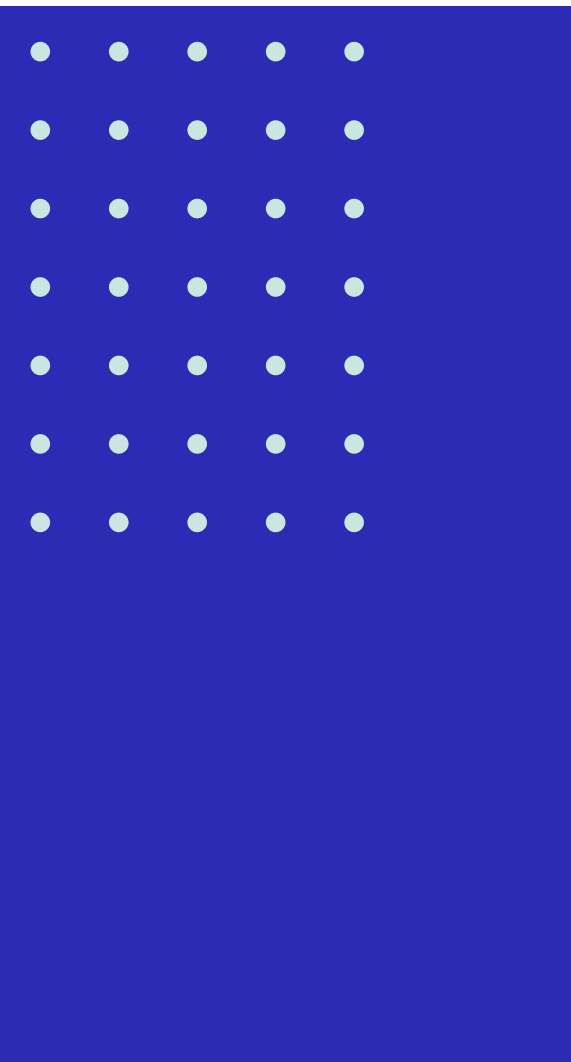




# 2025 Second Quarter

# Condensed Consolidated Interim Financial Statements

Northwest Healthcare Properties  
Real Estate Investment Trust



**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST****Condensed Consolidated Interim Balance Sheet  
(in thousands of Canadian dollars)***Unaudited*

<b>As at</b>	<b>Note</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>
<b>Assets</b>			
Investment properties	<b>3</b>	<b>\$ 5,354,072</b>	\$ 5,260,990
Equity accounted investments	<b>5</b>	<b>330,457</b>	325,965
Intangible assets		<b>48,597</b>	47,687
Goodwill		<b>38,225</b>	37,178
Deferred tax assets		<b>2,601</b>	2,450
Derivative financial instruments	<b>6</b>	<b>6,134</b>	16,185
Other assets	<b>7</b>	<b>48,120</b>	222,357
Accounts receivable		<b>17,740</b>	24,506
Assets held for sale	<b>4</b>	<b>34,252</b>	59,278
Cash, cash equivalents, and restricted cash	<b>14</b>	<b>79,979</b>	52,980
<b>Total assets</b>		<b>\$ 5,960,177</b>	\$ 6,049,576
<b>Liabilities</b>			
Mortgages and loans payable	<b>8</b>	<b>\$ 2,117,071</b>	\$ 2,635,545
Debentures	<b>9</b>	<b>739,587</b>	356,963
Lease liabilities		<b>21,488</b>	21,506
Unit-based compensation liabilities	<b>10</b>	<b>13,031</b>	9,929
Deferred tax liabilities		<b>330,049</b>	315,221
Derivative financial instruments	<b>6</b>	<b>14,211</b>	6,181
Income taxes payable		<b>8,829</b>	10,175
Accounts payable and accrued liabilities		<b>112,327</b>	105,108
Distributions payable		<b>7,477</b>	7,433
<b>Total liabilities</b>		<b>\$ 3,364,070</b>	\$ 3,468,061
<b>Equity</b>			
Unitholders' equity	<b>11</b>	<b>\$ 1,586,860</b>	\$ 1,563,417
Non-controlling interests	<b>12</b>	<b>1,009,247</b>	1,018,098
<b>Total liabilities and equity</b>		<b>\$ 5,960,177</b>	\$ 6,049,576

*Commitments and Contingencies (note 16) and Subsequent Events (note 20)*

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**  
**Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)**  
(in thousands of Canadian dollars)

Unaudited

For the three months ended June 30, For the six months ended June 30,

	Note	2025	2024	2025	2024
<b>Net Property Operating Income</b>					
Revenue from investment properties	13	\$ 99,004	\$ 119,141	\$ 210,651	252,686
Property operating costs		22,696	25,165	57,195	63,258
		76,308	93,976	153,456	189,428
<b>Other Income (loss)</b>					
Interest and other	7	2,548	3,356	8,729	6,759
Management fees		3,590	3,366	7,363	7,216
Share of profit (loss) of equity accounted investments	5	4,648	(13,299)	(4,094)	(9,984)
		10,786	(6,577)	11,998	3,991
<b>Expenses and other</b>					
Interest expense		30,775	53,756	65,865	109,189
General and administrative expenses		14,891	13,454	29,739	28,991
Transaction costs		2,390	4,567	11,822	6,934
Foreign exchange (gain) loss		(5,474)	861	(7,293)	(12,869)
		42,582	72,638	100,133	132,245
<b>Income before finance income (expense), net gain (loss) on financial instruments, net gain (loss) on dispositions, and fair value adjustments</b>					
Finance income (expense)		44,512	14,761	65,321	61,174
Amortization of financing costs	8, 9	(2,796)	(4,271)	(6,145)	(9,451)
Class B exchangeable unit distributions		—	—	—	63
Fair value adjustment of Class B exchangeable units		—	—	—	(205)
Accretion of financial liabilities	8	(397)	(424)	(3,816)	(4,432)
Fair value adjustment of convertible debentures	9	(206)	4,283	(10,691)	(1,692)
Convertible debenture issuance costs		—	—	—	(27)
Net gain (loss) on financial instruments	6	(8,377)	5,737	20,422	11,349
Fair value adjustment of investment properties	3, 4	13,619	(172,417)	(32,728)	(244,120)
Net loss on disposals of assets	4	(3,379)	(4,905)	(4,778)	(10,097)
Fair value adjustment of unit-based compensation liabilities	10	588	806	(882)	1,161
<b>Income (loss) before taxes</b>		<b>43,564</b>	<b>(156,430)</b>	<b>26,703</b>	<b>(196,277)</b>
Current tax expense		3,529	3,628	7,138	6,394
Deferred tax expense (recovery)		7,414	(32,834)	2,474	(36,830)
Income tax expense (recovery)		10,943	(29,206)	9,612	(30,436)
<b>Net income (loss)</b>		<b>\$ 32,621</b>	<b>\$ (127,224)</b>	<b>\$ 17,091</b>	<b>\$ (165,841)</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**  
**Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)**  
(in thousands of Canadian dollars)

Unaudited

For the three months ended June 30, For the six months ended June 30,

	Note	2025	2024	2025	2024
<b>Net income (loss) attributable to:</b>					
Unitholders		\$ 25,960	\$ (122,338)	\$ 25,070	\$ (169,945)
Non-controlling interests	12	6,661	(4,886)	(7,979)	4,104
		\$ 32,621	\$ (127,224)	\$ 17,091	\$ (165,841)
<b>Other comprehensive income (loss) ("OCI"):</b>					
Foreign currency translation adjustments		\$ (8,492)	\$ 24,612	\$ 51,249	\$ (32,921)
Change in relative interest of non-controlling interests	12	\$ —	\$ (505)	\$ —	\$ (505)
<b>Other comprehensive income (loss)</b>		\$ (8,492)	\$ 24,107	\$ 51,249	\$ (33,426)
<b>Total comprehensive income (loss) for the period</b>		\$ 24,129	\$ (103,117)	\$ 68,340	\$ (199,267)
<b>Total comprehensive income (loss) attributable to:</b>					
Unitholders		\$ 13,711	\$ (129,491)	\$ 61,326	\$ (206,194)
Non-controlling interests	12	\$ 10,418	\$ 26,374	\$ 7,014	\$ 6,927
		\$ 24,129	\$ (103,117)	\$ 68,340	\$ (199,267)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**
**Condensed Consolidated Interim Statements of Unitholders' Equity**
**(in thousands of Canadian dollars)**
*Unaudited*

	Note	Unitholders' Equity	Contributed Surplus	Cumulative Distributions	Accumulated OCI	Retained Earnings	Total Unitholders' Equity	Non-Controlling Interests (note 12)	Total Equity
<b>Balance, December 31, 2024</b>		\$ 2,547,239	\$ 39,724	\$ (1,105,774)	\$ (357,996)	\$ 440,224	\$ 1,563,417	\$ 1,018,098	\$ 2,581,515
Units issued through distribution reinvestment plan	11	6,222	—	—	—	—	6,222	3,572	9,794
Units issued on exercise of unit-based compensation	10	631	—	—	—	—	631	—	631
Change in relative interest of non-controlling interests	12	—	—	—	(570)	—	(570)	570	—
Conversion of convertible debentures	11	10	—	—	—	—	10	—	10
Distributions		—	—	(44,746)	—	—	(44,746)	(19,437)	(64,183)
Foreign currency translation adjustments		—	—	—	36,826	—	36,826	14,423	51,249
Net income (loss)		—	—	—	—	25,070	25,070	(7,979)	17,091
<b>Balance, June 30, 2025</b>		\$ 2,554,102	\$ 39,724	\$ (1,150,520)	\$ (321,740)	\$ 465,294	\$ 1,586,860	\$ 1,009,247	\$ 2,596,107

	Note	Unitholders' Equity	Contributed Surplus	Cumulative Distributions	Accumulated OCI	Retained Earnings	Total Unitholders' Equity	Non-Controlling Interests (note 12)	Total Equity
<b>Balance, December 31, 2023</b>		\$ 2,525,040	\$ 39,724	\$ (1,017,018)	\$ (293,415)	\$ 739,981	\$ 1,994,312	\$ 1,090,956	\$ 3,085,268
Units issued through distribution reinvestment plan		4,689	—	—	—	—	4,689	2,326	7,015
Units issued on exercise of unit-based compensation		1,293	—	—	—	—	1,293	—	1,293
Conversion of Class B LP exchangeable units		8,926	—	—	—	—	8,926	—	8,926
Change in relative interest of non-controlling interest	12	—	—	—	748	—	748	(1,250)	(502)
Distributions		—	—	(44,244)	—	—	(44,244)	(19,796)	(64,040)
Foreign currency translation adjustments		—	—	—	(36,994)	—	(36,994)	4,073	(32,921)
Net income (loss)		—	—	—	—	(169,945)	(169,945)	4,104	(165,841)
<b>Balance, June 30, 2024</b>		\$ 2,539,948	\$ 39,724	\$ (1,061,262)	\$ (329,661)	\$ 570,036	\$ 1,758,785	\$ 1,080,413	\$ 2,839,198

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**
**Condensed Consolidated Interim Statements of Cash Flows**
**(in thousands of Canadian dollars)**

