# Management's Discussion & Analysis

For the three months and year ended December 31, 2025 and 2024

northwest

TSX: NWH.UN

# 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.

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.

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<br>($ thousands except where otherwise indicated) (unaudited) | 2025 | 2024 | 2023 |
|---|---|---|---|
| **Portfolio and Operating Metrics** | | | |
| Number of Properties[i] | **133** | 172 | 219 |
| Gross Leasable Area (sf)[i] | **13,032,000** | 15,886,000 | 17,737,000 |
| Occupancy %[i] | **96.4%** | 96.4% | 96.6% |
| Weighted Average Lease Expiry ("WALE") (years)[i] | **12.3** | 13.6 | 13.3 |
| **IFRS Financial Measures** | | | |
| 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) |
| **Non-GAAP Financial Measures** | | | |
| Funds from Operations ("FFO")[1] per unit - diluted | **$ 0.44** | $ 0.36 | $ 0.57 |
| FFO[1] per unit diluted excluding accelerated amortization of deferred financing charges[ii] | **$ 0.45** | $ 0.40 | $ 0.57 |
| FFO[1] payout ratio - diluted | **81%** | 100% | 115% |
| Adjusted Funds from Operations ("AFFO")[1] per unit - diluted | **$ 0.42** | $ 0.39 | $ 0.56 |
| AFFO[1] 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 |
| **Net Asset Value ("NAV")** | | | |
| NAV[1] per unit | **$ 7.55** | $ 8.55 | $ 10.86 |
| Units Outstanding - period end | **249,992,670** | 247,784,245 | 246,440,184 |
| **Capital Structure and Debt Metrics** | | | |
| Debt to Gross Book Value (IFRS)[1] | **46.4%** | 50.0% | 51.9% |
| Debt to Gross Book Value (Proportionate)[1] | **52.4%** | 58.3% | 59.6% |
| Interest coverage (Proportionate)[1] | **1.99** | 1.56 | 1.55 |
| Economic Weighted Average Interest Rate (Proportionate)[1] | **4.71%** | 5.49% | 6.36% |
| Weighted average term to maturity (years) (Proportionate)[1] | **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[1].

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[iii] | Brazil | Europe [i] | Australia [i] | Consolidated Total [ii] |
|---|---|---|---|---|---|
| Number of properties | 57 | 8 | 43 | 25 | 133 |
| Asset mix by number of properties | 79% Outpatient<br>19% Inpatient<br>2% Other | 100% Inpatient | 58% Outpatient<br>42% Inpatient | 12% Outpatient<br>80% Inpatient<br>8% Other | 55% Outpatient<br>43% Inpatient<br>2% Other |
| Gross Leasable Area ("GLA") (million sf) | 3.6 | 1.9 | 4.5 | 3.0 | 13.0 |
| Total assets (millions) (Proportionate Basis)[1] | $1,339 | $676 | $782 | $1,052 | $3,910 |
| Assets under management (millions)[iv] | $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)[1] | 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.

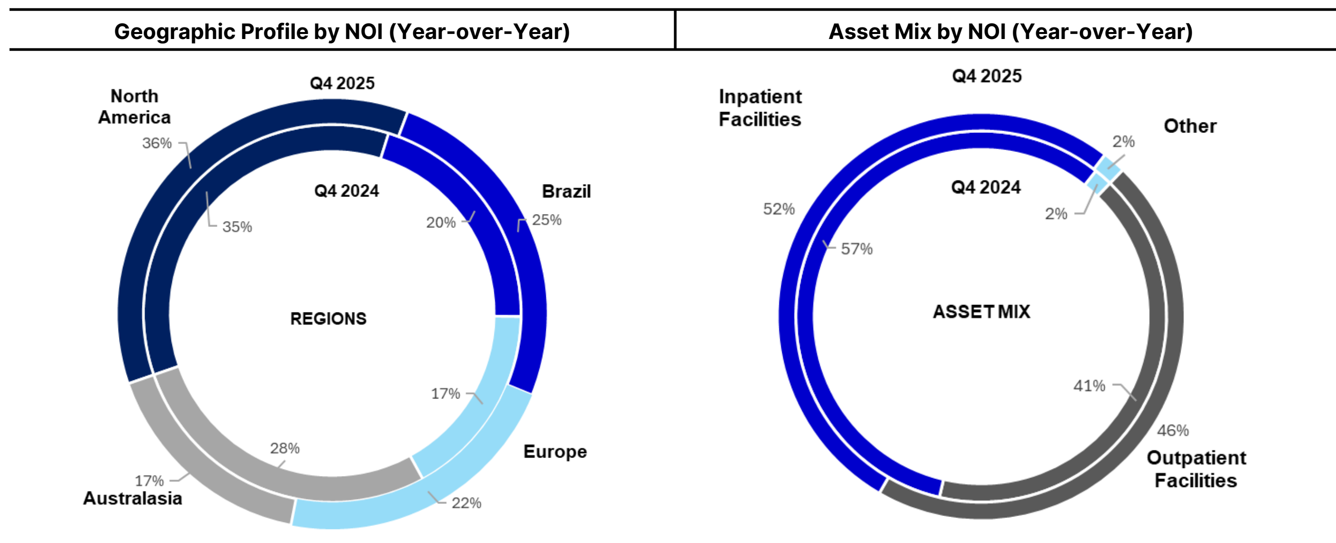
**Outpatient Facilities (formerly MOBs)** are properties that provide medical services to patients who do not require overnight hospitalization. These assets are typically multi-tenant buildings accommodating physician practices, diagnostic services, minor surgical procedures and other outpatient care.

