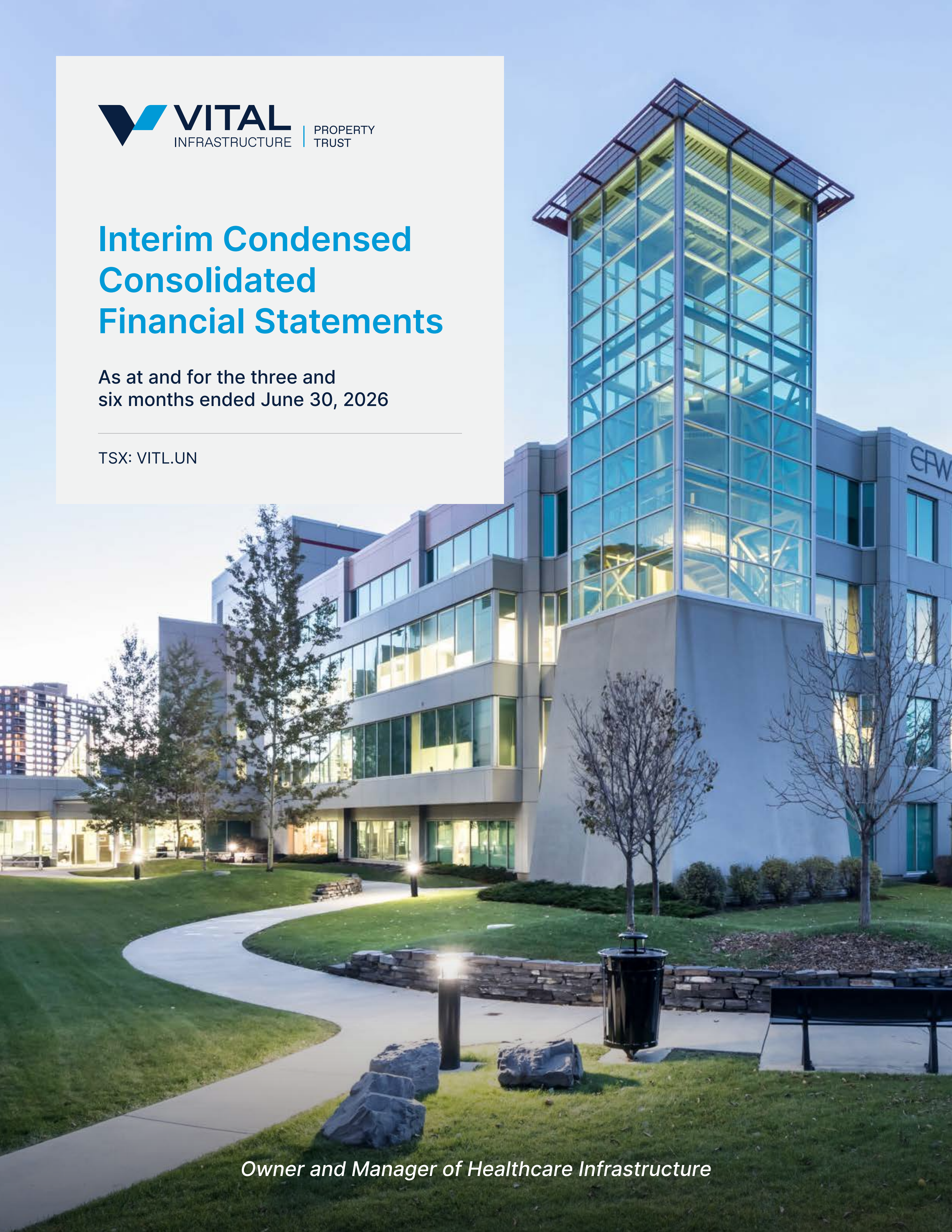
VITAL INFRASTRUCTURE | PROPERTY TRUST

Interim Condensed Consolidated Financial Statements

As at and for the three and six months ended June 30, 2026

TSX: VITL.UN



Owner and Manager of Healthcare Infrastructure

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Vital Infrastructure Property Trust
Condensed Consolidated Interim Balance Sheets
(unaudited)

(in thousands of Canadian dollars)	Note		**As at June 30, 2026**		As at December 31, 2025
Assets					
Investment properties	4, 5	**$**	**2,435,561**	$	2,270,989
Equity accounted investments	6		**646,539**		650,540
Deferred tax assets			**2,918**		2,668
Accounts receivable and other assets	7		**48,043**		46,844
Assets held for sale	4		**—**		383,968
Cash and cash equivalents			**63,392**		94,081
Total assets		**$**	**3,196,453**	$	3,449,090
Liabilities					
Mortgages and term debt	8	**$**	**434,134**	$	613,487
Credit facility	9		**76,344**		—
Debentures	10		**741,331**		746,631
Deferred tax liabilities			**250,513**		240,340
Accounts payable and other liabilities	11		**152,422**		120,721
Liabilities related to assets held for sale	4		**—**		221,065
Total liabilities			**1,654,744**		1,942,244
Equity					
Unitholders' equity			**1,541,709**		1,506,846
Total equity			**1,541,709**		1,506,846
Total liabilities and equity		**$**	**3,196,453**	$	3,449,090

Commitments and Contingencies (Note 22) and Subsequent Events (Note 23)
See accompanying notes to the condensed consolidated interim financial statements

Vital Infrastructure Property Trust
Condensed Consolidated Interim Statements of Income (Loss)
(unaudited)

(in thousands of Canadian dollars)	Note	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Net property operating income					
Revenue from investment properties	13	**$ 66,090**	$ 99,004	**$ 140,157**	$ 210,651
Property operating costs	14	**(17,282)**	(22,696)	**(43,865)**	(57,195)
		48,808	76,308	**96,292**	153,456
Other income (expenses)					
Interest and other income	15	**1,541**	2,548	**3,505**	8,729
Management fees		**3,701**	3,590	**7,599**	7,363
Share of income (loss) from equity accounted investments	6	**2,937**	4,648	**4,368**	(4,094)
Finance costs	16	**(21,715)**	(33,571)	**(41,994)**	(72,010)
General and administrative expenses	17	**(14,214)**	(14,891)	**(29,624)**	(29,739)
Transaction costs	18	**(3,342)**	(2,390)	**(5,360)**	(11,822)
Foreign exchange gain (loss)		**(740)**	5,474	**(612)**	7,293
Accretion of financial liabilities	8	**(386)**	(397)	**(3,139)**	(3,816)
Fair value adjustment of convertible debentures	10	**(1,973)**	(206)	**2,856**	(10,691)
Fair value adjustment of financial instruments	19	**(1,778)**	(8,377)	**(572)**	20,422
Fair value adjustment of investment properties	4, 5	**5,482**	13,619	**(16,610)**	(32,728)
Net loss on disposals of assets	4	**(10,772)**	(3,379)	**(10,901)**	(4,778)
Fair value adjustment of unit-based compensation liabilities		**548**	588	**(433)**	(882)
Income before taxes		**8,097**	43,564	**5,375**	26,703
Current income tax expense	4	**(15,094)**	(3,529)	**(17,476)**	(7,138)
Deferred income tax (expense) recovery		**7,276**	(7,414)	**8,535**	(2,474)
Income tax expense		**(7,818)**	(10,943)	**(8,941)**	(9,612)
Net income (loss)		**$ 279**	$ 32,621	**$ (3,566)**	$ 17,091
Net income (loss) attributable to:					
Unitholders		**$ 279**	$ 25,960	**$ (3,566)**	$ 25,070
Non-controlling interests	6	**—**	6,661	**—**	(7,979)
		$ 279	$ 32,621	**$ (3,566)**	$ 17,091

See accompanying notes to the condensed consolidated interim financial statements

Vital Infrastructure Property Trust
Condensed Consolidated Interim Statements of Comprehensive Income (Loss)
(unaudited)