<i>Unaudited</i>		<b>For the three months ended June 30,</b>		<b>For the six months ended June 30,</b>	
	<b>Note</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Operating activities</b>					
Net income (loss)		\$ 32,621	\$ (127,224)	\$ 17,091	\$ (165,841)
Adjustments for:					
Income tax expense (recovery)		10,943	(29,206)	9,612	(30,436)
Income taxes paid		(1,246)	(5,792)	(7,514)	(16,042)
Amortization of other assets		543	673	1,118	2,477
Interest expense		30,775	53,756	65,865	109,189
Interest paid		(26,508)	(55,753)	(63,974)	(113,989)
Finance expense (income), net	14	3,399	412	20,652	15,744
Interest and other income		(2,548)	(2,871)	(8,729)	(5,103)
Share of (profit) loss of equity accounted investments	5	(4,648)	13,299	4,094	9,984
Unrealized foreign exchange loss (gain)		(5,560)	784	(7,415)	(12,981)
Fair value adjustment of investment properties	3, 4	(13,619)	172,417	32,728	244,120
Fair value loss (gain) on financial instruments	6	8,377	(5,737)	(20,422)	(11,349)
Transaction costs		2,390	4,567	11,822	6,934
Net loss on disposal of assets	4	3,379	4,905	4,778	10,097
Fair value adjustment of unit-based compensation liabilities	10	(588)	(806)	882	(1,161)
Unit-based compensation expense	10	1,018	270	3,591	2,819
Redemption of units issued under unit-based compensation plans	10	(464)	73	(689)	(315)
Changes in non-cash working capital balances	14	13,402	(14,025)	14,767	(11,269)
<b>Cash provided by operating activities</b>		<b>51,666</b>	<b>9,742</b>	<b>\$ 78,257</b>	<b>\$ 32,878</b>
<b>Investing activities</b>					
Net proceeds on disposal of investment properties	4	20,803	229,487	66,322	389,521
Net proceeds from (investment in) financial instruments	6, 7	206,420	17,441	213,296	31,358
Distribution income	5, 7	—	2,250	3,752	4,205
Additions to investment properties	3, 4	(35,829)	(45,580)	(75,632)	(101,677)
Transaction costs paid		(1,863)	(5,225)	(12,249)	(8,067)
Additions to furniture and fixtures		(850)	(604)	(1,672)	(846)
Cash interest received		1,000	1,115	1,621	1,636
Contributions in equity accounted investments	5	(474)	(1,271)	(949)	(1,271)
Net decrease (increase) to restricted cash		278	(2,732)	(497)	(2,732)
<b>Cash provided by (used in) investing activities</b>		<b>189,485</b>	<b>194,881</b>	<b>\$ 193,992</b>	<b>\$ 312,127</b>
<b>Financing activities</b>					
Proceeds from mortgages and loans	8	137,930	94,621	440,788	280,051
Repayments of mortgages and loans	8	(345,223)	(285,851)	(1,008,966)	(572,437)
Distributions paid on REIT units		(18,972)	(19,460)	(38,498)	(39,352)
Distributions paid to non-controlling interests	12	(6,963)	(8,994)	(15,853)	(17,509)
Financing fees paid on mortgage and loans payable	8	(1,664)	(586)	(2,277)	(5,835)
Unit issuance costs		—	—	—	(51)
Issuance of debentures, net of financing fees	9	—	—	496,721	(27)
Repayment of convertible debentures	9	—	—	(124,990)	—
Repayment of lease liabilities		(730)	(781)	(1,438)	(1,556)
<b>Cash provided by (used in) financing activities</b>		<b>(235,622)</b>	<b>(221,051)</b>	<b>\$ (254,513)</b>	<b>\$ (356,716)</b>
<b>Net change in cash and cash equivalents</b>		<b>5,529</b>	<b>(16,428)</b>	<b>\$ 17,736</b>	<b>\$ (11,711)</b>
<b>Effect of foreign currency translation</b>		<b>1,427</b>	<b>7,100</b>	<b>8,570</b>	<b>1,163</b>
<b>Net change in cash and cash equivalents</b>		<b>6,956</b>	<b>(9,328)</b>	<b>\$ 26,306</b>	<b>\$ (10,548)</b>
<b>Cash and cash equivalents, beginning of period</b>		<b>70,597</b>	<b>70,810</b>	<b>51,247</b>	<b>72,030</b>
<b>Cash and cash equivalents, end of period</b>	14	<b>\$ 77,553</b>	<b>\$ 61,482</b>	<b>\$ 77,553</b>	<b>\$ 61,482</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

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# NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

## Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2025

Unaudited

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Northwest Healthcare Properties Real Estate Investment Trust ("Northwest", the "REIT", or the "Trust"), is a Canadian open-end trust established on January 1, 2010 and governed pursuant to a third amended and restated Declaration of Trust dated September 15, 2020, as amended by amendments dated as of March 30, 2023, September 21, 2023, June 18, 2024 and May 14, 2025, under the laws of the Province of Ontario ("Declaration of Trust"). The registered office of the REIT is 180 Dundas Street West, Suite 1100, Toronto, Ontario, M5G 1Z8. The principal business of the REIT is to invest in healthcare real estate globally.

### 1. Statement of Compliance and Basis of Preparation

The REIT's unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), specifically International Accounting Standard ("IAS") 34: Interim Financial Reporting. Certain information and note disclosures included in the annual consolidated financial statements based on accounting policies and practices in accordance with IFRS have been omitted in these unaudited condensed consolidated interim financial statements.

The accompanying unaudited condensed consolidated interim financial statements should be read in conjunction with the REIT's annual consolidated financial statements for the year ended December 31, 2024. These unaudited condensed consolidated interim financial statements were approved by the Board of Trustees of the REIT on August 12, 2025.

The condensed consolidated interim financial statements are presented in thousands of Canadian dollars, which is the REIT's functional currency, except in respect of units and per unit amounts. The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the REIT's management to exercise judgment in applying accounting policies.

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for:

- Investment properties and assets held for sale, which are measured at fair value; and
- Financial assets and financial liabilities classified as fair value through profit and loss ("FVTPL"), and the REIT's unit-based compensation liabilities, which are collectively measured at fair value.

### 2. Material Accounting Policies

All material accounting policies have been applied on a basis consistent with those stated and applied in the most recent annual consolidated financial statements of the REIT for the year ended December 31, 2024.

#### Future Accounting Changes

The IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements in 2024, which will be effective January 1, 2027. The new standard:

- Defines the structure for the statements of income (loss) to include subtotals for operating, investing, and financing activities;
- Requires financial statement note disclosure of management-defined, or non-IFRS, performance measures; and
- Provides enhanced guidance on the grouping of aggregated or disaggregated information.

The REIT is evaluating the impact of IFRS 18 and continues to monitor changes to IFRS accounting standards and implement applicable IASB changes to standards, new interpretations, and annual improvements.

# NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

## Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2025

Unaudited

### 3. Investment Properties

As at	June 30, 2025		December 31, 2024	
Balance, beginning of period	\$	5,260,990	\$	6,874,660
Dispositions of investment properties (note 4)		—		(1,219,209)
Additions to investment properties <sup>(1)</sup>		70,100		185,573
Additions to (amortization of) straight line rents		(825)		4,800
Reclassified (to)/from assets held for sale (note 4)		(44,544)		(132,688)
Fair value adjustments, net		(31,505)		(376,804)
Foreign currency translation		99,856		(75,342)
<b>Balance, end of period</b>	<b>\$</b>	<b>5,354,072</b>	<b>\$</b>	<b>5,260,990</b>

(1) Additions include certain directly attributable leasing costs, capital and development expenditures primarily in Vital Trust, and new right-of-use assets.

Investment properties are measured at their estimated fair values. The investment properties are re-measured at fair value at each reporting date. The estimated fair values of the REIT's investment properties and certain properties under development are based on the following valuation methodologies:

- i. Discounted cash flow analysis based on future cash inflows and outflows related to projected annual operating cash flows reflecting market conditions at the end of reporting period, utilizing appropriate discount rates and terminal capitalization rates which are generally over a minimum term of 10 years; and
- ii. Direct capitalization method which calculates an estimate of fair value by applying a capitalization rate to future cash flows based on a forecast or expectation of stabilized net operating income.

The estimated fair values of the investment properties as at June 30, 2025 and December 31, 2024 were determined using internal valuation models or the results of valuations performed by independent third-party appraisers. Significant inputs and assumptions are used by the REIT in determining the estimated fair values of its investment properties, including capitalization rates, terminal capitalization rates, discount rates and future cash flows that incorporate inflation rates, vacancy rates, market rents, property level capital expenditures, and net operating income.

The key valuation metrics for investment properties, excluding those held for sale and accounted for as part of the REIT's equity accounted investments, by segment are set out in the following table:

As at June 30, 2025	North America	Brazil	Europe	Australasia
Discount rate - range	6.50% - 10.25%	9.50% - 10.25%	5.50% - 7.75%	5.88% - 9.13%
Discount rate - weighted average	7.77%	9.66%	6.46%	7.12%
Terminal capitalization rate - range	6.00% - 9.00%	7.75% - 8.75%	5.09% - 7.85%	5.25% - 7.50%
Terminal capitalization rate - weighted average	7.04%	8.13%	5.64%	5.89%
Overall capitalization rate - range	3.89% - 9.49%	8.67% - 10.59%	4.65% - 7.59%	4.76% - 11.35%
Overall capitalization rate - weighted average	6.67%	9.01%	5.90%	5.54%

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

# NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

## Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2025

Unaudited

The assumptions included in the REIT's estimated fair value of investment properties most sensitive to changes are the application of the capitalization rates, which is summarized in the following table:

Capitalization rate sensitivity (increase/decrease)	Weighted average overall capitalization rate	Estimated fair value of investment properties (in millions)	Fair value variance (in millions)	% Change
(0.75)%	5.53%	\$6,103	\$749	14.00%
(0.50)%	5.78%	\$5,831	\$477	8.91%
(0.25)%	6.03%	\$5,582	\$228	4.26%
—%	6.28%	\$5,354	\$—	—%
0.25%	6.53%	\$5,144	\$(210)	(3.92)%
0.50%	6.78%	\$4,950	\$(404)	(7.54)%
0.75%	7.03%	\$4,771	\$(583)	(10.89)%

The REIT engages independent third-party appraisers such that approximately one-third of the portfolio of income producing properties is independently appraised annually and each income producing property is appraised at least once over a three-year period. The REIT's internal valuation models consider and incorporate the results of the external valuations. As at June 30, 2025, investment properties with an aggregate estimated fair value of \$2.1 billion, representing approximately 40% of the portfolio, were valued by independent third-party appraisers (as at June 30, 2024 - \$1.7 billion and 27%).

#### 4. Assets Held for Sale and Disposition of Investment Properties

As at	June 30, 2025	December 31, 2024
Balance, beginning of period	\$ 59,278	\$ 55,972
Reclassified from (to) Investment Properties (note 3)	44,544	132,688
Dispositions of assets held for sale	(69,007)	(137,193)
Additions to assets held for sale	504	—
Additions to (amortization of) straight line rents	1	(353)
Fair value adjustments	(1,223)	8,013
Foreign currency translation	155	151
<b>Balance, end of period</b>	<b>\$ 34,252</b>	<b>\$ 59,278</b>

As at June 30, 2025, the REIT has one income producing property totaling \$34.3 million (December 31, 2024 - \$59.3 million) classified as assets held for sale.

During the six months ended June 30, 2025, the REIT disposed of four income producing properties and three development properties with gross proceeds totaling \$69.0 million and \$10.1 million of property specific debt settled or sold.

Segment	Gross Proceeds	Property specific debt settled or sold
North America	\$ 56,418	\$ —
Australasia	1,540	—
Europe	11,049	10,146
	<b>\$ 69,007</b>	<b>\$ 10,146</b>

For the three and six months ended June 30, 2025, the REIT incurred total losses on the disposal of assets of \$3.4 million and \$4.8 million, of which \$1.3 million and \$2.7 million related to the disposal of investment properties, respectively (2024 - \$4.9 million and \$10.1 million). The remaining losses on disposal of assets relate to costs associated with disposal of Assura units (note 7). Losses on disposal of assets related primarily to broker commissions and professional fees associated with the dispositions.

#### 5. Equity Accounted Investments

The REIT enters into joint venture ("JV") arrangements with third parties through an investment in a jointly

# NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

## Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2025

Unaudited

held entity for the purpose of jointly owning, developing and operating investment properties. In each arrangement, the co-owners are equally entitled to their proportionate share of income (loss) attributable to each co-owner's equity ownership percentage.