**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 (i) | % | # 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 |
| | | | **36.8 %** | **47** |

(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 (i) | 58% | 42% | 0% | 5.4 | 18.8 | — | 13.2 |
| Australia (ii) | 12% | 80% | 8% | 25.7 | 14.5 | 8.9 | 15.0 |
| Total Portfolio | **55%** | **43%** | **2%** | **6.2** | **16.1** | **10.2** | **12.3** |

(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 (i) | 4.3 % | 2.8 % | 4.2 % | 2.5 % | 11.3 % | 6.4 % | 0.5 % | 3.8 % | 64.2 % | **100.0 %** |
| Australia (ii) | 1.3 % | 1.0 % | 0.8 % | 1.2 % | 1.5 % | 1.0 % | — % | 2.8 % | 90.4 % | **100.0 %** |
| Total Portfolio | **3.9 %** | **4.4 %** | **6.4 %** | **3.7 %** | **7.4 %** | **4.6 %** | **1.5 %** | **4.1 %** | **64.0 %** | **100.0 %** |

(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 (i) | 96.6% | 3.1% | 99.7% |
| Australia (ii) | 22.6% | 77.2% | 99.8% |
| **Portfolio Weighted Average** | **46.6%** | **49.1%** | **95.7%** |

(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:

| | Three months ended December 31, 2025 | | | | |
|---|---|---|---|---|---|
| (in thousands of square feet) | North America (v) | Brazil | Europe (i) | Australasia (ii) | 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 (iv) | (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 (iii) | (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 |
| **Occupancy as at December 31, 2025** | **90.6 %** | **100.0 %** | **97.2 %** | **100.0 %** | **96.4 %** |
| **Early lease extensions** | — | — | 78 | — | 78 |

(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 [v] | Brazil | Europe [i] | Australasia [ii] | 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 [iv] | (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 [iii] | (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 |
| **Occupancy as at December 31, 2025** | **90.6 %** | **100.0 %** | **97.2 %** | **100.0 %** | **96.4 %** |
| **Early lease extensions** | 73 | — | 129 | — | 202 |

(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 December 31, | | | Year Ended December 31, | | | As at 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, 2025 vs. 2024 | Year ended December 31, 2025 vs. 2024 |
|---|---|---|
| Increase in NOI[1] | $ 2,168 | $ 2,067 |
| Increase in net loss attributable to unitholders | (3,548) | (862) |
| Increase in FFO[1] | 1,561 | 1,071 |
| Increase in AFFO[1] | 1,499 | 966 |
| Increase in FFO[1] per unit | 0.006 | 0.004 |
| Increase in AFFO[1] 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 |
| **Net property operating income** | | | | | | |
| 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 |
| | **79,514** | 77,764 | 1,750 | **312,138** | 349,408 | (37,270) |
| **Other income (expenses)** | | | | | | |
| 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) |
| **Income (loss) before taxes** | **(39,616)** | 8,065 | (47,681) | **27,282** | (369,713) | 396,995 |
| 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) |
| **Net income (loss)** | **$ (27,037)** | $ 2,928 | $ (29,965) | **$ 21,221** | $ (320,204) | $ 341,425 |
| **Net income (loss) attributable to:** | | | | | | |
| 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 |
| | **$ (27,037)** | $ 2,928 | $ (29,965) | **$ 21,221** | $ (320,204) | $ 341,425 |

**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 |
| **Net property operating income** | **$ 79,514** | $ 77,764 | $ 1,750 | **$ 312,138** | $ 349,408 | $ (37,270) |

| 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 |
| **Management fees before elimination** | **9,184** | 8,639 | 545 | **35,722** | 41,317 | (5,595) |
| less: intercompany elimination | **(5,468)** | (4,822) | (646) | **(20,627)** | (26,167) | 5,540 |
| **Total management fees** | **$ 3,716** | $ 3,817 | $ (101) | **$ 15,095** | $ 15,150 | $ (55) |

**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 |
| **North America** - Mortgages and term debts | **$ 3,309** | $ 7,299 | $ (3,990) | **$ 15,924** | $ 33,529 | $ (17,605) |
| **Brazil** - Term debts | **1,393** | 1,504 | (111) | **5,672** | 16,910 | (11,238) |
| **Europe** - Mortgages and term debts | **2,199** | 3,344 | (1,145) | **9,770** | 26,264 | (16,494) |
| **Australasia** - Term debts | **14,772** | 15,740 | (968) | **59,943** | 62,934 | (2,991) |
| **Corporate** | | | | | | |
| 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) |
| **Interest expense before lease liabilities** | **35,081** | 42,347 | (7,266) | **146,526** | 212,783 | (66,257) |
| 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 |
| **Interest expense** | **31,246** | 36,936 | (5,690) | **128,233** | 190,457 | (62,224) |
| Amortization of financing costs | **1,283** | 1,813 | (530) | **8,808** | 22,630 | (13,822) |
| Other finance expenses | **—** | — | — | **—** | 169 | (169) |
| **Finance costs** | **$ 32,529** | $ 38,749 | $ (6,220) | **$ 137,041** | $ 213,256 | $ (76,215) |

**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[i] | **$ 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) |
| | **19,787** | 18,157 | 1,630 | **79,715** | 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 |
| **General and administrative expenses** | **$ 16,034** | $ 13,155 | $ 2,879 | **$ 61,991** | $ 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) |
| **Income tax (expense) recovery** | **$ 12,579** | $ (5,137) | $ 17,716 | **$ (6,061)** | $ 49,509 | $ (55,570) |

**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[1]** | IFRS Basis | Adjustments | Proportionate Basis[1] |
| **Net operating income** | | | | | | |
| 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) |
| | **79,514** | (12,400) | **67,114** | **77,764** | **(12,548)** | **65,216** |
| **Other income (expenses)** | | | | | | |
| 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 |
| **Income (loss) before taxes** | **(39,616)** | (38,280) | **(77,896)** | 8,065 | 6,305 | 14,370 |
| 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) |
| **Net income (loss)** | **$ (27,037)** | $ (67,050) | **$ (94,087)** | $ 2,928 | $ 5,537 | $ 8,465 |
| Less: non-controlling interests | **67,050** | (67,050) | **—** | (5,537) | 5,537 | — |
| **Net income (loss) attributable to unitholders** | **$ (94,087)** | $ — | **$ (94,087)** | $ 8,465 | $ — | $ 8,465 |

| ($ thousands) | **For the year ended** | | | | | |
|---|---|---|---|---|---|---|
| | **December 31, 2025** | | | December 31, 2024 | | |
| | **IFRS Basis** | Adjustments | **Proportionate Basis[1]** | IFRS Basis | Adjustments | Proportionate Basis[1] |
| **Net operating income** | | | | | | |
| 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) |
| | **312,138** | (47,406) | **264,732** | 349,408 | (48,479) | 300,929 |
| **Other income (expenses)** | | | | | | |
| 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 |
| **Income (loss) before taxes** | **27,282** | (50,667) | **(23,385)** | (369,713) | 18,320 | (351,393) |
| 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 |
| **Net income (loss)** | **$ 21,221** | $ (74,073) | **$ (52,852)** | $ (320,204) | $ 20,447 | $ (299,757) |
| Less: non-controlling interests | **74,073** | (74,073) | **—** | (20,447) | 20,447 | — |
| **Net income (loss) attributable to unitholders** | **$ (52,852)** | $ — | **$ (52,852)** | $ (299,757) | $ — | $ (299,757) |

