in evaluating the performance of divisions within our recurring income segment.

**For the three months ended December 31, 2022**

	Asset management	Stabilized properties	Arapahoe Basin	Dream Impact Trust & consolidation and fair value	Total recurring income
Revenue	\$ 11,540	\$ 18,238	\$ 8,801	\$ 7,416	\$ 45,995
Net margin	(9,833)	7,789	(1,210)	4,353	1,099
Net earnings (loss)	\$ (26,602)	\$ 5,625	\$ (1,353)	\$ 13,108	\$ (9,222)
Less: Interest expense	(276)	(6,569)	(127)	(2,413)	(9,385)
Less: Taxes	—	—	—	—	—
Less: Depreciation and amortization	—	(290)	(1,059)	—	(1,349)
Less: Share of earnings (losses) from equity accounted investments	(28,600)	2,116	10	298	(26,176)
<b>Adjusted EBITDA</b>	<b>\$ 2,274</b>	<b>\$ 10,368</b>	<b>\$ (177)</b>	<b>\$ 15,223</b>	<b>\$ 27,688</b>

**For the three months ended December 31, 2021**

	Asset management	Stabilized properties	Arapahoe Basin	Dream Impact Trust & consolidation and fair value	Total recurring income
Revenue	\$ 13,944	\$ 12,620	\$ 7,434	\$ 1,885	\$ 35,883
Net margin	4,789	5,261	(1,392)	(662)	7,996
Net earnings (loss)	\$ 28,217	\$ 19,779	\$ 1,159	\$ 26,173	\$ 75,328
Less: Interest expense	(87)	(4,055)	(24)	(905)	(5,071)
Less: Taxes	—	—	—	—	—
Less: Depreciation and amortization	—	(521)	(1,131)	—	(1,652)
Less: Share of earnings (losses) from equity accounted investments	23,472	(337)	(16)	1,213	24,332
<b>Adjusted EBITDA</b>	<b>\$ 4,832</b>	<b>\$ 24,692</b>	<b>\$ 2,330</b>	<b>\$ 25,865</b>	<b>\$ 57,719</b>

**For the year ended December 31, 2022**

	Asset management	Stabilized properties	Arapahoe Basin	Dream Impact Trust & consolidation and fair value	Total recurring income
Revenue	\$ 47,712	\$ 63,337	\$ 43,400	\$ 16,826	\$ 171,275
Net margin	5,894	26,101	7,604	5,497	45,096
Net earnings	\$ 26,497	\$ 26,678	\$ 9,428	\$ 8,647	\$ 71,250
Less: Interest expense	(791)	(20,622)	(255)	(6,177)	(27,845)
Less: Taxes	—	—	—	—	—
Less: Depreciation and amortization	—	(949)	(4,071)	—	(5,020)
Less: Share of earnings from equity accounted investments	9,891	380	1,129	1,288	12,688
<b>Adjusted EBITDA</b>	<b>\$ 17,397</b>	<b>\$ 47,869</b>	<b>\$ 12,625</b>	<b>\$ 13,536</b>	<b>\$ 91,427</b>

For the year ended December 31, 2021

	Asset management	Stabilized properties	Arapahoe Basin	Dream Impact Trust & consolidation and fair value	Total recurring income
Revenue	\$ 43,121	\$ 29,481	\$ 33,380	\$ 10,784	\$ 116,766
Net margin	17,594	11,609	3,640	659	33,502
Net earnings (loss)	\$ 92,946	\$ 17,054	\$ 6,452	\$ 20,671	\$ 137,123
Less: Interest expense	(135)	(8,345)	(120)	(3,514)	(12,114)
Less: Taxes	—	—	—	—	—
Less: Depreciation and amortization	—	(1,068)	(4,111)	—	(5,179)
Less: Share of earnings (losses) from equity accounted investments	75,791	5,994	(46)	1,173	82,912
Adjusted EBITDA	\$ 17,290	\$ 20,473	\$ 10,729	\$ 23,012	\$ 71,504

<sup>(1)</sup> For the Company's definition of the following non-GAAP measures: Dream Impact Trust and consolidation and fair value adjustments, refer to the definition below.