Equity Accounted Investment	Ownership Interest	Location	Term
NWI Galaxy JV GmbH & Co. KG ("European JV")	30 %	Europe	11 years
NorthWest Australia HSO Trust	30 %	Australia	Perpetuity
NorthWest Australia Hospital Investment Trust	30 %	Australia	Perpetuity
NorthWest Healthcare Properties Australia REIT ("AREIT")	30 %	Australia	Perpetuity
NorthWest Australia Hospital Investment Galaxy 2 Trust	30 %	Australia	Perpetuity

The REIT's investments in its Australian JV arrangements, where capital funding has been deployed to fund the historical acquisition of investment properties, are all governed under the same investment framework as at June 30, 2025. The investment framework included sharing a common third-party joint venture partner, owning assets that are in similar asset classes and geographical regions, and have similarly structured investment management terms and, accordingly, the REIT has combined such investments for disclosure purposes. The European JV commitment period has expired. Further capital may be deployed upon mutual agreement between the joint venture partners. The carrying value of the REIT's equity accounted investments by location is as follows:

June 30, 2025	Australia	Europe	Total
Balance, beginning of period	\$ 234,857	\$ 91,108	\$ 325,965
Contributions	—	949	949
Share of net profit (loss) for the period	(6,831)	2,737	(4,094)
Foreign currency translation	894	6,743	7,637
<b>Balance, end of period</b>	<b>\$ 228,920</b>	<b>\$ 101,537</b>	<b>\$ 330,457</b>

December 31, 2024	Australia	Europe	Total
Balance, beginning of year	\$ 273,602	\$ 88,738	\$ 362,340
Contributions	—	2,135	2,135
Share of net profit (loss) for the period	(29,086)	(1,639)	(30,725)
Distributions	(7,423)	—	(7,423)
Foreign currency translation	(2,236)	1,874	(362)
Balance, end of year	\$ 234,857	\$ 91,108	\$ 325,965

The summarized financial information of the REIT's equity accounted investments is as follows:

	June 30, 2025			December 31, 2024		
	Australia	Europe	Total	Australia	Europe	Total
Investment Properties	\$1,951,285	\$ 629,178	\$2,580,463	\$1,903,154	\$ 577,414	\$2,480,568
Other Assets <sup>(1)</sup>	49,990	19,662	69,652	106,326	17,951	124,277
<b>Total assets</b>	<b>\$2,001,275</b>	<b>\$648,840</b>	<b>\$2,650,115</b>	<b>\$2,009,480</b>	<b>\$ 595,365</b>	<b>\$2,604,845</b>
Mortgage and Loans	1,159,837	307,591	1,467,428	1,154,138	289,709	1,443,847
Other Liabilities	26,254	22,891	49,145	21,256	19,812	41,068
<b>Total liabilities</b>	<b>\$1,186,091</b>	<b>\$ 330,482</b>	<b>1,516,573</b>	<b>\$1,175,394</b>	<b>\$ 309,521</b>	<b>\$1,484,915</b>
<b>Net assets</b>	<b>\$ 815,184</b>	<b>\$ 318,358</b>	<b>1,133,542</b>	<b>\$834,086</b>	<b>\$ 285,844</b>	<b>\$ 1,119,930</b>
Less: Non-controlling interests ("NCI")	53,037	—	53,037	51,230	—	51,230
Net assets less NCI	\$ 762,147	\$ 318,358	1,080,505	\$ 782,856	\$ 285,844	\$1,068,700
Weighted average ownership interest <sup>(2)</sup>	30 %	30% to 33.57%	30% to 33.57%	30 %	30% to 33.57%	30% to 33.57%
<b>Equity Accounted Investments</b>	<b>\$ 228,920</b>	<b>\$ 101,537</b>	<b>\$ 330,457</b>	<b>\$ 234,857</b>	<b>\$ 91,108</b>	<b>\$ 325,965</b>

# NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

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(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2025

Unaudited

- (1) Included in other assets is cash of \$18.6 million and \$8.6 million in Australia and Europe, respectively, to which the REIT has indirect rights up to its ownership interest over the net assets (December 31, 2024 - \$24.4 million and \$6.8 million, respectively).
- (2) For certain investment properties located in Germany, held by the REIT's European joint venture, the REIT holds a direct 5.1% share. As a result, the effective interest in the entities that hold the subject investment properties is 33.57% (December 31, 2024 - 33.57%).

For the three months ended June 30,	2025			2024		
	Australia	Europe	Total	Australia	Europe	Total
Revenue	\$ 29,382	\$ 11,108	\$ 40,490	28,934	10,538	\$ 39,472
Interest income	1,520	90	1,610	1,779	88	1,867
<b>Total revenue</b>	<b>\$ 30,902</b>	<b>\$ 11,198</b>	<b>\$ 42,100</b>	<b>\$ 30,713</b>	<b>\$ 10,626</b>	<b>\$ 41,339</b>
<b>Expenses, fair value adjustments, and income tax</b>						
Operating costs	\$ 3,239	\$ 1,521	\$ 4,760	\$ 4,391	\$ 1,989	\$ 6,380
Interest expense	14,216	6,732	20,948	14,979	6,286	21,265
General and administrative expenses	2,229	1,050	3,279	2,567	1,527	4,094
Other	295	133	428	331	121	452
Fair value (gain) loss attributable to investment properties <sup>(1)</sup>	4,921	(9,415)	(4,494)	46,787	4,817	51,604
<b>Income (loss) before taxes</b>	<b>6,002</b>	<b>11,177</b>	<b>17,179</b>	<b>(38,342)</b>	<b>(4,114)</b>	<b>(42,456)</b>
Income tax (recovery) expense	\$ —	\$ 1,081	\$ 1,081	\$ —	\$ 401	\$ 401
<b>Net income (loss)</b>	<b>6,002</b>	<b>10,096</b>	<b>16,098</b>	<b>(38,342)</b>	<b>(4,515)</b>	<b>(42,857)</b>
Non-controlling interests	1,296	—	1,296	1,159	(135)	1,024
<b>Net income (loss) attributable to owners</b>	<b>\$ 4,706</b>	<b>\$ 10,096</b>	<b>\$ 14,802</b>	<b>\$ (39,501)</b>	<b>\$ (4,380)</b>	<b>\$ (43,881)</b>
<b>Weighted average share<sup>(2)</sup></b>	<b>30.0%</b>	<b>30% to 33.57%</b>	<b>30% to 33.57%</b>	<b>30.0%</b>	<b>30% to 33.57%</b>	<b>30% to 33.57%</b>
<b>Share of net income (loss)</b>	<b>\$ 1,412</b>	<b>\$ 3,236</b>	<b>\$ 4,648</b>	<b>\$ (11,850)</b>	<b>\$ (1,449)</b>	<b>\$ (13,299)</b>

For the six months ended June 30,	2025			2024		
	Australia	Europe	Total	Australia	Europe	Total
Revenue	\$ 61,013	\$ 22,039	\$ 83,052	56,459	21,438	\$ 77,897
Interest income	3,363	165	3,528	3,514	196	3,710
<b>Total revenue</b>	<b>\$ 64,376</b>	<b>\$ 22,204</b>	<b>\$ 86,580</b>	<b>\$ 59,973</b>	<b>\$ 21,634</b>	<b>\$ 81,607</b>
<b>Operating costs, expenses, and fair value adjustments</b>						
Operating costs	\$ 8,753	\$ 3,275	\$ 12,028	\$ 8,078	\$ 4,172	\$ 12,250
Interest expense	28,924	13,168	42,092	29,970	12,498	42,468
General and administrative expenses	4,394	1,924	6,318	4,946	1,959	6,905
Other	594	260	854	625	266	891
Fair value (gain) loss attributable to investment properties <sup>(1)</sup>	42,852	(7,525)	35,327	44,863	3,899	48,762
<b>Income (loss) before taxes</b>	<b>(21,141)</b>	<b>11,102</b>	<b>(10,039)</b>	<b>(28,509)</b>	<b>(1,160)</b>	<b>(29,669)</b>
Income tax (recovery) expense	\$ —	\$ 2,824	\$ 2,824	\$ —	\$ 1,462	\$ 1,462
<b>Net income (loss)</b>	<b>(21,141)</b>	<b>8,278</b>	<b>(12,863)</b>	<b>(28,509)</b>	<b>(2,622)</b>	<b>(31,131)</b>
Non-controlling interests	1,628	—	1,628	1,954	—	1,954
<b>Net income (loss) attributable to owners</b>	<b>\$ (22,769)</b>	<b>\$ 8,278</b>	<b>\$ (14,491)</b>	<b>\$ (30,463)</b>	<b>\$ (2,622)</b>	<b>\$ (33,085)</b>
<b>Weighted average share<sup>(2)</sup></b>	<b>30.0%</b>	<b>30% to 33.57%</b>	<b>30% to 33.57%</b>	<b>30.0%</b>	<b>30% to 33.57%</b>	<b>30% to 33.57%</b>
<b>Share of net profit (loss)</b>	<b>\$ (6,831)</b>	<b>\$ 2,737</b>	<b>\$ (4,094)</b>	<b>\$ (9,139)</b>	<b>\$ (845)</b>	<b>\$ (9,984)</b>

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Unaudited

- (1) The fair value measurement of investment properties in the JVs have been determined using the same valuation methodologies as the REIT (note 3).
- (2) For certain investment properties located in Germany, held by the REIT's European joint venture, the REIT holds a direct 5.1% share. As a result, the effective interest in the entities that hold the subject investment properties is 33.57% (December 31, 2024 - 33.57%).

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

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Interest expense	1,321	1,209	\$ 2,586	\$ 2,404
Management fee expense	1,071	1,211	2,191	2,272
<b>Total related party expenses</b>	<b>2,392</b>	<b>2,420</b>	<b>\$ 4,777</b>	<b>\$ 4,676</b>

## 6. Derivative Financial Instruments

Derivative financial instruments consist of interest rate derivative contracts and foreign exchange contracts, recorded at fair value through profit and loss, that are used by the REIT to manage interest rate and currency risks (note 19).

	June 30, 2025	December 31, 2024
Financial assets:		
Interest rate derivatives	\$ 5,772	16,078
Foreign exchange contracts	362	107
<b>Total financial assets</b>	<b>\$ 6,134</b>	<b>\$ 16,185</b>
Financial liabilities:		
Interest rate derivatives	\$ (12,897)	(6,136)
Cross currency interest derivative	\$ (1,314)	—
Foreign exchange contracts	—	(45)
<b>Total financial liabilities</b>	<b>\$ (14,211)</b>	<b>\$ (6,181)</b>

The REIT is party to interest rate derivative contracts with respect to certain variable rate mortgages and term debts related to and secured by its investment properties in Europe, and Australasia, as well as portions of its corporate credit facilities. The terms of these contracts are summarized in note 19.

The components of the gain (loss) attributable to financial instruments are as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Fair value adjustment - interest rate derivatives	\$ (11,170)	\$ 5,744	\$ (17,142)	\$ 14,029
Fair value adjustment - foreign exchange contracts	351	82	404	(71)
Fair value adjustment - other financial instruments	2,442	(89)	37,160	(2,609)
<b>Net gain (loss) on financial instruments</b>	<b>\$ (8,377)</b>	<b>\$ 5,737</b>	<b>\$ 20,422</b>	<b>\$ 11,349</b>

- (1) The REIT held a non-controlling investment interest in securities of Assura PLC ("Assura"), a publicly-listed REIT on the London Stock Exchange (LSE: AGR) (note 7). The REIT also had a non-controlling investment interest in unlisted securities of an Australian healthcare fund that invests in and holds investment properties. During the six months ended June 30, 2025, the REIT has sold and redeemed its units in both securities (note 7).