## 4.3. Net Operating Income (Proportionate)[1]

### 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 % |
| **Same-property NOI [1]** | **64,989** | 63,091 | 1,898 | 3.0 % | **253,074** | 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 | |
| **Net Operating Income[1]** | **$ 67,114** | $ 65,215 | $ 1,899 | 2.9 % | **$264,732** | $ 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 % |
| **Same-property NOI [1]** | **20,359** | 20,299 | 60 | 0.3 % | **80,269** | 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 | |
| **Net Operating Income[1]** | **$ 21,177** | $ 22,789 | $ (1,612) | (7.1)% | **$ 85,684** | $ 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 2025 | 2024 | $ Change | % Change | Year Ended 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 % |
| **Same-property NOI (1)** | **14,933** | 14,271 | 662 | 4.6 % | **57,133** | 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) | |
| **Net Operating Income(1)** | **$ 14,990** | $ 13,272 | $ 1,718 | 12.9 % | **$ 57,353** | $ 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 2025 | 2024 | $ Change | % Change | Year Ended 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 % |
| **Same-property NOI (1)** | **12,396** | 11,949 | 447 | 3.7 % | **47,540** | 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 | |
| **Net Operating Income(1)** | **$ 12,893** | $ 10,930 | $ 1,963 | 18.0 % | **$ 47,518** | $ 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 2025 | 2024 | $ Change | % Change | Year Ended 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 % |
| **Same-property NOI (1)** | **17,301** | 16,572 | 729 | 4.4 % | **68,132** | 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 | |
| **Net Operating Income(1)** | **$ 18,054** | $ 18,224 | $ (170) | (0.9)% | **$ 74,177** | $ 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[1]

Funds From Operations ("FFO")[1] and Adjusted Funds From Operations ("AFFO")[1] 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[1] and AFFO[1] 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[1] and AFFO[1] 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[1] | **$ 30,621** | $ 23,674 | $ 6,947 | **$ 109,434** | $ 88,871 | $ 20,563 |
| FFO[1] per unit - basic | **0.12** | 0.10 | 0.02 | **0.44** | 0.36 | 0.08 |
| FFO[1] per unit - diluted | **0.12** | 0.10 | 0.02 | **0.44** | 0.36 | 0.08 |
| FFO[1] payout ratio - diluted | **75 %** | 90 % | (15)% | **81 %** | 100 % | (19)% |
| Adjusted Funds from Operations[1] | **$ 29,502** | $ 24,281 | $ 5,221 | **$ 105,581** | $ 95,649 | $ 9,932 |
| AFFO[1] per unit - basic | **0.12** | 0.10 | 0.02 | **0.42** | 0.39 | 0.03 |
| AFFO[1] per unit - diluted | **0.12** | 0.10 | 0.02 | **0.42** | 0.39 | 0.03 |
| AFFO[1] 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[1]

The following discussion summarizes the key factors impacting FFO[1] 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[1] during the periods and provides context for period-over-period changes.

| Three Months | Year Ended |
|---|---|
| FFO[1] 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[1] benefited from lower current income taxes, reflecting prior year true-ups, including transfer pricing adjustments and the recognition of tax credits.<br><br>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. | FFO[1] 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.<br><br>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[1]

The following discussion summarizes the key factors impacting AFFO[1] for the three months and year ended December 31, 2025, compared to the corresponding prior-year periods. AFFO[1] 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[1], 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.

| Three Months | Year Ended |
|---|---|
| AFFO[1] increased compared to the prior year, primarily reflecting the increase in FFO[1] discussed above, as well as a higher unit-based compensation add-back during the quarter.<br><br>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[1] was also impacted by higher spending on leasing and maintenance capital expenditures. | AFFO[1] increased compared to the prior year, primarily reflecting the increase in FFO[1] discussed above and a higher unit-based compensation add-back during the year.<br><br>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[1] 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[1]. The section below provides additional detail showing actual expenditures incurred during the period and the corresponding AFFO[1] adjustment.

## Leasing Costs and Non-Recoverable Maintenance Capital Expenditures (Proportionate Basis)[1]

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[1].

AFFO[1] 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[1]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[1] 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[(i)] | **$ 409** | $ 243 | $ 166 | **$ 3,219** | $ 2,948 | $ 271 |
| Tenant improvements[(ii)] | **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) |
| | **11,543** | 4,364 | 7,179 | **32,004** | 30,350 | 1,654 |
| Internal leasing costs expensed | **438** | 300 | 138 | **1,803** | 1,263 | 540 |
| | **11,981** | 4,664 | 7,317 | **33,807** | 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 | **3,857** | 1,117 | 2,740 | **14,059** | 8,979 | 5,080 |
| AFFO adjustment for leasing costs and non-recoverable maintenance capital expenditures | **(3,164)** | (2,624) | (540) | **(12,284)** | (11,833) | (451) |
| **Leasing costs and non-recoverable maintenance capital expenditures above or (below) the AFFO adjustment** | **$ 693** | $ (1,507) | $ 2,200 | **$ 1,775** | $ (2,854) | $ 4,629 |

