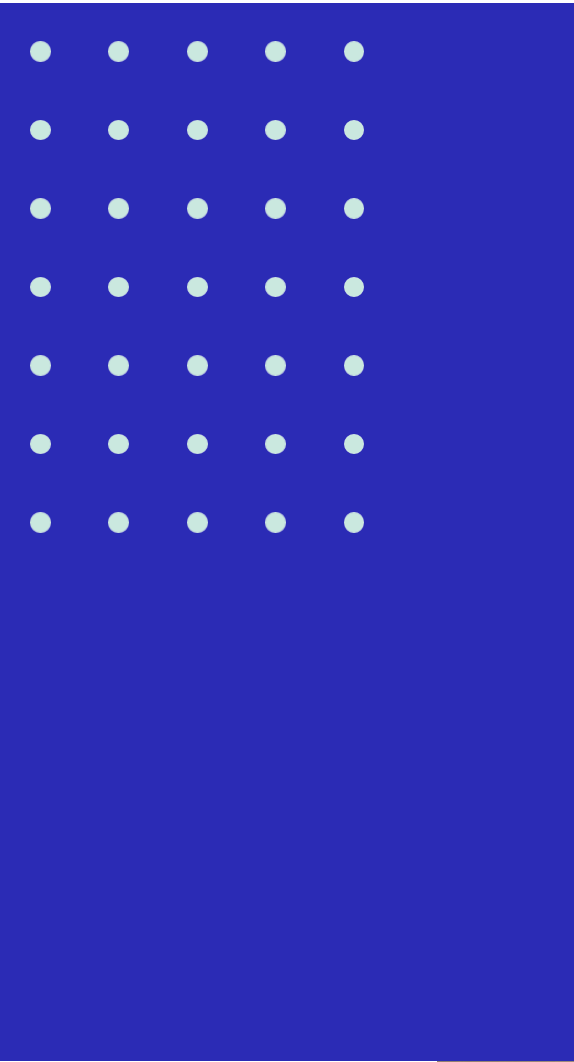




2025 Third Quarter

Condensed Consolidated Interim Financial Statements

Northwest Healthcare Properties
Real Estate Investment Trust



NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Condensed Consolidated Interim Balance Sheet**

Unaudited

(in thousands of Canadian dollars)	Note	As at September 30, 2025	As at December 31, 2024
Assets			
Investment properties	3	\$ 5,384,398	\$ 5,260,990
Equity accounted investments	5	343,829	325,965
Intangible assets		47,412	47,687
Goodwill		37,155	37,178
Deferred tax assets		1,815	2,450
Derivative financial instruments	6	7,395	16,185
Other assets	7	49,897	222,357
Accounts receivable		11,635	24,506
Assets held for sale	4	79,734	59,278
Cash, cash equivalents, and restricted cash	15	77,434	52,980
Total assets		\$ 6,040,704	\$ 6,049,576
Liabilities			
Mortgages and loans payable	8	\$ 2,142,514	\$ 2,635,545
Debentures	9	746,647	356,963
Lease liabilities		21,367	21,506
Unit-based compensation liabilities	10	13,676	9,929
Deferred tax liabilities		343,355	315,221
Derivative financial instruments	6	11,081	6,181
Income taxes payable		9,731	10,175
Accounts payable and accrued liabilities		101,907	105,108
Distributions payable		7,499	7,433
Total liabilities		\$ 3,397,777	\$ 3,468,061
Equity			
Unitholders' equity		\$ 1,623,156	\$ 1,563,417
Non-controlling interests	12	1,019,771	1,018,098
Total equity		\$ 2,642,927	\$ 2,581,515
Total liabilities and equity		\$ 6,040,704	\$ 6,049,576

Commitments and Contingencies (note 17) and Subsequent Events (note 20)

See accompanying notes to the condensed consolidated interim financial statements.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Condensed Consolidated Interim Statements of Income (Loss)
Unaudited