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### 7. Other Assets

As at		June 30, 2025	December 31, 2024
Loan and mortgage receivable <sup>(1)</sup>	\$	14,792	\$ 14,963
Prepaid expenses and deposits <sup>(2)</sup>		12,997	10,065
Lease assets <sup>(3)</sup>		11,478	11,556
Commodity taxes recoverable		5,589	8,525
Furniture and office equipment		3,118	3,410
Other		146	143
Investment in Assura		—	169,417
Investment in unlisted securities		—	4,278
<b>Other Assets</b>	<b>\$</b>	<b>48,120</b>	<b>\$ 222,357</b>

- (1) As at June 30, 2025, the loan and mortgage receivable includes a \$4.5 million loan amortizing over 10 years for tenant fit out work related to Vital Trust, a \$4.6 million deferred settlement arrangement from an asset sale in 2023 accruing interest that will be maturing in December 2025, and an interest-bearing loan carried at amortized cost of \$3.9 million maturing in August 2026 related to the sale of North American investment properties in 2024.
- (2) Prepaid expenses and deposits include prepaid acquisition and financing costs of \$2.2 million (December 31, 2024 - \$2.0 million) that relate to potential asset acquisitions, property development planning, and debt refinancing which are currently undergoing due diligence and/or negotiation.
- (3) \$7.2 million (December 31, 2024 - \$7.1 million) of lease assets relate to a long-term land lease with a third party, which has a discount rate of 7.0% and a remaining lease term of 63 years.

During the three months ended June 30, 2025, the REIT sold its shares in Assura through two on-market transactions for total proceeds of \$209.3 million (£114.6 million) resulting in a full divestment of the shares. The REIT's investment in Assura was acquired as partial consideration for the REIT's disposition of its UK portfolio in August 2024 at a value of \$177.0 million (£100.0 million). Proceeds were used to repay related debt and corporate facilities. During the three and six months ended June 30, 2025, the REIT recognized a fair value gain of \$2.4 million and \$37.2 million, respectively.

The REIT received distribution income of nil and \$2.8 million, net of withholding tax, during the three and six months ended June 30, 2025, respectively, which is recognized as part of interest and other income in the statements of net income (loss) and comprehensive income (loss).

During the six months ended June 30, 2025, the REIT redeemed and sold its remaining interest in its unlisted securities of approximately \$4.1 million, representing the settlement or redemption price. As of June 30, 2025, the REIT no longer holds units in these unlisted securities.

### 8. Mortgages and Loans Payable

As at		June 30, 2025	December 31, 2024
Mortgages payable, net of financing costs	\$	666,364	\$ 678,710
Term debt, net of financing costs		1,417,928	1,694,092
Credit facilities, net of financing costs		32,779	262,743
<b>Mortgages and loans payable</b>	<b>\$</b>	<b>2,117,071</b>	<b>\$ 2,635,545</b>
Current portion of mortgages and loans payable		320,967	194,854
Non-current portion of mortgages and loans payable <sup>(i)</sup>		1,796,104	2,440,691
<b>Total mortgages and loans payable</b>	<b>\$</b>	<b>2,117,071</b>	<b>\$ 2,635,545</b>

- (i) The REIT's credit facility, term loans, and mortgages are subject to financial and other customary covenants such as debt service coverage ratio, interest coverage ratio, unitholders' equity, valuation of investment properties, and market price of the REIT, and Vital Trust units (note 19). The REIT's classification of current and non-current mortgages and loans payable relies on compliance with these covenants. As at June 30, 2025, the REIT complied with the covenants and expects to be able to comply with the applicable contractual covenant requirements for at least 12 months after reporting. Accordingly, those mortgages and loans payable with a maturity date that is beyond 12 months from the reporting date have been classified as non-current.

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As at June 30, 2025, the REIT's fixed rates and variable mortgages and loans payables of \$0.6 billion and \$1.6 billion respectively had contractual weighted average interest rates of 3.95% and 5.02%, respectively. Of the \$1.6 billion variable rate mortgages and loans, 79% or \$1.2 billion, are economically fixed or capped using interest rate derivatives with a weighted average term of 1.6 years, that reduce the weighted average interest rate of the debt by 0.38% (note 6 and note 19).

The movements in the REIT's mortgages and loans during the six months ended June 30, 2025, were as follows:

	Mortgages	Term Debts	Credit Facilities	Total
Balance, beginning of period	\$ 678,710	\$ 1,694,092	\$ 262,743	<b>\$ 2,635,545</b>
Principal amortization payments	(9,361)	(12,429)	—	<b>(21,790)</b>
Repayments	(59,704)	(520,168)	(407,304)	<b>(987,176)</b>
Advances and refinancing proceeds	33,721	230,217	176,850	<b>440,788</b>
Additional financing fees incurred	(317)	(1,342)	(532)	<b>(2,191)</b>
Amortization of finance fees	546	4,374	927	<b>5,847</b>
Accretion of financial liabilities	—	3,816	—	<b>3,816</b>
Foreign currency adjustment	22,769	19,368	95	<b>42,232</b>
<b>Ending balance, June 30, 2025</b>	<b>\$ 666,364</b>	<b>\$ 1,417,928</b>	<b>\$ 32,779</b>	<b>\$ 2,117,071</b>
Unamortized financing costs	2,039	6,092	1,571	<b>9,702</b>
<b>Total mortgages and loans excluding unamortized deferred financing costs</b>	<b>\$ 668,403</b>	<b>\$ 1,424,020</b>	<b>\$ 34,350</b>	<b>\$ 2,126,773</b>

The table below summarizes the scheduled future principal amortization payments and maturities for the REITs mortgages and loans payable as at June 30, 2025:

Mortgage and Loans	2025	2026	2027	2028	2029	Thereafter	Total
Mortgages payable	\$ 8,985	\$ 12,623	\$ 9,050	\$ 6,354	\$ 4,137	\$ 4,089	<b>\$ 45,238</b>
Term debt <sup>(1)</sup>	12,791	26,697	27,055	18,047	18,734	29,456	<b>132,780</b>
<b>Principal amortization payments</b>	<b>\$ 21,776</b>	<b>\$ 39,320</b>	<b>\$ 36,105</b>	<b>\$ 24,401</b>	<b>\$ 22,871</b>	<b>\$ 33,545</b>	<b>\$ 178,018</b>
Mortgages Payable	\$ 87,096	\$ 210,180	\$ 74,948	\$ 80,669	\$ 125,319	\$ 44,953	<b>\$ 623,165</b>
Term Debt	—	—	151,684	453,617	315,072	370,867	<b>1,291,240</b>
Credit facilities	—	—	34,350	—	—	—	<b>34,350</b>
<b>Balance due at maturity</b>	<b>\$ 87,096</b>	<b>\$ 210,180</b>	<b>\$ 260,982</b>	<b>\$ 534,286</b>	<b>\$ 440,391</b>	<b>\$ 415,820</b>	<b>\$1,948,755</b>
<b>Total</b>	<b>\$ 108,872</b>	<b>\$ 249,500</b>	<b>\$ 297,087</b>	<b>\$ 558,687</b>	<b>\$ 463,262</b>	<b>\$ 449,365</b>	<b>\$2,126,773</b>

(1) Term debt principal amortization relates to term debt secured by Brazilian investment properties which fully amortizes over the term.

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### Mortgages

The table below summarizes the scheduled principal payments and maturities for the REITs mortgages and loans payable as at June 30, 2025:

Maturity	Weighted Average Interest Rate	Principal Repayments	Balance due at maturity	June 30, 2025	December 31, 2024
2025	2.94 % \$	8,985 \$	87,096 \$	<b>96,081</b> \$	171,829
2026	3.84 %	12,623	210,180	<b>222,803</b>	218,755
2027	5.32 %	9,050	74,948	<b>83,998</b>	81,700
2028	4.12 %	6,354	80,669	<b>87,023</b>	51,806
2029	3.28 %	4,137	125,319	<b>129,456</b>	124,142
Thereafter	3.81 %	4,089	44,953	<b>49,042</b>	32,766
<b>Mortgages</b>	<b>3.81 % \$</b>	<b>45,238 \$</b>	<b>623,165 \$</b>	<b>668,403</b> \$	680,998
Financing costs				<b>(2,039)</b>	<b>(2,288)</b>
<b>Mortgages, net financing costs</b>				<b>\$ 666,364</b> \$	678,710

All mortgages are secured by first charge mortgages on specific investment properties in North America and Europe, with an estimated fair value of \$1.3 billion as at June 30, 2025 (December 31, 2024 - \$1.2 billion).

### Term debt

As at June 30, 2025, the REIT's term debt balances, excluding financing costs, include:

Security	Security Amount	Maturities	Weighted Average Interest Rate	June 30, 2025	December 31, 2024
Brazilian investment properties	\$ 338,580	November 2027 - June 2031	4.33 % \$	<b>132,780</b> \$	131,715
Australasian Secured Properties	2,886,181	March 2027 - March 2032	5.18 %	<b>1,206,631</b>	1,142,490
Vital units	305,756	March 2027	5.77 %	<b>84,609</b>	150,387
Assura units	—	—	—	—	81,072
US Investment properties	—	—	—	—	197,304
<b>Term debts</b>	<b>\$ 3,530,517</b>		<b>5.14 % \$</b>	<b>1,424,020</b> \$	1,702,968
Financing costs				<b>(6,092)</b> \$	<b>(8,876)</b>
<b>Term debts, net financing costs</b>				<b>\$ 1,417,928</b> \$	1,694,092

The maximum amount available to be drawn is \$119.1 million as at June 30, 2025, of which \$50.8 million is in respect of Vital Trust's term debts, which is subject to a restriction over the extent to which the REIT can access (note 12).

On February 18, 2025, the REIT repaid in full the term loan secured by US investment properties using proceeds from the senior unsecured debentures.

In April 2025, in connection with the disposal of the Assura units (note 7), the REIT also repaid term debt of \$50.1 million secured by Assura units bearing weighted average interest rate of 7.45% with a term to maturity of 1.1 years.

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### Credit facilities

Details of the REIT's revolving credit facilities as at June 30, 2025 and December 31, 2024 are as follows:

Maturity	Weighted Average Interest Rate	Total Facility	Available amount	Drawn as at June 30, 2025	Drawn as at December 31, 2024
March 2027	5.40 %	\$ 219,480	\$ 185,130	\$ 34,350	\$ 199,719
—	—	—	—	—	65,000
<b>Credit facilities</b>	<b>5.40 %</b>	<b>\$ 219,480</b>	<b>\$ 185,130</b>	<b>\$ 34,350</b>	<b>\$ 264,719</b>
Financing Costs				(1,571)	(1,976)
<b>Credit Facilities, net of financing costs</b>				<b>\$ 32,779</b>	<b>\$ 262,743</b>

The REIT's revolving credit facility is secured by charges on investment properties with an estimated fair value of \$288.0 million (December 31, 2024 - \$344.3 million).

On February 18, 2025, the REIT fully repaid an unsecured revolving credit facility with a balance outstanding prior to repayment of \$65.0 million, maturing in March 2026. Accordingly, the unsecured credit facility with previous borrowing capacity of \$95.0 million is no longer available to be drawn.

## 9. Debentures

As at	June 30, 2025	December 31, 2024
Senior unsecured debentures	\$ 496,933	\$ —
Convertible debentures	242,654	356,963
<b>Total debentures</b>	<b>\$ 739,587</b>	<b>\$ 356,963</b>
Current	\$ 242,654	\$ 356,963
Non-Current	496,933	—

In accordance with IAS 1, the REIT's convertible debentures are classified as current liabilities based on the holders' ability to convert to REIT units at any time.

### Senior unsecured debentures

As at June 30, 2025, the REIT had the following senior unsecured debentures outstanding carried at amortized cost:

Series	Maturity Date	Coupon Rate	Interest payment dates	June 30, 2025	December 31, 2024
Series A	February 2028	5.02 %	February 18 and August 18	\$ 200,000	\$ —
Series B	February 2030	5.51 %	February 18 and August 18	300,000	—
<b>Senior Unsecured Debentures</b>		<b>5.32 %</b>		<b>\$ 500,000</b>	<b>—</b>
Financing costs				(3,067)	—
<b>Senior Unsecured Debentures, net financing costs</b>				<b>\$ 496,933</b>	<b>\$ —</b>

On February 18, 2025, the REIT issued \$500.0 million aggregate principal of senior unsecured debentures in two series. The REIT issued \$200.0 million of 5.02% Series A senior unsecured debentures due on February 18, 2028; and \$300.0 million of 5.51% Series B senior unsecured debentures due on February 18, 2030.

