



NEXUS INDUSTRIAL REIT

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three months and year ended December 31, 2025

March 5, 2026

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BASIS OF PRESENTATION

The following management's discussion and analysis ("**MD&A**") of Nexus Industrial REIT ("the **REIT**") for the year ended December 31, 2025 should be read in conjunction with the REIT's audited consolidated financial statements for the year ended December 31, 2025.

The information contained in this MD&A reflects events up to March 5, 2026, the date on which this MD&A was approved by the REIT's Board of Trustees. Financial data included in the tables of this MD&A is presented in thousands of Canadian dollars, except per unit amounts and as otherwise indicated, which is the functional currency of the REIT, and has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**" or "**IFRS**"). Additional information about the REIT can be accessed at www.sedarplus.ca.

FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A constitute forward-looking statements which reflect the REIT's current expectations and projections about future results. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the REIT to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including but not limited to: real property ownership and tenant risk, government regulation and environmental matters, economic environment, inflation risk, competition risk, uninsured losses, fixed costs and increased expenses, development risks, joint ventures/co-investment risks, access to capital and reliance on external sources of capital, derivatives risks, tax-related risks, financing risk, credit risk, liquidity risk, foreign exchange risk, and interest rate risk. These risks are more fully discussed under *Financial Instruments, Risks and Uncertainties* in this MD&A. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such forward-looking statements are based on a number of assumptions that may prove to be incorrect.

While the REIT anticipates that subsequent events and developments may cause its views to change, the REIT specifically disclaims any obligation to update these forward-looking statements except as required by applicable law. These forward-looking statements should not be relied upon as representing the REIT's views as of any date subsequent to the date of this MD&A. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the REIT.

NON-IFRS FINANCIAL MEASURES

Net operating income ("**NOI**") and same property NOI ("**Same Property NOI**") are measures of operating performance based on income generated from the properties of the REIT. Management considers these non-IFRS financial measures to be important measures of the REIT's operating performance. Funds from operations ("**FFO**") and **normalized FFO** are a measure of operating performance based on the funds generated from the business of the REIT before reinvestment or provision for other capital needs. Management considers this non-IFRS financial measure to be an important measure of the REIT's operating performance. Management considers adjusted funds from operations ("**AFFO**") and **normalized AFFO**, non-IFRS financial measures, to be important performance measures of recurring economic earnings. **Total Indebtedness Ratio** and **Adjusted debt to Adjusted EBITDA** are capital management measures. Management believes these measures are useful in evaluating its degree of financial leverage, borrowing capacity and the relative strength of the REIT's balance sheet. Net asset value ("**NAV**") represents the REIT's

total assets less its total liabilities, excluding Class B LP Units, which are accounted for as a liability but are considered as equity by the REIT. NAV per unit represents NAV divided by the number of REIT Units and Class B LP Units outstanding. Management considers NAV per unit, a non-IFRS financial measure, to be an important measure of the REIT's underlying value.

NOI is used by industry analysts, investors and management to measure operating performance of Canadian real estate investment trusts. NOI represents property revenues less property operating expenses as presented in the consolidated statements of income and comprehensive income prepared in accordance with IFRS. Accordingly, NOI is equivalent to net rental income as presented in the consolidated statements of income and comprehensive income. NOI excludes certain expenses included in the determination of net income such as general and administrative expense, fair value adjustments, income (loss) from equity accounted investment in joint venture, loss on disposal of investment properties, unrealized foreign exchange gain (loss), other income, net interest expense and distributions on Class B LP Units.

Same Property NOI is defined as NOI generated from properties which were owned by the REIT throughout an entire reporting period in both the current and comparative periods. Same Property NOI excludes amortization of straight-line rent, tenant incentives and leasing costs, and termination fees and other non-recurring items. Same Property NOI includes vendor rent obligation amounts which are payable from vendors of properties until the construction of the properties is complete and all tenants are occupying and paying rent. Management considers Same Property NOI to be an important measure of operating performance of the REIT's properties.

Industrial Same Property NOI is defined as NOI generated from industrial properties which were owned by the REIT throughout an entire reporting period in both the current and comparative periods. Industrial Same Property NOI excludes amortization of straight-line rent, tenant incentives and leasing costs, and termination fees and other non-recurring items. Industrial Same Property NOI includes vendor rent obligation amounts which are payable from vendors of properties until the construction of the properties is complete and all tenants are occupying and paying rent. Management considers Industrial Same Property NOI to be an important measure of operating performance of the REIT's industrial properties.

FFO is defined as net income in accordance with IFRS, excluding gains or losses on sales of investment properties, fair value adjustments of investment properties, incentive units and derivative financial instruments, fair value adjustments and other effects of redeemable units classified as liabilities and the Class B LP Units, if any, amortization of right-of-use assets, lease principal payments, and amortization of tenant incentives and leasing costs. FFO also includes adjustments in respect of equity accounted entities for the preceding items. Normalized FFO is defined as FFO, net of adjustments for unique or non-recurring items that are not considered representative of ongoing operational activities of the REIT and certain items where the economic impact of the transactions will be reflected in earnings in future periods.

AFFO is defined as FFO subject to certain adjustments, including differences resulting from recognizing ground lease payments and rental income on a straight-line basis, and reserves for normalized maintenance capital expenditures, tenant incentives and leasing costs. Normalized AFFO is defined as AFFO, net of adjustments for unique or non-recurring items that are not considered representative of ongoing operational activities of the REIT and certain items where the economic impact of the transactions will be reflected in earnings in future periods.

The diluted weighted average number of Units (the sum of both REIT units and Class B LP units are referred to as "Units") used to calculate diluted FFO per Unit and diluted AFFO per Unit reflects conversion of all dilutive potential units, represented by incentive units.

Normalized FFO and **Normalized AFFO** are considered by management to be important measures which adjust FFO and AFFO, respectively, to exclude the impact of unique or non-recurring items.

AFFO payout ratio, and **Normalized AFFO payout ratio** are calculated as total distributions declared during the period (including distributions declared on Class B LP Units) divided by AFFO, and Normalized AFFO, respectively. Management considers Normalized AFFO payout ratio to be an important measure of distribution sustainability.

The REIT calculates FFO and AFFO in accordance with the white paper issued by the Real Property Association of Canada dated January 2022.

Total Indebtedness Ratio is defined as Total Indebtedness, less unrestricted cash, divided by the REIT's total assets. The REIT's calculation of **Total Indebtedness** includes mortgages payable, the Credit Facilities and lease liabilities at their carrying values in the REIT's consolidated statement of financial position.

Net debt is calculated as the sum of current and non-current mortgages payable, the credit facilities and lease liabilities at their carrying values in the REIT's consolidated statement of financial position less cash. Management considers Net debt a useful measure for evaluating debt levels for the REIT's investment property portfolio.

Adjusted net debt is calculated as net debt excluding certain capital additions to properties under development from the inception of development for any properties that remain under development as at the end of the respective reporting period. This adjustment is intended to isolate the debt associated with the REIT's income-producing property portfolio by removing the temporary financing of ongoing development projects. Management believes this measure provides a clearer and more comparable view of leverage sustainability against the REIT's stabilized, income-generating assets and is therefore a key metric in assessing financial flexibility and capital allocation decisions.

Adjusted EBITDA is derived from net income, adjusted to exclude interest expense, income taxes, depreciation, and amortization (including amortization of straight line rent, tenant improvements and leasing commissions). Additionally, it excludes losses on the disposal of investment properties, unrealized foreign exchange gains or losses and fair value gains or losses related to investment properties, Class B LP Units, derivative financial instruments, other investments, incentive units and adjustments related to equity-accounted joint ventures. Further adjustments are made for non-recurring and non-cash items, such as development income, non-recurring personnel transition costs, and non-recurring adjustments related to dispositions. Adjusted EBITDA is determined on a last twelve months (LTM) basis, providing a trailing view of performance. The closest IFRS-compliant measure to Adjusted EBITDA is net income and comprehensive income. Management considers Adjusted EBITDA a valuable metric for assessing the REIT's capacity to service its debt, fund capital expenditures, and distribute returns to unitholders. It also provides investors with a clearer perspective on operating performance by excluding non-cash items and one-time factors.

NOI, Same Property NOI, Industrial Same Property NOI, FFO, Normalized FFO, AFFO, Normalized AFFO, AFFO payout ratio, Normalized AFFO payout ratio, Total Indebtedness Ratio, Net debt, Adjusted net debt, Adjusted EBITDA, and NAV are measures not defined by IFRS, do not have standardized meanings prescribed by IFRS and should not be construed as alternatives to net income, cash generated by operating activities or other measures of financial performance calculated in accordance with IFRS. Refer to *Summary of Results*, *Same Property Results*, and *Funds From Operations and Adjusted Funds From Operations* for reconciliations of these Non-IFRS Financial Measures to most directly comparable IFRS measures. NOI, Same Property NOI, Industrial Same Property NOI, FFO, Normalized FFO, AFFO, Normalized AFFO, AFFO payout ratio, Normalized AFFO payout ratio, Total Indebtedness Ratio, Net debt, Adjusted net debt, Adjusted EBITDA and NAV as computed by the REIT may differ from similar measures as reported by other trusts or companies in similar or different industries.

BUSINESS OVERVIEW AND STRATEGY

Nexus Industrial REIT is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario pursuant to an amended and restated declaration of trust dated March 7, 2022. The REIT owns and operates commercial real estate properties with a focus on industrial assets across Canada.

The strategy of the REIT is to grow as a Canada-focused industrial REIT through acquiring and developing industrial real estate assets located in primary and secondary markets in Canada that are expected to be accretive, on a per unit basis, to the AFFO of the REIT, or where there are opportunities to purchase high-quality, well-located assets that will enhance the overall quality of the REIT's portfolio of properties. The REIT seeks to identify potential acquisitions using investment criteria that focus on the security of cash flow, potential for capital appreciation, and potential for increasing value through management of the assets being acquired or development opportunities.

Recently the REIT has transitioned from a diversified REIT to a pure-play industrial REIT. Over the last 18 months, the REIT has sold 15 of its 16 retail properties and 12 office buildings, and now earns roughly 99% of its NOI from its industrial portfolio.

The REIT's industrial properties are 96% occupied as at December 31, 2025, by a roster of high-quality tenants including household names that are of institutional quality. The tenants are primarily Canadian distribution centres and third-party logistics; the REIT has fewer manufacturing and export-driven tenants. Coupled with the REIT's long weighted average lease term of 6.9 years, insulating Nexus from some of the geopolitical turmoil that has impacted the Canadian real estate sector.

The REIT has a development pipeline with high yielding projects. Recent development activity includes :

- Three projects were completed during the year ended December 31, 2024 with going-in unlevered yields ranging from 5.9% to 8.4% (located in Ontario and Saskatchewan),
- Two projects were completed during the year ended December 31, 2025 with going-in unlevered yields of 9.0% and 11.0%, in St. Thomas, Ontario and Calgary, Alberta, respectively, and
- Seven projects are currently in the planning stage.

See further details in the *Development and Expansion* section below.

FINANCIAL AND OPERATING HIGHLIGHTS

The following summarizes financial highlights for the three months ended December 31, 2025:

- Opportunistically acquired two industrial properties in Montreal, QC, for \$40.1 million.
- Completed 116,982 sq. ft. of leasing at an average spread of 2% over expiring and in-place rents.
- Sold a land parcel adjacent to an existing retail property in Anjou, QC for \$8.5 million.
- In-place industrial occupancy remained in-line with prior quarter at 96%.
- Net income was \$30.6 million driven by NOI⁽¹⁾ of \$33.0 million and fair value adjustments (gains) of \$20.3 million, partially offset by finance expense, general and administrative expenses and share of loss from investment in a joint venture.
- NOI⁽¹⁾ increased 2.7% versus a year ago to \$33.0 million primarily attributable to growth in Industrial Same Property NOI⁽¹⁾ and completed developments, despite selling 19 legacy retail, office and industrial properties in 2025.
- Industrial Same Property NOI⁽¹⁾ increased 2.8% versus a year ago to \$30.0 million.
- Normalized FFO⁽¹⁾ per unit decreased \$0.006 versus a year ago to \$0.186 and Normalized AFFO⁽¹⁾ per unit decreased \$0.002 versus a year ago to \$0.151.

The following summarizes financial highlights for the year ended December 31, 2025:

- Completed the transition to a pure-play industrial REIT by selling 15 legacy retail properties, one land parcel adjacent to one of the REIT's retail properties, one legacy office property and three non-core industrial properties for total proceeds of \$79.8 million.
- Opportunistically acquired two industrial properties in Montreal, QC, for \$40.1 million.
- Completed construction of the 325,000 sq. ft. expansion project in St. Thomas, ON, and the 115,000 sq. ft. new industrial small-bay complex in Calgary, AB. Combined, these projects are expected to add annual stabilized NOI⁽¹⁾ of \$6.6 million.
- Completed 1,218,516 sq. ft. of leasing at an average spread of 60% over expiring and in-place rents.
- Net income was \$59.5 million driven by NOI⁽¹⁾ of \$129.4 million and fair value adjustments (gains) of \$8.9 million, partially offset by finance expense, general and administrative expenses and share of loss from investment in a joint venture.
- NOI⁽¹⁾ increased 2.8% versus a year ago to \$129.4 million primarily attributable to NOI⁽¹⁾ generated from newly acquired industrial income producing properties and growth in Same Property NOI⁽¹⁾, despite selling 19 legacy retail, office, and industrial properties in 2025.
- Industrial Same Property NOI⁽¹⁾ increased 2.6% versus a year ago to \$109.1 million.
- Normalized FFO⁽¹⁾ per unit increased \$0.020 versus a year ago to \$0.742 and Normalized AFFO⁽¹⁾ per unit increased \$0.017 versus a year ago to \$0.611.
- Unitholders' equity increased by \$21.6 million to \$1.1 billion or \$15.10 per unit and NAV per unit⁽¹⁾ of \$13.22 increased \$0.03 or 0.2% versus December 31, 2024.

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures and *Summary of Results* for a reconciliation of these measures to standardized IFRS measures.

Subsequent event:

- On February 20, 2026, the REIT closed on the sale of a property located at 41 Royal Vista Drive, Calgary, Alberta for gross proceeds of \$8.5 million.

(In thousands of Canadian dollars, except per unit amounts)

| | Three months ended December 31, | | Year ended December 31, | |
|---|------------------------------------|---------|----------------------------|---------|
| | 2025 | 2024 | 2025 | 2024 |
| | \$ | \$ | \$ | \$ |
| FINANCIAL INFORMATION | | | | |
| Operating Results | | | | |
| Property revenues | 44,878 | 44,664 | 174,949 | 175,700 |
| NOI ⁽¹⁾ | 32,998 | 32,146 | 129,435 | 125,868 |
| Net income and comprehensive income | 30,573 | 49,677 | 59,548 | 90,882 |
| Adjusted EBITDA (LTM) ⁽¹⁾ | 120,224 | 117,763 | 120,224 | 117,763 |
| | | | | |
| FFO ⁽¹⁾ | 18,113 | 16,464 | 70,622 | 65,009 |
| Normalized FFO ^{(1) (2)} | 18,083 | 18,032 | 70,945 | 67,760 |
| AFFO ⁽¹⁾ | 14,724 | 13,589 | 58,558 | 53,743 |
| Normalized AFFO ^{(1) (2)} | 14,694 | 14,396 | 58,385 | 55,729 |
| Distributions declared ⁽³⁾ | 15,151 | 15,065 | 60,452 | 60,038 |
| Same Property NOI ⁽¹⁾ | 30,352 | 29,689 | 111,089 | 108,955 |
| Industrial Same Property NOI ⁽¹⁾ | 29,953 | 29,145 | 109,141 | 106,359 |
| | | | | |
| Weighted average units outstanding (000s): | | | | |
| Basic ⁽⁴⁾ | 97,022 | 94,159 | 95,608 | 93,797 |
| Diluted ⁽⁴⁾ | 97,280 | 94,322 | 95,866 | 93,960 |
| | | | | |
| Per unit amounts: | | | | |
| Distributions per unit – basic ^{(3) (4)} | 0.160 | 0.160 | 0.640 | 0.640 |
| Distributions per unit – diluted ^{(3) (4)} | 0.160 | 0.160 | 0.640 | 0.640 |
| | | | | |
| Normalized FFO per unit – basic ^{(1) (2) (4)} | 0.186 | 0.192 | 0.742 | 0.722 |
| Normalized FFO per unit – diluted ^{(1) (2) (4)} | 0.186 | 0.191 | 0.740 | 0.721 |
| | | | | |
| Normalized AFFO per unit – basic ^{(1) (2) (4)} | 0.151 | 0.153 | 0.611 | 0.594 |
| Normalized AFFO per unit – diluted ^{(1) (2) (4)} | 0.151 | 0.153 | 0.609 | 0.593 |
| | | | | |
| AFFO payout ratio ^{(1) (3)} | 102.9 % | 110.9 % | 103.2 % | 111.7 % |
| Normalized AFFO payout ratio – basic ^{(1) (2) (3)} | 103.1 % | 104.6 % | 103.5 % | 107.7 % |
| Normalized AFFO payout ratio – diluted ^{(1) (2) (3)} | 103.4 % | 104.6 % | 103.8 % | 107.9 % |
| | | | | |
| Same Property NOI Growth % ⁽¹⁾ | 2.2 % | 4.4 % | 2.0 % | 3.6 % |
| Industrial Same Property NOI Growth % ⁽¹⁾ | 2.8 % | 5.1 % | 2.6 % | 4.7 % |

⁽¹⁾ This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

⁽²⁾ Until Q1 2024, Normalized FFO and Normalized AFFO included adjustments for vendor rent obligation amounts due from the vendor of the REIT's Richmond, BC property, until certain conditions were satisfied. During Q2 2024, these conditions were satisfied and the vendor settled all outstanding amounts.

⁽³⁾ Includes distributions payable to holders of Class B LP Units which are accounted for as finance expense in the consolidated financial statements.

⁽⁴⁾ Weighted average number of units includes Class B LP Units.

| (In thousands of Canadian dollars, unless stated otherwise) | 2025 | 2024 |
|---|-----------|-----------|
| | \$ | \$ |
| PORTFOLIO INFORMATION | | |
| Total Portfolio | | |
| Number of investment properties ⁽²⁾ | 89 | 106 |
| Number of properties under development | — | 2 |
| Investment properties fair value (excludes assets held for sale) | 2,506,423 | 2,458,174 |
| Gross leasable area (“GLA”) (in millions of sq. ft.) (at the REIT’s ownership interest) | 12.4 | 12.5 |
| Industrial occupancy rate – in-place and committed (year-end) ⁽³⁾ | 96 % | 96 % |
| Weighted average lease term (“WALT”) (years) | 6.9 | 6.8 |
| Industrial WALT (years) | 6.9 | 7.0 |
| Estimated spread between industrial portfolio market and in-place rents | 18.7 % | 25.3 % |
| FINANCING AND CAPITAL INFORMATION | | |
| Financing | | |
| Net debt ⁽¹⁾ | 1,307,119 | 1,279,538 |
| Total Indebtedness Ratio ⁽¹⁾ | 49.3 % | 49.1 % |
| Net Debt to Adjusted EBITDA ⁽¹⁾ | 10.9 | 10.9 |
| Adjusted Net Debt to Adjusted EBITDA ⁽¹⁾ | 10.5 | 10.2 |
| Debt service coverage ratio (times) | 1.70 | 1.62 |
| Secured Indebtedness Ratio | 22.4 % | 27.4 % |
| Unencumbered investment properties as a percentage of investment properties | 49.7 % | 39.5 % |
| Total assets | 2,650,360 | 2,604,460 |
| Cash | 6,111 | 11,532 |
| Capital | | |
| Total equity (per consolidated financial statements) | 1,083,289 | 1,061,724 |
| Total equity (including Class B LP Units) | 1,282,925 | 1,241,747 |
| Total number of Units (in thousands) ⁽⁴⁾ | 97,022 | 94,159 |
| NAV per unit ⁽¹⁾ | 13.22 | 13.19 |

⁽¹⁾ This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

⁽²⁾ Includes four properties (17 properties - December 31, 2024) classified as assets held for sale, and one property held for development in which the REIT has an 80% interest.