(in thousands of Canadian dollars)	Note	For the three months ended		For the nine months ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Net property operating income					
Revenue from investment properties	13	\$ 104,286	\$ 107,015	\$ 314,937	\$ 359,701
Property operating costs		(25,118)	(24,799)	(82,313)	(88,057)
		79,168	82,216	232,624	271,644
Other income (expenses)					
Interest and other income	7	2,386	6,151	11,115	12,910
Management fees		4,016	4,117	11,379	11,333
Share of income (loss) from equity accounted investments	5	4,666	(22,100)	572	(32,084)
Interest expense	14	(31,122)	(44,332)	(96,987)	(153,521)
General and administrative expenses		(16,218)	(16,003)	(45,957)	(45,019)
Transaction costs		(3,201)	(5,366)	(15,023)	(12,300)
Foreign exchange gain (loss)		(2,638)	(500)	4,655	12,369
Amortization of financing costs	14	(1,380)	(11,366)	(7,525)	(20,817)
Accretion of financial liabilities	8	(970)	(937)	(4,786)	(5,369)
Fair value adjustment of convertible debentures	9	(6,850)	(34,179)	(17,541)	(35,871)
Other finance expenses	14	—	—	—	(169)
Fair value adjustment of financial instruments	6	4,248	(21,490)	24,670	(10,141)
Fair value adjustment of investment properties	3, 4	8,781	(94,747)	(23,947)	(338,867)
Net loss on disposals of assets	4	(311)	(21,299)	(5,089)	(31,396)
Fair value adjustment of unit-based compensation liabilities	10	(380)	(1,641)	(1,262)	(480)
Income (loss) before taxes		40,195	(181,476)	66,898	(377,778)
Current income tax (expense) recovery		(6,241)	(6,641)	(13,379)	(13,035)
Deferred income tax (expense) recovery		(2,787)	30,851	(5,261)	67,681
Income tax (expense) recovery		(9,028)	24,210	(18,640)	54,646
Net income (loss)		\$ 31,167	\$ (157,266)	\$ 48,258	\$ (323,132)
Net income (loss) attributable to:					
Unitholders		\$ 16,165	(138,252)	\$ 41,235	(308,222)
Non-controlling interests	12	15,002	(19,014)	7,023	(14,910)
		\$ 31,167	\$ (157,266)	\$ 48,258	\$ (323,132)

See accompanying notes to the condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

Unaudited

(in thousands of Canadian dollars)	Note	For the three months ended		For the nine months ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Net income (loss)		\$ 31,167	\$ (157,266)	\$ 48,258	\$ (323,132)
Other comprehensive income (loss):					
Foreign currency translation adjustments		41,124	80,065	92,373	47,144
Change in relative interest of non-controlling interests		—	—	—	(505)
Other comprehensive income (loss)		\$ 41,124	\$ 80,065	\$ 92,373	\$ 46,639
Comprehensive income (loss)		\$ 72,291	\$ (77,201)	\$ 140,631	\$ (276,493)
Comprehensive income (loss) attributable to:					
Unitholders		\$ 55,254	\$ (96,432)	\$ 116,580	\$ (302,650)
Non-controlling interests	12	17,037	19,231	24,051	26,157
		\$ 72,291	\$ (77,201)	\$ 140,631	\$ (276,493)

See accompanying notes to the condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Condensed Consolidated Interim Statements of Changes in Equity