(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[1], as at December 31, 2025 and December 31, 2024:

| | **As at December 31, 2025** | | | As at December 31, 2024 | | |
|---|---|---|---|---|---|---|
| ($ thousands) | **IFRS Basis** | **Adjustments to Proportionate Basis** | **Proportionate Basis[1]** | IFRS Basis | Adjustments to Proportionate Basis | Proportionate Basis[1] |
| **Assets** | | | | | | |
| 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 |
| **Total assets** | **$ 3,449,090** | $ 460,646 | **$ 3,909,736** | $ 6,049,576 | $ (1,444,892) | $ 4,604,684 |
| | | | | | | |
| **Liabilities** | | | | | | |
| 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** | — | — | — |
| **Total liabilities** | **$ 1,942,244** | $ 460,646 | **$ 2,402,890** | $ 3,468,061 | $ (426,794) | $ 3,041,267 |
| | | | | | | |
| **Equity** | | | | | | |
| Unitholders' equity | **$ 1,506,846** | $ — | **$ 1,506,846** | $ 1,563,417 | $ — | $ 1,563,417 |
| Non-controlling interests | **—** | — | **—** | 1,018,098 | (1,018,098) | — |
| **Total liabilities and equity** | **$ 3,449,090** | $ 460,646 | **$ 3,909,736** | $ 6,049,576 | $ (1,444,892) | $ 4,604,684 |

## Balance Sheet Analysis (IFRS)

| Line Item | $ Change | Variance Commentary |
|---|---|---|
| Investment properties and Assets held for sale | $ (2,665,311) | 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.<br><br>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. |
| 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) | 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.<br><br>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. |
| 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[1] 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:

| | Income Producing Properties | | Properties Under Development | | Investment Properties | |
|---|---|---|---|---|---|---|
| ($ thousands) | IFRS Basis | Proportionate Basis[1] | IFRS Basis | Proportionate Basis[1] | IFRS Basis | Proportionate Basis[1] |
| 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 |
| **Balance, end of year** | **$ 2,257,106** | **$ 2,963,774** | **$ 13,883** | **$ 18,904** | **$ 2,270,989** | **$ 2,982,678** |

Overall, movements on an IFRS and proportionate basis[1] 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% |
| **Total** | **7.69%** | **6.81%** | **6.90%** | 7.45% | 6.48% | 6.43% |

**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[1], 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 |
|---|---|---|---|---|---|
| *Investment properties* | | | | | |
| 21 George[(i)] | Sept 4 | Adelaide, Australia | 100% | N/A - PUD | $ 1,592 |
| | | | | | |
| *Assets held for sale* | | | | | |
| 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[(i)] | 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[(i)] | 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[(i)] | Nov 28 | Queenstown, New Zealand | 50% | 34,264 | 28,782 |
| 7-17 Wolseley Street[(i)] | Dec 22 | Brisbane, Australia | 100% | N/A - PUD | 12,763 |
| *Total dispositions of assets held for sale* | | | | | 182,653 |
| | | | | | |
| **Total dispositions** | | | | | **$ 184,245** |
| Less: net loss on disposal of assets | | | | | (4,536) |
| **Net proceeds from disposal of investment properties** | | | | | **$ 179,709** |

(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[1] | **$ 107,460** | $ 57,993 | $ 49,467 |
| Unused portion of credit facilities and term debt | **358,077** | 82,781 | 275,296 |
| **Liquidity** | **$ 465,537** | $ 140,774 | $ 324,763 |

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 |
| **Cash and cash equivalents, end of period (IFRS basis)** | **$ 94,081** | $ 51,247 | $ 42,834 | **$ 94,081** | $ 51,247 | $ 42,834 |

| **Three Months** | **Year Ended** |
|---|---|
| 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.<br><br>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.<br><br>Foreign exchange movements modestly reduced cash during the period. | 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.<br><br>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.<br><br>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[1]:

| | **As at December 31, 2025** | | | As at December 31, 2024 | | |
|---|---|---|---|---|---|---|
| ($ thousands) | **IFRS Basis** | Adjustments | **Proportionate Basis[1]** | IFRS Basis | Adjustments | Proportionate Basis[1] |
| 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) |
| **Total Debt** | **$1,591,483** | $ 447,106 | **$ 2,038,589** | $ 3,014,014 | $ (339,564) | $ 2,674,450 |

As at December 31, 2025, total debt on a proportionate basis[1] 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[1], 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:

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

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 | As at 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** | — |
| | | | **5.32 %** | | **500,000** | — |
| Unamortized deferred financing costs | | | | | **(2,678)** | — |
| **Balance, end of period** | | | | | **$ 497,322** | $ — |

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 | **158,324** | 147,300 |
| NWH.DB.I | $10.55 | Apr 27, 2023 | Apr 30, 2028 | 7.75% | Apr 30 and Oct 31 | **90,985** | 83,663 |
| | | | | | | **$ 249,309** | $ 356,963 |