⁽³⁾ Includes committed new leases for future occupancy.

⁽⁴⁾ Includes Class B LP Units.

OUTLOOK

The REIT is focused on delivering total unitholder return through profitable long-term growth, and by pursuing its strategy as a Canada-focused pure-play industrial REIT.

Early in 2025, the REIT was impacted by the CCAA filing from two tenants. The REIT re-leased the space where possible and marketed the remaining buildings for lease and/or sale. Leasing activity was positive in 2025 as demonstrated by industrial Same Property NOI growth for the year ended December 31, 2025 of 2.6%, which was in line with the REIT's guidance of approximately 3% for the year.

For 2026, the REIT anticipates mid-single digit Same Property NOI⁽¹⁾ growth in its industrial portfolio. The expected Same Property NOI⁽¹⁾ growth is primarily attributed to the lease-up of vacant space, and releasing space at market rents that exceed expiring rents, thereby continuing to benefit from positive spreads between market rental rates and the REIT's in-place rental rates.

In 2026, the REIT expects to benefit from:

- the 325,000 sq ft expansion project at St. Thomas, ON for an existing tenant that was completed in Q3 2025, which is contributing \$4.9 million in annual stabilized NOI⁽¹⁾, representing a contractual going-in yield of 9.0% on total development costs of \$55.1 million,
- the 115,000 sq ft small-bay industrial building that was constructed in Q3 2025 adjacent to an existing building that the REIT owns in Calgary, AB, which, once stabilized, is expected to earn a yield of 11.0% on total development costs of \$14.8 million, and
- the acquisition of two industrial properties in Montreal and Longueuil, QC in November 2025 totalling 282,721 sq. ft., that are expected to contribute \$2.6 million in annual stabilized NOI⁽¹⁾, representing a yield of 6.6% on the purchase price of \$40.1 million.

The normalized AFFO payout ratios⁽¹⁾ (diluted) for the three months and year ended December 31, 2025 are 103.4% and 103.8%, respectively. The REIT believes that the current distributions are sustainable, and anticipates the normalized AFFO payout ratio⁽¹⁾ to average below 100% for the full fiscal year in 2026.

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

ACQUISITIONS, DISPOSITIONS AND ASSETS HELD FOR SALE

ACQUISITIONS OF INCOME PRODUCING PROPERTIES

The following table provides details on the acquisitions completed during the year ended December 31, 2025:

(In thousands of Canadian dollars)

| Property location | Acquisition date | Gross leasable area ("GLA") | Contractual purchase price | Transaction costs | Income producing property acquired |
|-------------------|------------------|-----------------------------|----------------------------|-------------------|------------------------------------|
| | | | \$ | \$ | \$ |
| Montreal, QC | November 2025 | 199,472 | 27,500 | 1,203 | 28,703 |
| Longueuil, QC | November 2025 | 83,249 | 12,600 | 299 | 12,899 |
| | | 282,721 | 40,100 | 1,502 | 41,602 |

On November 20, 2025, the REIT acquired two industrial properties totaling 282,721 sq. ft. located in Montreal and Longueuil, QC for a purchase price of \$40.1 million. The purchase price was settled in cash from borrowings under the REIT's credit facilities.

ACQUISITION OF PROPERTIES UNDER DEVELOPMENT

On April 14, 2025, the REIT acquired a land parcel adjacent to one of its existing properties in Kelowna, BC for a purchase price of \$18.8 million. The purchase consideration was settled through the transfer of an industrial property in Fort St. John, BC valued at \$7.0 million, receivables of \$1.1 million related to an industrial property in Richmond, BC and the Kelowna property, and 2025 rental income totaling \$6.2 million from the Richmond and Kelowna properties, with the balance settled in cash. The land is intended for the future development of a Class A industrial building.

DISPOSITIONS OF INCOME PRODUCING PROPERTIES

On October 6, 2025, the REIT sold a land parcel adjacent to an existing retail property located in Anjou, QC for a price of \$8.5 million. The land parcel was previously classified as an asset held for sale. Net of closing costs of \$0.6 million, the REIT received cash proceeds of \$7.9 million.

On September 16, 2025, the REIT sold an industrial property located in Saint-Laurent, QC for a price of \$9.2 million. The property was previously classified as an asset held for sale. Net of closing costs and working capital adjustments of \$0.1 million, the REIT received cash proceeds of \$9.1 million.

On June 3, 2025, the REIT sold an industrial property located in Edmonton, AB for a price of \$4.2 million. The property was previously classified as an asset held for sale. Net of selling costs of \$0.2 million, the REIT received cash proceeds of \$4.0 million. At the time of disposal, the REIT repaid a mortgage that was on the property of \$3.8 million.

On April 14, 2025, the REIT sold an industrial property located in Fort St. John, BC for a price of \$7.0 million and a selling cost of \$0.03 million. The property, which had previously been classified as an asset held for sale, was utilized as part of the purchase consideration for the acquisition of a land parcel adjacent to one of the REIT's existing properties in Kelowna, BC, as noted above.

On March 27, 2025, the REIT completed the sale of its share of 15 retail properties in which it held a 50% ownership interest. These properties, previously classified as assets held for sale, were located across Quebec and sold for a price of \$47.0 million (at the REIT's 50% ownership interest). At the time of disposal, the purchaser also assumed the mortgage on the properties of \$32.1 million (at the REIT's 50% ownership interest). Net of selling costs of \$0.1 million, the REIT received cash proceeds of \$14.8 million.

On February 21, 2025, the REIT sold an office property located in Laval, QC for a price of \$3.9 million. This property was previously classified as an asset held for sale. Net of selling costs of \$0.03 million, the REIT received cash proceeds of \$3.9 million. At the time of disposal, the REIT repaid a mortgage that was on the property of \$2.4 million.

ASSETS HELD FOR SALE

As part of its capital-recycling program, the REIT intends to sell four investment properties located in Calgary, AB, Red Deer, AB, Hamilton, ON and Anjou, QC with a combined carrying value of \$60.8 million as at December 31, 2025. These properties are being marketed for sale, or are in various stages of the contractual agreement process. During the quarter ended December 31, 2025, the REIT completed the disposition of a land parcel adjacent to an existing retail property located in Anjou, QC as noted above.

DEVELOPMENT AND EXPANSION

During the year ended December 31, 2025, the REIT incurred \$23.3 million of costs relating to development projects and acquired a land parcel of \$18.8 million for a development project (see details in *Acquisition of Properties Under Development* noted above) (year ended December 31, 2024 - \$70.2 million).

The following table provides development project details that are in the planning stage as at December 31, 2025. The REIT currently does not have development underway.

(in millions of Canadian dollars)

| Property location | Type of project | Additional GLA at the REIT's share (square feet) | Costs incurred to date | Total estimated costs |
|---|-----------------|--|------------------------|-----------------------|
| Planning | | | | |
| Exeter Road, London, ON | Intensification | 210,000 | \$ — | |
| South Service Road, Hamilton, ON ⁽¹⁾ | New Development | 194,400 | \$ 23.1 | |
| Adams Road, Kelowna, BC | Intensification | 179,000 | \$ 22.6 | \$ 47.3 |
| Richard Ruston Drive, Windsor, ON | Intensification | 60,000 | \$ — | |
| Savage Road, Richmond, BC | Intensification | 80,000 | \$ 0.7 | \$ 41.3 |
| Cuddy Blvd. London, ON | Intensification | 40,000 | \$ 0.1 | |
| Edgar Industrial Drive, Red Deer, AB | Intensification | 60,000 | \$ — | |
| Total | | 823,400 | \$ 46.5 | \$ 88.6 |

(1) Reflects the REIT's 80% interest in this development.

The following table provides development project details that were completed during the years ended December 31, 2025 and 2024.

(in millions of Canadian dollars)

| Property location | Type of project | Additional GLA at the REIT's share (square feet) | Total Costs | Estimated unlevered yield ⁽¹⁾ | Completion date |
|--|-----------------|--|-----------------|--|-----------------|
| Park Street, Regina, SK | Intensification | 312,000 | \$ 47.5 | 7.9 % | April, 2024 |
| Hubrey Road, London, ON | Expansion | 96,000 | \$ 12.6 | 8.4 % | July, 2024 |
| Glover Rd, Hamilton, ON ⁽²⁾ | New Development | 92,000 | \$ 20.0 | 5.9 % | September, 2024 |
| 102 Ave, SE Calgary, AB | Intensification | 115,000 | \$ 14.8 | 11.0 % | August, 2025 |
| Dennis Road, St. Thomas, ON | Hybrid | 325,000 | \$ 55.1 | 9.0 % | September, 2025 |
| Total | | 940,000 | \$ 150.0 | 8.4 % | |

(1) Represents the estimated return on cost calculated as the expected NOI divided by the total construction cost, excluding any debt used for development.

(2) Reflects the REIT's 80% interest in this property.

PORTFOLIO OVERVIEW

As at December 31, 2025, the REIT owns a portfolio of 89 properties (including four investment properties held for sale) comprising approximately 12.4 million square feet of gross leasable area at the REIT's ownership interest.

The following table summarizes the REIT's properties by asset class as at December 31, 2025:

| Property Address | GLA (square feet) | GLA at the REIT's Share (square feet) | In-place Occupancy |
|--|-------------------|---------------------------------------|--------------------|
| INDUSTRIAL | | | |
| <u>British Columbia</u> | | | |
| 1 988 Great St, Prince George | 53,126 | 53,126 | 100% |
| 2 1751-1771 Savage Rd, Richmond | 162,005 | 162,005 | 100% |
| 3 555 Adams Road, Kelowna | 135,676 | 135,676 | 100% |
| | 350,807 | 350,807 | 100% |
| <u>Alberta</u> | | | |
| 4 4700 – 102 Ave, SE, Calgary | 28,499 | 28,499 | 0% |
| 5 4750 – 102 Ave, SE, Calgary | 114,305 | 114,305 | 56% |
| 6 3780 & 4020 – 76th Ave, SE, Calgary | 58,937 | 58,937 | 100% |
| 7 41 Royal Vista Dr, NW, Calgary | 35,338 | 35,338 | 100% |
| 8 8001 – 99 St, Clairmont | 26,638 | 26,638 | 100% |
| 9 12104 & 12110 – 17th St, NE, Edmonton | 116,582 | 116,582 | 100% |
| 10 14801 – 97th St, Grande Prairie | 42,120 | 42,120 | 100% |
| 11 3501 Giffen Rd North & 3711 – 36 St North, Lethbridge | 229,000 | 229,000 | 100% |
| 12 5406 – 59th Ave, Lloydminster | 12,425 | 12,425 | 100% |
| 13 4301 – 45 Ave, Rycroft | 22,110 | 22,110 | 100% |
| 14 2301 – 8 St, Nisku | 21,506 | 21,506 | 100% |
| 15 2303A – 8 St, Nisku | 39,649 | 39,649 | 0% |
| 16 1010 Brier Park Dr, Medicine Hat | 11,920 | 11,920 | 100% |
| 17 27323 – 144 Township Rd 394, Blackfalds | 25,000 | 25,000 | 100% |
| 18 261177-261185 Wagon Wheel Way, Balzac | 95,180 | 95,180 | 100% |
| 19 9110 – 23 Ave NW, Edmonton | 72,356 | 72,356 | 100% |
| 20 6777 Edgar Industrial Dr, Red Deer | 153,052 | 153,052 | 100% |
| 21 10774 – 42 St E, Calgary | 165,418 | 165,418 | 100% |
| 22 12745 – 149 St NW, Edmonton | 104,727 | 104,727 | 100% |
| 23 14504-14598 – 121A Ave NW, Edmonton | 214,144 | 214,144 | 100% |
| 24 7740 – 40 Ave, Red Deer | 189,625 | 189,625 | 0% |
| 25 502-25 Ave, Nisku | 141,930 | 141,930 | 100% |
| 26 2039 Airport Perimeter Road, Edmonton | 210,249 | 210,249 | 100% |
| 27 18403 – 18439 104 Ave NW, Edmonton | 72,420 | 72,420 | 100% |
| 28 14711 - 128 Ave, Edmonton | 54,510 | 54,510 | 100% |
| 29 11250 - 189 Street NW, Edmonton | 501,279 | 501,279 | 100% |
| 30 135 High Plains Drive, Rocky View | 82,500 | 82,500 | 100% |

| | Property Address | GLA (square feet) | GLA at the REIT's Share (square feet) | In-place Occupancy |
|----|--|--------------------------|--|---------------------------|
| | | 2,841,419 | 2,841,419 | 89% |
| | <u>Northwest Territories</u> | | | |
| 31 | 348 - 352 Old Airport Rd, Yellowknife | 53,212 | 53,212 | 100% |
| | <u>Saskatchewan</u> | | | |
| 32 | 110 – 71st St, Saskatoon | 74,796 | 74,796 | 100% |
| 33 | 15 Peter Ave, Saskatoon | 38,160 | 38,160 | 100% |
| 34 | 850 Manitoba St E & 15 – 9th Ave, NE, Moose Jaw | 18,800 | 18,800 | 100% |
| 35 | 4271 – 5 Ave E, Prince Albert | 24,600 | 24,600 | 100% |
| 36 | 101 Jahn St, Estevan | 11,846 | 11,846 | 0% |
| 37 | 2101 Fleming Rd, Regina | 1,029,675 | 1,029,675 | 100% |
| 38 | 855 Park St, Regina | 179,300 | 179,300 | 53% |
| 39 | 905 Park St, Regina | 313,899 | 313,899 | 100% |
| | | 1,691,076 | 1,691,076 | 94% |
| | <u>Manitoba</u> | | | |
| 40 | 97 Nicola Dr, Headingley | 40,050 | 40,050 | 100% |
| | <u>Ontario</u> | | | |
| 41 | 455 Welham Rd, Barrie | 109,366 | 109,366 | 100% |
| 42 | 200 Sheldon Dr, Cambridge | 150,000 | 150,000 | 100% |
| 43 | 241-377 Fairall St, 332-360 Frankcom St & 97-121 McMaster Ave, Ajax ⁽¹⁾ | 483,359 | 241,680 | 100% |
| 44 | 1000 Clarke Rd, London | 223,190 | 223,190 | 100% |
| 45 | 1020 Adelaide St S, London | 266,164 | 266,164 | 97% |
| 46 | 1036 Green Valley Rd, London | 136,596 | 136,596 | 100% |
| 47 | 1285 Hubrey Rd, London | 297,901 | 297,901 | 100% |
| 48 | 375 Exeter Rd, London | 220,935 | 220,935 | 100% |
| 49 | 5 Cuddy Blvd, London | 146,945 | 146,945 | 100% |
| 50 | 70 Dennis Rd, St. Thomas | 455,362 | 455,362 | 100% |
| 51 | 446 Jutras Dr S, Windsor | 120,000 | 120,000 | 100% |
| 52 | 490 Richard Ruston Dr, Windsor | 100,775 | 100,775 | 100% |
| 53 | 1040 Wilton Grove Rd, London | 383,309 | 383,309 | 97% |
| 54 | 1950 Oxford St E, London | 99,367 | 99,367 | 100% |
| 55 | 650 Riverview Dr, Chatham | 292,893 | 292,893 | 98% |
| 56 | 980 Green Valley Rd, London | 38,000 | 38,000 | 100% |
| 57 | 1005 Adelaide St. South, London | 18,380 | 18,380 | 100% |
| 58 | 1540 South Service Road, Hamilton ^{(2) (5)} | — | — | — |
| 59 | 190 Glover Road, Hamilton ⁽⁵⁾ | 115,733 | 92,586 | 0% |
| 60 | 605 Boundary Road, Hamilton | 34,800 | 34,800 | 100% |
| 61 | 5250 Outer Dr, Windsor | 132,976 | 132,976 | 100% |
| 62 | 5245 Burke St, Windsor | 125,701 | 125,701 | 100% |
| 63 | 418 Silvercreek Industrial Dr, Windsor | 97,185 | 97,185 | 100% |

| | Property Address | GLA (square feet) | GLA at the REIT's Share (square feet) | In-place Occupancy |
|---------------|---|--------------------------|--|---------------------------|
| 64 | 24 Industrial Park Rd, Tilbury | 79,846 | 79,846 | 100% |
| 65 | 626 Principale St, Casselman | 532,415 | 532,415 | 100% |
| 66 | 15745 Robin's Hill Road, London | 264,600 | 264,600 | 100% |
| 67 | 2290 Scanlan Street, London | 304,323 | 304,323 | 100% |
| 68 | 3430 Harvester Road, Burlington | 141,534 | 141,534 | 100% |
| 69 | 1005 Wilton Grove Rd, London | 336,448 | 336,448 | 100% |
| | | 5,708,103 | 5,443,277 | 98% |
| | <u>Québec</u> | | | |
| 70 | 935-965 rue Reverchon, Saint-Laurent | 113,892 | 113,892 | 92% |
| 71 | 1901 rue Dickson / 5780 rue Ontario Est, Montréal | 91,068 | 91,068 | 100% |
| 72 | 6810 boul. Des Grandes Prairies, Montréal | 60,786 | 60,786 | 100% |
| 73 | 3330 2e rue, Saint-Hubert | 60,741 | 60,741 | 100% |
| 74 | 3550 1ère rue, Saint-Hubert | 22,428 | 22,428 | 100% |
| 75 | 3600 1ère rue, Saint-Hubert | 38,629 | 38,629 | 100% |
| 76 | 2400 Trans-Canada Highway, Pointe-Claire ⁽¹⁾ | 309,000 | 154,500 | 100% |
| 77 | 1251 rue Louis-Bleriot, Mascouche | 101,315 | 101,315 | 100% |
| 78 | 50 rue de Lisbonne, St-Augustin-de- Desmaures | 94,000 | 94,000 | 100% |
| 79 | 21800 Clark-Graham, Baie-D'Urfe | 74,681 | 74,681 | 100% |
| 80 | 3701 rue Gaumont Road, Laval | 191,878 | 191,878 | 100% |
| 81 | 4590 Portland Blvd, Sherbrooke | 62,000 | 62,000 | 100% |
| 82 | 7050 Rue Saint-Patrick, Lasalle | 199,472 | 199,472 | 100% |
| 83 | 2370 Rue De La Province, Longueuil | 83,249 | 83,249 | 100% |
| | | 1,503,139 | 1,348,639 | 99% |
| | <u>New Brunswick</u> | | | |
| 84 | 675 St-George Blvd, Moncton | 93,443 | 93,443 | 100% |
| 85 | 10 Deware Dr, Moncton | 226,135 | 226,135 | 100% |
| 86 | 775 Frenette, Ave, Moncton | 124,655 | 124,655 | 100% |
| | | 444,233 | 444,233 | 100% |
| | Total Industrial | 12,632,039 | 12,212,713 | 96% |
| RETAIL | | | | |
| | <u>Québec</u> | | | |
| 87 | 7500 boul. Les Galeries d'Anjou, Anjou ⁽¹⁾ | 105,813 | 52,907 | 88% |
| | Total Retail | 105,813 | 52,907 | 88% |

| Property Address | GLA (square feet) | GLA at the REIT's Share (square feet) | In-place Occupancy |
|--|-------------------|---------------------------------------|--------------------|
| OFFICE | | | |
| <u>Québec</u> | | | |
| 88 2045 rue Stanley, Montréal ^{(1) (3)} | 112,500 | 56,250 | 85% |
| 89 72 rue Laval, Gatineau ⁽¹⁾ | 70,943 | 35,471 | 59% |
| Total Office | 183,443 | 91,721 | 75% |
| Total Portfolio ⁽⁴⁾ | 12,921,295 | 12,357,341 | 95% |

(1) The REIT owns a 50% interest in these properties.

