

Northwest Healthcare Properties REIT

# 2025 Annual Report

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TSX: NWH.UN



Global Leader in Specialized Healthcare Real Estate

# In This Report

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## FORWARD-LOOKING STATEMENTS

This document includes forward-looking information within the meaning of applicable Canadian securities laws. Additional information regarding forward-looking information and related assumptions and risk factors is provided in Section 1.2, "Forward-Looking Statements" of the MD&A.

## NON-GAAP AND OTHER FINANCIAL MEASURES

This document includes certain non-GAAP financial measures, non-GAAP ratios and other supplementary financial measures that are not defined under IFRS and, as a result, may not be comparable to similar measures presented by other issuers. These measures are used by management to assess the REIT's operating performance, financial position and ability to meet its financial obligations, and to facilitate period-over-period comparisons.

Non-GAAP and other supplementary financial measures are identified by the notation "(1)" throughout this document and, where applicable, are reconciled to the most directly comparable IFRS financial measures. Additional information, including definitions, explanations of composition and reconciliations, is provided in Section 11, "Non-GAAP and Other Supplementary Measures" of this MD&A.

# An Owner and Manager of Healthcare Infrastructure

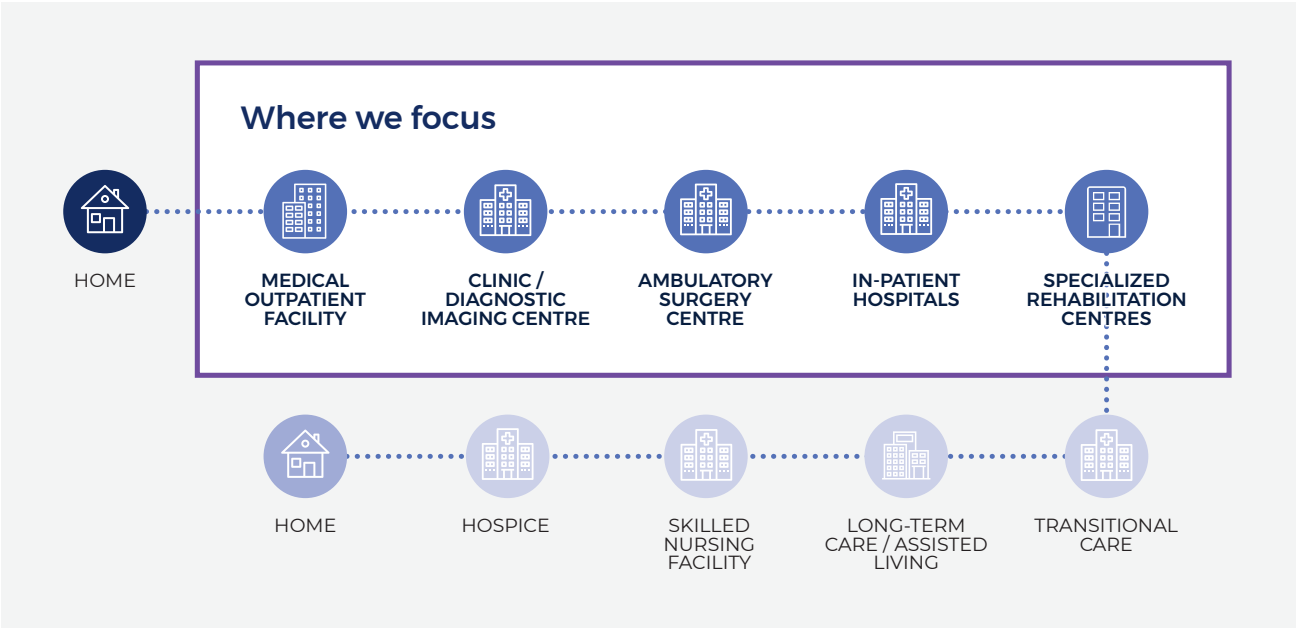
We own and manage 133 properties located in core urban markets across North America, Europe, Brazil and Australia. Our portfolio comprises essential healthcare infrastructure, including inpatient hospitals, medical outpatient centres, ambulatory surgery centres, diagnostic and imaging facilities, and specialized rehabilitation centres.

With assets exceeding \$5.6 billion, we operate 7,500 hospital beds, span 13.0 million square feet, and serve over 1,300 tenants. Our scale, deep experience, and longstanding relationships position us at the forefront of the industry and make us a trusted partner that healthcare systems and investors can rely on.

Supported by public health systems and leading private insurers, our portfolio is designed to generate strong and resilient cash flows.

## The Role of Northwest Along a Patient’s Healthcare Journey

We focus on places where patients go to heal, receive treatments, and undergo essential procedures.



# At a Glance



**133**  
PROPERTIES



**13.0M**  
SQ. FT.



**12.3 years**  
WEIGHTED AVERAGE  
LEASE EXPIRY (WALE)



**\$5.6B**  
GROSS ASSETS  
UNDER MGMT.



**~7,500**  
HOSPITAL BEDS



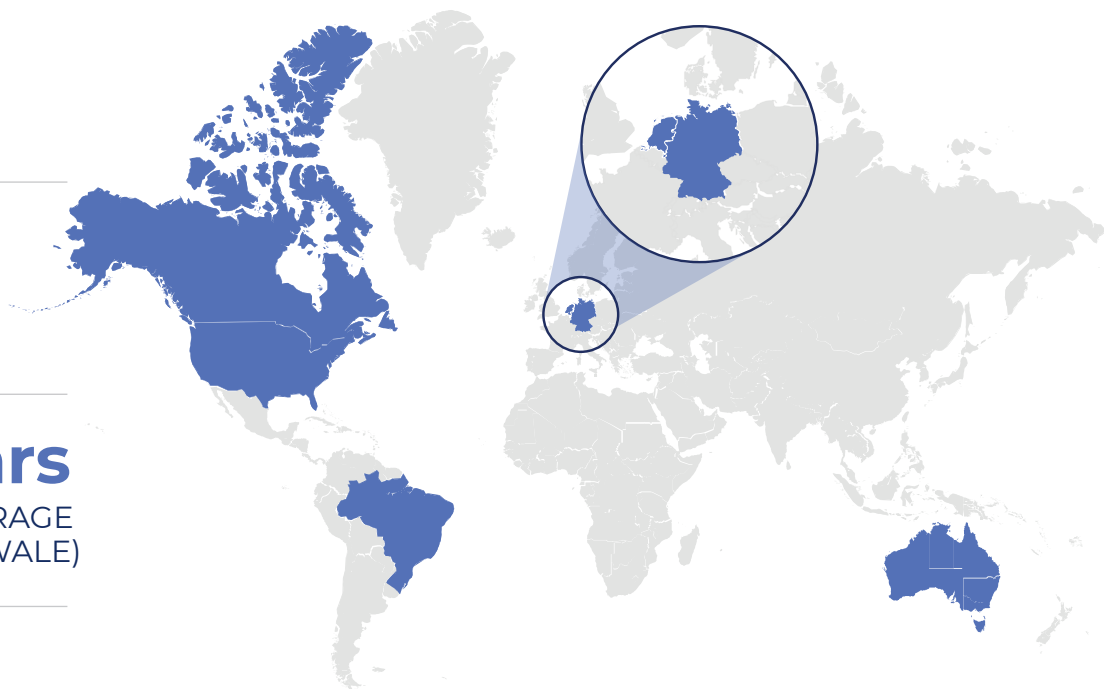
**~240**  
OPERATING  
THEATRES



**96.4%**  
OCCUPANCY



**1,300+**  
TENANTS



## 2025 Annual Financial Highlights

**3.1%**  
SPNOI GROWTH<sup>(i)(ii)</sup>

**>\$465M**  
CURRENT LIQUIDITY<sup>(iii)</sup>

**FFO<sup>(i)</sup> 22.2%**  
**AFFO<sup>(i)</sup> 7.7%**  
PER UNIT GROWTH

AFFO PAYOUT RATIO<sup>(i)</sup>  
REDUCED TO  
**86%**

DEBT TO GROSS BOOK  
VALUE<sup>(i)(ii)</sup> REDUCED BY  
**600 bps**  
to **52.4%**

**BBB (Low)**  
INVESTMENT GRADE  
CREDIT RATING

<sup>(i)</sup> Compared to the year ended December 31, 2025.

<sup>(ii)</sup> Calculated on a proportionate basis<sup>(i)</sup>. See Section 11, "Non-GAAP and Other Supplementary Measures" in this MD&A.

# Our well-diversified and resilient portfolio of critical healthcare infrastructure is underpinned by the essential services it provides every day, including primary, diagnostic, emergency, and specialty care.

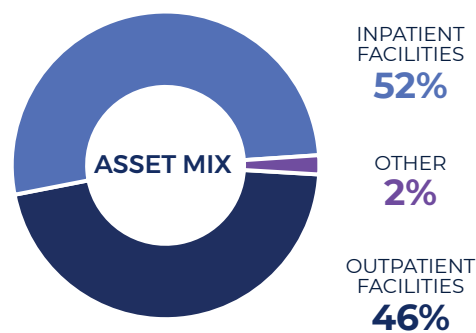
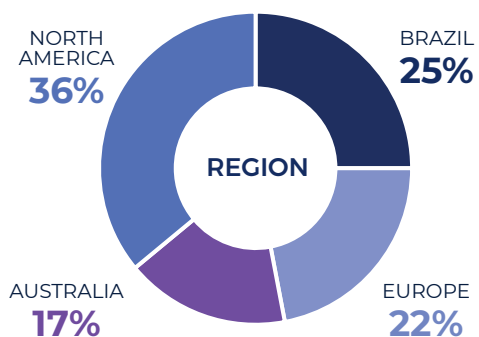


**Tenants:** More than 95% of tenants provide essential healthcare services supported by non-discretionary cash flows.



**Geography:** The portfolio is globally diversified, with a growing focus on the Americas, where we believe healthcare infrastructure offers the strongest risk-adjusted returns and investment opportunities.

## NOI<sup>(1)(i)</sup> is Strongly Diversified by Region & Asset Mix



## Portfolio Overview (As at December 31, 2025)

Region	Properties	GLA (M SF)	Occupancy	WALE	Gross Asset Value
North America	57	3.6	90.6%	5.7 yrs	\$1.3B
Australia	25	3.0	100%	15.0 yrs	\$2.4B
Brazil	8	1.9	100%	16.9 yrs	\$0.7B
Europe	43	4.5	97.2%	13.2 yrs	\$1.2B
<b>Total</b>	<b>133</b>	<b>13.0</b>	<b>96.4%</b>	<b>12.3 yrs</b>	<b>\$5.6B</b>



<sup>(i)</sup>Based on net operating income for the year ended December 31, 2025, calculated on a proportionate basis<sup>(i)</sup>.

# Structural Tailwinds Driving Long-Term Demand

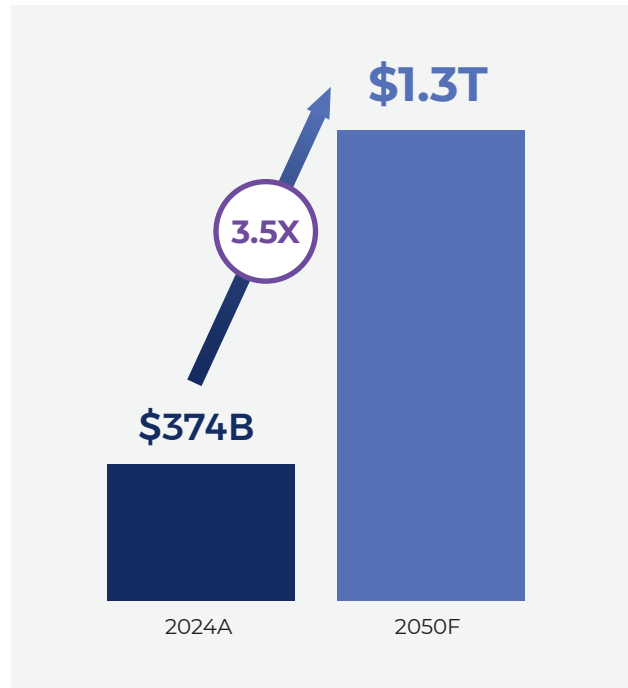
Our portfolio is positioned at the intersection of significant trends reshaping healthcare delivery and supporting long-term demand for healthcare infrastructure.

## Healthcare Real Estate Trends<sup>(i)</sup>

1. Aging Demographics
2. Rising Healthcare Expenditure
3. Shift to Outpatient

Canada's population aged 65 and over is projected to grow 28% by 2036, driving approximately 3.5 times higher healthcare utilization and sustained demand for modern facilities across all care settings. Healthcare spending is projected to increase approximately 5% annually over the next 25 years as systems upgrade infrastructure and technology, creating long-term investment opportunities. At the same time, care delivery continues to shift toward outpatient and ambulatory settings, supporting faster recovery times, lower infection rates, and improved patient outcomes.

## Healthcare Spending - Canada<sup>(ii)</sup>



## Building Canada's Healthcare Infrastructure

In the fourth quarter of 2025, the REIT leveraged its longstanding hospital system relationships to secure binding terms for a 119,000 sq. ft., \$112 million healthcare development anchored by a long-term lease with annual escalations. This transaction highlights our ability to capitalize on outpatient demand and reinforces our focus on non-acute settings, where we expect continued opportunity as care delivery shifts increasingly outside of hospitals.

(i) Statistics Canada (2025) population projections for persons aged 65+. Healthcare utilization multiple of approximately 3.5x is based on U.S. data.

(ii) CIHI's National Health Expenditure Trends, 2024. Forecast based on internal analysis utilizing the average annual growth (2010-2024) of 4.8% applied in perpetuity.

# 2025 Financial Performance at a Glance

## Operating Metrics

Metric	THREE MONTHS			YEAR ENDED		
	2025	2024	% Change	2025	2024	% Change
Same-property NOI <sup>(1)</sup>	\$65.0M	\$63.1M	3.0 %	\$253.1M	\$245.4M	3.1 %
FFO <sup>(1)</sup> per unit - diluted	\$0.12	\$0.10	20.0 %	\$0.44	\$0.36	22.2 %
AFFO <sup>(1)</sup> per unit - diluted	\$0.12	\$0.10	20.0 %	\$0.42	\$0.39	7.7 %
AFFO <sup>(1)</sup> payout ratio - diluted	75%	90 %	(15.0)%	86 %	92 %	(6.0)%

## Balance Sheet Metrics

AS AT DECEMBER 31

Metric	2025	2024	Change
Net Asset Value (NAV) <sup>(1)</sup> per unit	\$7.55	\$8.55	(11.7%)
Debt to Gross Book Value (proportionate basis) <sup>(1)</sup>	52.4 %	58.3 %	(5.9)%
Economic Weighted Average Interest Rate (proportionate basis) <sup>(1)</sup>	4.71 %	5.49 %	(0.78)%
Available Liquidity (proportionate basis) <sup>(1)</sup>	\$465.5M	\$140.8M	\$324.7M



# 2025 Key Achievements

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## Strengthened Portfolio through Occupancy and Lease Renewals

We increased same-property NOI<sup>(1)</sup> by 3.1% and secured 1.1 million sq. ft. in new, renewed, and extended leases, achieving an 88% renewal rate. Occupancy remained above 96%, and our weighted-average lease term remained stable at 12.3 years, which we believe is the longest among Canadian listed REITs.

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## Enhanced Profitability through Strategic Capital Recycling

We sold over \$560 million of non-core assets across three regions at a 6.2% cap rate, including fully exiting Assura and our New Zealand manager business, and redeployed proceeds toward debt reduction and capital expenditures. These actions streamlined the portfolio and enhanced profitability.

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## Improved Financial Flexibility through Balance Sheet Optimization

We reduced leverage to the low-50% range, achieved an investment-grade credit rating (BBB low, Stable), and issued \$500 million of senior unsecured debentures at 5.32% to refinance higher-cost debt. Our economic WAIR declined to 4.71%<sup>(1)</sup>, our average term to maturity was 2.5 years, and 90% of our debt remains fixed or hedged.

<sup>(1)</sup> Calculated on a proportionate basis<sup>(1)</sup>. See Section 11, "Non-GAAP and Other Supplementary Measures" of this MD&A.

## Increased Earnings and Margins through Cost Efficiency

AFFO<sup>(1)</sup> per unit increased while the payout ratio declined to 86% on an annual basis. We have implemented initiatives to enhance general and administrative efficiency, with the full benefit expected to be reflected over the next 12 months.

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## Advanced Leadership and Governance Excellence

Zach Vaughan was appointed Chief Executive Officer and Trustee. We formalized an Investment Committee and maintained strong ESG leadership, ranking again as a Global Sector Leader in listed healthcare development.



# Fourth Quarter Financial Highlights

## Operating

- **Revenue from investment properties:** \$107.6 million, up 4.8% year over year.
- **Same-property NOI (SPNOI)<sup>(1)</sup>:** \$65.0 million, up 3.0% year over year.
- **AFFO<sup>(1)</sup> per unit (diluted):** \$0.12, compared to \$0.11 in Q3 2025 and \$0.10 in Q4 2024.
- **AFFO<sup>(1)</sup> payout ratio (diluted):** 75%, improved from 86% in Q3 2025 and 90% in Q4 2024.
- **Net asset value (NAV)<sup>(1)</sup>:** \$7.55 per unit as compared to \$8.55 per unit at December 31, 2024. Overall capitalization rate on a proportionate basis<sup>(1)</sup> at period end was 6.90%.
- **Leasing activity:** Completed 287,000 sq. ft. of new, renewal, and early lease extensions at an 85% retention rate.
- **Period end portfolio occupancy:** 96.4%.
- **Weighted average lease expiry (WALE):** 12.3 years.

## Investing

- **Property dispositions:** Sold three properties, generating \$79.9 million in proceeds.
- **Completed Vital Trust management internalization:** Generated \$170.0 million (NZ\$214.0 million) in proceeds. The REIT retains a 23.9% interest in Vital Trust, accounted for using the equity method as at December 31, 2025.
- **New Canadian development commitment:** Agreement signed with a large Canadian hospital system to develop a four-storey, 119,000 sq. ft. health services building. Estimated cost of \$112 million, fully funded by the REIT, to be completed in 2029.
- **European portfolio sale:** Definitive agreement signed (February 24, 2026) to sell 33 properties for €400 million, before adjustments, with expected closing in Q2 2026.
- **Canadian acquisition:** Agreement signed subsequent to period end to acquire an approximately 73,000 sq. ft., up to 157-bed transitional-care facility in Ottawa, Ontario for \$49.0 million.

## Financing

- **Debt repayment:** \$148.2 million at a weighted average effective interest rate of 4.77%, funded primarily through internalization proceeds and existing liquidity.
- **Proportionate leverage<sup>(1)</sup>:** 52.4%, down approximately 600 bps year over year.
- **Economic weighted average interest rate:** 4.71%, down 78 bps year over year, calculated on a proportionate basis<sup>(1)</sup>.
- **Available liquidity:** \$465.5 million, including cash and undrawn credit facilities, on a proportionate basis<sup>(1)</sup>.
- **Credit rating:** DBRS confirmed BBB (low) with Stable trend (February 5, 2026).



## Introducing Vital Infrastructure Property Trust: Investing in Healthcare Infrastructure

As of March 11, 2026, Northwest will rebrand as **Vital Infrastructure Property Trust (TSX: VITL.UN)**, reflecting the REIT's evolution into a focused healthcare infrastructure platform with a strategic emphasis on the Americas.

The new name aligns with our purpose: to be a trusted leader in healthcare real estate and a long-term partner to health systems, governments, and operators in building and modernizing essential healthcare infrastructure.

**Vital Infrastructure is a proven partner, investing in, operating, and supporting healthcare systems across North America, Brazil, Australia and Europe. We play a critical role in delivering care while striving to generate strong, stable returns for our investors.**



The identity reflects our evolution toward a specialized, investment-grade healthcare infrastructure business – aligning the REIT's public identity with its operational focus, market opportunity, and investment thesis.

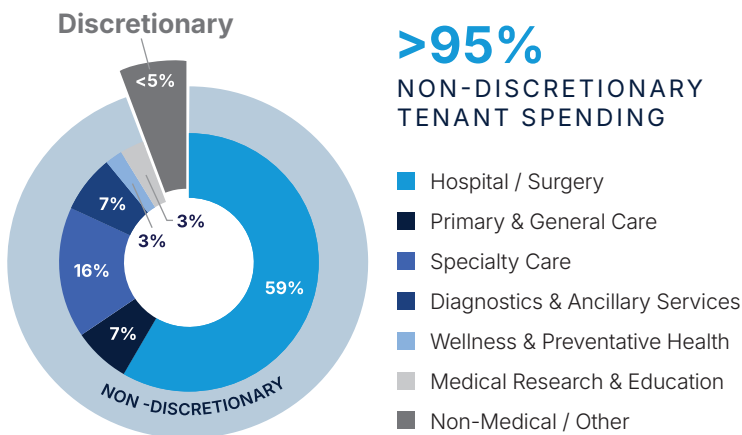
# The Vital Advantage

## A Unique Healthcare Platform with Stable Income and Deep Value

Vital Infrastructure is Canada's only healthcare infrastructure REIT – delivering predictable, inflation-linked income from essential, non-discretionary healthcare tenants. Our high-quality portfolio, long-term leases and investment-grade balance sheet are designed to provide durable cash flow and sustainable growth. Supported by strong sector tailwinds and a proven track record of disciplined execution, Vital Infrastructure strives to offer income stability and inflation protection, with meaningful long-term value for investors.

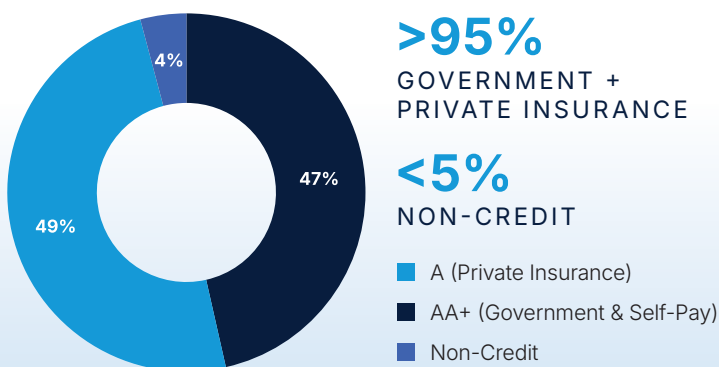
### Non-Discretionary Tenants

Resilient cash flows underpinned by non-discretionary spending



### Supports Strong Cash Flows

Vital Infrastructure's tenant revenues are supported by high quality & highly rated credit



Our strategy is grounded in essential healthcare infrastructure, long-term partnerships and disciplined capital allocation.

# Strategic Pillars & Priorities

The REIT's strategy is to build a scaled healthcare infrastructure platform, increasingly weighted toward the Americas, supported by a strong balance sheet and a clear path to growing earnings and net asset value per unit. We believe aging demographics, rising healthcare demand, and the shift to outpatient care will create sustained opportunities in Vital Infrastructure's core markets, where our relationships, operating expertise and development capabilities position us to generate attractive risk-adjusted returns.

## KEY AREAS OF FOCUS:



### Continue to Simplify and Recycle Capital

- Prioritize non-core asset dispositions with proceeds used to further deleverage and redeploy capital into accretive opportunities.
- Evaluate European and other non-core positions prioritizing simplification and value realization when market conditions are attractive.



### Strengthen and Optimize the Balance Sheet

- Maintain leverage at or below 50% and debt-to-adjusted EBITDA below 9.0x on a proportionate basis over time, consistent with an investment-grade credit profile.
- Use available liquidity to selectively repurchase securities under the NCIB, and support high-return investments in the core business.



### Deepen our Footprint in the Americas

- Allocate incremental capital toward outpatient and ambulatory care facilities, particularly in Canada, where the shift of procedures from large hospitals remains in the early stages and infrastructure investment is accelerating.
- Leverage relationships with health systems to develop modern facilities on or adjacent to existing campuses, where local expertise and established track records provide a competitive advantage.



### Enhance Operating Leverage and Grow Profitability

- Continue to reduce G&A costs, capturing efficiencies from a simpler footprint and the New Zealand manager internalization.
- Grow AFFO per unit over the medium term by combining organic rent growth, disciplined development, and selective capital recycling, while maintaining a prudent payout ratio in the 80–90% range.

## Powering Care Sustainably

Energy performance and environmental management are essential to healthcare infrastructure, which often operates continuously. We are focused on building a more sustainable portfolio by investing in energy-efficient systems, upgrading to lower-emission equipment, enhancing air filtration, and collaborating with tenants to reduce energy consumption. Additional details are available in our sustainability disclosures at [nwhreit.com](http://nwhreit.com).



## Letter from Our CEO

Dear Unitholders,

This year marked the beginning of a transformative new chapter for the REIT. Since joining as CEO in July, my priority has been to unlock value by stripping away complexity and refocusing on our core operations. Our 2025 results demonstrate the resilience of our assets, meaningful balance sheet progress, our commitment to simplification, and our ability to secure attractive growth opportunities.

### Operating Performance

In 2025, same-property net operating income ("SPNOI") grew across all regions supported by inflation-indexed leases, targeted capital investments and strong cost recoveries. On a year-over-year basis, SPNOI was up by 3.1%. During the year, we executed approximately 700,000 sq. ft. of renewals and over 180,000 sq. ft. of new leasing, resulting in almost 90% tenant retention and year-end occupancy of over 96%. Our weighted average lease expiry ("WALE") exceeded 12 years at year-end, which we believe is the longest among Canadian publicly-traded REITs.

Adjusted funds from operations ("AFFO") per unit increased year-over-year by over 7%, while our AFFO payout ratio declined from 92% in 2024 to 86% in the current year, primarily reflecting NOI growth, lower interest expense and disciplined cost management.

### Strengthening the Balance Sheet and Capital Structure

During 2025, leverage decreased from 58.3% to 52.4% by year end on a proportionate basis, a reduction of approximately 600 bps. Importantly, we earned an investment-grade issuer credit rating and completed our inaugural \$500 million senior unsecured debenture offering, using the proceeds to refinance higher-cost debt and repay near-term maturities. Our weighted average interest rate has dropped by 78 bps, and now sits at 4.71%, with an average term to maturity of 2.5 years. Our liquidity position has also improved throughout the year, currently standing at over \$465 million. We also suspended our distribution reinvestment plan in 2025, reflecting our improved financial position and to avoid incremental equity issuance at what we believe to be an unnecessary discount. In November 2025, we also put in place a normal course issuer bid ("NCIB"), which will allow us to repurchase units and to target early retirement of our remaining two series of convertible debentures. In the first quarter of 2026, we made our first purchases under the NCIB, initially targeting our convertible debentures.

### Simplifying the Business

I have seen throughout my career that when it comes to REITs, complexity doesn't pay and simplicity sells. A key priority for 2025 was to start simplifying our business and I am pleased to say that excellent progress was made this year.

In the second quarter, we fully exited our position in the UK, generating \$209 million of proceeds and realizing a total return of over 20% on our investment in Assura.

We also negotiated and completed the internalization of Vital Healthcare Property Trust in New Zealand. This transaction resulted in us receiving an attractive valuation for our asset management activities, and most importantly, after this upcoming summer, we will have optionality to further monetize our remaining equity stake. Although we do not intend to sell our holdings at this time, as a result of this transaction, our Australia and New Zealand business is simpler and more profitable and we have a clear path to liquidity which we can seek opportunistically at a time of our choosing.

In the third quarter, we announced that we had engaged advisors to seek liquidity options for a substantial portion of our European portfolio as we look to exit that region over time. Post year-end, we entered into a binding transaction for a 33 property portfolio in Germany and the Netherlands for a gross value of €400 million, before adjustments. Net of in-place debt, transfer and deal related costs, we expect this to generate approximately \$145 million of proceeds. While we retain a residual presence in Europe, this transaction is a significant advancement towards our eventual exit from the region.

These initiatives demonstrate our commitment to simplifying the business and reallocating capital to the Americas, where we believe lie the most compelling growth opportunities.

## Shifting to Growth

As we simplify the business and strengthen our balance sheet and liquidity position, our focus turns to growth. We believe the most compelling healthcare infrastructure investment opportunities will be in our home continent.

In Canada, the process of moving procedures to outpatient facilities will keep accelerating as it is crucial to facilitate the delivery of healthcare for an aging population. Without this transition, wait times will only grow. Because of our market leading position, track record, and extensive relationships, we intend to be the partner of choice to deliver the next generation of essential healthcare infrastructure for Canadian health systems. For example, at the ambulatory surgical facility we developed with Lakeridge Hospital in Pickering, Ontario, since opening 24 months ago, the facility has supported approximately 20,000 surgeries, materially reducing regional wait times. In Q4 2025, we entered into a commitment of approximately \$110 million to build a 119,000 sq ft health services building for a large Canadian hospital. Upon completion in 2029, this facility will be home to medical and clinical outpatient services that will support community healthcare needs, while creating a valuable, government-supported infrastructure asset.

In addition to developments, we will continue to pursue acquisition opportunities to expand our footprint in our key Canadian markets. As we refocus towards growth, our pipeline keeps building and post year-end, we have committed to acquire a 157 bed transitional healthcare facility long-term leased by The Ottawa Hospital in Ottawa, Ontario. This is a very attractive asset that will free up critical care beds in their primary hospital and we expect to leverage this relationship to generate future opportunities.

In the US, towards the end of 2025, we began assessing avenues for growth as we look to re-deploy capital. Our priority is to identify a strategic transaction that will support repeatable investments over time and build meaningful relationships with large operators. We are actively evaluating strategic partnerships and portfolio opportunities and I expect meaningful progress during 2026.

Although we are now looking at growth opportunities, we will also continue to seek opportunities to recycle capital and dispose of non-core assets. In 2025, we sold 11 properties and 50% of one additional property, representing \$184 million of gross proceeds at attractive valuations, in line with IFRS fair values. Going forward, we will continue to opportunistically prune our portfolio when opportunities arise.

## A New Chapter – Vital Infrastructure

We have started a transition to a simpler, better-capitalized and more focused healthcare infrastructure business. With this in mind, our Board has approved a corporate name change from Northwest Healthcare Properties REIT to Vital Infrastructure Property Trust. Given our ongoing transformation, we felt that a new name was necessary and that Vital Infrastructure better aligns with our position as the leading vehicle for Canadian investors to gain exposure to a premier portfolio of healthcare infrastructure assets. The name change is expected to take effect on March 11, 2026. At that time, our current TSX tickers, NWH.UN, NWH.DB.H and NWH.DB.I will become VITL.UN, VITL.DB.H and VITL.DB.I, respectively, and our website URL will change to [www.vitalreit.com](http://www.vitalreit.com). Although we are changing our name, our focus remains the same: invest in and manage high quality, hard to replicate healthcare infrastructure, supported by strong underlying credit to generate reliable, predictable and secure cash flow for our unitholders.

## The Path Forward

What attracted me to join the REIT as CEO was that: (1) the REIT owns an extraordinary portfolio of healthcare infrastructure assets, and (2) the business was not well understood, partially as a result of its complexity. My belief is that if we continue to demonstrate the strength of our cash flows, simplify our business, and identify new avenues for growth, over time we will be rewarded with more appropriately priced capital.

Although we are in the early phase of a transformation, we are on the right path, and I am encouraged by the progress we made in what was a very busy 2025. As we ended the year, our assets continued to perform, our balance sheet and liquidity position strengthened, our business became much simpler, and we are finding compelling growth opportunities.

Thank you to all our unitholders for your ongoing support and to our senior management team (Stephanie, Mike, Tracey, Dave and Richard) and all my colleagues for their hard work this past year.

Please reach out to us at any time if you have any questions.

**Zach**

# Management's Discussion & Analysis

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# 1. INTRODUCTION

## 1.1. Basis for Presentation

This Management's Discussion and Analysis ("MD&A") of the results of operations and financial condition of Northwest Healthcare Properties Real Estate Investment Trust ("Northwest", or the "REIT") should be read together with the REIT's audited consolidated financial statements and accompanying notes for the year ended December 31, 2025. The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

Unless otherwise indicated, all amounts are presented in thousands of Canadian dollars and per unit amounts are presented on a per-unit basis. This MD&A should also be read in conjunction with the REIT's Annual Information Form dated February 24, 2026 and the REIT's Management Information Circular dated April 1, 2025. This MD&A is current as of February 24, 2026. Additional information relating to the REIT is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Historical results and trends discussed in this MD&A may not be indicative of future results.

### Basis of Consolidation and Presentation

The financial information in this MD&A is presented on a consolidated basis in accordance with IFRS and reflects the financial position and results of operations of the REIT and its consolidated subsidiaries. References to "Northwest" or the "REIT" include the REIT and its consolidated subsidiaries, unless the context otherwise requires.

Until December 30, 2025, when Vital Healthcare Property Trust ("Vital Trust") internalized its management structure, the REIT managed Vital Trust and included its assets, liabilities, and operating results in the REIT's consolidated financial statements. As a result of the internalization, the REIT no longer controls Vital Trust, and its results were removed from the REIT's consolidated financial statements effective December 30, 2025. Accordingly, the REIT's consolidated financial position and results for 2025 are not directly comparable to prior periods in which Vital Trust was fully consolidated.

For purposes of this MD&A, the REIT's retained interest in Vital Trust is reflected as an equity-accounted investment when results are presented on an IFRS basis, and as a standalone line item on the balance sheet when results are presented on a proportionate basis. As the transaction closed on December 30, 2025, there was no impact on the proportionate income statement results for the periods presented. Vital Trust's operating results have been excluded from the REIT's leasing metrics and portfolio profile as at December 31, 2025. Additional information on the transaction and the retained investment is provided in Notes 5 and 8 to the consolidated financial statements.

### Use of Non-GAAP and Other Financial Measures

This MD&A includes certain non-GAAP financial measures, non-GAAP ratios and other supplementary financial measures, as defined in National Instrument 52-112 - *Non-GAAP and Other Financial Measures Disclosure*. Management uses these measures to evaluate operating performance, financial position and the REIT's ability to meet its financial obligations, and to facilitate period-over-period comparisons. These measures do not have standardized meanings under IFRS and may not be comparable to similar measures presented by other issuers. They should not be considered substitutes for measures determined in accordance with IFRS.

Non-GAAP and other supplementary financial measures in this MD&A are identified by the suffix "(1)". Where applicable, these measures are reconciled to the most directly comparable IFRS measures. Definitions, explanations of composition and reconciliations are provided in Section 11, "Non-GAAP and Other Supplementary Measures".

### Use of Operating and Non-Financial Metrics

The REIT uses certain operating and non-financial metrics to assess portfolio performance and support capital allocation and investment decisions. These metrics include measures such as net operating income, same-property performance, occupancy, leasing activity and weighted average lease expiry.

Certain of these measures may constitute supplementary financial measures under National Instrument 52-112. While they are not derived directly from the consolidated financial statements, management believes they provide useful information in assessing the REIT's operating performance and portfolio quality.

## 1.2. Forward-Looking Statements

This MD&A may contain forward-looking statements with respect to the REIT, its operations, strategy, financial performance and condition. These statements can generally be identified by words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “intends”, “believe”, “continue”, or the negative thereof or similar variations.

Forward-looking statements in this MD&A include statements concerning driving growth and long-term unitholder value, the stability and durability of the REIT’s income, the receiver-led sale process for Healthscope Pty Ltd (“HSO”), the ongoing operation of HSO’s inpatient facilities, future debt repayment and renewal, target leverage and debt-to-EBITDA ratio levels, the use of proceeds from the internalization of external management at Vital Trust, the REIT’s relationship with (and ownership interest in) Vital Trust going forward, the REIT’s planned sale of its European portfolio, including the completion and use of proceeds therefrom, the REIT’s planned Canadian development and acquisition, the REIT’s proposed name change, the REIT’s commitment to continue pursuing asset sales, simplifying the business, reducing costs, and strengthening its balance sheet, future debt repayment and renewals, and the repurchase of securities under the REIT’s normal course issuer bid.

The REIT’s actual results and performance discussed herein could differ materially from those expressed or implied by such forward-looking statements. The forward-looking statements contained in this MD&A are based on numerous assumptions which may prove incorrect, and which could cause actual results or events to differ materially from the forward-looking statements. These include assumptions relating to the REIT’s properties continuing to perform as they have recently, various general economic and market factors, including exchange rates remaining constant, local real estate conditions remaining strong, and interest rates remaining at current levels or decreasing, the availability of equity and debt financing to the REIT and the REIT’s ability to refinance, or extend the maturity of, its existing debt, the continued operation of HSO’s hospitals, the REIT’s ability to successfully complete its planned dispositions, developments and acquisitions on the terms proposed the valuations to be realized on property sales relative to current IFRS values, and the market price of the Trust Units.

Such forward-looking statements are also qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including the risk that the transactions contemplated herein are not completed on the terms proposed or at all, and the risks described in the section titled “Risk Factors” in the Annual Information Form, which are hereby incorporated by reference in this MD&A and available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Unless otherwise stated, all forward-looking statements speak only as of the date of this MD&A and, except as expressly required by applicable law, the REIT assumes no obligation to update such statements.

### Market and Industry Data

This MD&A includes market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of the information included.

Although the third-party sources believe it to be reliable, the REIT has not independently verified any of the data from third-party sources referred to in this MD&A or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

## 2. BUSINESS OVERVIEW AND STRATEGY

### 2.1. About Northwest Healthcare Properties REIT

Northwest Healthcare Properties Real Estate Investment Trust ("Northwest", or the "REIT"), is an Ontario open-end trust established on January 1, 2010 and governed pursuant to a third amended and restated Declaration of Trust dated September 15, 2020, as amended on March 30, 2023, September 21, 2023, June 18, 2024 and May 14, 2025 ("Declaration of Trust"). The registered office of the REIT is 180 Dundas Street West, Suite 1100, Toronto, Ontario, M5G 1Z8. The REIT's trust units ("Trust Units") are listed and publicly traded on the Toronto Stock Exchange ("TSX") under the symbol NWH.UN. The REIT's Convertible Debentures are listed and publicly traded on the TSX under the symbols NWH.DB.H and NWH.DB.I.

#### The REIT's Business

Northwest is an investor, developer and manager of critical healthcare infrastructure located in core urban markets across North America, Brazil, Australia and Europe.

As of December 31, 2025, Northwest's portfolio comprised 57 inpatient facilities, 73 outpatient facilities and 3 other health research facilities, with a total gross value exceeding \$5.6 billion. Of this amount, \$3.1 billion is owned in partnership with institutional investors and \$2.5 billion is owned directly by the REIT.

Northwest has deep knowledge of healthcare systems, local execution capabilities and longstanding relationships with governments, healthcare providers, and long-term capital, making Northwest a strategic infrastructure partner to local healthcare networks and investors.

#### The REIT's Purpose

Northwest's purpose is to unlock the full potential of healthcare by investing in the places where care is delivered. Northwest's high-quality healthcare infrastructure portfolio enables better outcomes for patients, while delivering strong returns for unitholders.

The REIT aims to be the leader in healthcare real estate through its deep healthcare expertise and relationships with health systems to create irreplaceable assets at the heart of modern care delivery. We focus on high-quality properties, long-term relationships, and partnership-driven growth, reflecting our belief that properties serve a greater purpose than simply providing space.

### 2.2. Our Operating Environment

The REIT's portfolio is supported by three long-term trends driving demand for healthcare real estate.

#### Aging Demographics

Canada's population aged 65 and over continues to be a powerful demand driver for healthcare services. Statistics Canada projects this demographic will increase by approximately 28% by 2036, with this cohort utilizing healthcare services at roughly 3.5 times the per-capita rate of the general population. This demographic shift is expected to support enduring demand for modern, well-located healthcare facilities across the full continuum of care, including primary care, diagnostics, acute care, and specialized treatment.

#### Rising Healthcare Expenditures

According to CIHI's National Health Expenditure Trends, 2024, Canadian healthcare expenditures are projected to grow at approximately 5% annually over the next 25 years, reflecting increased demand for services, infrastructure modernization, capacity expansion, and the integration of advanced medical technologies. Ongoing public and private investment in healthcare systems is expected to support sustained institutional investment in healthcare real estate.

#### Shift Toward Outpatient and Ambulatory Care

Healthcare delivery models continue to evolve, with a growing share of procedures migrating from traditional inpatient hospital settings to outpatient and ambulatory facilities. These settings offer operational efficiencies, faster patient recovery times, lower infection risk and improved clinical outcomes. As a result, outpatient and ambulatory facilities are increasingly favoured by health systems, physicians, and payers, supporting continued demand for purpose-built healthcare real estate.

### 2.3. Our Strategy

The REIT's strategy is to build a scaled healthcare infrastructure platform with an increasing emphasis on the Americas, supported by a strong balance sheet and a disciplined approach to capital allocation. The REIT's objective is to deliver sustainable growth in earnings and net asset value per unit while maintaining financial flexibility across market cycles.

This strategy reflects the REIT's view that long-term demographic trends, rising demand for healthcare services, and the continued shift toward outpatient care will drive durable investment opportunities across its core markets. We believe the REIT's established relationships, operating expertise, and development capabilities position it to generate attractive risk-adjusted returns within this environment.

During 2026, the REIT's strategic priorities are to:

- Continue to simplify the portfolio and recycle capital;
- Strengthen and optimize the balance sheet;
- Deepen the REIT's North American footprint; and
- Enhance operating leverage and drive earnings growth.

### 3. PERFORMANCE OVERVIEW

#### 3.1. Key Performance Metrics

The following table presents a summary of key financial and operational performance metrics of the REIT as at and for the periods indicated. These metrics should be read in conjunction with the REIT's consolidated financial statements and the accompanying notes. Financial information is expressed in thousands of Canadian dollars, except unit, per unit, percentage and other non-currency measures.

As at or for the year ended December 31 (\$ thousands except where otherwise indicated) (unaudited)	2025	2024	2023
<b>Portfolio and Operating Metrics</b>			
Number of Properties <sup>(i)</sup>	133	172	219
Gross Leasable Area (sf) <sup>(i)</sup>	13,032,000	15,886,000	17,737,000
Occupancy % <sup>(i)</sup>	96.4%	96.4%	96.6%
Weighted Average Lease Expiry ("WALE") (years) <sup>(i)</sup>	12.3	13.6	13.3
<b>IFRS Financial Measures</b>			
Total assets (IFRS)	\$ 3,449,090	\$ 6,049,576	\$ 7,628,615
Total liabilities (IFRS)	1,942,244	3,468,061	4,543,347
Revenue from investment properties (IFRS)	422,525	462,403	507,996
Net income (loss)	21,221	(320,204)	(480,736)
Net income (loss) per unit	0.08	(1.29)	(1.95)
Net income (loss) attributable to unitholders	(52,852)	(299,757)	(347,690)
Net income (loss) attributable to unitholders per unit	(0.21)	(1.21)	(1.41)
<b>Non-GAAP Financial Measures</b>			
Funds from Operations ("FFO") <sup>(1)</sup> per unit - diluted	\$ 0.44	\$ 0.36	\$ 0.57
FFO <sup>(1)</sup> per unit diluted excluding accelerated amortization of deferred financing charges <sup>(ii)</sup>	\$ 0.45	\$ 0.40	\$ 0.57
FFO <sup>(1)</sup> payout ratio - diluted	81%	100%	115%
Adjusted Funds from Operations ("AFFO") <sup>(1)</sup> per unit - diluted	\$ 0.42	\$ 0.39	\$ 0.56
AFFO <sup>(1)</sup> payout ratio - diluted	86%	92%	116%
Distributions declared per unit	\$ 0.36	\$ 0.36	\$ 0.65
Weighted average number of units outstanding - diluted	250,235,026	247,663,589	245,906,967
<b>Net Asset Value ("NAV")</b>			
NAV <sup>(1)</sup> per unit	\$ 7.55	\$ 8.55	\$ 10.86
Units Outstanding - period end	249,992,670	247,784,245	246,440,184
<b>Capital Structure and Debt Metrics</b>			
Debt to Gross Book Value (IFRS) <sup>(1)</sup>	46.4%	50.0%	51.9%
Debt to Gross Book Value (Proportionate) <sup>(1)</sup>	52.4%	58.3%	59.6%
Interest coverage (Proportionate) <sup>(1)</sup>	1.99	1.56	1.55
Economic Weighted Average Interest Rate (Proportionate) <sup>(1)</sup>	4.71%	5.49%	6.36%
Weighted average term to maturity (years) (Proportionate) <sup>(1)</sup>	2.5	2.5	2.8

(i) Operational information is presented on a 100% basis for the REIT's joint venture investments for the years ended December 31, 2023, 2024 and 2025 and for Vital Trust for the years ended December 31, 2023 and 2024, notwithstanding the REIT's ownership interests of approximately 30% in its joint venture investments. Effective December 31, 2025, Vital Trust has been excluded from operational information to reflect the internalization transaction. See Section 1.1, "Basis for Presentation" and Section 3.3, "Portfolio Profile".

(ii) The amounts presented reflect an adjustment for accelerated amortization of deferred financing charges from the early repayment of debt. For the year ended December 31, 2025, the adjustment totalled \$3.4 million related to debt repaid using proceeds from the issuance of senior unsecured debentures and the sale of Assura units. FFO including this adjustment would have been \$112.8 million or \$0.45 per unit. For the year ended December 31, 2024, the adjustment totalled \$10.3 million, related to debt repaid using proceeds from the from the sale of the REIT's UK portfolio. FFO including this adjustment would have been \$99.2 million or \$0.40 per unit.

## 3.2. Key Performance Highlights

During the quarter, the REIT executed several strategic initiatives to strengthen its balance sheet, optimize its portfolio and enhance long-term value for unitholders. The discussion below reflects activity during the quarter and subsequent events through February 24, 2026.

### Internalization of External Management at Vital Trust

On December 30, 2025, Vital Trust completed the internalization of its external management structure. As part of the transaction, Vital Trust terminated its existing management arrangements and paid the REIT a management termination payment of \$170.0 million (NZ\$214.0 million). The payment was primarily funded through an equity offering by Vital Trust in which the REIT did not participate, reducing the REIT's ownership interest to approximately 23.9% (December 31, 2024 - 28.3%).

The internalization changed the REIT's relationship with Vital Trust. Effective December 30, 2025, the REIT no longer controls Vital Trust and ceased consolidating its results. Although the REIT received the termination payment and remeasured its retained interest at the quoted market price of Vital Trust units on the New Zealand Stock Exchange, the transaction resulted in a loss on deconsolidation.

Following the transaction, the REIT's retained interest in Vital Trust is accounted for as an investment in an associate under the equity method, as the REIT continues to exercise significant influence through its ownership interest and board representation. The REIT also entered into a transitional services agreement to provide certain administrative and support services to Vital Trust for a limited period, under which no revenue was recorded during the year ended December 31, 2025.

For purposes of this MD&A, the REIT's retained interest in Vital Trust is reflected as an equity-accounted investment when results are presented on an IFRS basis, and as a standalone line item on the balance sheet when results are presented on a proportionate basis. As the transaction closed on December 30, 2025, there was no impact on the proportionate income statement results for the periods presented. Vital Trust's operating results have been excluded from the REIT's leasing metrics and portfolio profile as at December 31, 2025.

### Balance Sheet Strengthening and Liquidity

During the quarter, the REIT continued to strengthen its balance sheet through debt repayments and refinancing activities that enhanced liquidity, reduced secured leverage and simplified its capital structure.

The REIT used proceeds from the sale of a North America property to repay \$37.2 million outstanding under the secured revolving credit facility.