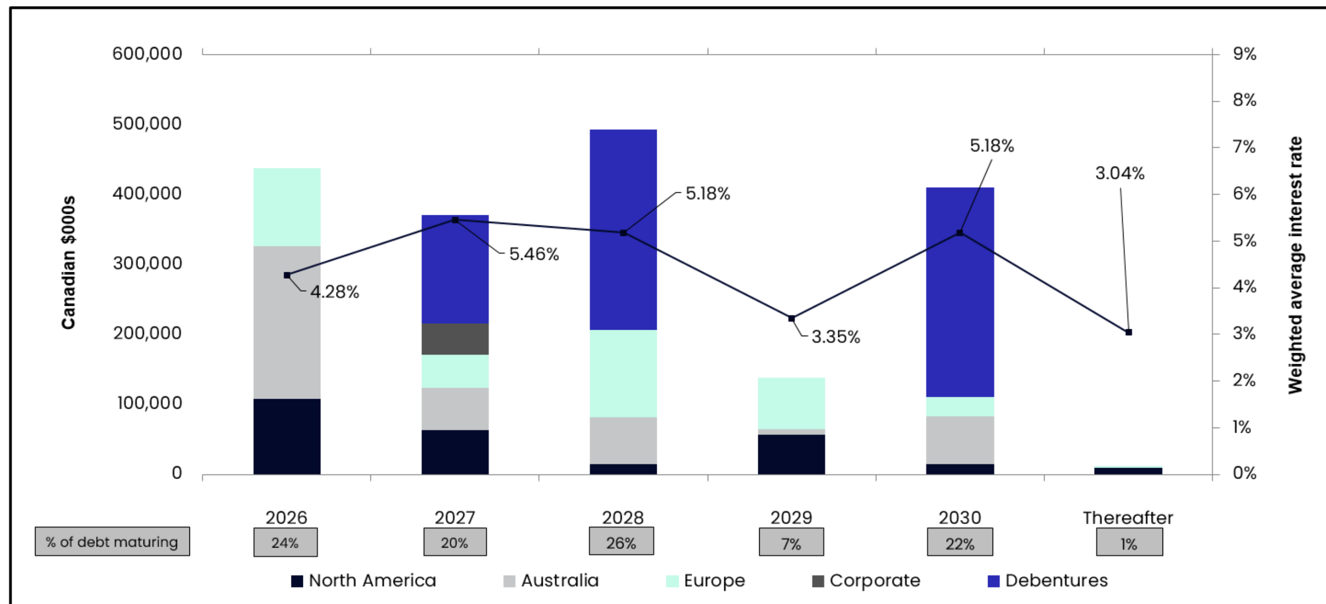
The Series H convertible debentures are convertible into Trust Units at a conversion price of $16.00 per unit and would result in the issuance of approximately 9.7 million Trust Units if fully converted. The Series I convertible debentures are convertible into Trust Units at a conversion price of $10.55 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[1] 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[1] 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[1] 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(iii)** | **2026** | **2027** | **2028** | **2029** | **2030** | **Thereafter** |
|---|---|---|---|---|---|---|---|---|
| Mortgages, term debt and credit facilities (ii) | $ 834,552 | $ 910,202 | $ 287,545 | $177,076 | $174,967 | $156,221 | $ 94,385 | $ 20,008 |
| Senior unsecured debentures (ii) | 497,322 | 590,674 | 26,580 | 26,580 | 218,215 | 16,542 | 302,757 | — |
| Convertible debentures (ii) | 249,309 | 273,269 | 16,388 | 168,403 | 88,478 | — | — | — |
| Accounts payable and accrued liabilities(i) | 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 | — | — | — | — | — |
| **Total** | **$1,678,668** | **$ 1,871,630** | **$ 418,840** | **$372,059** | **$481,660** | **$172,763** | **$397,142** | **$ 29,166** |

(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[1] 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 | As at December 31, 2024 |
|---|---|---|
| Debt to Gross Book Value (IFRS) | **46.4 %** | 50.0 % |
| Debt to Gross Book Value (proportionate basis)[1] | **52.4 %** | 58.3 % |
| Debt to Adjusted EBITDA (proportionate basis)[1][i] | **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.

| | | Rolling twelve months ended | |
|---|---|---|---|
| **Ratio** | **Basis** | **December 31, 2025** | **December 31, 2024** |
| Interest coverage ratio | IFRS | **2.09** | 1.63 |
| Interest coverage ratio | Proportionate Basis[1] | **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[1]

| ($ thousands except where otherwise indicated) | December 31, 2025 | December 31, 2024 | $ Change |
|---|---|---|---|
| **Total Assets** | **$ 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 |
| **Unitholders' equity** | **$ 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 [i] | **132,000** | 361,285 | (229,285) |
| **Net Asset Value ("NAV")** | **$ 1,888,257** | $ 2,118,108 | $ (229,851) |
| Units outstanding ('000s) - period end | **249,993** | 247,784 | 2,209 |
| **NAV per Unit** | **$ 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<br>($ thousands) | Three Months | | | Year Ended | | |
|---|---|---|---|---|---|---|
| | **2025** | 2024 | $ Change | **2025** | 2024 | $ Change |
| Net income (loss) attributable to unitholders | **$ (94,087)** | $ 8,465 | $ (102,552) | **$ (52,852)** | $ (299,757) | $ 246,905 |
| Add: Finance cost - Exchangeable Unit distributions | **—** | — | — | **—** | (63) | 63 |
| Net income (loss) after the above adjustment | **(94,087)** | 8,465 | (102,552) | **(52,852)** | (299,820) | 246,968 |
| 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) |
| **Surplus (shortfall) of adjusted net income (loss) attributable to unitholders over distributions paid and payable** | **$ (116,586)** | $ (13,881) | $ (102,705) | **$ (142,577)** | $ (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<br>($ 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) |
| **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 |

### Cash Flows Available to Support Distributions Compared to Distributions

| For the periods ended December 31<br>($ 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) |
| **Adjusted surplus (shortfall) of cash flow from operating activities attributable to unitholders over distributions paid and payable** | **$ 11,791** | $ 5,500 | $ 6,291 | **$ 40,267** | $ 5,517 | $ 34,750 |

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:

| | # Units Outstanding |
|---|---|
| **Trust Units outstanding, December 31, 2024** | **247,784,245** |
| 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 |
| **Trust Units outstanding, December 31, 2025** | **249,992,670** |

### 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[i] | 133 | 167 | 168 | 169 | 172 | 186 | 200 | 210 |
| Gross Leasable Area (sf)[i] | 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 %[i] | 96.4% | 96.9% | 96.6% | 96.5% | 96.4% | 96.1% | 96.5% | 96.5% |
| Weighted Average Lease Expiry ("WALE") (years)[i] | 12.3 | 13.4 | 13.5 | 13.6 | 13.6 | 13.4 | 13.4 | 13.2 |
| **Operating Results** | | | | | | | | |
| 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[1] | 79,514 | 79,168 | 76,308 | 77,148 | 77,764 | 82,216 | 93,976 | 95,452 |
| FFO[1] | 30,621 | 28,075 | 26,521 | 24,217 | 23,674 | 15,775 | 22,314 | 26,957 |
| AFFO[1] | 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 |
| **Per Unit Amounts** | | | | | | | | |
| 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[1] per unit - Diluted | 0.12 | 0.11 | 0.11 | 0.10 | 0.10 | 0.06 | 0.09 | 0.11 |
| AFFO[1] 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[1] 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 |
| **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 |
| **Debt to Gross Book Value** | | | | | | | | |
| Debt to Gross Book Value[1] (IFRS) | 46.4% | 48.4% | 48.5% | 50.4% | 50.0% | 49.2% | 52.5% | 52.2% |
| Debt to Gross Book Value[1] (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 | • 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.<br>• 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&A, the REIT's retained interest in public securities of Vital Trust is not proportionately consolidated and is instead presented as a standalone investment.<br>• 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.<br>• 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. | Section 4.2, "Proportionate Basis Results from Operations"<br><br>Section 5, "Balance Sheet" |
| Net Operating Income ("NOI") | • NOI represents revenue from investment properties, including straight-line rent and lease termination income, less property operating costs.<br>• 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.<br>• 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&A.<br>• 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. | Section 4.2, "Proportionate Basis Results from Operations" |