		For the three months ended		For the six months ended	
(in thousands of Canadian dollars)	Note	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Net income (loss)		**$ 279**	$ 32,621	**$ (3,566)**	$ 17,091
Foreign currency translation adjustments		**39,048**	(8,492)	**92,725**	51,249
Foreign currency translation gains recycled to net income (loss)	4	**(9,440)**	—	**(9,440)**	—
Other comprehensive income (loss)		**$ 29,608**	$ (8,492)	**$ 83,285**	$ 51,249
Comprehensive income		**$ 29,887**	$ 24,129	**$ 79,719**	$ 68,340
Comprehensive income attributable to:					
Unitholders		**$ 29,887**	$ 13,711	**$ 79,719**	$ 61,326
Non-controlling interests		**—**	10,418	**—**	7,014
		$ 29,887	$ 24,129	**$ 79,719**	$ 68,340

See accompanying notes to the condensed consolidated interim financial statements

Vital Infrastructure Property Trust
Condensed Consolidated Interim Statements of Changes in Equity
(unaudited)

(in thousands of Canadian dollars)	Note	Trust Units	Contributed Surplus	Cumulative Distributions	Accumulated Other Comprehensive Loss	Cumulative Net Income	**Total Unitholders' Equity**
Balance, December 31, 2025		$ 2,557,624	$ 39,724	$ (1,195,499)	$ (265,216)	$ 370,213	**$ 1,506,846**
Units issued on exercise of unit-based compensation	12	145	—	—	—	—	**145**
Distributions		—	—	(45,001)	—	—	**(45,001)**
Foreign currency translation gains recycled to net income (loss)	4	—	—	—	(9,440)	—	**(9,440)**
Foreign currency translation adjustments		—	—	—	92,725	—	**92,725**
Net income (loss)		—	—	—	—	(3,566)	**(3,566)**
Balance, June 30, 2026		**$ 2,557,769**	**$ 39,724**	**$ (1,240,500)**	**$ (181,931)**	**$ 366,647**	**$ 1,541,709**

(in thousands of Canadian dollars)	Trust Units	Contributed Surplus	Cumulative Distributions	Accumulated Other Comprehensive Loss	Cumulative Net Income	Total Unitholders' Equity	Non-Controlling Interests	Total Equity
Balance, December 31, 2024	$ 2,547,239	$ 39,724	$ (1,105,774)	$ (357,996)	$ 440,224	$ 1,563,417	$ 1,018,098	$ 2,581,515
Units issued through distribution reinvestment plan	6,222	—	—	—	—	6,222	3,572	9,794
Units issued on exercise of unit-based compensation	631	—	—	—	—	631	—	631
Change in relative interest of non-controlling interest	—	—	—	(570)	—	(570)	570	—
Conversion of convertible debentures	10	—	—	—	—	10	—	10
Distributions	—	—	(44,746)	—	—	(44,746)	(19,437)	(64,183)
Foreign currency translation adjustments	—	—	—	36,826	—	36,826	14,423	51,249
Net income (loss)	—	—	—	—	25,070	25,070	(7,979)	17,091
Balance, June 30, 2025	$ 2,554,102	$ 39,724	$ (1,150,520)	$ (321,740)	$ 465,294	$ 1,586,860	$ 1,009,247	$ 2,596,107

See accompanying notes to the condensed consolidated interim financial statements

Vital Infrastructure Property Trust
Condensed Consolidated Interim Statements of Cash Flows
(unaudited)

(in thousands of Canadian dollars)	Note	For the three months ended June 30, 2026	For the three months ended June 30, 2025	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Operating activities					
Net income (loss)		**$ 279**	$ 32,621	**$ (3,566)**	$ 17,091
Income tax expense		**7,818**	10,943	**8,941**	9,612
Income taxes paid		**(1,295)**	(1,246)	**(4,471)**	(7,514)
Finance costs	16	**21,715**	33,571	**41,994**	72,010
Finance costs paid		**(12,184)**	(26,508)	**(39,915)**	(63,974)
Accretion of financial liabilities	8	**386**	397	**3,139**	3,816
Interest and other income	15	**(1,541)**	(2,548)	**(3,505)**	(8,729)
Share of (income) loss from equity accounted investments	6	**(2,937)**	(4,648)	**(4,368)**	4,094
Transaction costs	18	**3,342**	2,390	**5,360**	11,822
Net loss on disposal of assets	4	**10,772**	3,379	**10,901**	4,778
Redemption of units issued under unit-based compensation plans and paid in cash	12	**(1,175)**	(464)	**(1,529)**	(689)
Items not affecting cash	20	**2,558**	(9,623)	**22,796**	21,173
Changes in non-cash working capital balances	20	**12,851**	13,402	**9,287**	14,767
Cash provided by operating activities		**40,589**	51,666	**45,064**	78,257
Investing activities					
Acquisitions of investment properties	4	**—**	—	**(51,282)**	—
Net proceeds on disposal of investment properties	4	**330,486**	20,803	**330,486**	66,322
Net proceeds on settlement of derivative financial instruments	4	**3,048**	—	**3,048**	—
Net proceeds from disposition of investments in real estate securities		**—**	206,420	**—**	213,296
Distribution income	6, 7	**46,486**	—	**50,972**	3,752
Additions to investment properties	4, 5	**(8,051)**	(35,829)	**(13,826)**	(75,632)
Transaction costs paid	17	**(3,787)**	(1,863)	**(5,934)**	(12,249)
Additions to furniture and fixtures		**(207)**	(850)	**(367)**	(1,672)
Cash interest received		**1,373**	1,000	**3,433**	1,621
Contributions in equity accounted investments	6	**(7,329)**	(474)	**(8,582)**	(949)
Net (increase) decrease in restricted cash		**(21)**	278	**(28)**	(497)
Cash provided by (used in) investing activities		**361,998**	189,485	**307,920**	193,992
Financing activities					
Net credit facility advances	8	**5,949**	137,930	**77,539**	440,788
Repayments of mortgages payable and term debt	8	**(380,530)**	(345,223)	**(415,628)**	(1,008,966)
Distributions paid on REIT units		**(22,501)**	(18,972)	**(45,001)**	(38,498)
Distributions paid to non-controlling interests		**—**	(6,963)	**—**	(15,853)
Financing fees paid on mortgage and loans payable	8	**(335)**	(1,664)	**(444)**	(2,277)
Issuance of debentures, net of financing fees	10	**—**	—	**—**	496,721
Repurchase and cancellation of convertible debentures under normal course issuer bid	10	**(1,516)**	—	**(2,894)**	—
Repurchase and cancellation of convertible debentures	10	**—**	—	**—**	(124,990)
Repayment of lease liabilities		**(385)**	(730)	**(704)**	(1,438)
Cash provided by (used in) financing activities		**(399,318)**	(235,622)	**(387,132)**	(254,513)
Change in cash and cash equivalents		**3,269**	5,529	**(34,148)**	17,736
Effect of foreign currency translation		**2,972**	1,427	**3,459**	8,570
Net change in cash and cash equivalents		**6,241**	6,956	**(30,689)**	26,306
Cash and cash equivalents, beginning of period		**57,151**	70,597	**94,081**	51,247
Cash and cash equivalents, end of period	20	**$ 63,392**	$ 77,553	**$ 63,392**	$ 77,553

Supplemental disclosure of non-cash operating activities (Note 20)
See accompanying notes to the condensed consolidated interim financial statements

Note 1. Nature and Description of the Trust

Vital Infrastructure Property Trust ("Vital Infrastructure", the "REIT", or the "Trust"), is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario. Established on January 1, 2010, the Trust operates pursuant to a fourth amended and restated Declaration of Trust dated March 11, 2026 (the "Declaration of Trust"). On March 11, 2026, the Trust changed its name from Northwest Healthcare Properties REIT to Vital Infrastructure Property Trust.

Vital Infrastructure invests in healthcare real estate through a diversified portfolio of inpatient facilities, outpatient facilities, and other healthcare-related properties. The registered office of the Trust is 145 King Street West, Suite 600, Toronto, Ontario, M5H 1J8. Vital Infrastructure's trust units ("Trust Units" or "Units") are listed on the Toronto Stock Exchange ("TSX") under the symbol "VITL.UN".