The REIT also repaid \$21.0 million of maturing Canadian mortgages bearing a weighted average interest rate of 2.87%, funded through capacity under its revolving credit facility. The related properties were added to the facility's security pool, resulting in \$252.2 million of available capacity.

In connection with the internalization, the REIT used transaction proceeds to repay the \$91.5 million outstanding under its secured revolving credit facility and \$35.7 million under a corporate term loan secured by its Vital Trust units, which carried a weighted average effective interest rate of 5.09%. The REIT also settled \$80.6 million of notional amount of associated derivative financial instruments. As at December 31, 2025, the remaining \$45.0 million balance under the corporate term loan bears interest at 4.60%.

As at December 31, 2025, total available liquidity was approximately \$465.5 million, comprised of \$358.1 million of undrawn capacity under the revolving credit facility and term loan secured by Vital Trust units, and \$107.5 million of cash on a proportionate basis<sup>(1)</sup>.

In November 2025, the REIT refinanced \$50.4 million (A\$55.0 million) of term debt in its Australian joint venture, \$15.1 million at the REIT's share, extending maturity to January 2029 and reducing the weighted average interest rate to 4.90% from 5.03%.

Subsequent to December 31, 2025, the REIT refinanced the following:

- \$74.6 million (A\$81.4 million) of term debt in its Australian joint venture, \$22.4 million at the REIT's share, extending maturity from December 2026 to February 2031 and increasing the weighted average interest rate 20 basis points,
- \$32.6 million (A\$35.6 million) of term debt in its Australian joint venture, \$9.8 million at the REIT's share, extending maturity one year to July 2029 and reducing the facility margin by 32 basis points; and
- \$16.7 million (A\$18.2 million) of term debt in Australia, extending maturity one year to July 2029 and reducing the facility margin by 32 basis points.

The REIT also repaid two Canadian mortgages totalling \$23.7 million that matured in January and February 2026, bearing a weighted average interest rate of 2.82%, using capacity under its revolving credit facility and proceeds from the internalization.

On February 5, 2026, DBRS Morningstar confirmed the REIT's Issuer Rating and Senior Unsecured Debentures credit rating at BBB (low) with Stable trends.

### **Non-Core Asset Sales**

During the three months ended December 31, 2025, the REIT completed the sale of one income-producing property in North America at a 6.9% capitalization rate, its 50% interest in one property within Vital Trust at a 5.8% capitalization rate and one development property in Vital Trust. The three properties were sold at their fair value of \$79.9 million.

### **Canadian Development Commitment**

During the quarter, the REIT entered into an agreement with a large Canadian hospital system to develop a four-storey, 119,000 sq. ft. health services building adjacent to the hospital's main campus. The project will expand access to ambulatory, community-based, complementary health services in one of Canada's fastest-growing regions and demonstrate Northwest's opportunities to invest in critical healthcare infrastructure and partner with publicly funded hospitals in Canada.

Under the agreement, Northwest has entered into a long-term ground lease with the hospital and will fund, develop and manage the new health services building, with an estimated total cost of \$112.0 million, which is expected to commence in the fourth quarter of 2026 and be completed in the fourth quarter of 2029.

### **European Portfolio Sale**

As at December 31, 2025, the REIT classified 30 income-producing properties and 3 properties under development in Europe as held for sale, comprising 23 wholly-owned properties in Germany and the Netherlands with a fair value of \$384.0 million, and 10 properties held through the REIT's joint venture in the Netherlands with a fair value of \$259.7 million (\$77.9 million at the REIT's 30% interest).

In connection with the classification of the wholly-owned properties, the REIT reclassified \$221.1 million of related mortgages with a weighted average interest rate of 2.83% to liabilities associated with assets held for sale on its consolidated balance sheet. Mortgages related to the joint venture properties total \$139.8 million (\$42.0 million at the REIT's 30% interest), with a weighted average interest rate of 4.67%, and remain within the joint venture.

On February 24, 2026, the REIT reached an agreement to sell the combined portfolio of 33 properties to TPG Real Estate for €400 million (C\$647 million) before adjustments. The transaction is expected to close in the second quarter of 2026, subject to customary closing conditions.

Net proceeds attributable to the REIT, after transaction costs and capital gains tax, are estimated to be approximately \$145 million and are expected to be used to repay debt and for capital redeployment.

### **Canadian Acquisition**

On February 19, 2026, the REIT waived its conditions on the acquisition of an approximate 73,000 square foot, up to 157 bed, transitional-care facility in Ottawa, Ontario for \$49.0 million. The property is well located in a specialized and expanding medical and health services node with immediate proximity to The Ottawa Hospital's Civic Campus, University of Ottawa's Heart Institute and the planned 2.5 million square foot new Ottawa Hospital. The building is leased on a triple net basis to The Ottawa Hospital for a remaining 14.5 year term, subject to annual rent escalations. The acquisition, subject to customary closing conditions, is expected to close in the first quarter of 2026 and will be funded with existing resources.

### 3.3. Portfolio Profile

#### Portfolio Overview

The REIT's portfolio is comprised of high-quality healthcare real estate leased to leading operators, with a significant portion subject to long-term, inflation-indexed lease structures. The portfolio is diversified by geography, asset type and tenant, with a mix of inpatient facilities and outpatient medical clinics that are mission-critical to healthcare delivery and generate stable, predictable cash flows.

As at December 31, 2025, the REIT held interests in 133 income-producing properties comprising approximately 13.0 million square feet of gross leasable area across North America, Brazil, Europe and Australia.

#### Geographic Diversification and Asset Mix

The REIT's portfolio is diversified across four core regions, providing exposure to diverse healthcare systems and tenant bases while maintaining consistent asset quality and lease characteristics.

##### North America

In North America, the portfolio is primarily comprised of outpatient facilities in Canada and the United States, with a smaller concentration of inpatient assets in the U.S. Canadian outpatient facilities benefit from stable demand supported by the publicly funded healthcare system, while U.S. assets include both outpatient facilities and select inpatient facilities leased under long-term, triple-net, inflation-indexed arrangements that support consistent organic growth.

##### Brazil

The Brazilian portfolio consists of institutional-quality inpatient facilities located in major markets, including São Paulo, Brasília and Rio de Janeiro, leased under long-term, inflation-indexed, triple-net arrangements that deliver stable cash flows and consistent organic growth.

##### Europe

Across Europe, the portfolio consists primarily of high-quality outpatient facilities and medical clinics located in Germany and the Netherlands, as well as an indirect interest in inpatient and rehabilitation facilities held through a joint venture. These assets benefit from long lease terms, inflation indexation and strong tenant relationships supported by publicly funded healthcare systems.

The REIT holds a 30% interest in the European joint venture with an institutional partner, which includes investments in outpatient facilities, inpatient facilities and rehabilitation clinics located in major European markets. For certain assets within the joint venture, the REIT also holds an additional 5.1% direct ownership interest, resulting in an effective interest of 33.6% in those properties.

The European joint venture is supported by the REIT's global asset management business, which provides property management and asset management services to the joint venture.

In late 2025, the REIT announced its intention to exit the European region over time and redeploy capital to North America. As at December 31, 2025, 33 European properties were classified as held for sale, comprising 23 wholly-owned properties in Germany and the Netherlands with a fair value of \$384.0 million, and 10 properties held through the REIT's joint venture in the Netherlands with a fair value of \$259.7 million (\$77.9 million at the REIT's 30% share).

In February 2026, the REIT entered into a definitive agreement to sell the portfolio of assets classified as held for sale, which is expected to close in the second quarter of 2026. Following completion of the transaction, the REIT is expected to retain one wholly-owned asset in the Netherlands and a portfolio of German clinics through its joint venture.

##### Australasia

In Australasia, the REIT holds interests in healthcare real estate across Australia and New Zealand through joint venture and investment structures. The portfolio includes inpatient facilities, outpatient facilities and other healthcare-related assets that generate growing cash flows supported by tenancies with high-quality healthcare operators under long-term, inflation-indexed leases.

In Australia, the REIT holds a 30% interest in a joint venture and joint operations with an institutional partner (the "Australian JV"). In New Zealand, the REIT holds a 23.9% interest in Vital Healthcare Properties Trust, which is listed on the New Zealand Stock Exchange and accounted for under the equity method.

The Australasian platform is supported by the REIT's global asset management business, which provides property management and asset management services to the Australian JV.

## Portfolio Geographic Diversification and Asset Mix

The following table summarizes the REIT's portfolio by geography as at December 31, 2025:

	North America <sup>(iii)</sup>	Brazil	Europe <sup>(i)</sup>	Australia <sup>(i)</sup>	Consolidated Total <sup>(ii)</sup>
Number of properties	57	8	43	25	133
Asset mix by number of properties	79% Outpatient 19% Inpatient 2% Other	100% Inpatient	58% Outpatient 42% Inpatient	12% Outpatient 80% Inpatient 8% Other	55% Outpatient 43% Inpatient 2% Other
Gross Leasable Area ("GLA") (million sf)	3.6	1.9	4.5	3.0	13.0
Total assets (millions) (Proportionate Basis) <sup>(1)</sup>	\$1,339	\$676	\$782	\$1,052	\$3,910
Assets under management (millions) <sup>(iv)</sup>	\$1,313	\$669	\$1,170	\$2,478	\$5,630
Occupancy	90.6%	100.0%	97.2%	100.0%	96.4%
WALE (years)	5.7	16.9	13.2	15.0	12.3
Average building age (years)	32	21	38	19	29
Weighted average overall capitalization rate (Proportionate Basis) <sup>(1)</sup>	6.72%	8.88%	6.50%	5.54%	6.90%

(i) Assets held through joint ventures are presented at 100%, except Total Assets, which are presented in accordance with IFRS.

(ii) Consolidated Total includes corporate assets and Global Manager.

(iii) Occupancy for North America includes three properties under stabilization, where leasing or redevelopment initiatives are in progress. Excluding these properties, North America occupancy would be 93.1%.

(iv) Assets under management represent the aggregate fair value of investment properties, the REIT's investment in Vital Trust, loans receivables, lease assets, real estate related financial instruments, assets held for sale and third-party interests in these assets.

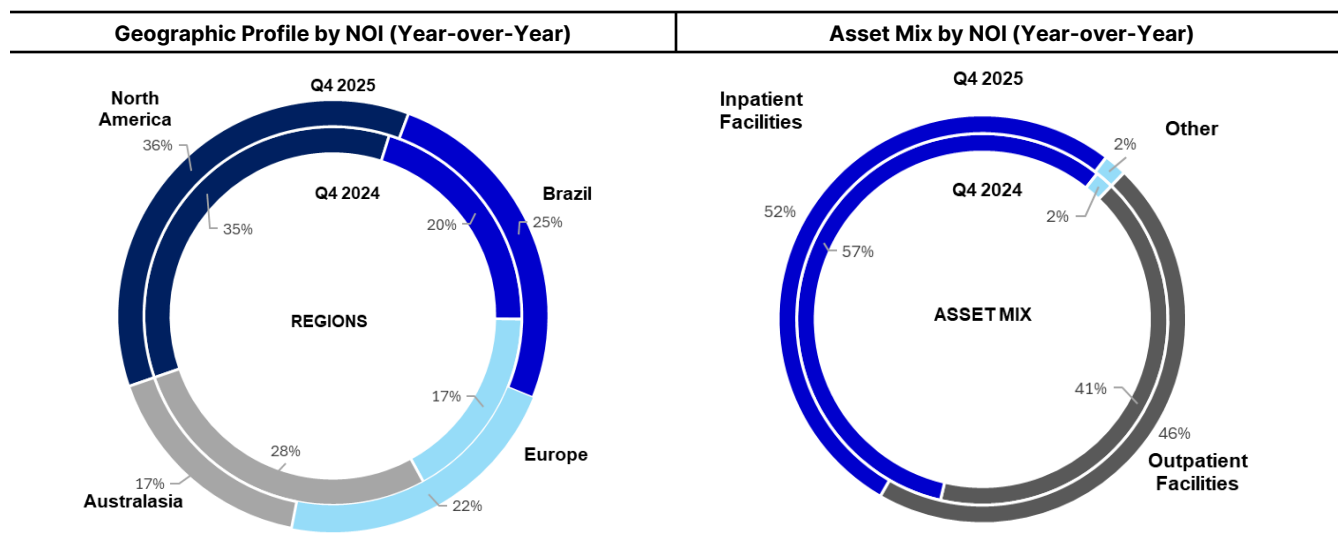
**Outpatient Facilities (formerly MOB's)** are properties that provide medical services to patients who do not require overnight hospitalization. These assets are typically multi-tenant buildings accommodating physician practices, diagnostic services, minor surgical procedures and other outpatient care.

**Inpatient Facilities (formerly Hospitals & Healthcare Facilities)** are typically leased to a single tenant or hospital operator under long-term, inflation-indexed, triple-net lease structures. Under these arrangements, the REIT does not bear material operating cost or capital expenditure risk.

**Other health research facilities ("Other") (formerly Life Sciences)** consist primarily of properties leased to tenants engaged in medical research and development under long-term lease arrangements.

## Diversification of Assets

The REIT's assets are diversified geographically and by asset type on a proportionate basis as at December 31, 2025:



## Tenant Mix

The following table summarizes the REIT's 10 largest tenants by percentage of proportionate revenue for the three months ended December 31, 2025:

	Tenant	Region <sup>(i)</sup>	%	# of locations
1.	Rede D'Or	Brazil	18.6 %	7
2.	Healthscope	Australia	6.6 %	12
3.	PrairieCare, LLC	North America	2.0 %	1
4.	Stichting Albert Schweitzer Ziekenhuis	Europe	2.0 %	4
5.	Epworth Foundation	Australia	1.9 %	7
6.	Rush University Medical Center	North America	1.7 %	1
7.	Median Kliniken	Europe	1.5 %	8
8.	Centre Intégré de Santé et de Services Sociaux (CISSS)	North America	0.9 %	5
9.	Erasmus Universitair Medisch Centrum Rotterdam	Europe	0.8 %	1
10.	Beach House Treatment Center, LLC	North America	0.8 %	1
			<b>36.8 %</b>	<b>47</b>

(i) Australia and Europe are shown at proportionate ownership basis for assets held through joint ventures. The REIT's ownership in these joint ventures ranges from 30%-33.57%.

Further information on the REIT's two largest tenants is below:

**Rede D'Or** is Brazil's largest integrated healthcare network, with more than 40 years of operating history and a broad national footprint. The company operates at scale across 14 states, with inpatient facilities primarily concentrated in São Paulo, Rio de Janeiro, Bahia, the Federal District and Pernambuco. Since 2004, Rede D'Or has grown significantly through a series of strategic partnerships and acquisitions. As at December 31, 2025, Rede D'Or had an enterprise value of approximately \$23.0 billion (R\$90 billion), placing it among Brazil's 20 largest companies by market capitalization. According to public disclosures, Rede D'Or is rated AAA (bra) on the Brazilian national scale by both S&P Global Ratings and Fitch Ratings, each with a stable outlook.

**Healthscope Pty Ltd** ("HSO") is the REIT's second largest tenant, accounting for 6.6% of proportionate revenues, and occupies 12 properties (the "HSO Portfolio"), reflecting the REIT's 30% ownership interest in these assets. Founded in 1985, HSO is Australia's second largest private inpatient facilities operator, with a network of 37 private hospitals across all Australian states and territories, primarily located in major metropolitan markets, providing medical and surgical, mental health, rehabilitation and maternity services.

In May 2025, HSO's parent entities entered receivership, with its lenders appointing McGrathNicol Restructuring to oversee an orderly sale process, while all hospitals continue to operate as usual. The receiver-led sale process commenced in July 2025 and remains ongoing, with the receiver prioritizing the disposition of HSO's on balance sheet assets, which is now largely complete.

As part of a bid submitted by Calvary Health Care ("Calvary") for the REIT's portfolio of 12 assets, the REIT entered into a conditional lease agreement with Calvary on terms acceptable to the REIT. The agreement remains subject to the approval of the receiver which has not yet been obtained, as the receiver continues to evaluate potential alternatives, including conversion of HSO to a not-for-profit structure. As discussions are ongoing, there can be no assurance as to the outcome or the potential impact on the REIT.

As at the date of this MD&A, all rent owing from HSO has been received in full and HSO continues to meet all lease obligations.

### 3.4. Leasing

#### Leasing Strategy and Impact on Results

The REIT's leasing strategy is focused on maintaining stable occupancy, extending lease terms with healthcare operators occupying essential assets and capturing contractual rent growth. Leasing outcomes directly influence net operating income, earnings stability and the reliability of cash flows supporting distributions and debt service.

Leasing across the portfolio is characterized by long-term agreements with healthcare operators, where tenant relocation risk is low and lease terms are typically longer than those in other property types. In 2025, leasing activity supported stable rental income and limited earnings volatility through a combination of high occupancy, long-dated lease maturities and inflation-linked rent adjustments. These characteristics are reflected in the REIT's operating results and align with its objective of delivering durable and growing cash flows from a diversified healthcare real estate portfolio.

#### Lease Term Profile and Cash Flow Stability

As at December 31, 2025, the portfolio had a weighted average lease expiry ("WALE") of 12.3 years, providing long-term income visibility and limiting near-term rollover risk. Approximately 64.0% of portfolio leases expire beyond 2033.

The lease expiry profile is anchored by long-term arrangements within the inpatient portfolio. The eight Brazilian inpatient facilities are single-tenant assets with lease expiries ranging from September 2034 to January 2045, while European inpatient facilities are predominantly single-tenant assets with an average WALE of 18.8 years. The expiry profile also reflects the long-term nature of the Australia portfolio, which has a WALE of 15.0 years.

Near-term lease expiries are primarily concentrated in outpatient facilities in North America and Europe, where leasing risk is mitigated by strong tenant demand and historically high renewal rates, supported by long-tenured tenants—often measured in decades—supporting the local communities in which they operate. The limited volume of near-term maturities reduces short-term leasing risk and enhances income durability.

The following tables summarize the portfolio's weighted average lease expiry by region and asset type, as well as the scheduled lease expiry profile as at December 31, 2025, excluding development projects.

#### Weighted Average Lease Expiry by Region and Asset Type

	Asset Mix			WALE (in years)			
	Outpatient Facilities	Inpatient Facilities	Other	Outpatient Facilities	Inpatient Facilities	Other	Total
North America	79%	19%	2%	4.8	8.7	17.9	5.7
Brazil	0%	100%	0%	—	16.9	—	16.9
Europe <sup>(i)</sup>	58%	42%	0%	5.4	18.8	—	13.2
Australia <sup>(ii)</sup>	12%	80%	8%	25.7	14.5	8.9	15.0
<b>Total Portfolio</b>	<b>55%</b>	<b>43%</b>	<b>2%</b>	<b>6.2</b>	<b>16.1</b>	<b>10.2</b>	<b>12.3</b>

(i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.57% in those joint ventures.

(ii) Australia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.

#### Lease Expiry Profile by Region

	2026	2027	2028	2029	2030	2031	2032	2033	Thereafter	Total
North America	7.7 %	11.7 %	17.5 %	9.3 %	11.2 %	7.6 %	5.1 %	7.8 %	22.1 %	100.0 %
Brazil	— %	— %	— %	— %	— %	— %	— %	— %	100.0 %	100.0 %
Europe <sup>(i)</sup>	4.3 %	2.8 %	4.2 %	2.5 %	11.3 %	6.4 %	0.5 %	3.8 %	64.2 %	100.0 %
Australia <sup>(ii)</sup>	1.3 %	1.0 %	0.8 %	1.2 %	1.5 %	1.0 %	— %	2.8 %	90.4 %	100.0 %
<b>Total Portfolio</b>	<b>3.9 %</b>	<b>4.4 %</b>	<b>6.4 %</b>	<b>3.7 %</b>	<b>7.4 %</b>	<b>4.6 %</b>	<b>1.5 %</b>	<b>4.1 %</b>	<b>64.0 %</b>	<b>100.0 %</b>

(i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.57% in those joint ventures.

(ii) Australia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.

The maturity profile demonstrates limited near-term rollover exposure, with the majority of expiries concentrated beyond 2033.

## Inflation Protection and Contractual Rent Growth

As at December 31, 2025, 95.7% of the REIT's rental income was subject to contractual rent increases, primarily through inflation-linked or fixed-rate rent adjustments, providing embedded rental growth and a natural hedge against inflation. These contractual features support the resilience of same-property net operating income and enhance revenue visibility across market cycles.

### Revenue Subject to Inflation-Linked or Fixed Rate Adjustments

	Index Linked	Fixed Rate	% of Total Rent
North America	20.3%	62.0%	82.3%
Brazil	100.0%	—%	100.0%
Europe <sup>(i)</sup>	96.6%	3.1%	99.7%
Australia <sup>(ii)</sup>	22.6%	77.2%	99.8%
<b>Portfolio Weighted Average</b>	<b>46.6%</b>	<b>49.1%</b>	<b>95.7%</b>

(i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.57% in those joint ventures.

(ii) Australia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.

## Occupancy and Leasing Activity

Portfolio occupancy remained stable at 96.4% as at December 31, 2025, unchanged from the prior year. Leasing activity during the year was primarily focused on renewals and early lease extensions, reflecting the long-term nature of the portfolio and limited tenant turnover.

During 2025, the majority of expiring leases were addressed through renewals and early extensions, limiting downtime and preserving occupancy. Early lease extensions completed during the year further reduced near-term rollover exposure and enhanced long-term income visibility.

The following table summarizes changes in occupancy during the three months ended December 31, 2025:

(in thousands of square feet)	Three months ended December 31, 2025				
	North America <sup>(v)</sup>	Brazil	Europe <sup>(i)</sup>	Australasia <sup>(ii)</sup>	Total
Occupancy as at September 30, 2025	91.2 %	100.0 %	97.1 %	99.3 %	96.9 %
Occupied area, September 30, 2025	3,382	1,882	4,400	5,539	15,203
Dispositions <sup>(iv)</sup>	(138)	—	—	(2,499)	(2,637)
Expiries	(114)	—	(63)	(6)	(183)
Early terminations	(1)	—	—	—	(1)
Renewals	101	—	48	6	155
New leasing	26	—	17	11	54
Other <sup>(iii)</sup>	(23)	—	—	—	(23)
Occupied area, December 31, 2025	3,233	1,882	4,402	3,051	12,568
Leasable area	3,570	1,882	4,529	3,051	13,032
<b>Occupancy as at December 31, 2025</b>	<b>90.6 %</b>	<b>100.0 %</b>	<b>97.2 %</b>	<b>100.0 %</b>	<b>96.4 %</b>
<b>Early lease extensions</b>	<b>—</b>	<b>—</b>	<b>78</b>	<b>—</b>	<b>78</b>

(i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.57% in those joint ventures.

(ii) Australasia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.

(iii) Other includes remeasurements and month-to-month leases.

(iv) Dispositions include the leasable area attributable to Vital Trust, which is excluded from period-end occupancy. See Section 1.1, "Basis for Presentation".

(v) Occupancy for North America includes three properties under stabilization, where leasing or redevelopment initiatives are in progress. Excluding these properties, North America occupancy would be 93.1%.

Quarterly occupancy trends reflect proactive leasing efforts, including renewals and early lease extensions, which offset expiries and limited vacancy during the period. During the quarter, the REIT completed 78 early lease extensions, further reducing near-term maturities and enhancing income visibility.

The following table summarizes changes in occupancy during the year ended December 31, 2025:

(in thousands of square feet)	Year ended December 31, 2025				
	North America <sup>(v)</sup>	Brazil	Europe <sup>(i)</sup>	Australasia <sup>(ii)</sup>	Total
Occupancy as at December 31, 2024	90.4 %	100.0 %	97.0 %	98.8 %	96.4 %
Occupied area, December 31, 2024	3,489	1,882	4,387	5,558	15,315
Dispositions <sup>(iv)</sup>	(272)	—	—	(2,555)	(2,827)
Expiries	(330)	—	(395)	(56)	(781)
Early terminations	(12)	—	—	(1)	(13)
Renewals	289	—	346	54	689
New leasing	80	—	60	42	182
Other <sup>(iii)</sup>	(11)	—	4	9	2
Occupied area, December 31, 2025	3,233	1,882	4,402	3,051	12,568
Leasable area	3,570	1,882	4,529	3,051	13,032
<b>Occupancy as at December 31, 2025</b>	<b>90.6 %</b>	<b>100.0 %</b>	<b>97.2 %</b>	<b>100.0 %</b>	<b>96.4 %</b>
<b>Early lease extensions</b>	<b>73</b>	<b>—</b>	<b>129</b>	<b>—</b>	<b>202</b>

- (i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.57% in those joint ventures.
- (ii) Australia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.
- (iii) Other includes remeasurements and month-to-month leases.
- (iv) Dispositions include the leasable area attributable to Vital Trust, which is excluded from period-end occupancy. See Section 1.1, "Basis for Presentation".
- (v) Occupancy for North America includes three properties under stabilization, where leasing or redevelopment initiatives are in progress. Excluding these properties, North America occupancy would be 93.1%.

Annual occupancy remained stable as renewal activity and early lease extensions offset expiries and limited vacancy exposure during the year. In 2025, the REIT completed 202,000 square feet of early lease extensions, further reducing near-term maturities and enhancing income visibility.

### Renewal Activity and Contractual Rent Growth

Renewal leasing during the year ended December 31, 2025 supported organic rental growth and high tenant retention across the portfolio. Renewal spreads reflect asset quality, market conditions and contractual rent escalation mechanisms embedded within the lease structure.

	Three months ended December 31, 2025				Year ended December 31, 2025			
	Expiring rate	Renewal rate	Renewal %	Spread %	Expiring rate	Renewal rate	Renewal %	Spread %
North America (CAD)	\$ 16.46	\$ 17.50	89 %	6.3 %	\$ 21.74	\$ 22.76	87 %	4.7 %
Brazil (BRL)	—	—	N/A	N/A	—	—	N/A	N/A
Europe (EUR)	15.93	16.14	76 %	1.3 %	14.24	14.56	88 %	2.2 %
Australasia (AUD)	60.64	62.95	100 %	3.8 %	68.24	69.79	96 %	2.3 %

During the three months ended December 31, 2025, renewal leasing activity continued to reflect contractual rent growth and prevailing market conditions. In North America, approximately 101,000 square feet were renewed at an average spread of 6.3% over expiring rents. Renewal activity in Europe and Australasia was limited during the quarter due to the long-duration lease profile in those regions.

For the year ended December 31, 2025, renewal activity across the portfolio reflected contractual rent growth and disciplined leasing execution. In North America, renewals were completed at spreads of 5% over expiring rents. In Europe and Australasia, renewal spreads were largely driven by contractual escalators embedded in lease agreements.

### 3.5. Foreign Currency Translation

A significant portion of the REIT's investment properties and operations are located outside Canada. As a result, changes in the value of the Canadian dollar relative to foreign currencies affect the translation of those assets, liabilities and operating results into Canadian dollars.

The following table summarizes the average and period-end foreign exchange rates that had the most significant impact on the REIT's results:

	Average Exchange Rates						Period End Exchange Rates		
	Three Months Ended			Year Ended			As at		
	December 31,			December 31,			December 31,		
	2025	2024	Change	2025	2024	Change	2025	2024	Change
\$ per €1.00	1.623	1.492	0.131	1.578	1.482	0.096	1.609	1.493	0.116
\$ per US\$1.00	1.394	1.399	-0.005	1.398	1.370	0.028	1.371	1.437	-0.066
\$ per A\$1.00	0.915	0.912	0.003	0.901	0.904	-0.003	0.916	0.892	0.024
\$ per NZ\$1.00	0.800	0.827	-0.027	0.813	0.828	-0.015	0.790	0.807	-0.017
\$ per R\$1.00	0.258	0.239	0.019	0.250	0.255	-0.005	0.250	0.232	0.017

#### Income Statement Impact

During the three months ended December 31, 2025, the Canadian dollar weakened against the Euro, Australian dollar, and Brazilian real compared to the prior year. This increased the translated contribution from those regions, resulting in a positive impact on reported operating results. The Canadian dollar strengthened against the New Zealand dollar, partially offsetting the positive impact of its relative weakness against the Australian dollar on Australasian operations. The Canadian dollar was relatively stable against the U.S. dollar during the quarter, limiting the impact on U.S. dollar-denominated operations.

For the year ended December 31, 2025, movements in average exchange rates were more mixed. The Canadian dollar weakened against the Euro and U.S. dollar, resulting in a higher translated contribution from those regions, while remaining relatively stable against the Australian dollar, New Zealand dollar and Brazilian real, moderating the overall foreign exchange impact on full-year operating results.

#### Balance Sheet Impact

At December 31, 2025, the Canadian dollar strengthened modestly against the Euro, Australian dollar, and Brazilian real compared to December 31, 2024, resulting in a lower Canadian dollar value of foreign-denominated assets and liabilities at year end compared to the prior year.

#### Foreign Exchange Impact on Operating Results

The estimated impact of foreign exchange movements on operating results for the three months and year ended December 31, 2025, is summarized below:

(\$ thousands except where otherwise indicated)	Three months ended December 31,		Year ended December 31,	
	2025 vs. 2024		2025 vs. 2024	
Increase in NOI <sup>(1)</sup>	\$	2,168	\$	2,067
Increase in net loss attributable to unitholders		(3,548)		(862)
Increase in FFO <sup>(1)</sup>		1,561		1,071
Increase in AFFO <sup>(1)</sup>		1,499		966
Increase in FFO <sup>(1)</sup> per unit		0.006		0.004
Increase in AFFO <sup>(1)</sup> per unit		0.006		0.004

Management monitors foreign exchange exposure but does not consider foreign currency movements to be indicative of underlying operating performance.

## 4. RESULTS FROM OPERATIONS

The results of operations for the REIT, as reported under IFRS, for the three months and year ended December 31, 2025, and 2024, are summarized below:

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
<b>Net property operating income</b>						
Revenue from investment properties	\$ 107,588	\$ 102,702	\$ 4,886	\$ 422,525	\$ 462,403	\$ (39,878)
Property operating costs	(28,074)	(24,938)	(3,136)	(110,387)	(112,995)	2,608
	<b>79,514</b>	<b>77,764</b>	<b>1,750</b>	<b>312,138</b>	<b>349,408</b>	<b>(37,270)</b>
<b>Other income (expenses)</b>						
Interest and other income	2,440	5,930	(3,490)	13,555	18,840	(5,285)
Management fees	3,716	3,817	(101)	15,095	15,150	(55)
Share of income (loss) from equity accounted investments	6,414	1,359	5,055	6,986	(30,725)	37,711
Finance costs	(32,529)	(38,749)	6,220	(137,041)	(213,256)	76,215
General and administrative expenses	(16,034)	(13,155)	(2,879)	(61,991)	(58,174)	(3,817)
Transaction costs	(3,674)	(4,393)	719	(18,697)	(16,693)	(2,004)
Foreign exchange gain (loss)	(95)	21,510	(21,605)	4,560	33,879	(29,319)
Accretion of financial liabilities	(2,031)	(1,876)	(155)	(6,817)	(7,245)	428
Fair value adjustment of convertible debentures	195	(238)	433	(17,346)	(36,109)	18,763
Fair value adjustment of financial instruments	13,313	(14,873)	28,186	37,983	(25,014)	62,997
Fair value adjustment of investment properties	(37,921)	(29,924)	(7,997)	(61,868)	(368,791)	306,923
Loss on internalization of Vital Trust	(51,595)	—	(51,595)	(51,595)	—	(51,595)
Net loss on disposals of assets	(1,525)	(3,274)	1,749	(6,614)	(34,670)	28,056
Fair value adjustment of unit-based compensation liabilities	196	4,167	(3,971)	(1,066)	3,687	(4,753)
<b>Income (loss) before taxes</b>	<b>(39,616)</b>	<b>8,065</b>	<b>(47,681)</b>	<b>27,282</b>	<b>(369,713)</b>	<b>396,995</b>
Current income tax (expense) recovery	(48)	(8,108)	8,060	(13,427)	(21,143)	7,716
Deferred income tax (expense) recovery	12,627	2,971	9,656	7,366	70,652	(63,286)
Income tax (expense) recovery	12,579	(5,137)	17,716	(6,061)	49,509	(55,570)
<b>Net income (loss)</b>	<b>\$ (27,037)</b>	<b>\$ 2,928</b>	<b>\$ (29,965)</b>	<b>\$ 21,221</b>	<b>\$ (320,204)</b>	<b>\$ 341,425</b>
<b>Net income (loss) attributable to:</b>						
Unitholders	\$ (94,087)	\$ 8,465	\$ (102,552)	\$ (52,852)	\$ (299,757)	\$ 246,905
Non-controlling interests	67,050	(5,537)	72,587	74,073	(20,447)	94,520
	<b>\$ (27,037)</b>	<b>\$ 2,928</b>	<b>\$ (29,965)</b>	<b>\$ 21,221</b>	<b>\$ (320,204)</b>	<b>\$ 341,425</b>

### Three Months

Net loss for the three months ended December 31, 2025 was \$27.0 million, compared to net income of \$2.9 million for the same period in 2024. The decrease primarily reflects a \$51.6 million loss recognized on the internalization of Vital Trust and a \$21.6 million foreign exchange loss related to revaluation of third-party debt and intercompany balances.

These impacts were partially offset by a \$28.2 million favourable change in the fair value of financial instruments, and lower income tax expense compared to the prior year.

### Year Ended

Net income for the year ended December 31, 2025 was \$21.2 million, compared to net loss of \$320.2 million in 2024. The improvement primarily reflects favourable fair value adjustments on investment properties and financial instruments, as well as a \$76.2 million reduction in finance costs driven by debt repayments and a lower weighted average interest rate.

These favourable movements were partially offset by a \$51.6 million loss recognized on the internalization of Vital Trust and a \$37.3 million decrease in net property operating income resulting from asset dispositions.

## 4.1. Components of Net Income (Loss)

### Revenue from Investment Properties and Property Operating Costs

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
North America	\$ 21,177	\$ 22,789	\$ (1,612)	\$ 85,684	\$ 95,511	\$ (9,827)
Brazil	14,990	13,272	1,718	57,353	55,695	1,658
Europe	9,668	8,498	1,170	35,071	66,585	(31,514)
Australasia	33,679	33,205	474	134,030	131,617	2,413
<b>Net property operating income</b>	<b>\$ 79,514</b>	<b>\$ 77,764</b>	<b>\$ 1,750</b>	<b>\$ 312,138</b>	<b>\$ 349,408</b>	<b>\$ (37,270)</b>

Three Months	Year Ended
Net property operating income increased by \$1.8 million compared to the same period in 2024, primarily driven by rent indexation across all regions and higher revenue from investment properties in Brazil resulting from the appreciation of the Brazilian Real against the Canadian dollar. These increases were partially offset by lower income from the disposition of non-core assets and higher property operating costs, primarily due to the appreciation of the Euro against the Canadian dollar.	Net property operating income decreased by \$37.3 million compared to the prior year, primarily reflecting lower income from investment properties following the disposition of non-core assets, including the sale of the REIT's UK portfolio in 2024. These decreases were partially offset by rent indexation across all regions.

### Interest and other income

Interest and other income decreased for both the three months and year ended December 31, 2025, compared to the prior year, primarily due to the REIT no longer receiving distribution income from its investments in unlisted securities and Assura, following the full disposition of these assets by June 30, 2025.

### Management fees

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Base fee	\$ 7,877	\$ 7,890	\$ (13)	\$ 30,937	\$ 31,438	\$ (501)
Incentive and performance fees	—	—	—	—	2,739	(2,739)
Project and Acquisition fees	832	276	556	2,994	5,293	(2,299)
Trustee fees	452	439	13	1,709	1,774	(65)
Other fees and cost reimbursements	23	34	(11)	82	73	9
<b>Management fees before elimination</b>	<b>9,184</b>	<b>8,639</b>	<b>545</b>	<b>35,722</b>	<b>41,317</b>	<b>(5,595)</b>
less: intercompany elimination	(5,468)	(4,822)	(646)	(20,627)	(26,167)	5,540
<b>Total management fees</b>	<b>\$ 3,716</b>	<b>\$ 3,817</b>	<b>\$ (101)</b>	<b>\$ 15,095</b>	<b>\$ 15,150</b>	<b>\$ (55)</b>

#### Three Months and Year Ended

Management fees, net of intercompany eliminations, were largely unchanged from the prior year on both a quarterly and annual basis. Movements in management fees before eliminations primarily reflected the timing of development and acquisition activity, with higher project and acquisition fees earned in Australia and New Zealand during the current quarter, alongside lower overall activity levels year over year. In addition, management fees were also impacted by the absence of incentive and performance fees in 2025, which were earned in 2024. These factors were largely offset within the REIT's asset management structure, resulting in minimal net change period over period.

The REIT earns market-based management fees through its wholly owned subsidiaries (the "Global Manager"), which provide asset, acquisition, and development management services to joint ventures in Australasia and Europe.

Following the internalization of Vital Trust, the external management arrangement with Vital Trust was terminated. Under a transitional services agreement, the REIT provides limited administrative and support services to Vital Trust, with related revenue recognized in other income as the services are performed and earned on a cost-recovery basis. No revenue was recorded under this agreement in 2025.

## Finance costs

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
<b>North America</b> - Mortgages and term debts	\$ 3,309	\$ 7,299	\$ (3,990)	\$ 15,924	\$ 33,529	\$ (17,605)
<b>Brazil</b> - Term debts	1,393	1,504	(111)	5,672	16,910	(11,238)
<b>Europe</b> - Mortgages and term debts	2,199	3,344	(1,145)	9,770	26,264	(16,494)
<b>Australasia</b> - Term debts	14,772	15,740	(968)	59,943	62,934	(2,991)
<b>Corporate</b>						
Australasian secured financing	1,520	2,516	(996)	7,759	13,450	(5,691)
Corporate credit facilities	1,146	4,683	(3,537)	5,287	30,809	(25,522)
Senior unsecured debentures	6,645	—	6,645	23,066	—	23,066
Convertible debentures	4,097	7,261	(3,164)	19,105	28,887	(9,782)
<b>Interest expense before lease liabilities</b>	<b>35,081</b>	<b>42,347</b>	<b>(7,266)</b>	<b>146,526</b>	<b>212,783</b>	<b>(66,257)</b>
Interest expense on lease liabilities	346	284	62	1,225	1,109	116
Less: capitalized interest	(4,181)	(5,695)	1,514	(19,518)	(23,435)	3,917
<b>Interest expense</b>	<b>31,246</b>	<b>36,936</b>	<b>(5,690)</b>	<b>128,233</b>	<b>190,457</b>	<b>(62,224)</b>
Amortization of financing costs	1,283	1,813	(530)	8,808	22,630	(13,822)
Other finance expenses	—	—	—	—	169	(169)
<b>Finance costs</b>	<b>\$ 32,529</b>	<b>\$ 38,749</b>	<b>\$ (6,220)</b>	<b>\$ 137,041</b>	<b>\$ 213,256</b>	<b>\$ (76,215)</b>

### Three Months and Year Ended

Finance costs decreased in both the three months and year ended December 31, 2025 compared to the prior year. The decrease primarily reflects lower overall interest expense resulting from debt reductions and repayments following asset sales during 2024 and 2025, a lower economic weighted average interest rate, and the settlement of the Series G convertible debentures. These decreases were partially offset by interest expense associated with the issuance of senior unsecured debentures in February 2025.

For the year, finance costs were also reduced by lower amortization of financing costs, reflecting a lower level of accelerated amortization of deferred financing charges in 2025 compared to 2024, due to fewer early debt repayments compared to the prior year.

## General and administrative expenses

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Salaries, benefits and other employee costs <sup>(i)</sup>	\$ 9,374	\$ 9,841	\$ (467)	\$ 40,854	\$ 38,838	\$ 2,016
Professional fees and corporate costs	2,423	2,122	301	9,500	11,791	(2,291)
Unit-based compensation expense	2,624	2,102	522	8,333	4,391	3,942
Information technology costs	1,043	723	320	4,539	3,908	631
Employee termination benefits and associated costs	1,570	—	1,570	5,263	3,901	1,362
Office related costs	884	797	87	3,790	3,018	772
Investor relations and public company costs	804	744	60	3,269	3,496	(227)
Other	1,065	1,828	(763)	4,167	6,266	(2,099)
	<b>19,787</b>	18,157	1,630	<b>79,715</b>	75,609	4,106
Less: Capitalized to properties under development	(1,235)	(1,851)	616	(5,123)	(4,830)	(293)
Less: Allocated to property operating expenses	(2,518)	(3,151)	633	(12,601)	(12,605)	4
<b>General and administrative expenses</b>	<b>\$ 16,034</b>	\$ 13,155	\$ 2,879	<b>\$ 61,991</b>	\$ 58,174	\$ 3,817

(i) Salaries, benefits and employee costs are presented net of amounts allocated to transaction costs and net loss on disposal of assets.

### Three Months and Year Ended

General and administrative expenses increased for both the three months and year ended December 31, 2025 compared to the same periods in 2024. The increase primarily reflects higher unit-based compensation, reflecting forfeitures recognized in 2024 that did not recur in 2025.

General and administrative expenses also increased due to higher employee termination benefits and associated costs related to the ongoing simplification of the business and the internalization of Vital Trust, as well as higher information technology costs reflecting continued investment in systems and infrastructure.

### Transaction costs

For the three months and year ended December 31, 2025, the REIT incurred transaction costs of \$3.7 million and \$18.7 million, respectively (three months and year ended December 31, 2024 - \$4.4 million and \$16.7 million). Transaction costs include third-party advisory fees, legal and diligence costs, and internal compensation allocations related to acquisitions, dispositions, capital-raising initiatives and other strategic activities.

Included in transaction costs for the year ended December 31, 2025, is approximately \$6.3 million related to rating agency and advisory fees, as well as out-of-pocket costs incurred in connection with the REIT's inaugural investment grade credit rating, obtained in February 2025.

## Fair value adjustments

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Fair value adjustment of convertible debentures	\$ 195	\$ (238)	\$ 433	\$ (17,346)	\$ (36,109)	\$ 18,763
Fair value adjustment of financial instruments	13,313	(14,873)	28,186	37,983	(25,014)	62,997
Fair value adjustment of investment properties	(37,921)	(29,924)	(7,997)	(61,868)	(368,791)	306,923
Fair value adjustment of unit-based compensation liabilities	196	4,167	(3,971)	(1,066)	3,687	(4,753)
Fair value adjustments	\$ (24,217)	\$ (40,868)	\$ 16,651	\$ (42,297)	\$ (426,227)	\$ 383,930

### Three Months and Year Ended

Fair value adjustments for the three months and year ended December 31, 2025 reflect the following:

- Convertible debentures, reflecting changes in the trading prices of the REIT's debentures, which are measured at fair value, with increases in trading prices resulting in fair value losses to the REIT and decreases resulting in fair value gains.
- Financial instruments, driven by changes in forward interest rates, yield curves, and foreign exchange rates, reflecting fluctuations in market expectations during the period and resulting in non-cash fair value movements.
- Investment properties, reflecting updates to valuation assumptions, outcomes of rent reviews, and the incorporation of current market evidence.
- Unit-based compensation liabilities, reflecting changes in the trading price of the REIT's units during the period, as these liabilities are remeasured at fair value based on the market value of the underlying units and, where applicable, the outcomes of performance conditions.

## Financial instruments

The REIT's financial instruments consist primarily of mortgages and term debt, senior unsecured debentures and revolving credit facilities carried at amortized cost. The REIT also has outstanding convertible debentures and uses interest rate and foreign exchange derivatives in connection with its financing activities, both of which are measured at fair value through profit or loss. As at December 31, 2025, certain European mortgage liabilities and the related derivatives are classified as held for sale and presented as current.

Interest expense on instruments measured at amortized cost is included in finance costs. Changes in the fair value of convertible debentures and derivatives are recognized in fair value adjustments as discussed above.

## Net loss on disposal of assets

Net losses on disposal of assets were \$1.5 million and \$6.6 million for the three months and year ended December 31, 2025, respectively, compared to \$3.3 million and \$34.7 million in the same periods of 2024. The losses primarily related to the disposal of investment properties and the sale of Assura units, including direct transaction costs and allocated compensation expenses associated with completed and anticipated asset dispositions.

## Income tax expense

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Current income tax (expense) recovery	\$ (48)	\$ (8,108)	\$ 8,060	\$ (13,427)	\$ (21,143)	\$ 7,716
Deferred income tax (expense) recovery	12,627	2,971	9,656	7,366	70,652	(63,286)
<b>Income tax (expense) recovery</b>	<b>\$ 12,579</b>	<b>\$ (5,137)</b>	<b>\$ 17,716</b>	<b>\$ (6,061)</b>	<b>\$ 49,509</b>	<b>\$ (55,570)</b>

### Three Months and Year Ended

For the three months and year ended December 31, 2025, the REIT recorded an income tax recovery for the quarter and an income tax expense for the year, compared to an income tax expense and a significant recovery, respectively, in the comparable periods of 2024.

Current income tax expense primarily reflects taxes on taxable earnings in Vital Trust and Europe, as well as withholding taxes in Australia and Brazil. The decrease in current tax expense from 2024 to 2025 principally reflects lower current tax in Vital Trust, lower current tax in Europe following the 2024 disposition of the UK portfolio, and other one-time adjustments.

Deferred income tax expense and recoveries mainly arise from changes in the accounting values of investment properties and their related tax bases. During both 2024 and 2025, the deferred tax recovery primarily reflected changes in accounting values of investment properties driven by valuation movements with larger such movements in 2024. The 2025 recovery is partially offset by a deferred tax expense relating to tax on undistributed profits arising from the completion of the internalization of Vital Trust.