| Non-GAAP Measure | Description and Purpose | Reconciliation |
|---|---|---|
| Same-Property NOI (Constant Currency) ("SPNOI") | • 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.<br>• 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.<br>• SPNOI also excludes the impact of non-recurring items not expected to recur.<br>• To enhance comparability, foreign currency impacts are excluded by converting comparative-period results using current-period average exchange rates.<br>• SPNOI is derived from NOI and presented on a proportionate basis.<br>• 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. | Section 4.3, "Net Operating Income (Proportionate)" |
| Funds from Operations ("FFO") | • 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.<br>• 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.<br>• 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.<br>• 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.<br>• 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. | Section 11.1, "Funds from Operations ("FFO")" |
| Adjusted Funds from Operations ("AFFO") | • 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.<br>• 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.<br>• The measure includes the REIT's proportionate share of adjustments related to equity-accounted investments and joint ventures.<br>• 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.<br>• 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. | Section 11.2, "Adjusted Funds from Operations ("AFFO")" |

| Non-GAAP Measure | Description and Purpose | Reconciliation |
|---|---|---|
| FFO and AFFO Payout Ratios | • FFO and AFFO payout ratios are non-IFRS financial ratios used by management to assess the sustainability of the REIT’s distribution payments.<br>• The ratios are calculated as cash distributions declared divided by FFO or AFFO, as applicable, for the period.<br>• Management uses these ratios, together with other financial metrics, in evaluating distribution levels and long-term capital allocation decisions. | Section 4.4, "Funds from Operations and Adjusted Funds from Operations" |
| Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”) | • Adjusted EBITDA is a non-GAAP financial measure derived from IFRS net income (loss).<br>• 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.<br>• Management and lenders use Adjusted EBITDA to assess recurring operating earnings, debt service capacity and compliance with financing arrangements. | Section 11.7, "Financial Ratio Calculations" |
| Debt | • 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&A.<br>• 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.<br>• 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.<br>• 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. | Section 7.3, "Total Debt"<br><br>and<br><br>Section 11.7, "Financial Ratio Calculations" |
| Debt to Adjusted EBITDA | • Debt to Adjusted EBITDA is a supplementary financial ratio calculated as Debt divided by Adjusted EBITDA.<br>• For purposes of this ratio, Adjusted EBITDA is calculated on a trailing twelve-month basis.<br>• Management uses this ratio to assess the REIT’s financial leverage and its ability to service and repay indebtedness using recurring operating earnings. | Section 11.7, "Financial Ratio Calculations" |
| Gross Book Value ("GBV") | • Gross Book Value is defined as total assets reported in the consolidated financial statements.<br>• This measure may be presented on an IFRS or a proportionate basis, as applicable.<br>• 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. | Section 11.7, "Financial Ratio Calculations" |
| Debt to Gross Book Value | • 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&A, and is presented on an IFRS and proportionate basis, as applicable.<br>• Management and lenders use this ratio to assess the REIT’s leverage and compliance with leverage-related covenants. | Section 11.7, "Financial Ratio Calculations" |

| Non-GAAP Measure | Description and Purpose | Reconciliation |
|---|---|---|
| Interest Expense for the Interest Coverage Ratio | • Interest Expense represents interest expense recognized under IFRS, adjusted to include capitalized interest and, where applicable, pro forma adjustments.<br>• The measure is calculated in accordance with the applicable definitions set out in the REIT's senior unsecured debenture indentures. | Section 11.7, "Financial Ratio Calculations" |
| Interest Coverage | • 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.<br>• 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.<br>• Management and lenders use this ratio to assess the REIT's ability to service interest obligations and comply with interest-related covenants. | Section 11.7, "Financial Ratio Calculations" |
| Minimum Adjusted Equity | • 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.<br>• The measure adjusts Unitholders' equity for certain items, including deferred tax assets and deferred tax liabilities, as applicable. | Section 7.6, "Financial Ratios" |
| Net Asset Value ("NAV") | • 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.<br>• 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. | Section 7.7, "Net Asset Value" |
| Cash Flows from Operating Activities Attributable to Unitholders | • 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.<br>• The measure reflects operating cash flows attributable to Unitholders after adjustments for non-controlling interests and other items.<br>• Management uses this measure to assess the REIT's ability to fund distributions to Unitholders from operating cash flows. | Section 7.8, "Distributions and Unitholders' Equity" |
| Liquidity | • 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.<br>• Management uses Liquidity to assess the REIT's short-term financial flexibility and ability to fund operating requirements, capital expenditures and other commitments. | Section 7.1, "Liquidity and Capital Structure" |
| Per Unit Measures | • 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.<br>• Per unit amounts are calculated using the weighted average number of units outstanding during the period or units outstanding at period end, as applicable.<br>• 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. | Section 4.4, "Funds from Operations and Adjusted Funds from Operations" and Section 7.7, "Net Asset Value" |

## 11.1. Funds from Operations ("FFO")[1]

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** |
| **Net income (loss) attributable to unitholders** | | **$ (94,087)** | $ 8,465 | $ (102,552) | **$ (52,852)** | $ (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) |
| **Funds from Operations** | | **$ 30,621** | $ 23,674 | $ 6,947 | **$ 109,434** | $ 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 |
| **Weighted average number of units outstanding** | | | | | | | |
| 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")[1]