The REIT has classified its senior unsecured debentures as financial liabilities measured at amortized cost as part of Debentures in the Condensed Consolidated Interim Balance Sheet.

Deferred financing costs of \$3.3 million were incurred in connection with the Series A and Series B debentures and are recorded as a reduction against the carrying values. During the three and six months ended June 30, 2025, \$0.2 million and \$0.3 million, respectively, was recorded as amortized financing costs. Both Series A and Series B debentures are redeemable in whole or in part in accordance with the terms and conditions of the offering agreements.

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The REIT's senior unsecured debentures are subject to financial and other customary covenants. As at June 30, 2025, the REIT complied with the covenants and expects to be able to comply with the applicable contractual covenant requirements for at least 12 months after reporting.

**Convertible debentures**

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

<b>As at</b>		<b>June 30, 2025</b>		December 31, 2024
Balance, beginning of period	\$	<b>356,963</b>	\$	320,854
Conversion of convertible debentures to units		<b>(10)</b>		—
Repayment of convertible debentures		<b>(124,990)</b>		—
Change in fair value of convertible debentures		<b>10,691</b>		36,109
<b>Balance, end of period</b>	<b>\$</b>	<b>242,654</b>	<b>\$</b>	356,963

On March 31, 2025, the REIT repaid the principal amount of its 10% NWH.DB.G convertible debentures series of \$125.0 million using available liquidity. From January 1, 2025 to the date of the repayment, a nominal amount of convertible debentures were converted into 1,379 REIT units (note 11).

The fair values of convertible debentures outstanding, determined on the basis of the closing market price as at the reporting date, are as follows:

<b>As at</b>		<b>June 30, 2025</b>		December 31, 2024
NWH.DB.G	\$	—	\$	126,000
NWH.DB.H		<b>155,266</b>		147,300
NWH.DB.I		<b>87,388</b>		83,663
<b>Fair Value</b>	<b>\$</b>	<b>242,654</b>	<b>\$</b>	356,963

The contractual maturities and conversion price of the convertible debentures are as follows:

<b>Debentures Series</b>	<b>Conversion price per Unit (\$)</b>	<b>Maturity</b>	<b>Interest rate</b>	<b>Interest payment</b>	<b>Interest payment dates</b>
NWH.DB.H	\$16.00	August 31, 2027	6.25%	Semi-annual	February 28 and August 31
NWH.DB.I	\$10.55	April 30, 2028	7.75%	Semi-annual	April 30 and October 31

The debentures series NWH.DB.H and NWH.DB.I may be converted to REIT units by the debenture holder at any time and may be redeemed by the REIT up to two years before maturity.

From September 1, 2025 and May 1, 2026, the NWH.DB.H and NWH.DB.I debentures, respectively, will be redeemable at the option of the REIT, in whole or in part, on at least 30 days prior notice at a redemption price equal to par plus accrued and unpaid interest, provided that the current market price on the date on which the notice of redemption is given is not less than 125% of the conversion price. From September 1, 2026, onward and May 1, 2027, onward, respectively, the Debentures will be redeemable at the option of the REIT, in whole or in part, at a redemption price equal to par plus accrued and unpaid interest.

**10. Unit-Based Compensation**

Under the Equity Incentive Plan ("EIP") that was approved in 2022, together with the previous and replaced Deferred Unit Plan ("DUP"), a maximum of 9,000,000 of the REIT's trust units are authorized to be issued.

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The related activity and fair value estimates of the unit-based compensation liabilities are as follows:

<b>As at</b>	<b>June 30, 2025</b>	December 31, 2024
Balance, beginning of period	\$ 9,929	\$ 15,161
Unit-based compensation expense	3,591	4,463
Redeemed and paid in cash	(689)	(2,735)
Redeemed and settled in Trust Units	(631)	(3,219)
Fair value adjustment	882	(3,687)
Foreign exchange	(51)	(54)
<b>Balance, end of period</b>	<b>\$ 13,031</b>	<b>\$ 9,929</b>

The REIT has three separate unit-based incentive plan award types in place:

**Deferred Units**

The deferred units granted under the EIP and the previous DUP are administered by the Compensation, Governance and Nominating Committee of the REIT's Board of Trustees. The deferred units can be settled at the holder's option in units or cash subject to the REIT's approval and are classified as a financial liability until redeemed.

Deferred unit compensation expense under the DUP plan is determined upon grant based on the service commencement date and the fair market value of a REIT unit or Vital Trust unit, as applicable, and amortized over the vesting period which can range from immediate vesting to a period of five years, depending on the grant. Deferred unit compensation expense under the EIP plan vests immediately upon grant. As at June 30, 2025, the fair value of the accrued DUP units was \$7.0 million (December 31, 2024 - \$6.5 million) and is expected to vest between 2025 and 2026. Unit-based compensation is classified as a liability. The awards are remeasured at fair value each reporting period, based on the fair market value of a REIT unit or Vital Trust unit, as applicable, and the change in fair value is recognized as part of fair value adjustment of unit-based compensation liabilities for the period.

Units outstanding under the EIP and DUP as at June 30, 2025 are as follows.

<b>As at June 30, 2025</b>	<b>REIT</b>	<b>Vital Trust</b>
Balance, beginning of period	1,473,964	170,409
Granted	106,769	—
Redeemed and paid in cash	(113,509)	(49,604)
Redeemed and paid in REIT units	(132,496)	—
Forfeited	(5,798)	—
Distribution entitlement	56,328	4,551
<b>Balance, as at June 30, 2025</b>	<b>1,385,258</b>	<b>125,356</b>
<b>Units vested</b>	<b>1,233,126</b>	<b>125,356</b>

**Restricted Units**

The REIT grants restricted units ("RUs") under the EIP. The RUs granted vest 100% generally over 5 years from their respective grant dates and are subject to forfeiture until the recipients of the awards have held office or provided services to the REIT for a specified period of time.

RUs are recognized based on the grant date fair value and are re-measured at each reporting date. The grant agreements provide that the awards will be settled upon vesting for: (i) fixed number of trust units issued from REIT treasury, or (ii) a cash payment as determined by the REIT, resulting in the awards being classified as cash-settled unit-based payments and presented and classified as liabilities.

The restricted units accrue distributions during the vesting period and accrued distributions will be paid by the REIT when the applicable units vest.

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<b>As at</b>	<b>June 30, 2025</b>	
	<b>Number of RUs</b>	<b>Weighted Average Grant Date Fair Value per unit</b>
RUs outstanding, beginning of period	1,383,683	\$ 6.69
New grants	510,602	4.54
Redeemed and paid in cash	(26,565)	4.92
Forfeited	(195,889)	5.71
Distribution entitlement	67,501	4.77
<b>RUs outstanding</b>	<b>1,739,332</b>	<b>\$ 6.12</b>

The fair value of the accrued RUs was \$3.2 million as at June 30, 2025 (December 2024 - \$2.0 million) is based on the trading price of the REIT's unit. The awards are remeasured at fair value each reporting period, based on the fair market value of a REIT unit, and the change in fair value is recognized as part of fair value adjustment of unit-based compensation liabilities for the period.

### Performance Units

The REIT grants performance units ("PUs") under the EIP with a three-year vesting period. The performance units are and will be subject to both non-market and market conditions consisting of both absolute and relative performance over a three-year period and will be settled with trust units upon vesting.

<b>As at</b>	<b>June 30, 2025</b>	
	<b>Number of PUs</b>	<b>Weighted Average Grant Date Fair Value per unit</b>
PUs outstanding, beginning of period	1,310,134	\$ 7.12
New grants	682,541	4.54
Forfeited	(468,338)	6.85
Distribution entitlement	70,549	4.78
<b>PUs outstanding</b>	<b>1,594,886</b>	<b>\$ 5.99</b>

The performance units accrue distributions during the vesting period. The performance units and the accrued distributions will be paid by the REIT in cash or units when the applicable units vest.

The estimated fair value of the accrued PU liability was \$2.9 million as at June 30, 2025 (December 31, 2024 - \$1.4 million) and is subject to both market and non-market performance measures. The change in fair value is recognized as part of fair value adjustment of unit-based compensation liabilities for the period.

<b>Grant dates</b>	<b>July 4, 2022 - January 15, 2025</b>	
Weighted average remaining term to vesting		1.35
Average volatility rate		22.4%
Weighted average risk-free interest rate		2.86%

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The REIT's unit-based compensation expense (recovery) recognized as part of general and administrative expense and fair value adjustment was:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Deferred Units	495	(1,183) \$	1,262 \$	89
Restricted Units	469	802	1,106	1,313
Performance Units	54	651	1,223	1,417
<b>Unit-based compensation expense</b>	<b>1,018</b>	<b>270 \$</b>	<b>3,591 \$</b>	<b>2,819</b>
Fair value remeasurement:				
Deferred Units	(8)	(113) \$	463 \$	(113)
Restricted Units	(34)	(193)	153	(318)
Performance Units	(546)	(500)	266	(730)
<b>Total fair value remeasurement</b>	<b>(588)</b>	<b>(806) \$</b>	<b>882 \$</b>	<b>(1,161)</b>
<b>Total expense (recovery) \$</b>	<b>430 \$</b>	<b>(536) \$</b>	<b>4,473 \$</b>	<b>1,658</b>

## 11. Unitholders' Equity

The REIT has two classes of units: (a) Trust units; and (b) special voting units. As at June 30, 2025, there are no special voting units outstanding.

The REIT is authorized to issue an unlimited number of REIT Trust units and unlimited special voting units without par value. Each unit represents a single vote at any meeting of unitholders and entitles the unitholder to receive a pro rata share of all distributions. The unitholders have the right to require the REIT to redeem their units on demand. Upon receipt of the redemption notice by the REIT, all rights to and under the units tendered for redemption shall be surrendered and the holder thereof shall be entitled to receive a price per unit ("Redemption Price"), as determined by a market formula.

The Redemption Price will be paid in accordance with the conditions provided for in the Declaration of Trust.

On January 15, 2024, 1,710,000 Class B units were redeemed for REIT units and the associated special voting units were cancelled. The special voting units were only issued in tandem with Class B exchangeable units and were not transferable separately from the Class B exchangeable units to which they are attached. As Class B exchangeable units were exchanged or surrendered for REIT units, the corresponding special voting units were cancelled for no consideration. As at June 30, 2025 and December 31, 2024, no Class B exchangeable units and special voting units were outstanding.

The following table shows the changes in REIT units during the six months ended June 30, 2025:

	REIT units	Amount
<b>Balance, December 31, 2024</b>	<b>247,784,245 \$</b>	<b>2,547,239</b>
Units issued through distribution reinvestment plan <sup>(1)</sup>	1,344,069	6,222
Units issued on conversion of convertible debentures (note 9)	1,379	10
Units issued under unit-based compensation plans (note 10)	127,843	631
<b>Balance, June 30, 2025</b>	<b>249,257,536 \$</b>	<b>2,554,102</b>

- (1) The REIT has established a distribution reinvestment plan ("DRIP") for its unitholders, which allows participants to reinvest their monthly cash distributions in additional REIT units at an effective discount that is determined by applying 3% to the REIT's weighted average unit trading value for the five trading days immediately preceding the relevant distribution date. For the three and six months ended June 30, 2025, the REIT's DRIP participation rate was 16.8% and 14.8%, respectively. (June 30, 2024 - 12.3% and 11.3%).

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### 12. Non-Controlling Interests

The following tables present summarized accounts for Vital Trust where non-controlling or partial interests are owned by a third party.

Changes in the REIT's relative interests in the statement of unitholders' equity for the six months ended June 30, 2025 is as a result of exchange in the investment interest with non-controlling third parties associated with Vital Trust.

The REIT's interest in Vital Trust changes periodically due to Vital Trust's dividend reinvestment program, issuance of Vital Trust units by Vital Trust to non-controlling parties of the REIT, settlement of management fees by Vital Trust through issuance of equity to the REIT and sale of Vital Trust units by the REIT. As at June 30, 2025, the REIT's ownership interest in Vital Trust was 28.2% (December 31, 2024 - 28.3%).