Note 2. Summary of Material Accounting Policies

The material accounting policies and critical accounting estimates and judgments applied in preparing these unaudited condensed consolidated interim financial statements are consistent with those disclosed in the REIT's audited consolidated financial statements for the year ended December 31, 2025. These unaudited condensed consolidated interim financial statements are presented in thousands of Canadian dollars.

Statement of Compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board including IAS 34, "Interim Financial Reporting". They should be read in conjunction with the REIT's audited consolidated financial statements and accompanying notes for the year ended December 31, 2025.

These unaudited condensed consolidated interim financial statements were authorized for issuance by the Board of Trustees of the REIT on August 12, 2026.

Note 3. Future Accounting Standards and Changes in Accounting Standards

Amendments to IFRS 9 and IFRS 7

In May 2024, amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures* were issued. The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. Further, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. In addition, the amendments clarify the classification of financial assets with features linked to environmental, social and corporate governance. The amendments also require additional disclosures for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income. These amendments are effective for annual reporting periods beginning on or after January 1, 2026. The adoption of these amendments did not have a material impact on the REIT's condensed consolidated interim financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements

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

Note 4. Investment Property Transactions

Acquisitions

During the six months ended June 30, 2026, the REIT acquired the following income-producing property:

($ thousands) Property	Date of Acquisition	Location	Ownership Interest Acquired		Purchase Price(i)
Ottawa Hospital Transitional Care Centre	March 24	Ottawa, Canada	100%	$	51,282
Total acquisitions				**$**	**51,282**

(i) Purchase price includes $2.3 million of directly attributable costs, comprised of land transfer taxes, site improvements, and legal and advisory costs, which were capitalized as part of the acquisition.

Dispositions

During the six months ended June 30, 2026, the REIT disposed of the following investment properties, including those previously classified as assets held for sale, and those held through the REIT's equity accounted investments:

($ thousands) Property	Date of disposition	Location	Effective interest disposed	Sale price excl. selling costs	Debt settled upon sale	Working capital adj.	Cash received
Investment properties							
St. Mary's Medical Plaza	May 5	Tucson, USA	100%	$ 2,527	$ —	$ —	$ 2,527
Assets held for sale							
Portfolio of 2 wholly-owned properties	Apr 29	Netherlands	100%	20,297	8,920	346	11,032
Portfolio of 21 wholly-owned properties	Jun 30	Germany	100%	337,268	—		337,268
Total dispositions of assets held for sale				357,565	8,920	346	348,300
Total dispositions				360,092			350,827
Less: Contractual settlements and external transaction and advisory costs (i)							(20,341)
Net proceeds from disposal of investment properties and assets held for sale				**$ 360,092**			**$330,486**
Equity accounted investments							
Portfolio of 10 properties within the European joint venture	Apr 29	Netherlands	30%	$ 76,230	$ 42,114	$ 3,320	$ 30,796

(i) Includes prepayment fees, lease-related obligations, and tax and working capital adjustments settled on closing.

During the three months ended June 30, 2026, the REIT disposed of 23 wholly-owned properties in Germany and the Netherlands with a fair value of $357.6 million. These properties formed part of a 33-property sale to TPG Real Estate entered on February 24, 2026, which also included 10 properties held through the REIT's joint venture in the Netherlands with a fair value of $254.1 million ($76.2 million at the REIT's 30% interest). The sale comprised 30 income-producing properties and three properties under development. The Netherlands portion of the transaction closed on April 29, 2026, and the remaining German assets closed on June 30, 2026.

The disposition of properties held through the REIT's joint venture in the Netherlands is accounted for within the European joint venture and the REIT recognizes its share of the loss on disposal of assets in share of net income (loss) and comprehensive income (loss) in equity accounted investments. Refer to Note 6 for additional information.

In connection with the disposition, $210.3 million of mortgages on the wholly-owned German properties were settled through repayment by the REIT. An additional $8.9 million of mortgages on the Netherlands wholly-owned properties and $140.4 million of mortgages on the joint venture properties ($42.1 million at the REIT's 30% interest) were settled as part of the transaction. The REIT also recognized $12.9 million in current tax expense related to the disposition of the wholly-owned properties in Germany.

For the three and six months ended June 30, 2026, the REIT incurred a net loss on disposal of assets as follows:

	June 30, 2026	
($ thousands)	Three Months	Six Months
Contractual settlements and external transaction and advisory costs (i)	$ 20,212	$ 20,341
Foreign currency translation gains recycled to net income (loss)	(9,440)	(9,440)
Net loss on disposal of assets	**$ 10,772**	**$ 10,901**

(i) Includes prepayment fees, lease-related obligations, and tax and working capital adjustments settled on closing.

Assets Held for Sale

($ thousands)	Note	**Period ended June 30, 2026**	Year ended December 31, 2025
Balance, beginning of period		**$ 383,968**	$ 59,278
Transfer from investment properties	5	**—**	511,956
Capital expenditures		**2,227**	753
Amortization of straight-line rent		**(128)**	(59)
Dispositions		**(357,565)**	(182,653)
Fair value adjustment of investment properties		**(28,578)**	(848)
Foreign currency translation		**76**	(4,459)
Balance, end of period		**$ —**	$ 383,968

Note 5. Investment Properties

($ thousands)	Note		Income-Producing Properties		Properties Under Development		**Period ended June 30, 2026**		Year ended December 31, 2025
Balance, beginning of period		$	2,257,106	$	13,883	**$**	**2,270,989**	$	5,260,990
Acquisition of investment properties	4		51,282		—		**51,282**		—
Additions to investment properties(1)(2)			7,113		4,486		**11,599**		125,265
Amortization of straight-line rent			1,670		—		**1,670**		1,421
Transfer to assets held for sale	4		—		—		**—**		(511,956)
Transfer to equity accounted investments on loss of control of Vital Trust			—		—		**—**		(2,650,427)
Dispositions of investment properties	4		(2,527)		—		**(2,527)**		(1,592)
Fair value adjustment of investment properties			12,626		(658)		**11,968**		(61,020)
Foreign currency translation			90,580		—		**90,580**		108,308
Balance, end of period		$	2,417,850	$	17,711	**$**	**2,435,561**	$	2,270,989

(1) Additions include certain directly attributable leasing costs, capital and development expenditures and new right-of-use assets.
(2) Interest was capitalized to qualifying development projects based on a weighted average interest rate of 4.27% (note 16) (December 31, 2025 - 5.02%).

Valuation Methodology and Governance
Please refer to the REIT's 2025 audited annual consolidated financial statements for the description of its valuation methodology and process.

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

	As at June 30, 2026					
	Discount rate		**Terminal capitalization rate**		**Overall capitalization rate**	
	Range	**Weighted average**	**Range**	**Weighted average**	**Range**	**Weighted average**
North America	**6.75% - 9.00%**	**7.63%**	**6.25% - 8.25%**	**6.93%**	**4.81% - 9.33%**	**6.68%**
Brazil	**9.15% - 9.75%**	**9.35%**	**8.15% - 8.75%**	**8.30%**	**8.71% - 9.78%**	**8.93%**
Europe	**5.75% - 6.55%**	**6.05%**	**5.25% - 5.50%**	**5.34%**	**6.00% - 8.74%**	**6.81%**
Australasia	**6.50% - 7.25%**	**6.68%**	**5.25% - 6.75%**	**5.75%**	**5.00% - 6.25%**	**5.44%**
Total	**5.75% - 9.75%**	**8.01%**	**5.25% - 8.75%**	**7.18%**	**4.81% - 9.78%**	**7.31%**

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

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

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

During the six months ended June 30, 2026, independent third-party appraisers valued investment properties with an aggregate fair value of $164.8 million, representing approximately 7% of the portfolio (June 30, 2025 - $2.1 billion or 40%).