AFFO[1] is a supplemental non-IFRS financial measure calculated by adjusting FFO[1] 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[1] 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[1] 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[1] 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 |
| **Funds from Operations[1]** | | **$ 30,621** | $ 23,674 | $ 6,947 | **$ 109,434** | $ 88,871 | $ 20,563 |
| Add / (Deduct): | | | | | | | |
| Amortization of transactional deferred financing charges | A | **—** | 271 | (271) | **3,350** | 15,405 | (12,055) |
| Unit-based compensation expense | B | **2,624** | 2,102 | 522 | **8,333** | 4,463 | 3,870 |
| Straight-line rental revenue | | **(579)** | 859 | (1,438) | **(3,252)** | (1,257) | (1,995) |
| Leasing costs and non-recoverable maintenance capital expenditures | | **(3,164)** | (2,625) | (539) | **(12,284)** | (11,833) | (451) |
| **Adjusted Funds from Operations[1]** | | **$ 29,502** | $ 24,281 | $ 5,221 | **$ 105,581** | $ 95,649 | $ 9,932 |
| AFFO[1] per Unit - Basic | | **$ 0.12** | $ 0.10 | $ 0.02 | **$ 0.42** | $ 0.39 | $ 0.03 |
| AFFO[1] per Unit - Diluted | | **$ 0.12** | $ 0.10 | $ 0.02 | **$ 0.42** | $ 0.39 | $ 0.03 |
| Distributions per Unit | | **$ 0.09** | $ 0.09 | $ — | **$ 0.36** | $ 0.36 | $ — |
| **Weighted average number of units outstanding** | | | | | | | |
| 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 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)[1]

As discussed in Section 4.4, "Funds from Operations and Adjusted Funds from Operations", AFFO[1] 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[1] and by region, and reconcile these amounts to the AFFO adjustment, where applicable.

| | Three months ended December 31, 2025 | | | | |
|---|---|---|---|---|---|
| ($ thousands) | **North America** | **Brazil** | **Europe** | **Australasia** | **Total** |
| Additions to investment properties | | | | | |
| Leasing costs [i] | $ 400 | $ — | $ — | $ 9 | **$ 409** |
| Tenant improvements [ii] | 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)** |
| **Leasing costs and non-recoverable maintenance capital expenditures above or (below) the AFFO adjustment** | **$ 754** | **$ —** | **$ (61)** | **$ —** | **$ 693** |

| | Year ended December 31, 2025 | | | | |
|---|---|---|---|---|---|
| ($ thousands) | **North America** | **Brazil** | **Europe** | **Australasia** | **Total** |
| Additions to investment properties | | | | | |
| Leasing costs [i] | $ 3,078 | $ — | $ — | $ 141 | **$ 3,219** |
| Tenant improvements [ii] | 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)** |
| **Leasing costs and non-recoverable maintenance capital expenditures above or (below) the AFFO adjustment** | **$ 100** | **$ —** | **$ 1,675** | **$ —** | **$ 1,775** |

(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[(1)] and AFFO[(1)] 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 |
|---|---|---|---|---|---|---|---|---|
| **Net income (loss) attributable to unitholders** | **$ (94,087)** | **$ 16,165** | **$ 25,960** | **$ (890)** | **$ 8,465** | **$ (138,252)** | **$ (122,338)** | **$ (47,607)** |
| 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 |
| **FFO[(1)]** | **30,621** | **28,075** | **26,521** | **24,217** | **23,674** | **15,775** | **22,314** | **26,957** |
| | | | | | | | | |
| **Per Unit Amounts** | | | | | | | | |
| FFO[(1)] per unit - Basic | $ 0.12 | $ 0.11 | $ 0.11 | $ 0.10 | $ 0.10 | $ 0.06 | $ 0.09 | $ 0.11 |
| FFO[(1)] per unit - Diluted | $ 0.12 | $ 0.11 | $ 0.11 | $ 0.10 | $ 0.10 | $ 0.06 | $ 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 |

The following table presents the reconciliation from FFO[1] to AFFO[1] 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 |
|---|---|---|---|---|---|---|---|---|
| **FFO[1]** | **$ 30,621** | **$ 28,075** | **$ 26,521** | **$ 24,217** | **$ 23,674** | **$ 15,775** | **$ 22,314** | **$ 26,957** |
| 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) |
| **AFFO[1]** | **$ 29,502** | **$ 26,328** | **$ 25,407** | **$ 24,346** | **$ 24,281** | **$ 22,352** | **$ 21,186** | **$ 27,679** |
| | | | | | | | | |
| **Per Unit Amounts** | | | | | | | | |
| AFFO[1] per unit - Basic | $ 0.12 | $ 0.11 | $ 0.10 | $ 0.10 | $ 0.10 | $ 0.09 | $ 0.09 | $ 0.11 |
| AFFO[1] 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[1] 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 |
| **IFRS basis balance, beginning of period** | **$ 1,300,966** | **$ 688,321** | **$ 617,551** | **$ 2,451,234** | **$ 5,058,072** |
| Adjustments[1] | — | — | 203,726 | (1,084,396) | (880,670) |
| **Non-IFRS proportionate balance, beginning of period** | **1,300,966** | **688,321** | **821,277** | **1,366,838** | **4,177,402** |
| 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) |
| **Non-IFRS proportionate balance, end of period** | **$ 1,299,272** | **$ 668,650** | **$ 277,023** | **$ 718,829** | **$ 2,963,774** |

| | Properties Under Development | | | | |
|---|---|---|---|---|---|
| | North America | Brazil | Europe | Australasia | Total |
| **IFRS basis balance, beginning of period** | **$ 11,000** | **$ —** | **$ —** | **$ 315,326** | **$ 326,326** |
| Adjustments[1] | — | — | — | (221,165) | (221,165) |
| **Non-IFRS proportionate balance, beginning of period** | **11,000** | **—** | **—** | **94,161** | **105,161** |
| 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) |
| **Non-IFRS proportionate balance, end of period** | **$ 13,882** | **$ —** | **$ —** | **$ 5,022** | **$ 18,904** |