"**Dream Impact Trust & Consolidation and fair value adjustments**" are two separate non-GAAP financial measures and represent certain IFRS adjustments required to reconcile Dream standalone and Dream Impact Trust results to the consolidated results as at December 31, 2022 and December 31, 2021 and for the three and twelve months ended December 31, 2022 and 2021. Management believes Dream Impact Trust & Consolidation and fair value adjustments provides investors useful information in order to agree to the Dream Impact Trust financial statements.

Consolidation and fair value adjustments relate to business combination adjustments on acquisition of Dream Impact Trust on January 1, 2018 and related amortization, elimination of intercompany balances including the investment in Dream Impact Trust units, adjustments for co-owned projects, fair value adjustments to the Dream Impact Trust units held by other unitholders, and deferred income taxes.

"**Earnings before income taxes after adjusting for fair value on Dream Impact Trust units held by other unitholders**" represents the Company's pre-tax earnings excluding the impact from the volatility of Dream Impact Trust's share price. The most directly comparable financial measure to earnings before income taxes after adjusting for fair value of Dream Impact trust units held by other unit holders is earnings before income taxes. Management believes Dream Impact Trust and consolidation and fair value adjustments provides investors useful information in order to review Dream results without the volatility of fair value changes in Dream Impact Trust's trading price.

	For the three months ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Earnings (loss) before income taxes	\$ (57,525)	\$ 95,349	\$ 197,291	\$ 125,875
Less: Adjustments related to Dream Impact Trust units	(1,879)	(3,782)	80,411	(25,019)
Earnings (loss) before income taxes after adjusting for fair value on Dream Impact Trust units held by other unitholders	\$ (55,646)	\$ 99,131	\$ 116,880	\$ 150,894

"**Net operating income**" represents revenue less direct operating costs and is equal to gross margin as per Note 26 of the consolidated financial statements. Net operating income excludes general, administrative and overhead expenses, and amortization, which are included in net margin per Note 37 of the consolidated financial statements. The most directly comparable financial measure to net operating revenue is net margin. This non-GAAP measure is an important measure used to assess the profitability of the Company's recurring income segment. Net operating income for the recurring income segment for the three and twelve months ended December 31, 2022 and 2021 is calculated as follows:

	For the three months ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Revenue	\$ 42,705	\$ 35,883	\$ 167,985	\$ 116,766
Less: Direct operating costs	(28,362)	(25,921)	(104,411)	(76,351)
Less: Selling, marketing, depreciation and other indirect costs	(3,224)	(1,966)	(8,458)	(6,913)
Net margin	\$ 11,119	\$ 7,996	\$ 55,116	\$ 33,502
Add: Depreciation	1,349	1,026	5,020	3,527
Add: General and administrative expenses	1,875	940	3,438	3,386
Net operating income	\$ 14,343	\$ 9,962	\$ 63,574	\$ 40,415

### Supplementary and Other Financial Measures

**"Assets under management ("AUM")**" is the respective carrying value of gross assets managed by the Company on behalf of its clients, investors or partners under asset management agreements, development management agreements and/or management services agreements at 100% of the client's total assets. All other investments are reflected at the Company's proportionate share of the investment's total assets without duplication. Assets under management is a measure of success against the competition and consists of growth or decline due to asset appreciation, changes in fair market value, acquisitions and dispositions, operations gains and losses, and inflows and outflows of capital.

**"Available liquidity"** represents Dream's standalone corporate cash and revolving debt facilities, including the operating line – Western Canada and margin loan, to cover the Company's capital requirements including acquisitions. This financial measure is used by the Company to forecast and plan to hold adequate amounts of available liquidity to allow for the Company to settle obligations as they come due.

**"Fee earning assets under management"** represents assets under management that are managed under contractual arrangements that entitle the Company to earn asset management revenue calculated as the total of: (i) 100% of the purchase price of client properties, assets and/or indirect investments subject to asset management agreements; (ii) 100% of the carrying value of gross assets of the underlying development project subject to development management agreements; and (iii) 100% of the carrying value of specific Dream Office REIT redevelopment properties subject to a development management addendum under the shared services agreement with Dream Office REIT, without duplication.