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

Rate sensitivity	Weighted average overall capitalization rate	Fair value (in $millions)	Change in fair value (in $millions)	% Change
(0.75)%	6.56%	$2,722	$286	11.75%
(0.50)%	6.81%	$2,619	$183	7.53%
(0.25)%	7.06%	$2,524	$88	3.63%
—%	7.31%	$2,436	$—	—%
0.25%	7.56%	$2,353	$(82)	(3.38)%
0.50%	7.81%	$2,277	$(159)	(6.53)%
0.75%	8.06%	$2,205	$(231)	(9.47)%

Note 6. Equity Accounted Investments

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

Equity accounted investment	Classification	Ownership interest	Location
Vital Healthcare Property Trust ("Vital Trust")	Associate	23.8 %	New Zealand
NWI Galaxy JV GmbH & Co. KG ("European JV")	Joint Venture	30.0 %	Europe
NorthWest Australia HSO Trust	Joint Venture	30.0 %	Australia
NorthWest Australia Hospital Investment Trust	Joint Venture	30.0 %	Australia
NorthWest Healthcare Properties Australia REIT ("AREIT")	Joint Venture	30.0 %	Australia
NorthWest Australia Hospital Investment Galaxy 2 Trust	Joint Venture	30.0 %	Australia

<u>Vital Healthcare Property Trust</u>
On December 30, 2025, Vital Trust completed the internalization of its external management structure, resulting in the REIT losing control of Vital Trust under IFRS Accounting Standards. At that time, the related non-controlling interest was derecognized, and the REIT's retained interest was accounted for as an investment in associate.

For the year ended December 31, 2025, the REIT consolidated Vital Trust's results up to December 30, 2025, and recognized a non-controlling interest in respect of units not owned by the REIT. As a result, prior period results include amounts attributable to non-controlling interests. Subsequently, the REIT's interest in Vital Trust is reflected as equity-accounted income. The REIT's ownership interest in Vital Trust fluctuated over time due to equity issuances, distribution reinvestment plans, and other unit transactions, and was approximately 23.9% immediately prior to that date.

The REIT's investment in Vital Trust is quoted in an active market and, as at June 30, 2026, has a fair value of $296.3 million.

<u>Australian Joint Venture Arrangements ("Australia")</u>
As at June 30, 2026, the REIT's investments in its Australian joint ventures, which provided capital funding for the historical acquisition of investment properties, continue to operate under a common investment framework, including a shared third-party partner, similar asset types and geographic focus, and consistent investment management terms. Given these common features, the joint ventures are presented together below.

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

Certain properties held through the REIT's joint venture in the Netherlands formed part of a portfolio that were sold during the three months ended June 30, 2026. Refer to Note 4 for additional information.

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

	As at June 30, 2026				As at December 31, 2025			
($ thousands)	Vital Trust	Australia	European JV	**Total**	Vital Trust	Australia	European JV	Total
Investment properties (including AHFS)	$2,826,863	$2,141,858	$ 379,640	**$5,348,361**	$2,650,427	$2,078,150	$ 632,018	$5,360,595
Other assets	51,952	61,317	14,504	**127,773**	48,421	1,564	23,667	73,652
Mortgages and term loans (including LHFS)	(1,149,265)	(1,272,086)	(165,788)	**(2,587,139)**	(1,082,008)	(1,188,670)	(307,573)	(2,578,251)
Other liabilities	(161,526)	(15,805)	(18,159)	**(195,490)**	(135,211)	(20,433)	(25,184)	(180,828)
Net assets at 100%	1,568,024	915,284	210,197	**2,693,505**	1,481,629	870,611	322,928	2,675,168
Acquisition accounting adjustments	(221,779)	—	—	**(221,779)**	(217,696)	—	—	(217,696)
Investment in equity accounted investments at share	$ 320,847	$ 256,270	$ 69,422	**$ 646,539**	$ 302,206	$ 245,360	$ 102,974	$ 650,540

	Three months ended June 30, 2026				Three months ended June 30, 2025		
($ thousands)	Vital Trust	Australia	European JV	**Total**	Australia	European JV	Total
Revenue from investment properties	40,272	34,472	8,191	**$ 82,935**	$ 29,382	$ 11,108	$ 40,490
Property operating costs	(5,744)	(5,529)	(1,354)	**(12,627)**	(3,239)	(1,521)	(4,760)
Interest and other income	2,895	2,391	40	**5,326**	1,520	90	1,610
General and administrative expenses	(3,499)	(2,488)	(978)	**(6,965)**	(2,229)	(1,050)	(3,279)
Finance costs	(14,028)	(15,924)	(4,695)	**(34,647)**	(14,216)	(6,732)	(20,948)
Fair value adjustment of investment properties	(5,841)	4,301	2,791	**1,251**	(4,921)	9,415	4,494
Net loss on disposals of assets	—	—	(14,048)	**(14,048)**	—	—	—
Income tax expense	(7,199)	—	(519)	**(7,718)**	—	(1,081)	(1,081)
Other Items	(76)	—	70	**(6)**	(295)	(133)	(428)
Net income (loss) and comprehensive income (loss) at 100%	$ 6,780	$ 17,223	$ (10,502)	**$ 13,501**	$ 6,002	$ 10,096	$ 16,098
Share of net income (loss) and comprehensive income (loss) in equity accounted investments	$ 1,617	$ 4,340	$ (3,020)	**$ 2,937**	$ 1,412	$ 3,236	$ 4,648

	Six months ended June 30, 2026				Six months ended June 30, 2025		
($ thousands)	Vital Trust	Australia	European JV	**Total**	Australia	European JV	Total
Revenue from investment properties	$ 80,141	$ 65,246	$ 19,729	**$ 165,116**	$ 61,013	$ 22,039	$ 83,052
Property operating costs	(12,095)	(9,706)	(3,021)	**(24,822)**	(8,753)	(3,275)	(12,028)
Interest and other income	3,975	4,249	124	**8,348**	3,363	165	3,528
General and administrative expenses	(6,081)	(4,910)	(2,040)	**(13,031)**	(4,394)	(1,924)	(6,318)
Finance costs	(26,710)	(29,924)	(11,758)	**(68,392)**	(28,924)	(13,168)	(42,092)
Fair value adjustment of investment properties	16,506	(26,826)	(3,314)	**(13,634)**	(42,852)	7,525	(35,327)
Net loss on disposals of assets	—	—	(14,048)	**(14,048)**	—	—	—
Income tax expense	(13,966)	—	201	**(13,765)**	—	(2,824)	(2,824)
Other items	305	—	—	**305**	(594)	(260)	(854)
Net income (loss) and comprehensive income (loss) at 100%	$ 42,075	$ (1,871)	$ (14,127)	**$ 26,077**	$ (21,141)	$ 8,278	$ (12,863)
Share of net income (loss) and comprehensive income (loss) in equity accounted investments	$ 10,037	$ (1,633)	$ (4,036)	**$ 4,368**	$ (6,831)	$ 2,737	$ (4,094)

Transactions with Equity Accounted Investments

The REIT's share of income (loss) on a gross basis, before eliminations, includes finance costs related to loan balances outstanding between the REIT and the European JV, and management fee expenses related to management services provided by the REIT to the joint ventures.

Under a transitional services agreement entered into as part of the Vital Trust's management internalization, the REIT and Vital Trust provide certain administrative and support services to each other for a limited period. Revenue and costs related to these services are recognized on a cost-recovery basis. These transitional services do not affect the REIT’s assessment of significant influence over Vital Trust.