| | Total | | | | |
|---|---|---|---|---|---|
| | North America | Brazil | Europe | Australasia | Total |
| **IFRS basis balance, beginning of period** | **$ 1,311,966** | **$ 688,321** | **$ 617,551** | **$ 2,766,560** | **$ 5,384,398** |
| Adjustments[1] | — | — | 203,726 | (1,305,561) | (1,101,835) |
| **Non-IFRS proportionate balance, beginning of period** | **1,311,966** | **688,321** | **821,277** | **1,460,999** | **4,282,563** |
| 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) |
| **Non-IFRS proportionate balance, end of period** | **$ 1,313,154** | **$ 668,650** | **$ 277,023** | **$ 723,851** | **$ 2,982,678** |

| ($ thousands) | Year ended December 31, 2025 | | | | |
|---|---|---|---|---|---|
| | Income Producing Properties | | | | |
| | North America | Brazil | Europe | Australasia | Total |
| **IFRS basis balance, beginning of period** | **$ 1,340,638** | **$ 612,744** | **$ 552,224** | **$ 2,410,104** | **$ 4,915,710** |
| Adjustments[1] | — | — | 183,248 | (1,069,422) | (886,174) |
| **Non-IFRS proportionate balance, beginning of period** | **1,340,638** | **612,744** | **735,472** | **1,340,682** | **4,029,536** |
| 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 |
| **Non-IFRS proportionate balance, end of period** | **$ 1,299,272** | **$ 668,650** | **$ 277,023** | **$ 718,829** | **$ 2,963,774** |

| | Properties Under Development | | | | |
|---|---|---|---|---|---|
| | North America | Brazil | Europe | Australasia | Total |
| **IFRS basis balance, beginning of period** | **$ 10,000** | **$ —** | **$ 10,598** | **$ 324,682** | **$ 345,280** |
| Adjustments[1] | — | — | — | (227,230) | (227,230) |
| **Non-IFRS proportionate balance, beginning of period** | **10,000** | **—** | **10,598** | **97,452** | **118,050** |
| 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) |
| **Non-IFRS proportionate balance, end of period** | **$ 13,882** | **$ —** | **$ —** | **$ 5,022** | **$ 18,904** |

| | Total | | | | |
|---|---|---|---|---|---|
| | North America | Brazil | Europe | Australasia | Total |
| **IFRS basis balance, beginning of period** | **$ 1,350,638** | **$ 612,744** | **$ 562,822** | **$ 2,734,786** | **$ 5,260,990** |
| Adjustments[1] | — | — | 183,248 | (1,296,652) | (1,113,404) |
| **Non-IFRS proportionate balance, beginning of period** | **1,350,638** | **612,744** | **746,070** | **1,438,134** | **4,147,586** |
| 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 |
| **Non-IFRS proportionate balance, end of period** | **$ 1,313,154** | **$ 668,650** | **$ 277,023** | **$ 723,851** | **$ 2,982,678** |

## 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(1) 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 |
| **Opening balance, September 30, 2025** | **$ 304,646** | **$ 133,313** | **$ 423,381** | **$ 747,085** | **$ 173,693** | **$ 1,782,118** |
| 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) |
| **Ending balance, December 31, 2025** | **$ 280,616** | **$ 121,456** | **$ 413,526** | **$ 423,063** | **$ 42,997** | **$ 1,281,658** |

| | 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 |
| **Opening balance, January 1, 2025** | **$ 567,200** | **$ 131,715** | **$ 484,109** | **$ 720,077** | **$ 415,107** | **$ 2,318,208** |
| 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) |
| **Ending balance, December 31, 2025** | **$ 280,616** | **$ 121,456** | **$ 413,526** | **$ 423,063** | **$ 42,997** | **$ 1,281,658** |

## 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":

| | As at December 31, 2025 | | As at December 31, 2024 | |
|---|---|---|---|---|
| ($ thousands) | IFRS | Proportionate Basis[1] | IFRS | Proportionate Basis[1] |
| 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 | — | — |
| **Debt[1]** | **$ 1,599,464** | **$ 2,047,421** | $ 3,027,154 | $ 2,686,262 |

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

### Adjusted EBITDA[1]

Adjusted EBITDA[1] 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[1] ratios disclosed in Section 7.6, "Financial Ratios".

| | For the three months ended | | | |
|---|---|---|---|---|
| | December 31, 2025 | | December 31, 2024 | |
| ($ thousands) | IFRS Basis | Proportionate Basis[1] | IFRS Basis | Proportionate Basis[1] |
| **Net income (loss)** | $ (27,037) | $ (94,087) | $ 2,928 | $ 8,465 |
| 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 | — |
| **Adjusted EBITDA[1]** | **$ 77,763** | **$ 63,809** | $ 79,399 | $ 66,419 |

| ($ thousands) | For the year ended December 31, 2025 IFRS Basis | December 31, 2025 Proportionate Basis[1] | December 31, 2024 IFRS Basis | December 31, 2024 Proportionate Basis[1] |
|---|---|---|---|---|
| **Net income (loss)** | **$ 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 | — |
| **Adjusted EBITDA[1]** | **$ 309,065** | **$ 254,357** | $ 348,666 | $ 301,885 |

## Debt to Adjusted EBITDA[1] (Proportionate Basis)

Debt to Adjusted EBITDA[1] is presented on a proportionate basis[1], 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[i] | **$ 2,047,421** | $ 2,686,262 |
| Adjusted EBITDA[1][i] | **254,357** | 301,885 |
| **Debt to Adjusted EBITDA[1]** | **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.

### 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[1]** | IFRS Basis | Proportionate Basis[1] |
| Interest expense | **$ 128,233** | **$ 121,179** | $ 190,457 | $ 185,294 |
| Capitalized interest | **19,518** | **6,508** | 23,435 | 8,021 |
| **Interest expense for interest coverage ratio** | **$ 147,751** | **$ 127,687** | $ 213,892 | $ 193,315 |

### 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[1]** | IFRS Basis | Proportionate Basis[1] |
| Adjusted EBITDA[1] | **$ 309,065** | **$ 254,357** | $ 348,666 | $ 301,885 |
| Interest expense for interest coverage ratio | **147,751** | **127,687** | 213,892 | 193,315 |
| **Interest coverage ratio** | **2.09** | **1.99** | 1.63 | 1.56 |