## 4.2. Proportionate Basis Results from Operations

(\$ thousands)	For the three months ended					
	December 31, 2025			December 31, 2024		
	IFRS Basis	Adjustments	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Adjustments	Proportionate Basis <sup>(1)</sup>
<b>Net operating income</b>						
Revenue from investment properties	\$ 107,588	\$ (15,547)	\$ 92,041	\$ 102,702	\$ (14,793)	\$ 87,909
Property operating costs	(28,074)	3,147	(24,927)	(24,938)	2,245	(22,693)
	<b>79,514</b>	<b>(12,400)</b>	<b>67,114</b>	<b>77,764</b>	<b>(12,548)</b>	<b>65,216</b>
<b>Other income (expenses)</b>						
Interest and other income	2,440	(1,185)	1,255	5,930	(890)	5,040
Management fees	3,716	2,796	6,512	3,817	2,297	6,114
Share of income (loss) from equity accounted investments	6,414	(6,414)	—	1,359	(1,359)	—
Finance costs	(32,529)	2,377	(30,152)	(38,749)	1,645	(37,104)
General and administrative expenses	(16,034)	279	(15,755)	(13,155)	610	(12,545)
Transaction costs	(3,674)	199	(3,475)	(4,393)	1,329	(3,064)
Foreign exchange gain (loss)	(95)	883	788	21,510	284	21,794
Accretion of financial liabilities	(2,031)	—	(2,031)	(1,876)	—	(1,876)
Fair value adjustment of convertible debentures	195	—	195	(238)	—	(238)
Fair value adjustment of financial instruments	13,313	(8,140)	5,173	(14,873)	(1,842)	(16,715)
Fair value adjustment of investment properties	(37,921)	(19,893)	(57,814)	(29,924)	16,192	(13,732)
Loss on internalization of Vital Trust	(51,595)	2,742	(48,853)	—	—	—
Net loss on disposals of assets	(1,525)	476	(1,049)	(3,274)	587	(2,687)
Fair value adjustment of unit-based compensation liabilities	196	—	196	4,167	—	4,167
<b>Income (loss) before taxes</b>	<b>(39,616)</b>	<b>(38,280)</b>	<b>(77,896)</b>	<b>8,065</b>	<b>6,305</b>	<b>14,370</b>
Current income tax (expense) recovery	(48)	512	464	(8,108)	3,616	(4,492)
Deferred income tax (expense) recovery	12,627	(29,282)	(16,655)	2,971	(4,384)	(1,413)
Income tax (expense) recovery	12,579	(28,770)	(16,191)	(5,137)	(768)	(5,905)
<b>Net income (loss)</b>	<b>\$ (27,037)</b>	<b>\$ (67,050)</b>	<b>\$ (94,087)</b>	<b>\$ 2,928</b>	<b>\$ 5,537</b>	<b>\$ 8,465</b>
Less: non-controlling interests	67,050	(67,050)	—	(5,537)	5,537	—
<b>Net income (loss) attributable to unitholders</b>	<b>\$ (94,087)</b>	<b>\$ —</b>	<b>\$ (94,087)</b>	<b>\$ 8,465</b>	<b>\$ —</b>	<b>\$ 8,465</b>

**For the year ended**

(\$ thousands)	December 31, 2025			December 31, 2024		
	IFRS Basis	Adjustments	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Adjustments	Proportionate Basis <sup>(1)</sup>
<b>Net operating income</b>						
Revenue from investment properties	\$ 422,525	\$ (58,361)	\$ 364,164	\$ 462,403	\$ (57,121)	\$ 405,282
Property operating costs	(110,387)	10,955	(99,432)	(112,995)	8,642	(104,353)
	<b>312,138</b>	<b>(47,406)</b>	<b>264,732</b>	<b>349,408</b>	<b>(48,479)</b>	<b>300,929</b>
<b>Other income (expenses)</b>						
Interest and other income	13,555	(4,385)	9,170	18,840	(4,323)	14,517
Management fees	15,095	10,304	25,399	15,150	13,931	29,081
Share of income (loss) from equity accounted investments	6,986	(6,986)	—	(30,725)	30,725	—
Finance costs	(137,041)	7,774	(129,267)	(213,256)	5,816	(207,440)
General and administrative expenses	(61,991)	1,225	(60,766)	(58,174)	2,208	(55,966)
Transaction costs	(18,697)	205	(18,492)	(16,693)	1,684	(15,009)
Foreign exchange gain (loss)	4,560	1,980	6,540	33,879	681	34,560
Accretion of financial liabilities	(6,817)	—	(6,817)	(7,245)	—	(7,245)
Fair value adjustment of convertible debentures	(17,346)	—	(17,346)	(36,109)	—	(36,109)
Fair value adjustment of financial instruments	37,983	(2,444)	35,539	(25,014)	3,103	(21,911)
Fair value adjustment of investment properties	(61,868)	(14,663)	(76,531)	(368,791)	11,717	(357,074)
Loss on internalization of Vital Trust	(51,595)	2,742	(48,853)	—	—	—
Net loss on disposals of assets	(6,614)	987	(5,627)	(34,670)	1,257	(33,413)
Fair value adjustment of unit-based compensation liabilities	(1,066)	—	(1,066)	3,687	—	3,687
<b>Income (loss) before taxes</b>	<b>27,282</b>	<b>(50,667)</b>	<b>(23,385)</b>	<b>(369,713)</b>	<b>18,320</b>	<b>(351,393)</b>
Current income tax (expense) recovery	(13,427)	6,074	(7,353)	(21,143)	9,654	(11,489)
Deferred income tax (expense) recovery	7,366	(29,480)	(22,114)	70,652	(7,527)	63,125
Income tax (expense) recovery	(6,061)	(23,406)	(29,467)	49,509	2,127	51,636
<b>Net income (loss)</b>	<b>\$ 21,221</b>	<b>\$ (74,073)</b>	<b>\$ (52,852)</b>	<b>\$ (320,204)</b>	<b>\$ 20,447</b>	<b>\$ (299,757)</b>
Less: non-controlling interests	74,073	(74,073)	—	(20,447)	20,447	—
<b>Net income (loss) attributable to unitholders</b>	<b>\$ (52,852)</b>	<b>\$ —</b>	<b>\$ (52,852)</b>	<b>\$ (299,757)</b>	<b>\$ —</b>	<b>\$ (299,757)</b>

### 4.3. Net Operating Income (Proportionate)<sup>(1)</sup>

#### Summary

For the periods ended December 31 (\$ thousands)	Three Months				Year Ended			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Rental revenue	\$ 90,196	\$ 84,328	\$ 5,868	7.0 %	\$349,834	\$ 335,085	\$ 14,749	4.4 %
Operating expenses	(25,207)	(21,237)	(3,970)	18.7 %	(96,760)	(89,672)	(7,088)	7.9 %
<b>Same-property NOI<sup>(1)</sup></b>	<b>64,989</b>	63,091	1,898	3.0 %	<b>253,074</b>	245,413	7,661	3.1 %
Straight-line rental revenue	640	(99)	739		3,317	2,691	626	
Lease termination fees	—	—	—		110	104	6	
Foreign currency translation	—	(1,815)	1,815		—	(4,062)	4,062	
Developments	298	125	173		2,400	849	1,551	
Dispositions	465	3,473	(3,008)		4,448	55,920	(51,472)	
Other	722	440	282		1,383	12	1,371	
<b>Net Operating Income<sup>(1)</sup></b>	<b>\$ 67,114</b>	\$ 65,215	\$ 1,899	2.9 %	<b>\$264,732</b>	\$ 300,927	\$ (36,195)	(12.0)%

Same-property net operating income for the three months and year ended December 31, 2025 increased by 3.0% and 3.1%, respectively, compared to the same periods in the prior year. The growth was primarily driven by inflationary rent adjustments, rentalized capital expenditures, and improved recoveries. The performance reflects the continued strength of the REIT's underlying lease portfolio, supported by a weighted average lease expiry of 12.3 years.

#### North America

For the periods ended December 31 (\$ thousands)	Three Months				Year Ended			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Rental revenue	\$ 35,020	\$ 34,989	\$ 31	0.1 %	\$142,867	\$ 139,764	\$ 3,103	2.2 %
Operating expenses	(14,661)	(14,690)	29	(0.2)%	(62,598)	(60,506)	(2,092)	3.5 %
<b>Same-property NOI<sup>(1)</sup></b>	<b>20,359</b>	20,299	60	0.3 %	<b>80,269</b>	79,258	1,011	1.3 %
Straight-line rental revenue	500	534	(34)		2,310	2,574	(264)	
Lease termination fees	—	—	—		110	104	6	
Foreign currency translation	—	26	(26)		—	(789)	789	
Dispositions	226	1,561	(1,335)		2,489	13,870	(11,381)	
Other	92	369	(277)		506	494	12	
<b>Net Operating Income<sup>(1)</sup></b>	<b>\$ 21,177</b>	\$ 22,789	\$ (1,612)	(7.1)%	<b>\$ 85,684</b>	\$ 95,511	\$ (9,827)	(10.3)%

Same-property net operating income in North America increased by 0.3% and 1.3% for the three months and year ended December 31, 2025, respectively, compared to the same periods in prior year. The increase was primarily attributable to contractual rent escalations and rent step-ups, as well as higher parking income in the Canadian portfolio. These increases were partially offset by higher property operating costs associated with the transition to outsourced facilities operations effective November 1, 2025.

Excluding the impact of facility operations outsourcing, same-property net operating income would have increased by 1.8% and 1.6% for the three months and year ended December 31, 2025, respectively, compared to the prior year.

## Brazil

For the periods ended December 31 (\$ thousands)	Three Months				Year Ended			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Rental revenue	\$ 14,933	\$ 14,271	\$ 662	4.6 %	\$ 58,765	\$ 56,163	\$ 2,602	4.6 %
Operating expenses	—	—	—	— %	(1,632)	(1,565)	(67)	4.3 %
<b>Same-property NOI <sup>(1)</sup></b>	<b>14,933</b>	14,271	662	4.6 %	<b>57,133</b>	54,598	2,535	4.6 %
Straight-line rental revenue	57	53	4		220	56	164	
Foreign currency translation	—	(1,052)	1,052		—	1,041	(1,041)	
<b>Net Operating Income<sup>(1)</sup></b>	<b>\$ 14,990</b>	\$ 13,272	\$ 1,718	12.9 %	<b>\$ 57,353</b>	\$ 55,695	\$ 1,658	3.0 %

Same-property net operating income in Brazil increased by 4.6% for both the three months and year ended December 31, 2025 compared to the same periods in the prior year, primarily driven by inflationary rent adjustments.

## Europe

For the periods ended December 31 (\$ thousands)	Three Months				Year Ended			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Rental revenue	\$ 20,092	\$ 16,305	\$ 3,787	23.2 %	\$ 68,564	\$ 63,629	\$ 4,935	7.8 %
Operating expenses	(7,696)	(4,356)	(3,340)	76.7 %	(21,024)	(17,729)	(3,295)	18.6 %
<b>Same-property NOI <sup>(1)</sup></b>	<b>12,396</b>	11,949	447	3.7 %	<b>47,540</b>	45,900	1,640	3.6 %
Straight-line rental revenue	(58)	(802)	744		(945)	(838)	(107)	
Foreign currency translation	—	(1,004)	1,004		—	(5,148)	5,148	
Dispositions	86	816	(730)		694	38,397	(37,703)	
Other	469	(29)	498		229	(880)	1,109	
<b>Net Operating Income<sup>(1)</sup></b>	<b>\$ 12,893</b>	\$ 10,930	\$ 1,963	18.0 %	<b>\$ 47,518</b>	\$ 77,431	\$ (29,913)	(38.6)%

In Europe, same-property net operating income for the three months and year ended December 31, 2025 increased by 3.7% and 3.6%, respectively, compared to the same periods in the prior year, primarily driven by rental revenue growth from indexation increases.

## Australasia

For the periods ended December 31 (\$ thousands)	Three Months				Year Ended			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Rental revenue	\$ 20,151	\$ 18,763	\$ 1,388	7.4 %	\$ 79,638	\$ 75,529	\$ 4,109	5.4 %
Operating expenses	(2,850)	(2,191)	(659)	30.1 %	(11,506)	(9,872)	(1,634)	16.6 %
<b>Same-property NOI <sup>(1)</sup></b>	<b>17,301</b>	16,572	729	4.4 %	<b>68,132</b>	65,657	2,475	3.8 %
Straight-line rental revenue	141	116	25		1,732	899	833	
Foreign currency translation	—	215	(215)		—	834	(834)	
Developments	298	125	173		2,400	849	1,551	
Dispositions	153	1,096	(943)		1,265	3,653	(2,388)	
Other	161	100	61		648	398	250	
<b>Net Operating Income<sup>(1)</sup></b>	<b>\$ 18,054</b>	\$ 18,224	\$ (170)	(0.9)%	<b>\$ 74,177</b>	\$ 72,290	\$ 1,887	2.6 %

Same-property net operating income in Australasia increased by 4.4% and 3.8% for the three months and year ended December 31, 2025, respectively, compared to the same periods in the prior year, primarily driven by rental growth from indexation increases and rentalized capital expenditures.

#### 4.4. Funds from Operations and Adjusted Funds from Operations<sup>(1)</sup>

Funds From Operations ("FFO")<sup>(1)</sup> and Adjusted Funds From Operations ("AFFO")<sup>(1)</sup> are key performance indicators used by management to assess operating performance and distribution sustainability. These measures supplement IFRS results by focusing on the operating and cash-generating performance of the REIT's income-producing real estate portfolio.

FFO<sup>(1)</sup> and AFFO<sup>(1)</sup> are not measures recognized under IFRS and do not have standardized meanings and, as a result, may not be comparable to similar measures presented by other issuers. Detailed definitions, reconciliations to IFRS net income, and descriptions of the adjustments applied in determining FFO<sup>(1)</sup> and AFFO<sup>(1)</sup> are provided in Section 11.1, "Funds from Operations ("FFO")" and Section 11.2, "Adjusted Funds from Operations ("AFFO")", respectively.

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	Change	2025	2024	Change
Funds from Operations <sup>(1)</sup>	\$ 30,621	\$ 23,674	\$ 6,947	\$ 109,434	\$ 88,871	\$ 20,563
FFO <sup>(1)</sup> per unit - basic	0.12	0.10	0.02	0.44	0.36	0.08
FFO <sup>(1)</sup> per unit - diluted	0.12	0.10	0.02	0.44	0.36	0.08
FFO <sup>(1)</sup> payout ratio - diluted	75 %	90 %	(15)%	81 %	100 %	(19)%
Adjusted Funds from Operations <sup>(1)</sup>	\$ 29,502	\$ 24,281	\$ 5,221	\$ 105,581	\$ 95,649	\$ 9,932
AFFO <sup>(1)</sup> per unit - basic	0.12	0.10	0.02	0.42	0.39	0.03
AFFO <sup>(1)</sup> per unit - diluted	0.12	0.10	0.02	0.42	0.39	0.03
AFFO <sup>(1)</sup> payout ratio - diluted	75 %	90 %	(15)%	86 %	92 %	(6)%
Distributions declared per unit	\$ 0.09	\$ 0.09	—	\$ 0.36	\$ 0.36	—
Weighted avg number of units outstanding - basic	249,992,670	247,493,809	2,498,861	249,160,422	246,438,793	2,721,629
Weighted avg number of units outstanding - diluted	251,081,454	248,641,782	2,439,672	250,235,026	247,663,589	2,571,437
Number of units outstanding, period end - diluted	250,742,143	247,655,837	3,086,306	250,742,143	247,655,837	3,086,306

#### Funds from Operations<sup>(1)</sup>

The following discussion summarizes the key factors impacting FFO<sup>(1)</sup> for the three months and year ended December 31, 2025, compared to the corresponding prior-year periods. The analysis focuses on the principal operating and financing drivers affecting FFO<sup>(1)</sup> during the periods and provides context for period-over-period changes.

##### Three Months

FFO<sup>(1)</sup> increased compared to the same period in the prior year, primarily reflecting lower interest expense following debt repayments and a reduced economic weighted average interest rate. Net operating income also increased, driven by inflation-indexed rent growth across the portfolio and contributions from completed development projects. In addition, FFO<sup>(1)</sup> benefited from lower current income taxes, reflecting prior year true-ups, including transfer pricing adjustments and the recognition of tax credits.

These increases were partially offset by lower distribution income following the full disposition of the REIT's investments in unlisted securities and Assura units, as well as higher general and administrative expenses, primarily due to increased unit-based compensation.

##### Year Ended

FFO<sup>(1)</sup> increased for the year ended December 31, 2025 compared to the prior year, primarily reflecting lower interest expense following debt repayments and a reduced economic weighted average interest rate.

This increase was partially offset by lower net operating income due to the disposition of non-core assets, reduced distribution income following the full disposition of the REIT's investments in unlisted securities and Assura units by the second quarter of 2025, and lower management fee income reflecting reduced development and acquisition activity and the absence of incentive fees. General and administrative expenses also increased, primarily due to higher unit-based compensation.

### Adjusted Funds from Operations<sup>(1)</sup>

The following discussion summarizes the key factors impacting AFFO<sup>(1)</sup> for the three months and year ended December 31, 2025, compared to the corresponding prior-year periods. AFFO<sup>(1)</sup> is intended to reflect recurring cash flows available for distribution and incorporates an adjustment for leasing costs and maintenance capital expenditures that management believes is representative of the REIT's recurring capital requirements.

In addition to changes in FFO<sup>(1)</sup>, the discussion highlights the impact of the timing and level of actual leasing and maintenance capital expenditures relative to the AFFO adjustment, which may vary between periods.

<b>Three Months</b>	<b>Year Ended</b>
AFFO <sup>(1)</sup> increased compared to the prior year, primarily reflecting the increase in FFO <sup>(1)</sup> discussed above, as well as a higher unit-based compensation add-back during the quarter.	AFFO <sup>(1)</sup> increased compared to the prior year, primarily reflecting the increase in FFO <sup>(1)</sup> discussed above and a higher unit-based compensation add-back during the year.
These increases were partially offset by a negative straight-line rent adjustment, compared to a positive adjustment in the prior year, reflecting the timing of contractual rent step-ups. AFFO <sup>(1)</sup> was also impacted by higher spending on leasing and maintenance capital expenditures.	These increases were partially offset by lower add-backs related to deferred financing costs, reflecting a lower level of early debt repayments in the current year, as well as a higher straight-line rent adjustment due to the timing of contractual rent step-ups. AFFO <sup>(1)</sup> was also impacted by increased spending on leasing and maintenance capital expenditures.

As leasing costs and maintenance capital expenditures are a key component of AFFO<sup>(1)</sup>. The section below provides additional detail showing actual expenditures incurred during the period and the corresponding AFFO<sup>(1)</sup> adjustment.

### Leasing Costs and Non-Recoverable Maintenance Capital Expenditures (Proportionate Basis)<sup>(1)</sup>

Leasing costs and maintenance capital expenditures represent recurring cash outflows required to maintain the REIT's properties in operating condition and support leasing activity. These costs include tenant improvements, leasing commissions, internal leasing costs, and recurring maintenance capital expenditures, and are presented on a proportionate basis<sup>(1)</sup>.

AFFO<sup>(1)</sup> includes an adjustment for leasing costs and non-recoverable maintenance capital expenditures intended to reflect the REIT's expected recurring capital requirements over time. In determining this adjustment, management considers historical leasing activity, anticipated maintenance requirements and planned capital programs. Expenditures related to development, redevelopment and expansion activities are excluded, as these are not considered recurring in nature.

Actual leasing costs and maintenance capital expenditures can vary between periods due to the timing of lease renewals, tenant turnover and capital programs. The table below summarizes leasing and maintenance capital expenditures incurred during the period and illustrates the relationship to the AFFO<sup>(1)</sup> adjustment.

Leasing costs and maintenance capital expenditures are generally lower and more predictable in the REIT's Brazil and Australasia portfolios due to long-term, triple-net lease structures and are therefore reflected on an actual basis. In contrast, the REIT's Canadian and European medical outpatient portfolios are subject to the AFFO<sup>(1)</sup> adjustment for leasing costs and non-recoverable maintenance capital expenditures, which may result in actual expenditures being above or below the adjustment in a given period.

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Additions to investment properties						
Leasing costs <sup>(i)</sup>	\$ 409	\$ 243	\$ 166	\$ 3,219	\$ 2,948	\$ 271
Tenant improvements <sup>(ii)</sup>	3,005	1,460	1,545	9,691	6,526	3,165
Maintenance capital expenditures	4,850	966	3,884	9,545	5,365	4,180
Other capital expenditures	3,279	1,695	1,584	9,549	15,511	(5,962)
	<b>11,543</b>	4,364	7,179	<b>32,004</b>	30,350	1,654
Internal leasing costs expensed	438	300	138	1,803	1,263	540
	<b>11,981</b>	4,664	7,317	<b>33,807</b>	31,613	2,194
Less:						
Recoverable maintenance capital expenditures	(3,734)	(443)	(3,291)	(5,554)	(3,348)	(2,206)
Other value enhancing leasing and capital expenditures	(4,390)	(3,104)	(1,286)	(14,194)	(19,286)	5,092
Leasing costs and non-recoverable maintenance capital expenditures	<b>3,857</b>	1,117	2,740	<b>14,059</b>	8,979	5,080
AFFO adjustment for leasing costs and non-recoverable maintenance capital expenditures	<b>(3,164)</b>	(2,624)	(540)	<b>(12,284)</b>	(11,833)	(451)
<b>Leasing costs and non-recoverable maintenance capital expenditures above or (below) the AFFO adjustment</b>	<b>\$ 693</b>	<b>\$ (1,507)</b>	<b>\$ 2,200</b>	<b>\$ 1,775</b>	<b>\$ (2,854)</b>	<b>\$ 4,629</b>

(i) Leasing costs exclude internal leasing department compensation costs, which are expensed as incurred.

(ii) Tenant improvements include tenant allowances, landlord work and other maintenance-related activities.

For additional detail, including a regional breakdown, see Section 11.3, "Leasing Costs and Non-Recoverable Maintenance Capital Expenditures (Proportionate Basis)".

## 5. BALANCE SHEET

The following table reconciles the audited balance sheets on an IFRS basis to a proportionate basis<sup>(1)</sup>, as at December 31, 2025 and December 31, 2024:

(\$ thousands)	As at December 31, 2025			As at December 31, 2024		
	IFRS Basis	Adjustments to Proportionate Basis	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Adjustments to Proportionate Basis	Proportionate Basis <sup>(1)</sup>
<b>Assets</b>						
Investment properties	\$ 2,270,989	\$ 711,689	\$ 2,982,678	\$ 5,260,990	\$ (1,113,404)	\$ 4,147,586
Equity accounted investments	650,540	(650,540)	—	325,965	(325,965)	—
Investment in Vital Trust	—	302,206	302,206	—	—	—
Intangible assets	—	—	—	47,687	—	47,687
Goodwill	—	—	—	37,178	—	37,178
Deferred tax assets	2,668	—	2,668	2,450	413	2,863
Derivative financial instruments	3,854	617	4,471	16,185	(5,632)	10,553
Other assets	27,576	2,650	30,226	224,090	(8,353)	215,737
Accounts receivable	15,414	2,743	18,157	24,506	1,303	25,809
Assets held for sale	383,968	77,902	461,870	59,278	—	59,278
Cash and cash equivalents	94,081	13,379	107,460	51,247	6,746	57,993
<b>Total assets</b>	<b>\$ 3,449,090</b>	<b>\$ 460,646</b>	<b>\$ 3,909,736</b>	<b>\$ 6,049,576</b>	<b>\$ (1,444,892)</b>	<b>\$ 4,604,684</b>
<b>Liabilities</b>						
Mortgages, term debt and credit facilities	\$ 613,487	\$ 405,152	\$ 1,018,639	\$ 2,635,545	\$ (333,721)	\$ 2,301,824
Debentures	746,631	—	746,631	356,963	—	356,963
Lease liabilities	10,300	—	10,300	21,506	(5,843)	15,663
Unit-based compensation liabilities	12,699	—	12,699	9,929	—	9,929
Deferred tax liabilities	240,340	2,561	242,901	315,221	(83,114)	232,107
Derivative financial instruments	237	713	950	6,181	(2,224)	3,957
Income taxes payable	3,732	233	3,965	10,175	(2,461)	7,714
Accounts payable and accrued liabilities	86,254	10,033	96,287	105,108	569	105,677
Distributions payable	7,499	—	7,499	7,433	—	7,433
Liabilities related to assets held for sale	221,065	41,954	263,019	—	—	—
<b>Total liabilities</b>	<b>\$ 1,942,244</b>	<b>\$ 460,646</b>	<b>\$ 2,402,890</b>	<b>\$ 3,468,061</b>	<b>\$ (426,794)</b>	<b>\$ 3,041,267</b>
<b>Equity</b>						
Unitholders' equity	\$ 1,506,846	\$ —	\$ 1,506,846	\$ 1,563,417	\$ —	\$ 1,563,417
Non-controlling interests	—	—	—	1,018,098	(1,018,098)	—
<b>Total liabilities and equity</b>	<b>\$ 3,449,090</b>	<b>\$ 460,646</b>	<b>\$ 3,909,736</b>	<b>\$ 6,049,576</b>	<b>\$ (1,444,892)</b>	<b>\$ 4,604,684</b>

## Balance Sheet Analysis (IFRS)

Line Item	\$ Change	Variance Commentary
Investment properties and Assets held for sale	\$ (2,665,311)	<p>The decrease primarily reflects the deconsolidation of Vital Trust, including the transfer of \$2.7 billion of investment properties to equity accounted investments. The change also includes dispositions totalling \$184.2 million across North America, Europe, and Australasia, and fair value losses of \$61.9 million. These decreases were partially offset by capital additions of \$125.3 million and \$108.3 million in foreign translation adjustments.</p> <p>As at December 31, 2025, the REIT classified 33 properties comprising 23 wholly-owned properties in Germany and the Netherlands with a fair value of \$384.0 million as assets held for sale.</p>
Equity accounted investments	324,575	Represents the recognition of the retained interest in Vital Trust following deconsolidation, together with the REIT's share of equity-accounted income and foreign exchange impacts.
Intangible assets and Goodwill	(84,865)	Resulted from the derecognition of intangible assets and goodwill associated with Vital Trust upon deconsolidation, including amounts recognized at the time of the initial acquisition.
Other assets	(196,514)	Primarily attributable to the disposition of Assura during the second quarter, which generated proceeds of \$209.3 million and a fair value gain of \$37.2 million.
Working capital, cash and cash equivalents and other items	6,518	Increased due to net proceeds from the Vital Trust internalization and the Assura disposition, partially offset by debt repayments, derivative settlements and other operating cash movements.
Derivative financial instruments	(18,275)	Decline reflects changes in the fair value of interest rate derivatives due to movements in forward interest rates, as well as the derecognition of instruments associated with Vital Trust following deconsolidation.
Mortgages, term debt and credit facilities and Liabilities related to assets held for sale	(1,800,993)	<p>Decrease was primarily due to \$1.3 billion of repayments made using proceeds from the senior unsecured debentures issuance, proceeds from asset sales and the derecognition of \$1.1 billion in Vital Trust borrowings following deconsolidation.</p> <p>The REIT also classified \$221.1 million of related mortgages with a weighted average interest rate of 2.83% on the consolidated balance sheet to liabilities associated with properties held for sale in Europe.</p>
Debentures	389,668	Increased following the issuance of \$500 million in senior unsecured debentures during the year, partially offset by the redemption of Series G \$125 million convertible debentures.
Deferred taxes and income taxes payable	(81,106)	Reflects net deferred tax movements arising from fair value adjustments across jurisdictions, partially offset by the derecognition of deferred tax balances related to Vital Trust upon deconsolidation.
Equity	(1,074,669)	Declined primarily due to derecognition of Vital Trust non-controlling interests following deconsolidation, partially offset by net income and other equity movements during the year.

## 6. INVESTMENT PROPERTIES

### Continuity

As at December 31, 2025, the estimated fair value of investment properties on a proportionate basis<sup>(1)</sup> was \$3.0 billion, compared to \$4.1 billion at December 31, 2024, reflecting an implied weighted average capitalization rate of 6.90% (December 31, 2024 - 6.43%).

The movement in investment properties on both an IFRS and proportionate basis is summarized below:

(\$ thousands)	Income Producing Properties		Properties Under Development		Investment Properties	
	IFRS Basis	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Proportionate Basis <sup>(1)</sup>
Balance, beginning of year	\$ 4,915,710	\$ 4,029,536	\$ 345,280	\$ 118,050	\$ 5,260,990	\$ 4,147,586
Additions to investment properties	34,413	42,206	90,852	29,585	125,265	71,791
Amortization of straight line rent	1,895	3,614	(474)	(480)	1,421	3,134
Transfers to assets held for sale	(488,302)	(519,869)	(23,654)	(14,294)	(511,956)	(534,163)
Transfers from (to) properties under development	62,537	17,526	(62,537)	(17,526)	—	—
Transfer to equity accounted investments on loss of control of Vital Trust	(2,331,445)	(610,439)	(318,982)	(82,072)	(2,650,427)	(692,511)
Dispositions	—	—	(1,592)	(448)	(1,592)	(448)
Fair value adjustment of investment properties	(38,096)	(67,506)	(22,924)	(8,599)	(61,020)	(76,105)
Foreign currency translation	100,394	68,706	7,914	(5,312)	108,308	63,394
<b>Balance, end of year</b>	<b>\$ 2,257,106</b>	<b>\$ 2,963,774</b>	<b>\$ 13,883</b>	<b>\$ 18,904</b>	<b>\$ 2,270,989</b>	<b>\$ 2,982,678</b>

Overall, movements on an IFRS and proportionate basis<sup>(1)</sup> were directionally consistent, with the reduction driven primarily by the deconsolidation of Vital Trust and asset sales, partially offset by capital investment and favourable foreign exchange translation.

## Valuation of Investment Properties

Investment properties are measured at fair value at each reporting date. Fair value is primarily determined using a discounted cash flow (“DCF”) methodology that estimates the present value of projected property-level cash flows, generally over a minimum ten-year period, including a terminal value based on a capitalization rate applied to stabilized net operating income.

Under the DCF approach, fair value is most sensitive to assumptions related to discount rates and terminal capitalization rates, as well as market rents, leasing assumptions, operating costs and capital expenditures. Where appropriate, the REIT also applies a direct capitalization method, which estimates fair value by applying market-supported capitalization rates to stabilized net operating income.

The weighted average discount rates and capitalization rates used in the valuation of the REIT’s income-producing properties, presented on a proportionate basis, are summarized in the table below by geography.

	December 31, 2025			December 31, 2024		
	Discount rate	Terminal capitalization rate	Overall capitalization rate	Discount rate	Terminal capitalization rate	Overall capitalization rate
North America	7.66%	6.95%	6.72%	7.76%	7.02%	6.69%
Brazil	9.43%	8.30%	8.88%	9.17%	8.13%	8.67%
Europe	6.15%	5.39%	6.50%	6.47%	5.71%	6.03%
Australia	6.73%	5.73%	5.54%	6.95%	5.68%	5.43%
<b>Total</b>	<b>7.69%</b>	<b>6.81%</b>	<b>6.90%</b>	<b>7.45%</b>	<b>6.48%</b>	<b>6.43%</b>

### Valuation Commentary

For the three months and year ended December 31, 2025, the REIT recorded fair value losses of \$37.9 million and \$61.9 million, respectively, on an IFRS basis, and \$57.8 million and \$76.5 million, respectively, on a proportionate basis<sup>(1)</sup>, related to investment properties.

Fair value changes reflected updated property-level leasing assumptions, contractual rent adjustments and movements in discount and capitalization rates across the investment property portfolio, including those related to assets classified as held for sale.

Properties under development are generally valued based on land value plus development and construction costs incurred to date when future cash flows cannot yet be reliably estimated. Once future income can be reasonably forecast, the REIT may apply a DCF approach reflecting projected rental income, remaining development costs and risks associated with completion and stabilization. Sites held for future development are typically valued using available market evidence, including comparable land transactions and third-party appraisal data.

Valuations are prepared internally and reviewed quarterly as part of a formal governance process overseen by senior management. Independent third-party appraisers are engaged on a rotating basis, with each income-producing property externally appraised at least once within a multi-year cycle. Management reviews the methodologies and key assumptions used in external appraisals and incorporates relevant market evidence into its internal valuations, as appropriate.

For the year ended December 31, 2025, investment properties with an aggregate fair value of approximately \$1.8 billion, representing approximately 61% of the portfolio, were valued by independent third-party appraisers (December 31, 2024 - \$3.0 billion and 71%).

## 2025 Transaction Activity

The following table summarizes the investment properties sold in the year ended December 31, 2025:

(\$ thousands)					
Property	Date of disposition	Location	Effective interest disposed	GLA disposed (sq ft)	Sale price excl. selling costs
<i>Investment properties</i>					
21 George <sup>(i)</sup>	Sept 4	Adelaide, Australia	100%	N/A - PUD	\$ 1,592
<i>Assets held for sale</i>					
Parkwood	Jan 14	Calgary, Canada	100%	N/A - PUD	7,600
Riley Park Health Centre	Jan 14	Calgary, Canada	100%	68,904	30,491
Riverstone Medical Plaza	Mar 31	Tucson, USA	100%	18,976	4,377
Green Valley Medical Plaza	Mar 31	Tucson, USA	100%	23,746	4,449
Hurtsville House <sup>(i)</sup>	May 2	Sydney, Australia	100%	N/A - PUD	1,541
Demmeringstrasse	May 14	Leipzig, Germany	100%	N/A - PUD	11,049
Malvern Medical Arts	Jun 25	Toronto, Canada	100%	40,899	9,500
Toronto Private Hospital <sup>(i)</sup>	Aug 29	Sydney, Australia	100%	55,682	33,701
Glenmore Professional Centre	Nov 23	Calgary, Canada	100%	138,257	38,400
Kawarau Park Health Hub <sup>(i)</sup>	Nov 28	Queenstown, New Zealand	50%	34,264	28,782
7-17 Wolseley Street <sup>(i)</sup>	Dec 22	Brisbane, Australia	100%	N/A - PUD	12,763
<i>Total dispositions of assets held for sale</i>					182,653
<b>Total dispositions</b>					<b>\$ 184,245</b>
Less: net loss on disposal of assets					(4,536)
<b>Net proceeds from disposal of investment properties</b>					<b>\$ 179,709</b>

(i) Properties disposed within Vital Trust.

## 7. LIQUIDITY AND CAPITAL RESOURCES

### 7.1. Liquidity and Capital Structure

The REIT actively manages its liquidity and capital structure to maintain financial flexibility, support portfolio investment and meet its operating and debt obligations. Funding requirements are expected to be satisfied through a combination of cash on hand, operating cash flows and availability under committed credit facilities, supplemented by secured or unsecured financing as appropriate.

(\$ thousands)	As at December 31, 2025	As at December 31, 2024	\$ Change
Cash and cash equivalents - proportionate basis <sup>(1)</sup>	\$ 107,460	\$ 57,993	\$ 49,467
Unused portion of credit facilities and term debt	358,077	82,781	275,296
<b>Liquidity</b>	<b>\$ 465,537</b>	<b>\$ 140,774</b>	<b>\$ 324,763</b>

As at December 31, 2025, total available liquidity was \$465.5 million, comprised of cash and cash equivalents and undrawn capacity under committed credit facilities and term debt. This represents a significant increase from the prior year and reflects the impact of capital recycling initiatives, debt repayments and the internalization of Vital Trust. Management believes this liquidity position provides sufficient capacity to fund near-term obligations and support ongoing strategic priorities.

The REIT's access to cash is subject to certain restrictions, including: (i) cash held by joint ventures, which can only be accessed through distributions; (ii) withholding taxes that may apply when transferring funds between jurisdictions; (iii) cash management and collateral requirements under certain credit facilities; and (iv) requirements related to maintaining REIT status compliance.

### 7.2. Major Cash Flow Components

The following table summarizes the REIT's net change in cash and cash equivalents for the three months and year ended December 31, 2025:

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Cash and cash equivalents, beginning of period (IFRS basis)	\$ 75,908	\$ 63,926	\$ 11,982	\$ 51,247	\$ 72,030	\$ (20,783)
Cash provided by operating activities	52,585	21,835	30,750	151,029	86,644	64,385
Cash provided by (used in) investing activities	21,399	37,066	(15,667)	227,442	540,082	(312,640)
Cash provided by (used in) financing activities	(55,725)	(64,355)	8,630	(348,434)	(650,566)	302,132
Effect of foreign currency translation	(86)	(7,225)	7,139	12,797	3,057	9,740
<b>Cash and cash equivalents, end of period (IFRS basis)</b>	<b>\$ 94,081</b>	<b>\$ 51,247</b>	<b>\$ 42,834</b>	<b>\$ 94,081</b>	<b>\$ 51,247</b>	<b>\$ 42,834</b>

#### Three Months

During the three months ended December 31, 2025, cash increased to \$94.1 million. Cash generated from operations, together with proceeds from the internalization of Vital Trust and selected asset sales, more than offset uses of cash during the quarter.

A portion of these proceeds was directed toward mortgage and loan repayments as the REIT continued to reduce secured debt and reposition the balance sheet. Overall, the quarter reflects continued progress on balance sheet strengthening initiatives.

Foreign exchange movements modestly reduced cash during the period.

#### Year Ended

During the year ended December 31, 2025, cash increased to \$94.1 million. Strong operating cash flow, the issuance of senior unsecured debentures and proceeds from asset sales and the internalization of Vital Trust were the primary sources of liquidity during the year.

These sources of capital were used to repay mortgages and loans, redeem convertible debentures and fund ongoing portfolio investment. Taken together, the year reflects active capital recycling and a deliberate shift toward a more simplified and resilient capital structure.

Foreign exchange movements had a modest positive impact on cash for the year.

### 7.3. Total Debt

The REIT's debt structure supports long-term portfolio stability and reliable access to capital. Borrowings are diversified by lender, instrument and geography, with maturities staggered to reduce refinancing concentration. The structure reflects the stable, long-term cash flows generated by the REIT's healthcare real estate portfolio.

The table below summarizes the REIT's total debt on an IFRS and proportionate basis<sup>(1)</sup>:

(\$ thousands)	As at December 31, 2025			As at December 31, 2024		
	IFRS Basis	Adjustments	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Adjustments	Proportionate Basis <sup>(1)</sup>
Mortgages payable	\$ 598,929	\$ 97,334	\$ 696,263	\$ 680,998	\$ 91,944	\$ 772,942
Term debt	240,926	350,623	591,549	1,702,968	(426,993)	1,275,975
Credit facilities	—	—	—	264,719	—	264,719
Mortgages, term debt and credit facilities	839,855	447,957	1,287,812	2,648,685	(335,049)	2,313,636
Less: Liabilities related to assets held for sale	(221,065)	(41,954)	(263,019)	—	—	—
Mortgages, term debt and credit facilities	618,790	406,003	1,024,793	2,648,685	(335,049)	2,313,636
Senior unsecured debentures	500,000	—	500,000	—	—	—
Convertible debentures	249,309	—	249,309	356,963	—	356,963
Debentures	749,309	—	749,309	356,963	—	356,963
Lease liabilities	10,300	—	10,300	21,506	(5,843)	15,663
Liabilities related to assets held for sale	221,065	41,954	263,019	—	—	—
Total debt	1,599,464	447,957	2,047,421	3,027,154	(340,892)	2,686,262
Unamortized deferred financing costs	(7,981)	(851)	(8,832)	(13,140)	1,328	(11,812)
<b>Total Debt</b>	<b>\$1,591,483</b>	<b>\$ 447,106</b>	<b>\$ 2,038,589</b>	<b>\$3,014,014</b>	<b>\$ (339,564)</b>	<b>\$ 2,674,450</b>

As at December 31, 2025, total debt on a proportionate basis<sup>(1)</sup> was \$2.0 billion. During the year, borrowings were refinanced and repaid certain in the normal course of its capital management activities. The maturity profile remains well distributed, and the REIT was in compliance with all financial covenants at year end.

On a proportionate basis<sup>(1)</sup>, approximately \$1.2 billion of the REIT's assets were unencumbered at December 31, 2025 (December 31, 2024 - \$0.8 billion).

## Mortgages, term debt and credit facilities

Changes in debt balances during the year reflect refinancing activity, scheduled amortization and the impact of foreign currency movements and inflation indexation on certain instruments. Borrowings and repayments were undertaken in line with the REIT's capital management framework.

The following table summarizes the key movements for the year ended December 31, 2025:

(\$ thousands)	IFRS Basis				Proportionate Basis <sup>(1)</sup>			
	Mortgages payable	Term debt	Credit facilities	Total	Mortgages payable	Term debt	Credit facilities	Total
Opening balance, January 1, 2025	\$ 680,998	\$1,702,968	\$ 264,719	\$2,648,685	\$ 772,942	\$1,280,547	\$ 264,719	\$2,318,208
Principal amortization	(18,428)	(25,816)	—	(44,244)	(21,396)	(25,816)	—	(47,212)
Repayments	(153,780)	(674,473)	(508,754)	(1,337,007)	(153,779)	(463,084)	(508,754)	(1,125,617)
Refinancings	(24,557)	—	—	(24,557)	(24,070)	—	—	(24,070)
Advances	90,707	283,445	243,950	618,102	91,608	80,570	243,950	416,128
Inflation adjustment	—	6,817	—	6,817	—	6,817	—	6,817
Foreign exchange adjustment	23,989	33,309	85	57,383	30,958	(27,987)	85	3,056
Derecognition due to loss of control of Vital Trust	—	(1,085,324)	—	(1,085,324)	—	(259,498)	—	(259,498)
	598,929	240,926	—	839,855	696,263	591,549	—	1,287,812
Unamortized deferred financing costs	(1,807)	(1,816)	(1,680)	(5,303)	(2,121)	(2,353)	(1,680)	(6,154)
<b>Ending balance, December 31, 2025</b>	<b>\$ 597,122</b>	<b>\$ 239,110</b>	<b>\$ (1,680)</b>	<b>\$ 834,552</b>	<b>\$ 694,142</b>	<b>\$ 589,196</b>	<b>\$ (1,680)</b>	<b>\$1,281,658</b>

As at December 31, 2025, the REIT's credit facilities were undrawn. The reported negative balance represents unamortized deferred financing costs.

Refer to Section 11.6, "Mortgages and Term Debt Continuity by Region (Proportionate Basis)" for additional details.

## Debentures

### Senior Unsecured Debentures

Senior unsecured debentures provide access to longer-term unsecured capital and diversify the REIT's funding sources. As at December 31, 2025, the REIT had the following senior unsecured debentures outstanding:

Series	Issuance date	Maturity date	Coupon rate	Interest payment dates	December 31, 2025	As at December 31, 2024
Series A	Feb 18, 2025	Feb 18, 2028	5.02 %	Feb 18 and Aug 18	\$ 200,000	\$ —
Series B	Feb 18, 2025	Feb 18, 2030	5.51 %	Feb 18 and Aug 18	300,000	—
			<b>5.32 %</b>		<b>500,000</b>	—
					<b>(2,678)</b>	—
					<b>\$ 497,322</b>	\$ —

On February 18, 2025, the REIT issued \$500.0 million aggregate principal amount of senior unsecured debentures in two series: \$200.0 million of 5.02% Series A senior unsecured debentures due February 18, 2028, and \$300.0 million of 5.51% Series B senior unsecured debentures due February 18, 2030. Both series are senior unsecured obligations and are redeemable, in whole or in part, in accordance with the terms and conditions of the indenture governing the debentures. Deferred financing costs of \$3.4 million were incurred in connection with the issuance and recorded as a reduction of the carrying value of the debentures.

Net proceeds from the issuance were used to repay outstanding indebtedness, including the 10.0% convertible debentures due March 31, 2025.

## Convertible Debentures

The table below summarizes the REIT's convertible debentures:

Series	Conversion price per Unit (\$)	Issuance date	Maturity date	Interest rate	Interest payment dates	As at December 31, 2025	As at December 31, 2024
NWH.DB.G	\$—	Dec 20, 2018	Mar 31, 2025	—%	N/A	\$ —	\$ 126,000
NWH.DB.H	\$16.00	Aug 25, 2022	Aug 31, 2027	6.25%	Feb 28 and Aug 31	<b>158,324</b>	147,300
NWH.DB.I	\$10.55	Apr 27, 2023	Apr 30, 2028	7.75%	Apr 30 and Oct 31	<b>90,985</b>	83,663
						<b>\$ 249,309</b>	\$ 356,963

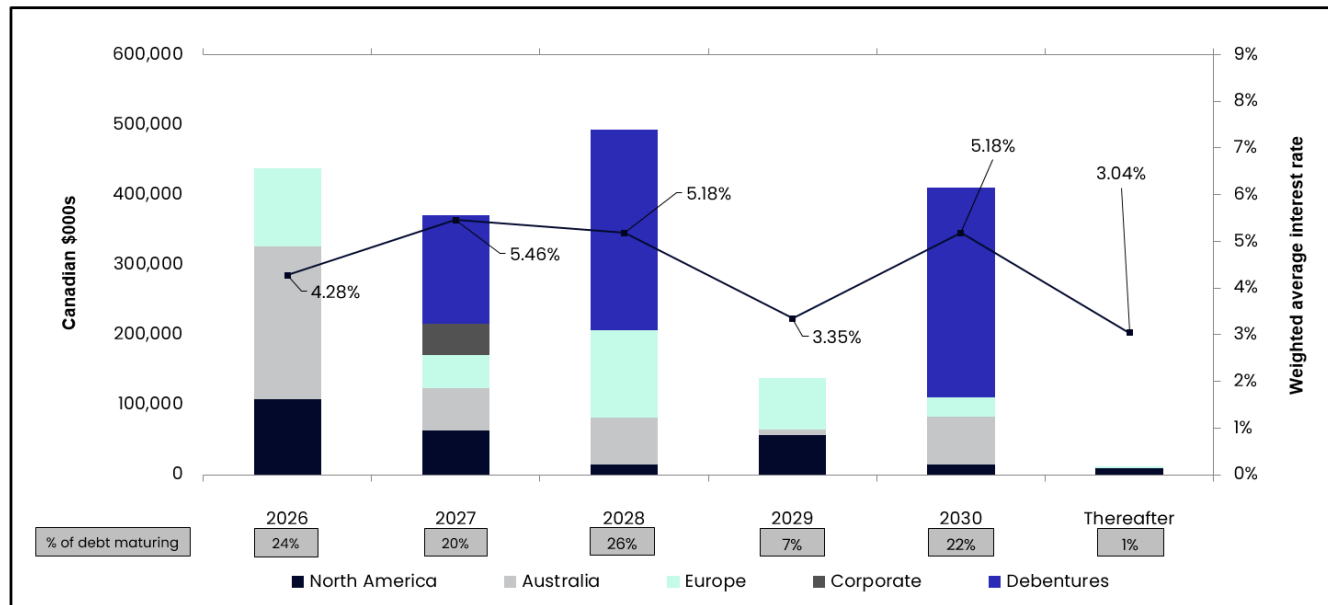
The Series H convertible debentures are convertible into Trust Units at a conversion price of \$16.00 per unit and would result in the issuance of approximately 9.7 million Trust Units if fully converted. The Series I convertible debentures are convertible into Trust Units at a conversion price of \$10.55 per unit and would result in the issuance of approximately 8.2 million Trust Units upon full conversion.

On March 31, 2025, the 10.00% Series NWH.DB.G convertible debentures matured with an aggregate principal amount of \$125.0 million. A portion of the principal was converted into 1,379 Trust Units at a conversion price of \$7.25 per unit, with the remaining principal balance repaid in cash.

On November 11, 2025, the REIT announced that the TSX had approved the REIT's NCIB for a portion of its outstanding Series H and Series I convertible debentures and trust units. The NCIB allows the REIT to repurchase up to \$15.5 million principal amount of Series H Debentures, \$8.6 million principal amount of Series I Debentures, and 22.2 million trust units, representing approximately 10% of each public float as of October 31, 2025. Refer to Section 7.9, "Normal Course Issuer Bid" for further details.

## Schedules of Repayments and Cash Flow Activities

The following chart summarizes, as at December 31, 2025, the REIT's debt maturities on a proportionate basis<sup>(1)</sup> at their weighted average interest rate and illustrates the REIT's staggered maturity profile:



### Interest rate risk management

The REIT manages its exposure to interest rate risk through a combination of fixed-rate and variable-rate borrowings and, where appropriate, derivative instruments. As at December 31, 2025, the weighted average interest rate on debt on a proportionate basis<sup>(1)</sup> was 4.81%, reflecting the combined impact of its geographic mix, instrument composition, and interest rate risk management strategy.