These transactions are reflected in the REIT's condensed consolidated interim financial statements as follows:

	Three Months		**Six Months**	
($ thousands)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Interest income	**$ 1,004**	$ 1,321	**$ 2,377**	$ 2,586
Transitional services cost recoveries (expenses)	**(156)**	—	**(318)**	—
Management fees	**1,107**	1,071	**2,268**	2,191
Transactions with Equity Accounted Investments	**$ 1,955**	$ 2,392	**$ 4,327**	$ 4,777

Note 7. Accounts Receivable and Other Assets

($ thousands)	Note		**As at June 30, 2026**		As at December 31, 2025
Accounts receivable		**$**	**15,751**	$	15,414
Lease assets			**13,504**		9,053
Commodity taxes recoverable			**7,241**		6,252
Prepaid expenses			**4,778**		2,725
Mortgage receivable			**3,850**		3,850
Furniture and office equipment			**1,076**		1,780
Prepaid acquisition costs			**1,025**		2,882
Restricted cash			**229**		184
Derivative financial assets	19		**—**		3,854
Other			**589**		850
Accounts receivable and other assets		**$**	**48,043**	$	46,844
Classified as:					
Current portion		**$**	**33,132**	$	32,538
Non-current portion			**14,911**		14,306
Accounts receivable and other assets		**$**	**48,043**	$	46,844

<u>Lease Assets</u>

Lease assets include an $8.1 million (December 31, 2025 - $7.5 million) long-term land lease with a third party, measured using a discount rate of 7.0% with a remaining lease term of approximately 62 years. In addition, during 2026, the REIT entered into a new 10-year head office lease, resulting in the recognition of a right-of-use asset and corresponding lease liability.

<u>Mortgage Receivable</u>

Mortgage receivable consists of a $3.9 million vendor take-back mortgage, measured at amortized cost and maturing in August 2026, related to the 2024 sale of certain North American investment properties. Subsequent to June 30, 2026, the balance was repaid in full.

Note 8. Mortgages and Term Debt

($ thousands)		**As at June 30, 2026**		As at December 31, 2025
Mortgages payable	**$**	**189,247**	$	598,929
Term debt		**247,096**		240,926
		436,343		839,855
Unamortized deferred financing costs		**(2,209)**		(5,303)
Mortgages and term debt, including liabilities related to assets held for sale		**434,134**		834,552
Liabilities related to assets held for sale, net of deferred financing costs		**—**		(221,065)
Mortgages and term debt	**$**	**434,134**	$	613,487
Classified as:				
Current portion	**$**	**125,321**	$	236,590
Non-current portion		**308,813**		376,897
Mortgages and term debt	**$**	**434,134**	$	613,487

Overview and Covenants

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

As at June 30, 2026, the REIT was in compliance with all applicable covenants and expects to remain in compliance for at least the next 12 months. Accordingly, mortgages payable and term debt with contractual maturities beyond 12 months have been classified as non-current.

Debt Composition

As at June 30, 2026, the REIT's fixed-rate mortgages payable and term debt were $312.1 million, while variable-rate mortgages and term debt were $124.3 million, with weighted average interest rates of 4.77% and 5.37%, respectively. As of June 30, 2026, none of the REIT's variable-rate debt is economically fixed or capped through interest rate derivatives (December 31, 2025 - $234.3 million).

The movements in the REIT's borrowings during the six months ended June 30, 2026, were as follows:

($ thousands)	Note	Mortgages payable	Term debt	Total
Balance, December 31, 2025		$ 598,929	$ 240,926	**$ 839,855**
Principal amortization		(6,709)	(14,873)	**(21,582)**
Repayments		(394,046)	—	**(394,046)**
Debt settled upon sale of investment properties	4	(8,920)	—	**(8,920)**
Accretion of financial liabilities		—	3,139	**3,139**
Foreign exchange adjustment		(7)	17,904	**17,897**
		189,247	247,096	**436,343**
Unamortized deferred financing costs		(703)	(1,506)	**(2,209)**
Balance, June 30, 2026		**$ 188,544**	**$ 245,590**	**$ 434,134**

The table below summarizes the scheduled future principal amortization payments and maturities for the REITs borrowings as at June 30, 2026:

($ thousands)	Remainder of 2026	2027	2028	2029	2030	Thereafter	Total
Amortizing principal payments							
Mortgages payable	$ 2,463	$ 4,169	$ 2,946	$ 2,056	$ 621	$ 221	**$ 12,476**
Term debt (i)	15,474	31,101	20,769	21,559	22,381	11,521	**122,805**
	17,937	35,270	23,715	23,615	23,002	11,742	**135,281**
Payments due at maturity							
Mortgages payable	18,815	63,947	14,320	56,200	14,199	9,290	**176,771**
Term debt	—	45,885	19,429	17,879	41,098	—	**124,291**
	18,815	109,832	33,749	74,079	55,297	9,290	**301,062**
Total	**$ 36,752**	**$ 145,102**	**$ 57,464**	**$ 97,694**	**$ 78,299**	**$ 21,032**	**$ 436,343**

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

Mortgages Payable

Scheduled principal payments and maturities for the REITs mortgages payable as at June 30, 2026 are as follows:

($ thousands)

Maturity	Weighted average interest rate	Principal repayments	Balance due at maturity	As at June 30, 2026	As at December 31, 2025
Remainder of 2026	3.93 %	$ 2,463	$ 18,815	**$ 21,278**	$ 232,292
2027	5.83 %	4,169	63,947	**68,116**	84,429
2028	5.47 %	2,946	14,320	**17,266**	109,459
2029	5.09 %	2,056	56,200	**58,256**	129,557
2030	4.57 %	621	14,199	**14,820**	33,680
Thereafter	3.35 %	221	9,290	**9,511**	9,512
	5.13 %	**$ 12,476**	**$ 176,771**	**$ 189,247**	$ 598,929
Unamortized deferred financing costs				**(703)**	(1,807)
Balance, end of period				**$ 188,544**	$ 597,122

All mortgages are secured by first charges on specific investment properties in North America, with an estimated fair value of $0.4 billion as at June 30, 2026 (December 31, 2025 - $1.1 billion).

Term Debt

As at June 30, 2026 and December 31, 2025, the REIT's term debt balances were as follows:

($ thousands)

Security	Security amount	Maturities	Weighted average interest rate	As at June 30, 2026	As at December 31, 2025
Brazilian investment properties	$ 381,639	Nov 2027 - Jun 2031	4.22 %	**$ 122,805**	$ 122,620
Australian secured properties[(i)]	149,473	Jul 2028 - Jul 2030	5.81 %	**78,406**	73,264
Vital Trust units	295,954	Mar 2027	4.62 %	**45,885**	45,042
	$ 827,066		**4.80 %**	**$ 247,096**	$ 240,926
Unamortized deferred financing costs				**(1,506)**	(1,816)
Balance, end of period				**$ 245,590**	$ 239,110

(i) Australian secured properties debt forms part of a broader multi-lender facility secured by a cross-collateralized portfolio of assets with an aggregate value of A$310.7 million.

As at June 30, 2026, the maximum amount available to be drawn against the Vital Trust units is $102.1 million (December 31, 2025 - $105.9 million).

Note 9. Credit Facility

The REIT's revolving credit facility as at June 30, 2026 and December 31, 2025 is as follows:

($ thousands)			**As at June 30, 2026**			As at December 31, 2025		
Facility Type	**Maturity**	**Weighted Average Interest Rate**	**Maximum**	**Available**	**Drawn**	Maximum	Available	Drawn
Secured	July 2027	3.98 %	**$ 343,596**	**$ 265,754**	**$ 77,842**	$ 252,187	$ 252,187	$ —
Unamortized deferred financing costs					**(1,498)**			—
Balance, end of period					**$ 76,344**			$ —

The facility is secured by investment properties with an estimated fair value of $489.3 million (December 31, 2025 - $349.6 million). Maximum availability under the facility is the lesser of the lending value of the applicable pool of secured properties and the commitment amount.

Advances under the facility may bear interest by reference to the Canadian Overnight Repo Rate Average (for Canadian dollar borrowings), the Secured Overnight Financing Rate (for U.S. dollar borrowings) and the Euro Interbank Offered Rate (for euro borrowings), in each case plus an applicable margin. As at June 30, 2026, the outstanding balance was denominated in euros and bore interest at the Euro Interbank Offered Rate plus the applicable margin.