(2) 1540 South Service Road is held for development.

(3) Property is accounted for as an equity investment in joint venture.

(4) The REIT also holds a 22% interest in a limited partnership that owns a development property (844 Glancaster Rd, Hamilton). The interest in the limited partnership is accounted for as an investment in a financial asset.

(5) The REIT owns an 80% interest in 1540 South Service Road and 190 Glover Road.

PORTFOLIO VALUE BY ASSET CLASS AND PER SQUARE FOOT

Portfolio Value by Asset Class

The following table summarizes the REIT's portfolio values by asset class and according to classification on the consolidated financial statements as at December 31, 2025:

(in thousands of Canadian dollars)

| Asset Class | Income Producing Properties | Properties Held For development | Total Investment properties | Assets Held For Sale | Total Investment Properties including Assets Held for Sale | % by Asset Class |
|------------------------|-----------------------------|---------------------------------|-----------------------------|----------------------|--|------------------|
| Industrial | 2,452,796 | 46,627 | 2,499,423 | 43,419 | 2,542,842 | 99.0 % |
| Retail | — | — | — | 17,371 | 17,371 | 0.7 % |
| Office | 7,000 | — | 7,000 | — | 7,000 | 0.3 % |
| Total Portfolio | 2,459,796 | 46,627 | 2,506,423 | 60,790 | 2,567,213 | 100.0 % |

The following table summarizes the REIT's portfolio values by asset class and according to classification on the consolidated financial statements as at December 31, 2024:

(in thousands of Canadian dollars)

| Asset Class | Income Producing Properties | Properties Held For development | Total Investment properties | Assets Held For Sale | Total Investment Properties including Assets Held for Sale | % by Asset Class |
|------------------------|-----------------------------|---------------------------------|-----------------------------|----------------------|--|------------------|
| Industrial | 2,343,826 | 106,208 | 2,450,034 | — | 2,450,034 | 96.5 % |
| Retail | — | — | — | 77,290 | 77,290 | 3.0 % |
| Office | 8,140 | — | 8,140 | 2,747 | 10,887 | 0.5 % |
| Total Portfolio | 2,351,966 | 106,208 | 2,458,174 | 80,037 | 2,538,211 | 100.0 % |

The value of the REIT's industrial portfolio as a percentage of total investment properties was 99.0% as at December 31, 2025, as compared to 96.5% at December 31, 2024, primarily due to the disposition of 15 retail properties on March 27, 2025.

Weighted Average Cap rate

The following table summarizes the REIT's share of its industrial portfolio by dollar value, value per square foot and the weighted average cap rate as at December 31, 2025:

(in thousands of Canadian dollars)

| Industrial Portfolio | Value as at December 31, 2025 | GLA (millions of square feet) | Value (\$) per sq ft. | Weighted average cap rate based on carrying value |
|----------------------|-------------------------------|-------------------------------|-----------------------|---|
| Alberta | 542,896 | 2.8 | 194 | 5.95 % |
| Saskatchewan | 318,315 | 1.7 | 187 | 6.05 % |
| Ontario | 969,942 | 5.4 | 180 | 5.96 % |
| Quebec | 370,396 | 1.3 | 285 | 5.47 % |
| Other | 251,247 | 1.0 | 251 | 5.71 % |
| Total | 2,452,796 | 12.2 | 201 | 5.87 % |

The following table summarizes the REIT's share of its industrial portfolio by dollar value, value per square foot and the weighted average cap rate as at December 31, 2024:

(in thousands of Canadian dollars)

| Portfolio | Value as at December 31, 2024 | GLA (millions of square feet) | Value (\$) per sq ft. | Weighted average cap rate based on carrying value |
|------------------|--|--|----------------------------------|--|
| Alberta | 542,559 | 2.8 | 194 | 5.98 % |
| Saskatchewan | 317,761 | 1.7 | 187 | 5.93 % |
| Ontario | 904,720 | 5.1 | 177 | 5.88 % |
| Quebec | 313,608 | 1.1 | 285 | 5.35 % |
| Other | 265,178 | 0.9 | 295 | 5.63 % |
| Total | 2,343,826 | 11.6 | 202 | 5.81 % |

The weighted average cap rate for the industrial portfolio was 5.87% as at December 31, 2025, as compared to 5.81% at December 31, 2024. The increase (expansion) in cap rates reflects changes in the Canadian industrial market. As part of the REIT's quarterly revaluation of its investment property portfolio, the REIT evaluates changes in cap rate assumptions stemming from market movement across the Canadian industrial landscape. As part of this exercise, the REIT considers the impact from national cap rate surveys published by Canadian accredited appraisers.

INDUSTRIAL LEASING ACTIVITY

QUARTER TO DATE

The following table summarizes rental rate growth during the quarter ended December 31, 2025:

| Lease Renewals of Current and Future Expiries | | |
|---|---------|------------------------|
| | GLA | Rental rate growth (%) |
| Alberta | 10,985 | (12)% |
| Saskatchewan | 61,306 | 2 % |
| Quebec | 4,641 | 60 % |
| Other | 40,050 | — % |
| Total | 116,982 | 2 % |

During the quarter, the REIT renewed three industrial tenants in Alberta, Saskatchewan and Quebec ranging from 2 to 7 year terms, which reflects the lease-up of space at market rental rates that exceed expiring rents by an average of \$1.02 per square foot.

The following table summarizes the vacant space that was leased during the quarter ended December 31, 2025:

| Vacant Space Leased Within the Quarter | |
|--|--------|
| | GLA |
| Alberta | 26,125 |
| Other | 13,526 |
| Total | 39,651 |

YEAR TO DATE

The following table summarizes rental rate growth during the year ended December 31, 2025:

| Lease Renewals of Current and Future Expiries | | |
|---|-----------|------------------------|
| | GLA | Rental rate growth (%) |
| Alberta | 194,881 | 15 % |
| Saskatchewan | 85,906 | 4 % |
| Ontario | 722,142 | 90 % |
| Quebec | 122,325 | 38 % |
| Other | 93,262 | — % |
| Total | 1,218,516 | 60 % |

During the year ended December 31, 2025, the REIT renewed 18 industrial tenants in Alberta, Saskatchewan, Ontario, Quebec and Northwest Territories ranging from 1 to 15 year terms, which reflects the lease-up of space at market rental rates that exceed expiring rents by an average of \$2.14 per square foot.

The rental rate growth during the year ended December 31, 2025 of 60% was higher than the growth during the year ended December 31, 2024 of 28%, which was principally due to the spread between market rental rates and expiring space during the year ended December 31, 2025.

The following table summarizes the vacant space that was leased during the year ended December 31, 2025:

| Vacant Space Leased Within The Year Ended December 31, 2025 | |
|--|----------------|
| | GLA |
| Alberta | 55,615 |
| Saskatchewan | 181,997 |
| Ontario | 234,871 |
| Quebec | 23,957 |
| Other | 13,526 |
| Total | 509,966 |

OCCUPANCY RATE CONTINUITY

The table below provides a summary of occupancy changes in the REIT's share of its industrial portfolio during the three months ended December 31, 2025:

| (in square feet) | Occupied Area | Vacant Area | Leasable Area | In-place Occupancy Rate |
|-------------------------------------|---------------|-------------|---------------|-------------------------------|
| Beginning balance - October 1, 2025 | 11,456,521 | 473,471 | 11,929,992 | 96 % |
| Acquisitions | 282,721 | — | 282,721 | |
| Completed developments | — | — | — | |
| Expiries | (212,436) | 95,454 | (116,982) | |
| Renewals | 116,982 | — | 116,982 | |
| New leases | 39,651 | (39,651) | — | |
| Disposals | — | — | — | |
| Ending balance - December 31, 2025 | 11,683,439 | 529,274 | 12,212,713 | 96 % |

The table below provides a summary of occupancy changes in the REIT's share of its industrial portfolio during the year ended December 31, 2025:

| (in square feet) | Occupied Area | Vacant Area | Leasable Area | In-place Occupancy Rate |
|-------------------------------------|---------------|-------------|---------------|-------------------------------|
| Beginning balance - January 1, 2025 | 11,148,100 | 446,320 | 11,594,420 | 96 % |
| Acquisitions | 282,721 | — | 282,721 | |
| Completed developments | 362,902 | 76,265 | 439,167 | |
| Expiries | (1,798,101) | 578,932 | (1,219,169) | |
| Renewals | 1,218,516 | — | 1,218,516 | |
| New leases | 509,966 | (509,966) | — | |
| Disposals | (40,665) | (62,277) | (102,942) | |
| Ending balance - December 31, 2025 | 11,683,439 | 529,274 | 12,212,713 | 96 % |

RENTAL RATES

The following table summarizes in-place rental rates and estimated market rental rates for the REIT's share of its industrial portfolio. Estimated market rental rates are based upon management's best estimates as at December 31, 2025.

| | Occupied GLA | GLA as a % of Total occupied GLA | Weighted average in-place rental rate (\$/sq. ft.) | Estimated weighted average market rent rate (\$/sq. ft.) | Spread between estimated market rental rates and in-place rental rates | WALT (years) |
|--------------|-------------------|----------------------------------|--|--|--|--------------|
| Alberta | 2,533,506 | 21.6 % | 11.64 | 12.54 | 7.7 % | 6.3 |
| Saskatchewan | 1,595,640 | 13.7 % | 10.72 | 11.29 | 5.3 % | 6.3 |
| Ontario | 5,326,299 | 45.6 % | 9.39 | 11.85 | 26.1 % | 6.5 |
| Quebec | 1,339,692 | 11.5 % | 13.56 | 17.90 ⁽¹⁾ | 32.0 % | 8.7 |
| Other | 888,302 | 7.6 % | 14.42 | 16.43 | 13.9 % | 8.9 |
| Total | 11,683,439 | 100.0 % | 10.92 | 12.96 | 18.7 % | 6.9 |

(1) Includes an industrial property with 93,000 square feet of mezzanine space that is not included in the GLA. If included in the GLA, the weighted average in-place rental rate would be \$12.68 per square foot and the estimated weighted average market rental rate would be \$16.74 per square foot.

The following table summarizes in-place rental rates and estimated market rental rates for the REIT's share of its industrial portfolio as at December 31, 2024:

| | Occupied GLA | GLA as a % of Total occupied GLA | Weighted average in-place rental rate (\$/sq. ft.) | Estimated weighted average market rent rate (\$/sq. ft.) | Spread between estimated market rental rates and in-place rental rates | WALT (years) |
|--------------|-------------------|----------------------------------|--|--|--|--------------|
| Alberta | 2,697,624 | 24.2 % | 10.95 | 12.63 | 15.3 % | 6.2 |
| Saskatchewan | 1,477,448 | 13.3 % | 10.75 | 11.22 | 4.4 % | 6.6 |
| Ontario | 5,001,987 | 44.9 % | 8.37 | 11.76 | 40.5 % | 6.5 |
| Quebec | 1,082,739 | 9.7 % | 14.10 | 18.59 ⁽¹⁾ | 31.8 % | 9.7 |
| Other | 888,302 | 7.9 % | 14.23 | 16.49 | 15.9 % | 9.5 |
| Total | 11,148,100 | 100.0 % | 10.33 | 12.94 | 25.3 % | 7.0 |

(1) Includes an industrial property with 93,000 square feet of mezzanine space that is not included in the GLA. If included in the GLA, the weighted average in-place rental rate would be \$12.99 per square foot and the estimated weighted average market rental rate would be \$17.12 per square foot.

The total spread between estimated market rental rates and in-place rental rates was 18.7% as at December 31, 2025, as compared to 25.3% at December 31, 2024. The decrease is primarily due to the REIT re-leasing space during the year ended December 31, 2025 that approximates market rental rates.

In addition to the estimated spread between market rents and in-place rents in the REIT's industrial portfolio shown above, many of the REIT's industrial leases contain contractual rent increases throughout their terms.

LEASE EXPIRIES

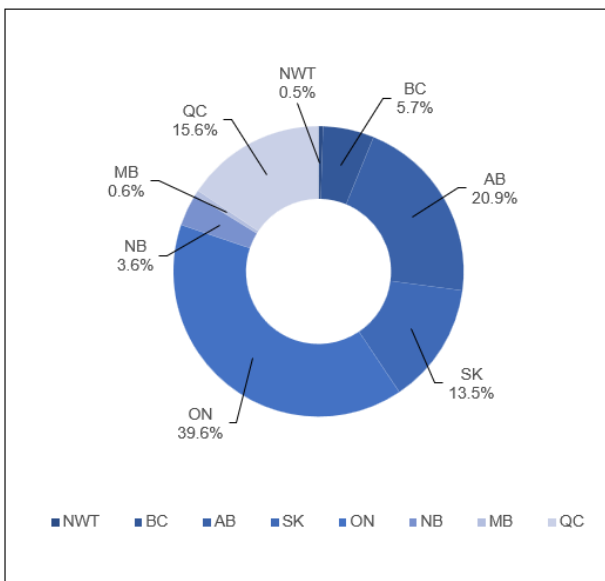
The following table summarizes lease expiries for the REIT's share of its property portfolio.

| Industrial | 2026 | 2027 | 2028 | 2029 | 2030 | 2031+ | Total |
|-------------------------------|---------|---------|---------|---------|-----------|-----------|------------|
| Alberta | | | | | | | |
| Occupied GLA | 47,291 | 148,760 | 48,374 | 515,361 | 527,692 | 1,246,028 | 2,533,506 |
| Net rent - \$ per square foot | 34.99 | 7.90 | 12.26 | 10.97 | 13.83 | 10.51 | 11.64 |
| % of GLA | 2% | 6% | 2% | 20% | 21% | 49% | 100% |
| Saskatchewan | | | | | | | |
| Occupied GLA | 19,291 | — | — | — | 131,756 | 1,444,593 | 1,595,640 |
| Net rent - \$ per square foot | 4.00 | — | — | — | 8.75 | 10.99 | 10.72 |
| % of GLA | 1% | —% | —% | —% | 8% | 91% | 100% |
| Ontario | | | | | | | |
| Occupied GLA | 577,344 | 336,612 | 294,848 | 75,746 | 614,846 | 3,426,903 | 5,326,299 |
| Net rent - \$ per square foot | 7.99 | 12.24 | 8.11 | 10.32 | 9.76 | 9.37 | 9.39 |
| % of GLA | 11% | 6% | 6% | 1% | 12% | 64% | 100% |
| Quebec | | | | | | | |
| Occupied GLA | 99,422 | 113,140 | 15,016 | 26,022 | 247,118 | 838,974 | 1,339,692 |
| Net rent - \$ per square foot | 8.89 | 13.79 | 6.30 | 15.22 | 15.70 | 13.53 | 13.56 |
| % of GLA | 7% | 8% | 1% | 2% | 18% | 64% | 100% |
| Other | | | | | | | |
| Occupied GLA | — | 53,212 | 144,221 | 141,600 | 147,019 | 402,250 | 888,302 |
| Net rent - \$ per square foot | — | 13.64 | 27.78 | 20.99 | 6.87 | 10.18 | 14.42 |
| % of GLA | —% | 6% | 16% | 16% | 17% | 45% | 100% |
| Total Industrial | | | | | | | |
| Occupied GLA | 743,348 | 651,724 | 502,459 | 758,729 | 1,668,431 | 7,358,748 | 11,683,439 |
| Net rent - \$ per square foot | 9.73 | 11.63 | 14.10 | 12.92 | 11.60 | 10.40 | 10.92 |
| % of GLA | 6% | 6% | 4% | 6% | 14% | 64% | 100% |
| WALT - 6.9 years | | | | | | | |
| Total Retail | | | | | | | |
| Occupied GLA | 410 | 15,269 | 7,203 | 250 | 1,948 | 21,331 | 46,411 |
| % of GLA | 1% | 33% | 16% | 1% | 4% | 45% | 100% |
| WALT - 3.2 years | | | | | | | |
| Total Office | | | | | | | |
| Occupied GLA | — | 2,089 | 20,542 | 3,537 | — | 42,458 | 68,626 |
| % of GLA | —% | 3% | 30% | 5% | —% | 62% | 100% |
| WALT - 7.3 years | | | | | | | |
| Total Portfolio | | | | | | | |
| Occupied GLA | 743,758 | 669,082 | 530,204 | 762,516 | 1,670,379 | 7,422,537 | 11,798,476 |
| % of GLA | 6% | 6% | 4% | 6% | 14% | 64% | 100% |
| WALT - 6.9 years | | | | | | | |

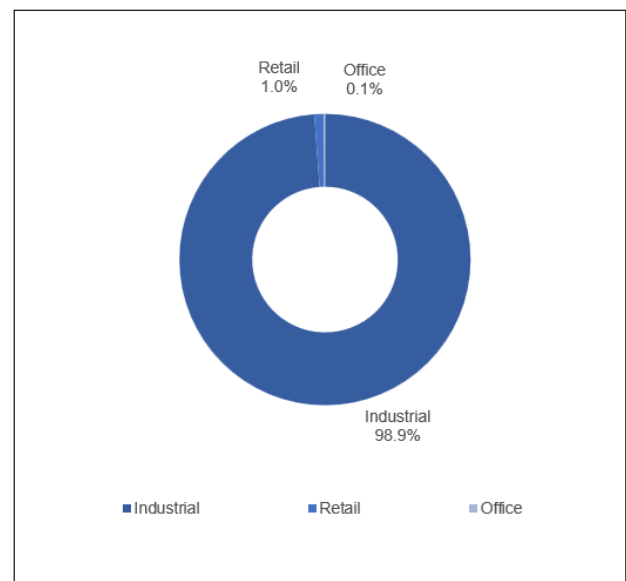
| Expiring Annual Base Rent | | |
|---------------------------|--------------|---------------|
| Year | \$ millions | % of total |
| 2026 | 7.7 | 5.9% |
| 2027 | 8.1 | 6.2% |
| 2028 | 7.2 | 5.5% |
| 2029 | 9.9 | 7.6% |
| 2030 | 19.7 | 15.2% |
| 2031 and after | 77.4 | 59.6% |
| Total | 130.0 | 100.0% |

PROPERTY COMPOSITION DIVERSITY

Geographic Mix (Q4 NOI)



Asset Class Mix (Q4 NOI)



TOP TEN TENANTS

The following table summarizes the REIT's top ten tenants based on the percentage of annualized base rent contributed to the REIT for the year ended December 31, 2025. The top ten tenants have a WALT of 8.3 years.

| Tenant | % of Annualized Base Rent | WALT (years) |
|--------------------------------|--------------------------------------|---------------------|
| 1 Loblaws | 10.9 % | 6.3 |
| 2 Westcan Bulk Transport | 4.9 % | 4.5 |
| 3 Element5 | 4.6 % | 5.4 |
| 4 Ford Motor Company of Canada | 3.7 % | 12.1 |
| 5 Kenco Canada | 3.6 % | 8.0 |
| 6 MTE Logistix | 3.1 % | 8.6 |
| 7 Sobeys | 2.9 % | 25.0 |
| 8 Canusa | 2.6 % | 11.8 |
| 9 HCL Logistics | 2.5 % | 2.0 |
| 10 Yokohama Tire | 2.4 % | 4.3 |
| | 41.2 % | 8.3 |

SUMMARY OF RESULTS

FINANCIAL RESULTS

| | Three months ended December 31, | | | Year ended December 31, | | |
|--|------------------------------------|---------------|-----------------|----------------------------|---------------|-----------------|
| | 2025 | 2024 | Change | 2025 | 2024 | Change |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Property revenues | 44,878 | 44,664 | 214 | 174,949 | 175,700 | (751) |
| Property expenses | (11,880) | (12,518) | 638 | (45,514) | (49,832) | 4,318 |
| Net operating income | 32,998 | 32,146 | 852 | 129,435 | 125,868 | 3,567 |
| General and administrative expense | (1,978) | (1,742) | (236) | (8,657) | (7,814) | (843) |
| Fair value adjustments: | | | | | | |
| Investment properties | 18,658 | 8,087 | 10,571 | 12,095 | 47,911 | (35,816) |
| Class B LP Units | (4,807) | 26,220 | (31,027) | (4,736) | 10,628 | (15,364) |
| Incentive units | (46) | 178 | (224) | (342) | 3 | (345) |
| Derivative financial instruments | 6,526 | 2,630 | 3,896 | 1,880 | (15,164) | 17,044 |
| (Loss) income from investment in JV ⁽¹⁾ | (2,757) | 1,491 | (4,248) | (2,323) | 1,874 | (4,197) |
| Loss on disposal of investment properties | (414) | (922) | 508 | (697) | (1,455) | 758 |
| Foreign exchange (loss) gain | (20) | (758) | 738 | 624 | (1,075) | 1,699 |
| Other income | 67 | 69 | (2) | 252 | 249 | 3 |
| | 48,227 | 67,399 | (19,172) | 127,531 | 161,025 | (33,494) |
| Finance expense | | | | | | |
| Net interest expense | (13,958) | (13,976) | 18 | (53,133) | (54,865) | 1,732 |
| Distributions on Class B LP Units | (3,696) | (3,746) | 50 | (14,850) | (15,278) | 428 |
| | (17,654) | (17,722) | 68 | (67,983) | (70,143) | 2,160 |
| Net income and comprehensive income | 30,573 | 49,677 | (19,104) | 59,548 | 90,882 | (31,334) |

(1) Relates to the REIT's 50% interest in Société en Commandite 2045 Stanley, the limited partnership that owns the office building located at 2039-2047 rue Stanley in Montreal. Investment in joint venture is accounted for using the equity accounting method.

