



DREAM UNLIMITED CORP. REPORTS FIRST QUARTER RESULTS

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. All amounts are in Canadian dollars.

TORONTO, May 12, 2025, Dream Unlimited Corp. (TSX: DRM) (“Dream”, “the Company” or “we”) today announced its financial results for the three months ended March 31, 2025 (“first quarter”).

“For the first time since 1997, Arapahoe Basin’s results are not included in our quarter as it was sold this past November,” said Michael Cooper, Chief Responsible Officer. “All of the ski hill’s annual profits were typically achieved in the first quarter, which benefitted our results for 27 years in what is traditionally a period of low earnings other than Arapahoe Basin. Without \$10-\$15 million of earnings from the ski area, our first quarter results will be relatively quiet even if they are as anticipated. Our results were largely in line with expectations, and we are on track to hit our earnings targets set out for the year. As we think about the Company today, over 80% of value is derived from our asset management division, Western Canada developments and our directly owned income properties. In the first quarter, our asset management business added in excess of \$500 million of fee-earning assets with an improved margin over last year. In Western Canada, we now have pre-sales in place for almost all of the land we budgeted to sell for 2025, and our retail and residential rental portfolio are growing and performing as expected. The remaining balance is made up of investments in Dream Office and Dream Impact, a small amount of urban land and three hotels in Toronto. These parts have been negatively impacted by the broader market but are a small component of where we’ll see growth and value creation for Dream over the long-term.”

Dream has published a supplemental information package on our website concurrent with the release of our first quarter results.

Results Highlights (Asset Management, Western Canada development, Income properties):

- In the first quarter, our asset management business generated revenue and net margin of \$13.7 million and \$6.1 million, compared to \$13.0 million and \$5.6 million in 2024. The increase was driven by continued AUM growth and the timing of performance and development fees, which will vary in each period as milestones are met.
- Subsequent to the quarter, Dream Impact Trust entered into an agreement to sell a minority interest in 49 Ontario St. to a new partner and entered into a development agreement with Dream and the partner to manage the 1,200 multi-family unit project. The re-development site is in close proximity to the Distillery District, Canary Landing and a future Ontario line transit stop. A waiver for development charges on the project was obtained in late 2024 and construction financing was secured in the first quarter, which positions the project to start construction by the end of this year. As we advance large scale affordable housing projects such as 49 Ontario St., we are continuing to showcase our ability to execute in a challenging market and will continue to grow our assets under management as they are built-out.
- In the first quarter, we achieved 62 lot sales and 30 housing occupancies in Western Canada, generating net margin of \$6.3 million. As of May 9, 2025, we had \$160 million of commitments for land pre-sales, of which \$150 million is expected to be recognized in revenue over the course of 2025. Most of our land revenue for the year is expected to be from our Alpine Park (Calgary) and Holmwood (Saskatoon) master-planned communities.
- Our stabilized income properties generated revenue and net operating income of \$11.8 million and \$6.4 million in 2025, compared to \$10.3 million and \$4.5 million in the prior period (on a standalone basis). The increase in revenue was driven by higher rent on our multi-family rental portfolio from ongoing lease-up activity and rental turnover. Furthermore, the increase in net operating income was driven by higher operating costs on our Western Canada rental properties in 2024, which have started to normalize as stabilization is achieved.
- Across our various developments in Western Canada and Ottawa, we currently have just over 1,000 multi-family rental units (at Dream’s share) under construction. These assets will further support the growth of our income property division as they are completed over the next three years. In addition to our multi-family pipeline, we most recently broke ground on 60,000 sf of retail space at Alpine Park. This is a first for the Alpine Park community with 80% in committed leasing as of May 9, 2025. For a detailed list of our build-to-hold projects under construction, refer to the Recurring Income section of our the management’s discussion and analysis of Dream for the three months ended March 31, 2025, dated May 12, 2025 (the “MD&A for the first quarter of 2025”) for pipeline details.