	North America		Brazil		Europe		Australia		Corporate		Total	
	Total debt payable	WAIR	Total debt payable	WAIR	Total debt payable	WAIR	Total debt payable	WAIR	Total debt payable	WAIR	Total debt payable	Total WAIR
2026	\$ 113,546	3.48 %	\$ 27,246	4.80 %	\$ 121,972	4.14 %	\$ 218,812	4.74 %	\$ —	— %	\$ 481,576	4.29 %
2027	68,116	5.83 %	27,614	4.76 %	54,800	3.92 %	60,168	4.68 %	200,292	5.88 %	410,990	5.36 %
2028	17,266	5.47 %	18,462	3.88 %	129,906	3.44 %	67,680	5.45 %	286,250	5.84 %	519,564	5.11 %
2029	58,256	5.09 %	19,164	3.88 %	75,994	1.83 %	8,590	5.02 %	—	— %	162,004	3.41 %
2030	14,822	4.57 %	19,895	3.88 %	28,378	2.69 %	68,637	4.86 %	300,000	5.51 %	431,732	5.11 %
Thereafter	9,512	3.35 %	10,239	3.88 %	3,695	2.05 %	—	— %	—	— %	23,446	3.38 %
	\$ 281,518	4.56 %	\$ 122,620	4.28 %	\$ 414,745	3.35 %	\$ 423,887	4.87 %	\$ 786,542	5.72 %	\$ 2,029,312	4.81 %

As at December 31, 2025, the majority of the REIT's debt portfolio was fixed-rate or economically hedged through derivative instruments, limiting near-term exposure to changes in benchmark interest rates.

The REIT's economic weighted average interest rate ("Economic WAIR") was 4.71% on a proportionate basis<sup>(1)</sup> at December 31, 2025 (December 31, 2024 – 5.49%). Economic WAIR reflects the REIT's effective cost of debt, including fixed-rate borrowings, variable-rate debt based on current reference rates plus contractual margins and the impact of interest rate derivatives. Management uses Economic WAIR to assess period-over-period changes in borrowing costs and to compare the REIT's cost of debt to prevailing market rates.

## 7.4. Credit Rating

The REIT and its senior unsecured debentures are rated by DBRS Morningstar (“DBRS”), an independent credit rating agency. Credit ratings provide investors with an assessment of the REIT’s ability to meet its financial obligations in a timely manner and reflect both interest and principal repayment risk. Rating categories range from the highest credit quality (generally “AAA”) to default in payment (generally “D”).

On February 5, 2025, DBRS assigned an initial issuer rating of BBB (low) with a Stable trend. On February 5, 2026, DBRS completed its annual review and confirmed the rating and trend.

The table below summarizes the rating for the REIT and its senior unsecured debentures as at December 31, 2025:

	DBRS Morningstar	
	Credit Rating	Trend
Issuer rating	BBB (low)	Stable
Senior unsecured debentures rating	BBB (low)	Stable

## 7.5. Contractual Obligations

The table below summarizes the REIT’s undiscounted contractual obligations, including scheduled debt repayments and other committed cash outflows, as at December 31, 2025:

	Carrying amount	Contractual cash flows <sup>(iii)</sup>	2026	2027	2028	2029	2030	Thereafter
Mortgages, term debt and credit facilities <sup>(i)</sup>	\$ 834,552	\$ 910,202	\$ 287,545	\$177,076	\$174,967	\$156,221	\$ 94,385	\$ 20,008
Senior unsecured debentures <sup>(ii)</sup>	497,322	590,674	26,580	26,580	218,215	16,542	302,757	—
Convertible debentures <sup>(ii)</sup>	249,309	273,269	16,388	168,403	88,478	—	—	—
Accounts payable and accrued liabilities <sup>(i)</sup>	86,254	86,254	77,096	—	—	—	—	9,158
Income tax payable	3,732	3,732	3,732	—	—	—	—	—
Distributions payable	7,499	7,499	7,499	—	—	—	—	—
<b>Total</b>	<b>\$1,678,668</b>	<b>\$ 1,871,630</b>	<b>\$ 418,840</b>	<b>\$372,059</b>	<b>\$481,660</b>	<b>\$172,763</b>	<b>\$397,142</b>	<b>\$ 29,166</b>

- (i) Contractual cash flows related to accounts payable and accrued liabilities include a commitment to a tenant in Australia established in 2021, payable at the end of its 10-year term to support capital infrastructure or equipment initiatives.
- (ii) Contractual cash flows related to convertible debentures, senior unsecured debentures, and mortgages and loans payable include interest payments calculated using interest rates in effect at December 31, 2025.
- (iii) Contractual obligations exclude discretionary capital expenditures and commitments that are not contractually required.

## 7.6. Financial Ratios

The REIT monitors a number of financial ratios to assess leverage, liquidity, and its ability to service debt obligations. Certain ratios are calculated in accordance with the REIT's Declaration of Trust and lending agreements, while others are used by management for monitoring purposes. In addition, the ratios are presented on both an IFRS and proportionate basis<sup>(1)</sup> to reflect the REIT's economic interest in joint ventures.

Differences among these ratios reflect variations in governing documents, covenant definitions, the treatment of convertible debentures and cash and cash equivalents, and differences in consolidation methodology. Detailed definitions and calculations supporting the financial ratios presented in this section are provided in Section 11.7, "Financial Ratio Calculations".

### Leverage Ratios

Under the REIT's Declaration of Trust, the REIT may not incur or assume additional indebtedness if, after giving effect thereto, total indebtedness would exceed 65% of Gross Book Value ("GBV"), as defined therein. The REIT is also subject to leverage covenants under its revolving credit agreement and senior unsecured debenture indentures, which use definitions that differ from those in the Declaration of Trust.

In addition to these asset-based leverage measures, management monitors a cash flow-based leverage ratio, Debt to Adjusted EBITDA, to assess the REIT's ability to service and repay indebtedness from recurring operating earnings. This ratio is used for monitoring purposes only and is not a covenant under the REIT's Declaration of Trust, revolving credit agreement, or senior unsecured debenture indentures.

The following table summarizes the REIT's leverage ratios as at December 31, 2025 and December 31, 2024:

Definition	As at	
	December 31, 2025	December 31, 2024
Debt to Gross Book Value (IFRS)	46.4 %	50.0 %
Debt to Gross Book Value (proportionate basis) <sup>(1)</sup>	52.4 %	58.3 %
Debt to Adjusted EBITDA (proportionate basis) <sup>(1)(i)</sup>	8.05	8.90

(i) Adjusted EBITDA includes EBITDA earned from Vital Trust prior to deconsolidation, while debt excludes Vital Trust balances. Replacing Vital Trust EBITDA with distributions received from Vital Trust results in debt to adjusted EBITDA of 8.72 as at December 31, 2025.

As at December 31, 2025 and December 31, 2024, the REIT was in compliance with all leverage limits and covenants under its Declaration of Trust, revolving credit agreement, and senior unsecured debenture indentures.

### Coverage Ratios

The REIT monitors its ability to service interest and principal obligations through its interest coverage ratio. This ratio is calculated on both an IFRS and proportionate basis. Covenant compliance is assessed using the basis specified in the applicable revolving credit agreement or senior unsecured debenture indenture.

Ratio	Basis	Rolling twelve months ended	
		December 31, 2025	December 31, 2024
Interest coverage ratio	IFRS	2.09	1.63
Interest coverage ratio	Proportionate Basis <sup>(1)</sup>	1.99	1.56

As at December 31, 2025 and December 31, 2024, the REIT was in compliance with all coverage covenants under its revolving credit agreement and senior unsecured debenture indentures.

### Minimum Adjusted Equity Covenant

The REIT is subject to a minimum adjusted equity covenants requiring minimum adjusted equity of \$500.0 million under the terms of its senior unsecured debentures indenture and under \$1.0 billion under the terms of its revolving credit agreement. As at December 31, 2025, the REIT was in compliance with these covenants.

## 7.7. Net Asset Value<sup>(1)</sup>

(\$ thousands except where otherwise indicated)	December 31, 2025	December 31, 2024	\$ Change
<b>Total Assets</b>	\$ 3,449,090	\$ 6,049,576	\$ (2,600,486)
less: total liabilities	(1,942,244)	(3,468,061)	1,525,817
less: non-controlling interests	—	(1,018,098)	1,018,098
<b>Unitholders' equity</b>	\$ 1,506,846	\$ 1,563,417	\$ (56,571)
Add/(deduct) proportionate share of:			
Goodwill	—	(37,178)	37,178
Unit-based compensation liabilities	12,699	9,929	2,770
Deferred tax liability, net	240,233	228,061	12,172
Derivative financial instruments, net	(3,521)	(7,406)	3,885
Global Manager valuation adjustment <sup>(i)</sup>	132,000	361,285	(229,285)
<b>Net Asset Value ("NAV")</b>	\$ 1,888,257	\$ 2,118,108	\$ (229,851)
Units outstanding ('000s) - period end	249,993	247,784	2,209
<b>NAV per Unit</b>	\$ 7.55	\$ 8.55	\$ (1.00)

(i) Global Manager includes the European and Australasian asset management operations.

### Variance Commentary

NAV decreased by \$0.2 billion, or \$1.00 per unit, during the year ended December 31, 2025. The decrease primarily reflects the Vital Trust transaction and related accounting adjustments, including the remeasurement of the Global Manager, as well as portfolio fair value changes inclusive of those related to assets classified as held for sale. These impacts were partially offset by gains on sale of the REIT's investment in Assura and favourable foreign exchange movements.

The REIT's retained interest in Vital Trust was remeasured to fair value upon deconsolidation and is carried at the quoted market price of Vital Trust units as at December 31, 2025. The carrying value is reflected in NAV.

### Global Manager Valuation

The REIT used a discounted cash flow approach to value the Global Manager. The valuation incorporates assumptions regarding forecast management fees, operating expenses, discount and capitalization rates, inflation and interest rates, tax rates, foreign currency exchange rates and earnings multiples.

## 7.8. Distributions and Unitholders' Equity

### Distributions

For the three months and year ended December 31, 2025, the REIT declared total distributions of \$22.5 million and \$89.7 million, respectively, (2024 - \$22.3 million and \$88.8 million), representing a quarterly and annual distribution rate of \$0.36 per unit (2024 - \$0.36 per unit).

Distributions are paid monthly and are intended to provide unitholders with stable and predictable cash flows, while maintaining sufficient flexibility to fund capital commitments and support the REIT's long-term financial position.

### Distribution Reinvestment Plan

On August 12, 2025, the REIT announced the suspension of its Distribution Reinvestment Plan ("DRIP") effective for distributions paid after September 2025. Prior to the suspension, participants in the DRIP were entitled to receive distributions in the form of Trust Units at a price equal to 3% below the volume-weighted average trading price of the Trust Units. Following the suspension of the DRIP, unitholders previously enrolled in the plan began receiving their distributions in cash.

During the three months and year ended December 31, 2025, a total of nil and 2,079,203 Trust Units were issued under the DRIP, compared with 570,099 and 2,116,185 Trust Units, respectively, for the same periods in 2024. The REIT's DRIP participation rate for the three months and year ended December 31, 2025, was nil and 14.8%, respectively (2024 - 12.4% and 11.7%).

### Distribution Funding and Sustainability

Distributions are funded through operating cash flows, investment income and available liquidity. Management evaluates distribution funding on a full-year basis and in the context of the REIT's overall liquidity position, recognizing that cash flows in any individual quarter may vary due to the timing of receipts and payments and the classification of certain cash flows.

The following tables present net income, cash flows from operating activities attributable to unitholders and other cash flow measures relevant to distribution coverage for the three months and year ended December 31, 2025 and 2024. Together, these measures demonstrate the REIT's ability to support distributions.

### Net Income (Loss) Compared to Distributions

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Net income (loss) attributable to unitholders	<b>\$ (94,087)</b>	\$ 8,465	\$ (102,552)	<b>\$ (52,852)</b>	\$ (299,757)	\$ 246,905
Add: Finance cost - Exchangeable Unit distributions	—	—	—	—	(63)	63
Net income (loss) after the above adjustment	<b>(94,087)</b>	8,465	(102,552)	<b>(52,852)</b>	(299,820)	246,968
Less: distributions paid and payable						
Trust Units	<b>(22,499)</b>	(22,346)	(153)	<b>(89,725)</b>	(88,756)	(969)
Exchangeable Units	—	—	—	—	63	(63)
	<b>(22,499)</b>	(22,346)	(153)	<b>(89,725)</b>	(88,693)	(1,032)
<b>Surplus (shortfall) of adjusted net income (loss) attributable to unitholders over distributions paid and payable</b>	<b>\$ (116,586)</b>	\$ (13,881)	\$ (102,705)	<b>\$ (142,577)</b>	\$ (388,513)	\$ 245,936

Management expects distributions to differ from net income (loss), as net income includes fair value adjustments and other non-cash items that do not affect the REIT's ability to fund distributions.

## Cash Flows from Operating Activities Attributable to Unitholders Compared to Distributions

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Cash flows from operating activities	\$ 52,585	\$ 21,835	\$ 30,750	\$ 151,029	\$ 86,644	\$ 64,385
Less: non-controlling interests	(21,324)	(9,066)	(12,258)	(47,098)	(36,275)	(10,823)
Cash flows from operating activities attributable to unitholders	31,261	12,769	18,492	103,931	50,369	53,562
Less: distributions paid and payable						
Trust Units	(22,499)	(22,346)	(153)	(89,725)	(88,756)	(969)
Exchangeable Units	—	—	—	—	63	(63)
	(22,499)	(22,346)	(153)	(89,725)	(88,693)	(1,032)
<b>Surplus (shortfall) of cash flows from operating activities attributable to unitholders over distributions paid and payable</b>	<b>\$ 8,762</b>	<b>\$ (9,577)</b>	<b>\$ 18,339</b>	<b>\$ 14,206</b>	<b>\$ (38,324)</b>	<b>\$ 52,530</b>

## Cash Flows Available to Support Distributions Compared to Distributions

For the periods ended December 31 (\$ thousands)	Three Months			Year Ended		
	2025	2024	\$ Change	2025	2024	\$ Change
Surplus (shortfall) of cash flows from operating activities attributable to unitholders over distributions paid and payable	\$ 8,762	\$ (9,577)	\$ 18,339	\$ 14,206	\$ (38,324)	\$ 52,530
Value of REIT Units issued pursuant to the DRIP	—	2,792	(2,792)	9,744	10,054	(310)
Distribution income from investments	3,029	12,285	(9,256)	16,317	27,062	(10,745)
Premiums paid on derivative financial instruments	—	—	—	—	6,725	(6,725)
<b>Adjusted surplus (shortfall) of cash flow from operating activities attributable to unitholders over distributions paid and payable</b>	<b>\$ 11,791</b>	<b>\$ 5,500</b>	<b>\$ 6,291</b>	<b>\$ 40,267</b>	<b>\$ 5,517</b>	<b>\$ 34,750</b>

Based on current cash flow projections and the availability of capacity under the REIT's credit facilities, management believes the REIT is well positioned to fund ongoing distributions and meet its financial obligations.

### Unitholders' Equity

Unitholders' equity represents a core component of the REIT's long-term capitalization. Changes in unitholders' equity during the year primarily reflect distributions reinvested through the DRIP, Trust Units issued pursuant to the conversion of convertible debentures, and issuances under unit-based incentive plans.

The following table summarizes changes in the REIT's units outstanding for the year ended December 31, 2025:

	<b># Units Outstanding</b>
<b>Trust Units outstanding, December 31, 2024</b>	<b>247,784,245</b>
Issuance of Trust Units under the DRIP	2,079,203
Issuance of Trust Units pursuant to conversion of convertible debentures	1,379
Issuance of Trust Units under the unit-based incentive plans	127,843
<b>Trust Units outstanding, December 31, 2025</b>	<b>249,992,670</b>

## 7.9. Normal Course Issuer Bid

On November 11, 2025, the REIT announced that the Toronto Stock Exchange (“TSX”) had approved its intention to implement a normal course issuer bid (“NCIB”) for a portion of its outstanding Series H and Series I convertible unsecured debentures and trust units. The NCIB allows the REIT to repurchase up to \$15.5 million principal amount of Series H Debentures, \$8.6 million principal amount of Series I Debentures, and 22.2 million trust units, representing approximately 10% of each public float as of October 31, 2025.

The NCIB commenced on November 14, 2025, and will continue until November 13, 2026, unless completed or terminated earlier. All securities acquired under the NCIB will be cancelled, and the REIT intends to fund the purchases from available resources. The REIT also adopted an automatic securities purchase plan, effective November 14, 2025, to permit repurchases during regulatory blackout periods in accordance with TSX requirements.

During the period from January 1, to February 24, 2026, the REIT completed purchases of its convertible debentures pursuant to the NCIB. The REIT acquired 902 units of its convertible debentures for total cash consideration of \$0.9 million.

## 8. QUARTERLY INFORMATION

The following is a summary of results for each of the last eight quarterly periods:

	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24	Q3-24	Q2-24	Q1-24
Number of Properties <sup>(i)</sup>	133	167	168	169	172	186	200	210
Gross Leasable Area (sf) <sup>(i)</sup>	13,032,000	15,695,000	15,751,000	15,792,000	15,886,000	16,064,000	17,766,000	17,399,000
Occupancy % <sup>(i)</sup>	96.4%	96.9%	96.6%	96.5%	96.4%	96.1%	96.5%	96.5%
Weighted Average Lease Expiry ("WALE") (years) <sup>(i)</sup>	12.3	13.4	13.5	13.6	13.6	13.4	13.4	13.2
<b>Operating Results</b>								
Revenue from investment properties (IFRS)	\$ 107,588	\$ 104,286	\$ 99,004	\$ 111,647	\$ 102,702	\$ 107,015	\$ 119,141	\$ 133,545
Net income (loss)	(27,037)	31,167	32,621	(15,530)	2,928	(157,266)	(127,224)	(38,617)
NOI <sup>(i)</sup>	79,514	79,168	76,308	77,148	77,764	82,216	93,976	95,452
FFO <sup>(1)</sup>	30,621	28,075	26,521	24,217	23,674	15,775	22,314	26,957
AFFO <sup>(1)</sup>	29,502	26,328	25,407	24,346	24,281	22,352	21,186	27,679
Distributions	22,499	22,480	22,408	22,338	22,346	22,229	22,150	22,031
<b>Per Unit Amounts</b>								
Net income (loss)	(0.11)	0.12	0.13	(0.06)	0.01	(0.63)	(0.51)	(0.16)
Net income (loss) attributable to unitholders	(0.37)	0.06	0.05	0.19	0.03	(0.39)	(0.49)	(0.31)
FFO <sup>(1)</sup> per unit - Diluted	0.12	0.11	0.11	0.10	0.10	0.06	0.09	0.11
AFFO <sup>(1)</sup> per unit - Diluted	0.12	0.11	0.10	0.10	0.10	0.09	0.09	0.11
Distributions	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
NAV <sup>(1)</sup> per unit	\$ 7.55	\$ 8.48	\$ 8.67	\$ 8.71	\$ 8.55	\$ 9.02	\$ 9.53	\$ 10.36
Market price per unit - closing	\$ 5.11	\$ 5.09	\$ 4.98	\$ 5.00	\$ 4.42	\$ 5.68	\$ 4.66	\$ 4.69
<b>Weighted average number of units outstanding</b>								
Basic	249,992,670	249,662,325	248,856,278	248,104,145	247,493,809	246,832,144	246,032,139	245,381,166
Diluted	251,081,454	250,712,935	249,941,309	249,111,151	248,641,782	247,870,148	247,415,816	246,703,287
<b>Debt to Gross Book Value</b>								
Debt to Gross Book Value <sup>(1)</sup> (IFRS)	46.4%	48.4%	48.5%	50.4%	50.0%	49.2%	52.5%	52.2%
Debt to Gross Book Value <sup>(1)</sup> (Proportionate)	52.4%	55.9%	56.0%	58.0%	58.5%	57.4%	60.9%	59.5%

(i) Operational information is presented on a 100% basis for the REIT's joint venture investments across all eight quarters and for Vital Trust for all quarters except Q4-25, notwithstanding the REIT's ownership interests of approximately 30% in its joint venture investments. Effective December 31, 2025, Vital Trust has been excluded from operational information to reflect the internalization transaction. See Section 1.1, "Basis for Presentation" and Section 3.3, "Portfolio Profile".

Quarterly financial results reflect the impact of strategic asset sales, development activity, leasing timing, acquisitions and foreign exchange movements. Investment property balances are affected by capital recycling and development activity, as well as changes in fair value under IFRS Accounting Standards. Net income (loss) is primarily influenced by non-cash fair value adjustments on investment properties and financial instruments, foreign exchange movements, and transaction-related or other non-recurring items.

## 9. RISKS AND UNCERTAINTIES

The following discussion outlines the principal risks that could have a material adverse effect on the REIT's business, financial condition, results of operations, cash flows or future prospects. These risks are grouped below by business, structural, and financial considerations. These risks should be considered in conjunction with the REIT's consolidated financial statements and related notes. While the risks described below represent those currently considered most significant, they do not constitute an exhaustive list of all risks to which the REIT may be exposed. For a more comprehensive list of risks facing the REIT, please see the additional factors included in the REIT's annual information form dated February 24, 2026 under the heading "Risk Factors".

The Board of Trustees has overall responsibility for the stewardship of the REIT, including oversight of risk identification and management. Management is responsible for implementing and maintaining processes to identify, assess and manage risks within the REIT's operations, with regular reporting to the Board and its committees.

### Risks Relating to the Business of the REIT

#### Real Property Ownership and Tenants

The value of real property and any improvements thereto depends on the credit and financial stability of tenants, and upon the vacancy rates of the properties. Cash flows will be adversely affected if a significant number of tenants are unable to meet their obligations under their leases or if a significant amount of available space in the properties in which the REIT has an interest becomes vacant and is not able to be leased on economically favourable lease terms, if at all. A significant number of the REIT's properties are leased to single tenants, which increases the financial impact of tenant defaults. In the event of default by a tenant, delays or limitations in enforcing rights as lessor may be experienced and substantial costs in protecting the REIT's investment may be incurred. Furthermore, at any time, a tenant of any of the properties in which the REIT has an interest may seek the protection of bankruptcy, insolvency or similar laws that could result in the disclaimer and termination of such tenant's lease, any of which events could have an adverse effect on the REIT's financial condition and results of operations and decrease the amount of cash available for distribution to Unitholders. As noted above, HSO is currently involved in a receiver-led sale process. There remains significant uncertainty relating to the future of the HSO Portfolio, and certain outcomes of the receivership process could have a material adverse impact on the REIT. Further, certain of the REIT's tenants, such as laboratories and hospital operators, may require licences to operate their business. To the extent these businesses are unable to obtain licences or maintain existing licences, the REIT's operations may be adversely impacted. The ability to rent unleased space in the properties in which the REIT will have an interest will be affected by many factors, including general economic conditions, local real estate markets, changing demographics, supply and demand for leased premises, competition from other available premises and various other factors, many of which are beyond the REIT's control.

#### Healthcare Industry

The healthcare industry is heavily regulated by various federal, regional and local regulatory bodies. As a result, the REIT's tenants will generally be subject to significant laws and regulations regarding licensing and reimbursement programs. Healthcare providers in many countries have been affected significantly by changes in healthcare laws and regulations, particularly those pertaining to government reimbursement programs. The purpose of much of the statutory and regulatory activity has been to limit or reduce healthcare costs, particularly costs paid under such programs. Many of the recent changes to these programs have resulted in significant reductions in payments to healthcare providers and/or claw-backs to billings in certain regions. The efforts to reduce the costs of government reimbursement programs are likely to continue, which could negatively affect the ability of the REIT's tenants to make lease payments.

#### Economic and Geopolitical Environments

Continued concerns about the uncertainty over whether the global economy will be adversely affected by inflation, deflation or stagflation, and the systemic impact of increased unemployment, volatile energy costs, geopolitical issues, rising interest rates, the availability and cost of credit, and the mortgage market in certain regions have contributed to increased market volatility and weakened business and consumer confidence. Although the healthcare real estate industry is an asset class that is not typically impacted by recessions or economic slowdowns, this difficult operating environment could adversely affect the REIT's ability to generate revenues, thereby reducing its operating income and earnings. It could also have an adverse impact on the ability of the REIT to maintain occupancy rates in the REIT's properties, which could harm the REIT's financial condition. If these economic conditions worsen, the REIT's tenants and operators may be unable to meet their rental payments and other obligations due to the REIT, which could have a material adverse effect on the REIT. Further, geopolitical, social or economic unrest or instability, including the geopolitical tensions involving Russia, Ukraine, the United States, the Middle East, Latin America and China could negatively impact our business.

### **Exchange Rates**

As at December 31, 2025, the REIT generates most of its AFFO in currencies other than Canadian dollars because the REIT has used Canadian dollar debt to finance international acquisitions and operations. The REIT pays distributions to Unitholders and interest on certain of its indebtedness in Canadian dollars. As a result, fluctuations in such foreign currencies against the Canadian dollar could have a material adverse effect on the REIT's financial results, which are denominated and reported in Canadian dollars, and on the REIT's ability to pay cash distributions to Unitholders.

The REIT monitors its foreign exchange exposure and its currency hedging strategy on an ongoing basis. The REIT's hedging policy includes natural currency hedges as well as selectively implementing specific foreign currency hedging transactions, if economically viable. At this time, the REIT does not have any formal foreign currency hedging arrangements. To the extent that the REIT fails to adequately manage foreign exchange risks, including if any such hedging arrangements do not effectively or completely hedge changes in foreign currency rates, the REIT's financial results, and the REIT's ability to pay distributions to Unitholders, may be negatively impacted.

Hedging transactions involve the risk that counterparties, which are generally financial institutions, may be unable to satisfy their obligations. If any counterparties default on their obligations under the hedging contracts or seek bankruptcy protection, it could have an adverse effect on the REIT's ability to fund planned activities and could result in a larger percentage of future revenue being subject to currency changes.

### **Climate Change Risk**

The REIT is exposed to climate change risk from natural disasters, changes in weather patterns and severe weather, such as floods and wild fires, that may result in physical damage to, or a decrease in demand for, the REIT's investment properties. Such damage may result in loss of NOI from an investment property becoming non-operational, increase in costs to recover or repair a property, and increase in insurance costs to insure the property. As a result, the consequences of climate-change related natural disasters and severe weather patterns could have a material adverse effect on the REIT's business, cash flows, financial condition, results of operations and ability to make distributions to Unitholders.

In addition, climate change has continued to attract the focus of governments, the scientific community and the general public as an important threat, given the emission of greenhouse gases and other activities continue to negatively impact the planet. The REIT faces the risk that its properties will be subject to government initiatives aimed at countering climate change, such as reduction of greenhouse gas emissions, which could impose constraints on its operational flexibility. To the extent any such initiative would require the REIT to ensure its tenants compliance and/or constrain their activities in any way, this could have an undesirable effect on the REIT's ability to successfully pursue its leasing strategy.

### **Joint Venture Investments**

The REIT currently has a number of joint venture investments, and may in the future co-invest with third parties through joint ventures. In any such joint venture, the REIT may not be in a position to exercise sole decision-making authority regarding the properties owned through joint ventures. Joint venture partners may have business interests or goals that are inconsistent with the REIT's business interests or goals and may be in a position to take actions contrary to the REIT's policies or objectives. Such investments also have the potential risk of impasse on strategic decisions, such as a sale, because neither the REIT nor the joint venture partner would have full control over the joint venture. Any disputes that may arise between the REIT and its joint venture partners could result in litigation or arbitration that could increase the REIT's expenses and distract its officers and/or Trustees from focusing their time and effort on the REIT's business. In addition, the REIT might in certain circumstances be liable for the actions of its joint venture partners. Investments in joint ventures may, under certain circumstances, involve risks not present when a third party is not involved, including the possibility that joint venture partners might become bankrupt or fail to fund their share of required capital contributions.

### **Acquisitions**

The REIT's business plan from time to time includes growth through identifying suitable acquisition opportunities, pursuing such opportunities, consummating acquisitions and effectively operating and leasing such properties. If the REIT is unable to manage its growth effectively, it could adversely impact the REIT's financial condition and results of operations and decrease the amount of cash available for distribution to Unitholders. There can be no assurance as to the pace of growth through property acquisitions or that the REIT will be able to acquire assets on an accretive basis, and as such there can be no assurance that distributions to Unitholders will increase or remain stable in the future. The successful execution of the REIT's investment strategy is uncertain as it requires suitable opportunities, careful timing and business judgment, as well as the resources to complete asset purchases and restructure them, if required, notwithstanding difficulties experienced in a particular industry.

Before making investments, the REIT conducts due diligence that it deems reasonable and appropriate based on the facts and circumstances relevant to each potential investment. However, the information available to the REIT at the

time of making an investment decision may be limited. Accordingly, acquisitions and development agreements entered into with third parties may be subject to unknown, unexpected or undisclosed liabilities which could have a material adverse impact on the operations and financial results of the REIT.

### **Fee-Bearing Asset Management Business**

The REIT's investors and potential investors continually assess investment performance and the REIT's ability to raise capital for existing and future investments depends on its relative and absolute performance. If poor investment returns or changes in investment mandates prevent the REIT from raising further capital from existing partners, it may need to identify and attract new investors in order to maintain or increase the size of the Global Manager's operations, and there are no assurances that the REIT will be able to find new investors. Further, as competition and disintermediation in the asset management industry increases, the REIT may face pressure to reduce or modify asset management fees, including base management fees and/or incentive fees, or modify other terms governing the Global Manager's current asset management fee structure, in order to attract and retain investors. If the REIT is unable to successfully raise, retain, and deploy third-party capital into investments, the Global Manager may be unable to collect management fees, incentive fees or activity-based fees, which would materially reduce the REIT's revenue and cash flows and adversely affect the financial condition of the REIT. The REIT's ability to raise third-party capital depends on a number of factors, including many that are outside the REIT's control such as the general economic environment and the number of other investment funds being raised at the same time by the REIT's competitors.

If any of the REIT's managed investments perform poorly or experience prolonged periods of volatility, or if the REIT is unable to deploy capital effectively, the REIT's fee-based revenue would decline. Moreover, the REIT could experience losses on its capital invested in managed entities. Accordingly, the REIT's expected returns on these investments may be less than has been assumed in forecasting the financial position of the REIT.

### **Breaches of Privacy or Information Security Systems**

In the course of its operations, the REIT and certain vendors collect, store, and use personally identifiable and other sensitive information. These activities are subject to federal and provincial privacy laws, which continue to evolve and may vary by jurisdiction. Compliance with these laws may increase operating costs and impact the REIT's ability to market its properties and services.

Protecting tenant, employee, and company data is a priority for the REIT. The REIT and its vendors implement security measures to safeguard data, but absolute protection cannot be guaranteed. Cyber threats, including ransomware, fraud, and unauthorized access to tenant or employee information, may arise from cyber-attacks, employee error, or system vulnerabilities. Such incidents could compromise IT systems, resulting in data breaches, financial loss, reputational harm, or legal liability. Additionally, vendor agreements may not fully cover the costs of a breach, potentially affecting the REIT's financial condition.

The increasing sophistication of cyber threats and the emergence of new attack methods, such as phishing and ransomware, heighten these risks. The REIT continues to invest in cybersecurity measures and system improvements, but there is no assurance that all threats can be anticipated or prevented.

The REIT's IT systems also play a critical role in its internal controls over financial reporting. As the REIT expands its operations, IT infrastructure and security measures must evolve accordingly. Failure to effectively manage cybersecurity risks, allocate adequate resources, or respond to incidents in a timely manner could lead to operational disruptions, revenue loss, regulatory actions, reputational damage, and litigation.

The REIT's Board of Trustees, Audit Committee, and management oversee cybersecurity and IT risk management. In January 2023, the Audit Committee's mandate was expanded to include oversight of IT and cybersecurity governance. The Board receives semi-annual reports from management assessing cybersecurity risks and risk mitigation strategies as part of the REIT's broader risk management framework.

## Asset-Level Execution Risks

### Capital Expenditures

In order to lease its spaces and generate rental income the REIT must maintain or, in some cases, improve the condition at its properties. Maintaining properties can entail costs, including, without limitation structural repairs and other repairs, which the REIT may not be able to recover from its tenants. Numerous factors, including the age of the building, the materials used at the time of construction, currently unknown regulatory violations or new regulatory requirements, could result in substantial unbudgeted costs. If the actual costs of maintaining or upgrading a property exceed the REIT's estimates, or if hidden defects are discovered, which are not covered by insurance or contractual warranties, or if the REIT is not permitted to recover such costs pursuant to its leases or due to legal constraints, it will incur additional and unexpected costs. These maintenance, repair and capital costs could have a material adverse effect on the REIT's business, financial condition, results of operations and cash flows.

### Property Development, Redevelopment and Renovations

Property development, redevelopment or major renovation work are subject to a number of risks, including: (i) the potential that the REIT may fail to recover expenses already incurred if it abandons redevelopment opportunities after commencing to explore them; (ii) the potential that the REIT may expend funds on and devote management time to projects which it does not complete; (iii) construction or redevelopment costs of a project may exceed original estimates, possibly making the project less profitable than originally estimated, or unprofitable; (iv) the time required to complete the construction or redevelopment of a project or to lease up the completed project may be greater than originally anticipated, thereby adversely affecting the REIT's cash flow and liquidity; (v) the cost and timely completion of construction (including risks beyond the REIT's control, such as weather, labour conditions or material shortages); (vi) contractor and subcontractor disputes, strikes, labour disputes or supply disruptions; (vii) the failure to achieve expected occupancy and/or rent levels within the projected time frame, if at all; (viii) delays with respect to obtaining, or the inability to obtain, necessary zoning, occupancy, land use and other governmental permits, and changes in zoning and land use laws; (ix) occupancy rates and rents of a completed project may not be sufficient to make the project profitable; (x) the REIT's ability to dispose of properties redeveloped with the intent to sell could be impacted by the ability of prospective buyers to obtain financing given the current state of the credit markets; and (xi) the availability and pricing of financing to fund the REIT's development activities on favourable terms or at all.

The above risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent the initiation of redevelopment activities or the completion of redevelopment activities once undertaken. In addition, redevelopment projects entail risks that investments may not perform in accordance with expectations and can carry an increased risk of litigation (and its attendant risks) with contractors, subcontractors, suppliers, partners and others. Any of these risks could have an adverse effect on the REIT's financial condition, results of operations, cash flow, per Unit trading price of the Units, distributions to Unitholders and ability to satisfy the REIT's principal and interest obligations. Also, it is anticipated that the REIT would be required to execute a guarantee in connection with construction financing for development which would subject the REIT to recourse for construction completion risks and repayment of the construction indebtedness.

### Insurance Coverage

The activities carried on by the REIT entail an inherent risk of liability. The REIT carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance with customary policy specifications, limits and deductibles. The REIT has insurance for earthquake risks, subject to certain policy limits, deductibles and self-insurance arrangements, and will continue to carry such insurance if it is economical to do so.

There can be no assurance, however, that claims in excess of the insurance coverage or claims not covered by the insurance coverage, including certain environmental claims or claims relating to war, civil unrest or certain terrorist attacks, will not arise or that the liability coverage will continue to be available on acceptable terms. A successful claim against the REIT not covered by, or in excess of, the REIT's insurance could have a material adverse effect on the REIT's activities, operating results and financial condition. Claims against the REIT, regardless of their merit or eventual outcome, also may have a material adverse effect on their ability to attract tenants or expand their businesses, and will require management to devote time to matters unrelated to the activities of the REIT.

## Risks Relating to the Structure of the REIT

### Mutual Fund Trust Status and Ownership Limitations

Under current law, a trust may lose its status under the Income Tax Act (Canada) (the "Tax Act") as a mutual fund trust if it can reasonably be considered that the trust was established or is maintained primarily for the benefit of Non-Residents, except in limited circumstances. The Declaration of Trust permits the trustees to further amend the Declaration of Trust to limit the ownership of a particular holder (together with persons with which it does not deal at arm's length) to 20%, if desirable for foreign tax purposes. The Trustees have various powers that can be used for the purpose of monitoring and controlling the applicable ownership limitations. The ownership limitation may negatively affect the REIT's ability to raise financing for future acquisitions or operations. In addition, the ownership limitation could negatively impact the liquidity of the Units and the market price at which Units can be sold.

### Taxation of Mutual Fund Trusts

In order to maintain its status as a "mutual fund trust" under the Tax Act, the REIT cannot carry on most active business activities and is limited in the types of investments it may make. The Declaration of Trust contains restrictions to this effect. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting mutual fund trusts will not be changed in a manner that adversely affects Unitholders. Should the REIT cease to qualify as a mutual fund trust under the Tax Act, there could be material and adverse tax consequences to the REIT and Unitholders.

### REIT Exception

The REIT Exception is comprised of a number of technical tests and the determination as to whether the REIT qualifies for the REIT Exception in any particular taxation year can only be made with certainty at the end of that taxation year. The REIT expects to qualify for the REIT Exception in 2026 and subsequent taxation years. However, subsequent investments or activities undertaken by the REIT and/or fluctuations in asset values could result in the REIT failing to qualify for the REIT Exception. In addition, the REIT owns a minority interest in certain of its foreign subsidiaries. No assurances can be given that the REIT's subsidiaries will satisfy the tests contained in the REIT Exception. In these circumstances, the REIT may not satisfy the REIT Exception. NWI Healthcare Properties LP ("NWI LP") will not be subject to the SIFT Rules provided it is an "excluded subsidiary entity", which among other things, requires that only specified persons own units of NWI LP. No assurances can be given that NWI LP will be exempt from the SIFT Rules, which could have a material adverse effect on the REIT and Unitholders. The likely effect of the SIFT Rules on the market for Units, and on the REIT's ability to finance future acquisitions through the issue of Units or other securities, is unclear. If the SIFT Rules apply to the REIT, they may adversely affect the marketability of the Units, the amount of cash available for distributions and the after-tax return to investors.

### Foreign Accrual Property Income ("FAPI")

FAPI earned by controlled foreign affiliates ("CFAs") of NWI LP must be included in computing the income of NWI LP for the fiscal year of NWI LP in which the taxation year of such CFA ends, subject to a deduction for grossed-up "foreign accrual tax" as computed in accordance with the Tax Act, and less certain amounts that are otherwise included in income. The deduction for grossed-up "foreign accrual tax" may not fully offset the FAPI realized by NWI LP, thereby increasing the allocation of income by NWI LP to the REIT and, therefore, the allocation of income by the REIT to Unitholders. The Canadian tax legislation was amended to address certain foreign tax credit generator transactions (the "Foreign Tax Credit Generator Rules"). The Foreign Tax Credit Generator Rules may limit the REIT's ability to deduct grossed-up "foreign accrual tax". In addition, as FAPI generally must be computed in accordance with Part I of the Tax Act (in Canadian currency) as though the CFA were a resident of Canada (subject to the detailed rules contained in the Tax Act), income or transactions may be taxed differently under foreign tax rules as compared to the FAPI rules and, accordingly, may result in additional income being allocated to Unitholders, including as a result of fluctuations in foreign exchange rates.

### EIFEL Rules

Recent amendments to the Tax Act (the "EIFEL Rules") generally limit the deductibility of interest and other financing expenses of a Canadian resident corporation or trust that is not an "excluded entity" to a fixed ratio of tax EBITDA (as calculated in accordance with the EIFEL Rules). If the EIFEL Rules apply to limit the REIT's (or any subsidiary's) deduction of interest or other financing expenses in its computation of income or loss for the purposes of the Tax Act, the amount of taxable income allocated by the REIT to Unitholders may increase. Unitholders are advised to consult their personal tax advisors.

### **Foreign Tax Credits and Deductions**

Foreign taxes paid by NWI LP will be allocated pursuant to its limited partnership agreement. Each Unitholder's share of the "business-income tax" and "non-business-income tax" paid in a foreign country for a year will be creditable against its Canadian federal income tax liability to the extent permitted by the detailed rules contained in the Tax Act. Although the foreign tax credit provisions are designed to avoid double taxation, the maximum credit is limited. Because of this, and because of timing differences in recognition of expenses and income and other factors, double taxation may arise.

Under the Foreign Tax Credit Generator Rules, the foreign "business income tax" or "non-business-income tax", each as defined in the Tax Act, for any taxation year may be limited in certain circumstances. No assurances can be given that the Foreign Tax Credit Generator Rules will not apply to any Unitholder. If the Foreign Tax Credit Generator Rules apply, a Unitholder's foreign tax credits will be limited.

No assurances can be given that the REIT or its subsidiaries will be entitled to a foreign tax credit or deduction in Canada in respect of foreign taxes paid by its subsidiaries.

### **Change of Tax Law**

There can be no assurance that Canadian or foreign income tax laws, the judicial interpretation thereof, the terms of any income tax treaty applicable to the REIT or its affiliates or the administrative and assessing practices and policies of the Canada Revenue Agency ("CRA"), the Department of Finance (Canada) and any other tax authority or tax policy agency will not be changed in a manner that adversely affects the REIT, its affiliates or Unitholders. Any such change could increase the amount of tax payable by the REIT or its affiliates or could otherwise adversely affect Unitholders by reducing the amount available to pay distributions or changing the tax treatment applicable to Unitholders in respect of such distributions.

### **Non-Residents of Canada**

The Tax Act may impose additional withholding or other taxes on distributions made by the REIT to Unitholders who are Non-Residents. These taxes and any reduction thereof under a tax treaty between Canada and another country may change from time to time. The tax consequences under the Tax Act to Non-Residents may be more adverse than the consequences to other Unitholders. Non-Resident Unitholders should consult their own tax advisors.

### **Accrued Gains**

The REIT has indirectly acquired certain assets on a fully or partially tax-deferred basis, as determined by the transferor. Accordingly, the adjusted cost base of such assets may be less than their fair market value when they were acquired, such that subsidiaries of the REIT may realize the deferred gain on a future disposition of those assets.

### **General Taxation**

Although the REIT and its subsidiaries have been structured with the objective of maximizing after-tax distributions, taxes (including corporate, withholding, land transfer, and other taxes) in the various jurisdictions in which the REIT invests will reduce the amount of cash available for distribution to the REIT by its subsidiaries and, therefore, reduce the amount of cash available for distribution by the REIT to Unitholders. No assurance can be given as to the future level of taxation suffered by the REIT or its subsidiaries. In addition, certain tax positions adopted by the REIT and its subsidiaries may be challenged by the CRA or another taxing authority. Any such challenge could materially increase taxes payable by the REIT and its subsidiaries, and thereby adversely affect the REIT's financial position and cash available for distribution to Unitholders.

## Financial Risks and Risk Management

### Indebtedness and Interest Rates

The REIT is exposed to a number of financial risks through its use of financial instruments, including liquidity risk, interest rate risk, foreign currency risk, price risk and credit risk. In 2022 and 2023 overnight lending rates increased significantly. While the rate of inflation decreased in 2024 and 2025, there remains a risk that interest rates could increase. In a rising interest rate and inflationary environment, the cost of borrowing, acquisitions and operating the REIT's business rises, which negatively impacts the REIT's business, financial condition and results of operations.

The REIT uses debt to finance its acquisitions and operations. As at December 31, 2025 the REIT had outstanding indebtedness of \$1.6 billion including liabilities related to assets held for sale and convertible debentures. As at December 31, 2025, \$361.6 million of the REIT's total indebtedness was at variable rates and \$259.5 million was expected to mature and require re-financing in the 12 months following December 31, 2025. Rising interest rates would significantly impact the cost associated with this debt, and the REIT's ability to finance acquisitions or developments on an accretive basis.

A meaningful portion of the cash flow generated by the REIT's investment properties and asset management function is devoted to servicing the REIT's debt. If the REIT cannot satisfy interest and principal payments with the cashflow it generates from its operations, the REIT may be required to renegotiate the terms of its debt, seek other financing (possibly on unfavourable terms), sell properties or decrease its distribution.

The REIT's indebtedness may have other significant effects on the business, such that it (i) forces the REIT to dispose of one or more of its properties, possibly on disadvantageous terms; (ii) increases the REIT's vulnerability to general adverse economic and industry conditions; (iii) limits the REIT's flexibility in planning for, or reacting to, changes in the business and the industry in which it operates; (iv) restricts the REIT from making strategic acquisitions or exploiting other business opportunities; and (v) places the REIT at a competitive disadvantage compared to its competitors that have less debt.

The REIT will be subject to the risks associated with debt financing, including the risk that the mortgages and banking facilities secured by the REIT's properties will not be able to be refinanced or that the terms of such refinancing will not be as favourable as the terms of existing indebtedness, which may reduce AFFO.

Many of the REIT's credit facilities and debentures contain covenants that require the REIT to maintain certain financial ratios on a consolidated basis. If the REIT does not maintain such ratios, the lenders have typical default rights (including to demand repayment of the loans), which may limit the REIT's operational flexibility and ability to conduct its business in the ordinary course. Further, the REIT's inability to maintain its current credit rating could have a material adverse effect under its senior unsecured debentures and on its business as a whole.

The REIT has entered into certain interest rate hedging arrangements to mitigate the impact of rising interest rates on the REIT's business. Hedging transactions involve risks including that counterparties, which are generally financial institutions, may be unable to satisfy their obligations, these arrangements may not be effective in reducing the REIT's exposure to interest rate changes and these arrangements may result in higher interest rates than the REIT would otherwise have (in the case of the REIT's interest rate swaps). If any counterparties default on their obligations under the hedging contracts or seek bankruptcy protection, it could have an adverse effect on the REIT's cost of borrowing on variable rate loans.

### Access to Capital

The real estate industry is highly capital intensive. The REIT will require access to capital to maintain its properties, as well as to fund its growth strategy and significant capital expenditures from time to time. Although certain credit facilities are available, there can be no assurances that the REIT will otherwise have access to sufficient capital or access to capital on terms favourable to the REIT for future property acquisitions, financing or refinancing of properties, funding operating expenses or other purposes. In addition, the REIT may not be able to borrow funds due to the limitations on the incurrence of debt by the REIT set forth in the Declaration of Trust. Failure by the REIT to access required capital could adversely impact the REIT's financial condition and results of operations and the REIT's ability to service its debt and make cash distributions to unitholders.

### Liquidity of Real Estate Investments

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may limit the REIT's ability to vary its portfolio promptly in response to changing financial, economic or investment conditions. If the REIT were to be required to liquidate its real property investments, the proceeds to the REIT might be significantly less than the aggregate carrying value of its properties which could have an adverse effect on the REIT's financial condition and results of operation and decrease the amount of cash available for distribution to Unitholders.

**Availability of Cash Flow**

AFFO may exceed actual cash available to the REIT from time to time because of items such as principal repayments, and tenant allowances, leasing costs and capital expenditures in excess of stipulated reserves identified by the REIT in its calculation of AFFO and redemptions of Units, if any. The REIT may be required to use part of its debt capacity or to reduce distributions in order to accommodate such items. The REIT anticipates temporarily funding such items, if necessary, through its credit facilities in expectation of refinancing long-term debt on its maturity.

**Cash Distributions are Not Guaranteed**

There can be no assurance regarding the amount of income to be generated by the REIT. The ability of the REIT to make cash distributions, and the actual amount distributed, will be entirely dependent on the operations and assets of the REIT, and will be subject to various factors including financial performance, obligations under applicable credit facilities, fluctuations in working capital, the sustainability of income derived from the REIT's properties and capital expenditure requirements. The market value of the Units will deteriorate if the REIT is unable to meet its distribution targets in the future, and that deterioration may be significant. In addition, the composition of cash distributions for tax purposes may change over time and may affect the after-tax return for investors.

**Sustainability of Distributions**

The REIT has stated that one of its objectives is to provide predictable cash distributions per Unit. The REIT has historically paid distributions in excess of the total of cash flows from operating activities and distributions earned from its strategic investment in Vital Trust, representing an economic return of capital to investors. The REIT may not be able to sustain distributions at current levels without realizing increases in cash flow from operations or receiving increased distributions from Vital Trust. Such cash flow growth is dependent on the REIT's ability to achieve accretive growth over time, as well as the ability of Vital Trust to grow future distributions, both of which cannot be assured.