Net income

Net income for the three months ended December 31, 2025 was \$30.6 million or \$19.1 million lower than the prior year, primarily due to a decrease in Class B LP Units fair value adjustments of \$31.0 million and losses from investment in joint venture of \$4.2 million, partially offset by an increase in fair value adjustments of investment properties of \$10.6 million and an increase in fair value adjustments of derivative financial instruments of \$3.9 million.

Net income for the year ended December 31, 2025 was \$59.5 million or \$31.3 million lower than the prior year, primarily due to the decrease in fair value adjustments of investment properties of \$35.8 million, a decrease in Class B LP Units fair value adjustments of \$15.4 million and losses from investment in joint venture of \$4.2 million, which was partially offset by an increase in fair value adjustments of derivative financial instruments of \$17.0 million, higher NOI of \$3.6 million and lower finance expense of \$2.2 million.

Net operating income

NOI for the three months ended December 31, 2025 was \$33.0 million or \$0.9 million higher than the prior year, which was primarily due to an increase of \$0.7 million in Same Property NOI, higher straight-line rent adjustments of \$0.5 million, and an increase due to completed developments, expansions and acquisitions of \$1.5 million, partially offset by a \$1.4 million decrease resulting from dispositions completed since Q4 2024 and a \$0.4 million decrease relating to amortization of tenant incentives and leasing costs.

NOI for the year ended December 31, 2025 was \$129.4 million or \$3.6 million higher than the prior year, which was primarily due to an increase of \$3.7 million relating to completed developments and expansions, \$2.1 million from lease termination and tenant reimbursed capital improvements, \$2.0 million from acquisitions of industrial income producing properties completed subsequent to Q4 2024, an increase of \$2.1 million in Same Property NOI, and \$0.8 million relating to straight-line rent adjustments, partially offset by lower NOI of \$6.9 million relating to dispositions completed since Q4 2024 and \$0.2 million relating to amortization of tenant incentives and leasing costs.

General and administrative expense

General and administrative expense for the three months and year ended December 31, 2025 increased by \$0.2 million and \$0.8 million, respectively, which was primarily due to higher compensation, legal and professional service fees.

Fair value adjustment of investment properties

The fair value gain on investment properties for the three months ended December 31, 2025 totaled \$18.7 million. The REIT engaged external appraisers to value properties totaling \$94.7 million in the quarter. Overall, the fair value gain recorded for the REIT's portfolio primarily consists of a \$23.2 million increase in connection with the newly acquired properties to be in line with appraisal reports, and \$7.0 million increase relating to increases in stabilized NOI, partially offset by an \$11.5 million decrease resulting from expansion in capitalization rates.

The fair value gain on investment properties for the year ended December 31, 2025 totaled \$12.1 million. The REIT engaged external appraisers to value properties totaling \$390.2 million during the year. Overall, the fair value gain recorded for the REIT's portfolio primarily consists of a \$23.2 million gain in connection with the newly acquired properties to be in line with appraisal reports, and a \$5.7 million gain relating to properties held for development based on development progress relative to the as-completed value, partially offset by a \$14.0 million decrease resulting from changes in stabilized NOI, capitalization rates and other adjustments, and a \$2.8 million decrease relating to investment property sale price adjustments prior to disposition.

Fair value adjustment on Class B LP Units

The fair value adjustment on Class B LP Units was driven by changes in the trading price of REIT Units into which the Class B LP Units are exchangeable. The trading price of REIT Units as at December 31, 2025 was \$7.90 as compared to \$7.71 as at September 30, 2025 and \$7.69 as at December 31, 2024. The fluctuation in the REIT's unit price from period to period resulted in an unrealized loss of \$4.8 million in the three months ended December 31, 2025 (2024 - \$26.2 million gain) and an unrealized loss of \$4.7 million for the year ended December 31, 2025 (2024 - \$10.6 million gain). As at December 31, 2025, 25,270,338 Class B LP Units were outstanding (December 31, 2024 - 23,410,193).

Fair value adjustment on derivative financial instruments

The fair value gain on derivative financial instruments was \$6.5 million and \$1.9 million for the three months and year ended December 31, 2025, respectively (2024 - \$2.6 million gain and \$15.2 million loss, respectively). The gain for the three months ended December 31, 2025 was primarily due to changes in expectations relating to interest rates compared to prior quarter-end valuations, whereas the gain for the year ended December 31, 2025 was primarily influenced by the changes to expectations noted above, offset by a

decrease in interest rates from January 1, 2025 to December 31, 2025, which impacted the fair value of interest rate swaps. The REIT uses interest rate swaps to fix the interest rate on \$616.7 million of debt drawn on its credit facilities and on \$120.8 million of its floating-rate mortgages.

The REIT also entered in total return swap agreements ("TRS") to manage its fair value exposure associated with its incentive unit plans. For the year ended December 31, 2025, the TRS resulted in a fair value gain of \$0.3 million resulting from the aforementioned increase in the trading price of REIT Units.

Foreign exchange gain (loss)

The foreign exchange loss was \$0.02 million for the three months ended December 31, 2025 (2024 - \$0.8 million loss) and a \$0.6 million gain for the year ended December 31, 2025 (2024 - \$1.1 million loss), which was primarily comprised of unrealized foreign exchange gains of \$0.7 million and realized foreign exchange losses of \$0.1 million. The unrealized foreign exchange adjustments were primarily due to foreign exchange fluctuations impacting the REIT's cross-currency swaps and a deferred purchase obligation denominated in US dollars related to the acquisition of an investment property in 2021.

Net interest expense

Net interest expense of \$14.0 million for the three months ended December 31, 2025, (2024 - \$14.0 million) remained flat over the same period in 2024 primarily due to higher credit facility interest expense of \$0.4 million resulting from higher borrowings during the period and lower capitalized interest of \$0.3 million due to the timing of completion on development properties, offset by lower interest on mortgages by \$0.7 million resulting from property dispositions.

Net interest expense of \$53.1 million for the year ended December 31, 2025, (2024 - \$54.9 million) decreased by \$1.7 million compared to 2024 primarily due to lower interest on mortgages of \$1.5 million resulting from property dispositions and higher capitalized interest of \$0.2 million on development properties resulting from the increase in development expenditures during the year.

ADJUSTED EBITDA

The following table reconciles the REIT's net income to Adjusted EBITDA for the years ended December 31, 2025 and 2024:

(In thousands of Canadian dollars)

| | Year ended December 31, | | |
|---|-------------------------|----------------|--------------|
| | 2025 | 2024 | Change |
| | \$ | \$ | \$ |
| Net income | 59,548 | 90,882 | (31,334) |
| Add (deduct): | | | |
| Net interest expense | 53,133 | 54,865 | (1,732) |
| Distributions on Class B LP Units | 14,850 | 15,278 | (428) |
| Fair value adjustments ⁽¹⁾ | (5,996) | (44,495) | 38,499 |
| Amortization expense ⁽¹⁾⁽²⁾ | (3,858) | (3,368) | (490) |
| Loss on disposal of investment properties | 697 | 1,455 | (758) |
| Unrealized foreign exchange (gain) loss | (735) | 923 | (1,658) |
| Income from development property | 2,451 | 1,698 | 753 |
| Non-recurring personnel transition costs | 107 | 344 | (237) |
| Non-recurring costs related to asset dispositions | 27 | 181 | (154) |
| Adjusted EBITDA⁽³⁾ | 120,224 | 117,763 | 2,461 |

(1) Includes equity accounted investments adjustments.

(2) Includes amortization of straight line rent, tenant improvements, and leasing commissions.

(3) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures and *Summary of Results* for a reconciliation of these measures to standardized IFRS measures.

Adjusted EBITDA for the year ended December 31, 2025 was \$120.2 million, an increase of \$2.5 million compared to year ended December 31, 2024. The increase was primarily due to a \$3.6 million increase in NOI driven by higher Same Property NOI resulting from strong leasing activities and contributions from newly acquired and developed industrial properties, partially offset by the impact of asset dispositions, an increase in income earned from a property under development of \$0.8 million, partially offset by higher general and administrative expense of \$0.8 million, higher amortization expense of \$0.5 million, and lower non-recurring personnel transition costs and non-recurring costs related to asset dispositions of \$0.4 million.

NAV per unit

(In thousands of Canadian dollars, except per unit amounts)

| | December 31, 2025 | December 31, 2024 |
|-------------------------------------|----------------------|----------------------|
| NAV per unit ⁽¹⁾ | \$ | \$ |
| Total assets | 2,650,360 | 2,604,460 |
| Less: Total liabilities | (1,567,071) | (1,542,736) |
| Total unitholders equity | 1,083,289 | 1,061,724 |
| Add: Class B LP Units | 199,636 | 180,023 |
| NAV ⁽¹⁾ | 1,282,925 | 1,241,747 |
| Units outstanding (000s) – basic: | | |
| REIT Units | 71,752 | 70,749 |
| Class B LP Units | 25,270 | 23,410 |
| | 97,022 | 94,159 |
| NAV per unit – basic ⁽¹⁾ | 13.22 | 13.19 |

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures and *Summary of Results* for a reconciliation of these measures to standardized IFRS measures.

The REIT's NAV per unit as at December 31, 2025 increased by \$0.03 to \$13.22 as compared to \$13.19 as at December 31, 2024. The \$0.03 increase was primarily due to: net income and comprehensive income of \$59.5 million or \$0.61 per unit, partially offset by distributions of \$45.6 million or \$0.48 per unit, and the issuance of 2,764,464 Class B LP Units at a price discounted to the REIT's NAV per unit in connection with the Richmond, BC property (1751 and 1771 Savage Road) development (see also the *Commitments and Contingent Obligations* section) representing a net impact to NAV of \$7.5 million or \$0.08 per unit.

SELECT ANNUAL INFORMATION

(In thousands of Canadian dollars)

| | December 31, 2025 | December 31, 2024 | December 31, 2023 |
|--|----------------------|----------------------|----------------------|
| | \$ | \$ | \$ |
| Property revenues | 174,949 | 175,700 | 157,652 |
| NOI ⁽¹⁾ | 129,435 | 125,868 | 111,973 |
| Net income and comprehensive income | 59,548 | 90,882 | 160,030 |
| Investment properties | 2,506,423 | 2,458,174 | 2,364,027 |
| Cash | 6,111 | 11,532 | 5,918 |
| Total assets | 2,650,360 | 2,604,460 | 2,463,067 |
| Non-current liabilities: | | | |
| Mortgages payable | 468,335 | 548,552 | 601,796 |
| Credit facilities | 720,001 | 576,729 | 453,563 |
| Lease liabilities | 10,505 | 10,613 | 10,715 |
| Class B LP Units | — | 16,506 | 27,052 |
| Total non-current liabilities | 1,221,074 | 1,179,110 | 1,111,847 |
| Current liabilities: | | | |
| Mortgages payable | 94,896 | 41,740 | 57,508 |
| Credit facilities | 11,018 | 73,107 | 64,981 |
| Lease liabilities | 108 | 102 | 64 |
| Liabilities associated with assets held for sale | 8,367 | 40,227 | 14,805 |
| Class B LP Units | 199,636 | 163,517 | 172,053 |
| Total current liabilities | 345,997 | 363,626 | 350,891 |
| Total liabilities | 1,567,071 | 1,542,736 | 1,462,738 |
| Total unitholders equity | 1,083,289 | 1,061,724 | 1,000,329 |

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

Total Indebtedness Ratio

(In thousands of Canadian dollars)

| | December 31, 2025 | December 31, 2024 |
|--|----------------------|----------------------|
| | \$ | \$ |
| Total Indebtedness Ratio ⁽¹⁾ | | |
| Current and non-current: | | |
| Mortgages payable | 563,231 | 590,292 |
| Credit facilities | 731,019 | 649,836 |
| Lease liabilities | 10,613 | 10,715 |
| Liabilities associated with assets held for sale | 8,367 | 40,227 |
| Total indebtedness ⁽¹⁾ | 1,313,230 | 1,291,070 |
| less: unrestricted cash | (6,111) | (11,532) |
| Net debt | 1,307,119 | 1,279,538 |
| Total assets | 2,650,360 | 2,604,460 |
| Total Indebtedness Ratio ⁽¹⁾ | 49.3 % | 49.1 % |

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures and *Summary of Results* for a reconciliation of these measures to standardized IFRS measures.

The REIT's Total Indebtedness Ratio as at December 31, 2025, was 49.3% as compared to 49.1% as at December 31, 2024. The increase in the ratio was primarily driven by additional credit facility drawings, partially offset by the repayment of mortgages at maturity and on disposal of investment properties, and the increase in investment properties primarily as a result of acquisitions.

ADJUSTED NET DEBT

The following is a reconciliation of the REIT's Adjusted Net Debt:

(In thousands of Canadian dollars)

| | December 31, 2025 | December 31, 2024 |
|--|----------------------|----------------------|
| | \$ | \$ |
| Current and non-current: | | |
| Mortgages payable | 563,231 | 590,292 |
| Credit facilities | 731,019 | 649,836 |
| Lease liabilities | 10,613 | 10,715 |
| Liabilities associated with assets held for sale | 8,367 | 40,227 |
| Total indebtedness ⁽¹⁾ | 1,313,230 | 1,291,070 |
| Less: Unrestricted cash | (6,111) | (11,532) |
| Less: Additions to properties under development | (44,943) | (79,811) |
| Adjusted net debt ⁽¹⁾ | 1,262,176 | 1,199,727 |

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures and *Summary of Results* for a reconciliation of these measures to standardized IFRS measures.

SUMMARY OF QUARTERLY RESULTS

(In thousands of Canadian dollars, except per unit amounts)

| | Q4 2025 | Q3 2025 | Q2 2025 | Q1 2025 | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total Portfolio | | | | | | | | |
| Total investment properties | 89 | 87 | 88 | 90 | 106 | 113 | 118 | 117 |
| Investment property value (excludes assets held for sale) | 2,506,423 | 2,475,158 | 2,480,540 | 2,469,045 | 2,458,174 | 2,449,960 | 2,408,859 | 2,326,398 |
| GLA (in millions of sq. ft.) ⁽¹⁾ | 12.4 | 12.1 | 11.7 | 11.7 | 12.5 | 13.0 | 12.9 | 12.5 |
| Industrial occupancy rate – in-place and committed ⁽²⁾ | 96 % | 96 % | 94 % | 97 % | 96 % | 97 % | 98 % | 98 % |
| Industrial WALT (years) | 6.9 | 7.0 | 7.1 | 6.8 | 7.0 | 7.1 | 7.2 | 7.1 |
| Operating Results | | | | | | | | |
| Property revenues | 44,878 | 43,295 | 42,022 | 44,754 | 44,664 | 45,529 | 43,910 | 41,597 |
| NOI ⁽³⁾ | 32,998 | 32,197 | 32,150 | 32,090 | 32,146 | 32,568 | 31,617 | 29,537 |
| Net income (loss) | 30,573 | 3,449 | (7,625) | 33,151 | 49,677 | (45,991) | 43,525 | 43,671 |
| FFO ⁽³⁾ | 18,113 | 17,309 | 18,157 | 17,043 | 16,464 | 17,613 | 16,576 | 14,355 |
| Normalized FFO ^{(3) (4)} | 18,083 | 17,538 | 17,744 | 17,580 | 18,032 | 17,596 | 16,712 | 15,378 |
| AFFO ⁽³⁾ | 14,724 | 13,988 | 15,449 | 14,397 | 13,589 | 14,795 | 13,770 | 11,588 |
| Normalized AFFO ^{(3) (4)} | 14,694 | 14,180 | 15,033 | 14,478 | 14,396 | 14,778 | 13,906 | 12,611 |
| Normalized AFFO payout ratio – basic ^{(3) (4) (5)} | 103.1 % | 106.9 % | 100.3 % | 104.1 % | 104.6 % | 101.9 % | 107.7 % | 118.5 % |
| Normalized AFFO payout ratio – diluted ^{(3) (4) (5)} | 103.4 % | 107.1 % | 100.6 % | 104.6 % | 104.6 % | 101.9 % | 108.1 % | 118.5 % |
| Per unit amounts: | | | | | | | | |
| Weighted average units - basic ⁽⁶⁾ | 97,022 | 96,928 | 94,233 | 94,203 | 94,159 | 94,137 | 93,541 | 93,341 |
| Weighted average units - diluted ⁽⁶⁾ | 97,280 | 97,181 | 94,513 | 94,477 | 94,322 | 94,313 | 93,717 | 93,448 |
| Distributions per unit ^{(5) (6)} | 0.160 | 0.160 | 0.160 | 0.160 | 0.160 | 0.160 | 0.160 | 0.160 |
| Normalized FFO per unit – basic ^{(3) (4) (6)} | 0.186 | 0.181 | 0.188 | 0.187 | 0.192 | 0.187 | 0.179 | 0.165 |
| Normalized FFO per unit – diluted ^{(3) (4) (6)} | 0.186 | 0.180 | 0.188 | 0.186 | 0.191 | 0.187 | 0.178 | 0.165 |
| Normalized AFFO per unit – basic ^{(3) (4) (6)} | 0.151 | 0.146 | 0.160 | 0.154 | 0.153 | 0.157 | 0.149 | 0.135 |
| Normalized AFFO per unit – diluted ^{(3) (4) (6)} | 0.151 | 0.146 | 0.159 | 0.153 | 0.153 | 0.157 | 0.148 | 0.135 |
| Financing | | | | | | | | |
| Net debt ⁽³⁾ | 1,307,119 | 1,275,593 | 1,258,770 | 1,255,667 | 1,279,538 | 1,305,513 | 1,296,226 | 1,249,463 |
| Total Indebtedness Ratio ⁽³⁾ | 49.30 % | 48.91 % | 48.86 % | 48.78 % | 49.13 % | 49.98 % | 49.97 % | 49.30 % |

(In thousands of Canadian dollars, except per unit amounts)

| | Q4 2025 | Q3 2025 | Q2 2025 | Q1 2025 | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Unencumbered investment properties as a % of total investment properties | 49.7 % | 47.8 % | 40.6 % | 40.2 % | 39.5 % | 39.1 % | 39.8 % | 35.7 % |
| Total assets | 2,650,360 | 2,608,129 | 2,576,227 | 2,574,184 | 2,604,460 | 2,612,258 | 2,593,924 | 2,534,570 |
| Capital | | | | | | | | |
| Total equity (per consolidated financial statements) | 1,083,289 | 1,060,688 | 1,067,313 | 1,086,233 | 1,061,724 | 1,023,338 | 1,080,195 | 1,034,941 |
| NAV per unit ⁽³⁾ | 13.22 | 12.98 | 13.17 | 13.21 | 13.19 | 13.06 | 13.20 | 13.09 |

(1) At the REIT's share.