Other items:

- Our Corporate and other segment generated \$19.4 million in revenue and \$5.5 million of negative margin in the first quarter (on a standalone basis), compared to \$60.4 million in revenue and \$7.9 million of margin in the prior period. Fluctuations in revenue and net loss were largely driven by prior year results from Arapahoe Basin and occupancies at Ivy Condos with no comparable activity in the current period. We do not anticipate significant development income from the GTA or National Capital Region to be generated in 2025.
- At the end of 2024, Dream acquired our partner’s interest in a boutique hotel portfolio, comprised of the Broadview Hotel, Gladstone Hotel and Postmark Hotel, as well as certain retail and condo assets at minimal cost. Accordingly, we have taken over operations of the hotels, including the opening of the Postmark Hotel in August 2024. The first quarter marks the first full period of operations in which we own 100%, the results of which tend to be very seasonal. Strategically, the retail assets acquired are considered non-core to our portfolio and we expect to dispose of them over time. In addition, we also own 100% of the Broadview and Eastern site, directly north of East Harbour Transit Hub and two other small land sites.

- In the first quarter, we completed the disposition of three non-core retail assets in Toronto, totaling 36,600 sf for gross proceeds of \$16.7 million, a portion of which was used to repay property level debt. In aggregate, the hotel portfolio generated net operating losses of \$2 million in the period.

Consolidated Results Overview

A summary of our consolidated results for the first quarter is included in the table below.

	For the three months ended March 31,			
<i>(in thousands of dollars, except number of shares and per share amounts)</i>		2025		2024
Revenue	\$	68,423	\$	158,251
Net margin	\$	9,196	\$	19,164
Net margin (%) ⁽¹⁾		13.4%		12.1%
Earnings (loss) before income taxes	\$	(10,948)	\$	12,097
		March 31, 2025		December 31, 2024
Total assets	\$	3,846,777	\$	3,921,052
Total liabilities	\$	2,361,746	\$	2,419,523
Total equity	\$	1,485,031	\$	1,501,529
Total issued and outstanding shares		42,414,563		42,056,218

- Losses before income taxes for the first quarter were \$10.9 million, a decrease from earnings before taxes of \$12.1 million in the comparative period. Comparative period earnings included results from Arapahoe Basin, which was sold in November 2024. The remainder of the decrease in earnings was attributable to fair value adjustments on the liability for Dream Impact Trust units, which are driven by fluctuations in the Dream Impact Trust's unit price.
- As of March 31, 2025, we had available liquidity⁽¹⁾ of \$346.3 million and \$380 million of contractual debt maturities expected in 2025. Of this amount, \$92.5 million of construction debt was repaid subsequent to quarter end and replaced with take-out financing, and a further \$250 million is in advanced lender discussions or expected to renew in normal course. Our strong liquidity and debt profile allows us to be well positioned in this economic climate and provides us with flexibility to pursue new investments as they arise.

Annual Meeting of Shareholders

Senior management will host its annual meeting of shareholders on Tuesday, June 3, 2025 at 2:00 PM (ET) at the TMX Market Centre, 120 Adelaide Street West, Toronto, Ontario M5H 1S3. In light of the upcoming meeting, management will not be hosting a conference call for the first quarter. To access the annual meeting of shareholders via webcast, please go to Dream's website at www.dream.ca and click on the link for News, then click on Events. A taped replay of the annual meeting of shareholders and the webcast will be available for ninety (90) days following the meeting. We look forward to providing a business update on June 3rd.

Other Information

Information appearing in this press release is a select summary of results. The financial statements and MD&A for the first quarter of 2025 for the Company are available at www.dream.ca and on www.sedarplus.com.

About Dream Unlimited Corp.

Dream has an established and successful asset management business, inclusive of \$28 billion of assets under management* as at March 31, 2025 across four Toronto Stock Exchange ("TSX") listed trusts, our private asset management business and numerous partnerships. We are a leading developer of exceptional real estate assets across Canada and Europe, including income properties that will be held for the long term as they are completed. We also develop land for sale in Western Canada. 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 for the first quarter of 2025.