Note 10. Debentures

($ thousands)		As at June 30, 2026		As at December 31, 2025
Senior unsecured debentures	$	497,752	$	497,322
Convertible debentures		243,579		249,309
Debentures	$	741,331	$	746,631
Classified as:				
Current	$	243,579	$	249,309
Non-current		497,752		497,322
Debentures	$	741,331	$	746,631

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

Senior Unsecured Debentures

As at June 30, 2026, the REIT had the following senior unsecured debentures outstanding measured at amortized cost:

($ thousands)

Series	Issuance date	Maturity date	Coupon rate	Interest payment dates		As at June 30, 2026		As at December 31, 2025
Series A	Feb 18, 2025	Feb 18, 2028	5.02 %	Feb 18 and Aug 18	$	200,000	$	200,000
Series B	Feb 18, 2025	Feb 18, 2030	5.51 %	Feb 18 and Aug 18		300,000		300,000
			5.32 %			500,000		500,000
Unamortized deferred financing costs						(2,248)		(2,678)
Balance, end of period					$	497,752	$	497,322

The debentures are subject to customary covenants, with which the REIT was in compliance as at June 30, 2026, and expects to remain in compliance for at least the next 12 months.

Convertible Debentures

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

($ thousands)		As at June 30, 2026		As at December 31, 2025
Balance, beginning of period	$	249,309	$	356,963
Conversion of convertible debentures to units		—		(10)
Repayment of convertible debentures		—		(124,990)
Repurchased and cancelled under the normal course issuer bid		(2,874)		—
Fair value adjustment of convertible debentures		(2,856)		17,346
Balance, end of period	$	243,579	$	249,309

During the three and six months ended June 30, 2026, the REIT repurchased total consideration of $1.5 million and $2.9 million, respectively, of its convertible debentures under its normal course issuer bid.

The fair value of convertible debentures outstanding at the reporting date, based on closing market prices, and related contractual terms are as follows:

($ thousands)

Series	Conversion price per Unit ($)	Issuance date	Maturity date	Interest rate	Interest payment dates		As at June 30, 2026		As at December 31, 2025
VITL.DB.H	$16.00	Aug 25, 2022	Aug 31, 2027	6.25%	Feb 28 and Aug 31	**$**	**154,524**	$	158,324
VITL.DB.I	$10.55	Apr 27, 2023	Apr 30, 2028	7.75%	Apr 30 and Oct 31		**89,055**		90,985
						$	**243,579**	$	249,309

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

Note 11. Accounts Payable and Other Liabilities

($ thousands)	Note		As at June 30, 2026		As at December 31, 2025
Accrued property costs		**$**	**35,835**	$	25,272
Unit-based compensation liabilities			**17,603**		12,699
Income taxes payable			**17,441**		3,732
Deferred revenue and tenant deposits			**17,401**		15,661
Accrued interest			**15,126**		15,969
Lease liabilities	7		**14,406**		10,300
Accrued employee costs			**8,641**		9,004
Accrued professional fees			**8,031**		5,416
Distributions payable			**7,500**		7,499
Accounts payable			**4,069**		8,497
Commodity taxes payable			**3,800**		3,331
Derivative financial instruments	19		**—**		237
Other accounts payable and accrued liabilities			**2,569**		3,104
		$	**152,422**	$	120,721
Classified as:					
Current portion		**$**	**114,490**	$	91,182
Non-current portion			**37,932**		29,539
Accounts payable and accrued liabilities		**$**	**152,422**	$	120,721

Note 12. Unitholders' Equity

The REIT has two classes of units: (i) Trust units; and (ii) special voting units. As at June 30, 2026, no special voting units were outstanding.

The REIT is authorized to issue an unlimited number of Trust Units and special voting units, both without par value. Each Trust Unit represents one vote at meetings of unitholders and entitles the holder to a pro rata share of distributions declared by the REIT. Trust Units are redeemable at the option of the holder, with the redemption price determined in accordance with the REIT's Declaration of Trust.

The following table summarizes changes in Trust Units during the three months ended June 30, 2026 and 2025:

		As at June 30, 2026		As at June 30, 2025	
($ thousands except where otherwise indicated)	Note	**Trust Units**	**Amount**	Trust Units	Amount
Units, beginning of period		249,992,670	$ 2,557,624	247,784,245	$ 2,547,239
Units issued through distribution reinvestment plan		—	—	1,344,069	6,222
Units issued on conversion of convertible debentures	10	—	—	1,379	10
Units issued on exercise of unit-based compensation		25,859	145	127,843	631
Units, end of period		**250,018,529**	**$ 2,557,769**	249,257,536	$ 2,554,102

Note 13. Revenue from Investment Properties

	Three Months		**Six Months**	
($ thousands)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Rental income including straight-line rental revenue	**$ 49,614**	$ 78,483	**$ 97,750**	$ 157,725
Operating cost recoveries	**10,295**	14,028	**22,619**	28,678
Property tax and insurance recoveries	**3,875**	4,451	**15,481**	20,216
Other revenue	**2,306**	2,042	**4,307**	4,032
Revenue from investment properties	**$ 66,090**	$ 99,004	**$ 140,157**	$ 210,651

Note 14. Property Operating Costs

	Three Months		**Six Months**	
($ thousands)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Property taxes and insurance	**$ 4,013**	$ 5,927	**$ 15,726**	$ 20,230
Recoverable operating costs	**10,291**	14,135	**22,409**	31,665
Non-recoverable operating costs	**2,978**	2,634	**5,730**	5,300
Property operating costs	**$ 17,282**	$ 22,696	**$ 43,865**	$ 57,195

Note 15. Interest and Other Income

		Three Months		**Six Months**	
($ thousands)	Note	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Interest income from related parties	6	**$ 1,004**	$ 1,321	**$ 2,377**	$ 2,586
Interest income from mortgage receivable		**48**	269	**96**	539
Distribution income		**—**	—	**—**	3,733
Other interest income		**489**	958	**1,032**	1,871
Interest and other income		**$ 1,541**	$ 2,548	**$ 3,505**	$ 8,729

Note 16. Finance Costs

Finance costs consist of interest on borrowings and amortization of deferred financing costs, both determined under the effective interest method, along with other financing costs.

	Three Months		Six Months	
($ thousands)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Interest expense	**$ 20,390**	$ 35,928	**$ 39,899**	$ 76,516
Amortization of financing costs	**1,552**	2,796	**2,529**	6,145
	21,942	38,724	**42,428**	82,661
Less: Capitalized interest	**(227)**	(5,153)	**$ (434)**	$ (10,651)
Finance costs	**$ 21,715**	$ 33,571	**$ 41,994**	$ 72,010

Note 17. General and Administrative Expenses

	Three Months		Six Months	
($ thousands)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Salaries, benefits and other employee costs(1)	**$ 6,979**	$ 10,751	**$ 14,437**	$ 21,899
Unit-based compensation expense	**3,641**	1,018	**6,657**	3,591
Professional fees and corporate costs	**1,804**	2,608	**3,976**	4,795
Employee termination benefits and associated costs	**782**	1,234	**2,757**	1,616
Information technology costs	**769**	1,142	**1,764**	2,370
Office related costs	**902**	1,033	**1,534**	1,991
Management fee expense	**713**	285	**1,275**	441
Investor relations and public company costs	**519**	819	**1,002**	1,560
Other	**716**	848	**1,388**	1,621
	16,825	19,738	**34,790**	39,884
Less: Capitalized to properties under development	**(388)**	(1,581)	**(940)**	(3,164)
Less: Allocated to property operating expenses	**(2,223)**	(3,266)	**(4,226)**	(6,981)
General and administrative expenses	**$ 14,214**	$ 14,891	**$ 29,624**	$ 29,739

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

Note 18. Transaction Costs

For the three and six months ended June 30, 2026, the REIT incurred transaction costs of $3.3 million and $5.4 million, respectively (three and six months ended June 30, 2025 - $2.4 million and $11.8 million, respectively). Transaction costs primarily include third-party advisory fees, legal and diligence costs, and internal compensation allocations related to acquisitions, dispositions, capital-raising initiatives and other strategic activities. These amounts vary based on transaction activity.

Note 19. Financial Instruments

The REIT's financial instruments are measured and presented in accordance with the policies described in Note 2 of the annual consolidated financial statements. Certain instruments are carried at fair value, while others are measured at amortized cost with fair value disclosed when relevant. Fair values reflect market conditions at the reporting date.