On June 30, 2024, the REIT acquired the minority interest of Fritz-Lang-Platz 6 and derecognized the non-controlling interest for total consideration of \$0.4 million. The REIT's ownership interest in Fritz-Lang-Platz 6 is 100% as at June 30, 2025.

The net assets attributable to the non-controlling interests and the REIT are as follows:

<b>As at June 30, 2025</b>	<b>Vital Trust</b>	
REIT's ownership interest		<b>28.2 %</b>
Total assets	<b>\$</b>	<b>2,732,346</b>
Total liabilities		<b>1,308,329</b>
<b>Net assets</b>	<b>\$</b>	<b>1,424,017</b>
Attributable to:		
Unitholders of the REIT	<b>\$</b>	<b>414,770</b>
Non-controlling interests		<b>1,009,247</b>
	<b>\$</b>	<b>1,424,017</b>

<b>For the three months ended June 30,</b>	<b>2025</b>		2024	
	<b>Vital Trust</b>	Vital Trust	Fritz-Lang-Platz 6	Total
<b>Revenue from investment properties</b>	<b>\$ 35,719</b>	\$ 35,517	\$ 490	\$ 36,007
Net income (loss) attributable to:				
Unitholders of the REIT	<b>2,622</b>	(3,321)	(1,795)	(5,116)
Non-controlling interests	<b>6,661</b>	(4,918)	32	(4,886)
<b>Net income (loss)</b>	<b>\$ 9,283</b>	\$ (8,239)	\$ (1,763)	\$ (10,002)
<b>Total comprehensive income (loss) attributable to:</b>				
Unitholders of the REIT	<b>5,901</b>	9,789	(1,774)	8,015
Non-controlling interests	<b>10,418</b>	26,342	32	26,374
<b>Total comprehensive income (loss)</b>	<b>\$ 16,319</b>	\$ 36,131	\$ (1,742)	\$ 34,389
<b>Distributions attributable to non-controlling interests</b>	<b>\$ 9,764</b>	\$ 7,068	\$ 2,811	\$ 9,879

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For the six months ended June 30,	2025		2024		Total
	Vital Trust	Vital Trust	Fritz-Lang-Platz 6		
<b>Revenue from investment properties</b>	\$	<b>73,057</b>	\$ 70,180	\$ 984	\$ 71,164
Net income (loss) attributable to:					
Unitholders of the REIT		<b>(3,160)</b>	(1,062)	(3,396)	(4,458)
Non-controlling interests		<b>(7,979)</b>	4,153	(49)	4,104
<b>Net income (loss)</b>	\$	<b>(11,139)</b>	\$ 3,091	\$ (3,445)	\$ (354)
<b>Total comprehensive income (loss) attributable to:</b>					
Unitholders of the REIT		<b>3,189</b>	3,461	(3,378)	83
Non-controlling interests		<b>7,014</b>	6,976	(49)	6,927
<b>Total comprehensive income (loss)</b>	\$	<b>10,203</b>	\$ 10,437	\$ (3,427)	\$ 7,010
<b>Distributions attributable to non-controlling interests</b>	\$	<b>19,437</b>	\$ 16,985	\$ 2,811	\$ 19,796

The difference between the net income (loss) and total comprehensive income (loss) is attributable to the foreign currency translation of accounts related to the REIT's net investments in Vital Trust and Fritz-Lang-Platz 6, being foreign operations of the REIT.

The REIT is subject to restrictions over the extent to which it can access cash of Vital Trust in the form of cash distributions, or use of assets and access to debt and credit facilities as a result of borrowing arrangements, regulatory restrictions and the REIT's economic interest in Vital Trust and being limited to the REIT's ownership interest of 28.2%. Similarly, the REIT is not subject to recourse over Vital Trust's borrowings and as a result, Vital Trust is restricted to the extent to which it can access the REIT's assets, debt, and credit facilities.

The cash flows attributable to the non-controlling interests and the REIT during the three and six months ended June 30, 2025.

For the three months ended June 30,	2025		2024		Total
	Vital Trust	Vital Trust	Fritz-Lang-Platz 6		
<b>Cash flows from (used in):</b>					
Operating	\$	<b>19,364</b>	\$ 6,487	\$ 85	\$ 6,572
Investing		<b>(27,937)</b>	35,986	(1,195)	34,791
Financing		<b>13,712</b>	(44,740)	(34)	(44,774)
Effect of foreign currency translation		<b>(1,805)</b>	1,753	—	1,753
<b>Net change in cash</b>	\$	<b>3,334</b>	\$ (514)	\$ (1,144)	\$ (1,658)
<b>Cash balance at period end</b>	\$	<b>13,031</b>	\$ 15,772	\$ 51	\$ 15,823

For the six months ended June 30,	2025		2024		Total
	Vital Trust	Vital Trust	Fritz-Lang-Platz 6		
<b>Cash flows from (used in):</b>					
Operating	\$	<b>33,114</b>	\$ 22,538	\$ 1,891	\$ 24,429
Investing		<b>(62,212)</b>	(14,220)	(1,558)	(15,778)
Financing		<b>37,632</b>	(3,898)	95	(3,803)
Effect of foreign currency translation		<b>(1,091)</b>	98	(2)	96
<b>Net change in cash</b>	\$	<b>7,443</b>	\$ 4,518	\$ 426	\$ 4,944
<b>Cash balance at period end</b>	\$	<b>13,031</b>	\$ 15,772	\$ 51	\$ 15,823

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For the three and six months ended June 30, 2025, the REIT earned management fees of \$3.6 million and \$7.4 million, respectively, relating to management services provided to Vital Trust (three and six months ended June 30, 2024 - \$3.4 million and \$7.2 million, respectively). Management fees from Vital Trust are eliminated on consolidation as inter-company transactions but the REIT receives the economic benefit of approximately 72% of the fees, representing the non-controlling ownership interests in Vital Trust.

### 13. Rental Revenue

The components of rental revenue are as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Rental income	\$ 78,483	\$ 96,801	\$ 157,725	\$ 194,978
Operating cost recoveries	14,028	13,866	28,678	28,493
Property tax and insurance recoveries	4,451	6,396	20,216	25,104
Other revenue	2,042	2,078	4,032	4,111
<b>Rental revenue</b>	<b>\$ 99,004</b>	<b>\$ 119,141</b>	<b>\$ 210,651</b>	<b>\$ 252,686</b>

### 14. Supplemental Cash Flow Information

#### Cash, Cash Equivalents, and Restricted Cash

As at	June 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 77,553	\$ 51,247
Restricted cash <sup>(1)</sup>	2,426	1,733
<b>Total cash, cash equivalents, and restricted cash</b>	<b>\$ 79,979</b>	<b>\$ 52,980</b>

(1) Restricted cash represents cash held in the REIT's designated bank accounts pledged as collateral, of which \$2.3 million forms part of the security for certain European mortgages (note 8).

#### Changes in Non-Cash Working Capital Balances

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Accounts receivable	4,928	\$ 720	\$ 5,380	\$ (6,197)
Other assets	3,025	2,831	(720)	(11,580)
Accounts payable and accrued liabilities	5,449	(17,576)	10,107	6,508
<b>Changes in non-cash working capital balances</b>	<b>\$ 13,402</b>	<b>\$ (14,025)</b>	<b>\$ 14,767</b>	<b>\$ (11,269)</b>

#### Non-Cash Financing and Investing Activities

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Non-cash distributions to unitholders under the DRIP (note 11)	\$ 3,437	\$ 2,624	\$ 6,222	\$ 4,689
Non-Cash Conversion of Convertible Debentures (note 11)	—	—	10	—
Non-cash conversion of Class B exchangeable units (note 11)	—	—	—	8,926
Units issued under unit-based compensation plan (note 10)	631	49	631	1,293
<b>Total non-cash financing and investing activities</b>	<b>\$ 4,068</b>	<b>\$ 2,673</b>	<b>\$ 6,863</b>	<b>\$ 14,908</b>

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### Finance expense (income)

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Fair value adjustment of Convertible Debentures (note 9)	206	(4,283)	\$ 10,691	\$ 1,692
Amortization of deferred financing costs	\$ 2,796	\$ 4,271	\$ 6,145	9,451
Accretion of financial liabilities (note 8)	\$ 397	\$ 424	\$ 3,816	4,432
Distributions on Exchangeable Units	—	—	—	(63)
Fair value adjustment of Class B exchangeable units	—	—	—	205
Convertible Debenture issuance costs	—	—	—	27
<b>Total finance expense (income), net</b>	<b>\$ 3,399</b>	<b>\$ 412</b>	<b>\$ 20,652</b>	<b>\$ 15,744</b>

## 15. Segmented Information

The REIT operates in one industry segment being the healthcare real estate industry; however, the REIT monitors and operates its North American, Brazilian, European, and Australasian operations separately. The CEO assesses the performance of each of these operating segments based on a measure of operating income (loss). Other consists primarily of corporate functions that do not earn revenues and would not be considered reportable operating segments. The material accounting policies for each of the segments are the same as those for the REIT.

During the three and six months ended June 30, 2025, one tenant in Brazil accounted for 13% (for the three and six months ended June 30, 2024 - 11%) of the total revenue from investment properties on a consolidated basis.

As at June 30, 2025	North America	Brazil	Europe	Australasia	Other	Total
Investment properties	\$ 1,338,007	\$ 651,573	\$ 605,293	\$ 2,759,199	\$ —	\$ 5,354,072
Mortgages and loans payable	346,673	131,363	319,691	1,202,420	116,924	2,117,071

As at December 31, 2024	North America	Brazil	Europe	Australasia	Other	Total
Investment properties	\$ 1,350,638	\$ 612,744	\$ 562,823	\$ 2,734,785	\$ —	\$ 5,260,990
Mortgages and loans payable	564,610	130,140	389,485	1,138,771	412,539	2,635,545

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For the three months ended June 30, 2025	North America	Brazil	Europe	Australasia	Other	Total
<b>Operating Income</b>						
Revenue from investment properties	\$ 34,572	\$ 13,929	\$ 12,572	\$ 37,931	\$ —	\$ 99,004
Property operating costs	13,365	—	4,252	5,079	—	22,696
<b>Net property operating income</b>	<b>\$ 21,207</b>	<b>\$ 13,929</b>	<b>\$ 8,320</b>	<b>\$ 32,852</b>	<b>\$ —</b>	<b>\$ 76,308</b>
Other Income						
Interest and other	73	485	83	549	1,358	2,548
Management fees	20	—	783	2,787	—	3,590
Share of profit (loss) from equity accounted investments	—	—	3,236	1,412	—	4,648
	\$ 93	\$ 485	\$ 4,102	\$ 4,748	\$ 1,358	\$ 10,786
Mortgage and loan interest expense	3,720	1,390	2,301	10,200	13,164	30,775
General and administrative expenses	2,041	640	2,485	4,402	5,323	14,891
Transaction costs	45	—	1,378	251	716	2,390
Foreign exchange (gain) loss	(378)	2	(4,309)	(1,918)	1,129	(5,474)
	\$ 5,428	\$ 2,032	\$ 1,855	\$ 12,935	\$ 20,332	\$ 42,582
<b>Operating income (loss)</b>	<b>\$ 15,872</b>	<b>\$ 12,382</b>	<b>\$ 10,567</b>	<b>\$ 24,665</b>	<b>\$ (18,974)</b>	<b>\$ 44,512</b>
<b>For the three months ended June 30, 2024</b>						
<b>Operating Income</b>						
Revenue from investment properties	38,924	14,264	28,052	37,901	—	119,141
Property operating costs	14,224	—	5,361	5,580	—	25,165
<b>Net property operating income</b>	<b>\$ 24,700</b>	<b>\$ 14,264</b>	<b>\$ 22,691</b>	<b>\$ 32,321</b>	<b>\$ —</b>	<b>\$ 93,976</b>
Other income						
Interest and other	118	121	168	1,659	1,290	3,356
Management fees	12	—	711	2,643	—	3,366
Share of income (loss) from equity accounted investment	—	—	(1,449)	(11,850)	—	(13,299)
	130	121	(570)	(7,548)	1,290	(6,577)
Interest expense	9,398	5,929	8,825	10,405	19,199	53,756
General and administrative expenses	1,349	533	2,667	6,495	2,410	13,454
Transaction costs	148	99	1,035	1,336	1,949	4,567
Foreign exchange (gain) loss	2	595	(3)	382	(115)	861
	\$ 10,897	\$ 7,156	\$ 12,524	\$ 18,618	\$ 23,443	\$ 72,638
<b>Operating income (loss)</b>	<b>\$ 13,933</b>	<b>\$ 7,229</b>	<b>\$ 9,597</b>	<b>\$ 6,155</b>	<b>\$ (22,153)</b>	<b>\$ 14,761</b>