(2) Includes committed new leases for future occupancy.

(3) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures and *Summary of Results* for a reconciliation of these measures to standardized IFRS measures.

(4) Until Q1 2024, Normalized FFO and Normalized AFFO included adjustments for vendor rent obligation amounts due from the vendor of the REIT's Richmond, BC property, until certain conditions were satisfied. During Q2 2024, these conditions were satisfied and the vendor settled all outstanding amounts.

(5) Includes distributions payable to holders of Class B LP Units which are accounted for as finance expense in the consolidated financial statements.

(6) Weighted average number of units includes Class B LP Units.

(7) Note that the prior quarters have been updated to conform with the current period presentation.

Total Portfolio

The total number of investment properties increased from Q1 2024 to Q2 2024 due to acquisition of an industrial property, which also increased total investment property value and GLA. From Q2 2024 through to Q3 2025, the decrease in the total number of properties and total investment property value was primarily due to dispositions of non-core assets, including 15 retail properties, 11 office buildings, and 8 industrial assets. From Q3 2025 through to Q4 2025, the increase in total number of investment properties resulted from the acquisition of two income producing properties located in Montreal, QC.

The industrial occupancy rate - in place and committed, remained at above 98% from Q1 2024 to Q2 2024. It fell in Q3 2024 primarily due to the transfer of a completed investment property from PUD to IPP that was vacant. The decrease in occupancy from Q3 2024 to Q4 2025 was primarily due to temporary vacancies in the portfolio, which the REIT is actively looking to backfill.

Operating Results

Property revenues and NOI⁽¹⁾ increased from Q1 2024 to Q3 2024, primarily due to accretive industrial acquisitions completed in previous periods. From Q3 2024 through to Q4 2025, property revenues and NOI⁽¹⁾ were adversely impacted primarily by the disposal of non-core assets noted above along with new vacancies in the portfolio.

Net income (loss) fluctuated in the periods above principally due to changes in fair market value of investment properties, Class B LP Units and derivative financial instruments.

FFO⁽¹⁾ and AFFO⁽¹⁾ decreases were principally due to the REIT carrying high debt levels and interest expense related to property acquisitions and ongoing development projects. This resulted in a normalized AFFO payout ratio⁽¹⁾ above 100% from Q1 2024, which began to improve as development projects were completed and tenanted at the end of 2024 and in 2025.

Per unit amounts

Per unit amounts are impacted by the operating results discussed above and by changes in the number of units outstanding. From Q1 2024 through to Q3 2024, the weighted average units outstanding increased due to the distribution reinvestment plan ("DRIP"), incentive unit plan and employee unit purchase plan. The REIT suspended the DRIP in Q3 2024. The weighted average units outstanding were stable from Q3 2024 to Q2 2025. The increase in weighted average units outstanding from Q2 2025 to Q3 2025 reflects the issuance of units (Class B LP units) relating to the development at Richmond, BC. All other changes in per unit amounts are driven by the operating results discussed above.

Financing

Net debt⁽¹⁾ steadily increased in the quarters presented as a result of borrowing to fund development projects and acquisitions. The Total Indebtedness Ratio⁽¹⁾ increased from Q1 2024 to a peak of 49.98% at Q3 2024, driven by the higher debt levels noted above and by reductions in total assets resulting from the disposal of non-core assets. The Total Indebtedness Ratio⁽¹⁾ decreased after Q4 2024 as the REIT completed and tenanted development projects. The Total Indebtedness Ratio⁽¹⁾ increased in Q4 2025 due to additional draws on credit facilities for the purpose of funding investment property acquisitions.

Unencumbered investment properties as a percentage of total investment properties steadily increased from Q1 2024 to Q2 2025, primarily due to mortgages coming to term and mortgages discharged as part of property disposals. In Q3 2025, this ratio improved significantly due to the discharge of security on 12 properties as the REIT paid down a secured credit facility. In Q4 2025, this ratio further increased as a result of paying off mortgage upon maturity and acquisition of investment properties. In addition, the REIT utilizes available capacity on its credit facilities as an alternative to secured financing when terms are favourable.

The value of total assets has fluctuated in the quarters presented principally due to acquisitions, dispositions and fair value adjustments in connection with changes in NOI⁽¹⁾ and cap rate assumptions reevaluated quarterly.

Capital

Changes in total equity and NAV per unit⁽¹⁾ were driven by the factors noted above.

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures and *Summary of Results* for a reconciliation of these measures to standardized IFRS measures.

SAME PROPERTY RESULTS

The following is a reconciliation of the REIT's Same Property NOI, highlighting key adjustments that impacted the REIT's core portfolio's performance.

(In thousands of Canadian dollars)

| | Three months ended December 31, | | | Year ended December 31, | | |
|---|------------------------------------|----------|---------|----------------------------|----------|---------|
| | 2025 | 2024 | Change | 2025 | 2024 | Change |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Property revenues | 44,878 | 44,664 | 214 | 174,949 | 175,700 | (751) |
| Property expenses | (11,880) | (12,518) | 638 | (45,514) | (49,832) | 4,318 |
| NOI ⁽¹⁾ | 32,998 | 32,146 | 852 | 129,435 | 125,868 | 3,567 |
| Add/(Deduct): | | | | | | |
| Amortization of tenant incentives and leasing costs | 762 | 382 | 380 | 1,738 | 1,496 | 242 |
| Straight-line adjustments of rent | (1,784) | (1,274) | (510) | (5,656) | (4,856) | (800) |
| Development and expansion | (1,186) | — | (1,186) | (5,761) | (2,062) | (3,699) |
| Acquisitions | (304) | — | (304) | (5,675) | (3,725) | (1,950) |
| Disposals | (134) | (1,504) | 1,370 | (707) | (7,558) | 6,851 |
| Termination fees and tenant reimbursed capital improvements | — | (61) | 61 | (2,285) | (208) | (2,077) |
| Same Property NOI ⁽¹⁾ | 30,352 | 29,689 | 663 | 111,089 | 108,955 | 2,134 |
| Industrial Same Property NOI ⁽¹⁾ | 29,953 | 29,145 | 808 | 109,141 | 106,359 | 2,782 |

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

Same Property NOI for the three months ended December 31, 2025, increased by \$0.7 million as compared to the same period in 2024 primarily due to a \$0.5 million increase from a blend and extend of the lease at 15745 Robin's Hill Road, London, ON, \$0.4 million increase due to the lease-up at 905 Park St, Regina, SK, and \$0.6 million attributed to various step-up rents and adjustments throughout the portfolio, partially offset by a \$0.8 million decrease due to temporary vacancies.

Same Property NOI for the year ended December 31, 2025, increased by \$2.1 million as compared to 2024 primarily due to a \$2.2 million increase from a blend and extend of the lease at 15745 Robin's Hill Road, ON, \$1.1 million increase due to the lease-up of 1751-1771 Savage Rd, Richmond, BC, and \$0.8 million attributed to various step-up rents and adjustments throughout the portfolio, partially offset by a \$2.0 million decrease due to temporary vacancies.

Industrial Same Property NOI for the three months ended December 31, 2025 was \$30.0 million as compared to \$29.1 million for the same period in 2024. The increase of \$0.9 million was primarily due to a \$0.5 million increase from a blend and extend of the lease at 15745 Robin's Hill Road, London, ON, \$0.4 million increase due to the lease-up at 905 Park St, Regina, SK, and \$0.8 million attributed to various step-up rents and adjustments throughout the portfolio, partially offset by a \$0.8 million decrease due to temporary vacancies.

Industrial Same Property NOI for the year ended December 31, 2025 was \$109.1 million as compared to \$106.4 million in 2024. The increase of \$2.7 million was primarily due to a \$2.2 million increase from a blend and extend of the lease at 15745 Robin's Hill Road, ON, a \$1.1 million increase due to the lease-up of 1751-1771 Savage Rd, Richmond, BC, and \$1.4 million attributed to various step-up rents and adjustments throughout the portfolio, partially offset by a \$2.0 million decrease due to temporary vacancies.

FUNDS FROM OPERATIONS AND ADJUSTED FUNDS FROM OPERATIONS

The following is a reconciliation of the REIT's FFO and AFFO to net income and comprehensive income.

| (In thousands of Canadian dollars, except per unit amounts) | Three months ended December 31, | | | Year ended December 31, | | |
|---|------------------------------------|------------|--------------|----------------------------|------------|--------------|
| | 2025 \$ | 2024 \$ | Change \$ | 2025 \$ | 2024 \$ | Change \$ |
| FFO⁽⁷⁾ | | | | | | |
| Net income and comprehensive income | 30,573 | 49,677 | (19,104) | 59,548 | 90,882 | (31,334) |
| Adjustments: | | | | | | |
| Loss on disposal of investment properties | 414 | 922 | (508) | 697 | 1,455 | (758) |
| Fair value adjustments | (20,331) | (37,115) | 16,784 | (8,897) | (43,378) | 34,481 |
| Adjustments for equity accounted joint venture ⁽¹⁾ | 2,858 | (1,412) | 4,270 | 2,901 | (1,117) | 4,018 |
| Distributions on Class B LP Units expensed | 3,696 | 3,746 | (50) | 14,850 | 15,278 | (428) |
| Amortization of tenant incentives and leasing costs | 769 | 376 | 393 | 1,770 | 1,478 | 292 |
| Lease principal payments | (26) | (19) | (7) | (102) | (64) | (38) |
| Amortization of right-of-use assets | 31 | 31 | — | 121 | 121 | — |
| Net effect of unrealized foreign exchange on USD debt and related hedges | 129 | 258 | (129) | (266) | 354 | (620) |
| FFO ⁽⁷⁾ | 18,113 | 16,464 | 1,649 | 70,622 | 65,009 | 5,613 |
| Weighted average units outstanding (000s) - basic ⁽⁴⁾ | 97,022 | 94,159 | 2,863 | 95,608 | 93,797 | 1,811 |
| FFO per unit – basic ⁽⁷⁾ | 0.187 | 0.175 | 0.012 | 0.739 | 0.693 | 0.046 |
| FFO ⁽⁷⁾ | 18,113 | 16,464 | 1,649 | 70,622 | 65,009 | 5,613 |
| Add: Vendor rent obligation ⁽²⁾ | — | — | — | — | 628 | (628) |
| Add: Non-recurring personnel transition costs | — | — | — | 107 | 344 | (237) |
| Add: Non-recurring adjustments from asset dispositions ⁽⁵⁾ | 113 | 1,065 | (952) | 669 | 1,192 | (523) |
| Add: Other one-time adjustments ⁽⁶⁾ | (143) | 503 | (646) | (453) | 587 | (1,040) |
| Normalized FFO ⁽⁷⁾ | 18,083 | 18,032 | 51 | 70,945 | 67,760 | 3,185 |
| Weighted average units outstanding (000s) - basic ⁽⁴⁾ | 97,022 | 94,159 | 2,863 | 95,608 | 93,797 | 1,811 |
| Normalized FFO per unit – basic ⁽⁷⁾ | 0.186 | 0.192 | (0.006) | 0.742 | 0.722 | 0.020 |

(In thousands of Canadian dollars, except per unit amounts)

| | Three months ended December 31, | | | Year ended December 31, | | |
|---|------------------------------------|---------|---------|----------------------------|---------|---------|
| | 2025 | 2024 | Change | 2025 | 2024 | Change |
| AFFO ⁽⁷⁾ | \$ | \$ | \$ | \$ | \$ | \$ |
| FFO ⁽⁷⁾ | 18,113 | 16,464 | 1,649 | 70,622 | 65,009 | 5,613 |
| Adjustments: | | | | | | |
| Straight-line adjustments, ground lease and rent | (1,789) | (1,275) | (514) | (5,664) | (4,866) | (798) |
| Capital reserve ⁽³⁾ | (1,600) | (1,600) | — | (6,400) | (6,400) | — |
| AFFO ⁽⁷⁾ | 14,724 | 13,589 | 1,135 | 58,558 | 53,743 | 4,815 |
| Weighted average units outstanding (000s) | | | | | | |
| Basic ⁽⁴⁾ | 97,022 | 94,159 | 2,863 | 95,608 | 93,797 | 1,811 |
| AFFO per unit – basic ⁽⁷⁾ | 0.152 | 0.144 | 0.008 | 0.612 | 0.573 | 0.039 |
| Distributions declared | 15,151 | 15,065 | 86 | 60,452 | 60,038 | 414 |
| AFFO payout ratio - basic ⁽⁷⁾ | 102.9 % | 110.9 % | (8.0)% | 103.2 % | 111.7 % | (8.5)% |
| AFFO ⁽⁷⁾ | 14,724 | 13,589 | 1,135 | 58,558 | 53,743 | 4,815 |
| Add: Vendor rent obligation ⁽²⁾ | — | — | — | — | 628 | (628) |
| Add: Non-recurring personnel transition costs | — | — | — | 107 | 344 | (237) |
| Add: Non-recurring adjustments from asset dispositions ⁽⁵⁾ | 113 | 304 | (191) | 173 | 427 | (254) |
| Add: Other one-time adjustments ⁽⁶⁾ | (143) | 503 | (646) | (453) | 587 | (1,040) |
| Normalized AFFO ⁽⁷⁾ | 14,694 | 14,396 | 298 | 58,385 | 55,729 | 2,656 |
| Weighted average units outstanding (000s) | | | | | | |
| Basic ⁽⁴⁾ | 97,022 | 94,159 | 2,863 | 95,608 | 93,797 | 1,811 |
| Normalized AFFO per unit – basic ⁽⁷⁾ | 0.151 | 0.153 | (0.002) | 0.611 | 0.594 | 0.017 |
| Distributions declared | 15,151 | 15,065 | 86 | 60,452 | 60,038 | 414 |
| Normalized AFFO payout ratio - basic ⁽⁷⁾ | 103.1 % | 104.6 % | (1.5)% | 103.5 % | 107.7 % | (4.2)% |

(1) Adjustment for equity accounted joint venture relates to a fair value adjustment of swaps in place at the joint venture to swap floating rate bankers' acceptance rates to a fixed rate and a fair value adjustment of the joint venture investment property.

(2) Until Q1 2024, Normalized FFO and Normalized AFFO included adjustments for vendor rent obligation amounts due from the vendor of the REIT's Richmond, BC property, until certain conditions were satisfied. During Q2 2024, these conditions were satisfied and the vendor settled all outstanding amounts.

(3) Capital reserve includes maintenance capital expenditures, tenant incentives and leasing costs. Reserve amounts are established with reference to building condition reports, appraisals, and internal estimates of tenant renewal, tenant incentives and leasing costs. The REIT believes that a reserve is more appropriate given the fluctuating nature of capital expenditures.

(4) Weighted average number of units includes the Class B LP Units.

(5) These adjustments represent one-time balance sheet write-offs, early mortgage repayment charges, and other costs associated with the disposals made during the period.

(6) The adjustments are primarily related to unrealized foreign exchange losses (gains) on transactions relating to deferred purchase consideration and other one-time adjustments. Note that the comparative periods for 2024 have been updated to conform with the current period presentation.

(7) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

FFO for the three months ended December 31, 2025 was \$18.1 million or \$1.6 million higher than the same period last year, primarily driven by a \$0.9 million increase in NOI and the impact of higher tenant incentives and leasing costs amortization adjustment of \$0.4 million (see details in *Financial Results* section), a \$0.5 million increase in foreign exchange adjustment stemming from a deferred purchase obligation denominated in US dollars, offset by a \$0.2 million increase in general and administrative expense mainly due to higher compensation expenses and legal expenses.

FFO for the year ended December 31, 2025 was \$70.6 million or \$5.6 million higher than last year, primarily driven by a \$3.6 million increase in NOI and the impact of higher tenant incentives and leasing costs amortization adjustment of \$0.3 million (see details in "Financial Results" section), a \$1.7 million decrease in net interest expense, and a \$1.0 million increase in foreign exchange adjustment stemming from a deferred purchase obligation denominated in US dollars, partially offset by a \$0.8 million increase in general and administrative expense primarily due to higher compensation expenses and legal expenses, and a \$0.2 million lower FFO from equity accounted joint venture.

AFFO for the three months ended December 31, 2025 was \$14.7 million or \$1.1 million higher than the same period last year, primarily due to the factors that impacted FFO as noted above, partially offset by a higher straight-line rent and ground lease adjustment of \$0.5 million primarily resulting from a lease renewal at an industrial property located in London, ON. The REIT continues to focus on enhancing AFFO through active asset management and the execution of its development pipeline.

AFFO for the year ended December 31, 2025 was \$58.6 million or \$4.8 million higher than last year, primarily attributable to the factors that impacted FFO as noted above, partially offset by a higher straight-line rent and ground lease adjustment of \$0.8 million primarily resulting from a lease renewal at an industrial property located in London, ON. The REIT continues to focus on enhancing AFFO through active asset management and the execution of its development pipeline.

AFFO CAPITAL RESERVE

The capital reserve is based on the average estimated expenditures for the portfolio as determined by independent building condition reports. Each period, the REIT reassesses the reserve to consider actual historical costs, anticipated future costs and any significant changes in the nature or age of the properties in the portfolio as it evolves over time.

The REIT chose the method described above because it represents the level of capital expenditures estimated to be required to maintain the productive capacity required for sustaining property infrastructure and revenue from income producing properties. The REIT believes this method of utilizing a capital reserve to be appropriate because it is intended to reflect an average annual spending level, and remove the influence of seasonal expenditures. As such, the REIT views the capital reserve as a meaningful measure.

(In thousands of Canadian dollars, except per square foot amounts)

| | Three months ended December 31, | | | Year ended December 31, | | |
|--|------------------------------------|---------|---------|----------------------------|---------|---------|
| | 2025 | 2024 | Change | 2025 | 2024 | Change |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Actual tenant incentives and leasing costs | 677 | 1,756 | (1,079) | 3,728 | 4,871 | (1,143) |
| Actual maintenance capital expenditures | 2,246 | 4,470 | (2,224) | 12,594 | 8,509 | 4,085 |
| Total spending funded by the REIT | 2,923 | 6,226 | (3,303) | 16,322 | 13,380 | 2,942 |
| Less: | | | | | | |
| Leasing costs related to backfilling unexpected insolvency | — | — | — | (831) | — | (831) |
| Leasing costs and tenant improvements related to completed developments | — | (927) | 927 | (124) | (2,015) | 1,891 |
| Capital expenditures related to expansion and completed income producing properties | (395) | — | (395) | (6,173) | — | (6,173) |
| Amounts recoverable by tenants in accordance with lease terms | (1,386) | (3,336) | 1,950 | (3,786) | (4,621) | 835 |
| Total funded by REIT, adjusted for value enhancing activities and amounts recoverable | 1,142 | 1,963 | (821) | 5,408 | 6,744 | (1,336) |
| Average square feet of GLA | 12,204 | 12,260 | (56) | 12,065 | 12,543 | (478) |
| Total funded by REIT, adjusted for value enhancing activities and amounts recoverable (per sq. ft.) | 0.09 | 0.16 | (0.07) | 0.45 | 0.54 | (0.09) |
| Total funded by REIT, adjusted for value enhancing activities and amounts recoverable on an annualized basis (per sq. ft.) | 0.36 | 0.64 | (0.28) | 0.45 | 0.54 | (0.09) |
| AFFO Capital Reserve | 1,600 | 1,600 | — | 6,400 | 6,400 | — |
| Total funded by REIT, adjusted for value enhancing activities and amounts recoverable | 1,142 | 1,963 | (821) | 5,408 | 6,744 | (1,336) |
| Surplus (shortfall) of capex reserve | 458 | (363) | 821 | 992 | (344) | 1,336 |
| AFFO Capital Reserve (per sq. ft.) | 0.52 | 0.52 | — | 0.53 | 0.51 | 0.02 |
| Total funded by REIT, adjusted for value enhancing activities and amounts recoverable on an annualized basis (per sq. ft.) | 0.36 | 0.64 | (0.28) | 0.45 | 0.54 | (0.09) |
| Surplus (shortfall) of AFFO capital reserve (per sq. ft.) | 0.16 | (0.12) | 0.28 | 0.08 | (0.03) | 0.11 |

The REIT's AFFO capital reserve was \$1.6 million (2024 - \$1.6 million) and \$6.4 million (2024 - \$6.4 million), respectively for the three months and year ended December 31, 2025.