**Unit Price Risk**

The REIT is subject to fluctuations in the market price of its own securities as well as the market price of the Vital Trust Units. Price risk is the risk that changes in market prices for the REIT's securities may impact the REIT's ability to access capital, and that changes in the market prices of the units underlying the REIT's equity investments may impact the value of its investments. The market price for the Units, the Convertible Debentures and the units of Vital Trust may be volatile and subject to wide fluctuations in response to numerous factors, many of which may be beyond the REIT's control including general market sentiment. The market price of the REIT's securities and investments may decline even if the REIT's operating results, underlying asset values, or prospects have not changed. A decrease in the Unit price impacts the cost of raising new capital. A decline in the market price of the units of Vital Trust may impact the value of the REIT's investments which may result in impairment losses. If the market price of the Units declines significantly, investors may be unable to sell Units at or above the purchase price.

**An Increase in Market Interest Rates may have an Adverse Effect on the Market Price of Units**

One of the factors that investors may consider in deciding whether to buy or sell the Units is the REIT's distribution rate as a percentage of price per Unit, relative to market interest rates. If market interest rates begin to increase, prospective investors may desire a higher distribution on the Units or seek securities paying higher distributions. As a result, interest rate fluctuations and capital market conditions can affect the market price of Units. In addition, rising interest rates would result in increased interest expense on the REIT's variable rate loans, thereby adversely affecting cash flow and the REIT's ability to service its indebtedness and make distributions.

**Ability to Satisfy Payments of Interest and Principal on the Debentures**

There is no guarantee that the REIT will have sufficient cash available to make interest and principal payments on the Debentures on a timely basis or at all. The likelihood that purchasers will receive the payments owing to them in connection with the Debentures will be dependent upon the financial health and creditworthiness of the REIT and the ability of the REIT to earn revenues.

**Ability to Satisfy Payments of Interest and Principal on the Convertible Debentures**

There is no guarantee that the REIT will have sufficient cash available to make interest and principal payments on the Convertible Debentures on a timely basis or at all. The likelihood that purchasers will receive the payments owing to them in connection with the Convertible Debentures will be dependent upon the financial health and creditworthiness of the REIT and the ability of the REIT to earn revenues.

## 10. OTHER FINANCIAL DISCLOSURES

### 10.1. Related Party Transactions

In the normal course of business, the REIT enters into transactions with entities whose trustees or directors are also Trustees of the REIT or members of senior management. These transactions are conducted in the ordinary course of operations and recorded at the transaction or exchange amounts agreed to by the parties.

The REIT's related parties include associates, joint ventures and other entities over which the REIT has control or significant influence, as well as key management personnel. Key management personnel comprise the Trustees and those individuals with authority and responsibility for planning, directing and controlling the activities of the REIT.

Transactions with equity-accounted investments include interest income on loan balances outstanding with the European joint ventures and asset and development management fees earned from those joint ventures. These arrangements form part of the REIT's asset management activities and are measured at exchange amounts agreed between the parties.

Compensation of key management personnel, including salaries, trustee fees and unit-based compensation, is disclosed in Note 32 to the 2025 annual consolidated financial statements. Other than the matters described above and elsewhere in the consolidated financial statements, no material related party transactions occurred during the year.

### 10.2. Subsequent Events

Subsequent to December 31, 2025, the REIT refinanced the following:

- \$74.6 million (A\$81.4 million) of term debt in its Australian joint venture, \$22.4 million at the REIT's share, extending maturity from December 2026 to February 2031 and increasing the weighted average interest rate 20 basis points,
- \$32.6 million (A\$35.6 million) of term debt in its Australian joint venture, \$9.8 million at the REIT's share, extending maturity one year to July 2029 and reducing the facility margin by 32 basis points; and
- \$16.7 million (A\$18.2 million) of term debt in Australia, extending maturity one year to July 2029 and reducing the facility margin by 32 basis points.

The REIT also repaid two Canadian mortgages totalling \$23.7 million that matured in January and February 2026, bearing a weighted average interest rate of 2.82%, using capacity under its revolving credit facility and proceeds from the internalization.

On February 5, 2026, DBRS Morningstar confirmed the REIT's Issuer Rating and Senior Unsecured Debentures credit rating at BBB (low) with Stable trends.

From January 1 to February 24, 2026, the REIT repurchased Series H and Series I convertible debentures under its NCIB. In total, 888 debentures were acquired for aggregate cash consideration of \$0.9 million.

### 10.3. Critical Accounting Estimates and Judgments

The preparation of the REIT's consolidated financial statements requires management to make judgments and estimates in applying the REIT's accounting policies. These judgments and estimates affect the amounts recognized and the disclosures presented in the consolidated financial statements and accompanying notes.

Judgments involve assessing facts and circumstances that may not be directly observable and applying accounting policies to those circumstances. Estimates and assumptions are used in measuring assets, liabilities, revenues and expenses and are based on historical experience, current market conditions and other factors management considers reasonable. Actual results could differ from these estimates, and such differences may be material.

Management reviews judgments and estimates on an ongoing basis as new information becomes available and as circumstances change. The areas below represent the judgments and estimates management considers most significant in understanding the REIT's financial results.

#### a. Investment Properties - Fair Value Measurement

The fair value of the REIT's investment properties is measured at each reporting date and is determined using management-prepared internal valuation models. These valuations are supported by available market evidence and, where available and appropriate, by valuation inputs or benchmarking information provided by independent third-party appraisers.

Significant estimates and assumptions are used in determining fair values, including capitalization rates, discount rates, terminal capitalization rates, projected cash flows, market rent growth, vacancy assumptions and expected capital expenditures. Fair values also reflect management's judgment in assessing a property's highest and best use and in selecting the appropriate valuation technique. Given the inherent uncertainty and limited observability of these inputs, changes in the underlying assumptions may result in material variations in the reported fair values. Investment properties are generally classified within Level 3 of the fair value hierarchy.

#### b. Accounting for the Investment in Vital Trust

In December 2025, Vital Trust completed the internalization of its external management structure. As a result of this change, management concluded that the REIT no longer controlled Vital Trust. Although the REIT continues to hold an approximate 23.9% interest in Vital Trust and retains board representation, these rights are now considered to provide significant influence rather than control. Accordingly, the retained interest is accounted for as an associate using the equity method. Management exercised judgment in evaluating the revised governance arrangements and in determining which assets, liabilities and related balances to derecognize upon the loss of control.

Prior to December 2025, the REIT accounted for its investment in Vital Trust as a subsidiary and consolidated Vital Trust's financial position and results of operations. As at December 31, 2024, the REIT held an approximate 28.3% interest in Vital Trust.

In assessing whether the REIT controlled Vital Trust prior to the internalization, management exercised judgment in accordance with IFRS 10, Consolidated Financial Statements. Management concluded that the REIT controlled Vital Trust based on its ability to direct the relevant activities of the trust and its exposure to variable returns.

This conclusion reflected, among other factors, the REIT's indirect 100% ownership of the external manager of Vital Trust (the "Global Manager"), which was responsible for directing the trust's investment, property and development activities and earned fees under contractual arrangements. The REIT also had the right to appoint a majority of the directors of the Global Manager, which acted as the board of directors of Vital Trust. In addition, the remaining ownership interests in Vital Trust were widely held, with no single investor holding an interest equal to or greater than that of the REIT. Based on these governance arrangements, management concluded that the REIT had sufficient power to direct the relevant activities of Vital Trust and therefore controlled Vital Trust for financial reporting purposes.

#### c. Leases and Revenue Recognition

Management exercises judgment in determining when a tenant obtains the right to use leased space, which establishes the commencement of revenue recognition. Judgment is also required in distinguishing rental income from service-related revenue in tenant arrangements and in assessing whether property-related services should be accounted for separately from the lease. Management further assesses the collectability of contractual lease payments, which influences whether rental revenue is recognized on a straight-line basis over the lease term.

#### **d. Income Taxes**

The REIT applies significant judgment in assessing its qualification as a real estate investment trust (“REIT”) under the Income Tax Act (Canada). This assessment influences whether deferred taxes are recognized at the REIT level, as qualifying REITs are generally exempt from Canadian income tax provided they meet prescribed conditions and distribute all taxable income to unitholders. Management evaluates compliance with these conditions on an ongoing basis and exercises judgment in concluding that the REIT will continue to qualify as a REIT for the foreseeable future. Loss of REIT status would materially affect the recognition of income taxes and could result in additional tax expense.

Judgment is also required in interpreting and applying tax laws in the jurisdictions where the REIT’s taxable subsidiaries operate. Tax legislation is complex and subject to differing interpretations, and the REIT is periodically subject to audits by tax authorities. Management evaluates tax positions taken, the likelihood of challenge and the potential outcomes of such examinations.

Estimates are required in measuring current and deferred tax balances, including the probability of realizing deferred tax assets, the timing of reversal of temporary differences and the measurement of uncertain tax positions. Changes in these judgments or estimates may materially affect income tax expense in future periods.

### **10.4. Controls and Procedures**

#### **Internal Control over Financial Reporting**

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

As required by National Instrument 52-109, Certification of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”), the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) have designed, or caused to be designed under their supervision, the REIT’s internal controls over financial reporting. The framework used to design and assess the effectiveness of these controls is the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”).

The CEO and CFO have evaluated, or caused to be evaluated under their supervision, the effectiveness of the design and operation of the REIT’s internal controls over financial reporting as at December 31, 2025. Based on that evaluation, they concluded that the REIT’s internal controls over financial reporting were effective.

#### **Changes in Internal Controls Over Financial Reporting**

There were no significant changes made in internal controls over financial reporting during the three months and year ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, the REIT’s internal controls over financial reporting.

#### **Disclosure Controls and Procedures**

The REIT maintains disclosure controls and procedures designed to provide reasonable assurance that material information relating to the REIT, including its consolidated subsidiaries, is made known to management, including the CEO and CFO, in a timely manner, and that information required to be disclosed by the REIT in its filings or other reports under securities legislation is recorded, processed, summarized and reported within the time periods specified by applicable securities laws.

As required by NI 52-109, the CEO and CFO have evaluated the effectiveness of the REIT’s disclosure controls and procedures as at December 31, 2025. Based on that evaluation, they concluded that the design and operation of the disclosure controls and procedures were effective.

## 11. NON-GAAP AND OTHER SUPPLEMENTARY MEASURES

The consolidated financial statements of Northwest Healthcare Properties Real Estate Investment Trust are prepared in accordance with IFRS. This MD&A includes certain financial measures and ratios that do not have standardized meanings under IFRS and, as a result, may not be comparable to similar measures presented by other issuers. These measures include non-GAAP financial measures, non-GAAP ratios and other specified financial measures, as defined in National Instrument 52-112, "Non-GAAP and Other Financial Measures Disclosure".

Management uses these measures as supplemental indicators to evaluate the REIT's operating performance, financial condition and ability to generate cash flows. These measures are not substitutes for financial measures determined in accordance with IFRS. Each non-GAAP measure is defined below and, where applicable, is accompanied by a reconciliation to the most directly comparable IFRS measure presented elsewhere in this MD&A.

Non-GAAP Measure	Description and Purpose	Reconciliation
Proportionate Basis	<ul style="list-style-type: none"> <li>• Proportionate basis is a non-IFRS presentation method used by the REIT to reflect its economic interest in equity-accounted joint ventures and subsidiaries by including the REIT's proportionate share of assets, liabilities, revenues, and expenses, where applicable.</li> <li>• Following the internalization of Vital Trust and the resulting loss of control, Vital Trust is accounted for as an equity-accounted investment under IFRS. For purposes of this MD&amp;A, the REIT's retained interest in public securities of Vital Trust is not proportionately consolidated and is instead presented as a standalone investment.</li> <li>• As at December 31, 2025, the standalone investment in Vital Trust was measured in accordance with IFRS, based on the number of Vital Trust units owned multiplied by the closing unit price on the New Zealand Securities Exchange on December 30, 2025.</li> <li>• Management believes the proportionate basis presentation provides useful information by more closely reflecting the underlying economics of the REIT's investments. However, this presentation is not defined under IFRS and may not be comparable to similar measures presented by other issuers.</li> </ul>	<p>Section 4.2, "Proportionate Basis Results from Operations"</p> <p>Section 5, "Balance Sheet"</p>
Net Operating Income ("NOI")	<ul style="list-style-type: none"> <li>• NOI represents revenue from investment properties, including straight-line rent and lease termination income, less property operating costs.</li> <li>• It reflects the operating performance of the REIT's income-producing properties before the impact of financing, income taxes and other non-property-level items.</li> <li>• NOI is presented as net property operating income in the REIT's consolidated financial statements prepared in accordance with IFRS and is also presented on a proportionate basis in the MD&amp;A.</li> <li>• Management believes NOI is an important measure of property-level operating performance used by real estate industry analysts, investors and management, and a key input in determining the fair value of the REIT's income-producing portfolio.</li> </ul>	<p>Section 4.2, "Proportionate Basis Results from Operations"</p>

Non-GAAP Measure	Description and Purpose	Reconciliation
Same-Property NOI (Constant Currency) ("SPNOI")	<ul style="list-style-type: none"> <li>• SPNOI is a non-IFRS financial measure used to assess period-over-period operating performance of income-producing properties owned by the REIT for a full reporting period in both the current and comparative periods.</li> <li>• The measure excludes NOI attributable to properties that have been acquired, disposed of, or are subject to significant change as a result of development, redevelopment or expansion activities, as well as properties held for redevelopment.</li> <li>• SPNOI also excludes the impact of non-recurring items not expected to recur.</li> <li>• To enhance comparability, foreign currency impacts are excluded by converting comparative-period results using current-period average exchange rates.</li> <li>• SPNOI is derived from NOI and presented on a proportionate basis.</li> <li>• Management believes SPNOI is useful in understanding changes in NOI attributable to occupancy, contractual rental rate changes, operating costs and realty taxes, before considering the impact of acquisitions, dispositions and development activity.</li> </ul>	Section 4.3, "Net Operating Income (Proportionate)"
Funds from Operations ("FFO")	<ul style="list-style-type: none"> <li>• FFO is a non-IFRS financial measure used by the REIT to assess operating performance and is derived from IFRS net income (loss), the most directly comparable financial measure.</li> <li>• FFO excludes items that are not considered indicative of the recurring operating performance of income-producing real estate, such as fair value adjustments, gains or losses on property dispositions, unrealized foreign exchange, deferred income taxes and transaction-related items.</li> <li>• The measure also reflects the economic benefit of certain management fees eliminated on consolidation but realized through non-controlling interests, and excludes certain investment, financing and general and administrative costs.</li> <li>• REALPAC has published guidance for the calculation of FFO, and the REIT generally calculates FFO in accordance with this guidance, subject to certain adjustments disclosed in the reconciliation.</li> <li>• Management uses FFO to evaluate operating performance and believes it meaningfully reflects period-over-period changes in occupancy, rental rates, operating costs, realty taxes, transaction activity and interest costs.</li> </ul>	Section 11.1, "Funds from Operations ("FFO")"
Adjusted Funds from Operations ("AFFO")	<ul style="list-style-type: none"> <li>• AFFO is a non-IFRS financial measure used by the REIT to assess operating performance and recurring cash flows available for distribution and is derived from FFO, the most directly comparable financial measure.</li> <li>• AFFO adjusts FFO for items that are non-cash in nature or that do not reflect recurring cash outflows associated with the ownership and operation of income-producing real estate, including financing-related amortization, straight-line rent differences, leasing costs, sustaining capital expenditures and unit-based compensation.</li> <li>• The measure includes the REIT's proportionate share of adjustments related to equity-accounted investments and joint ventures.</li> <li>• REALPAC has published guidance for the calculation of AFFO, and the REIT generally calculates AFFO in accordance with this guidance, subject to certain adjustments disclosed in the reconciliation.</li> <li>• Management uses AFFO to evaluate operating performance and distribution sustainability and believes it reflects recurring operating cash flows, taking into account the timing of sustaining capital expenditures and leasing activity.</li> </ul>	Section 11.2, "Adjusted Funds from Operations ("AFFO")"

Non-GAAP Measure	Description and Purpose	Reconciliation
FFO and AFFO Payout Ratios	<ul style="list-style-type: none"> <li>FFO and AFFO payout ratios are non-IFRS financial ratios used by management to assess the sustainability of the REIT's distribution payments.</li> <li>The ratios are calculated as cash distributions declared divided by FFO or AFFO, as applicable, for the period.</li> <li>Management uses these ratios, together with other financial metrics, in evaluating distribution levels and long-term capital allocation decisions.</li> </ul>	Section 4.4, "Funds from Operations and Adjusted Funds from Operations"
Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")	<ul style="list-style-type: none"> <li>Adjusted EBITDA is a non-GAAP financial measure derived from IFRS net income (loss).</li> <li>The measure excludes interest expense, income taxes, depreciation and amortization, fair value adjustments, unit-based compensation, unrealized foreign exchange gains and losses, gains and losses on dispositions, transaction costs and other non-operating or non-recurring items, as detailed in the applicable reconciliations.</li> <li>Management and lenders use Adjusted EBITDA to assess recurring operating earnings, debt service capacity and compliance with financing arrangements.</li> </ul>	Section 11.7, "Financial Ratio Calculations"
Debt	<ul style="list-style-type: none"> <li>Debt is a supplementary financial measure representing the REIT's indebtedness, as defined and calculated for the purposes of the financial ratios and covenants disclosed in this MD&amp;A.</li> <li>It generally includes mortgages, loans and credit facilities, lease liabilities and debentures reported in the consolidated financial statements and may include the REIT's proportionate share of debt held in joint ventures, as applicable.</li> <li>Debt may be presented on an IFRS or proportionate basis and, depending on the applicable definition, may exclude certain components such as convertible debentures or cash and cash equivalents; where noted, Debt is presented net of unamortized financing costs.</li> <li>Management and lenders use Debt to assess leverage, financing capacity and compliance with debt-related covenants, including in relation to Gross Book Value, Adjusted EBITDA and other measures, as applicable.</li> </ul>	Section 7.3, "Total Debt" and Section 11.7, "Financial Ratio Calculations"
Debt to Adjusted EBITDA	<ul style="list-style-type: none"> <li>Debt to Adjusted EBITDA is a supplementary financial ratio calculated as Debt divided by Adjusted EBITDA.</li> <li>For purposes of this ratio, Adjusted EBITDA is calculated on a trailing twelve-month basis.</li> <li>Management uses this ratio to assess the REIT's financial leverage and its ability to service and repay indebtedness using recurring operating earnings.</li> </ul>	Section 11.7, "Financial Ratio Calculations"
Gross Book Value ("GBV")	<ul style="list-style-type: none"> <li>Gross Book Value is defined as total assets reported in the consolidated financial statements.</li> <li>This measure may be presented on an IFRS or a proportionate basis, as applicable.</li> <li>Gross Book Value is used, as applicable, in leverage ratios and covenant calculations in accordance with the definitions contained in the REIT's Declaration of Trust, revolving credit agreement, and senior unsecured debenture indentures, including Debt to Gross Book Value.</li> </ul>	Section 11.7, "Financial Ratio Calculations"
Debt to Gross Book Value	<ul style="list-style-type: none"> <li>Debt to Gross Book Value is a supplementary financial ratio calculated as Debt divided by Gross Book Value, as defined and calculated for the purposes of the applicable financial ratios and covenants disclosed in this MD&amp;A, and is presented on an IFRS and proportionate basis, as applicable.</li> <li>Management and lenders use this ratio to assess the REIT's leverage and compliance with leverage-related covenants.</li> </ul>	Section 11.7, "Financial Ratio Calculations"

<b>Non-GAAP Measure</b>	<b>Description and Purpose</b>	<b>Reconciliation</b>
Interest Expense for the Interest Coverage Ratio	<ul style="list-style-type: none"> <li>Interest Expense represents interest expense recognized under IFRS, adjusted to include capitalized interest and, where applicable, pro forma adjustments.</li> <li>The measure is calculated in accordance with the applicable definitions set out in the REIT's senior unsecured debenture indentures.</li> </ul>	Section 11.7, "Financial Ratio Calculations"
Interest Coverage	<ul style="list-style-type: none"> <li>Interest Coverage is a supplementary financial ratio calculated by dividing Adjusted EBITDA by Interest Expense for the Interest Coverage Ratio, with both amounts calculated in accordance with the applicable senior unsecured debenture indentures.</li> <li>For purposes of this ratio, Adjusted EBITDA is adjusted on a pro forma basis to reflect the full-year impact of acquisitions and dispositions completed during the reporting period.</li> <li>Management and lenders use this ratio to assess the REIT's ability to service interest obligations and comply with interest-related covenants.</li> </ul>	Section 11.7, "Financial Ratio Calculations"
Minimum Adjusted Equity	<ul style="list-style-type: none"> <li>Minimum Adjusted Equity is a supplementary financial measure derived from Unitholders' equity and calculated in accordance with the definitions contained in the REIT's senior unsecured debenture indentures.</li> <li>The measure adjusts Unitholders' equity for certain items, including deferred tax assets and deferred tax liabilities, as applicable.</li> </ul>	Section 7.6, "Financial Ratios"
Net Asset Value ("NAV")	<ul style="list-style-type: none"> <li>NAV is a non-IFRS financial measure calculated as total assets less total liabilities and non-controlling interests, adjusted to reflect management's estimates of fair value, including the fair value of the Global Manager.</li> <li>Management uses NAV as a measure of the REIT's intrinsic value, and NAV per Unit as a valuation metric to assess whether the REIT's units are trading at a discount or premium to intrinsic value.</li> </ul>	Section 7.7, "Net Asset Value"
Cash Flows from Operating Activities Attributable to Unitholders	<ul style="list-style-type: none"> <li>Cash Flows from Operating Activities Attributable to Unitholders is a non-IFRS financial measure derived from cash flows from operating activities determined in accordance with IFRS.</li> <li>The measure reflects operating cash flows attributable to Unitholders after adjustments for non-controlling interests and other items.</li> <li>Management uses this measure to assess the REIT's ability to fund distributions to Unitholders from operating cash flows.</li> </ul>	Section 7.8, "Distributions and Unitholders' Equity"
Liquidity	<ul style="list-style-type: none"> <li>Liquidity is a non-GAAP financial measure calculated as the sum of cash and cash equivalents and the undrawn portion of the REIT's revolving credit facility.</li> <li>Management uses Liquidity to assess the REIT's short-term financial flexibility and ability to fund operating requirements, capital expenditures and other commitments.</li> </ul>	Section 7.1, "Liquidity and Capital Structure"
Per Unit Measures	<ul style="list-style-type: none"> <li>FFO per Unit, AFFO per Unit, NAV per Unit and Distributions declared per Unit are calculated by dividing the applicable measure by the number of units outstanding, calculated on a basic or diluted basis, as applicable.</li> <li>Per unit amounts are calculated using the weighted average number of units outstanding during the period or units outstanding at period end, as applicable.</li> <li>Where relevant, diluted unit counts include the impact of vested trust units, exchangeable or convertible units and other dilutive instruments, in accordance with the applicable calculation methodology.</li> </ul>	Section 4.4, "Funds from Operations and Adjusted Funds from Operations" and Section 7.7, "Net Asset Value"

## 11.1. Funds from Operations ("FFO")<sup>(1)</sup>

In accordance with the January 2022 guidance published by REALPAC, FFO is calculated by adjusting IFRS net income to exclude items that are not considered indicative of the recurring operating performance of income-producing real estate. These adjustments include, among others, fair value changes, deferred income taxes, gains or losses on dispositions, and transaction costs. Management believes these adjustments provide a consistent and comparable baseline measure of operating performance prior to the consideration of additional management adjustments.

(\$ thousands except where otherwise indicated)	Note	Three Months			Year Ended		
		2025	2024	\$ Change	2025	2024	\$ Change
<b>Net income (loss) attributable to unitholders</b>		<b>\$ (94,087)</b>	\$ 8,465	\$ (102,552)	<b>\$ (52,852)</b>	\$ (299,757)	\$ 246,905
Add / (Deduct):							
Fair value adjustment of convertible debentures		(195)	238	(433)	17,346	36,109	(18,763)
Fair value adjustment of Exchangeable Units		—	—	—	—	205	(205)
Fair value adjustment of financial instruments		(5,173)	16,715	(21,888)	(35,539)	21,911	(57,450)
Fair value adjustment of investment properties		57,930	13,733	44,197	76,781	357,155	(280,374)
Fair value adjustment of unit-based compensation liabilities		(196)	(4,167)	3,971	1,066	(3,687)	4,753
Premiums on derivative financial instruments	A	—	—	—	—	6,725	(6,725)
Accretion of financial liabilities	B	2,031	1,876	155	6,817	7,245	(428)
Unrealized foreign exchange loss (gain)		(964)	(21,825)	20,861	(6,817)	(33,258)	26,441
Deferred tax expense (recovery)		16,655	1,414	15,241	22,115	(63,125)	85,240
Transaction costs	C	3,475	3,064	411	18,492	15,105	3,387
Net loss on disposal of assets		169	3,189	(3,020)	5,328	33,995	(28,667)
Loss on internalization of Vital Trust		48,853	—	48,853	48,853	—	48,853
Convertible debenture issuance costs		—	—	—	—	27	(27)
Internal leasing costs		438	300	138	1,803	1,263	540
Property taxes accounted for under IFRIC 21		(8)	47	(55)	—	—	—
Net adjustment for lease liabilities		(79)	4	(83)	(33)	(435)	402
Employee termination benefits and related expenses	D	1,570	—	1,570	5,263	3,807	1,456
Finance cost - Exchangeable Unit distributions		—	—	—	—	(63)	63
Financing and investment-related costs	E	—	176	(176)	15	3,274	(3,259)
G&A expenses related to strategic tenant inducements and charitable pledge	F	202	445	(243)	796	2,375	(1,579)
<b>Funds from Operations</b>		<b>\$ 30,621</b>	\$ 23,674	\$ 6,947	<b>\$ 109,434</b>	\$ 88,871	\$ 20,563
FFO per Unit - Basic		\$ 0.12	\$ 0.10	\$ 0.02	\$ 0.44	\$ 0.36	\$ 0.08
FFO per Unit - Diluted		\$ 0.12	\$ 0.10	\$ 0.02	\$ 0.44	\$ 0.36	\$ 0.08
<b>Weighted average number of units outstanding</b>							
Basic		249,992,670	247,493,809	2,498,861	249,160,422	246,438,793	2,721,629
Diluted		251,081,454	248,641,782	2,439,672	250,235,026	247,663,589	2,571,437

## Management Adjustments Not Contemplated by REALPAC

The following adjustments are not contemplated by REALPAC guidance and reflect management's judgment regarding items that do not represent the recurring operating performance of the REIT's income-producing real estate portfolio.

- A. Premiums on derivative financial instruments  
Premiums paid on derivative financial instruments used to cap exposure to variable interest rate debt are recognized under IFRS as part of interest expense. For the year ended December 31, 2024, premiums of \$6.7 million were incurred in connection with such instruments. These premiums arise from financing and risk management activities and do not reflect the recurring operating performance of the REIT's income-producing real estate portfolio. Accordingly, these amounts are excluded in determining Funds From Operations. The derivative financial instruments associated with these premiums expired during the year ended December 31, 2024.
- B. Accretion of financial liabilities  
Certain securitized financing arrangements in Brazil are subject to inflation indexation based on the Brazilian consumer price index ("IPCA") over the term of the related debt instruments. As a result, the carrying value of these financial liabilities increases through accretion from the date of inception to their respective maturities. This accretion is recognized under IFRS as a fair value-related adjustment to the associated financial liabilities. The resulting expense is financing-related in nature and does not impact the REIT's property-level operating performance or cash flows. Accordingly, these amounts are excluded in determining Funds From Operations.
- C. Transaction costs  
Under IFRS, certain transaction and business development costs are expensed as incurred, depending on the accounting treatment applied to the underlying transaction. To provide consistent treatment of transaction-related costs and enhance the usefulness and comparability of Funds From Operations, the REIT excludes transaction costs that are non-recurring in nature and do not reflect ongoing operating performance. These costs may include acquisition and disposition-related expenses, costs associated with evaluating investment opportunities and strategic initiatives, and other transaction-related expenditures.
- D. Employee termination benefits and related expenses  
Employee termination benefits and related costs arise from workforce restructuring initiatives undertaken as part of broader operational efficiency programs. These costs are recognized under IFRS in the period incurred but are non-recurring in nature and do not reflect the REIT's ongoing operating performance. Accordingly, these amounts are excluded in determining Funds From Operations.
- E. Financing and investment-related costs  
Financing and investment-related costs include financing costs incurred in connection with investments in unlisted securities, net of distribution income generated by those securities, as well as corporate financing costs related to short-term financing arrangements used to fund property acquisitions. These costs are recognized under IFRS as incurred and relate to capital deployment and transitional financing activities rather than to the ownership or operation of income-producing real estate. Accordingly, these amounts do not reflect the REIT's property-level operating performance and are excluded in determining Funds From Operations.
- F. G&A expenses related to strategic tenant inducements and charitable pledge  
Certain general and administrative expenses incurred during the period relate to strategic tenant inducements and a charitable pledge associated with specific initiatives undertaken by the REIT. These costs are recognized under IFRS as incurred and are incremental to the REIT's normal course property operations and administrative activities. As such, they do not reflect the REIT's ongoing property-level operating performance and are excluded in determining Funds From Operations.

The adjustments described above are reviewed by management and the Audit Committee and are applied consistently from period to period.

## 11.2. Adjusted Funds from Operations ("AFFO")<sup>(1)</sup>

AFFO<sup>(1)</sup> is a supplemental non-IFRS financial measure calculated by adjusting FFO<sup>(1)</sup> to exclude items that are non-cash in nature or that do not reflect recurring cash outflows associated with the ownership and operation of income-producing real estate. In accordance with the January 2022 guidance published by REALPAC, AFFO is intended to approximate recurring cash flows available for distribution. Management believes these adjustments provide a useful measure of operating cash flow and distribution sustainability. As a result, the REIT's method of calculating AFFO may differ from that of other issuers and may not be comparable to similar measures presented by other issuers.

AFFO<sup>(1)</sup> includes an adjustment for leasing costs and maintenance capital expenditures, which is calculated using actual expenditures for certain portfolios and a reserve-based estimate for others. Actual leasing and maintenance capital expenditures may differ from the adjustment reflected in AFFO in a given period due to the timing of leasing activity and capital projects.

AFFO<sup>(1)</sup> is generated across the REIT's international operations in multiple currencies and is presented in Canadian dollars. As a result, foreign exchange movements may affect the Canadian-dollar presentation of AFFO<sup>(1)</sup> in a given period. Management does not consider foreign currency movements to be indicative of the underlying operating performance or recurring cash outflows associated with the REIT's income-producing real estate portfolio.

(\$ thousands except where otherwise indicated)	Note	Three Months			Year Ended		
		2025	2024	\$ Change	2025	2024	\$ Change
<b>Funds from Operations<sup>(1)</sup></b>		<b>\$ 30,621</b>	\$ 23,674	\$ 6,947	<b>\$ 109,434</b>	\$ 88,871	\$ 20,563
Add / (Deduct):							
Amortization of transactional deferred financing charges	A	—	271	(271)	<b>3,350</b>	15,405	(12,055)
Unit-based compensation expense	B	<b>2,624</b>	2,102	522	<b>8,333</b>	4,463	3,870
Straight-line rental revenue		<b>(579)</b>	859	(1,438)	<b>(3,252)</b>	(1,257)	(1,995)
Leasing costs and non-recoverable maintenance capital expenditures		<b>(3,164)</b>	(2,625)	(539)	<b>(12,284)</b>	(11,833)	(451)
<b>Adjusted Funds from Operations<sup>(1)</sup></b>		<b>\$ 29,502</b>	\$ 24,281	\$ 5,221	<b>\$ 105,581</b>	\$ 95,649	\$ 9,932
AFFO <sup>(1)</sup> per Unit - Basic		<b>\$ 0.12</b>	\$ 0.10	\$ 0.02	<b>\$ 0.42</b>	\$ 0.39	\$ 0.03
AFFO <sup>(1)</sup> per Unit - Diluted		<b>\$ 0.12</b>	\$ 0.10	\$ 0.02	<b>\$ 0.42</b>	\$ 0.39	\$ 0.03
Distributions per Unit		<b>\$ 0.09</b>	\$ 0.09	\$ —	<b>\$ 0.36</b>	\$ 0.36	\$ —
<b>Weighted average number of units outstanding</b>							
Basic		<b>249,992,670</b>	247,493,809	2,498,861	<b>249,160,422</b>	246,438,793	2,721,629
Diluted		<b>251,081,454</b>	248,641,782	2,439,672	<b>250,235,026</b>	247,663,589	2,571,437

### Management Adjustments Not Contemplated by REALPAC

The following adjustments are not contemplated by REALPAC guidance and reflect management's judgment regarding items that do not represent recurring operating performance of the REIT's income-producing real estate portfolio.

#### A. Amortization of transactional deferred financing charges

Under IFRS, deferred financing costs are amortized over the term of the related debt instruments and recognized as a non-cash expense. This amortization is financing-related in nature and does not represent a current-period cash outflow. Accordingly, amortization of deferred financing costs is excluded in determining AFFO. In certain circumstances, including short-term, transaction-related financings or the write-off of deferred financing costs on debt repaid prior to maturity, the associated cash outflows are reflected in AFFO in the period incurred.

#### B. Unit-based compensation expense

Unit-based compensation expense is recognized under IFRS over the applicable vesting period as a non-cash expense. This expense does not represent a current-period cash outflow and may be settled, at the REIT's option, through the issuance of a fixed number of units. Accordingly, unit-based compensation expense is excluded in determining AFFO.

### 11.3. Leasing Costs and Non-Recoverable Maintenance Capital Expenditures (Proportionate Basis)<sup>(1)</sup>

As discussed in Section 4.4, "Funds from Operations and Adjusted Funds from Operations", AFFO<sup>(1)</sup> includes an adjustment for leasing costs and non-recoverable maintenance capital expenditures intended to reflect the REIT's expected recurring capital requirements. The tables below present actual expenditures incurred during the period, on a proportionate basis<sup>(1)</sup> and by region, and reconcile these amounts to the AFFO adjustment, where applicable.

(\$ thousands)	Three months ended December 31, 2025				
	North America	Brazil	Europe	Australasia	Total
Additions to investment properties					
Leasing costs <sup>(i)</sup>	\$ 400	\$ —	\$ —	\$ 9	\$ 409
Tenant improvements <sup>(ii)</sup>	619	—	2,080	306	3,005
Maintenance capital expenditures	3,962	—	738	150	4,850
Other capital expenditures	2,982	—	145	152	3,279
	7,963	—	2,963	617	11,543
Internal leasing costs expensed	286	—	152	—	438
	8,249	—	3,115	617	11,981
Less:					
Recoverable maintenance capital expenditures	(3,734)	—	—	—	(3,734)
Other value enhancing leasing and capital expenditures	(1,710)	—	(2,208)	(472)	(4,390)
Leasing costs and non-recoverable maintenance capital expenditures	2,805	—	907	145	3,857
AFFO adjustment for leasing costs and non-recoverable maintenance capital expenditures	(2,051)	—	(968)	(145)	(3,164)
<b>Leasing costs and non-recoverable maintenance capital expenditures above or (below) the AFFO adjustment</b>	<b>\$ 754</b>	<b>\$ —</b>	<b>\$ (61)</b>	<b>\$ —</b>	<b>\$ 693</b>

(\$ thousands)	Year ended December 31, 2025				
	North America	Brazil	Europe	Australasia	Total
Additions to investment properties					
Leasing costs <sup>(i)</sup>	\$ 3,078	\$ —	\$ —	\$ 141	\$ 3,219
Tenant improvements <sup>(ii)</sup>	2,949	—	5,161	1,581	9,691
Maintenance capital expenditures	5,711	—	3,288	546	9,545
Other capital expenditures	5,066	—	2,617	1,866	9,549
	16,804	—	11,066	4,134	32,004
Internal leasing costs expensed	1,220	—	583	—	1,803
	18,024	—	11,649	4,134	33,807
Less:					
Recoverable maintenance capital expenditures	(5,483)	—	(71)	—	(5,554)
Other value enhancing leasing and capital expenditures	(4,409)	—	(6,643)	(3,142)	(14,194)
Leasing costs and non-recoverable maintenance capital expenditures	8,132	—	4,935	992	14,059
AFFO adjustment for leasing costs and non-recoverable maintenance capital expenditures	(8,032)	—	(3,260)	(992)	(12,284)
<b>Leasing costs and non-recoverable maintenance capital expenditures above or (below) the AFFO adjustment</b>	<b>\$ 100</b>	<b>\$ —</b>	<b>\$ 1,675</b>	<b>\$ —</b>	<b>\$ 1,775</b>

(i) Leasing costs exclude internal leasing department compensation costs, which are expensed as incurred.

(ii) Tenant improvements include tenant allowances, landlord work and other maintenance-related activities.

## 11.4. Selected Information For Comparative Purposes

The following table reconciles net income (loss) attributable to unitholders in accordance with IFRS to FFO<sup>(1)</sup> and AFFO<sup>(1)</sup> for the periods ended as indicated. Refer to Section 4.4, "Funds from Operations and Adjusted Funds from Operations" and Section 11, "Non-GAAP and Other Supplementary Measures" for further details about this non-GAAP measure.

(\$ thousands except where otherwise indicated)	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24	Q3-24	Q2-24	Q1-24
<b>Net income (loss) attributable to unitholders</b>	<b>\$ (94,087)</b>	<b>\$ 16,165</b>	<b>\$ 25,960</b>	<b>\$ (890)</b>	<b>\$ 8,465</b>	<b>\$ (138,252)</b>	<b>\$ (122,338)</b>	<b>\$ (47,607)</b>
Add / (Deduct):								
Fair value (gains) losses	52,366	348	(6,995)	13,934	26,519	146,541	166,290	78,878
Finance cost - Exchangeable Unit distributions	—	—	—	—	—	—	—	(63)
Accretion of financial liabilities	2,031	970	397	3,419	1,876	937	424	4,008
Unrealized foreign exchange loss (gain)	(964)	33	(4,201)	(1,685)	(21,825)	1,858	752	(14,043)
Deferred tax expense (recovery)	16,655	3,958	3,796	(2,294)	1,414	(26,027)	(33,922)	(4,590)
Transaction costs	3,475	3,201	2,384	9,432	3,064	5,011	4,568	3,077
Net loss on disposal of assets	169	593	3,199	1,367	3,189	20,990	4,813	4,404
Loss on internalization of Vital Trust	48,853	—	—	—	—	—	—	—
Convertible debenture issuance costs	—	—	—	—	—	—	—	27
Internal leasing costs	438	526	439	400	300	312	293	358
Property taxes accounted for under IFRIC 21	(8)	(20)	8	20	47	(108)	(74)	135
Net adjustment for lease liabilities	(79)	25	102	(81)	4	(189)	(125)	(125)
Employee termination benefits and related expenses	1,570	2,078	1,234	382	—	3,807	—	—
Financing and investment-related costs	—	—	—	15	176	448	1,189	1,461
G&A expenses related to strategic tenant inducements and charitable pledge	202	198	198	198	445	447	444	1,037
<b>FFO<sup>(1)</sup></b>	<b>30,621</b>	<b>28,075</b>	<b>26,521</b>	<b>24,217</b>	<b>23,674</b>	<b>15,775</b>	<b>22,314</b>	<b>26,957</b>
<b>Per Unit Amounts</b>								
FFO <sup>(1)</sup> per unit - Basic	\$ 0.12	\$ 0.11	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.06	\$ 0.09	\$ 0.11
FFO <sup>(1)</sup> per unit - Diluted	\$ 0.12	\$ 0.11	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.06	\$ 0.09	\$ 0.11
<b>Weighted average number of units outstanding</b>								
Basic	249,992,670	249,662,325	248,856,278	248,104,145	247,493,809	246,832,144	246,032,139	245,381,166
Diluted	251,081,454	250,712,935	249,941,309	249,111,151	248,641,782	247,870,148	247,415,816	246,703,287

The following table presents the reconciliation from FFO<sup>(1)</sup> to AFFO<sup>(1)</sup> for the periods indicated:

(\$ thousands except where otherwise indicated)	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24	Q3-24	Q2-24	Q1-24
<b>FFO<sup>(1)</sup></b>	<b>\$ 30,621</b>	<b>\$ 28,075</b>	<b>\$ 26,521</b>	<b>\$ 24,217</b>	<b>\$ 23,674</b>	<b>\$ 15,775</b>	<b>\$ 22,314</b>	<b>\$ 26,957</b>
Add / (Deduct):								
Amortization of transactional deferred financing charges	—	—	1,447	1,903	271	10,318	2,031	2,785
Unit-based compensation expense	2,624	2,118	1,018	2,573	2,102	(458)	270	2,549
Straight-line rental revenue	(579)	(824)	(543)	(1,306)	859	(416)	(513)	(1,186)
Leasing costs and non-recoverable maintenance capital expenditures	(3,164)	(3,041)	(3,036)	(3,041)	(2,625)	(2,867)	(2,916)	(3,426)
<b>AFFO<sup>(1)</sup></b>	<b>\$ 29,502</b>	<b>\$ 26,328</b>	<b>\$ 25,407</b>	<b>\$ 24,346</b>	<b>\$ 24,281</b>	<b>\$ 22,352</b>	<b>\$ 21,186</b>	<b>\$ 27,679</b>

**Per Unit Amounts**

AFFO <sup>(1)</sup> per unit - Basic	\$ 0.12	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09	\$ 0.09	\$ 0.11
AFFO <sup>(1)</sup> per unit - Diluted	\$ 0.12	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09	\$ 0.09	\$ 0.11

**Weighted average number of units outstanding**

Basic	249,992,670	249,662,325	248,856,278	248,104,145	247,493,809	246,832,144	246,032,139	245,381,166
Diluted	251,081,454	250,712,935	249,941,309	249,111,151	248,641,782	247,870,148	247,415,816	246,703,287

## 11.5. Investment Properties Continuity by Region (Proportionate Basis)

The following tables present the continuity of investment properties by region on a proportionate basis<sup>(1)</sup> for the periods indicated and supplement the consolidated investment property continuity discussed in Section 6, "Investment Properties".

(\$ thousands)	Three months ended December 31, 2025				
	Income Producing Properties				
	North America	Brazil	Europe	Australasia	Total
<b>IFRS basis balance, beginning of period</b>	<b>\$ 1,300,966</b>	<b>\$ 688,321</b>	<b>\$ 617,551</b>	<b>\$ 2,451,234</b>	<b>\$ 5,058,072</b>
Adjustments <sup>(1)</sup>	—	—	203,726	(1,084,396)	(880,670)
<b>Non-IFRS proportionate balance, beginning of period</b>	<b>1,300,966</b>	<b>688,321</b>	<b>821,277</b>	<b>1,366,838</b>	<b>4,177,402</b>
Additions to investment properties	7,776	—	3,382	2,662	13,820
Additions to (amortization of) straight line rents	493	57	(29)	536	1,057
Transfers from (to) properties under development	—	—	—	1,428	1,428
Transfers from (to) assets held for sale	—	—	(465,716)	—	(465,716)
Transfer to equity accounted investments on loss of control of Vital Trust	—	—	—	(610,439)	(610,439)
Fair value gain (loss)	(4,523)	11,456	(74,154)	11,122	(56,099)
Foreign currency translation	(5,440)	(31,184)	(7,737)	(53,318)	(97,679)
<b>Non-IFRS proportionate balance, end of period</b>	<b>\$ 1,299,272</b>	<b>\$ 668,650</b>	<b>\$ 277,023</b>	<b>\$ 718,829</b>	<b>\$ 2,963,774</b>

(\$ thousands)	Properties Under Development				
	North America	Brazil	Europe	Australasia	Total
	<b>IFRS basis balance, beginning of period</b>	<b>\$ 11,000</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 315,326</b>
Adjustments <sup>(1)</sup>	—	—	—	(221,165)	(221,165)
<b>Non-IFRS proportionate balance, beginning of period</b>	<b>11,000</b>	<b>—</b>	<b>—</b>	<b>94,161</b>	<b>105,161</b>
Additions to investment properties	3,969	—	—	3,656	7,625
Additions to (amortization of) straight line rents	—	—	—	(1)	(1)
Transfers from (to) income producing	—	—	—	(1,428)	(1,428)
Transfer to equity accounted investments on loss of control of Vital Trust	—	—	—	(82,073)	(82,073)
Fair value gain (loss)	(1,087)	—	—	(1,316)	(2,403)
Foreign currency translation	—	—	—	(7,977)	(7,977)
<b>Non-IFRS proportionate balance, end of period</b>	<b>\$ 13,882</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 5,022</b>	<b>\$ 18,904</b>

(\$ thousands)	Total				
	North America	Brazil	Europe	Australasia	Total
	<b>IFRS basis balance, beginning of period</b>	<b>\$ 1,311,966</b>	<b>\$ 688,321</b>	<b>\$ 617,551</b>	<b>\$ 2,766,560</b>
Adjustments <sup>(1)</sup>	—	—	203,726	(1,305,561)	(1,101,835)
<b>Non-IFRS proportionate balance, beginning of period</b>	<b>1,311,966</b>	<b>688,321</b>	<b>821,277</b>	<b>1,460,999</b>	<b>4,282,563</b>
Additions to investment properties	11,745	—	3,382	6,318	21,445
Additions to (amortization of) straight line rents	493	57	(29)	535	1,056
Transfers from (to) assets held for sale	—	—	(465,716)	—	(465,716)
Transfer to equity accounted investments on loss of control of Vital Trust	—	—	—	(692,512)	(692,512)
Fair value gain (loss)	(5,610)	11,456	(74,154)	9,806	(58,502)
Foreign currency translation	(5,440)	(31,184)	(7,737)	(61,295)	(105,656)
<b>Non-IFRS proportionate balance, end of period</b>	<b>\$ 1,313,154</b>	<b>\$ 668,650</b>	<b>\$ 277,023</b>	<b>\$ 723,851</b>	<b>\$ 2,982,678</b>

(\$ thousands)	Year ended December 31, 2025				
	Income Producing Properties				
	North America	Brazil	Europe	Australasia	Total
<b>IFRS basis balance, beginning of period</b>	<b>\$ 1,340,638</b>	<b>\$ 612,744</b>	<b>\$ 552,224</b>	<b>\$ 2,410,104</b>	<b>\$ 4,915,710</b>
Adjustments <sup>(1)</sup>	—	—	183,248	(1,069,422)	(886,174)
<b>Non-IFRS proportionate balance, beginning of period</b>	<b>1,340,638</b>	<b>612,744</b>	<b>735,472</b>	<b>1,340,682</b>	<b>4,029,536</b>
Additions	17,323	—	12,447	12,436	42,206
Increase in straight-line rents	2,143	220	(1,104)	2,355	3,614
Transfers from (to) properties under development	—	—	—	17,526	17,526
Transfers from (to) assets held for sale	(35,659)	—	(465,716)	(18,494)	(519,869)
Transfer to equity accounted investments on loss of control of Vital Trust	—	—	—	(610,439)	(610,439)
Fair value gain (loss)	(8,352)	10,380	(66,342)	(3,192)	(67,506)
Foreign currency translation	(16,821)	45,306	62,266	(22,045)	68,706
<b>Non-IFRS proportionate balance, end of period</b>	<b>\$ 1,299,272</b>	<b>\$ 668,650</b>	<b>\$ 277,023</b>	<b>\$ 718,829</b>	<b>\$ 2,963,774</b>
	Properties Under Development				
	North America	Brazil	Europe	Australasia	Total
<b>IFRS basis balance, beginning of period</b>	<b>\$ 10,000</b>	<b>\$ —</b>	<b>\$ 10,598</b>	<b>\$ 324,682</b>	<b>\$ 345,280</b>
Adjustments <sup>(1)</sup>	—	—	—	(227,230)	(227,230)
<b>Non-IFRS proportionate balance, beginning of period</b>	<b>10,000</b>	<b>—</b>	<b>10,598</b>	<b>97,452</b>	<b>118,050</b>
Dispositions	—	—	—	(448)	(448)
Additions	4,905	—	106	24,574	29,585
Increase in straight-line rents	—	—	(475)	(5)	(480)
Transfers from (to) income producing	—	—	—	(17,526)	(17,526)
Transfers from (to) assets held for sale	—	—	(10,625)	(3,669)	(14,294)
Transfer to equity accounted investments on loss of control of Vital Trust	—	—	—	(82,072)	(82,072)
Fair value gain (loss)	(1,023)	—	278	(7,854)	(8,599)
Foreign currency translation	—	—	118	(5,430)	(5,312)
<b>Non-IFRS proportionate balance, end of period</b>	<b>\$ 13,882</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 5,022</b>	<b>\$ 18,904</b>
	Total				
	North America	Brazil	Europe	Australasia	Total
<b>IFRS basis balance, beginning of period</b>	<b>\$ 1,350,638</b>	<b>\$ 612,744</b>	<b>\$ 562,822</b>	<b>\$ 2,734,786</b>	<b>\$ 5,260,990</b>
Adjustments <sup>(1)</sup>	—	—	183,248	(1,296,652)	(1,113,404)
<b>Non-IFRS proportionate balance, beginning of period</b>	<b>1,350,638</b>	<b>612,744</b>	<b>746,070</b>	<b>1,438,134</b>	<b>4,147,586</b>
Dispositions	—	—	—	(448)	(448)
Additions	22,228	—	12,553	37,010	71,791
Increase in straight-line rents	2,143	220	(1,579)	2,350	3,134
Transfers from (to) assets held for sale	(35,659)	—	(476,341)	(22,163)	(534,163)
Transfer to equity accounted investments on loss of control of Vital Trust	—	—	—	(692,511)	(692,511)
Fair value gain (loss)	(9,375)	10,380	(66,064)	(11,046)	(76,105)
Foreign currency translation	(16,821)	45,306	62,384	(27,475)	63,394
<b>Non-IFRS proportionate balance, end of period</b>	<b>\$ 1,313,154</b>	<b>\$ 668,650</b>	<b>\$ 277,023</b>	<b>\$ 723,851</b>	<b>\$ 2,982,678</b>

## 11.6. Mortgages and Term Debt Continuity by Region (Proportionate Basis)

The following tables present the continuity of the REIT's mortgages and term debt by region (before reclassification as held for sale) on a proportionate basis<sup>(1)</sup> for the three months and year ended December 31, 2025.