Unaudited

(in thousands of Canadian dollars)	Note	Unitholders' Equity	Contributed Surplus	Cumulative Distributions	Accumulated Other Comprehensive Loss	Retained Earnings	Total Unitholders' Equity	Non-Controlling Interests (note 12)	Total Equity
Balance, December 31, 2024		\$ 2,547,239	\$ 39,724	\$ (1,105,774)	\$ (357,996)	440,224	\$ 1,563,417	\$ 1,018,098	\$ 2,581,515
Units issued through distribution reinvestment plan	11	9,744	—	—	—	—	9,744	6,809	16,553
Units issued on exercise of unit-based compensation	10	631	—	—	—	—	631	—	631
Change in relative interest of non-controlling interests	12	—	—	—	(854)	—	(854)	854	—
Conversion of convertible debentures	11	10	—	—	—	—	10	—	10
Distributions		—	—	(67,226)	—	—	(67,226)	(29,187)	(96,413)
Foreign currency translation adjustments		—	—	—	76,199	—	76,199	16,174	92,373
Net income (loss)		—	—	—	—	41,235	41,235	7,023	48,258
Balance, September 30, 2025		\$ 2,557,624	\$ 39,724	\$ (1,173,000)	\$ (282,651)	481,459	\$ 1,623,156	\$ 1,019,771	\$ 2,642,927
(in thousands of Canadian dollars)	Note	Unitholders' Equity	Contributed Surplus	Cumulative Distributions	Accumulated Other Comprehensive Loss	Retained Earnings	Total Unitholders' Equity	Non-Controlling Interests (note 12)	Total Equity
Balance, December 31, 2023		\$ 2,525,040	\$ 39,724	\$ (1,017,018)	\$ (293,415)	739,981	\$ 1,994,312	\$ 1,090,956	\$ 3,085,268
Units issued through distribution reinvestment plan		7,262	—	—	—	—	7,262	3,134	10,396
Units issued on exercise of unit-based compensation		3,038	—	—	—	—	3,038	—	3,038
Conversion of Class B LP exchangeable units		8,926	—	—	—	—	8,926	—	8,926
Change in relative interest of non-controlling interest	12	—	—	—	(147)	—	(147)	(358)	(505)
Distributions		—	—	(66,474)	—	—	(66,474)	(29,748)	(96,222)
Foreign currency translation adjustments		—	—	—	5,720	—	5,720	41,426	47,146
Net income (loss)		—	—	—	—	(308,222)	(308,222)	(14,910)	(323,132)
Balance, September 30, 2024		\$ 2,544,266	\$ 39,724	\$ (1,083,492)	\$ (287,842)	431,759	\$ 1,644,415	\$ 1,090,500	\$ 2,734,915

See accompanying notes to the condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Condensed Consolidated Interim Statements of Cash Flows

(in thousands of Canadian dollars)

Unaudited

	Note	For the three months ended		For the nine months ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Operating activities					
Net income (loss)		\$ 31,167	\$ (157,266)	\$ 48,258	\$ (323,132)
Income tax expense (recovery)		9,028	(24,210)	18,640	(54,646)
Income taxes paid		(6,667)	(8,407)	(14,181)	(24,449)
Finance costs	14	32,502	55,698	104,512	174,507
Finance costs paid		(41,485)	(37,445)	(105,459)	(151,434)
Accretion of financial liabilities	8	970	937	4,786	5,369
Interest and other income		(2,386)	(6,151)	(11,115)	(12,910)
Share of (profit) loss of equity accounted investments	5	(4,666)	22,100	(572)	32,084
Transaction costs		3,201	5,366	15,023	12,300
Net loss on disposal of assets	4	311	21,299	5,089	31,396
Redemption of units issued under unit-based compensation plans and paid in cash	10	(1,858)	(1,682)	(2,547)	(1,997)
Items not affecting cash	15	(268)	154,184	20,905	379,801
Changes in non-cash working capital balances	15	338	8,956	15,105	(2,313)
Cash provided by operating activities		20,187	33,379	98,444	64,576
Investing activities					
Net proceeds on disposal of investment properties	4	34,863	(468)	101,185	390,415
Net proceeds from disposition of investments in real estate securities	6, 7	—	20,993	213,296	52,351
Distribution income	5, 7	(29)	2,253	5,618	7,477
Additions to investment properties	3, 4	(21,538)	(38,676)	(97,170)	(140,353)
Transaction costs paid		(3,563)	(4,262)	(15,812)	(12,329)
Additions to furniture and fixtures		(108)	(38)	(1,780)	(884)
Cash interest received		1,166	1,096	2,787	2,732
Contributions in equity accounted investments	5	(381)	(399)	(3,225)	(1,670)
Net proceeds from dispositions of subsidiaries	4	—	207,694	—	206,332
Net decrease (increase) to restricted cash		1,641	1,677	1,144	(1,055)
Cash provided by (used in) investing activities		12,051	189,870	206,043	503,016
Financing activities					
Proceeds from mortgages and loans	8	148,441	146,694	589,227	426,745
Repayments of mortgages and loans	8	(158,641)	(340,702)	(1,167,607)	(913,920)
Distributions paid on REIT units		(18,957)	(19,680)	(57,455)	(59,032)
Distributions paid to non-controlling interests	12	(6,525)	(10,966)	(22,378)	(28,475)
Financing fees paid on mortgage and loans payable	8	(1,818)	(3,830)	(4,095)	(9,665)
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		(694)	(781)	(2,132)	(1,556)
Cash provided by (used in) financing activities		(38,194)	(229,265)	(292,709)	(585,981)
Change in cash and cash equivalents		(5,956)	(6,016)	11,778	(18,389)
Effect of foreign currency translation		4,313	8,460	12,883	10,285
Net change in cash and cash equivalents		(1,643)	2,444	24,661	(8,104)
Cash and cash equivalents, beginning of period		77,551	61,482	51,247	72,030
Cash and cash equivalents, end of period	15	\$ 75,908	\$ 63,926	\$ 75,908	\$ 63,926