For the three months ended December 31, 2025, the REIT had an AFFO capital reserve surplus of \$0.5 million, primarily attributable to the timing of maintenance capital expenditures and tenant incentives. On a year-to-date basis, the REIT had a surplus of \$1.0 million, as capital spending earlier in the year remained below the annualized reserve. Notwithstanding the quarter-to-quarter variability, the REIT believes the current AFFO capital reserve remains appropriate to support the ongoing maintenance of the portfolio's productive capacity.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

The REIT's principal source of liquidity is cash on hand and the undrawn borrowing capacity on its Credit Facilities. The following table summarizes changes in working capital (deficit):

(In thousands of Canadian dollars)

| | December 31, 2025 | December 31, 2024 |
|--|------------------------------|------------------------------|
| | \$ | \$ |
| Working capital deficit | (246,206) | (244,082) |
| Add: | | |
| Current portion of mortgage payables | 94,896 | 41,740 |
| Current portion of credit facilities | 11,018 | 73,107 |
| Current portion of Class B LP Units | 199,636 | 163,517 |
| Liabilities associated with assets held for sale | 8,367 | 40,227 |
| Less: | | |
| Assets held for sale | 60,790 | 80,037 |
| Adjusted working capital surplus (deficit) | 6,921 | (5,528) |

The REIT expects that it will be able to renew the mortgages and current portion of credit facilities at their maturities. The Class B LP Units are settled in equity and may not be redeemed for cash. The REIT has access to undrawn funds on operating facilities of \$63.1 million as at December 31, 2025, under the Credit Facilities and expects to generate sufficient cash from operations to satisfy its financial liabilities as they come due.

Changes in cash for the periods noted are summarized in the following table:

(In thousands of Canadian dollars)

| | Three months ended December 31, | | | Year ended December 31, | | |
|-----------------------------|--|-------------|---------------|------------------------------------|-------------|---------------|
| | 2025 | 2024 | Change | 2025 | 2024 | Change |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Cash generated by (used in) | | | | | | |
| Operating activities | 28,463 | 8,836 | 19,627 | 43,141 | 38,960 | 4,181 |
| Investing activities | (57,878) | 31,262 | (89,140) | (60,040) | (78,602) | 18,562 |
| Financing activities | 21,153 | (36,389) | 57,542 | 11,478 | 45,256 | (33,778) |
| Change in cash | (8,262) | 3,709 | (11,971) | (5,421) | 5,614 | (11,035) |
| Cash – beginning of period | 14,373 | 7,823 | 6,550 | 11,532 | 5,918 | 5,614 |
| Cash – end of period | 6,111 | 11,532 | (5,421) | 6,111 | 11,532 | (5,421) |

Cash generated by operating activities for the three months ended December 31, 2025 of \$28.5 million increased by \$19.6 million compared to \$8.8 million for the same period in 2024. The increase was mainly due to a \$18.9 million increase in cash generated from changes in non-cash working capital and a \$0.9 million increase in NOI⁽¹⁾, partially offset by a \$0.2 million increase in general and administrative expense.

Cash generated by operating activities for the year ended December 31, 2025 of \$43.1 million increased by \$4.1 million compared to \$39.0 million in 2024. The increase was mainly due to a higher NOI⁽¹⁾ of \$3.6 million and lower net interest expense of \$2.2 million, partially offset by a \$0.8 million increase in general and administrative expense and a \$0.8 million decrease due to straight-line adjustments of rent.

Cash used in investing activities for the three months ended December 31, 2025 of \$57.9 million was primarily due to \$41.1 million acquisition of income-producing investment properties and \$21.9 million payments relating to properties under development.

Cash used in investing activities for the year ended December 31, 2025 of \$60.0 million was primarily due to \$41.1 million acquisition of income producing properties, \$4.5 million acquisition of a land parcel at Kelowna, BC, \$37.9 million million of development expenditures and \$16.3 million of capital expenditures, tenant incentives and leasing costs, partially offset by net proceeds on disposal of properties of \$39.7 million.

Cash generated by financing activities for the three months ended December 31, 2025 of \$21.2 million was primarily due to net borrowings on the Credit Facilities of \$45.6 million principally used to fund the acquisition of two industrial properties during the quarter, partially offset by cash distributions to unitholders of \$11.4 million, and mortgage principal repayments of \$13.0 million.

Cash generated in financing activities for the year ended December 31, 2025 of \$11.5 million was primarily due to to net borrowings on the Credit Facilities of \$84.2 million principally used to fund development costs and the acquisition of industrial properties, new mortgage financing of \$15.5 million, partially offset by cash distributions to unitholders of \$45.5 million, mortgage principal repayments of \$41.4 million and financing costs of \$1.1 million.

The REIT believes that it has sufficient financial resources and generates sufficient cash from operations to operate its investment properties, to identify, investigate and complete potential acquisitions, to fund further expenditures as required, and to maintain its distribution.

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

MORTGAGES PAYABLE

As at December 31, 2025, mortgages payable are secured by charges against 34 of the REIT's investment properties (December 31, 2024 - 55 investment properties). The weighted average interest rate, including deferred financing costs and interest rate swap agreements of the mortgages payable is 3.37% (December 31, 2024 – 3.43%) and the weighted average term to maturity is 4.88 years (December 31, 2024 – 5.50 years).

The breakdown of future principal repayments, including mortgage maturity, are as follows:

| (In thousands of Canadian dollars) | Scheduled repayments | Principal maturities | Total | Weighted average interest rate of maturing mortgages ⁽¹⁾ |
|------------------------------------|-----------------------------|-----------------------------|----------------|--|
| | \$ | \$ | \$ | |
| 2026 | 15,144 | 88,198 | 103,342 | 3.39 % |
| 2027 | 13,202 | 38,705 | 51,907 | 3.59 % |
| 2028 | 12,640 | 17,984 | 30,624 | 4.15 % |
| 2029 | 11,046 | 55,411 | 66,457 | 3.32 % |
| 2030 | 10,823 | 26,428 | 37,251 | 2.95 % |
| Thereafter | 60,802 | 223,523 | 284,325 | 3.33 % |
| Total | 123,657 | 450,249 | 573,906 | 3.37 % |

(1) Weighted average interest rate includes deferred financing costs and interest rate swap agreements.

CREDIT FACILITIES

The REIT has senior unsecured credit facilities (the “**Unsecured Facilities**”) consisting of a \$575 million revolving credit facility, a \$200 million term loan, and a \$10 million swingline facility. The Unsecured Facilities mature on August 5, 2028, August 5, 2027 and August 5, 2028, respectively.

The term loan and revolver credit facility can be drawn in Canadian or U.S. dollars and bear interest payable monthly based on the prime rate and the Canadian Overnight Repo Rate Average (CORRA) for Canadian dollar loans and based on the Secured Overnight Financing Rate (SOFR) for U.S. dollar loans. The swingline can be drawn in Canadian dollars and bears interest payable monthly based on the prime rate.

The interest margins charged on the Unsecured Facilities are based on the REIT’s Total Indebtedness Ratio⁽¹⁾ as at the last date of the most recently completed financial quarter.

For a Total Indebtedness Ratio⁽¹⁾ below 50%, prime rate advances bear interest at 70 basis points per annum over the lender’s Canadian prime borrowing rate. CORRA and SOFR advances bear interest at 170 basis points per annum over their respective reference rates, plus a fixed adjustment spread of 29.547 basis points or 10 basis points respectively.

For a Total Indebtedness Ratio⁽¹⁾ from 50% to 55.5%, prime rate advances bear interest at 95 basis points per annum over the lender’s Canadian prime borrowing rate. CORRA and SOFR advances bear interest at 195 basis points per annum over their respective reference rates, plus a fixed adjustment spread of 29.547 basis points or 10 basis points respectively.

For a Total Indebtedness Ratio⁽¹⁾ above 55.5%, prime rate advances bear interest at 125 basis points per annum over the lender’s Canadian prime borrowing rate. CORRA and SOFR advances bear interest at 225 basis points per annum over their respective reference rates, plus a fixed adjustment spread of 29.547 basis points or 10 basis points respectively. The unadvanced portion of the Unsecured Facilities is subject to a predetermined standby fee.

As at December 31, 2025, the revolving facility and term loan facility were drawn in US dollars for US\$381.2 million (C\$522.5 million equivalent) (December 31, 2024 – US\$280.2 million (C\$403.2 million equivalent)) and US\$145.5 million (C\$199.4 million equivalent) (December 31, 2024 – US\$121.8 million (C\$175.2 million equivalent)) respectively, and the swingline facility was undrawn (December 31, 2024 – undrawn).

The Unsecured Facilities include, inter alia, covenants that the REIT: (i) will not allow the Total Indebtedness Ratio⁽¹⁾ to exceed 60% at any time, (ii) will not allow the Secured Indebtedness Ratio to exceed 45%, (iii) will not allow the Debt Service Coverage Ratio to be less than 1:40:1, (iv) will not allow Adjusted Unitholders’ Equity to be less than \$600 million plus 75% of net proceeds in connection with any equity offering by the REIT after February 12, 2025, (v) will not allow Unencumbered Asset Value Ratio to be less than 1.40:1. As at December 31, 2025, the REIT was in compliance with these covenants. The Unsecured Facilities also contain restrictions on, inter alia, change of business, change in year-end, leasing or prepaid rent on non-market terms, sale of assets, limitations on distributions, mergers, and acquisitions without the consent of the lender and includes events of default such as failure to pay any amount of principal, interest, or other obligations under the Unsecured Facilities when due, failure to observe covenants and involuntary insolvency.

Total Indebtedness Ratio⁽¹⁾ is a defined term in Unsecured Facilities and is calculated by dividing the REIT’s consolidated net indebtedness less unrestricted cash by the REIT’s gross book value of assets.

Secured Indebtedness Ratio is a defined term in Unsecured Facilities and is calculated by dividing the REIT’s consolidated secured net indebtedness by the REIT’s gross book value.

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

Debt Service Coverage Ratio is a defined term in Unsecured Facilities and is calculated by dividing the REIT's consolidated earnings before interest, income taxes, depreciation, and amortization by the REIT's debt service (principal repayments plus interest expense).

Adjusted Unitholders' Equity is a defined term in Unsecured Facilities and is calculated as the sum of the REIT's total unitholders' equity and Class B LP Units.

Unencumbered Asset Value Ratio is a defined term in Unsecured Facilities and is calculated by dividing the REIT's consolidated unencumbered property asset value by the REIT's consolidated unsecured net indebtedness.

Total Indebtedness Ratio, Secured Indebtedness Ratio, Debt Service Coverage Ratio, Adjusted Unitholders' Equity and Unencumbered Asset Value Ratio are not used by the REIT as a measure of the REIT's future or historical financial performance, financial position, or cash flow, but are used solely to determine the REIT's compliance with its covenants set out in the Unsecured Facilities Agreement.

On August 5, 2025, the REIT increased the Unsecured Credit Facilities by \$160.0 million, from \$625.0 million to \$785.0 million, increasing the term loan facility from \$175.0 million to \$200.0 million and the revolving facility from \$440.0 million to \$575.0 million. The REIT also amended the maturity date of the Unsecured Credit Facilities by extending the term loan facility, the revolving facility, and the swingline facility from March 1, 2027 to August 5, 2027, August 5, 2028, and August 5, 2028, respectively.

During the year ended December 31, 2025, the REIT paid down a secured credit facility (previously referred to as "**Secured Credit Facility 1**") totalling \$66.1 million, which was funded through the increase of the Unsecured Credit Facilities discussed above.

The REIT has a \$20.5 million secured credit facility ("**Secured Credit Facility**"), of which the REIT's 80% share of the facility is \$16.4 million. The facility is secured against the 190 Glover Road property and is also subject to a guarantee from the REIT of up to \$10.2 million. As at December 31, 2025, the REIT's share of drawings on the facility was \$11.0 million (December 31, 2024 – \$8.2 million).

The Unsecured Facilities and Secured Credit Facility are collectively referred to as "**the Credit Facilities**".

As at December 31, 2025, the REIT was in compliance with all of the financial covenants contained within the Credit Facilities.

The following table summarizes the changes in the Credit Facilities for the years ended December 31, 2025, and 2024:

| | December 31, 2025 | December 31, 2024 |
|--|------------------------------|------------------------------|
| | \$ | \$ |
| Drawn against the Credit Facilities, beginning of year | 651,616 | 520,125 |
| Repayment of a secured credit facility (previously referred to as "Secured Credit Facility 1") | (66,100) | — |
| Net borrowings during the year | 150,283 | 130,811 |
| Unrealized foreign exchange adjustments | (2,926) | 680 |
| Drawn against the Credit Facilities, end of year | 732,873 | 651,616 |
| Less: Deferred financing costs, beginning of year | (1,780) | (1,581) |
| Less: Deferred financing costs incurred | (952) | (964) |
| Plus: Amortization of deferred financing costs | 878 | 765 |
| Balance, end of year | 731,019 | 649,836 |

The following table summarizes interest rate exposure on the Credit Facility borrowings as at December 31, 2025:

| (In thousands of Canadian dollars) | Total Principal amount \$ | Weighted Average Interest rate | Repricing date |
|--|--|---|-----------------------|
| Credit Facility borrowings covered by fixed interest rate swaps ⁽¹⁾ | 616,737 | 5.31% ⁽²⁾ | January 31, 2026 |
| Credit Facility borrowings not covered by fixed interest rate swaps | 105,113 | 4.08 % | January 31, 2026 |
| Prime rate borrowings not covered by fixed interest rate swaps | 11,023 | 5.09 % | Variable |
| Total drawn against the Credit Facilities | 732,873 | | |

⁽¹⁾ Amounts are represented in CAD equivalents inclusive of unrealized revaluation gain of \$2.9 million relating to the REIT's US denominated debt.

⁽²⁾ Represents the weighted average interest rate net of the effect of swaps in place. The REIT is party to swaps that fix the interest rate on the borrowings under the Credit Facilities.

The REIT is party to interest rate swaps, which are used to manage floating interest rate exposure. See *Financial Instruments, Risks and Uncertainties* section for details.

To reduce interest expense, at December 31, 2025, debt of \$721.9 million (Canadian dollar equivalent) was drawn in US dollars, representing US\$526.7 million, and economically converted into Canadian dollars using cross-currency swap contracts. See the *Financial Instruments, Risks and Uncertainties* section for foreign exchange risk details.

OUTSTANDING UNIT DATA

The following table presents the changes in outstanding Units for the year ended December 31, 2025:

| (In thousands of Canadian dollars) | Units (000s) # | Amount \$ |
|---|-------------------|----------------|
| Unitholders' Equity: | | |
| Balance – January 1, 2025 | 70,749 | 663,444 |
| REIT Units issued under Incentive Plan | 74 | 555 |
| REIT Units issued under Employee Unit Purchase Plan | 25 | 183 |
| Class B LP Units exchanged for REIT Units | 904 | 6,881 |
| | 71,752 | 671,063 |
| Class B LP Units: | | |
| Balance – January 1, 2025 | 23,410 | 180,023 |
| Class B LP Units exchanged for REIT Units | (904) | (6,881) |
| Class B LP Units issued | 2,764 | 21,758 |
| Fair value adjustment | n/a | 4,736 |
| | 25,270 | 199,636 |
| Outstanding Units - December 31, 2025 | 97,022 | 870,699 |

In July 2025, 2,764,464 Class B LP Units valued at contractual price of \$10.50 per unit were issued to 0768723 BC Ltd in settlement of the initial portion of contractual construction obligations at the REIT's Richmond, BC property. Of the 2,764,464 Class B LP Units issued, 447,619 Class B LP Units were issued without restrictions and released as an advance deposit for the commencement of development activities, and 2,316,845 Class B LP Units were issued subject to trading restrictions until specific construction milestones are met and continue to be restricted as of December 31, 2025. See also the 'Commitments and Contingent Obligations' section below.

As at March 5, 2026, a total of approximately 71,803,000 REIT Units and 25,270,000 Class B LP Units were issued and outstanding.

DISTRIBUTIONS

The REIT currently pays a monthly distribution of \$0.05333 per unit, representing \$0.64 per unit on an annualized basis. Total distributions declared with respect to REIT units and Class B LP units in the three months and year ended December 31, 2025, amounted to \$15.2 million (2024 - \$15.1 million) and \$60.5 million (2024 - \$60.0 million), respectively.

In accordance with National Policy 41-201 “*Income Trusts and Other Offerings*”, the REIT is required to provide the following information:

| (In thousands of Canadian dollars) | Three months ended December 31, 2025 | Year ended December 31, 2025 | Year ended December 31, 2024 | Year ended December 31, 2023 |
|---|---|---|---|---|
| | \$ | \$ | \$ | \$ |
| Cash generated from operating activities | 28,463 | 43,141 | 38,960 | 51,015 |
| Distributions paid ⁽¹⁾ | 11,430 | 45,548 | 44,645 | 43,568 |
| Surplus (shortfall) of cash flows from operating activities over distributions paid | 17,033 | (2,407) | (5,685) | 7,447 |

(1) Excludes distributions on Class B LP Units, as these were recorded as interest expense and, therefore, were deducted in the calculation of cash generated from operating activities. In addition, distributions paid are unadjusted for distributions settled through the issuance of REIT Units under the distribution reinvestment plan. Of the distributions declared in the three months and year ended December 31, 2025, \$nil (2024 - \$nil) and \$nil (2024 - \$3.0 million) were settled through the issuance of REIT Units under the distribution reinvestment plan. The REIT suspended the distribution reinvestment plan in July 2024, see the 'Distribution reinvestment plan' section for details.

For the three months ended December 31, 2025, cash generated from operating activities totaled \$28.5 million, exceeding the distributions paid of \$11.4 million by \$17.0 million. For the year ended December 31, 2025, cash generated from operating activities totaled \$43.1 million, falling short of the distributions paid of \$45.5 million by \$2.4 million. The portion of distributions paid exceeding cash flow from operating activities represents an economic return of capital to unitholders and was funded through short-term borrowings under the REIT's revolving credit facility which forms part of a broader credit facility maturing in August 2028.

The shortfall of cash flows from operating activities over distributions paid for the year ended December 31, 2025 of \$2.4 million, as illustrated in the table above, was primarily driven by: i) development initiatives recently completed, however not yet fully tenanted and not yet contributing a stabilized level of NOI⁽¹⁾ to the REIT's portfolio, ii) temporary vacancies, and iii) distributions paid to Class B unitholders.

The REIT believes the current distribution level is sustainable and will not be reduced, based on the expectation that recently completed developments will stabilize in 2026, and the REIT will continue to benefit from embedded rental steps and rental increases on lease renewals in its portfolio.

In addition, management does not expect current or potential future commitments to replace or maintain its investment properties to adversely affect cash distributions.

(1) This is a Non-IFRS Financial Measure. Refer to *Non-IFRS Financial Measures* for definitions of these measures.