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Non-GAAP Measures and Other Disclosures

In addition to using financial measures determined in accordance with International Financial Reporting Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), we believe that important measures of operating performance include certain financial measures that are not defined under IFRS Accounting Standards. Throughout this press release, there are references to certain non-GAAP financial measures and ratios and supplementary financial measures, including Dream Impact Trust and consolidation and fair value adjustments, available liquidity, net operating income, standalone figures by division, fee earning assets under management and portfolio of stabilized properties, 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 Accounting Standards, 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 and ratios included in this press release have been incorporated by reference from the "MD&A for the first quarter of 2025" and can be found under the section "Non-GAAP Ratios and Financial Measures", subheadings "Net operating income" and "Dream Impact Trust and 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 first quarter of 2025 and can be found under the section "Supplementary and Other Financial Measures". The MD&A for the first quarter of 2025 is available on SEDAR+ at www.sedarplus.com under Dream's profile and on Dream's website at www.dream.ca under the Investors section.

Non-GAAP Ratios and Financial Measures

"**Dream Impact Trust and consolidation and fair value adjustments**" represent certain IFRS Accounting Standards adjustments required to reconcile Dream standalone and Dream Impact Trust results to the consolidated results as at March 31, 2025 and December 31, 2024 and for the three months ended March 31, 2025 and December 31, 2024. Management believes Dream Impact Trust and consolidation and fair value adjustments provides investors useful information in order to reconcile it 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.

"**Net operating income**" is a non-GAAP measure and represents revenue, less (i) direct operating costs and (ii) selling, marketing, depreciation and other indirect costs, but including: (iii) depreciation; and (iv) general and administrative expenses. The most directly comparable financial measure to net operating revenue is net margin. This non-GAAP measure is an important measure used by management to assess the profitability of the Company's recurring income segment. Net operating income for the recurring income segment for the three months ended March 31, 2025 and 2024 is calculated and reconciled to net margin as follows:

For the three months ended March 31,			
		2025	2024
Net margin	\$	12,308	\$ 24,962
Add: Depreciation		978	1,496
Add: General and administrative expenses		129	727
Net operating income	\$	13,415	\$ 27,185

"**Standalone Figures by Division**" is a non-GAAP measure and represents the results of Dream, excluding the impact of Dream Impact Trust's consolidated results and IFRS Accounting Standards adjustments to reflect Dream's direct ownership of our partnerships. Direct ownership refers to Dream Unlimited Corp.'s interest in subsidiaries and partnerships and excludes any non-controlling interest in the noted entities based on units held as of the end of the reporting period. The most direct comparable financial measure to Dream standalone is consolidated Dream. This non-GAAP measure is an important measure used by the Company to evaluate earnings against historical periods, including results prior to the acquisition of control of Dream Impact Trust.

For the three months ended March 31, 2025							
	Asset Management	Stabilized Income Properties ⁽ⁱ⁾	Western Canada Development	Corporate and other	Total Standalone	Add: Dream Impact Trust and IFRS adjustments	Consolidated Dream
Revenue	\$ 13,747	\$ 11,802	\$ 24,970	\$ 19,372	\$ 69,891	\$ (1,468)	\$ 68,423
Direct operating costs	(7,684)	(5,380)	(18,717)	(21,376)	(53,157)	3,022	(50,135)
Gross margin	6,063	6,422	6,253	(2,004)	16,734	1,554	18,288
Selling, marketing, depreciation and other operating costs	—	(460)	(5,509)	(3,456)	(9,425)	333	(9,092)
Net margin	6,063	5,962	744	(5,460)	7,309	1,887	9,196
Fair value changes in investment properties	—	434	1,790	—	2,224	(4,223)	(1,999)
Investment income and other expenses	(274)	637	496	(90)	769	231	1,000
Interest expense	(5)	(4,813)	(535)	(5,359)	(10,712)	(7,591)	(18,303)
Share of earnings (loss) from equity accounted investments	(916)	—	—	(9,791)	(10,707)	5,101	(5,606)
Net segment earnings (loss)	4,868	2,220	2,495	(20,700)	(11,117)	(4,595)	(15,712)
General and administrative expenses	—	—	—	(6,466)	(6,466)	(760)	(7,226)
Adjustments related to Dream Impact units	—	—	—	—	—	9,108	9,108
Adjustments related to Dream Office REIT units	—	—	—	—	—	2,882	2,882
Income tax (expense) recovery	—	—	—	2,808	2,808	55	2,863
Net earnings (loss)	\$ 4,868	\$ 2,220	\$ 2,495	\$ (24,358)	\$ (14,775)	\$ 6,690	\$ (8,085)