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

1. Nature and Description of the Trust

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.

2. Material Accounting Policy Information

The material accounting policies and critical accounting estimates and judgments as disclosed in the 2024 audited annual consolidated financial statements for the REIT have been applied consistently in the preparation of these unaudited condensed consolidated interim financial statements. 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.

Statement of Compliance

The REIT's unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). The accompanying unaudited condensed consolidated interim financial statements should be read in conjunction with the REIT's annual consolidated financial statements and accompanying notes 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 November 11, 2025.

Future Accounting Changes

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

3. Investment Properties

As at	Note	September 30, 2025	December 31, 2024
Balance, beginning of period		\$ 5,260,990	\$ 6,874,660
Dispositions of investment properties		(1,592)	(1,219,209)
Additions to investment properties ⁽¹⁾		96,828	185,573
Additions to (amortization of) straight line rents		472	4,800
Reclassified to assets held for sale	4	(124,790)	(132,688)
Fair value adjustments, net		(22,720)	(376,804)
Foreign currency translation		175,210	(75,342)
Balance, end of period		\$ 5,384,398	\$ 5,260,990

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

Valuation Methodology and Process

Please refer to the REIT's 2024 audited annual consolidated financial statements for the description of its valuation methodology and process.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

Significant Valuation Assumptions

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 September 30, 2025						
	Discount rate		Terminal capitalization rate		Overall capitalization rate	
	Range	Weighted average	Range	Weighted average	Range	Weighted average
North America	6.50% - 10.25%	7.72%	6.00% - 9.00%	7.00%	3.86% - 9.56%	6.61%
Brazil	9.50% - 10.25%	9.66%	7.75% - 8.75%	8.13%	8.64% - 10.48%	8.98%
Europe	5.50% - 7.75%	6.46%	5.09% - 7.85%	5.64%	4.62% - 8.31%	6.04%
Australasia	5.88% - 9.13%	7.09%	5.25% - 7.50%	5.87%	4.71% - 11.35%	5.51%
Total	5.50% - 10.25%	7.50%	5.09% - 9.00%	6.41%	3.86% - 11.35%	6.29%

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

Independent Appraisals

The REIT engages independent third-party appraisers to value approximately one-third of its income-producing properties each year, ensuring that each property is independently appraised at least once every three years. The REIT's internal valuation models incorporate the results of these external appraisals.

During the nine months ended September 30, 2025, investment properties with an aggregate fair value of \$2.3 billion, representing approximately 42% of the portfolio, were valued by independent third-party appraisers (September 30, 2024 - \$1.8 billion or 33% of the portfolio).

Fair Value Sensitivity

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:

Rate sensitivity	Weighted average overall capitalization rate	Fair value (in \$millions)	Change in fair value (in \$millions)	% Change
(0.75)%	5.54%	\$6,138	\$754	14.00%
(0.50)%	5.79%	\$5,864	\$480	8.91%
(0.25)%	6.04%	\$5,614	\$229	4.26%
—%	6.29%	\$5,384	\$—	—%
0.25%	6.54%	\$5,174	\$(211)	(3.92)%
0.50%	6.79%	\$4,979	\$(406)	(7.54)%
0.75%	7.04%	\$4,798	\$(586)	(10.89)%

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

4. Assets Held for Sale and Disposition of Investment Properties

As at	Note	September 30, 2025	December 31, 2024
Balance, beginning of period		\$ 59,278	\$ 55,972
Reclassified from Investment Properties	3	124,790	132,688
Disposition of assets held for sale		(102,707)	(137,193)
Additions to assets held for sale		504	—
Additions to (amortization of) straight line rents		1	(353)
Fair value adjustments		(1,227)	8,013
Foreign currency translation		(905)	151
Balance, end of period		\$ 79,734	\$ 59,278

As at September 30, 2025, the REIT has two income producing properties and one property under development totaling \$79.7 million (December 31, 2024 - \$59.3 million) classified as assets held for sale.