DISTRIBUTION REINVESTMENT PLAN

The REIT adopted a DRIP on February 20, 2014, pursuant to which resident Canadian holders were entitled to elect to have all or some of the cash distributions of the REIT automatically reinvested in additional REIT units at a price per REIT unit calculated by reference to the weighted average of the trading price for the REIT units for the five trading days immediately preceding the relevant distribution date. Eligible unitholders who so elect would receive a bonus distribution of REIT units equal to 4% of each distribution that was reinvested by them under the DRIP. On June 21, 2024, the REIT suspended the distribution reinvestment plan effective July 16, 2024.

The following table summarizes units issued under the DRIP:

| | Three months ended December 31, | | Year ended December 31, | |
|------------------------|------------------------------------|------|----------------------------|---------|
| | 2025 | 2024 | 2025 | 2024 |
| Number of units issued | — | — | — | 418,631 |
| Stated value (\$) | — | — | — | 3,045 |

MATERIAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ materially from these estimates. The estimates and judgments used in determining the recorded amount for asset, liabilities and equity in the financial statements include the following:

Valuation of investment properties

The REIT's investment property policy requires externally appraising at least 15% to 20% of the value of the portfolio each year, and 50% of the portfolio over a 3-year period. The REIT targets having 100% of its portfolio valued over 6 years. The selection of properties is based on management's judgment, and includes the following criteria: materiality of property; leasing activities during the period; changes in NOI, capitalization rate, or other assumptions; the date of the last appraisal; financing; and any underwriting requirements (acquisitions or dispositions). The REIT obtains third party appraisals to supplement internal management valuations in support of the determination of the fair market value of investment properties.

Fair value is determined with reference to external valuations and internal valuations. Internal valuations are primarily based on the direct income capitalization method. The critical assumptions and estimates used by management when determining the fair value of investment properties are stabilized net rental income and capitalization rates (see note 4 of the consolidated financial statements). Management determines fair value internally utilizing financial information, external market data and capitalization rates determined by reference to third party appraisals and reports published by industry experts including commercial real estate brokerages.

The fair value of the investment properties is most sensitive to changes in capitalization rates. As at December 31, 2025, a 0.25% increase in the weighted average capitalization rate would result in a decrease of approximately \$100.9 million in the determination of the fair value of the investment properties. A 0.25% decrease in the weighted average capitalization rate would result in an increase of approximately \$109.8 million in the determination of the fair value of the investment properties. Further, an increase (decrease) of 1% in stabilized net operating income would result in an increase (decrease) of approximately \$24.7 million in the determination of the fair value of the investment properties.

NEW ACCOUNTING STANDARDS ADOPTED BY THE REIT

The accounting policies used in the preparation of the consolidated financial statements are consistent with those of the year ended December 31, 2024.

FUTURE ACCOUNTING STANDARDS NOT YET ADOPTED

The International Accounting Standards Board (IASB) has issued new standards and amendments that are not yet effective for the year ended December 31, 2025. The REIT is evaluating the potential impact of these changes on its financial reporting.

IFRS 18 – Presentation and Disclosure in Financial Statements

Issued in April 2024, IFRS 18 *Presentation and Disclosure in Financial Statements* replaces IAS 1 and is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. IFRS 18 aims to enhance the comparability and transparency of financial statements by introducing:

- Defined categories and subtotals in the statement of profit or loss, including operating, investing, and financing categories, along with mandatory subtotals such as "Operating profit or loss" and "Profit or loss before financing and income tax."
- Disclosures on management-defined performance measures ("MPMs"), requiring entities to provide information about subtotals of income and expenses that management uses in public communications.
- Enhanced aggregation and disaggregation principles, improving the clarity and usefulness of financial information presented.

The REIT is currently assessing the impacts of this new standard on the presentation of its financial statements, particularly the statement of profit or loss, to align with the new categories and subtotals. The enhanced disclosure requirements will necessitate disclosing MPMs used in public communications, ensuring transparency and consistency in reporting.

IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*, effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

These amendments address:

- Clarifications on the classification and measurement of financial assets, particularly those with environmental, social, and governance (ESG)-linked features, ensuring consistent application of the contractual cash flow characteristics test.
- Guidance on the derecognition of financial liabilities, specifying that a financial liability is derecognized on the settlement date, which is the date on which the liability is extinguished, along with an exemption that when settling a financial liability in cash using an electronic payment system ("EPS"), an entity is permitted to deem the financial liability to be discharged before the settlement date, under the circumstance that certain criteria are satisfied.
- Enhanced disclosure requirements, including information about financial instruments with contractual terms that could change the timing or amount of contractual cash flows based on the occurrence (or non-occurrence) of a future event.

The REIT expects to elect the accounting policy exemption that permits a financial liability to be deemed discharged prior to the settlement date when the payment instruction is initiated through an EPS, as the criteria set out in the amendments are satisfied. Management believes that, upon adoption, the amendments will not have a significant impact on the REIT's financial statements.

The REIT will continue to monitor developments in these and other standards.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The REIT's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR") as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*.

The Chief Executive Officer and the Chief Financial Officer of the REIT have evaluated and determined that, as of December 31, 2025:

- the design of DC&P was appropriate to provide reasonable assurance that material information is made known to us by others in a timely manner and that information required to be disclosed by the REIT is recorded, processed, summarized, and reported within the time periods specified in securities legislation; and
- the design of ICFR was appropriate to provide reasonable assurance regarding the reliability of the REIT's financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Management has determined that as at December 31, 2025, the REIT's DC&P and ICFR were appropriately designed and were operating effectively based on the framework set forth in the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

There were no changes in the REIT's design of internal controls over financial reporting in the year ended December 31, 2025, that materially affected or are likely to materially affect, the REIT's internal controls over financial reporting.

Internal controls over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of their inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. A control system, no matter how well conceived and operated, can provide only reasonable assurance that the objectives of the control system are met.

FINANCIAL INSTRUMENTS, RISKS AND UNCERTAINTIES

Real property ownership and tenant risk

All real property investments are subject to elements of risk. The value of real property and any improvements thereto depend on the credit and financial stability of tenants and upon the vacancy rates of the properties. The REIT's properties generate revenue through rental payments made by the tenants thereof. The ability to rent vacant properties will be affected by many factors, including changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations, changing demographics, competition from other available properties, and various other factors. Cash available for distribution 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 buildings located on the REIT's properties becomes vacant and cannot be leased on economically favourable lease terms. If properties do not generate revenues sufficient to meet operating expenses, including debt service and capital expenditures, the REIT's results from operations and ability to make distributions to unit holders will be adversely affected.

Upon the expiry of any lease, there can be no assurance that the lease will be renewed, or the tenant will be replaced. The terms of any subsequent lease may be less favourable to the REIT than those of an existing lease. In the event of default by a tenant, the REIT may experience delays or limitations in enforcing its rights as landlord and incur substantial costs in protecting its investment. Furthermore, at any time, a tenant may seek the protection of bankruptcy, insolvency or similar laws which could result in the rejection and termination of the lease of the tenant and, thereby, cause a reduction in the cash flows available to the REIT.

Historical occupancy rates and revenues are not necessarily an accurate prediction of the future occupancy rates for the REIT's properties or revenues to be derived therefrom. Reported estimated market rents can be seasonal and the significance of any variations from quarter to quarter would materially affect the REIT's annualized estimated gain-to-lease amount. There can be no assurance that upon the expiry or termination of existing leases, the average occupancy rates and revenues will be higher than historical occupancy rates and revenues and it may take a significant amount of time for market rents to be recognized by the REIT due to internal and external limitations on its ability to charge these new market-based rents in the short term.

Government Regulation and Environmental Matters

The REIT is subject to federal, provincial, and local environmental regulations that apply generally to the ownership of real property and the operation of commercial properties. If it fails to comply with those laws, the REIT could be subject to significant fines or other governmental sanctions. Under various federal, provincial, and local laws, ordinances and regulations, an owner or operator of real estate may be required to investigate and clean up hazardous or toxic substances or petroleum product releases at a facility and may be held liable to a governmental entity or to third parties for property damage and for investigation and clean-up costs incurred by such parties in connection with contamination. Such liability may be imposed whether or not the owner or operator knew of, or was responsible for, the presence of these hazardous or toxic substances. The cost of investigation, remediation or removal of such substances may be substantial, and the presence of such substances, or the failure to properly remediate such substances, may adversely affect the REIT's ability to sell or rent such facility or to borrow using such facility as collateral. To assess the potential for liabilities arising from the environmental condition at the REIT's properties, the REIT may obtain or examine environmental assessments prepared by environmental consulting firms.

The environmental assessments received in respect of the REIT's properties have not revealed, nor is the REIT aware of, any environmental liability that the REIT believes will have a material adverse effect on it.

However, the REIT cannot assure unit holders that any environmental assessments performed have identified or will identify all material environmental conditions, that any prior owner of any facility did not create a material environmental condition not known to the REIT or that a material environmental condition does not or will not otherwise exist with respect to the REIT's properties.

The REIT is subject to laws and regulations governing the ownership and leasing of real property, employment standards, environmental and energy efficiency matters, taxes and other matters. It is possible that future changes in applicable federal, state, local or common laws or regulations or changes in their enforcement or regulatory interpretation could result in changes in the legal requirements affecting the REIT (including with retroactive effect). Any changes in the laws to which the REIT is subject in the jurisdictions in which the REIT operates could materially affect the rights and title to the REIT's properties. It is not possible to predict whether there will be any further changes in the regulatory regime(s) to which the REIT is subject or the effect of any such change on the REIT's investments.

Economic Environment

The REIT is subject to risks involving the economy in general, including recessions, inflation, deflation or stagflation, unemployment and geopolitical issues such as the sanctions, tariffs, trade disputes, trade tensions, conflicts, the imposition of exchange controls or other cross-border trade barriers and impacts from and changes to immigration policies. Global financial markets have experienced a sharp increase in volatility recently as a result of geopolitical tensions, increasing interest rates and inflationary pressures. Some economies around the world, including Canada and the U.S., may experience or are already experiencing significantly diminished growth or a recession.

In particular, the impact or effect of recent announcements by the U.S. regarding potential tariffs imposed on Canadian exports, and any retaliatory tariffs imposed on the U.S. by Canada, remain unknown and could have significant effects on the economy, which in turn could impact on Nexus Industrial REIT or the REIT's financial condition and operations.

Poor economic conditions 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 which could harm the REIT's financial condition. In weak economic environments, the REIT's tenants may be unable to meet their rental payments and other obligations due to the REIT, which could have a material and adverse effect on the REIT. In addition, fluctuation in interest rates or other financial market uncertainty or volatility may adversely affect the REIT's ability to refinance existing indebtedness on its maturity or on terms that are as favourable as the terms of existing indebtedness, which may impact negatively on the REIT's performance, may restrict the availability of financing for future prospective purchasers of the REIT's investments and could potentially reduce the value of such investments, or may adversely affect the ability of the REIT to complete acquisitions on financially desirable terms. Increasing interest rates may put competitive pressure on the levels of distributable income paid by the REIT to unit holders, increasing the level of competition for capital faced by the REIT, which could have a material adverse effect on the trading price of the REIT units.

A significant component of the REIT's ability to successfully operate relates to certain external factors that are beyond the REIT's control, particularly interest rates and capital markets conditions. As interest rates fluctuate in the lending market, generally so do capitalization rates which affect the underlying value of real estate. As such, when interest rates rise, generally capitalization rates should be expected to rise. Over the period of investment, capital gains and losses at the time of disposition can occur due to the increase or decrease of these capitalization rates.

Tariffs and Other International Trade Disputes

The current administration in the U.S. creates additional uncertainty in the global economic outlook, particularly in relation to the timing, scope and magnitude of potential U.S. import tariffs being imposed. The U.S. administration has imposed an array of tariffs against China, Canada and Mexico, as well as tariffs on imports of steel, aluminum and copper. In addition, the U.S. administration has proposed additional tariffs on a significant number of additional countries and products through its "reciprocal tariff scheme". The recent decision of the U.S. Supreme Court regarding the constitutionality of the tariff regime has caused further uncertainty regarding tariffs. It is unclear how long any of these tariffs will stay in place, if at all tariffs are implemented and upheld widespread tariffs will likely increase input costs for companies and lead to higher prices for U.S. consumers, ultimately reducing regional or global economic activity as it relates to certain sectors. Such tariffs may also increase the cost of construction materials, which would adversely impact the

REIT's development projects and property maintenance costs. The tariffs could also impact the REIT's industrial tenants. These factors could increase the difficulty and cost of accessing capital, which may adversely affect the REIT's results of operations and decrease the amount of cash available for distribution.

Additionally, some countries have retaliated, or have expressed an intention to retaliate, against any new U.S. import tariffs by imposing mirroring tariffs on certain U.S. products; Canada and China have already imposed retaliatory tariffs, which create the risk of an escalatory cycle. Further, these retaliatory measures and trade disputes could lead to increased inflation in Canada, the U.S. and globally.

Inflation Risk

The rate of inflation impacts the general economic and business environment in which the REIT operates. Inflationary pressures either domestically or globally, tight labour markets and strong demand for goods and resources, together with the imposition by governments of higher interest rates or wage and price controls as a means of curbing inflationary increases, may put pressure on the REIT's development, financing, operation and labour costs as well as tenants' ability to pay rent in full or on a timely basis or demand for real property. Although central banks have recently cut interest rates, there is no assurance that such interest rate cuts continue, or that central banks would not reverse such decisions if inflation were to increase. In addition, tariffs or other trade measures could result in further increased inflation, which may result in further efforts by central banks and governments to address such inflation. If inflation at elevated levels persists an economic contraction could be possible. There can be no assurances regarding the impact of a significant economic contraction on the business, operations, and financial performance of the REIT and its tenants. If the REIT's operating costs were to become subject to significant inflationary pressures, it may negatively influence its operations and the REIT may not be able to offset these higher operating costs by increasing rent from its tenants. This may have a material adverse effect on the REIT's business, cash flows, financial condition, results of operations, and ability to make distributions to unitholders.

Competition Risk

The real estate business is competitive. Numerous developers, managers and owners of properties compete with the REIT in seeking tenants. The existence of competing developers, managers and owners and competition for the REIT's tenants could have an impact on the REIT's ability to lease its properties and on the rents charged. This in turn may have an adverse effect on the REIT's business, financial condition and results of operations and distributions. The REIT is subject to competition for suitable real property investments with individuals, corporations and institutions (both Canadian and foreign) and other real estate investment trusts which are presently seeking, or which may seek in the future, real property investments similar to those targeted by the REIT. A number of these investors may have greater financial resources than those of the REIT or operate without the investment or operating restrictions of the REIT or according to more flexible conditions. An increase in the availability of the investment funds, and an increase in interest in real property investments, may tend to increase competition for real property investments, thereby increasing purchase prices and reducing the yield on them. The REIT will seek to locate and complete property purchases that are accretive to AFFO per unit. There is a risk that continuing increased competition for real property acquisitions may increase purchase prices to levels that are not accretive.

Uninsured Losses

The Declaration of Trust requires that the REIT obtain and maintain at all times insurance coverage in respect of its potential liabilities and the accidental loss of value of its assets from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties. There are, however, certain types of risks, generally of a catastrophic nature, such as wars or environmental contamination, which are either uninsurable or not insurable on an economically viable basis. Should an uninsured or under-insured loss occur, the REIT could lose its investment in, and anticipated profits and cash flows from, the affected property, but the REIT would continue to be obliged to repay any recourse mortgage indebtedness on such properties. The REIT carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance with customary policy specifications, limits and deductibles. There can be no assurance that a claim in excess of the insurance coverage or claims not covered by insurance coverage 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 insurance coverage could have a material adverse effect on the REIT's business, financial condition or results of operations and distributions.

Fixed costs and Increased Expenses

The REIT incurs a number of fixed costs which must be made through its ownership of real property, regardless of whether its properties are producing income. Fixed costs such as utilities, property taxes, maintenance costs, mortgage payments, insurance costs, and related costs, may have a material adverse effect on the REIT's business, cash flows, financial condition, and results of operations if the REIT cannot maintain or increase its average monthly rental rates and occupancy levels. It is possible that a mortgagee would exercise its rights of foreclosure or sale should the REIT be unable to meet its mortgage payments on its properties.

The timing and amount of fixed costs incurred by the REIT may limit its cash flows in any particular period. As a result, cash distributions to unitholders may be postponed, reduced, or even eliminated, in times where the REIT requires cash to make significant capital or other expenditures.

Insurance Renewals

There is a possibility that the REIT may not be able to renew its current insurance policies or obtain new insurance policies in the future for its properties once they expire. The current terms and levels of coverage may not be available to the REIT for property and casualty insurance, as well as insurance against natural disasters. In addition, the premiums that insurance companies may charge in the future may be significantly greater than they are currently. If the REIT is unable to obtain adequate insurance for its properties, the REIT could be in default under certain contractual commitments that it has made. The REIT may also be subject to a greater risk of not being covered should damages to its properties occur, therefore affecting the REIT's business, cash flows, financial condition, results of operations and ability to make distributions to its Unitholders.

Risk of Catastrophic Events

While the REIT has insurance coverage for all of its Properties, the insurance coverage may have deductible amounts and may not cover all damage which may occur to the Properties. Floods, hurricanes, storms, earthquakes, terrorism, or other events may significantly affect the REIT's operations and Properties, and may cause the REIT to experience reduced rental revenue, incur clean-up costs or otherwise incur costs in connection with these events. These events may have a material adverse effect on the REIT's business, cash flows, financial condition and results of operations and ability to make cash distributions to its Unitholders.

Development Risks

It is likely that, subject to compliance with the Declaration of Trust, the REIT will be involved in various development projects. The REIT's obligations in respect of properties under construction, or which are to be constructed, are subject to risks which include (i) the potential insolvency of a third party developer (where the REIT is not the developer); (ii) a third party developer's failure to use advanced funds in payment of construction costs; (iii) construction or other unforeseeable delays, including as a result of a disease outbreak; (iv) cost overruns; (v) the failure of tenants to occupy and pay rent in accordance with existing lease agreements, some of which are conditional; (vi) the incurring of construction costs before ensuring rental revenues will be earned from the project; and (vii) increases in interest rates during the period of the development. Management strives to mitigate these risks where possible by entering into fixed price construction contracts with general contractors (and to the extent possible, on a bonded basis) and by attempting to obtain long-term financing as early as possible during construction.

Joint Ventures/Co-Investment Risks

The REIT may invest in, or be a participant in, directly or indirectly, joint ventures and partnerships with third parties in respect of its properties. A joint venture or partnership involves certain additional risks, including:

- the possible misalignment of business interests or goals with respect to the properties;

- the risk that such partners could experience financial difficulties which could result in additional financial demands on the REIT to maintain and operate such properties or repay the partners' share of property debt guaranteed by the REIT;
- the risk that such partners may, through their activities on behalf of or in the name of the ventures or partnerships, expose or subject the REIT to liability; and
- the risk of not obtaining the partners' consents with respect to certain major decisions, including the decision to distribute cash generated from such properties or to refinance or sell a property.

In addition, the sale or transfer of interests the joint ventures may be subject to certain requirements, such as rights of first refusal, rights of first offer, or drag-along rights, and provide for buy-sell or similar arrangements. Such rights may inhibit the REIT's ability to sell an interest in a property or a joint venture in a timely fashion. Additionally, drag-along rights may be triggered at a time when the REIT may not wish to sell its interest in a property.

Access to Capital and Reliance on External Sources of 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. In addition, because the REIT expects to make regular cash distributions as a real estate investment trust, it likely will not be able to fund all of its future capital needs, including capital for acquisitions and development, with income from operations. The REIT therefore will have to rely on third-party sources of capital, and there can be no assurance that the REIT will 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. Further, the REIT may not be able to borrow funds due to the limitations set forth in the Declaration of Trust.

The REIT's access to third-party sources of capital depends on a number of things, including the market's perception of its growth potential and its current and potential future earnings. If the REIT is unable to obtain third-party sources of capital, it may not be able to acquire or develop when strategic opportunities exist, satisfy its debt obligations or make regular distributions to unitholders. In addition, the REIT may need to obtain additional capital through capital markets and the REIT's ability to access the capital markets through equity issues and forms of secured or unsecured debt financing may affect the operations of the REIT as such financing may be available only on disadvantageous terms, if at all.