<u>Fair value hierarchy</u>
Fair value measurements are categorized within a three-level hierarchy based on the lowest-level input that is significant to the valuation. The following table summarizes the REIT's financial instruments measured at fair value, as well as those measured at amortized cost for which fair value is disclosed:

		As at June 30, 2026				As at December 31, 2025			
	Note	**Carrying value**	**Level 1**	**Level 2**	**Level 3**	Carrying value	Level 1	Level 2	Level 3
<u>Financial Assets</u>									
Fair value through profit and loss:									
Derivative financial instruments	7	**$ —**	**$ —**	**$ —**	**$ —**	$ 3,854	$ —	$ 3,854	$ —
Amortized cost:									
Mortgage receivable	7	**3,850**	**—**	**—**	**3,850**	3,850	—	—	3,850
Cash and cash equivalents		**63,392**	**63,392**	**—**	**—**	94,081	94,081	—	—
<u>Financial Liabilities</u>									
Fair value through profit and loss:									
Derivative financial instruments	11	**—**	**—**	**—**	**—**	237	—	237	—
Convertible debentures	10	**243,579**	**243,579**	**—**	**—**	249,309	249,309	—	—
Unit-based compensation liabilities	11	**17,603**	**—**	**10,630**	**6,973**	12,699	—	7,881	4,818
Amortized cost:									
Mortgages and term debt	8	**434,134**	**—**	**434,890**	**—**	613,487	—	616,573	—
Credit facility	9	**76,344**	**—**	**77,842**	**—**	—	—	—	—
Senior unsecured debentures	10	**497,752**	**511,202**	**—**	**—**	497,322	511,970	—	—

<u>Valuation techniques</u>
Valuation methodologies are consistent with those described in the annual consolidated financial statements. Observable market data is used where available. There were no transfers between levels of the fair value hierarchy during the period.

<u>Derivative financial instruments</u>
The REIT uses derivative financial instruments to manage exposure to interest rate risk associated with its variable-rate debt. As hedge accounting is not applied, these instruments are measured at fair value through profit or loss. During the quarter, the REIT settled derivative financial instruments associated with mortgages of the disposed European portfolio properties. As at June 30, 2026, the REIT had no derivative instruments outstanding.

During the three and six months ended June 30, 2026, the REIT recorded fair value losses of $1.8 million and $0.6 million, respectively, on financial instruments (three and six months ended June 30, 2025 - $8.4 million loss and $20.4 million gain, respectively). The prior-year amounts reflected fair value losses on interest rate derivatives and gains on the REIT's investments in Assura and other securities, which were sold and redeemed during the six months ended June 30, 2025 and are no longer held.

Note 20. Supplemental Cash Flow Information

Changes in non-cash working capital

	Three Months		Six Months	
($ thousands)	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Accounts receivable	**$ 4,261**	$ 4,928	**$ (1,992)**	$ 5,380
Other assets	**1,745**	3,025	**(746)**	(720)
Accounts payable and accrued liabilities	**6,845**	5,449	**12,025**	10,107
Changes in non-cash working capital	**$ 12,851**	$ 13,402	**$ 9,287**	$ 14,767

Items not affecting cash and other items

		Three Months		Six Months	
($ thousands)	Note	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Amortization of other assets		**$ 482**	$ 543	**$ 820**	$ 1,118
Unrealized foreign exchange gain		**714**	(5,560)	**560**	(7,415)
Unit-based compensation expense	17	**3,641**	1,018	**6,657**	3,591
Fair value adjustment of convertible debentures	10	**1,973**	206	**(2,856)**	10,691
Fair value adjustment of financial instruments	19	**1,778**	8,377	**572**	(20,422)
Fair value adjustment of investment properties	4, 5	**(5,482)**	(13,619)	**16,610**	32,728
Fair value adjustment of unit-based compensation liabilities		**(548)**	(588)	**433**	882
Items not affecting cash and other items		**$ 2,558**	$ (9,623)	**$ 22,796**	$ 21,173

Non-cash financing and investing activities

		Three Months		Six Months	
($ thousands)	Note	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Non-cash distributions to unitholders under the DRIP	12	**$ —**	$ 3,437	**$ —**	$ 6,222
Non-cash conversion of convertible debentures	12	**—**	—	**—**	10
Units issued under unit-based compensation plan	12	**65**	631	**145**	631
Non-cash financing and investing activities		**$ 65**	$ 4,068	**$ 145**	$ 6,863

Note 21. Segmented Information

The REIT operates within a single industry segment, the healthcare real estate sector, but manages its operations across four geographic regions: North America, Brazil, Europe, and Australasia. The Chief Executive Officer evaluates the performance of each operating segment based on operating income (loss). The "Other" category primarily consists of corporate functions that do not generate revenue and are not considered reportable operating segments. The accounting policies applied to each segment are consistent with those applied by the REIT as a whole.

During the three and six months ended June 30, 2026, a single tenant in Brazil accounted for approximately 22% and 23% of total revenue from investment properties on a consolidated basis (three and six months ended June 30, 2025 - 13%).

($ thousands)	**North America**	**Brazil**	**Europe**	**Australasia**	**Other**	**As at June 30, 2026**
Investment properties	**$1,380,840**	**$ 754,071**	**$ 155,521**	**$ 145,129**	**$ —**	**$ 2,435,561**
Equity accounted investments	**—**	**—**	**69,422**	**577,117**	**—**	**646,539**
Mortgages and term debt	**188,544**	**121,776**	**—**	**78,142**	**45,672**	**434,134**
Credit facility	**—**	**—**	**—**	**—**	**76,344**	**76,344**

($ thousands)	North America	Brazil	Europe	Australasia	Other	As at December 31, 2025
Investment properties	$ 1,313,154	$ 668,650	$ 154,313	$ 134,872	$ —	$ 2,270,989
Equity accounted investments	—	—	102,974	547,566	—	650,540
Mortgages and term debt	280,616	121,456	95,441	72,977	42,997	613,487

($ thousands)	**North America**	**Brazil**	**Europe**	**Australasia**	**Other**	**For the three months ended June 30, 2026**
Net property operating income						
Revenue from investment properties	$ 34,875	$ 16,297	$ 12,341	$ 2,577	$ —	**$ 66,090**
Property operating costs	(13,411)	—	(3,561)	(310)	—	**(17,282)**
	21,464	16,297	8,780	2,267	—	**48,808**
Other income (expenses)						
Interest and other income	59	148	64	256	1,014	**1,541**
Management fees	18	—	555	3,128	—	**3,701**
Share of income (loss) from equity accounted investments	—	—	(3,020)	5,957	—	**2,937**
Finance costs	(2,730)	(1,417)	(2,853)	(1,250)	(13,465)	**(21,715)**
General and administrative expenses	(1,272)	(618)	(3,354)	(2,690)	(6,280)	**(14,214)**
Transaction costs	—	—	(2,669)	(46)	(627)	**(3,342)**
Foreign exchange gain (loss)	29	77	(485)	442	(803)	**(740)**
Operating income (loss)	**17,568**	**14,487**	**(2,982)**	**8,064**	**(20,161)**	**16,976**
Accretion of financial liabilities						**(386)**
Fair value adjustment of convertible debentures						**(1,973)**
Fair value adjustment of financial instruments						**(1,778)**
Fair value adjustment of investment properties						**5,482**
Net loss on disposals of assets						**(10,772)**
Fair value adjustment of unit-based compensation liabilities						**548**
Income tax (expense) recovery						**(7,818)**
Net income (loss)						**$ 279**