For the three months ended March 31, 2024							
	Asset Management	Stabilized Income Properties ⁽ⁱ⁾	Western Canada Development	Corporate and other	Total Standalone	Add: Dream Impact Trust and IFRS adjustments	Consolidated Dream
Revenue	\$ 12,988	\$ 10,340	\$ 11,271	\$ 60,403	\$ 95,002	\$ 63,249	\$ 158,251
Direct operating costs	(7,420)	(5,830)	(8,198)	(44,463)	(65,911)	(60,631)	(126,542)
Gross margin	5,568	4,510	3,073	15,940	29,091	2,618	31,709
Selling, marketing, depreciation and other operating costs	—	(615)	(4,810)	(8,029)	(13,454)	909	(12,545)
Net margin	5,568	3,895	(1,737)	7,911	15,637	3,527	19,164
Fair value changes in investment properties	—	(1,356)	5,151	96	3,891	(1,345)	2,546
Investment income and other expenses	(279)	248	459	986	1,414	(525)	889
Interest expense	(4)	(3,256)	(1,109)	(4,540)	(8,909)	(8,155)	(17,064)
Share of earnings (loss) from equity accounted investments	(2,007)	—	—	1,384	(623)	(2,582)	(3,205)
Net segment earnings (loss)	3,278	(469)	2,764	5,837	11,410	(9,080)	2,330
General and administrative expenses	—	—	—	(5,973)	(5,973)	(408)	(6,381)
Adjustments related to Dream Impact units	—	—	—	—	—	17,316	17,316
Adjustments related to Dream Office REIT units	—	—	—	—	—	(1,168)	(1,168)
Income tax (expense) recovery	—	—	—	(4,871)	(4,871)	2,308	(2,563)
Net earnings (loss)	\$ 3,278	\$ (469)	\$ 2,764	\$ (5,007)	\$ 566	\$ 8,968	\$ 9,534

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 our expectations regarding our ability to pursue opportunities to grow; our expectations regarding the performance of Western Canada division; expectations regarding 49 Ontario St., including timelines and the Dream Impact Trust's ability to consummate the sale of a minority interest; our expectations regarding development income from the GTA or National Capital Region; our ability to maintain strong liquidity and our expectation that we will be well positioned for new investments as they arise; our ability to achieve leasing and construction targets; our expectations regarding our asset management division, including expected growth; our development plans, including sizes, uses, density, number of units, amenities and timing thereof; our expectation that we will add 1,434 apartment units comprising 1.0 million square feet of residential GFA to our recurring income portfolio over the next three years; expectations regarding our non-core retail assets, including disposition plans; ; expectations regarding the sale of assets and land; our ability to consummate land commitments, and use of proceeds and timing thereof and the impacts of any sales on interest in our communities; our ability to renew

indebtedness in the normal course and the ability for our liquidity and debt profile to provide us flexibility to pursue new investments as they arise; our occupancy targets; and our expectations about our liquidity in future periods. 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, that duties, tariffs and other trade restrictions, if any, will not materially impact our business, 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 public health crises and epidemics, 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, risks related to the imposition of duties, tariffs and other trade restrictions and their impacts, 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 May 12, 2025. 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.sedarplus.com).

Endnotes:

- ⁽¹⁾ Dream Impact Trust and consolidation and fair value adjustments, portfolio of stabilized properties and net operating income are non-GAAP financial measures. Such measures are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. The most directly comparable financial measures to Dream Impact Trust and consolidation and fair value adjustments is net income. The most directly comparable financial measures to portfolio of stabilized properties and net operating income is net margin. Assets under management, fee earning assets under management, net margin (%), and available liquidity are supplementary financial measures. Refer to the "Non-GAAP Measures and Other Disclosures" section of this press release for further details.