It is possible that financing, which the REIT may require in order to grow and expand its operations, upon the expiry of the term of financing, on refinancing any particular property owned by the REIT or otherwise, may not be available or, if it is available, may not be available on favourable terms to the REIT. Failure to access required capital could adversely impact the REIT's financial condition and results of operations and decrease the amount of cash available for distribution. As well, future financing may not be available at current levels of leverage.

Derivatives Risks

The REIT may invest in and use derivative instruments, including futures, forwards, options and swaps, to manage its utility and interest rate risks inherent in its operations. There can be no assurance that the REIT's hedging activities will be effective. Further, these activities, although intended to mitigate price volatility, expose the REIT to other risks. The REIT is subject to the credit risk that its counterparty (whether a clearing corporation in the case of exchange traded instruments or another third party in the case of over-the-counter instruments) may be unable to meet its obligations. In addition, there is a risk of loss by the REIT of margin deposits in the event of the bankruptcy of the dealer with whom the REIT has an open position in an option or futures or forward contract. In the absence of actively quoted market prices and pricing information from external sources, the valuation of these contracts involves judgment and use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of these contracts. The ability of the REIT to close out its positions may also be affected by exchange imposed daily trading limits on options and futures contracts. If the REIT is unable to close out a position, it

will be unable to realize its profit or limit its losses until such time as the option becomes exercisable or expires or the futures or forward contract terminates, as the case may be. The inability to close out options, futures and forward positions could also have an adverse impact on the REIT's ability to use derivative instruments to effectively hedge its utility and interest rate risks.

Tax-Related Risks

If the "SIFT Rules" were to apply to the REIT or any subsidiary partnership of the REIT then such rules could impact the level of cash distributions that would otherwise be made by the REIT and the taxation of such distributions to unit holders. The SIFT Rules will not apply to the REIT provided that it qualifies as a "real estate investment trust" (as defined in the *Income Tax Act* (Canada) (the "**Tax Act**") for the year (the "**REIT Exception**") or to any subsidiary limited partnership provided that it qualifies as an "excluded subsidiary entity" (as defined in the Tax Act). Although, as of the date hereof, management of the REIT believes that the REIT will be able to meet the requirements of the REIT Exception throughout the current and subsequent taxation years, and that each subsidiary limited partnership will qualify as an "excluded subsidiary entity" at all relevant times, there can be no assurance that the REIT and the Partnerships will be able to qualify for the REIT Exception or as "excluded subsidiary entities", as applicable, in order for the subsidiary limited partnerships, the REIT and the unitholders not to be subject to the SIFT Rules in future years.

Volatile Market Price for the Units

Financial markets have, in recent months, experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of issuers and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such issuers. Accordingly, the market price of the REIT's securities may decline even if the REIT's operating results, underlying asset values, or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the REIT's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the REIT's securities by those institutions, which could adversely affect the trading price of the REIT's securities. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil exist for a protracted period of time, the REIT's operations could be adversely impacted, and the trading price of the REIT's securities may be adversely affected.

Financing Risk

The REIT is subject to the risks associated with debt financing, including the risk that the REIT's cash flows will be insufficient to meet required payments of principal and interest, 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 per unit, force the disposition of one or more properties on disadvantageous terms or result in foreclosure on one or more properties.

In addition, certain loan documents relating to secured debt of the REIT contain restrictions concerning covenants and events of default relating to the REIT, the Partnerships and the properties subject to such secured debt. Failure to comply with any such restriction or covenant, or the occurrence of any such events, could result in an event of default under the applicable loan document. Upon the occurrence of an event of default, the secured debt could be accelerated, which in turn could adversely impact the REIT's business operations, financial condition and results of operations and may decrease the amount of cash available for distribution.

Liquidity risk

Liquidity risk is the risk that the REIT will not have the financial resources required to meet its financial obligations as they come due. The REIT manages this risk by ensuring it has sufficient cash on hand or borrowing capacity to meet obligations as they come due by forecasting cash flows from operations, cash

required for investing activities and cash from financing activities. See additional information in the "Financial Condition, Liquidity and Capital Resources" section above.

The contractual maturities and repayment obligations of the REIT's financial liabilities are as follows:

| | Accounts payable and other liabilities | Lease Liabilities | Credit Facilities principal repayment | Credit Facilities interest⁽¹⁾⁽²⁾ | Mortgages payable⁽³⁾ | Mortgage interest⁽¹⁾⁽³⁾ | Total |
|------------|---|--------------------------|--|--|--|---|--------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2026 | 25,919 | 525 | 11,018 | 37,440 | 103,342 | 17,298 | 195,542 |
| 2027 | 1,206 | 526 | 199,380 | 32,640 | 51,907 | 14,701 | 300,360 |
| 2028 | 1,247 | 528 | 522,475 | 15,531 | 30,624 | 13,451 | 583,856 |
| 2029 | 1,289 | 466 | — | — | 66,457 | 11,311 | 79,523 |
| 2030 | 1,333 | 490 | — | — | 37,251 | 10,264 | 49,338 |
| Thereafter | 901 | 20,555 | — | — | 284,325 | 17,359 | 323,140 |
| | 31,895 | 23,090 | 732,873 | 85,611 | 573,906 | 84,384 | 1,531,759 |

(1) Includes interest rate swap agreements, where applicable, and assuming that no swaps are canceled by the counterparty during the term of the obligation.

(2) The CORRA rate and applicable credit spread in effect as at December 31, 2025 have been used to determine the variable interest obligation.

(3) Includes mortgages on properties classified as Asset Held for Sale.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. There is a risk that the REIT may not be able to renegotiate its mortgages and the Credit Facilities at maturity on terms as favourable as the existing mortgages payable and the Credit Facilities. As at December 31, 2025, there was a total of \$862.3 million (December 31, 2024 - \$807.2 million) of mortgage and the Credit Facilities borrowings which bear interest at CORRA, SOFR or Canadian prime rates plus a fixed spread. There is a risk that prevailing interest rates could increase, and those increases could be significant. The REIT mitigates interest rate risk by maintaining reasonable levels of debt to investment property value and aims to structure new debt to stagger the maturities to ensure that the majority of debt does not come due for repayment in any one particular year. As at December 31, 2025, the REIT has interest rate swap agreements totaling \$737.6 million (December 31, 2024 - \$780.7 million) to mitigate interest rate risk arising from floating rate debt, which represents 56.2% of total debt outstanding and 84.2% of total credit facility debt outstanding, as at December 31, 2025.

The REIT is a party to interest rate swap agreements to swap floating rate interest for fixed rate interest over the terms of certain mortgages. The interest rate swap agreements expire coterminous with the maturity of the corresponding mortgages, with the remaining agreements expiring through February 2032.

The fair value measurements of the interest rate swap agreements have been classified as Level 2, as they are based mainly on observable market data.

The following table presents relevant information on interest rate swap agreements:

| Effective date | Fixed interest rate on swap | Maturity date | Original notional amount \$ | Current notional amount \$ | Fair value asset (liability) \$ |
|----------------|-----------------------------|------------------------------|--------------------------------|-------------------------------|------------------------------------|
| November 2020 | 2.820% ⁽¹⁾ | November 2, 2027 | 7,650 | 6,498 | 201 |
| December 2020 | 3.350% ⁽¹⁾ | December 30, 2030 | 18,000 | 15,715 | 1,078 |
| April 2021 | 3.080% ⁽¹⁾ | April 1, 2026 ⁽⁵⁾ | 19,750 | 17,721 | 53 |
| November 2021 | 4.080% ⁽¹⁾ | June 1, 2028 | 22,600 | 19,350 | 44 |
| February 2022 | 3.280% ⁽¹⁾ | February 23, 2032 | 29,500 | 27,139 | 869 |
| February 2022 | 3.280% ⁽¹⁾ | February 23, 2032 | 20,000 | 18,399 | 589 |
| March 2022 | 3.410% ⁽¹⁾ | March 1, 2027 | 17,800 | 15,994 | 85 |
| October 2023 | 4.140% | October 31, 2028 | 25,000 | 25,000 | (870) |
| October 2023 | 4.156% | October 31, 2028 | 50,000 | 50,000 | (1,761) |
| October 2023 | 4.110% | October 31, 2028 | 25,000 | 25,000 | (852) |
| October 2023 | 4.140% | October 31, 2028 | 25,000 | 25,000 | (872) |
| October 2023 | 4.055% | October 31, 2028 | 25,000 | 25,000 | (814) |
| November 2023 | 4.260% ⁽¹⁾⁽³⁾ | June 1, 2028 | 8,272 | 6,737 | (16) |
| May 2024 | 3.440% | May 31, 2029 | 50,000 | 50,000 | (1,322) |
| October 2024 | 2.500% ⁽⁴⁾ | October 2, 2029 | 60,000 | 60,000 | (368) |
| April 2025 | 3.050% ⁽²⁾ | February 28, 2029 | 50,000 | 50,000 | (412) |
| April 2025 | 3.950% ⁽²⁾ | August 31, 2029 | 100,000 | 100,000 | (3,522) |
| April 2025 | 3.845% ⁽²⁾ | September 29, 2029 | 50,000 | 50,000 | (1,607) |
| April 2025 | 3.270% ⁽²⁾ | May 31, 2030 | 50,000 | 50,000 | (1,180) |
| April 2025 | 2.920% ⁽²⁾ | June 29, 2030 | 50,000 | 50,000 | (652) |
| May 2025 | 2.970% ⁽²⁾ | July 1, 2030 | 50,000 | 50,000 | (733) |
| | | | 753,572 | 737,554 | (12,062) |

(1) Effective fixed interest rate of mortgage debt and borrowings under the Credit Facilities, including the applicable spread.

(2) The counterparties to these swaps have one-time options to terminate the swaps one year after the effective date.

(3) Amortizing swap assumed November 1, 2023, as part of the 1040 Wilton Grove acquisition. The underlying BA debt was repaid with funds drawn on the unsecured facilities and the swap was maintained.

(4) The counterparty to this swap has one-time options to terminate the swaps two years after the effective date.

(5) This swap is scheduled to mature within one year and is therefore classified as current assets on the consolidated statement of financial position.

It is estimated that, all else constant, a hypothetical increase of 1% in the variable interest rate would result in an increase in the fair value of the REIT's interest rate swaps of \$21.0 million and a hypothetical decrease of 1% in the variable interest rate would result in a decrease in the fair value of the REIT's interest rate swaps of \$21.9 million.

Foreign exchange risk

Foreign exchange risk arises from the possibility that fluctuations in exchange rates may adversely affect the value of financial instruments. The REIT is able to draw its unsecured credit facilities in US dollars or Canadian dollars as described in Note 12 of the consolidated financial statements. As at December 31, 2025, debt of US\$526.7 million (\$721.9 million Canadian dollar equivalent) was outstanding under the Credit Facilities. To mitigate the foreign exchange risk on these drawings, the REIT entered into cross-currency swaps to economically convert the US dollar drawings into Canadian dollars. These swaps involve

exchanging principal and interest payments in US dollars for Canadian dollar payments. Gains and losses resulting from these swaps are recorded as foreign exchange (loss) gain in the consolidated statement of income and comprehensive income.

The following table summarizes the cross-currency swaps at December 31, 2025:

| Effective date | Pay / Receive interest rate | Maturity date | Current notional amount | Fair value liability |
|-----------------------|------------------------------------|----------------------|--------------------------------|-----------------------------|
| | | | \$ | \$ |
| December 2025 | CORRA(CAD) / SOFR(USD) | January 31, 2026 | 230,000 | (770) |
| December 2025 | CORRA(CAD) / SOFR(USD) | January 31, 2026 | 216,600 | (650) |
| December 2025 | CORRA(CAD) / SOFR(USD) | January 31, 2026 | 171,500 | (607) |
| December 2025 | CORRA(CAD) / SOFR(USD) | January 31, 2026 | 105,995 | (307) |
| | | | 724,095 | (2,334) |

Fair value risk

The REIT entered into Total Return Swaps ("TRS") to manage its economic exposure arising from employee incentive unit compensation. The TRS is carried at fair value with gains or losses arising from the remeasurement of the instrument recognized as fair value adjustments of derivative financial instruments. The net monthly returns generated from the TRS are recorded in net interest expense upon receipt. The REIT does not apply hedge accounting for the TRS.

The following table summarizes the total return swaps at December 31, 2025:

| Effective date | Maturity date | Notional Amount | Notional Amount | Hedged Unit Price | Fair value asset |
|-----------------------|----------------------|------------------------|------------------------|--------------------------|-------------------------|
| | | \$ | units | \$ | \$ |
| April 2025 | April 1, 2026 | 750 | 109,649 | \$6.84 | 120 |
| April 2025 | April 1, 2026 | 750 | 119,237 | \$6.29 | 198 |
| | | 1,500 | 228,886 | \$6.55 | 318 |

For the year ended December 31, 2025, the REIT has entered into TRS for 228,886 units with a fair value of \$0.3 million.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss to another party by failing to settle its obligations. The REIT is subject to credit risk with respect to its cash deposited with financial institutions, derivative hedge contracts, and tenant and other receivables. As at December 31, 2025, one tenant accounted for approximately 11% of the REIT's base rental income, resulting in a concentration of credit risk. The REIT monitors the creditworthiness of its tenants on an ongoing basis. The REIT mitigates credit risk by monitoring the credit ratings of the institutions holding the REIT's deposits.

The REIT has examined its tenant receivables for indications of impairment. The tenant receivables default rate of the REIT is less than 1.0%. The REIT continues to assess the effect of economic conditions on the creditworthiness of its tenants. As part of this assessment, the REIT reviews contractual rent receivables on a regular basis and reduces carrying amounts using an allowance for expected credit losses recognizing the amount of any loss in the consolidated statements of income and comprehensive income within property expenses. As at December 31, 2025, the REIT had an allowance for expected credit losses of \$0.3 million (December 31, 2024 – \$0.1 million).

COMMITMENTS AND CONTINGENT OBLIGATIONS

Development Management Agreement

On April 3, 2025, the REIT entered into a Letter Agreement (the "Agreement") with 0768723 BC LTD ("0768"), outlining significant development initiatives and future contingent obligations. Pursuant to the Agreement, 0768, acting as Designer-Builder, will manage the design and construction of additional tennis courts at the REIT's Richmond, BC property (1751 and 1771 Savage Road) totaling 52,000 additional square feet for an estimated cost of \$29.0 million.

The REIT satisfied these construction costs through the issuance of Class B LP Units of a subsidiary limited partnership of the REIT exchangeable 1:1 into Nexus REIT units, valued at \$10.50 per unit.

In accordance with the Agreement, 2,764,464 Class B LP Units, representing a fair market value of \$21.8 million at the date of issuance, was legally transferred to 0768 on July 4, 2025, of which 447,619 Class B LP Units were issued without restrictions and released as an advance deposit for the commencement of development activities, and 2,316,845 Class B LP Units were issued subject to trading restrictions until specific constructions milestones are met.

Upon completion of construction, Studio Events Ltd., an affiliate of 0768, has agreed to lease all newly constructed square footage at a rate equal to a 6% capitalization rate on the REIT's total construction costs.

In December 2025, the REIT entered into an addendum to the Letter Agreement noted above ("Addendum"), that reflects 28,000 additional square feet at the REIT's Richmond, BC property, bringing the total to 80,000, for an additional estimated cost of \$19.5 million, which is expected to be funded in cash. In addition, the Addendum provides for rent escalation in current leases with Studio Events Ltd. until the construction is completed.

In addition, the Addendum also reflects the development of 179,000 square feet of micro-industrial units at the REIT's 555 Adams Rd, Kelowna, BC, property for a total estimated cost of \$47.3 million, which is also expected to be funded in cash.

RELATED PARTY TRANSACTIONS

Trustee fees and key management compensation

Key management personnel are comprised of the Chief Executive Officer and the Chief Financial Officer.

The following table presents the compensation relating to key management personnel and trustees:

| | Three months ended December 31, | | Year ended December 31, | |
|---|------------------------------------|------------|----------------------------|--------------|
| | 2025 | 2024 | 2025 | 2024 |
| | \$ | \$ | \$ | \$ |
| Key management personnel: | | | | |
| Salaries and other short-term employee benefits | 498 | 514 | 1,967 | 2,056 |
| Unit-based compensation | 242 | 313 | 1,054 | 1,253 |
| | 740 | 827 | 3,021 | 3,309 |
| Trustees: | | | | |
| Retainer fees | 69 | 55 | 277 | 263 |
| Unit-based compensation | 35 | 40 | 185 | 190 |
| | 104 | 95 | 462 | 453 |
| Total | 844 | 922 | 3,483 | 3,762 |

Transactions with RFA Financial ("RFA"), an entity related to Ben Rodney, a trustee of the REIT

The REIT understands that Ben Rodney, a trustee of the REIT, is the President and Chief Executive Officer of RFA Financial ("RFA"). The REIT has a strategic relationship with RFA, through which the REIT expects to have unique access to properties identified through RFA's expansive network of favourable industry relationships developed through over 25 years of successful investing in the Canadian real estate industry.

The REIT's investment to acquire its interest in 190 Glover Road, 1540 South Service Road and 844 Glanaster Road (collectively "RFA Development Properties") is proportionately the same as the other limited partners and co-owners' investments.

The REIT is entitled to receive guarantee fees in respect of debt related to the RFA Development Properties which is guaranteed by the REIT. Acquisition fees, asset management fees and development management fees are payable to entities related to RFA in respect of the RFA Development Properties. If certain return thresholds are met, RFA will also receive a preferential allocation of income related to the RFA Development Properties at the completion of their development. These fees receivable and payable in respect of the RFA Development Properties are consistent with market terms.

On November 16, 2023, the REIT guaranteed up to \$9.4 million of debt relating to a co-ownership for a property held for development in Hamilton, Ontario ("190 Glover Road"). The guaranteed debt increased from \$9.4 million to \$10.2 million in September 2025.

On November 16, 2021, the REIT guaranteed up to \$17.5 million of debt relating to a limited partnership which holds land for development in Hamilton, Ontario ("844 Glanaster Road"). On August 3, 2023, the guaranteed debt increased from \$17.5 million to \$23.2 million.

The REIT recognized \$0.05 million (2024 - \$0.1 million) and \$0.2 million (2024 - \$0.2 million) of guarantee fees during the three months and year ended December 31, 2025.

Fees to RFA related entities in respect of the RFA Development Properties totaled \$0.02 million (2024 - \$0.2 million) and \$0.25 million (2024 - \$0.7 million) for the three months and year ended December 31, 2025.

Transactions with 1803299 Ontario Inc. (“1803299”) and E&E McLaughlin Ltd.

The REIT purchased several properties from 1803299 in recent years and issued Class B LP Units to 1803299 as purchase price consideration. 1803299 owns 18,209,828 Class B LP Units of a subsidiary limited partnership of the REIT, representing approximately 18.8% of the REIT's outstanding voting units as at December 31, 2025. E&E McLaughlin Ltd, an entity which the REIT understands to be related to 1803299, is a tenant of the REIT and provides property management services to the REIT for which it is paid fees on market terms. During the three months and year ended December 31, 2025, the REIT incurred fees for property management services on the properties the REIT previously acquired from 1803299, totaling \$0.1 million (2024 - \$0.1 million) and \$0.4 million (2024 - \$0.3 million). During the three months and year ended December 31, 2025, the REIT earned property revenues from an entity related to 1803299 totaling \$0.8 million (2024 - \$0.9 million) and \$3.4 million (2024 - \$3.4 million).

SUBSEQUENT EVENT

On February 20, 2026, the REIT closed on the sale of a property located at 41 Royal Vista Drive, Calgary, Alberta for gross proceeds of \$8.5 million.