($ thousands)	North America	Brazil	Europe	Australasia	Other	For the three months ended June 30, 2025
Net property operating income						
Revenue from investment properties	$ 34,572	$ 13,929	$ 12,572	$ 37,931	$ —	$ 99,004
Property operating costs	(13,365)	—	(4,252)	(5,079)	—	(22,696)
	21,207	13,929	8,320	32,852	—	76,308
Other income (expenses)						
Interest and other income	73	485	83	549	1,358	2,548
Management fees	20	—	783	2,787	—	3,590
Share of income (loss) from equity accounted investments	—	—	3,236	1,412	—	4,648
Finance costs	(3,845)	(1,522)	(3,871)	(10,625)	(13,708)	(33,571)
General and administrative expenses	(2,041)	(640)	(2,485)	(4,402)	(5,323)	(14,891)
Transaction costs	(45)	—	(1,378)	(251)	(716)	(2,390)
Foreign exchange gain (loss)	378	(2)	4,309	1,918	(1,129)	5,474
Operating income (loss)	15,747	12,250	8,997	24,240	(19,518)	41,716
Accretion of financial liabilities						(397)
Fair value adjustment of convertible debentures						(206)
Fair value adjustment of financial instruments						(8,377)
Fair value adjustment of investment properties						13,619
Net loss on disposals of assets						(3,379)
Fair value adjustment of unit-based compensation liabilities						588
Income tax (expense) recovery						(10,943)
Net income (loss)						$ 32,621

($ thousands)	North America	Brazil	Europe	Australasia	Other	For the six months ended June 30, 2026
Net property operating income						
Revenue from investment properties	$ 75,977	$ 33,580	$ 25,518	$ 5,082	$ —	**$ 140,157**
Property operating costs	(34,167)	(1,784)	(7,732)	(182)	—	**(43,865)**
	41,810	31,796	17,786	4,900	—	**96,292**
Other income (expenses)						
Interest and other income	138	305	137	501	2,424	**3,505**
Management fees	38	—	1,375	6,186	—	**7,599**
Share of income (loss) from equity accounted investments	—	—	(4,036)	8,404	—	**4,368**
Finance costs	(5,895)	(2,853)	(5,126)	(2,370)	(25,750)	**(41,994)**
General and administrative expenses	(2,802)	(1,219)	(6,835)	(5,275)	(13,493)	**(29,624)**
Transaction costs	—	—	(4,005)	(82)	(1,273)	**(5,360)**
Foreign exchange gain (loss)	66	156	(484)	1,430	(1,780)	**(612)**
Operating income (loss)	**33,355**	**28,185**	**(1,188)**	**13,694**	**(39,872)**	**34,174**
Accretion of financial liabilities						**(3,139)**
Fair value adjustment of convertible debentures						**2,856**
Fair value adjustment of financial instruments						**(572)**
Fair value adjustment of investment properties						**(16,610)**
Net loss on disposals of assets						**(10,901)**
Fair value adjustment of unit-based compensation liabilities						**(433)**
Income tax expense						**(8,941)**
Net income (loss)						**$ (3,566)**

($ thousands)	North America	Brazil	Europe	Australasia	Other	For the six months ended June 30, 2025
Net property operating income						
Revenue from investment properties	$ 78,308	$ 29,501	$ 24,862	$ 77,980	$ —	$ 210,651
Property operating costs	(35,289)	(1,598)	(8,233)	(12,075)	—	(57,195)
	43,019	27,903	16,629	65,905	—	153,456
Other income (expenses)						
Interest and other income	177	744	3,891	1,173	2,744	8,729
Management fees	40	—	1,500	5,823	—	7,363
Share of income (loss) from equity accounted investments	—	—	2,737	(6,831)	—	(4,094)
Finance costs	(10,984)	(3,096)	(7,460)	(21,118)	(29,352)	(72,010)
General and administrative expenses	(3,450)	(1,223)	(4,632)	(9,397)	(11,037)	(29,739)
Transaction costs	(98)	(258)	(2,622)	(495)	(8,349)	(11,822)
Foreign exchange gain (loss)	377	(14)	7,765	2,368	(3,203)	7,293
Operating income (loss)	29,081	24,056	17,808	37,428	(49,197)	59,176
Accretion of financial liabilities						(3,816)
Fair value adjustment of convertible debentures						(10,691)
Fair value adjustment of financial instruments						20,422
Fair value adjustment of investment properties						(32,728)
Net loss on disposals of assets						(4,778)
Fair value adjustment of unit-based compensation liabilities						(882)
Income tax expense						(9,612)
Net income (loss)						$ 17,091

Note 22. Commitments and Contingent Liabilities

Property commitments
The REIT has entered into acquisition and construction agreements related to certain development properties, with total committed costs of $138.0 million as at June 30, 2026 (December 31, 2025 - $140.9 million). Of this amount, $112.0 million relates to acquisition agreements for a development project in North America. The REIT expects these projects to be completed between 2026 and 2029.

Landlord work commitments
Pursuant to a lease renewal during the year ended December 31, 2024, the REIT has entered into an agreement to reimburse the tenant of a Brazilian property for up to $7.3 million of landlord work. The REIT expects to fund these reimbursements between October 2026 and December 2027.

Guarantees
The REIT provides guarantees to subsidiaries, including consolidated and equity-accounted entities, which are not expected to have a material impact on the condensed consolidated interim financial statements.

In connection with the 2023 disposition of an Australasian investment property, the REIT entered into agreements to provide rental guarantees of up to $0.5 million, expiring in 2028. These guarantees would become effective if the sub-lease is terminated due to default by the sub-landlord. No such event has occurred or is expected and, accordingly, no provision has been recognized.

Indemnities
In connection with the sale and contribution of European investment properties to the European joint venture in 2020, the REIT indemnified its joint venture partner for potential tax liabilities relating to those properties. As the eventual disposition of the properties depends on uncertain future events not within the REIT’s control, and the taxable outcome cannot be reliably estimated, no provision has been recognized.

In connection with the disposition of the European portfolio completed during the three months ended June 30, 2026, the REIT provided certain customary indemnities to the purchaser. These indemnities remain in effect for up to seven years from the completion date. As the likelihood and amount of any future claims depend on uncertain future events and no present obligation exists at the reporting date, no provision has been recognized.

As part of the formation of a joint venture in 2020, the REIT disposed of its 70% interest in AREIT units and indemnified its joint venture partner for potential tax liabilities relating to AREIT’s investment properties contributed to the joint venture. This indemnity expires if the properties are not sold within 15 years of settlement. For the same reasons, no provision has been recognized.

The REIT also indemnifies trustees, directors, and officers of the REIT and its subsidiaries, to the extent permitted by law, against damages, liabilities, costs and expenses incurred in connection with their service. Such indemnities are subject to statutory and other legal limitation periods. Due to the nature of these agreements, the maximum potential amount payable cannot be reasonably estimated. Accordingly, no provision has been recognized.

Legal proceedings
The REIT is subject to legal and other claims in the normal course of business. Management, together with the REIT's legal counsel evaluate all claims. In the opinion of management, these claims are generally covered by the REIT's insurance policies, and any liability from such claims would not have a material impact on the REIT's condensed consolidated interim financial statements. Accordingly, no provision has been recognized.

Uncertain tax positions
The REIT operates in multiple foreign jurisdictions where local tax rules and interpretations may be complex. The REIT and its subsidiaries are subject to ongoing reviews by tax authorities in these jurisdictions. Management evaluates these matters in accordance with IFRIC 23 and does not expect any unresolved matters to have a material impact on the condensed consolidated interim financial statements.

Other commitments
As at June 30, 2026, the REIT has no material non-cancellable lease commitments for which the related lease has not yet commenced and has no significant environmental remediation obligations.

Note 23. Subsequent Events

1. On June 15, 2026, the REIT announced a distribution of $0.03 per unit to unitholders of record on June 30, 2026 and was paid on July 15, 2026.

2. On July 15, 2026, the REIT announced a distribution of $0.03 per unit to unitholders of record on July 31, 2026.

3. Completed the acquisition of a 142,000 sq ft, seven-storey, purpose-built integrated community health centre in Brooklyn, New York for US$89.9 million ($126.7 million).

4. Agreed to acquire a 51,000 sq ft multi-tenant medical outpatient facility in Burlington, Ontario for $26.2 million. Closing is expected in the third quarter of 2026.