### **Forward-Looking Information**

*This press release may contain forward-looking information within the meaning of applicable securities legislation, including, but not limited to, statements regarding our objectives and strategies to achieve those objectives; our beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, future growth, expected net proceeds from sales or transactions, results of operations, performance, business prospects and opportunities, acquisitions or divestitures, tenant base, future maintenance and development plans and costs, capital investments, financing, the availability of financing sources, income taxes, vacancy and leasing assumptions, litigation and the real estate industry in general; as well as specific statements in respect of expectations regarding closing of our Quayside development; the improvement of the quality of our business and its value; our intention of continuing to employ the majority of Summit employees post-closing of the Summit transaction; our development plans and proposals for current and future projects, including the addition of 3,050 units and 3.0 million square feet of rental, retail and commercial GLA to our recurring income portfolio over the next four years in connection with the West Don Lands, Canary Block 10, Zibi and LeBreton projects, and projected sizes, density, GLA, timelines, units at completion and uses; the commitments for a certain number of lots and acres in Saskatchewan and Alberta and expectation that the latter will contribute to earnings; Dream's and the Dream group platform's development pipeline, including square footage of GLA in retail and commercial properties, and number of condominium and purpose-built rental units; expectations, commitments, targets, milestones, and other details regarding the Net Zero by 2035 Action Plan; our \$6 billion net zero communities' development pipeline; our belief that our approach to mitigating climate change will create investment opportunities and shareholder value; expectations regarding our sustainability targets, including in respect of the Dream platform, Dream LeBreton becoming Canada's largest net zero carbon residential community and reaching its affordability targets, our Quayside project becoming Canada's largest all-electric, zero-carbon master-planned community, and other sustainability characteristics about our projects; the Dream Community Foundation's commitments and activities; the expectation that recurring income generation will increase as urban development properties are completed and held for the long term; the expected growth of our asset management platform; and our overall financial performance, profitability and liquidity for future periods and years. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These assumptions include, but are not limited to: the nature of development lands held and the development potential of such lands, interest rates and inflation remaining in line with management expectations, our ability to bring new developments to market, anticipated positive general economic and business conditions, including low unemployment and interest rates, positive net migration, oil and gas commodity prices, our business strategy, including geographic focus, anticipated sales volumes, performance of our underlying business segments and conditions in the Western Canada land and housing markets. Risks and uncertainties include, but are not limited to, general and local economic and business conditions, the impact of the COVID-19 pandemic on the Company and uncertainties surrounding the COVID-19 pandemic, including government measures to contain the COVID-19 pandemic employment levels, risks associated with unexpected or ongoing geopolitical events, including disputes between nations, terrorism or other acts of violence, international sanctions and the disruption of movement of goods and services across jurisdictions, inflation or stagflation, regulatory risks, mortgage and interest rates and regulations, risks related to a potential economic slowdown in certain of the jurisdictions in which we operate and the effect inflation and any such economic slowdown may have on market conditions and lease rates, environmental risks, consumer confidence, seasonality, adverse weather conditions, reliance on key clients and personnel and competition. All forward-looking information in this press release speaks as of February 21, 2023. Dream does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required by law. Additional information about these assumptions and risks and uncertainties is disclosed in filings with securities regulators filed on SEDAR ([www.sedar.com](http://www.sedar.com)).*



Endnotes:

- <sup>(1)</sup> For the definition of the following specified financial measures: assets under management, fee earning assets under management, net margin (%), net operating income, earnings before income taxes after adjusting for fair value adjustments taken on Dream Impact Trust units held by other unitholders, adjusted EBITDA, consolidation and fair value adjustments, refer to the “Non-GAAP Measures and Other Disclosures” section of this press release.
- <sup>(2)</sup> For the definition of the following capital management measure: available liquidity, refer to the “Non-GAAP Measures and Other Disclosures” section of this press release.
- <sup>(3)</sup> Earnings for the three and twelve months ended December 31, 2022 includes a loss of \$1.9 million and gain of \$80.4 million, respectively, on Dream Impact Trust units held by other unitholders (three and twelve months ended December 31, 2021 – loss of \$3.8 million and a loss of \$25.0 million, respectively). Refer to the “Additional Information – Consolidated Dream” section of our MD&A for results on a Dream standalone basis.
- <sup>(4)</sup> Shareholders’ equity per share represents shareholders’ equity divided by total number of shares outstanding at period end.