These schedules supplement the consolidated debt continuity discussed in Section 7.3, "Total Debt".

	For the three months ended December 31, 2025					
(\$ thousands)	North America Mortgages	Brazil Term Loans	Europe Mortgages	Australasia Term Loans	Corporate Debt	Total
<b>Opening balance, September 30, 2025</b>	<b>\$ 304,646</b>	<b>\$ 133,313</b>	<b>\$ 423,381</b>	<b>\$ 747,085</b>	<b>\$ 173,693</b>	<b>\$ 1,782,118</b>
Principal amortization	(2,121)	(6,916)	(3,110)	—	—	(12,147)
Repayments	(21,004)	—	—	(12,945)	(127,189)	(161,138)
Refinancings	—	—	487	—	—	487
Advances	—	—	239	1,032	—	1,271
Inflation adjustment	—	2,031	—	—	—	2,031
Foreign exchange adjustment	(3)	(5,808)	(6,252)	(51,787)	(1,462)	(65,312)
Derecognition due to loss of control of Vital Trust	—	—	—	(259,498)	—	(259,498)
	281,518	122,620	414,745	423,887	45,042	1,287,812
Unamortized deferred financing costs	(902)	(1,164)	(1,219)	(824)	(2,045)	(6,154)
<b>Ending balance, December 31, 2025</b>	<b>\$ 280,616</b>	<b>\$ 121,456</b>	<b>\$ 413,526</b>	<b>\$ 423,063</b>	<b>\$ 42,997</b>	<b>\$ 1,281,658</b>

	For the year ended December 31, 2025					
(\$ thousands)	North America Mortgages and Term Loans	Brazil Term Loans	Europe Mortgages and Term Loans	Australasia Term Loans	Corporate Debt	Total
<b>Opening balance, January 1, 2025</b>	<b>\$ 567,200</b>	<b>\$ 131,715</b>	<b>\$ 484,109</b>	<b>\$ 720,077</b>	<b>\$ 415,107</b>	<b>\$ 2,318,208</b>
Principal amortization	(9,655)	(25,816)	(11,741)	—	—	(47,212)
Repayments	(276,632)	—	(156,415)	(79,932)	(612,639)	(1,125,618)
Refinancings	(24,557)	—	487	—	—	(24,070)
Advances	25,531	—	66,077	80,570	243,950	416,128
Inflation adjustment	—	6,817	—	—	—	6,817
Foreign exchange adjustment	(369)	9,904	32,228	(37,330)	(1,376)	3,057
Derecognition due to loss of control of Vital Trust	—	—	—	(259,498)	—	(259,498)
	281,518	122,620	414,745	423,887	45,042	1,287,812
Unamortized deferred financing costs	(902)	(1,164)	(1,219)	(824)	(2,045)	(6,154)
<b>Ending balance, December 31, 2025</b>	<b>\$ 280,616</b>	<b>\$ 121,456</b>	<b>\$ 413,526</b>	<b>\$ 423,063</b>	<b>\$ 42,997</b>	<b>\$ 1,281,658</b>

## 11.7. Financial Ratio Calculations

The following tables present the calculations supporting the leverage, coverage, and supplementary financial ratios disclosed in Section 7.6, "Financial Ratios". Ratios are calculated in accordance with the definitions contained in the REIT's Declaration of Trust, revolving credit agreement and senior unsecured debenture indentures, as applicable, or as otherwise used by management.

### Debt to Gross Book Value Ratios

The following tables present the calculation of Total Debt and Gross Book Value used in determining the leverage ratios disclosed in Section 7.6, "Financial Ratios":

(\$ thousands)	As at December 31, 2025		As at December 31, 2024	
	IFRS	Proportionate Basis <sup>(1)</sup>	IFRS	Proportionate Basis <sup>(1)</sup>
Mortgages, term debt and credit facilities	\$ 613,487	\$ 1,018,639	\$ 2,635,545	\$ 2,301,824
Debentures	746,631	746,631	356,963	356,963
Lease liabilities	10,300	10,300	21,506	15,663
Unamortized financing costs	7,981	8,832	13,140	11,812
Liabilities related to assets held for sale	221,065	263,019	—	—
<b>Debt<sup>(1)</sup></b>	<b>\$ 1,599,464</b>	<b>\$ 2,047,421</b>	<b>\$ 3,027,154</b>	<b>\$ 2,686,262</b>

(\$ thousands except where otherwise indicated)	As at December 31, 2025		As at December 31, 2024	
	IFRS	Proportionate Basis <sup>(1)</sup>	IFRS	Proportionate Basis <sup>(1)</sup>
Debt <sup>(1)</sup>	\$ 1,599,464	\$ 2,047,421	\$ 3,027,154	\$ 2,686,262
Gross Book Value <sup>(1)</sup>	3,449,090	3,909,736	6,049,576	4,604,684
<b>Debt to Gross Book Value<sup>(1)</sup></b>	<b>46.4 %</b>	<b>52.4 %</b>	<b>50.0 %</b>	<b>58.3 %</b>

### Adjusted EBITDA<sup>(1)</sup>

Adjusted EBITDA<sup>(1)</sup> is calculated on both an IFRS and proportionate basis and is used in the calculation of the interest coverage, debt service coverage, and Debt to Adjusted EBITDA<sup>(1)</sup> ratios disclosed in Section 7.6, "Financial Ratios".

(\$ thousands)	For the three months ended			
	December 31, 2025		December 31, 2024	
	IFRS Basis	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Proportionate Basis <sup>(1)</sup>
<b>Net income (loss)</b>	<b>\$ (27,037)</b>	<b>\$ (94,087)</b>	<b>\$ 2,928</b>	<b>\$ 8,465</b>
Finance costs	32,529	30,152	38,749	37,104
Income tax expense (recovery)	(12,579)	16,191	5,137	5,905
Amortization of other assets	549	549	522	522
Fair value adjustment of convertible debentures	(195)	(195)	238	238
Fair value adjustment of investment properties	37,921	57,930	29,924	13,733
Fair value adjustment of financial instruments	(13,313)	(5,173)	14,873	16,715
Fair value adjustment of unit-based compensation liabilities	(196)	(196)	(4,167)	(4,167)
Accretion of financial liabilities	2,031	2,031	1,876	1,876
Unrealized foreign exchange loss (gain)	(130)	(964)	(21,542)	(21,825)
Transaction costs	3,674	3,475	4,393	3,064
Loss on internalization of Vital Trust	51,595	48,853	—	—
Net loss on disposal of assets	1,525	1,049	3,274	2,687
Employee termination benefits and related expenses	1,570	1,570	—	—
Unit-based compensation expense	2,624	2,624	2,102	2,102
Net adjustments for equity accounted investments	(2,805)	—	1,092	—
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 77,763</b>	<b>\$ 63,809</b>	<b>\$ 79,399</b>	<b>\$ 66,419</b>

(\$ thousands)	For the year ended			
	December 31, 2025		December 31, 2024	
	IFRS Basis	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Proportionate Basis <sup>(1)</sup>
<b>Net income (loss)</b>	\$ 21,221	\$ (52,852)	\$ (320,204)	\$ (299,757)
Finance costs	137,041	129,267	213,087	207,271
Income tax expense (recovery)	6,061	29,467	(49,509)	(51,636)
Amortization of other assets	2,253	2,253	3,671	3,671
Fair value adjustment of convertible debentures	17,346	17,346	36,109	36,109
Fair value adjustment of investment properties	61,868	76,781	368,791	357,155
Fair value adjustment of financial instruments	(37,983)	(35,539)	25,014	21,911
Fair value adjustment of unit-based compensation liabilities	1,066	1,066	(3,687)	(3,687)
Accretion of financial liabilities	6,817	6,817	7,245	7,245
Unrealized foreign exchange loss (gain)	(4,718)	(6,817)	(32,635)	(33,258)
Transaction costs	18,697	18,492	16,693	15,009
Loss on internalization of Vital Trust	51,595	48,853	—	—
Net loss on disposal of assets	6,614	5,627	34,670	33,413
Employee termination benefits and related expenses	5,263	5,263	3,807	3,807
Other finance expenses	—	—	169	169
Unit-based compensation expense	8,333	8,333	4,463	4,463
Net adjustments for equity accounted investments	7,591	—	40,982	—
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 309,065</b>	<b>\$ 254,357</b>	<b>\$ 348,666</b>	<b>\$ 301,885</b>

### Debt to Adjusted EBITDA<sup>(1)</sup> (Proportionate Basis)

Debt to Adjusted EBITDA<sup>(1)</sup> is presented on a proportionate basis<sup>(1)</sup>, consistent with how management monitors leverage across the REIT's consolidated and joint venture investments.

(\$ thousands except where otherwise indicated)	December 31, 2025	December 31, 2024
Debt <sup>(i)</sup>	\$ 2,047,421	\$ 2,686,262
Adjusted EBITDA <sup>(1)(i)</sup>	254,357	301,885
<b>Debt to Adjusted EBITDA<sup>(1)</sup></b>	<b>8.05</b>	<b>8.90</b>

(i) Adjusted EBITDA includes EBITDA earned from Vital Trust prior to deconsolidation, while debt excludes Vital Trust balances. Replacing Vital Trust EBITDA with distributions received from Vital Trust results in debt to adjusted EBITDA of 8.72 as at December 31, 2025.

## Interest Expense for Interest Coverage Ratio

Interest expense in the interest coverage ratio is calculated in accordance with the definitions contained in the REIT's senior unsecured debenture indentures.

For the years ended (\$ thousands)	December 31, 2025		December 31, 2024	
	IFRS Basis	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Proportionate Basis <sup>(1)</sup>
Interest expense	\$ 128,233	\$ 121,179	\$ 190,457	\$ 185,294
Capitalized interest	19,518	6,508	23,435	8,021
<b>Interest expense for interest coverage ratio</b>	<b>\$ 147,751</b>	<b>\$ 127,687</b>	<b>\$ 213,892</b>	<b>\$ 193,315</b>

## Interest Coverage Ratio

The following tables present the calculation of the interest coverage ratio disclosed in Section 7.6, "Financial Ratios":

(\$ thousands except where otherwise indicated)	For the rolling twelve months ended			
	December 31, 2025		December 31, 2024	
	IFRS Basis	Proportionate Basis <sup>(1)</sup>	IFRS Basis	Proportionate Basis <sup>(1)</sup>
Adjusted EBITDA <sup>(1)</sup>	\$ 309,065	\$ 254,357	\$ 348,666	\$ 301,885
Interest expense for interest coverage ratio	147,751	127,687	213,892	193,315
<b>Interest coverage ratio</b>	<b>2.09</b>	<b>1.99</b>	1.63	1.56

# Financial Statements

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## Management's Statement of Responsibility for Financial Reporting

Management of Northwest Healthcare Properties Real Estate Investment Trust (the "REIT") is responsible for the preparation and fair presentation of the accompanying consolidated financial statements and Management's Discussion and Analysis ("MD&A"), as well as all other financial information contained in this Annual Report. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Financial information included in the MD&A is consistent with the consolidated financial statements.

The preparation of the consolidated financial statements and MD&A requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

Management is responsible for establishing and maintaining appropriate internal controls over financial reporting to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are reliable for the preparation of financial statements in accordance with IFRS. In accordance with National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*, the REIT's Chief Executive Officer and Chief Financial Officer have evaluated the design and effectiveness of internal control over financial reporting as at December 31, 2025.

The Board of Trustees oversees management's responsibilities for financial reporting through its Audit Committee, which is comprised entirely of independent Trustees. The Audit Committee reviews the consolidated financial statements and MD&A with management and the independent auditors prior to their approval by the Board of Trustees and recommends the appointment of the independent auditors to the Unitholders. The independent auditors have unrestricted access to the Audit Committee.

Deloitte LLP, the independent auditors appointed by the Unitholders, have audited the consolidated financial statements of the REIT as at and for the year ended December 31, 2025 and have expressed their opinion thereon in the accompanying report. The consolidated financial statements as at and for the year ended December 31, 2024 were audited by KPMG LLP.

Toronto, Ontario  
February 24, 2026

**[signed]**  
**Zach Vaughan**  
Chief Executive Officer

**[signed]**  
**Stephanie Karamarkovic**  
Chief Financial Officer

# Independent Auditor's Report

To the Unitholders and the Board of Trustees of  
Northwest Healthcare Properties Real Estate Investment Trust

## Opinion

We have audited the consolidated financial statements of Northwest Healthcare Properties Real Estate Investment Trust (the "REIT"), which comprise the consolidated balance sheet as at December 31, 2025, and the consolidated statements of income (loss), comprehensive income (loss), changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the REIT as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the REIT in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

### **Fair Value of Investment Properties — Refer to Notes 2(g), 3(a) and 6 to the financial statements**

#### Key Audit Matter Description

The REIT has elected the fair value model for all investment properties and, accordingly, measures its investment properties at fair value subsequent to initial recognition on the balance sheet. The REIT primarily uses the discounted cash flow method or the direct capitalization method to estimate the fair value of investment properties, which requires the REIT to make assumptions related to discount rates, terminal capitalization rates, capitalization rates and assumptions impacting future cash flows such as market rents, inflation rates and vacancy rates.

While there are several assumptions that are required to determine the fair value of investment properties, the assumptions with the highest degree of subjectivity and impact on fair values are the discount rates, terminal capitalization rates, and capitalization rates. Auditing these assumptions required a high degree of auditor judgment and resulted in an increased extent of audit effort, including the need to involve fair value specialists.

#### How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to the discount rates, terminal capitalization rates and capitalization rates used to determine the fair value of the investment properties included the following, among others:

- Evaluated the effectiveness of controls over management's process for determining the fair value of investment properties, including those over the determination of the discount rates, terminal capitalization rates and capitalization rates.
- With the assistance of fair value specialists, evaluated the reasonableness of management's discount rates, terminal capitalization rates and capitalization rates by considering recent market transactions and industry surveys.

#### Other Matter

The consolidated financial statements for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on March 10, 2025.

#### Other Information

Management is responsible for the other information. The other information comprises

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in Northwest Healthcare Properties REIT 2025 Annual Report (the "Annual Report").

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis and the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the REIT's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the REIT or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the REIT's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the REIT's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the REIT's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if

such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the REIT to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the REIT as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Timothy Wilson.

/s/ Deloitte LLP

Chartered Professional Accountants  
Licensed Public Accountants  
Toronto, Ontario  
February 24, 2026

**Northwest Healthcare Properties Real Estate Investment Trust**  
**Consolidated Balance Sheets**

(in thousands of Canadian dollars)	Note	As at December 31, 2025	As at December 31, 2024
<b>Assets</b>			
Investment properties	6	\$ 2,270,989	\$ 5,260,990
Equity accounted investments	8	650,540	325,965
Intangible assets	5	—	47,687
Goodwill	5	—	37,178
Deferred tax assets	14	2,668	2,450
Derivative financial instruments	9	3,854	16,185
Other assets	10	27,576	224,090
Accounts receivable	27	15,414	24,506
Assets held for sale	7	383,968	59,278
Cash and cash equivalents		94,081	51,247
<b>Total assets</b>		<b>\$ 3,449,090</b>	<b>\$ 6,049,576</b>
<b>Liabilities</b>			
Mortgages, term debt and credit facilities	11	\$ 613,487	\$ 2,635,545
Debentures	12	746,631	356,963
Lease liabilities		10,300	21,506
Unit-based compensation liabilities	13	12,699	9,929
Deferred tax liabilities	14	240,340	315,221
Derivative financial instruments	9	237	6,181
Income taxes payable	14	3,732	10,175
Accounts payable and accrued liabilities	15	86,254	105,108
Distributions payable		7,499	7,433
Liabilities related to assets held for sale	7	221,065	\$ —
<b>Total liabilities</b>		<b>\$ 1,942,244</b>	<b>\$ 3,468,061</b>
<b>Equity</b>			
Unitholders' equity		\$ 1,506,846	\$ 1,563,417
Non-controlling interests	18	—	1,018,098
<b>Total equity</b>		<b>\$ 1,506,846</b>	<b>\$ 2,581,515</b>
<b>Total liabilities and equity</b>		<b>\$ 3,449,090</b>	<b>\$ 6,049,576</b>

Commitments and Contingencies (Note 31) and Subsequent Events (Note 33)  
See accompanying notes to the consolidated financial statements.

The consolidated financial statements were approved by the Board on February 24, 2026 and signed on its behalf by:

**[signed]**  
Robert Julien  
Chairman of the Board of Trustees

**[signed]**  
Maureen O'Connell  
Trustee, Chair of the Audit Committee

**Northwest Healthcare Properties Real Estate Investment Trust**  
**Consolidated Statements of Income (Loss)**

(in thousands of Canadian dollars)	Note	For the year ended	
		December 31, 2025	December 31, 2024
<b>Net property operating income</b>			
Revenue from investment properties	19	\$ 422,525	\$ 462,403
Property operating costs	20	(110,387)	(112,995)
		<b>312,138</b>	<b>349,408</b>
<b>Other income (expenses)</b>			
Interest and other income	21	13,555	18,840
Management fees		15,095	15,150
Share of income (loss) from equity accounted investments	8	6,986	(30,725)
Finance costs	22	(137,041)	(213,256)
General and administrative expenses	23	(61,991)	(58,174)
Transaction costs	24	(18,697)	(16,693)
Foreign exchange gain (loss)		4,560	33,879
Accretion of financial liabilities	11	(6,817)	(7,245)
Fair value adjustment of convertible debentures	12	(17,346)	(36,109)
Fair value adjustment of financial instruments	25	37,983	(25,014)
Fair value adjustment of investment properties	6, 7	(61,868)	(368,791)
Loss on internalization of Vital Trust	5	(51,595)	—
Net loss on disposals of assets	7	(6,614)	(34,670)
Fair value adjustment of unit-based compensation liabilities	13	(1,066)	3,687
<b>Income (loss) before taxes</b>		<b>27,282</b>	<b>(369,713)</b>
Current income tax (expense) recovery		(13,427)	(21,143)
Deferred income tax (expense) recovery		7,366	70,652
Income tax (expense) recovery		(6,061)	49,509
<b>Net income (loss)</b>		<b>\$ 21,221</b>	<b>\$ (320,204)</b>
<b>Net income (loss) attributable to:</b>			
Unitholders		\$ (52,852)	\$ (299,757)
Non-controlling interests	18	74,073	(20,447)
		<b>\$ 21,221</b>	<b>\$ (320,204)</b>

See accompanying notes to the consolidated financial statements

**Northwest Healthcare Properties Real Estate Investment Trust**  
**Consolidated Statements of Comprehensive Income (Loss)**

(in thousands of Canadian dollars)	Note	For the year ended	
		December 31, 2025	December 31, 2024
<b>Net income (loss)</b>		\$ 21,221	\$ (320,204)
<b>Other comprehensive income (loss):</b>			
Foreign currency translation adjustments		42,258	(79,552)
Accumulated OCI recognized on loss of control of Vital Trust	5	52,223	—
Change in relative interest of non-controlling interests		—	(505)
<b>Other comprehensive income (loss)</b>		\$ 94,481	\$ (80,057)
<b>Comprehensive income (loss)</b>		\$ 115,702	\$ (400,261)
<b>Comprehensive income (loss) attributable to:</b>			
Unitholders		\$ 41,657	\$ (364,336)
Non-controlling interests	18	74,045	(35,925)
		\$ 115,702	\$ (400,261)

See accompanying notes to the consolidated financial statements

**Northwest Healthcare Properties Real Estate Investment Trust**  
**Consolidated Statements of Changes in Equity**

	Note	Trust Units	Contributed Surplus	Cumulative Distributions	Accumulated Other Comprehensive Loss	Cumulative Net Income	Total Unitholders' Equity	Non-Controlling Interests (Note 18)	Total Equity
(in thousands of Canadian dollars)									
Balance, December 31, 2024		\$ 2,547,239	\$ 39,724	\$ (1,105,774)	\$ (359,725)	\$ 441,953	\$ 1,563,417	\$ 1,018,098	\$ 2,581,515
Public offering of Vital Trust units		—	—	—	—	—	—	184,024	184,024
Units issued through distribution reinvestment plan	16	9,744	—	—	—	—	9,744	6,810	16,554
Units issued on exercise of unit-based compensation	13	631	—	—	—	—	631	—	631
Change in relative interest of non-controlling interests	18	—	—	—	—	(18,888)	(18,888)	18,888	—
Conversion of convertible debentures	16	10	—	—	—	—	10	—	10
Distributions		—	—	(89,725)	—	—	(89,725)	(38,748)	(128,473)
Loss of control of Vital Trust	5	—	—	—	52,223	—	52,223	(1,263,117)	(1,210,894)
Foreign currency translation adjustments		—	—	—	42,286	—	42,286	(28)	42,258
Net income (loss)		—	—	—	—	(52,852)	(52,852)	74,073	21,221
<b>Balance, December 31, 2025</b>		<b>\$ 2,557,624</b>	<b>\$ 39,724</b>	<b>\$ (1,195,499)</b>	<b>\$ (265,216)</b>	<b>\$ 370,213</b>	<b>\$ 1,506,846</b>	<b>\$ —</b>	<b>\$ 1,506,846</b>
(in thousands of Canadian dollars)									
Balance, December 31, 2023		\$ 2,525,040	\$ 39,724	\$ (1,017,018)	\$ (293,415)	\$ 739,981	\$ 1,994,312	\$ 1,090,956	\$ 3,085,268
Units issued through distribution reinvestment plan		10,054	—	—	—	—	10,054	3,852	13,906
Units issued on exercise of unit-based compensation		3,219	—	—	—	—	3,219	—	3,219
Conversion of Class B LP exchangeable units		8,926	—	—	—	—	8,926	—	8,926
Change in relative interest of non-controlling interest	18	—	—	—	—	1,729	1,729	(2,234)	(505)
Distributions		—	—	(88,756)	—	—	(88,756)	(40,787)	(129,543)
Foreign currency translation adjustments		—	—	—	(66,310)	—	(66,310)	(13,242)	(79,552)
Net income (loss)		—	—	—	—	(299,757)	(299,757)	(20,447)	(320,204)
Balance, December 31, 2024		\$ 2,547,239	\$ 39,724	\$ (1,105,774)	\$ (359,725)	\$ 441,953	\$ 1,563,417	\$ 1,018,098	\$ 2,581,515

See accompanying notes to the consolidated financial statements

**Northwest Healthcare Properties Real Estate Investment Trust**  
**Consolidated Statements of Cash Flows**

(in thousands of Canadian dollars)	Note	For the year ended	
		December 31, 2025	December 31, 2024
<b>Operating activities</b>			
Net income (loss)		\$ 21,221	\$ (320,204)
Income tax expense (recovery)		6,061	(49,509)
Income taxes paid		(20,727)	(28,942)
Finance costs	22	137,041	213,256
Finance costs paid		(129,856)	(190,612)
Accretion of financial liabilities	11	6,817	7,245
Interest and other income	21	(13,555)	(18,840)
Share of (profit) loss of equity accounted investments	8	(6,986)	30,725
Transaction costs	24	18,697	16,693
Net loss on disposal of assets	7	6,614	34,670
Loss on internalization of Vital Trust	5	51,595	—
Redemption of units issued under unit-based compensation plans and paid in cash	13	(5,972)	(2,735)
Items not affecting cash	29	48,165	401,726
Changes in non-cash working capital balances	29	31,914	(6,829)
<b>Cash provided by operating activities</b>		<b>151,029</b>	<b>86,644</b>
<b>Investing activities</b>			
Net proceeds on disposal of investment properties	7	179,709	454,661
Net proceeds from disposition of investments in real estate securities	6, 7	211,991	66,298
Distribution income	8, 10	7,267	14,825
Additions to investment properties	6, 7	(120,649)	(185,335)
Transaction costs paid	23	(19,117)	(16,604)
Additions to furniture and fixtures		(1,907)	(882)
Cash interest received		3,785	3,484
Contributions in equity accounted investments	8	(5,333)	(2,135)
Net proceeds from internalization of Vital and dispositions of subsidiaries, net of cash disposed	5, 10	(30,573)	206,799
Net decrease (increase) to restricted cash		2,269	(1,029)
<b>Cash provided by (used in) investing activities</b>		<b>227,442</b>	<b>540,082</b>
<b>Financing activities</b>			
Proceeds from mortgages and loans	11	593,545	532,677
Repayments of mortgages and loans	11	(1,381,251)	(1,054,469)
Distributions paid on REIT units		(77,023)	(78,426)
Distributions paid to non-controlling interests	18	(31,938)	(36,869)
Financing fees paid on mortgage and loans payable	11	(4,643)	(10,409)
Proceeds from issuance of units, net of issuance costs	5	184,024	(51)
Issuance of debentures, net of financing fees	12	496,721	(27)
Repayment of convertible debentures	12	(124,990)	—
Repayment of lease liabilities		(2,879)	(2,992)
<b>Cash provided by (used in) financing activities</b>		<b>(348,434)</b>	<b>(650,566)</b>
<b>Change in cash and cash equivalents</b>		<b>30,037</b>	<b>(23,840)</b>
<b>Effect of foreign currency translation</b>		<b>12,797</b>	<b>3,057</b>
<b>Net change in cash and cash equivalents</b>		<b>42,834</b>	<b>(20,783)</b>
Cash and cash equivalents, beginning of year		51,247	72,030
<b>Cash and cash equivalents, end of year</b>	29	<b>\$ 94,081</b>	<b>\$ 51,247</b>

Supplemental disclosure of non-cash operating activities (Note 29)  
See accompanying notes to the consolidated financial statements

### Note 1. Nature and Description of the Trust

Northwest Healthcare Properties Real Estate Investment Trust ("Northwest", the "REIT", or the "Trust"), is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario. Established on January 1, 2010, the Trust operates pursuant to a third amended and restated Declaration of Trust dated September 15, 2020, as amended from time to time, most recently on May 14, 2025 (the "Declaration of Trust").

Northwest invests in healthcare real estate through a diversified portfolio of inpatient facilities, outpatient facilities, and other healthcare-related properties. The registered office of the Trust is 180 Dundas Street West, Suite 1100, Toronto, Ontario, M5G 1Z8. Northwest's trust units ("Trust Units" or "Units") are listed on the Toronto Stock Exchange ("TSX") under the symbol "NWH.UN".

### Note 2. Summary of Material Accounting Policies

#### a. Statement of Compliance

The REIT's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and using the accounting policies described herein. The consolidated financial statements were authorized for issuance by the Board of Trustees of the REIT on February 24, 2026.

#### b. Basis of Preparation

The consolidated financial statements have been prepared in accordance with IFRS and are presented in thousands of Canadian dollars, which is the REIT's functional currency. They have been prepared on a historical cost basis, except for certain items that are measured at fair value, including investment properties, assets held for sale, financial instruments classified as fair value through profit or loss, derivative financial instruments, and unit-based compensation liabilities. The consolidated financial statements have been prepared on a going concern basis.

The REIT presents its consolidated balance sheet using the liquidity method, whereby all assets and liabilities are presented in ascending order of liquidity, while the accompanying notes distinguish between current and non-current classifications. Management believes this presentation provides reliable and relevant information given the nature of the REIT's operations and the underlying characteristics of its asset base.

#### c. Basis of Consolidation

The consolidated financial statements include the accounts of the REIT and its subsidiaries, which are entities controlled by the REIT. The REIT controls an entity when it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. Subsidiaries are consolidated from the date control is obtained and continue to be consolidated until the date control ceases, which generally occurs when the REIT disposes of its controlling interest in the entity or otherwise loses the ability to direct the relevant activities of the entity.

The financial information of all subsidiaries is prepared for the same reporting period as the REIT and using consistent accounting policies. All intercompany balances, transactions, income and expenses are eliminated in full on consolidation. Unrealized gains and losses on transactions with equity-accounted investees are eliminated against the investment to the extent of the REIT's interest, unless the unrealized loss provides evidence of impairment.

Where the REIT consolidates a subsidiary in which it does not hold 100% ownership, the non-controlling interest is presented separately within equity. Changes in the REIT's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions, with any difference between the consideration transferred and the adjustment to non-controlling interests recognized directly in unitholders' equity.

When the REIT loses control of a subsidiary, it derecognizes the assets, liabilities and any associated non-controlling interests, and recognizes any retained interest at its fair value at the date control is lost. Any resulting gain or loss is recognized in profit or loss. Where applicable, this includes the derecognition of any goodwill or intangible assets allocated to the subsidiary (Note 5). Subsequent accounting for any retained interest is determined by reference to the applicable IFRS guidance based on the nature of that interest.

**d. Functional and Presentation Currency**

Foreign operations

The REIT's functional and presentation currency is the Canadian dollar. The assets and liabilities of subsidiaries, associates and joint ventures with functional currencies other than the Canadian dollar are translated at the exchange rate in effect at the reporting date. Revenue and expenses are translated at average rates for the period, unless those rates do not reasonably approximate the rates on the transaction dates, in which case the transaction-date rates are used. Resulting translation differences are recognized in other comprehensive income ("OCI") and accumulated in equity as foreign currency translation adjustments.

On disposal of a foreign operation, the cumulative amount of related translation differences recognized in accumulated OCI is reclassified to profit or loss as part of the gain or loss on disposal.

Intercompany monetary items for which settlement is neither planned nor likely to occur in the foreseeable future are considered to form part of the REIT's net investment in the foreign operation. Foreign exchange gains and losses arising on these balances are recognized in OCI and accumulated in foreign currency translation adjustments. Repayment of such long-term balances is not considered a partial disposal of the REIT's net investment unless it results in a change in the REIT's relative ownership interest.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency of the REIT or the applicable subsidiary using the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the reporting date, with resulting foreign exchange gains and losses recognized in profit or loss, except to the extent they relate to monetary items that form part of the REIT's net investment in a foreign operation, which are recognized in OCI.

Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction. Non-monetary items measured at fair value are translated using the exchange rate in effect on the date the fair value is determined, with translation differences recognized consistently with the underlying fair-value measurement.

**e. Business Combinations and Asset Acquisitions**

The REIT evaluates each acquisition of real estate or an interest in an entity holding real estate to determine whether it represents a business combination or an asset acquisition.

An acquisition is accounted for as a business combination when the acquired set of activities and assets includes inputs and substantive processes that together are capable of producing outputs. The REIT applies a concentration test on a consistent basis; when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar assets, the transaction is concluded to be an asset acquisition.

For business combinations, the acquisition method is applied. Identifiable assets acquired and liabilities assumed are recognized at their fair values at the acquisition date, and the consideration transferred is measured at fair value. Acquisition-related costs are expensed as incurred. Any excess of the consideration transferred over the fair value of the identifiable net assets acquired is recognized as goodwill, while any shortfall is recognized immediately in profit or loss. Contingent consideration is measured at fair value on the acquisition date, with subsequent changes generally recognized in profit or loss.

Acquisitions that do not meet the definition of a business are accounted for as asset acquisitions. The consideration transferred, including transaction costs, is allocated to the identifiable assets acquired and liabilities assumed on a relative fair-value basis, and no goodwill is recognized.

**f. Joint Arrangements**

A joint arrangement exists when two or more parties have joint control, meaning that decisions about the arrangement's relevant activities require the unanimous consent of the parties sharing control. Joint arrangements are classified as either joint ventures or joint operations based on the REIT's rights and obligations, which are assessed by considering the arrangement's contractual terms, structure and legal form.

Joint Ventures

A joint venture is a joint arrangement in which the parties have rights to the net assets of the arrangement. The REIT accounts for its interests in joint ventures using the equity method. Under this method, the investment is initially recognized at cost and is subsequently adjusted to reflect the REIT's share of the joint venture's profit or loss and other comprehensive income. These amounts are recognized in the consolidated statements of income (loss) and the consolidated statements of comprehensive income (loss).

The financial information of joint ventures is prepared for the same reporting period as the REIT. Where necessary, adjustments are made to ensure that the accounting policies applied by the joint ventures are consistent with those of the REIT.

The REIT assesses its joint venture investments for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indicators exist, the recoverable amount is estimated and an impairment loss is recognized if the carrying amount exceeds that recoverable amount.

### Investments in Associates

An associate is an entity over which the REIT has significant influence but neither control nor joint control, generally evidenced by an ownership interest of 20% or more and representation on the investee's board of directors or equivalent governing body. Investments in associates are accounted for using the equity method, consistent with the policy described above for joint ventures. The investment is initially recognized at cost and is subsequently adjusted to reflect the REIT's share of the associate's profit or loss and other comprehensive income, which are recognized in the consolidated statements of income and comprehensive income.

### Joint Operations

A joint operation is a joint arrangement in which the parties have rights to the assets and obligations for the liabilities of the arrangement. The REIT recognizes its proportionate share of the joint operation's assets, liabilities, revenues and expenses in the consolidated financial statements, consistent with the terms of the arrangement. The financial information of joint operations is prepared for the same reporting period as the REIT, and accounting policies are aligned where required.

## **g. Investment Properties**

Investment properties include income-producing properties and properties under development that are held to earn rental income, for capital appreciation, or both. These properties are initially measured at cost, which includes the purchase price and directly attributable expenditures such as legal fees, appraisal costs, land transfer taxes and other acquisition-related costs. After initial recognition, investment properties are measured at fair value at each reporting date, with fair value changes recognized in profit or loss.

Fair values are determined by management using internal valuation models, supported by available market evidence and, where available and appropriate, valuation inputs or benchmarking information provided by independent third-party appraisers. Certain right-of-use assets that meet the definition of investment property are included within investment properties and measured at fair value, consistent with the REIT's accounting policy for investment properties. The REIT's valuation methodology, key assumptions and governance processes are described in Note 6.

### Income-Producing Properties

Income-producing properties ("IPP") represent completed and operating real estate assets held to generate rental income. IPP are carried at fair value each reporting period, with any resulting gains or losses recognized in profit or loss. The REIT capitalizes expenditures that improve a property's ability to generate future economic benefits or extend its useful life, such as building improvements or structural upgrades, while expenditures that maintain the property's existing condition are expensed as incurred.

IPP are derecognized upon disposal or when they are permanently withdrawn from use with no future economic benefit expected. Immediately before derecognition, the carrying amount of the property is updated to its fair value, and any difference between that fair value and the net proceeds on disposal is recognized in profit or loss.

### Properties Under Development

Properties under development ("PUD") include construction, redevelopment and intensification projects that are intended to become income-producing properties once complete. PUD are initially measured at cost and subsequently measured at fair value, consistent with the treatment of IPP, with any changes in fair value recognized in profit or loss.

Capitalized development costs include direct construction expenditures, development management fees, professional fees, permitting costs and other expenditures directly attributable to preparing the asset for its intended use. These costs continue to be capitalized until fair value becomes reliably measurable or until the project reaches practical completion, whichever occurs earlier. Practical completion is considered to occur when the property is capable of operating in the manner intended by management, which generally corresponds to substantial completion of construction and receipt of required occupancy or operating permits. Upon practical completion, the property is transferred to income-producing properties at its fair value.

Borrowing costs that are directly attributable to the acquisition, construction or development of properties under development or other qualifying assets are capitalized as part of the project cost. Capitalization begins when expenditures are underway and ceases when the asset is substantially complete and ready for its intended use.

**h. Assets and Liabilities Related to Assets Held for Sale**

Assets are classified as held for sale when their carrying amount is expected to be recovered principally through a sale transaction rather than through continuing use, and when management has committed to a plan to sell, the asset is available for immediate sale in its present condition, is being actively marketed at a price reasonable relative to current fair value, and sale is highly probable within one year.

When these conditions are met for a disposal group, the related assets and directly associated liabilities are classified as held for sale and presented separately on the consolidated balance sheet.

For investment properties, measurement continues at fair value with fair value changes recognized in profit or loss in accordance with the REIT's accounting policy. Other assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Liabilities classified as held for sale continue to be measured under the accounting policies applicable to those liabilities.

If the held-for-sale criteria are no longer met, the asset or disposal group is reclassified to its previous category and measured at fair value at the date of the change.

**i. Financial Instruments**

Financial instruments are recognized when the REIT becomes a party to the contractual provisions of the instrument. They are initially measured at fair value. For instruments not classified at fair value through profit or loss ("FVTPL"), transaction costs directly attributable to the acquisition or issuance are added to or deducted from the initial carrying amount. A financial asset is derecognized when the contractual rights to receive cash flows expire or when substantially all risks and rewards of ownership are transferred. A financial liability is derecognized when the related obligation is discharged, cancelled or expires. Financial assets and financial liabilities are offset and presented on a net basis only when the REIT has a legally enforceable right to offset the recognized amounts and intends to settle on a net basis.

Classification and Measurement

Financial assets and financial liabilities are classified based on the REIT's business model for managing the instruments and the nature of their contractual cash flows. Financial assets measured at amortized cost must have contractual cash flows that represent solely payments of principal and interest ("SPPI") and are held to collect those cash flows. The REIT does not hold financial assets classified as fair value through other comprehensive income ("FVOCI").

The following table summarizes the classification of the REIT's significant financial instruments:

<b>Asset/Liability</b>	<b>Classification and Measurement Basis</b>
Loans and mortgages receivable	Amortized cost
Accounts receivable	Amortized cost
Cash and cash equivalents	Amortized cost
Lease liabilities	Amortized cost
Mortgages payable	Amortized cost
Term loans	Amortized cost
Credit facilities	Amortized cost
Senior unsecured debentures	Amortized cost
Convertible debentures	FVTPL
Unit-based compensation liabilities	FVTPL
Derivative financial instruments	FVTPL
Accounts payable and accrued liabilities	Amortized cost

Convertible Debentures

The REIT's convertible debentures are hybrid instruments that provide holders with the option to convert the debentures into Trust Units. Because the Trust Units are classified as financial liabilities, the embedded conversion option cannot be classified as equity. Accordingly, the REIT designates the entire debenture at FVTPL. The debentures are remeasured at fair value each reporting period, with changes recognized in finance costs.

Financial Assets and Impairment

Financial assets measured at amortized cost, primarily tenant receivables and other receivables, are assessed for impairment using the expected credit loss ("ECL") model. For tenant receivables, the REIT applies the simplified approach and recognizes lifetime ECLs. For other receivables, the REIT applies a 12-month ECL unless credit risk has increased significantly. Loss allowances are recognized in profit or loss and reassessed at each reporting date. The ECL approach applied to mortgages and loans receivable is described under "Mortgages and Loans Receivable" below.

## Notes to the Consolidated Financial Statements

### Financial Liabilities

Financial liabilities classified at amortized cost are subsequently measured using the effective interest method, while those classified at FVTPL are remeasured at fair value at each reporting date with changes recognized in profit or loss. Further details on fair value measurement are provided in Note 26.

### Derivatives

The REIT uses derivative financial instruments, including interest rate swaps, interest rate caps and foreign exchange contracts, to manage exposure to fluctuations in interest rates and foreign currency exchange rates. Derivatives are recognized at fair value on the date the contract is entered into and are remeasured at fair value at each reporting date. Because the REIT does not apply hedge accounting, all fair value changes are recorded directly in profit or loss. Derivative assets and liabilities are presented on the consolidated balance sheet based on their relative liquidity.

### **j. Fair Value Measurement**

Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The REIT uses valuation techniques that reflect market participant assumptions and classifies fair-value measurements within a three-level hierarchy depending on the observability of inputs.

The REIT applies a fair value hierarchy that categorizes inputs used in valuation techniques as follows:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability, reflecting the REIT's own assumptions about the inputs that market participants would use.

The level within the hierarchy is determined based on the lowest-level input that is significant to the fair value measurement. Observable inputs are used whenever available and appropriate.

### Valuation Approaches for Financial Instruments

The REIT uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The following table summarizes the valuation approaches applied to the REIT's significant financial instruments:

Type of Instrument	Valuation Approach
<b>Financial instruments measured at FVTPL</b>	
Derivative financial instruments	Fair value is measured using model-based valuation techniques that incorporate observable market inputs such as forward interest rates, yield curves and foreign exchange rates.
Convertible debentures	Measured using quoted market prices when available; otherwise fair value is estimated using market-based pricing or discounted cash flow techniques reflecting current yields and credit spreads.
Unit-based compensation liabilities	Measured using the quoted market price of a REIT unit at the reporting date, adjusted for award-specific terms and expected vesting conditions.
<b>Financial instruments measured at amortized cost</b>	
Mortgages and loans receivable	Fair value is estimated using discounted cash flows based on market interest rates for similar loans with comparable credit risk.
Mortgages, term debt and credit facilities, senior unsecured debentures	For fixed-rate debt, fair value is estimated using discounted cash flow models incorporating current market interest rates for similar borrowings. For variable-rate debt, carrying value generally approximates fair value because interest rates reset to market terms.
<b>Financial instruments for which carrying amounts approximate fair value</b>	
Cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities	Carrying value approximates fair value due to the short-term maturity of these instruments.

**k. Mortgages and Loans Receivable**

Mortgages and loans receivable are financial assets that the REIT holds to collect contractual cash flows. Because these cash flows represent solely payments of principal and interest ("SPPI"), the receivables are classified and measured at amortized cost using the effective interest method. Interest income is recognized using the effective interest method.

At each reporting date, mortgages and loans receivable are assessed for impairment using the ECL approach described above, with particular consideration given to the borrower's financial condition, payment history, the value of any underlying security and relevant forward-looking information.

If the REIT determines that the present value of expected future cash flows, discounted at the receivable's original effective interest rate, is less than its carrying amount, an impairment loss is recognized for the difference. In situations where future cash flows cannot be reliably estimated, the REIT may also consider the fair value of collateral (net of realization costs) or observable market pricing for similar loans in assessing impairment.

**l. Goodwill**

Goodwill represents the excess of the consideration transferred in a business combination over the fair value of the identifiable net assets acquired. Goodwill is allocated to the cash-generating unit ("CGU") or group of CGUs expected to benefit from the business combination and is tested for impairment at least annually, or more frequently if events or circumstances indicate that its carrying amount may not be recoverable. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill is not amortized and is written down if its carrying value exceeds its recoverable amount.

Goodwill previously allocated to Vital Healthcare Property Trust ("Vital Trust") was derecognized in 2025 when control was lost (Note 5). The REIT has no remaining goodwill.

**m. Intangible Assets**

Intangible assets acquired in a business combination are recognized at their fair value on the acquisition date. Intangible assets with finite useful lives are amortized over their estimated useful lives. Intangible assets assessed as having an indefinite useful life are not amortized but are tested for impairment annually, or more frequently if indicators of impairment arise. An impairment loss is recognized when the carrying amount of an intangible asset exceeds its recoverable amount, and such losses may be reversed if the recoverable amount increases.

The REIT's former management-rights intangible related to Vital Trust was derecognized in 2025 when control was lost (Note 5). The REIT has no indefinite-life intangible assets.

**n. Leases**

Leases – REIT as lessor

When the REIT enters into a lease as a lessor, it assesses at the commencement date whether the lease is a finance lease or an operating lease. A lease is classified as a finance lease when it transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying asset. All other leases are classified as operating leases. In making this assessment, the REIT considers indicators such as whether the lease term covers the major part of the asset's economic life or whether the present value of lease payments is substantially all of the asset's fair value.

The vast majority of the REIT's leases are operating leases. Rental revenue from these leases is recognized on a straight-line basis over the lease term, unless another pattern better reflects how the benefits of the leased asset are consumed. Variable lease payments, such as operating cost recoveries, are recognized as earned.

For any lease classified as a finance lease, the REIT recognizes a lease receivable at the commencement date based on the net investment in the lease, measured at the present value of the lease payments to be received over the lease term. Right-of-use assets arising from head leases that relate to properties subleased to tenants and that meet the definition of investment property are presented within investment properties and measured at fair value.

Leases – REIT as lessee

When the REIT enters into a lease as a lessee, it recognizes a right-of-use asset and a corresponding lease liability at the commencement date. The lease liability is initially measured at the present value of lease payments to be made over the lease term, discounted using the interest rate implicit in the lease, or the REIT's incremental borrowing rate when that rate cannot be readily determined.

Lease payments are allocated between finance costs and a reduction of the lease liability using the effective interest method. Short-term leases and leases of low-value assets are expensed as incurred. The right-of-use asset is initially measured at the initial lease liability value plus any upfront lease payments or direct costs and is subsequently depreciated over the shorter of the asset's useful life and the lease term, and is adjusted for any remeasurement of the lease liability. Right-of-use assets are also subject to impairment consistent with the REIT's policy for non-financial assets. Variable lease payments not included in the lease liability are recognized in profit or loss as incurred. Where elected, the REIT does not separate lease and non-lease components for certain property leases, accounting for them as a single lease component.

**o. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value. Restricted cash represents amounts that are subject to contractual or legal restrictions on use but are otherwise readily convertible to cash and is presented as part of Other Assets.