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For the six months ended June 30, 2025	North America	Brazil	Europe	Australasia	Corporate	Total
<b>Operating Income</b>						
Revenue from investment properties	\$ 78,308	\$ 29,501	\$ 24,862	\$ 77,980	\$ —	\$ 210,651
Property operating costs	35,289	1,598	8,233	12,075	—	57,195
<b>Net property operating income</b>	<b>\$ 43,019</b>	<b>\$ 27,903</b>	<b>\$ 16,629</b>	<b>\$ 65,905</b>	<b>\$ —</b>	<b>\$ 153,456</b>
Other Income						
Interest and other	177	744	3,891	1,173	2,744	8,729
Management fees	40	—	1,500	5,823	—	7,363
Share of income (loss) from equity accounted investment	—	—	2,737	(6,831)	—	(4,094)
	\$ 217	\$ 744	\$ 8,128	\$ 165	\$ 2,744	\$ 11,998
Interest expense	9,327	2,825	5,467	20,248	27,998	65,865
General and administrative expenses	3,450	1,223	4,632	9,397	11,037	29,739
Transaction costs	98	258	2,622	495	8,349	11,822
Foreign exchange (gain) loss	(377)	14	(7,765)	(2,368)	3,203	(7,293)
	\$ 12,498	\$ 4,320	\$ 4,956	\$ 27,772	\$ 50,587	\$ 100,133
<b>Operating income (loss)</b>	<b>\$ 30,738</b>	<b>\$ 24,327</b>	<b>\$ 19,801</b>	<b>\$ 38,298</b>	<b>\$ (47,843)</b>	<b>\$ 65,321</b>

For the six months ended June 30, 2024	North America	Brazil	Europe	Australasia	Other	Total
<b>Operating Income</b>						
Revenue from investment properties	\$ 91,803	\$ 30,738	\$ 55,076	\$ 75,069	\$ —	\$ 252,686
Property operating costs	40,688	1,704	10,697	10,169	—	63,258
<b>Net property operating income</b>	<b>\$ 51,115</b>	<b>\$ 29,034</b>	<b>\$ 44,379</b>	<b>\$ 64,900</b>	<b>\$ —</b>	<b>\$ 189,428</b>
Other income						
Interest and other	205	237	247	3,503	2,567	6,759
Management fees	32	—	1,415	5,769	—	7,216
Share of profit (loss) from equity accounted investments	—	—	(845)	(9,139)	—	(9,984)
	\$ 237	\$ 237	\$ 817	\$ 133	\$ 2,567	\$ 3,991
Interest expense	19,217	11,822	18,126	20,480	39,544	109,189
General and administrative expenses	2,704	1,003	5,795	10,854	8,635	28,991
Transaction costs	617	402	1,279	1,979	2,657	6,934
Foreign exchange (gain) loss	2	(2,480)	(2)	697	(11,086)	(12,869)
	\$ 22,540	\$ 10,747	\$ 25,198	\$ 34,010	\$ 39,750	\$ 132,245
<b>Operating income (loss)</b>	<b>\$ 28,812</b>	<b>\$ 18,524</b>	<b>\$ 19,998</b>	<b>\$ 31,023</b>	<b>\$ (37,183)</b>	<b>\$ 61,174</b>

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**16. Commitments and Contingencies****Letters of Credit**

- (a) The REIT obtains letters of credit to support its obligations with respect to construction work and additions to its investment properties and to satisfy mortgage financing requirements. As at June 30, 2025, the REIT has a total of \$0.3 million (December 31, 2024 - \$0.3 million) in outstanding letters of credit under the REIT's secured revolving floating rate credit facility, which forms part of the total Credit Facilities disclosed in note 8. The REIT does not expect any of these standby letters of credit to be drawn upon and, therefore, no corresponding liability has been recorded.

**Development Commitments**

- (b) The REIT has entered into acquisition and construction agreements on certain development properties and is committed to associated costs of \$78.8 million as at June 30, 2025 (December 31, 2024 - \$88.0 million), including \$53.5 million in Vital Trust, where timing is discretionary, however, the REIT expects to complete the projects between 2025 to 2026 (December 31, 2024 - \$62.5 million).

**Landlord Work Commitments**

- (c) Pursuant to a lease renewal during the six months ended June 30, 2025, the REIT has entered into an agreement to reimburse the tenant on a Brazilian property for up to \$6.6 million of landlord's work. The reimbursement is expected to occur by October 2027.

**Charitable Pledge**

- (d) The REIT and the University of Toronto ("U of T") have entered into a \$1.9 million pledge agreement in support of research on impacts of the pandemic on health systems across the world. The gift is to be contributed over a five-year period, commencing January 2026 through to January 2030. Contributions are expensed in the period the pledge is fulfilled and incurred.

**Guarantees**

- (e) Northwest makes guarantees to subsidiaries, including those that are consolidated and equity accounted, within the group that are not expected to have a material impact on the condensed consolidated interim financial statements.
- (f) Pursuant to the disposition of an Australasian investment property in 2023, the REIT has entered into agreements to provide rental guarantees for up to \$4.3 million, expiring in 2028, which are activated if the sub-lease is terminated by reason of default of the sub-landlord. No such action has been taken or is expected and thus no provision has been recognized by the REIT.

**Indemnities**

- (g) Pursuant to the sale and contribution of European investment properties by the REIT to the European JV in 2020, the REIT has indemnified its joint venture partner for potential tax liabilities related to these investment properties. Given that the eventual disposition of properties is dependent on uncertain future events not within the control of the REIT, and that the taxable outcome of the disposition is not estimable due to the variables involved, the REIT has not recognized a provision related to the indemnification.
- (h) Pursuant to the disposition of the REIT's 70% interest in AREIT units as part of the formation of a joint venture arrangement during the year ended December 31, 2020, the REIT indemnified the joint venture partner for potential tax liabilities related to AREIT's investment properties contributed to the joint venture. The indemnity expires if the properties are not sold within 15 years of settlement. Given that the disposition of properties is dependent on uncertain future events not within the control of the REIT, and that the taxable outcome of the disposition is not estimable due to the variables involved, the REIT has not recognized a provision related to the indemnification.
- (i) The REIT indemnifies individuals who have acted at the REIT's request to be a trustee, director and/ or officer of the REIT (and/ or one or more of its direct and indirect subsidiaries), to the extent permitted by law, against any and all damages, liabilities, costs, charges or expenses suffered by or incurred by the individuals as a result of their service. The claims covered by such indemnifications are subject to statutory and other legal limitation periods. The nature of the indemnification agreements prevent the REIT from making a reasonable estimate of the maximum potential amount it could be required to pay to

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beneficiaries of such indemnification agreements. As such, the REIT has not recognized a provision related to indemnification.

### Other

- (j) The REIT is subject to legal and other claims in the normal course of business. Management and the REIT's legal counsel evaluate all claims. In the opinion of management, these claims are generally covered by the REIT's insurance policies and any liability from such claims would not have a significant effect on the REIT's condensed consolidated interim financial statements.

## 17. Fair Values

Estimated fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The REIT uses a hierarchy to categorize the inputs used in valuation techniques for assets and liabilities measured at fair value. The classifications are as follows: the use of quoted market prices for identical assets or liabilities (Level 1), internal models using observable market information as inputs (Level 2) and internal models without observable market information as inputs (Level 3).

In accordance with IFRS 13, if an asset or liability measured at fair value has a bid and ask price, the price within the bid-ask spread that is the most representative of fair value in the circumstances shall be used to measure fair value. The REIT has chosen to use the closing market price (Level 2) as a practical expedient for fair value measurement for certain unit-based liabilities.

The carrying values of the REIT's financial assets, which include accounts receivable, other assets, and cash and restricted cash, as well as financial liabilities, which include accounts payable and accrued liabilities and distributions payable, approximate their recorded fair values due to their short-term nature.

The fair value hierarchy, by level of assets and liabilities measured at fair value in these condensed consolidated interim financial statements or disclosed in the notes herein as at June 30, 2025 are as follows:

	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Assets measured at fair value:				
Investment properties <sup>(1)</sup>	\$ 5,354,072	\$ —	\$ —	\$ 5,354,072
Derivative financial instruments <sup>(2)</sup>	6,134	—	6,134	—
Assets held for sale	34,252	—	—	34,252
Assets recorded at amortized cost:				
Loans receivable	14,792	—	—	14,792
Liabilities measured at fair value:				
Derivative Financial instruments <sup>(2)</sup>	14,211	—	14,211	—
Convertible debentures <sup>(3)</sup>	242,654	242,654	—	—
Unit-based compensation liabilities	13,031	—	10,118	2,913
Financial liabilities recorded at amortized cost:				
Mortgages and loans payable <sup>(4)</sup>	2,117,071	—	2,118,519	—
Senior unsecured debentures, net <sup>(5)</sup>	496,933	503,210	—	—

- (1) The REIT determined the estimated fair value of each investment property, with the exception of certain properties under development, using the discounted cash flow method and direct capitalization method.
- (2) Certain derivative instruments are valued using valuation techniques with market-observable inputs and include forward contracts and interest rate swaps and caps. The most frequently applied valuation technique includes forward pricing models, using present value calculations. The models incorporate various inputs including forward rates and interest rate curves.
- (3) The fair value of the REIT's convertible debentures is derived using unadjusted quoted market prices obtained from an active market.
- (4) The fair values of the REIT's mortgages and loans payable are determined using present value calculations based on market-observable interest rates for mortgages and loans with similar terms and conditions.
- (5) The fair value of the REIT's senior unsecured debentures is valued using unadjusted quoted market prices obtained from an active market.

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### 18. Capital Management

Capital is comprised of the REIT's unitholders' equity, mortgages, and loans payable and debentures. The REIT is free to determine the appropriate level of capital based on its cash flow requirements, overall business risks and potential business opportunities while adhering to the Declaration of Trust. As a result of this, the REIT will make adjustments to its capital based on its investment strategies and changes to economic conditions.

The REIT's capital management strategy is also driven by policies as set out in the Declaration of Trust. The requirements of the REIT's operating policies as outlined in the Declaration of Trust include the requirement that the REIT will not incur or assume indebtedness which would cause the total indebtedness of the REIT to exceed 65% of Gross Book Value as defined. Indebtedness as defined in the Declaration of Trust excludes deferred revenue and unsecured debt.

As at June 30, 2025, the REIT is in compliance with its debt to gross book value ratio of the Declaration of Trust.

The REIT's mortgages and loans, including the corporate credit facilities, are subject to various financial covenants (note 8), which are tested quarterly. The REIT's financial covenants under its revolving credit facility and certain term debts were amended during the year ended December 31, 2024 and on March 31, 2025. As a result of these amendments, the REIT is subject to the following covenants as at June 30, 2025:

- debt to gross asset value, excluding convertible debentures, not in excess of 65%, debt to gross book value, including convertible debentures, not in excess of 70%;
- debt service coverage ratio of no less than 1.25:1, on a trailing twelve months basis;
- minimum unitholders' equity of \$1.0 billion plus 75% of net proceeds in connection with equity offerings after December 31, 2024.

The REIT's debt service coverage ratio covenant is sensitive to the REIT's net income (loss), adjusted EBITDA, and interest rates which impact the magnitude of debt service costs. The REIT's debt service coverage ratio covenant increases over time as follows: 1.3:1 for the quarter ending December 31, 2025 (based on the trailing 12 months) and 1.4:1 starting March 31, 2026, with quarterly testing.

Separately, the minimum equity covenant is sensitive to the REIT's net operating income, overall capitalization rates and foreign exchange rates. These sensitivities also impact the REIT's estimate of fair value in connection with its investment properties at period end (note 3).

The REIT's senior unsecured debentures are subject to certain occurrence-based financial covenants that limit the REIT's ability to incur indebtedness. They are defined in the supplemental indenture, with methodology set out therein, and include compliance with certain ratios on a proportionate basis as follows:

- interest coverage ratio<sup>(1)</sup> greater than or equal to 1.65 to 1; and
- indebtedness to asset value, excluding convertible debentures and excluding cash and cash equivalents deducted from both indebtedness and assets, of less than or equal to 65%.

The REIT must also maintain a proportionate adjusted unitholders' equity of not less than \$500.0 million.

As at June 30, 2025, the REIT is in compliance with the financial covenants above and covenants in respect of the loans and mortgages disclosed in note 8. The loans referred to above have been classified as non-current as at June 30, 2025 as the REIT has an existing right to defer settlement of the loan for at least 12 months after the reporting period.

- (1) On the earlier of (i) February 18, 2027, or (ii) the date upon which the REIT's revolving credit facility becomes an unsecured obligation, the REIT will be required to maintain an interest coverage ratio greater than or equal to 1.65 to 1.

### 19. Risk Management

The REIT's activities expose it to a variety of financial risks, including interest rate risk, credit risk, currency risk, price risk and liquidity risk. The REIT's overall financial risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the REIT's financial performance.

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**Liquidity risk**

Liquidity risk arises from the possibility of not having sufficient debt and equity capital available to the REIT to fund future growth, refinance debts as they mature or meet the REIT's debt service and payment obligations as they arise. Furthermore, liquidity risk also arises from the REIT not being able to obtain financing or find new sources of financing or generally funded from the issuance of trust units as well as obtaining debt financing on the related property.

The following table sets out the REIT's contractual cash flows, which includes interest rate payments using interest rates applicable as at June 30, 2025 on its mortgages and loans payable and convertible debentures:

	<b>Carrying Amount</b>	<b>Contractual Cash Flows</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Thereafter</b>
Accounts payable and accrued liabilities	\$ 112,327	\$ 112,327	\$103,384	\$ —	\$ —	\$ —	\$ —	\$ 8,943
Distributions payable	7,477	7,477	7,477	—	—	—	—	—
Income tax payable	8,829	8,829	8,829	—	—	—	—	—
Convertible debentures (note 9)	242,654	281,463	8,194	16,388	168,403	88,478	—	—
Lease liabilities	21,488	66,729	1,519	2,971	2,586	2,024	1,369	56,260
Mortgages and loans payable (note 8)	2,117,071	2,436,606	154,470	334,443	372,236	613,182	494,678	467,597
Senior unsecured debentures (note 9)	496,933	603,964	13,290	26,580	26,580	218,215	16,542	302,757
	<b>\$3,006,779</b>	<b>\$ 3,517,395</b>	<b>\$297,163</b>	<b>\$380,382</b>	<b>\$569,801</b>	<b>\$921,899</b>	<b>\$512,589</b>	<b>\$ 835,557</b>

Incremental to contractual cash flows above, the REIT has additional development commitments of \$78.8 million as described in note 16(b) Commitments and Contingencies.

The REIT expects to repay or refinance all debts maturing in 2025 using existing liquidity, new or renewed financings with extended maturities, and net proceeds from sales of investment properties classified as assets held for sale (note 4). As of June 30, 2025, the REIT has \$253.4 million amount of availability in its revolving credit facility and term debts to use to repay or refinance debts maturing in 2025.

The REIT forecasts liquidity requirements to ensure it has the ability to meet operational needs by maintaining sufficient available liquidity through the combination of cash and existing debt capacity and to ensure the REIT will meet its financial covenants related to debt agreements with consideration of the sensitivities that may be involved which includes capitalization rates related to the valuation of investment properties and interest rate movements. Such forecasting involves a significant degree of judgment which takes into consideration current and projected macroeconomic conditions, the REIT's cash collection efforts, working capital management, debt financing plans, and covenant compliance required under the terms of debt agreements.

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### Interest Rate Risk

The REIT is exposed to interest rate risk on its borrowings. It minimizes this risk by obtaining long-term fixed interest rate debt. Approximately 45.8% of the REIT's debt is financed at contractually fixed rates with maturities staggered over a number of years (approximately 88.5% after taking into consideration variable rate debt under currently effective interest rate derivatives), thereby partially mitigating its exposure to changes in interest rates and financing risks.

Currently, the REIT has interest rate swaps and cap contracts to mitigate some of the risks associated with its variable rate long-term debt. Premium payments and obligations under such contracts are reflected in the effective interest rates stated below. The terms of the contracts as at June 30, 2025 are:

Segment	Type	Variable rate	Notional Amount	Weighted Average Remaining Term (Years)	Pay Fixed Rate <sup>(2)</sup>	Fair Value <sup>(4)</sup>
<b>Interest rate derivative assets</b>						
Europe	Swap	Euribor	\$ 64,090	3.2	1.08%	\$ 2,919
Europe	Cap	Euribor	97,014	1.0	—%	1,761
Australasia	Swap	BBSY	353,365	0.8	2.70%	841
Australasia	Swap	BKBM	41,475	0.9	2.99%	96
			\$ 555,944			\$ 5,617
Future dated <sup>(3)</sup>						
Australasia	Swap	BBSY	\$ 44,715	1.0	2.89%	\$ 83
Australasia	Swap	BKBM	41,475	2.0	3.15%	72
			\$ 86,190			\$ 155
						<b>\$ 5,772</b>
<b>Interest rate derivatives liabilities</b>						
Europe	Swap	Euribor	\$ 52,253	3.2	2.37%	\$ (601)
Australasia	Swap	BBSY	454,751	1.8	3.70%	(3,400)
Australasia	Swap	BKBM	82,950	4.1	4.10%	(1,968)
Corporate	Swap	BKBM	82,950	1.3	4.87%	(2,052)
			\$ 672,904			\$ (8,021)
Future dated <sup>(3)</sup>						
Australasia	Swap	BBSY	\$ 223,575	2.7	3.52%	\$ (1,664)
Australasia	Swaption <sup>(1)</sup>	BBSY	311,664	2.3	3.54%	(3,109)
Australasia	Swaption <sup>(1)</sup>	BKBM	41,475	1.0	2.99%	(103)
			\$ 576,714			\$ (4,876)
						<b>\$ (12,897)</b>
<b>Interest rate derivatives</b>						
Current			\$ 1,228,848	1.6	3.01%	\$ (2,404)
Future dated <sup>(3)</sup>			662,904	2.2	3.43%	(4,721)
<b>Total</b>			<b>\$ 1,891,752</b>	<b>1.8</b>	<b>3.16%</b>	<b>\$ (7,125)</b>

(1) Exercisable at the election of the bank counterparty.

(2) Represents the weighted average pay-fixed base rate per the interest rate derivative contract.

(3) The REIT has entered derivative financial instruments that become effective at a later date.

(4) The REIT's exposure to credit risk in respect of financial instruments relates primarily to counterparty obligations regarding derivatives contracts. The credit risk of derivative financial instruments is reflected in the fair value of the instruments, which in general tends to be a relatively small proportion of the notional value. The REIT mitigates its credit risk through diversification and the use of established financial institutions. The maximum exposure to credit risk is the carrying value of derivative financial instruments in an asset position of \$5.8 million.

The Australasian interest rate swaps relate to term debt in Vital Trust, which the REIT consolidates its 28.2% ownership. The European interest swaps and caps relate to several underlying mortgages.

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Sensitivity to a 1.0% increase or decrease in the interest rate would impact net income (loss) and comprehensive income (loss) by \$21.2 million annually with all mortgages and loans, being fixed and variable rate debts, held constant as at June 30, 2025 (June 30, 2024 - \$33.5 million).

### Price risk

Price risk is the risk that changes in market prices for the REIT's securities may impact the REIT's ability to access capital, and that changes in the market value derived from prices of the units underlying the REIT's investments in associates may impact the value of its investments and may also impact the amount available under related financings. The market price for the REIT's trust units, the REIT's convertible debentures, units of Vital Trust, many of which may be beyond the REIT's control including general market sentiment. The market price of the REIT's securities and investments may decline even if the REIT's operating results, underlying asset values, or prospects have not changed. A decrease in the REIT's Trust Unit price impacts the cost of raising new capital. A sustained decline in the market price of the units of Vital Trust may impact the value of the REIT's investments which may result in impairment losses and may require the REIT to repay amounts owing under its related financings. Additionally, the REIT is subject to covenants in respect of its unitholders' equity balance. These covenants may be impacted by changes in investment property valuation or changes in the REIT's capital structure.

### Credit risk

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease commitments resulting in the REIT incurring a financial loss. The REIT attempts to mitigate this risk by conducting credit assessments on new lessees, by ensuring that its tenant mix is diversified and by limiting its exposure to any one tenant. The REIT's credit risk is primarily attributable to cash and accounts receivable. Cash consists of cash on hand with reputable financial institutions which are closely monitored by management. Financial instruments included in accounts receivable consist of rental income receivable from its commercial tenant base for monthly rental charges and interest receivable from the term deposit. Management believes that the potential loss from credit risk with respect to financial instruments included in cash and accounts receivable is minimal.

Credit risk also arises in the event that the joint venture partners default on amount owing in respect of the REIT's management fees charged, as well as the payment their proportionate share of liabilities associated with joint arrangements. The REIT is only liable for its proportionate share of the debt obligations of the joint arrangements in which it participates, except in limited circumstances. Management believes that the assets of its joint arrangements are sufficient for the purpose of satisfying any obligation of the REIT should the REIT's partner default.

### Foreign currency exchange risk

The REIT has exposure to currency risk as a result of Australasian secured financing under the term debt denominated in New Zealand dollars. The REIT's Australasian secured term financing balance and related interest are subject to fluctuations depending on exchange rates. The effects of such fluctuations are recognized in profit or loss in the period.

The REIT has operating subsidiaries in Europe, Brazil, US, Australia and New Zealand, and as a result has exposure to currency risk as a result of the REIT's net investments. There is significant exposure to foreign exchange translation risk on the consolidation of the REIT's investment in foreign subsidiaries.

Assets and liabilities of the REIT's foreign subsidiaries are translated at the period end exchange rate and therefore have different values depending on exchange rate fluctuations and the effects of such fluctuations are recognized in other comprehensive income (loss). The statements of income and comprehensive income of the foreign subsidiaries are translated into Canadian dollars using the period's average exchange rate and, accordingly, exchange rate fluctuations impact revenue, net income (loss) and comprehensive income (loss), denominated in Canadian dollars.

The REIT monitors its foreign exchange exposure and its economic hedging strategy on an ongoing basis.

## 20. Subsequent Events

1. On June 13, 2025, the REIT announced a distribution of \$0.03 per unit to unitholders of record on June 30, 2025, and was paid on July 15, 2025.

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2. On July 15, 2025, the REIT announced a distribution of \$0.03 per unit to unitholders of record on July 31, 2025, and will be paid on August 15, 2025.
3. On July 29, 2025, the REIT amended the terms of its revolving credit facility. The amendment extends the maturity date of the facility to July 2027 and moves the REIT to grid pricing based on its credit rating, reducing the REIT's cost of borrowing by 65 basis points. The amendment also provides a \$100 million accordion commitment, subject to incremental security and lender approval. Subsequent to quarter end, the REIT repaid Canadian mortgages totaling \$40.8 million, with a weighted average interest rate of 2.67%, using capacity on its revolving credit facility.
4. The REIT announced on August 12, 2025 that it has suspended its DRIP until further notice. Commencing with the September 2025 distribution (payable on or about October 15, 2025), unitholders enrolled in the DRIP will receive distribution payments in cash.