**p. Trust Units**

The REIT's Trust Units are redeemable at the option of the holder and therefore meet the definition of a financial liability under IAS 32, "Financial Instruments: Presentation" ("IAS 32"). However, Trust Units qualify for the limited exemption that permits certain puttable instruments to be classified as equity when specific criteria are met. As the Trust Units meet these criteria, they are presented as equity in the consolidated financial statements.

Trust Units are recorded at the proceeds received, net of directly attributable issue costs. Distributions on Trust Units are recognized as a reduction of unitholders' equity. Because the Trust Units are puttable financial instruments, they are not considered equity instruments for the purposes of calculating earnings per unit under IAS 33, Earnings Per Share. Accordingly, the REIT does not present an earnings per unit calculation.

**q. Revenue Recognition**

The REIT earns revenue primarily from leasing its investment properties to tenants under operating leases. Revenue is recognized when the tenant obtains the right to use the leased space, generally on the lease commencement date or when any required landlord work is substantially complete.

Lease Components

Base rent from operating leases is recognized on a straight-line basis over the lease term, with the difference between revenue recognized and amounts billed recorded as a straight-line rent receivable or payable. Contingent rental income, if any, is recognized when the related conditions are satisfied. Recoveries of operating costs and realty taxes that form part of the lease component are recognized in the period the associated costs are incurred. In certain jurisdictions, the REIT directs and is primarily responsible for rental-related services provided to tenants. As a result, these services are combined with the lease component and the related recoveries are recognized as gross revenue, with the associated operating costs recognized separately. Lease incentives, including rent-free periods and tenant inducements, are recognized as reductions to rental revenue on a straight-line basis over the lease term.

Non-Lease Components

Amounts charged to tenants for property-related services, such as common area maintenance, utilities, security and other building services, are accounted for as non-lease components, representing services provided over time. Revenue is recognized as the related services are performed. Variable amounts related to these services are recognized based on the REIT's right to invoice, to the extent the amount corresponds directly to the value delivered to the tenant.

Other Income

Other income includes management and related fees earned under contractual arrangements with third parties. These fees are recognized as the underlying services are performed, when the amount is measurable and collection is reasonably assured. Performance-based fees are recognized when the applicable performance conditions are met and the amount is reliably measurable.

**r. Unit-Based Compensation**

The REIT maintains a unit-based compensation program, which includes awards granted under the Equity Incentive Plan ("EIP") and outstanding awards previously granted under the Deferred Unit Plan ("DUP"). No new awards are issued under the DUP, but existing awards remain governed by its terms.

Because the REIT's Trust Units are classified as financial liabilities, all unit-based compensation awards are treated as cash-settled liabilities. Awards are remeasured at fair value at each reporting date and on settlement, with changes in fair value recognized in profit or loss.

Deferred units, restricted units ("RUs") and performance units ("PUs") generally vest over service or performance periods set out in the grant agreements. Fair value is based on the market price of a REIT unit at the measurement date and reflects the terms of the award, including distribution-equivalent entitlements, service conditions and, for PUs, both market and non-market performance conditions. Market conditions are incorporated into the grant-date fair value, while non-market conditions affect the number of awards expected to vest.

Compensation expense is recognized over the vesting period and is adjusted at each reporting date for changes in fair value and for changes in the number of awards expected to vest. Awards forfeited before vesting are reversed in the period of forfeiture. Upon settlement, the liability is remeasured immediately before settlement and then derecognized, with any difference recognized in profit or loss.

**s. Income Taxes**

The REIT is a mutual fund trust and qualifies as a real estate investment trust ("REIT") under the Income Tax Act (Canada). A qualifying REIT is generally exempt from Canadian income tax provided it distributes all taxable income to unitholders each year and continues to satisfy prescribed conditions relating to the nature of its assets and revenues. The REIT monitors its compliance with these conditions on an ongoing basis.

Certain subsidiaries are subject to income tax in the jurisdictions in which they operate. Some subsidiaries also qualify as REITs under local legislation and must meet jurisdiction-specific conditions to maintain that status.

The REIT's tax provision includes current and deferred income taxes. Current tax is based on taxable income or loss for the year, measured using tax rates and laws enacted or substantively enacted at the reporting date.

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities and their respective tax bases. Deferred tax is not recognized on the initial recognition of goodwill, on temporary differences arising on assets and liabilities in transactions that are not business combinations and affect neither accounting nor taxable profit, or on temporary differences related to investments in subsidiaries and joint ventures where reversal is not expected in the foreseeable future.

Deferred tax assets are recognized only when it is probable that they will be realized against future taxable profits. Deferred tax assets and liabilities are measured using the tax rates expected to apply when the differences reverse. Offsetting is applied when the REIT has a legally enforceable right to offset current taxes and the deferred amounts relate to the same taxable entity and tax authority.

The REIT applies IFRIC 23, "Uncertainty over Income Tax Treatments" ("IFRIC 23"), in measuring uncertain tax positions. These judgments and estimates are described further in Note 3.

### Note 3. Critical Accounting Judgments and Estimates

The preparation of the REIT's consolidated financial statements requires management to make judgments and estimates in applying the REIT's accounting policies. These judgments and estimates affect the amounts recognized and the disclosures presented in the consolidated financial statements and accompanying notes.

Judgments involve assessing facts and circumstances that may not be directly observable and applying accounting policies to those circumstances. Estimates and assumptions are used in measuring assets, liabilities, revenues and expenses and are based on historical experience, current market conditions and other factors management considers reasonable. Actual results could differ from these estimates, and such differences may be material. The areas described below should be read together with the material accounting policies in Note 2.

Management reviews judgments and estimates on an ongoing basis as new information becomes available and as circumstances change. The areas below represent the judgments and estimates management considers most significant in understanding the REIT's financial results.

#### a. Investment Properties - Fair Value Measurement

The fair value of the REIT's investment properties is measured at each reporting date and is determined using management-prepared internal valuation models. These valuations are supported by available market evidence and, where available and appropriate, by valuation inputs or benchmarking information provided by independent third-party appraisers.

Significant estimates and assumptions are used in determining fair values, including capitalization rates, discount rates, terminal capitalization rates, projected cash flows, market rent growth, vacancy assumptions and expected capital expenditures. Fair values also reflect management's judgment in assessing a property's highest and best use and in selecting the appropriate valuation technique. Given the inherent uncertainty and limited observability of these inputs, changes in the underlying assumptions may result in material variations in the reported fair values. Investment properties are generally classified within Level 3 of the fair value hierarchy.

#### b. Accounting for the Investment in Vital Trust

In December 2025, Vital Trust completed the internalization of its external management structure. As a result of this change, management concluded that the REIT no longer controlled Vital Trust. Although the REIT continues to hold an approximate 23.9% interest in Vital Trust and retains board representation, these rights are now considered to provide significant influence rather than control. Accordingly, the retained interest is accounted for as an associate using the equity method. Management exercised judgment in evaluating the revised governance arrangements and in determining which assets, liabilities and related balances to derecognize upon the loss of control.

Prior to December 2025, the REIT accounted for its investment in Vital Trust as a subsidiary and consolidated Vital Trust's financial position and results of operations. As at December 31, 2024, the REIT held an approximate 28.3% interest in Vital Trust.

In assessing whether the REIT controlled Vital Trust prior to the internalization, management exercised judgment in accordance with IFRS 10, Consolidated Financial Statements. Management concluded that the REIT controlled Vital Trust based on its ability to direct the relevant activities of the trust and its exposure to variable returns.

This conclusion reflected, among other factors, the REIT's indirect 100% ownership of the external manager of Vital Trust (the "Global Manager"), which was responsible for directing the trust's investment, property and development activities and earned fees under contractual arrangements. The REIT also had the right to appoint a majority of the directors of the Global Manager, which acted as the board of directors of Vital Trust. In addition, the remaining ownership interests in Vital Trust were widely held, with no single investor holding an interest equal to or greater than that of the REIT. Based on these governance arrangements, management concluded that the REIT had sufficient power to direct the relevant activities of Vital Trust and therefore controlled Vital Trust for financial reporting purposes.

#### c. Leases and Revenue Recognition

Management exercises judgment in determining when a tenant obtains the right to use leased space, which establishes the commencement of revenue recognition. Judgment is also required in distinguishing rental income from service-related revenue in tenant arrangements and in assessing whether property-related services should be accounted for separately from the lease. Management further assesses the collectability of contractual lease payments, which influences whether rental revenue is recognized on a straight-line basis over the lease term. These judgments are applied consistently with the REIT's lease and revenue recognition policies in Note 2.

### d. Income Taxes

The REIT applies significant judgment in assessing its qualification as a real estate investment trust ("REIT") under the Income Tax Act (Canada). This assessment influences whether deferred taxes are recognized at the REIT level, as qualifying REITs are generally exempt from Canadian income tax provided they meet prescribed conditions and distribute all taxable income to unitholders. Management evaluates compliance with these conditions on an ongoing basis and exercises judgment in concluding that the REIT will continue to qualify as a REIT for the foreseeable future. Loss of REIT status would materially affect the recognition of income taxes and could result in additional tax expense.

Judgment is also required in interpreting and applying tax laws in the jurisdictions where the REIT's taxable subsidiaries operate. Tax legislation is complex and subject to differing interpretations, and the REIT is periodically subject to audits by tax authorities. Management evaluates tax positions taken, the likelihood of challenge and the potential outcomes of such examinations.

Estimates are required in measuring current and deferred tax balances, including the probability of realizing deferred tax assets, the timing of reversal of temporary differences and the measurement of uncertain tax positions. Changes in these judgments or estimates may materially affect income tax expense in future periods.

### Note 4. Future Accounting Standards and Changes in Accounting Standards

#### IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements*, which will be effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 establishes a prescribed structure for the statement of profit or loss, requiring the presentation of defined subtotals for operating, investing, and financing activities. It also introduces new disclosure requirements for management-defined performance measures and provides enhanced guidance on the aggregation and disaggregation of information presented in the financial statements and accompanying notes. The REIT is currently assessing the potential impact of IFRS 18 on its consolidated financial statements.

**Note 5. Internalization of Vital Healthcare Property Trust**

On December 30, 2025, Vital Trust completed the internalization of its external management structure. As part of the transaction, Vital Trust terminated its existing management arrangements and paid the REIT a management termination payment of \$170.0 million (NZ\$214.0 million). Vital Trust funded the payment through an equity offering in which the REIT did not participate, resulting in a reduction of the REIT's ownership interest to approximately 23.9% (December 31, 2024 - 28.3%).

Loss of Control

Prior to internalization, the REIT consolidated Vital Trust because it controlled Vital Trust's relevant activities through its ownership and governance of the external manager responsible for Vital Trust's investment, property and development management functions, including the ability to appoint a majority of the board overseeing those activities.

Internalization resulted in the termination of the external management arrangements, realization of the intangible asset relating to management of Vital Trust, and removed the REIT's contractual and governance rights, including its ability to appoint a majority of Vital Trust's board. As a result, the REIT no longer had the ability to direct the relevant activities of Vital Trust and therefore concluded that it no longer controlled Vital Trust. Accordingly, Vital Trust was derecognized as a subsidiary on December 30, 2025.

Consistent with the loss of control requirements, the REIT derecognized the carrying value of Vital Trust's assets, liabilities and non-controlling interest, together with amounts previously allocated to goodwill and intangible assets, cumulative translation adjustments and accumulated other comprehensive income relating to historic hedge accounting. The loss recognized on the loss of control includes the remeasurement of the REIT's retained interest to fair value at the date control was lost, together with the management termination payment, and forms part of the loss summarized below. Key judgments supporting the loss of control conclusion are provided in Note 3.

Recognition of Retained Interest

Following internalization, the REIT's retained interest was remeasured at fair value using the quoted market price of Vital Trust units on the New Zealand Stock Exchange as at the date control was lost. The retained interest is now accounted for as an associate, as the REIT continues to exercise significant influence through its ownership interest and board representation. Additional information on significant influence is provided in Notes 3 and 8.

Subsequent Accounting

From the date control was lost, the retained interest has been accounted for using the equity method, with its fair value at that date serving as the initial carrying amount (Note 8).

Under a transitional services agreement entered into as part of the internalization, the REIT provides Vital Trust with certain administrative and support services for a limited period. Revenue earned from these services is recognized in other income as the services are performed and earned on a cost-recovery basis. These transitional services do not affect the REIT's assessment of significant influence over Vital Trust (Note 3). The retained interest is presented within equity accounted investments (Note 8). There were no amounts recorded related to the transitional services agreement during the year ended December 31, 2025.

## Notes to the Consolidated Financial Statements

### Loss on internalization of Vital Trust

The loss recognized in the statement of income (loss) is summarized below:

(\$ thousands)	Note	Amount
Management termination fee received		\$ 169,959
Fair value of retained interest in Vital Trust	8	302,206
Carrying amount of Vital Trust's identifiable net assets		
Investment properties	6	2,650,427
Mortgages and loans payable	11	(1,082,008)
Lease liabilities		(10,683)
Net deferred tax liabilities	14	(83,825)
Net derivative financial instruments		7,730
Income taxes payable	14	(2,805)
Working capital		(21,245)
Cash and cash equivalents		189,184
Non-controlling interests	18	(1,263,117)
		<b>(383,658)</b>
Less: Goodwill allocated to the Vital Trust CGU		<b>(36,414)</b>
Less: Accumulated other comprehensive income recycled to the income statement		<b>(52,223)</b>
Less: Carrying value of manager net assets and intangible assets		<b>(44,858)</b>
Less: Transaction costs		<b>(6,607)</b>
<b>Loss on internalization of Vital Trust</b>		<b>\$ (51,595)</b>
Classified as:		
Attributable to Unitholders		\$ (48,853)
Attributable to non-controlling interests		(2,742)
<b>Loss on internalization of Vital Trust</b>		<b>\$ (51,595)</b>

**Note 6. Investment Properties**

(\$ thousands)	Note	Income-Producing Properties	Properties Under Development	Year ended December 31, 2025	Year ended December 31, 2024
Balance, beginning of year		\$ 4,915,710	\$ 345,280	\$ 5,260,990	\$ 6,874,660
Additions to investment properties		34,413	90,852	125,265	185,573
Amortization of straight-line rent		1,895	(474)	1,421	4,800
Transfer to assets held for sale	7	(488,302)	(23,654)	(511,956)	(132,688)
Transfer from properties under development to income-producing		62,537	(62,537)	—	—
Transfer to equity accounted investments on loss of control of Vital Trust	5	(2,331,445)	(318,982)	(2,650,427)	—
Dispositions	7	—	(1,592)	(1,592)	(1,219,209)
Fair value adjustment of investment properties		(38,096)	(22,924)	(61,020)	(376,804)
Foreign currency translation		100,394	7,914	108,308	(75,342)
<b>Balance, end of year</b>		<b>\$ 2,257,106</b>	<b>\$ 13,883</b>	<b>\$ 2,270,989</b>	<b>\$ 5,260,990</b>

- (1) Additions include certain directly attributable leasing costs, capital and development expenditures primarily in Vital Trust, and new right-of-use assets.
- (2) Interest was capitalized to qualifying development projects based on a weighted average interest rate of 5.02% (December 31, 2024 - 5.10%).

**Valuation Methodology and Governance**

The REIT measures its investment properties at fair value at each reporting date. Fair value represents the price that would be received to sell a property in an orderly transaction between market participants at the measurement date. Valuations are prepared by management using internal valuation models and are reviewed quarterly as part of a formal process overseen by senior management. This process includes reviewing market evidence, benchmarking internal valuations against external appraisal inputs where available and appropriate, assessing key assumptions, and approving fair value changes each quarter.

**Income-Producing Properties**

Fair value for income-producing properties is estimated using valuation techniques appropriate for stabilized or near-stabilized real estate assets. The REIT primarily uses discounted cash flow ("DCF") analysis, which projects property-level cash flows over a minimum ten-year period. Assumptions include lease expiries, market rents, operating costs, leasing downtime, renewal probabilities and required capital expenditures. The projected cash flows are discounted using market-derived discount rates, and a terminal value is calculated using a terminal capitalization rate applied to estimated stabilized net operating income.

The REIT also uses the direct capitalization method where appropriate, capitalizing stabilized net operating income using market-supported capitalization rates and observable market evidence, including external appraisal data where available. In applying this method, fair value reflects management's assessment of stabilized income and market-based capitalization rates, incorporating assumptions regarding rents, occupancy, operating costs and ongoing capital requirements.

These valuation techniques involve significant judgment, particularly in the selection of discount rates, capitalization rates and assumptions related to income sustainability and future capital requirements, and reflect management's assessment of market conditions at the reporting date, informed by available market data and external appraisal inputs where applicable.

**Properties Under Development**

Fair value for properties under development is generally estimated based on land value plus development and construction costs incurred to date, which is appropriate when future cash flows cannot yet be reliably estimated. When a project reaches a stage where future income can be reasonably forecast, typically after achieving key leasing and construction milestones, the REIT may use a DCF approach, reflecting projected rental income, lease-up assumptions, remaining development costs and risks associated with completing and stabilizing the project. For sites held for future development that are not yet under active construction, fair value is typically based on market evidence such as comparable land transactions and third-party appraisal data used as supporting evidence.

**Significant Valuation Assumptions**

The key valuation assumptions used in determining the fair value of the REIT’s investment properties, by segment, are set out in the following table. Properties held for sale and equity accounted investments are excluded.

As at December 31, 2025						
	Discount rate		Terminal capitalization rate		Overall capitalization rate	
	Range	Weighted average	Range	Weighted average	Range	Weighted average
North America	6.75% - 9.25%	7.66%	6.25% - 8.50%	6.95%	4.89% - 9.36%	6.72%
Brazil	9.15% - 9.75%	9.43%	8.15% - 8.75%	8.30%	8.65% - 9.87%	8.88%
Europe	5.75% - 6.50%	6.02%	5.25% - 5.50%	5.34%	6.00% - 8.74%	6.81%
Australia	6.50% - 7.25%	6.68%	5.25% - 6.75%	5.74%	5.00% - 6.25%	5.43%
<b>Total</b>	<b>5.75% - 9.75%</b>	<b>8.01%</b>	<b>5.25% - 8.75%</b>	<b>7.17%</b>	<b>4.89% - 9.87%</b>	<b>7.29%</b>

As at December 31, 2024						
	Discount rate		Terminal capitalization rate		Overall capitalization rate	
	Range	Weighted average	Range	Weighted average	Range	Weighted average
North America	6.75% - 10.25%	7.76%	6.25% - 9.00%	7.02%	4.83% - 9.52%	6.69%
Brazil	9.00% - 9.75%	9.17%	7.75% - 8.75%	8.13%	8.33% - 10.21%	8.67%
Europe	5.50% - 7.75%	6.45%	5.00% - 8.40%	5.63%	3.98% - 7.74%	5.94%
Australasia	6.13% - 9.00%	7.11%	5.00% - 8.25%	5.78%	4.66% - 11.47%	5.45%
<b>Total</b>	<b>5.50% - 10.25%</b>	<b>7.45%</b>	<b>5.00% - 9.00%</b>	<b>6.36%</b>	<b>3.98% - 11.47%</b>	<b>6.20%</b>

The significant assumptions and inputs used in the valuation techniques to estimate the fair value of income producing properties are classified as Level 3 in the fair value hierarchy, as key inputs are not based on observable market data.

**Independent Appraisals**

As part of its valuation program, the REIT engages independent third-party appraisers on a rotating basis. Each year, a selection of properties across asset types and geographies is externally appraised, and each income-producing property is externally appraised at least once within a multi-year cycle. Management reviews the methodologies and key assumptions in these external valuations and uses them as market evidence and benchmarking inputs in its internal valuation models where appropriate. Fair values recorded in the consolidated financial statements represent management’s estimates, informed by external appraisals.

During the year ended December 31, 2025, independent third-party appraisers valued investment properties with an aggregate fair value of \$1.5 billion, representing approximately 66% of the portfolio (December 31, 2024 - \$4.0 billion or 76%).

**Fair Value Sensitivity**

The fair value of investment properties is most sensitive to changes in capitalization rates. The table below summarizes the impact of capitalization rate changes on fair value. Properties held for sale and equity accounted investments are excluded.

Rate sensitivity	Weighted average overall capitalization rate	Fair value (in \$millions)	Change in fair value (in \$millions)	% Change
(0.75)%	6.54%	\$2,538	\$267	11.77%
(0.50)%	6.79%	\$2,442	\$171	7.54%
(0.25)%	7.04%	\$2,353	\$82	3.63%
—%	7.29%	\$2,271	\$—	—%
0.25%	7.54%	\$2,194	\$(77)	(3.38)%
0.50%	7.79%	\$2,122	\$(148)	(6.54)%
0.75%	8.04%	\$2,055	\$(215)	(9.49)%

**Note 7. Investment Property Transactions****Assets Held for Sale**

(\$ thousands)	Note	Year ended December 31, 2025	Year ended December 31, 2024
Balance, beginning of year		\$ 59,278	\$ 55,972
Transfer from investment properties	6	511,956	132,688
Capital expenditures		753	—
Amortization of straight-line rent		(59)	(353)
Dispositions		(182,653)	(137,193)
Fair value adjustment of investment properties		(848)	8,013
Foreign currency translation		(4,459)	151
<b>Balance, end of year</b>		<b>\$ 383,968</b>	<b>\$ 59,278</b>

As at December 31, 2025, the REIT classified 30 income-producing properties and 3 properties under development in Europe as held for sale, comprising 23 wholly-owned properties in Germany and the Netherlands with a fair value of \$384.0 million, and 10 properties held through the REIT's joint venture in the Netherlands with a fair value of \$259.7 million (\$77.9 million at the REIT's 30% interest).

In connection with the classification of the wholly-owned properties, the REIT reclassified \$221.1 million of related mortgages with a weighted average interest rate of 2.83% to liabilities associated with assets held for sale on its consolidated balance sheet. Mortgages related to the joint venture properties total \$139.8 million (\$42.0 million at the REIT's 30% interest), with a weighted average interest rate of 4.67%, and remain within the joint venture.

On February 24, 2026, the REIT reached an agreement to sell the combined portfolio of 33 properties to TPG Real Estate for €400 million (C\$647 million) before adjustments. The transaction is expected to close in the second quarter of 2026, subject to customary closing conditions.

**Dispositions of Investment Properties and Assets Held for Sale**

During the year ended December 31, 2025, the REIT disposed of following investment properties and assets held for sale:

(\$ thousands)				
<b>Property</b>	<b>Date of disposition</b>	<b>Location</b>	<b>Effective interest disposed</b>	<b>Sale price excl. selling costs</b>
<i>Investment properties</i>				
21 George <sup>(1)</sup>	Sept 4	Adelaide, Australia	100%	\$ 1,592
<i>Assets held for sale</i>				
Parkwood	Jan 14	Calgary, Canada	100%	7,600
Riley Park Health Centre	Jan 14	Calgary, Canada	100%	30,491
Riverstone Medical Plaza	Mar 31	Tucson, USA	100%	4,377
Green Valley Medical Plaza	Mar 31	Tucson, USA	100%	4,449
Hurstville House <sup>(1)</sup>	May 2	Sydney, Australia	100%	1,541
Demmeringstrasse	May 14	Leipzig, Germany	100%	11,049
Malvern Medical Arts	Jun 25	Toronto, Canada	100%	9,500
Toronto Private Hospital <sup>(1)</sup>	Aug 29	Sydney, Australia	100%	33,701
Glenmore Professional Centre	Nov 23	Calgary, Canada	100%	38,400
Kawarau Park Health Hub <sup>(1)</sup>	Nov 28	Queenstown, New Zealand	50%	28,782
7-17 Wolseley Street <sup>(1)</sup>	Dec 22	Brisbane, Australia	100%	12,763
<i>Total dispositions of assets held for sale</i>				182,653
Total dispositions				184,245
Less: net loss on disposal of assets				(4,536)
<b>Net proceeds from disposal of investment properties and assets held for sale</b>				<b>\$ 179,709</b>

(1) Properties disposed of within Vital Trust.

For the year ended December 31, 2025, the REIT incurred losses on asset disposals of \$6.6 million, of which \$4.5 million related to the disposal of investment properties and assets held for sale (2024 - \$34.7 million). The remaining losses primarily related to broker commissions and professional fees associated with the disposal of the Assura units (Note 10).

**Note 8. Equity Accounted Investments**

The REIT holds interests in certain joint ventures and associates that are accounted for using the equity method. These arrangements generally involve real estate entities that own income-producing properties or development projects. Under the equity method, the REIT recognizes its share of each investee's net income and other comprehensive income in the period in which they arise, and reduces the carrying amount of the investment for distributions received. The carrying amount is updated at each reporting date.

<b>Equity accounted investment</b>	<b>Classification</b>	<b>Ownership interest</b>	<b>Location</b>
Vital Healthcare Property Trust	Associate	23.9 %	New Zealand
NWI Galaxy JV GmbH & Co. KG ("European JV")	Joint Venture	30.0 %	Europe
NorthWest Australia HSO Trust	Joint Venture	30.0 %	Australia
NorthWest Australia Hospital Investment Trust	Joint Venture	30.0 %	Australia
NorthWest Healthcare Properties Australia REIT ("AREIT")	Joint Venture	30.0 %	Australia
NorthWest Australia Hospital Investment Galaxy 2 Trust	Joint Venture	30.0 %	Australia

Vital Healthcare Property Trust

Following the internalization on December 30, 2025 the REIT recognized its retained interest in Vital as an investment in associate. Additional details are provided in Note 5.

The REIT's investment in Vital Trust is quoted in an active market and, as at December 31, 2025, its fair value of \$302,206, based on the quoted market price, was equal to the carrying value of the investment.

Australian Joint Venture Arrangements ("Australia")

As at December 31, 2025, the REIT's investments in its Australian joint ventures, which provided capital funding for the historical acquisition of investment properties, continue to operate under a common investment framework, including a shared third-party partner, similar asset types and geographic focus, and consistent investment management terms. Given these common features, the joint ventures are presented together below.

European JV

The commitment period for the European JV has expired; however, additional capital may be deployed if mutually agreed by the joint venture partners.

As at December 31, 2025, the REIT reclassified 10 properties held through the REIT's joint venture in the Netherlands with a fair value of \$259.7 million (\$77.9 million at the REIT's 30% interest) and corresponding mortgages of \$139.8 million (\$42.0 million at the REIT's 30% interest), with a weighted average interest rate of 4.67%, to assets held for sale and liabilities related to assets held for sale, respectively. See note 7.

## Notes to the Consolidated Financial Statements

Summarized financial information for the equity accounted investments at 100% and the REIT's ownership interest are set out below:

(\$ thousands)	As at December 31, 2025				As At December 31, 2024		
	Vital Trust	Australia	European JV	Total	Australia	European JV	Total
Investment properties (including AHFS)	\$ 2,650,427	\$ 2,078,150	\$ 632,018	<b>\$5,360,595</b>	\$ 1,903,154	\$ 577,414	\$2,480,568
Other assets	48,421	1,564	23,667	<b>73,652</b>	106,326	17,951	124,277
Mortgages, term debt and credit facilities	(1,082,008)	(1,188,670)	(307,573)	<b>(2,578,251)</b>	(1,154,138)	(289,709)	(1,443,847)
Other liabilities	(135,211)	(20,433)	(25,184)	<b>(180,828)</b>	(21,256)	(19,812)	(41,068)
Net assets at 100%	1,481,629	870,611	322,928	<b>2,675,168</b>	834,086	285,844	1,119,930
Acquisition accounting adjustments (Note 5)	(217,696)	—	—	<b>(217,696)</b>	—	—	—
<b>Investment in equity accounted investments</b>	<b>\$ 302,206</b>	<b>\$ 245,360</b>	<b>\$ 102,974</b>	<b>\$ 650,540</b>	<b>\$ 234,857</b>	<b>\$ 91,108</b>	<b>\$ 325,965</b>

(\$ thousands)	Year ended December 31, 2025			Year ended December 31, 2024		
	Australia	European JV	Total	Australia	European JV	Total
Revenue from investment properties	\$ 119,704	\$ 46,361	<b>\$ 166,065</b>	\$ 110,870	\$ 41,521	\$ 152,391
Property operating costs	(14,880)	(7,692)	<b>(22,572)</b>	(12,637)	(8,148)	(20,785)
Interest and other income	6,688	362	<b>7,050</b>	6,990	347	7,337
General and administrative expenses	(8,811)	(4,067)	<b>(12,878)</b>	(9,625)	(4,426)	(14,051)
Finance costs	(57,064)	(27,057)	<b>(84,121)</b>	(60,320)	(25,340)	(85,660)
Fair value adjustment of investment properties	(26,532)	6,041	<b>(20,491)</b>	(131,579)	(4,058)	(135,637)
Other items	(1,217)	(5,434)	<b>(6,651)</b>	(1,803)	(5,973)	(7,776)
<b>Net income (loss) and comprehensive income (loss) at 100%</b>	<b>17,888</b>	<b>8,514</b>	<b>26,402</b>	<b>(98,104)</b>	<b>(6,077)</b>	<b>(104,181)</b>
<b>Share of net income (loss) and comprehensive income (loss) in equity accounted investments</b>	<b>\$ 4,102</b>	<b>\$ 2,884</b>	<b>\$ 6,986</b>	<b>\$ (29,086)</b>	<b>\$ (1,639)</b>	<b>\$ (30,725)</b>

**Note 9. Derivative Financial Instruments**

The REIT uses derivative financial instruments, including interest rate swaps, and interest rate caps to manage exposure to fluctuations in interest rates and foreign exchange rates associated with its variable-rate mortgages and term debt in Europe and Australia. Because hedge accounting is not applied, these instruments are measured at fair value through profit or loss. Additional information on the REIT's accounting policies for derivatives is provided in Note 2 and Note 26.

The REIT's outstanding derivative positions are summarized in the tables below.

(\$ thousands)

**As at December 31, 2025**

Type of instrument	Notional amount	Maturity date	Weighted average receiving leg rate	Weighted average paying leg rate	Derivative asset	Derivative liability
<i>Currently effective</i>						
Interest rate derivatives	\$ 234,327	Jun 2026 - Jun 2030	2.13 %	1.09 %	\$ 3,854	\$ (237)

As at December 31, 2025, all derivative instruments relate to European mortgages and are classified as liabilities held for sale and classified as current.

(\$ thousands)

**As at December 31, 2024**

Type of instrument	Notional amount	Maturity date	Weighted average receiving leg rate	Weighted average paying leg rate	Derivative asset	Derivative liability
<i>Currently effective</i>						
Interest rate derivatives	\$ 1,433,814	Jun 2025 - Jun 2030	3.77 %	3.06 %	\$ 14,392	\$ (3,877)
Foreign exchange contracts	19,714	Mar 2025 - Sep 2028	—	—	107	(45)
	1,453,528				14,499	(3,922)
<i>Future dated</i>						
Interest rate derivatives	526,430	Sep 2027 - Mar 2029	4.28 %	3.66 %	1,686	(2,259)
	\$ 1,979,958				\$ 16,185	\$ (6,181)
<i>Classified as:</i>						
Current	\$ 733,495	Mar 2025 - Dec 2025			\$ 5,774	\$ (45)
Non-Current	1,246,463	Mar 2026 - Jun 2030			10,411	(6,136)
	\$ 1,979,958				\$ 16,185	\$ (6,181)

**Note 10. Other Assets**

(\$ thousands)	<b>December 31, 2025</b>	<b>As at December 31, 2025</b>	December 31, 2024	As at December 31, 2024
Lease assets	\$	9,053	\$	11,556
Commodity taxes recoverable		6,252		8,525
Prepaid expenses and deposits		5,607		10,065
Loans and mortgages receivable		3,850		14,963
Furniture and office equipment		1,780		3,410
Restricted cash		184		1,733
Other		850		143
Investment in Assura		—		169,417
Investment in unlisted securities		—		4,278
<b>Other Assets</b>	<b>\$</b>	<b>27,576</b>	<b>\$</b>	<b>224,090</b>
Classified as:				
Current portion	\$	13,407	\$	198,561
Non-current portion		14,169		25,529
<b>Other Assets</b>	<b>\$</b>	<b>27,576</b>	<b>\$</b>	<b>224,090</b>

Lease Assets

Lease assets include a \$7.5 million (December 31, 2024 - \$7.1 million) long-term land lease with a third party, measured using a discount rate of 7.0% with a remaining lease term of approximately 62 years.

Prepaid Expenses and Deposits

Prepaid expenses and deposits include \$2.9 million (December 31, 2024 - \$2.0 million) of prepaid acquisition, development and financing costs related to potential asset acquisitions, property development initiatives and debt refinancing activities that are currently under due diligence or negotiation.

Loans and Mortgages Receivable

The balance at December 31, 2025 represents a vendor take-back mortgage of \$3.9 million which is carried at amortized cost and matures in August 2026. This mortgage relates to the sale of certain North American investment properties that were completed in 2024.

Investment in Assura

During the year ended December 31, 2025, the REIT sold its shares in Assura PLC ("Assura"), a publicly listed United Kingdom healthcare REIT, through two on-market transactions for total proceeds of \$209.3 million (£114.6 million), resulting in a full divestment of the investment.

The REIT's investment in Assura was originally acquired in August 2024 as partial consideration for the disposition of its United Kingdom investment property portfolio, which was sold to Assura at a value of \$885.0 million (£470.7 million). As part of that transaction, the REIT received \$206.3 million of net cash proceeds and \$177.0 million (£100.0 million) of consideration in Assura shares. Proceeds from the sale were used to repay related debt and corporate facilities.

For the year ended December 31, 2025, the REIT recognized a fair value gain of \$37.2 million primarily attributable to changes in the market value of the Assura shares prior to disposal. The REIT also received distribution income of \$2.8 million, net of withholding tax, during the year (Note 21).

Investment in Unlisted Securities

During the year ended December 31, 2025, the REIT redeemed and sold its remaining interest in its unlisted securities issued by an Australian healthcare fund for \$4.1 million, representing the redemption or settlement price. The REIT no longer holds any unlisted securities as at year-end.

**Note 11. Mortgages, Term Debt and Credit Facilities**

(\$ thousands)	<b>As at December 31, 2025</b>	As at December 31, 2024
Mortgages payable	<b>\$ 598,929</b>	\$ 680,998
Term debt	<b>240,926</b>	1,702,968
Credit facilities	<b>—</b>	264,719
	<b>839,855</b>	2,648,685
Unamortized deferred financing costs	<b>(5,303)</b>	(13,140)
<b>Mortgages, term debt and credit facilities, including liabilities related to assets held for sale</b>	<b>834,552</b>	2,635,545
Liabilities related to assets held for sale, net of deferred financing costs	<b>(221,065)</b>	—
<b>Mortgages, term debt and credit facilities</b>	<b>\$ 613,487</b>	\$ 2,635,545
Classified as:		
Current portion	<b>\$ 236,590</b>	\$ 194,854
Non-current portion	<b>376,897</b>	2,440,691
<b>Mortgages, term debt and credit facilities</b>	<b>\$ 613,487</b>	\$ 2,635,545

Overview and Covenants

The REIT's credit facilities, term debt and mortgages are subject to customary financial and non-financial covenants, including requirements relating to debt service coverage, interest coverage, unitholders' equity, investment property valuation and the market prices of the Vital Trust units. The classification between current and non-current reflects the REIT's assessment of covenant compliance and its ability to defer settlement for at least 12 months.

As at December 31, 2025, the REIT was in compliance with all applicable covenants and expects to remain in compliance for at least the next 12 months. Accordingly, mortgages payable and term debt with contractual maturities beyond 12 months have been classified as non-current.

Debt Composition

As at December 31, 2025, the REIT's fixed-rate debt totalled \$478.2 million and variable-rate debt totalled \$361.6 million, with contractual weighted average interest rates of 4.11% and 4.20%, respectively. Of the \$361.6 million in variable-rate debt, 65% or \$234.3 million is economically fixed or capped through interest rate derivatives with a weighted average term of 1.8 years, which reduces the weighted average interest rate on this debt by 1.04% (Note 9).

The movements in the REIT's borrowings during the year ended December 31, 2025, were as follows:

(\$ thousands)	<b>Mortgages payable</b>	<b>Term debt</b>	<b>Credit facilities</b>	<b>Total</b>
Balance, December 31, 2024	\$ 680,998	\$ 1,702,968	\$ 264,719	<b>\$ 2,648,685</b>
Advances and refinancing proceeds	66,150	283,445	243,950	<b>593,545</b>
Principal amortization payments	(18,428)	(25,816)	—	<b>(44,244)</b>
Repayments	(153,780)	(674,473)	(508,754)	<b>(1,337,007)</b>
Transfer to equity accounted investments on loss of control of Vital Trust	—	(1,085,324)	—	<b>(1,085,324)</b>
Accretion of financial liabilities	—	6,817	—	<b>6,817</b>
Foreign currency adjustment	23,989	33,309	85	<b>57,383</b>
	598,929	240,926	—	<b>839,855</b>
Unamortized deferred financing costs	(1,807)	(1,816)	(1,680)	<b>(5,303)</b>
<b>Balance, December 31, 2025</b>	<b>\$ 597,122</b>	<b>\$ 239,110</b>	<b>\$ (1,680)</b>	<b>\$ 834,552</b>

## Notes to the Consolidated Financial Statements

The table below summarizes the scheduled future principal amortization payments and maturities for the REITs borrowings as at December 31, 2025:

(\$ thousands)	2026	2027	2028	2029	2030	Thereafter	Total
Amortizing principal payments							
Mortgages payable	\$ 13,173	\$ 9,439	\$ 6,472	\$ 3,897	\$ 981	\$ 221	\$ 34,183
Term debt <sup>(i)</sup>	27,246	27,614	18,462	19,164	19,895	10,239	122,620
	<b>40,419</b>	<b>37,053</b>	<b>24,934</b>	<b>23,061</b>	<b>20,876</b>	<b>10,460</b>	<b>156,803</b>
Payments due at maturity							
Mortgages payable	219,119	74,990	102,987	125,660	32,699	9,291	564,746
Term debt	—	45,041	34,865	—	38,400	—	118,306
	219,119	120,031	137,852	125,660	71,099	9,291	683,052
<b>Total</b>	<b>\$ 259,538</b>	<b>\$ 157,084</b>	<b>\$ 162,786</b>	<b>\$ 148,721</b>	<b>\$ 91,975</b>	<b>\$ 19,751</b>	<b>\$ 839,855</b>

(i) Principal amortization relates to borrowings secured by Brazilian investment properties that fully amortize over their contractual term.

### Mortgages Payable

The table below summarizes the scheduled principal payments and maturities for the REITs mortgages payable as at December 31, 2025:

(\$ thousands)						
Maturity	Weighted average interest rate	Principal repayments	Balance due at maturity	December 31, 2025	As at December 31, 2025	As at December 31, 2024
2026	3.84 %	\$ 13,173	\$ 219,119	\$ 232,292	\$ 171,829	
2027	5.32 %	9,439	74,990	84,429	218,755	
2028	4.09 %	6,472	102,987	109,459	81,700	
2029	3.28 %	3,897	125,660	129,557	51,806	
2030	3.85 %	981	32,699	33,680	124,142	
Thereafter	3.35 %	221	9,291	9,512	32,766	
	<b>3.95 %</b>	<b>\$ 34,183</b>	<b>\$ 564,746</b>	<b>\$ 598,929</b>	<b>\$ 680,998</b>	
Unamortized deferred financing costs				(1,807)	(2,288)	
<b>Balance, end of year</b>				<b>\$ 597,122</b>	<b>\$ 678,710</b>	

All mortgages are secured by first charges on specific investment properties in North America and Europe, with an estimated fair value of \$1.1 billion as at December 31, 2025 (December 31, 2024 - \$1.2 billion).

## Notes to the Consolidated Financial Statements

### Term Debt

As at December 31, 2025 and December 31, 2024, the REIT's term debt balances were as follows:

(\$ thousands)

Security	Security amount	Maturities	Weighted average interest rate	As at December 31, 2025	As at December 31, 2024
Brazilian investment properties	\$ 344,169	Nov 2027 - Jun 2031	4.28 %	\$ 122,620	\$ 131,715
Australasian secured properties <sup>(i)</sup>	138,881	Jul 2028 - Jul 2030	5.14 %	73,264	1,142,490
Vital Trust units	301,861	Mar 2027	4.60 %	45,042	150,387
Assura units	—	—	—	—	81,072
US investment properties	—	—	—	—	197,304
	<b>\$ 784,911</b>		<b>4.60 %</b>	<b>\$ 240,926</b>	<b>\$ 1,702,968</b>
Unamortized deferred financing costs				<b>(1,816)</b>	<b>(8,876)</b>
<b>Balance, end of year</b>				<b>\$ 239,110</b>	<b>\$ 1,694,092</b>

(i) Australian secured properties debt is part of a broader 'club' debt facility secured by a cross-collateralized asset portfolio valued at A\$259M

As at December 31, 2025, the maximum amount available to be drawn against the Vital Trust units is \$105.9 million (December 31, 2024 - \$nil).

On February 18, 2025, the REIT utilized proceeds from the senior unsecured debentures to repay in full the term debt secured by its US investment properties.

In April 2025, in connection with the sale of the Assura units (Note 10), the REIT repaid \$50.1 million of term debt secured by those units, which carried a weighted average interest rate of 7.45% and had 1.1 years remaining to maturity.

### Credit Facilities

Details of the REIT's revolving credit facilities as at December 31, 2025 and December 31, 2024 are as follows:

(\$ thousands)			As at December 31, 2025			As at December 31, 2024		
Facility Type	Maturity	Weighted Average Interest Rate	Maximum	Available	Drawn	Maximum	Available	Drawn
Secured	July 2027	4.61 %	\$ 252,187	\$ 252,187	\$ —	\$ 252,500	\$ 52,781	\$ 199,719
Unsecured	—	— %	—	—	—	95,000	30,000	65,000
		<b>4.61 %</b>	<b>\$ 252,187</b>	<b>\$ 252,187</b>	<b>\$ —</b>	<b>\$ 347,500</b>	<b>\$ 82,781</b>	<b>\$ 264,719</b>
Unamortized deferred financing costs					<b>(1,680)</b>			<b>(1,976)</b>
<b>Balance, end of year</b>					<b>\$ (1,680)</b>			<b>\$ 262,743</b>

On February 18, 2025, the REIT repaid in full its unsecured revolving credit facility, which had an outstanding balance of \$65.0 million and was scheduled to mature in March 2026. This facility has since been cancelled and is no longer available to be drawn.

On July 29, 2025, the REIT amended its secured revolving credit facility, extending its maturity to July 2027 and introducing grid-based pricing tied to the REIT's credit rating, resulting in a 65 basis point reduction in borrowing costs. The amendment also added a \$100.0 million accordion feature available with lender approval.

As at December 31, 2025, the secured revolving credit facility was undrawn following repayment of the \$91.5 million outstanding balance using proceeds from the Vital Trust internalization. The facility remains available to be utilized by the REIT and is secured by charges on investment properties with an estimated fair value of \$349.6 million (December 31, 2024 - \$344.3 million).

**Note 12. Debentures**

(\$ thousands)	<b>December 31, 2025</b>	<b>As at December 31, 2025</b>	December 31, 2024	As at December 31, 2024
Senior unsecured debentures	\$	497,322	\$	—
Convertible debentures		249,309		356,963
<b>Debentures</b>	<b>\$</b>	<b>746,631</b>	<b>\$</b>	<b>356,963</b>
Classified as:				
Current	\$	249,309	\$	356,963
Non-current		497,322		—
<b>Debentures</b>	<b>\$</b>	<b>746,631</b>	<b>\$</b>	<b>356,963</b>

The REIT's convertible debentures are classified as current liabilities because holders may convert them into REIT units at any time.

**Senior Unsecured Debentures**

As at December 31, 2025, the REIT had the following senior unsecured debentures outstanding measured at amortized cost:

(\$ thousands)								
Series	Issuance date	Maturity date	Coupon rate	Interest payment dates	December 31, 2025	As at December 31, 2025	December 31, 2024	As at December 31, 2024
Series A	Feb 18, 2025	Feb 18, 2028	5.02 %	Feb 18 and Aug 18	\$	200,000	\$	—
Series B	Feb 18, 2025	Feb 18, 2030	5.51 %	Feb 18 and Aug 18		300,000		—
			<b>5.32 %</b>			<b>500,000</b>		—
Unamortized deferred financing costs						<b>(2,678)</b>		—
<b>Balance, end of year</b>					<b>\$</b>	<b>497,322</b>	<b>\$</b>	—

On February 18, 2025, the REIT issued \$500.0 million of senior unsecured debentures, comprising \$200.0 million of 5.02% Series A debentures maturing on February 18, 2028 and \$300.0 million of 5.51% Series B debentures maturing on February 18, 2030.

Deferred financing costs of \$3.4 million were incurred and recorded as reductions to the carrying amounts of the debentures, of which \$0.7 million was amortized during the year ended December 31, 2025. The debentures are redeemable in accordance with their trust indentures and are subject to financial and other customary covenants. As at December 31, 2025, the REIT was in compliance with all covenants and expects to remain in compliance for at least the next 12 months.

**Convertible Debentures**

The movements in fair value of convertible debentures were as follows:

(\$ thousands)	<b>December 31, 2025</b>	<b>As at December 31, 2025</b>	December 31, 2024	As at December 31, 2024
Balance, beginning of year	\$	356,963	\$	320,854
Conversion of convertible debentures to units		(10)		—
Repayment of convertible debentures		(124,990)		—
Fair value adjustment of convertible debentures		17,346		36,109
<b>Balance, end of year</b>	<b>\$</b>	<b>249,309</b>	<b>\$</b>	<b>356,963</b>

On March 31, 2025, the REIT repaid in full its \$125.0 million 10.00% Series NWH.DB.G convertible debentures using available liquidity. From January 1, 2025, to the repayment date, a nominal amount of these debentures were converted into 1,379 REIT units (Note 16).

## Notes to the Consolidated Financial Statements

The fair values of convertible debentures outstanding at the reporting date, based on closing market prices, together with contractual maturities and conversion prices, are as follows:

(\$ thousands)

Series	Conversion price per Unit (\$)	Issuance date	Maturity date	Interest rate	Interest payment dates	As at December 31, 2025	As at December 31, 2024
NWH.DB.G	\$—	Dec 20, 2018	Mar 31, 2025	—%	N/A	\$ —	\$ 126,000
NWH.DB.H	\$16.00	Aug 25, 2022	Aug 31, 2027	6.25%	Feb 28 and Aug 31	<b>158,324</b>	147,300
NWH.DB.I	\$10.55	Apr 27, 2023	Apr 30, 2028	7.75%	Apr 30 and Oct 31	<b>90,985</b>	83,663
						<b>\$ 249,309</b>	\$ 356,963

The Series H Debentures (NWH.DB.H) and Series I Debentures (NWH.DB.I) are convertible into REIT units at the option of the holders at any time and may be redeemed by the REIT in accordance with the terms of each series, beginning up to two years prior to maturity.

Beginning September 1, 2025 for the Series H Debentures and May 1, 2026 for the Series I Debentures, the debentures become redeemable at the option of the REIT, in whole or in part, on not less than 30 days' prior notice. For the Series H Debentures, the redemption price is equal to par plus accrued and unpaid interest, provided that the 20-day volume-weighted average trading price of the REIT's units on the Toronto Stock Exchange preceding the date of the redemption notice is not less than 125% of the conversion price. For the Series I Debentures, the market price of the REIT's units on the date of the redemption notice must be not less than 125% of the applicable conversion price. Thereafter, beginning September 1, 2026, for the Series H Debentures, and May 1, 2027, for the Series I Debentures, the debentures are redeemable at par plus accrued and unpaid interest, on not less than 30 days' prior notice.

On November 11, 2025, the REIT announced that the Toronto Stock Exchange had approved a normal course issuer bid permitting the repurchase of up to \$15.5 million of Series H Debentures and \$8.6 million of Series I Debentures. Refer to Note 17 for additional details.

### Note 13. Unit-Based Compensation

The following table summarizes movements in unit-based compensation liabilities:

(\$ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Balance, beginning of year	\$ 9,929	\$ 15,161
Unit-based compensation expense	<b>8,333</b>	4,463
Redeemed and paid in cash	<b>(5,972)</b>	(2,735)
Redeemed and settled in Trust Units	<b>(631)</b>	(3,219)
Fair value adjustment	<b>1,066</b>	(3,687)
Foreign exchange gain (loss)	<b>(26)</b>	(54)
<b>Balance, end of year</b>	<b>\$ 12,699</b>	\$ 9,929

The REIT has three types of unit-based incentive awards: deferred units, restricted units, and performance units. These awards are issued under the Equity Incentive Plan ("EIP") which was approved in 2022, and the prior Deferred Unit Plan ("DUP"), which remains in place for previously granted awards that have not yet vested or been redeemed. Under the EIP, a maximum of 9,000,000 Trust Units are authorized to be issued.

**Deferred Units**

The deferred units can be settled at the holder's option in REIT units or cash, subject to the REIT's approval. Accordingly, the deferred units are classified as a financial liability until redeemed.

Deferred unit compensation under the DUP is measured at the grant date based on the fair market value of a REIT unit, and recognized as an expense over the vesting period, which can range from immediate vesting to five years depending on the grant terms. Compensation expense for deferred units granted under the EIP vests immediately upon grant.

As at December 31, 2025, the fair value of accrued DUP units was \$4.3 million (December 31, 2024 - \$6.5 million) and is expected to vest during the year ended December 31, 2026. The deferred unit liability is remeasured at each reporting date based on the fair market value of a REIT unit, with changes in fair value recognized in the consolidated statements of income (loss) as part of fair value adjustment of unit-based compensation liabilities.

The following table summarizes movements in the number of deferred units outstanding:

(Number of Awards)	Year ended December 31, 2025	Year ended December 31, 2024
Outstanding, beginning of year	1,473,964	2,281,535
Granted	203,929	235,555
Redeemed and paid in cash	(785,706)	(507,943)
Redeemed and paid in REIT units	(132,496)	(640,632)
Forfeited	(8,362)	(36,541)
Distribution entitlement	96,701	141,990
<b>Outstanding, end of year</b>	<b>848,030</b>	<b>1,473,964</b>
<b>Units vested</b>	<b>733,915</b>	<b>966,906</b>

**Restricted Units**

The REIT grants restricted units ("RUs") under the EIP. The RUs generally vest 100% over a five-year period from their respective grant dates and are subject to forfeiture if the recipient ceases to hold office or provide services to the REIT before completion of the vesting period.

Restricted units are initially measured at the grant date fair value of a REIT unit and are remeasured at each reporting date. Grant agreements provide that awards will be settled upon vesting either through: (i) the issuance of a fixed number of REIT trust units from treasury, or (ii) a cash payment, as determined by the REIT. As the REIT retains discretion to settle these awards in cash, the RUs are classified as cash-settled unit-based payment liabilities. The RUs accrue distributions during the vesting period and are payable upon vesting of the underlying awards.

The following table summarizes movements in the number of restricted units outstanding:

(Number of Awards)	Year ended December 31, 2025	Weighted average grant date fair value per unit	Year ended December 31, 2024	Weighted average grant date fair value per unit
Outstanding, beginning of year	1,383,683	\$ 6.69	846,893	\$ 7.70
New grants	586,054	4.60	509,490	5.20
Redeemed and paid in cash	(322,017)	5.14	(27,337)	5.24
Redeemed and paid in REIT units	—	—	(25,302)	5.05
Forfeited	(294,518)	5.58	(17,393)	7.13
Distribution entitlement	131,663	5.08	97,332	4.91
<b>Outstanding, end of year</b>	<b>1,484,865</b>	<b>\$ 6.28</b>	<b>1,383,683</b>	<b>\$ 6.69</b>

As at December 31, 2025, the fair value of the accrued RUs was \$3.5 million (December 2024 - \$2.0 million), determined based on the trading price of the REIT's units. The awards are remeasured at each reporting date using the fair market value of a REIT unit, with changes in fair value recognized in the consolidated statements of income (loss) as part of fair value adjustment of unit-based compensation liabilities.

**Performance Units**

The REIT grants performance units (“PUs”) under the EIP with a three-year vesting period. The PUs are subject to both market and non-market performance conditions, which include measures of absolute and relative performance assessed over the three-year period.

Grant agreements provide that awards will be settled upon vesting either through (i) the issuance of a fixed number of REIT trust units from treasury, or (ii) a cash payment, as determined by the REIT. As the REIT retains discretion to settle the awards in cash, the PUs are classified as cash-settled unit-based payment liabilities. The PUs accrue distributions during the vesting period and are payable upon vesting of the underlying awards.

The following table summarizes movements in the number of performance units outstanding:

(Number of Awards)	Year ended December 31, 2025	Weighted average grant date fair value per unit	Year ended December 31, 2024	Weighted average grant date fair value per unit
Outstanding, beginning of year	1,310,134	\$ 7.12	577,918	\$ 9.60
New grants	908,899	4.65	670,066	5.23
Forfeited and cancelled by performance factor	(964,472)	7.44	(27,974)	6.25
Distribution entitlement	128,047	4.96	90,124	5.04
<b>Outstanding, end of year</b>	<b>1,382,608</b>	<b>\$ 5.08</b>	<b>1,310,134</b>	<b>\$ 7.12</b>

As at December 31, 2025, the fair value of the accrued PUs was \$4.8 million (December 31, 2024 - \$1.4 million), determined based on market and non-market performance measures. The awards are remeasured at fair value at each reporting date, with changes in fair value recognized in the consolidated statements of income (loss) as part of fair value adjustment of unit-based compensation liabilities for the period.

<b>Grant dates</b>	<b>April 14, 2023 - July 2, 2025</b>
Weighted average remaining term to vesting	1.17
Average volatility rate	18.3%
Weighted average risk-free interest rate	2.69%

The REIT’s unit-based compensation expense (recovery), recognized within general and administrative expenses and fair value adjustments, was as follows:

(\$ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Deferred Units	\$ 2,444	\$ (1,020)
Restricted Units	3,101	2,299
Performance Units	2,788	3,184
<b>Unit-based compensation expense included in general and administration expenses</b>	<b>\$ 8,333</b>	<b>\$ 4,463</b>
Fair value remeasurement:		
Deferred Units	\$ 428	\$ (527)
Restricted Units	33	(1,091)
Performance Units	605	(2,069)
<b>Fair value adjustment of unit-based compensation liabilities</b>	<b>\$ 1,066</b>	<b>\$ (3,687)</b>
<b>Total expense</b>	<b>\$ 9,399</b>	<b>\$ 776</b>

**Note 14. Income Taxes**

The REIT qualifies as both a mutual fund trust and a real estate investment trust under the Income Tax Act (Canada). As long as it continues to meet the prescribed asset and revenue conditions and distributes all taxable income to unitholders, it is generally exempt from Canadian income tax. Accordingly, no current or deferred income tax is recognized at the REIT level for Canadian income tax.

Certain subsidiaries of the REIT are subject to income tax in the jurisdictions in which they operate. Some of these subsidiaries also qualify for REIT-like tax treatment locally and must meet conditions to maintain that beneficial status. The income tax expense (recovery) presented in this note therefore relates only to income taxes payable by the REIT's subsidiaries and taxes arising on the distribution of profits from those subsidiaries to the REIT. Judgment is required in applying the relevant tax laws and in measuring uncertain tax positions (Note 3).

(\$ thousands)	<b>Year ended December 31, 2025</b>	Year ended December 31, 2024
Current income tax (expense) recovery	<b>\$ (13,427)</b>	\$ (21,143)
Deferred income tax (expense) recovery	<b>7,366</b>	70,652
<b>Total income tax (expense) recovery</b>	<b>\$ (6,061)</b>	<b>\$ 49,509</b>

Deferred Income Taxes

Deferred income taxes arise from temporary differences between the carrying amounts of assets and liabilities reported in the consolidated financial statements and their corresponding tax bases. Deferred tax assets are recognized only when it is probable they will be realized through future taxable profits, while deferred tax liabilities are recorded for taxable temporary differences.

Deferred tax assets and liabilities are presented on a net basis when they relate to the same taxable entity and jurisdiction and when a legally enforceable right of offset exists. The components of the REIT's deferred tax balances and the movements during the period are set out below.

(\$ thousands)	<b>As at December 31, 2025</b>	As at December 31, 2024
Investment properties	<b>\$ 213,597</b>	\$ 321,865
Other temporary differences	<b>30,405</b>	399
Deferred income tax liabilities before offset	<b>244,002</b>	322,264
Tax offset	<b>(3,662)</b>	(7,043)
<b>Total deferred income tax liabilities</b>	<b>\$ 240,340</b>	<b>\$ 315,221</b>
Derivative financial instruments	<b>—</b>	855
Tax loss carryforwards	<b>4,899</b>	4,573
Other temporary differences	<b>1,431</b>	4,065
Deferred income tax assets before offset	<b>6,330</b>	9,493
Tax offset	<b>(3,662)</b>	(7,043)
<b>Total deferred income tax assets</b>	<b>\$ 2,668</b>	<b>\$ 2,450</b>
<b>Net deferred income tax liabilities</b>	<b>\$ 237,672</b>	<b>\$ 312,771</b>

In 2025, the REIT recognized a deferred tax liability on undistributed profits in subsidiaries relating to the proceeds received from the internalization of Vital Trust and historic earnings from its previous external management arrangements with Vital Trust. This amount is included in 'Other temporary differences' in the breakdown of the REIT's deferred tax balances above. Management has applied its judgment in measuring the deferred tax liability at the most probable amount.

## Notes to the Consolidated Financial Statements

### Unrecognized Deferred Tax Assets and Liabilities

As at December 31, 2025, the REIT has \$484.1 million of accumulated tax losses and other deductible temporary differences (December 31, 2024 – \$457.2 million) for which no deferred tax asset has been recognized. These amounts have not been recognized because it is not considered probable that they will be realized against future taxable profits of the relevant subsidiaries. Of these differences, \$416.1 million (December 31, 2024 – \$360.5 million) have no expiry date, while the remaining amounts expire over periods ranging from 10 to 20 years.

In addition, the REIT has \$2.2 million (December 31, 2024 – \$69.8 million) of taxable temporary differences associated with investments in subsidiaries for which no deferred tax liability has been recognized. These amounts have not been recognized because the REIT can control the timing of reversal and it is not expected that these temporary differences will reverse in the foreseeable future. The decrease in the amount of unrecognized taxable temporary difference from 2024 to 2025 is due to the REIT recognizing a deferred tax liability on undistributed profits relating to its previous external management arrangements with Vital Trust.

### Reconciliation of Income Tax Expense (Recovery)

(\$ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Income (loss) before income taxes	\$ 27,282	\$ (369,713)
Income tax computed at domestic tax rates	3,568	77,659
Items not deductible	5,191	34
Reversal of previously recorded deferred tax liability on current year disposition	—	5,496
Deductible temporary differences for which no deferred tax asset is recognized	(11,050)	(27,877)
Derecognition of previously recognized deferred tax assets	(322)	(9,030)
Change in uncertain tax positions	—	5,800
Change in unrecorded tax benefit of losses and temporary differences	1,631	—
Withholding tax	(1,015)	—
Tax adjustments related to prior years	(2,808)	(1,995)
Other	(1,256)	(578)
<b>Income tax (expense) recovery</b>	<b>\$ (6,061)</b>	<b>\$ 49,509</b>

### Note 15. Accounts Payable and Accrued Liabilities

(\$ thousands)	As at December 31, 2025	As at December 31, 2024
Accrued property costs	\$ 25,272	\$ 35,784
Accrued interest	15,969	11,982
Deferred revenue and tenant deposits	15,661	18,252
Accrued employee costs	9,004	11,633
Accounts payable	8,497	5,657
Accrued professional fees	5,416	5,885
Commodity taxes payable	3,331	5,943
Other accounts payable and accrued liabilities	3,104	9,972
	<b>\$ 86,254</b>	<b>\$ 105,108</b>
Classified as:		
Current portion	\$ 72,417	\$ 88,323
Non-current portion	13,837	16,785
<b>Accounts payable and accrued liabilities</b>	<b>\$ 86,254</b>	<b>\$ 105,108</b>

**Note 16. Unitholders' Equity**

The REIT has two classes of units: (a) Trust units; and (b) special voting units. As at December 31, 2025, no special voting units were outstanding.

The REIT is authorized to issue an unlimited number of Trust Units and an unlimited number of special voting units, both without par value. Each Trust Unit represents one vote at meetings of unitholders and entitles the holder to a pro rata share of distributions declared by the REIT. Trust Units are redeemable at the option of the holder, and upon receipt of a redemption notice, all rights attached to the units are surrendered. The redemption price is calculated in accordance with the formula set out in the REIT's Declaration of Trust and is payable in accordance with those provisions.

The following table shows the changes in Trust Units during the years ended December 31, 2025 and 2024:

(\$ thousands except where otherwise indicated)	Note	As at December 31, 2025		As at December 31, 2024	
		Trust Units	Amount	Trust Units	Amount
Units, beginning of year		247,784,245	\$ 2,547,239	243,292,126	\$ 2,525,040
Units issued through distribution reinvestment plan		2,079,203	9,744	2,116,185	10,054
Units issued on conversion of convertible debentures	12	1,379	10	1,710,000	8,926
Units issued under unit-based compensation plans	13	127,843	631	665,934	3,219
<b>Units, end of year</b>		<b>249,992,670</b>	<b>\$ 2,557,624</b>	247,784,245	\$ 2,547,239

Following the September 2025 distribution (paid on October 15, 2025), the REIT suspended its distribution reinvestment plan ("DRIP") until further notice. Unitholders previously enrolled in the DRIP now receive their distribution payments in cash. Prior to the suspension, the DRIP allowed unitholders to reinvest monthly cash distributions in additional Trust Units at a 3% discount to the weighted average trading price for the five trading days immediately preceding the distribution date.

**Note 17. Normal Course Issuer Bid**

On November 11, 2025, the REIT announced that the Toronto Stock Exchange ("TSX") had approved its intention to implement a normal course issuer bid ("NCIB") for a portion of its outstanding Series H and Series I convertible unsecured debentures and trust units. The NCIB allows the REIT to repurchase up to \$15.5 million principal amount of Series H Debentures, \$8.6 million principal amount of Series I Debentures, and 22.2 million trust units, representing approximately 10% of each public float as of October 31, 2025.

The NCIB commenced on November 14, 2025, and will continue until November 13, 2026, unless completed or terminated earlier. All securities acquired under the NCIB will be cancelled, and the REIT intends to fund the purchases from available resources. The REIT also adopted an automatic securities purchase plan, effective November 14, 2025, to permit repurchases during regulatory blackout periods in accordance with TSX requirements.

During the period from January 1, to February 24, 2026, the REIT completed purchases of its convertible debentures pursuant to the NCIB. The REIT acquired 902 units of its convertible debentures for total cash consideration of \$0.9 million.

**Note 18. Non-Controlling Interest**

Until its internalization in December 2025 (Note 5), Vital Trust was consolidated by the REIT, with a non-controlling interest ("NCI") recognized for units not owned. Upon internalization, the REIT lost control of Vital Trust, resulting in derecognition of the NCI, and its remaining interest is now accounted for using the equity method (Note 8).

Prior to internalization, the REIT's ownership interest in Vital Trust fluctuated due to equity offerings in which the REIT did not participate, distribution reinvestment plans, settlement of management fees, and periodic unit sales. Immediately before internalization, the REIT held a 23.9% ownership interest (December 31, 2024 – 28.3%).

Summarized Balance Sheet – Vital Trust (100% basis)

The following table summarizes Vital Trust's 100% financial position at the dates presented, before intercompany eliminations and reflecting both the REIT's and third-party interests.

(\$ thousands)	<b>As at December 31, 2025</b>	As at December 31, 2024
REIT's ownership interest	<b>23.9 %</b>	28.3 %
Total assets	\$ —	\$ 2,671,693
Total liabilities	—	1,231,603
<b>Net assets</b>	<b>\$ —</b>	<b>\$ 1,440,090</b>
Attributable to:		
Unitholders of the REIT	\$ —	\$ 421,992
Non-controlling interests	—	1,018,098
	<b>\$ —</b>	<b>\$ 1,440,090</b>

Summarized Results of Operations – Vital Trust (100% basis)

The following table summarizes Vital Trust's results of operations on a 100% basis, before intercompany eliminations, for the periods during which it was consolidated:

(\$ thousands)	<b>Year ended December 31, 2025</b>	Year ended December 31, 2024
<b>Revenue from investment properties</b>	<b>\$ 148,948</b>	\$ 142,977
<b>Net loss attributable to:</b>		
Unitholders of the REIT	\$ 27,342	\$ (8,068)
Non-controlling interests	74,073	(20,420)
<b>Net loss</b>	<b>\$ 101,415</b>	<b>\$ (28,488)</b>
<b>Total comprehensive loss attributable to:</b>		
Unitholders of the REIT	\$ 28,032	\$ (15,766)
Non-controlling interests	74,045	(35,898)
<b>Total comprehensive loss</b>	<b>\$ 102,077</b>	<b>\$ (51,664)</b>
<b>Distributions attributable to non-controlling interests</b>	<b>\$ 38,748</b>	\$ 39,537

## Notes to the Consolidated Financial Statements

### Share of Net Loss and Comprehensive Loss Attributable to NCI

The following table summarizes the share of net loss and comprehensive loss attributable to non-controlling interests for the periods presented, before intercompany eliminations and reflecting both the REIT's and third-party interests. These amounts relate primarily to Vital Trust prior to internalization.

(\$ thousands)	<b>Year ended December 31, 2025</b>	Year ended December 31, 2024
Net income (loss) attributable to:		
Vital Trust	\$ 74,073	\$ (20,420)
Other investments	—	(27)
<b>Net income (loss) attributable to non-controlling interests</b>	<b>\$ 74,073</b>	<b>\$ (20,447)</b>
Comprehensive income (loss) attributable to:		
Vital Trust	\$ 74,045	\$ (35,898)
Other investments	—	(27)
<b>Comprehensive income (loss) attributable to non-controlling interests</b>	<b>\$ 74,045</b>	<b>\$ (35,925)</b>

### Summarized Cash Flows – Vital Trust (100% basis)

Cash flows reflect Vital Trust's operating, investing, and financing activities for the period during which Vital Trust was consolidated.

(\$ thousands)	<b>Year ended December 31, 2025</b>	Year ended December 31, 2024
<b>Cash flows from (used in):</b>		
Operating activities	\$ 64,780	\$ 50,698
Investing activities	(13,939)	(49,100)
Financing activities	127,476	(7,163)
Effect of foreign currency translation	5,278	17
<b>Net change in cash and cash equivalents</b>	<b>\$ 183,595</b>	<b>\$ (5,548)</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 189,184</b>	<b>\$ 5,706</b>

For the year ended December 31, 2025, the REIT earned management fees from Vital Trust of \$19.9 million (December 31, 2024 - \$25.2 million), which were eliminated on consolidation.

## Notes to the Consolidated Financial Statements

### Note 19. Revenue from Investment Properties

The components of revenue from investment properties are as follows:

(\$ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Rental income including straight-line rental revenue	\$ 319,091	\$ 357,751
Operating cost recoveries	63,931	63,308
Property tax and insurance recoveries	30,964	32,789
Other revenue	8,539	8,555
<b>Revenue from investment properties</b>	<b>\$ 422,525</b>	<b>\$ 462,403</b>

#### Future Minimum Contractual Rent

The REIT enters into operating leases with tenants for space within its investment properties. Lease terms vary by asset type and tenant profile and generally include fixed base rent with scheduled contractual increases, together with recoveries of operating costs and realty taxes.

Future minimum contractual rent includes only fixed lease payments due under non-cancellable lease terms and excludes recoveries, variable rent and straight-line rent adjustments. Renewal options are included only when they are reasonably certain to be exercised.

The following table summarizes the future minimum contractual base rent to be received under non-cancellable operating leases:

(\$ thousands)		
2026	\$	170,195
2027		165,236
2028		159,327
2029		151,060
2030		142,410
Thereafter		753,013
<b>Total</b>	<b>\$</b>	<b>1,541,241</b>

### Note 20. Property Operating Costs

(\$ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Property taxes and insurance	\$ 31,642	\$ 35,600
Recoverable operating costs	67,698	64,844
Non-recoverable operating costs	11,047	12,551
<b>Property operating costs</b>	<b>\$ 110,387</b>	<b>\$ 112,995</b>

### Note 21. Interest and Other Income

(\$ thousands)	Note	Year ended December 31, 2025	Year ended December 31, 2024
Distribution income	10	\$ 3,733	\$ 8,622
Interest income from related parties	32	5,327	4,889
Interest income from loan and mortgage receivable	10	1,057	1,556
Other interest income		3,438	3,773
<b>Interest and other income</b>		<b>\$ 13,555</b>	<b>\$ 18,840</b>

## Notes to the Consolidated Financial Statements

### Note 22. Finance Costs

Finance costs consist of interest on borrowings and amortization of deferred financing costs, both determined under the effective interest method, along with other financing costs.

(\$ thousands)	Note	Year ended December 31, 2025	Year ended December 31, 2024
Interest expense		\$ 147,751	\$ 213,892
Amortization of financing costs	11, 12	8,808	22,630
Other finance expenses		—	169
		<b>156,559</b>	236,691
Less: Capitalized interest	6	<b>(19,518)</b>	(23,435)
<b>Finance costs</b>		<b>\$ 137,041</b>	<b>\$ 213,256</b>

### Note 23. General and Administrative Expenses

(\$ thousands)	Note	Year ended December 31, 2025	Year ended December 31, 2024
Salaries, benefits and other employee costs <sup>(1)</sup>		\$ 40,854	\$ 38,838
Professional fees and corporate costs		9,500	11,791
Unit-based compensation expense	13	8,333	4,391
Information technology costs		4,539	3,908
Employee termination benefits and associated costs		5,263	3,901
Office related costs		3,790	3,018
Investor relations and public company costs		3,269	3,496
Other		4,167	6,266
		<b>79,715</b>	75,609
Less: Capitalized to properties under development		<b>(5,123)</b>	(4,830)
Less: Allocated to property operating expenses		<b>(12,601)</b>	(12,605)
<b>General and administrative expenses</b>		<b>\$ 61,991</b>	<b>\$ 58,174</b>

<sup>(1)</sup>Salaries, benefits and employee costs are presented net of amounts allocated to transaction costs and net loss on disposal of assets.

### Note 24. Transaction Costs

For the year ended December 31, 2025, the REIT incurred transaction costs of \$18.7 million (2024 - \$16.7 million). Transaction costs primarily include third-party advisory fees, legal and diligence costs, and internal compensation allocations related to acquisitions, dispositions, capital-raising initiatives and other strategic activities. These amounts vary from year to year depending on transaction activity.

### Note 25. Fair Value Adjustment of Financial Instruments

(\$ thousands)	Note	Year ended December 31, 2025	Year ended December 31, 2024
Interest rate and cross currency derivatives	9	\$ 1,875	\$ (7,509)
Foreign exchange contracts	9	(1,053)	53
Investment in real estate securities	10	37,161	(17,558)
<b>Fair value adjustment of financial instruments</b>		<b>\$ 37,983</b>	<b>\$ (25,014)</b>

The REIT previously held investments in (i) Assura and (ii) unlisted securities issued by an Australian healthcare fund, both of which were measured at fair value through profit or loss. During 2025, the REIT disposed of all remaining interests in these investments (Note 10).

**Note 26. Financial Instruments**

The REIT's financial instruments are measured and presented in accordance with the policies described in Note 2. Certain instruments are carried at fair value, while others are measured at amortized cost with fair value disclosed when relevant. Fair values reflect market conditions at the reporting date.

Fair value hierarchy

Fair value measurements are categorized within a three-level hierarchy based on the lowest-level input that is significant to the valuation. The valuation framework and definitions of Levels 1, 2 and 3 are described in Note 2. The following table summarizes the REIT's financial instruments measured at fair value, as well as those for which fair value is disclosed, classified within the hierarchy as at December 31, 2025 and 2024:

	Note	As at December 31, 2025				As at December 31, 2024			
		Carrying value	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3
<b>Financial Assets</b>									
<b>Fair value through profit and loss:</b>									
Investment in Assura		\$ —	\$ —	\$ —	\$ —	\$169,417	\$169,417	\$ —	\$ —
Investment in unlisted securities		—	—	—	—	4,278	—	—	4,278
Derivative financial instruments	9	<b>3,854</b>	—	<b>3,854</b>	—	16,185	—	16,185	—
<b>Amortized cost:</b>									
Loans and mortgages receivable	10	<b>3,850</b>	—	—	<b>3,850</b>	14,963	—	—	14,963
Cash and cash equivalents		<b>94,081</b>	<b>94,081</b>	—	—	51,247	51,247	—	—
<b>Financial Liabilities</b>									
<b>Fair value through profit and loss:</b>									
Derivative financial instruments	9	<b>237</b>	—	<b>237</b>	—	6,181	—	6,181	—
Convertible debentures	12	<b>249,309</b>	<b>249,309</b>	—	—	356,963	356,963	—	—
Unit-based compensation liabilities	13	<b>12,699</b>	—	<b>7,881</b>	<b>4,818</b>	9,929	—	8,504	1,425
<b>Amortized cost:</b>									
Mortgages payable and term debt	11	<b>613,487</b>	—	<b>616,573</b>	—	2,635,545	—	2,646,292	—
Senior unsecured debentures	12	<b>497,322</b>	<b>511,970</b>	—	—	—	—	—	—

Valuation techniques

Valuation methodologies for the REIT's financial instruments are summarized in Note 2. Quoted market prices are used when available; otherwise valuation techniques incorporate observable market inputs. Fixed-rate debt is valued using discounted cash flows based on current market interest rates for similar instruments. Variable-rate debt, cash and other short-term financial assets and liabilities approximate carrying value due to their short maturities.

There were no transfers between levels of the fair value hierarchy during the year.

**Note 27. Financial Risk Management**

The REIT is exposed to a number of financial risks through its use of financial instruments, including liquidity risk, interest rate risk, foreign currency risk, price risk and credit risk. The objective of the REIT’s financial risk management program is to manage these risks in a manner consistent with its strategy and risk tolerance. Risk management policies are monitored on an ongoing basis and updated to reflect changes in market conditions and the REIT’s operations.

Liquidity Risk

Liquidity risk is the risk that the REIT will not be able to meet its financial obligations as they come due or obtain funding on reasonable terms. The REIT manages liquidity risk by maintaining sufficient cash on hand, access to undrawn credit facilities, a diversified lender base, staggered debt maturities, and ongoing monitoring of financial covenants. Management also prepares regular cash flow forecasts and monitors its pool of unencumbered assets to support potential secured financing.

The table below summarizes the REIT’s contractual undiscounted cash flows for its financial liabilities, including estimated interest payments based on interest rates in effect at December 31, 2025:

(\$ thousands)	<b>Carrying Amount</b>	<b>Contractual Cash Flows</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>Thereafter</b>
Mortgages payable	\$ 597,122	\$ 641,395	\$249,933	\$ 97,002	\$116,678	\$133,733	\$ 34,391	\$ 9,658
Term debt	239,110	268,807	37,612	80,074	58,289	22,488	59,994	10,350
Liabilities related to assets held for sale	221,065	221,065	221,065	—	—	—	—	—
Senior unsecured debentures	497,322	590,674	26,580	26,580	218,215	16,542	302,757	—
Convertible debentures	249,309	273,269	16,388	168,403	88,478	—	—	—
	<b>\$1,803,928</b>	<b>\$ 1,995,210</b>	<b>\$551,578</b>	<b>\$372,059</b>	<b>\$481,660</b>	<b>\$172,763</b>	<b>\$397,142</b>	<b>\$ 20,008</b>

In addition to the amounts above, the REIT has development commitments of \$140.9 million (Note 31).

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The REIT’s principal market risks include interest rate risk, foreign currency risk and price risk.

Interest Rate Risk

The REIT is exposed to interest rate risk primarily through variable-rate borrowings. The REIT manages this exposure by maintaining a mix of fixed- and floating-rate debt and through the use of interest rate derivatives. As at December 31, 2025, approximately 77.2% of the REIT’s borrowings were contractually fixed (December 31, 2024 - 36.0%). Approximately 91.8% of the REIT’s borrowings effectively fixed when taking into consideration variable rate debt under currently effective interest rate swaps and caps (December 31, 2024 - 78.7%).

A 100 basis point change in interest rates, assuming all other variables remain constant, would impact annual net income by approximately \$8.4 million (December 31, 2024 - \$26.4 million).

## Notes to the Consolidated Financial Statements

### Foreign currency risk

The REIT is exposed to foreign currency risk through its foreign-currency-denominated borrowings and its net investments in subsidiaries located in Europe, Brazil, the United States, Australia and New Zealand. The REIT manages this risk through local-currency financing, natural hedging, selective use of derivatives, and ongoing monitoring of exposures. Foreign-currency translation adjustments arising from net investments in foreign subsidiaries are recorded in other comprehensive income.

The table below summarizes the effect of a 10% strengthening of the Canadian dollar against major currencies on the REIT's net income, assuming all other variables remain constant:

(\$ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Europe (EUR)	\$ 5,428	\$ 4,579
Europe (GBP)	(3,733)	13,143
Brazil (BRL)	(4,743)	5,596
North America (USD)	(160)	4,401
Australasia (NZD)	(22,865)	1,634
Australasia (AUD)	19	3,775
	<b>\$ (26,054)</b>	<b>\$ 33,128</b>

A 10% weakening of the Canadian dollar would have an equal and opposite effect.

### Price risk

Price risk arises from financial instruments whose value changes with market prices, including the REIT's unit-based compensation liabilities, exchangeable units, and any equity securities measured at fair value. These instruments are remeasured each reporting period, with changes recognized in profit or loss. The REIT does not apply specific hedging strategies for price risk.

### Credit risk

Credit risk is the risk of financial loss from a counterparty's inability to meet its obligations. The REIT's primary credit exposures relate to tenant receivables, cash deposits held with financial institutions and derivative counterparties.

Tenant credit risk is mitigated through credit assessments of new tenants, ongoing monitoring of payment performance and diversification of the tenant base. Cash is held with major financial institutions, and derivative contracts are entered into only with high-quality counterparties. The REIT's maximum exposure is the carrying value of its financial assets.

An aging analysis of accounts receivable past due, net of expected credit losses, is provided below:

(\$ thousands)	As at December 31, 2025	As at December 31, 2024
Less than 30 days	\$ 910	\$ 4,881
31 to 60 Days	1,342	813
61-90 days	91	900
More than 90 Days	1,513	1,757
Total billed	3,856	8,351
Unbilled and other receivables	13,216	18,193
Expected credit losses	(1,658)	(2,038)
<b>Accounts receivable</b>	<b>\$ 15,414</b>	<b>\$ 24,506</b>

As at December 31, 2025, unbilled and other receivable included \$6.7 million of unbilled operating recoveries, \$3.5 million of income tax receivable and \$1.8 million of other receivables expected to be collected within the year.

**Note 28. Capital Management**

Capital is comprised of the REIT's unitholders' equity, mortgages, term debt and credit facilities, and debentures. The REIT manages its capital structure to support operations, fund development and investment activity, maintain financial flexibility, and comply with externally imposed requirements under its Declaration of Trust and lending agreements. Management may adjust the REIT's capital structure by issuing or repurchasing units, refinancing existing debt, accessing credit facilities, or disposing of assets as circumstances warrant.

The Declaration of Trust limits total indebtedness to no more than 65% of Gross Book Value, excluding deferred revenue and unsecured debt.

The REIT's mortgages, term debt and credit facilities are subject to financial covenants (Note 11) that are tested quarterly. Management monitors its capital position on an ongoing basis, including reviewing key indicators such as debt-to-gross book value, debt service coverage, and minimum equity. As at December 31, 2025, the REIT is subject to the following covenants under its secured revolving credit facility:

- Debt to gross asset value, excluding convertible debentures, not in excess of 65%;
- Debt to gross book value, including convertible debentures, not in excess of 70%;
- Debt service coverage ratio of not less than 1.3:1, on a trailing twelve-month basis; and
- Minimum unitholders' equity of \$1.0 billion plus 75% of net proceeds from equity offerings completed after December 31, 2024.

The debt service coverage ratio increases to 1.4:1 beginning March 31, 2026, with quarterly testing thereafter.

The REIT's senior unsecured debentures are also subject to occurrence-based covenants under the supplemental indenture, including:

- Interest coverage ratio greater than or equal to 1.65:1;
- Indebtedness to asset value, excluding convertible debentures and adjusting for cash and cash equivalents, of less than or equal to 65%; and
- Proportionate adjusted unitholders' equity of not less than \$500.0 million.

Failure to comply with these covenants could restrict the REIT's ability to access financing, declare distributions, or, in certain circumstances, require repayment of outstanding amounts. As at December 31, 2025, the REIT was in compliance with all applicable covenants (Note 11 and 12).

In addition, on the earlier of February 18, 2027 or the date upon which the REIT's secured revolving credit facility becomes an unsecured obligation, the REIT will be required to maintain an interest coverage ratio of at least 1.65:1.

**Note 29. Supplemental Cash Flow Information****Changes in non-cash working capital**

(\$ thousands)		Year ended December 31, 2025		Year ended December 31, 2024
Accounts receivable	\$	(14,347)	\$	1,790
Other assets		5,906		(2,380)
Accounts payable and accrued liabilities		40,355		(6,239)
<b>Changes in non-cash working capital</b>	<b>\$</b>	<b>31,914</b>	<b>\$</b>	<b>(6,829)</b>

**Items not affecting cash and other items**

(\$ thousands)	Note	Year ended December 31, 2025		Year ended December 31, 2024
Amortization of other assets		\$ 2,253	\$	3,671
Unrealized foreign exchange gain		(4,718)		(32,635)
Unit-based compensation expense	13	8,333		4,463
Fair value adjustment of convertible debentures	12	17,346		36,109
Fair value adjustment of financial instruments	25	(37,983)		25,014
Fair value adjustment of investment properties	6, 7	61,868		368,791
Fair value adjustment of unit-based compensation liabilities	13	1,066		(3,687)
<b>Items not affecting cash and other items</b>		<b>\$ 48,165</b>	<b>\$</b>	<b>401,726</b>

**Non-cash financing and investing activities**

(\$ thousands)	Note	Year ended December 31, 2025		Year ended December 31, 2024
Non-cash distributions to unitholders under the DRIP	16	\$ 9,744	\$	10,054
Non-cash conversion of convertible debentures	16	10		—
Non-cash conversion of Class B exchangeable units	16	—		8,926
Non-cash consideration from sale of subsidiary	10	—		177,000
Units issued under unit-based compensation plan	13	631		3,219
<b>Non-cash financing and investing activities</b>		<b>\$ 10,385</b>	<b>\$</b>	<b>199,199</b>

**Note 30. Segmented Information**

The REIT operates within a single industry segment, the healthcare real estate sector, but manages its operations across four geographic regions: North America, Brazil, Europe, and Australasia. The Chief Executive Officer evaluates the performance of each operating segment based on operating income (loss). The "Other" category primarily consists of corporate functions that do not generate revenue and are not considered reportable operating segments. The accounting policies applied to each segment are consistent with those applied by the REIT as a whole.

During the year ended December 31, 2025, a single tenant in Brazil accounted for approximately 14% of the total revenue from investment properties on a consolidated basis (year ended December 31, 2024 - 11%).

(\$ thousands)	North America	Brazil	Europe	Australasia	Other	As at December 31, 2025
<b>Investment properties</b>	<b>\$1,313,154</b>	<b>\$ 668,650</b>	<b>\$ 154,313</b>	<b>\$ 134,872</b>	<b>\$ —</b>	<b>\$ 2,270,989</b>
<b>Mortgages, term debt and credit facilities</b>	<b>280,616</b>	<b>121,456</b>	<b>95,441</b>	<b>72,977</b>	<b>42,997</b>	<b>613,487</b>

(\$ thousands)	North America	Brazil	Europe	Australasia	Other	As at December 31, 2024
Investment properties	\$1,350,638	\$ 612,744	\$ 562,823	\$2,734,785	\$ —	\$ 5,260,990
Mortgages, term debt and credit facilities	564,610	130,140	389,485	1,138,771	412,539	2,635,545

(\$ thousands)	North America	Brazil	Europe	Australasia	Corporate	Year ended December 31, 2025
<b>Net property operating income</b>						
Revenue from investment properties	\$ 150,787	\$ 58,951	\$ 54,344	\$ 158,443	\$ —	<b>\$ 422,525</b>
Property operating costs	(65,103)	(1,598)	(19,273)	(24,413)	—	<b>(110,387)</b>
	85,684	57,353	35,071	134,030	—	<b>312,138</b>
<b>Other income (expenses)</b>						
Interest and other income	336	1,238	4,022	2,429	5,530	<b>13,555</b>
Management fees	84	—	3,107	11,904	—	<b>15,095</b>
Share of income (loss) from equity accounted investments	—	—	2,884	4,102	—	<b>6,986</b>
Finance costs	(18,099)	(6,214)	(12,001)	(44,025)	(56,702)	<b>(137,041)</b>
General and administrative expenses	(7,349)	(2,287)	(9,124)	(20,094)	(23,137)	<b>(61,991)</b>
Transaction costs	(98)	(258)	(5,022)	(2,067)	(11,252)	<b>(18,697)</b>
Foreign exchange gain (loss)	378	(12)	7,289	(2,870)	(225)	<b>4,560</b>
<b>Operating income (loss)</b>	<b>60,936</b>	<b>49,820</b>	<b>26,226</b>	<b>83,409</b>	<b>(85,786)</b>	<b>134,605</b>
Accretion of financial liabilities						<b>(6,817)</b>
Fair value adjustment of convertible debentures						<b>(17,346)</b>
Fair value adjustment of financial instruments						<b>37,983</b>
Fair value adjustment of investment properties						<b>(61,868)</b>
Loss on internalization of Vital Trust						<b>(51,595)</b>
Net loss on disposals of assets						<b>(6,614)</b>
Fair value adjustment of unit-based compensation liabilities						<b>(1,066)</b>
Income tax (expense) recovery						<b>(6,061)</b>
<b>Net income</b>					<b>\$</b>	<b>21,221</b>

## Notes to the Consolidated Financial Statements

(\$ thousands)	North America	Brazil	Europe	Australasia	Other	Year ended December 31, 2024
Net property operating income						
Revenue from investment properties	\$ 166,843	\$ 57,399	\$ 85,826	\$ 152,335	\$ —	\$ 462,403
Property operating costs	(71,332)	(1,704)	(19,241)	(20,718)	—	(112,995)
	95,511	55,695	66,585	131,617	—	349,408
Other income (expenses)						
Interest and other income	408	445	7,897	5,000	5,090	18,840
Management fees	78	—	2,918	12,154	—	15,150
Share of income (loss) from equity accounted investments	—	—	(1,639)	(29,086)	—	(30,725)
Finance costs	(36,073)	(25,442)	(33,264)	(43,799)	(74,678)	(213,256)
General and administrative expenses	(6,638)	(2,058)	(11,089)	(20,435)	(17,954)	(58,174)
Transaction costs	(956)	(735)	(2,830)	(7,974)	(4,198)	(16,693)
Foreign exchange gain (loss)	(3)	4,894	2,198	(1,363)	28,153	33,879
Operating income (loss)	52,327	32,799	30,776	46,114	(63,587)	98,429
Accretion of financial liabilities						(7,245)
Fair value adjustment of convertible debentures						(36,109)
Fair value adjustment of financial instruments						(25,014)
Fair value adjustment of investment properties						(368,791)
Net loss on disposals of assets						(34,670)
Fair value adjustment of unit-based compensation liabilities						3,687
Income tax (expense) recovery						49,509
Net loss					\$	(320,204)

### Note 31. Commitments and Contingent Liabilities

#### Property commitments

The REIT has entered into acquisition and construction agreements on certain development properties, with committed costs of \$140.9 million as at December 31, 2025 (December 31, 2024 - \$88.0 million). \$112.0 million of the committed costs are related to acquisition agreements related a development project in North America. The REIT expects to complete these projects throughout 2026 to 2029.

#### Landlord work commitments

Pursuant to a lease renewal during the year ended December 31, 2024, the REIT has entered into an agreement to reimburse the tenant on a Brazilian property for up to \$6.6 million of landlord's work. The reimbursement is expected to occur by October 2027.

#### Guarantees

The REIT provides guarantees to subsidiaries, including consolidated and equity accounted entities, which are not expected to have a material impact on the consolidated financial statements. In connection with the 2023 disposition of an Australasian investment property, the REIT entered into agreements to provide rental guarantees of up to \$0.9 million, expiring in 2028. These guarantees would become effective if the sub-lease is terminated due to default by the sub-landlord. No such action has occurred or is anticipated, and accordingly no provision has been recognized by the REIT.

#### Indemnities

In connection with the sale and contribution of European investment properties to the European joint venture in 2020, the REIT indemnified its joint venture partner for potential tax liabilities relating to those properties. As the eventual disposition of the properties depends on uncertain future events not within the REIT's control, and the taxable outcome cannot be reliably estimated, no provision has been recognized.

As part of the formation of a joint venture in 2020, the REIT disposed of its 70% interest in AREIT units and indemnified its joint venture partner for potential tax liabilities relating to AREIT's investment properties contributed to the joint venture. This indemnity expires if the properties are not sold within 15 years of settlement. For the same reasons noted above, no provision has been recognized.

The REIT also indemnifies trustees, directors, and officers of the REIT and its subsidiaries, to the extent permitted by law, against damages, liabilities, costs, or expenses incurred in connection with their service. Such indemnities are subject to statutory and other legal limitation periods. Due to the nature of these agreements, the maximum potential amount payable cannot be reasonably estimated. Accordingly, no provision has been recognized.

#### Legal proceedings

The REIT is subject to legal and other claims in the normal course of business. Management and the REIT's legal counsel evaluate all claims. In the opinion of management, these claims are generally covered by the REIT's insurance policies and any liability from such claims would not have a significant effect on the REIT's consolidated financial statements. Accordingly, no provision has been recognized.

#### Uncertain tax positions

The REIT operates in multiple foreign jurisdictions where local tax rules and interpretations can be complex. The REIT and its subsidiaries are subject to ongoing reviews by tax authorities in these jurisdictions. Management evaluates these matters in accordance with IFRIC 23, and does not expect any unresolved examinations to have a material impact on the consolidated financial statements.

#### Other commitments

As at December 31, 2025, the REIT has no material non-cancellable lease commitments for which the related lease has not yet commenced, and no significant environmental remediation obligations.

**Note 32. Related Party Transactions**

Transactions with related parties disclosed below are recorded at the transaction or exchange amount, being the amount agreed to between the parties.

**Transactions with Equity Accounted Investments**

The REIT's share of income (loss) on a gross basis, before eliminations, includes interest expense related to loan balances outstanding between the REIT and the European JV, and management fee expenses related to management services provided by the REIT to the joint ventures as follows:

(\$ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Interest income	\$ 5,327	\$ 4,889
Management fees	4,506	4,513
<b>Transactions with Equity Accounted Investments</b>	<b>\$ 9,833</b>	<b>\$ 9,402</b>

**Transactions with Key Management Personnel**

Key management personnel include the REIT's senior executive officers (current and former) and Trustees. Compensation is recognized for the periods during which each individual qualified as key management personnel.

(\$ thousands)	Year ended December 31, 2025	Year ended December 31, 2024
Salaries, trustee fees, incentives and short-term employee benefits	\$ 5,751	\$ 6,905
Unit-based compensation recorded in:		
General and administrative expenses	3,010	4,504
Fair value adjustment of unit-based compensation liabilities	1,041	(2,172)
<b>Compensation of key management personnel</b>	<b>\$ 9,802</b>	<b>\$ 9,237</b>

No other related party transactions occurred during the year, other than those disclosed elsewhere in these consolidated financial statements.

**Note 33. Subsequent Events**

1. On December 15, 2025, the REIT announced a distribution of \$0.03 per unit to unitholders of record on December 31, 2025 and was paid on January 15, 2026.
2. On January 15, 2026 the REIT announced a distribution of \$0.03 per unit to unitholders of record on January 30, 2026 and was paid on February 13, 2026.
3. Subsequent to December 31, 2025, the REIT repaid two Canadian mortgages totalling \$23.7 million that matured in January and February 2026, bearing a weighted average interest rate of 2.82%, using capacity under its revolving credit facility and proceeds from the internalization.
4. Subsequent to December 31, 2025, the REIT also refinanced \$16.7 million (A\$18.2 million) of term debt in Australia, extending maturity one year to July 2029 and reducing the facility margin by 32 basis points.
5. From January 1 to February 24, 2026, the REIT repurchased Series H and Series I convertible debentures under its NCIB. In total, 888 debentures were acquired for aggregate cash consideration of \$0.9 million.

# Unitholder Information and How to Contact Us

## Conference Call and Webcast

Details of the REIT's quarterly conference calls and webcasts, including dates, times, access numbers, and replay links, are available in the Unitholders sections of our website at [www.nwhreit.com](http://www.nwhreit.com). You can also access archived webcasts and presentation materials online.

## Head Office

### Northwest Healthcare Properties REIT

180 Dundas Street West, Suite 1100  
Toronto, Ontario M5G 1Z8

Phone: 416 366 2000

Email: [investors@nwhreit.com](mailto:investors@nwhreit.com)

Website: [www.nwhreit.com](http://www.nwhreit.com)

## Stock Exchange Listing and Symbol

The REIT's trust units are listed and publicly traded on the Toronto Stock Exchange.

TSX symbol: NWH.UN

## Distribution Policy

The REIT is an open-ended real estate investment trust that pays monthly cash distributions to unitholders, at the discretion of the Board of Trustees. Distribution levels are set with reference to sustainable adjusted funds from operations, capital requirements, and the REIT's leverage and liquidity objectives. Current distribution rates and key dates (record and payment dates) are provided in the Investors section of our website and in the REIT's public disclosure filings.

## Registrar and Transfer Agents

Odyssey Trust Company

Computershare Trust Company of Canada

## Auditor

Deloitte LLP

## Investor Relations

416-601-3220

[investors@nwhreit.com](mailto:investors@nwhreit.com)

## Board of Trustees

- **Bobby Julien**  
Chair, Independent Trustee
- **Peter Aghar**  
Independent Trustee
- **Graham Garner**  
Independent Trustee
- **Laura King**  
Independent Trustee
- **Dr. David Klein**  
Independent Trustee
- **Karine MacIndoe**  
Independent Trustee
- **Maureen O'Connell**  
Independent Trustee
- **Zach Vaughan**  
Non-Independent Trustee

## Senior Management

- **Zach Vaughan**  
Chief Executive Officer
- **Stephanie Karamarkovic**  
Chief Financial Officer
- **Mike Brady**  
President
- **Tracey Whittall**  
Chief Operating Officer
- **Dave Casimiro**  
Executive Vice President
- **Richard Roos**  
Managing Director, Australia



PACIFIC

NO ENTRY