During the nine months ended September 30, 2025, the REIT disposed of five income producing properties and four development properties. Gross proceeds and property specific debt settled or sold were as follows:

Segment	Gross proceeds	Property specific debt settled or sold
North America	\$ 56,418	\$ —
Australasia	36,832	—
Europe	11,049	10,146
	\$ 104,299	\$ 10,146

For the three and nine months ended September 30, 2025, the REIT incurred total losses on disposal of assets of \$0.3 million and \$5.1 million, respectively. Of these amounts, \$0.3 million and \$3.0 million related to the disposal of investment properties (2024 - \$21.3 million and \$31.4 million, respectively). The remaining losses primarily related to broker commissions and professional fees associated with the disposal of the Assura units (note 7).

5. Equity Accounted Investments

The REIT enters into joint venture ("JV") arrangements with third parties through investments in jointly controlled entities for the purpose of jointly owning, developing and operating investment properties. Under each arrangement, the co-owners are entitled to their proportionate share of income and losses based on their respective ownership interests.

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

As at September 30, 2025, the REIT's investments in its Australian joint venture arrangements, which provided capital funding for the historical acquisition of investment properties, are governed under a common investment framework. This framework includes a shared third-party joint venture partner, ownership of assets within similar property classes and geographic regions, and consistently structured investment management terms. Accordingly, these investments have been combined for disclosure purposes. The commitment period for the European JV has expired; however, additional capital may be deployed upon mutual agreement of the joint venture partners.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

The carrying value of the REIT's equity accounted investments by location is as follows:

	Australia	Europe	Total
Balance, December 31, 2024	\$ 234,857	\$ 91,108	\$ 325,965
Contributions	—	3,225	3,225
Distributions	—	(1,895)	(1,895)
Share of income (loss) from equity accounted investments	(2,625)	3,197	572
Foreign currency translation	7,294	8,668	15,962
Balance, September 30, 2025	\$ 239,526	\$ 104,303	\$ 343,829

	Australia	Europe	Total
Balance, December 31, 2023	\$ 273,602	\$ 88,738	\$ 362,340
Contributions	—	4,952	4,952
Distributions	(7,423)	(2,817)	(10,240)
Share of income (loss) from equity accounted investments	(29,086)	(1,639)	(30,725)
Foreign currency translation	(2,236)	1,874	(362)
Balance, December 31, 2024	\$ 234,857	\$ 91,108	\$ 325,965

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

	September 30, 2025			December 31, 2024		
	Australia	Europe	Total	Australia	Europe	Total
Investment properties	\$ 2,011,210	\$ 641,887	\$ 2,653,097	\$ 1,903,154	\$ 577,414	\$ 2,480,568
Other assets ⁽ⁱ⁾	51,463	21,862	73,325	106,326	17,951	124,277
Total assets	\$ 2,062,673	\$ 663,749	\$ 2,726,422	\$ 2,009,480	\$ 595,365	\$ 2,604,845
Mortgages and loans payable	\$ 1,192,507	\$ 312,294	\$ 1,504,801	\$ 1,154,138	\$ 289,709	\$ 1,443,847
Other liabilities	16,747	24,112	40,859	21,256	19,812	41,068
Total liabilities	\$ 1,209,254	\$ 336,406	\$ 1,545,660	\$ 1,175,394	\$ 309,521	\$ 1,484,915
Net assets	\$ 853,419	\$ 327,343	\$ 1,180,762	\$ 834,086	\$ 285,844	\$ 1,119,930
Equity Accounted Investments	\$ 239,526	\$ 104,303	\$ 343,829	\$ 234,857	\$ 91,108	\$ 325,965

(i) Included in other assets is cash of \$17.9 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).

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

	For the three months ended					
	September 30, 2025			September 30, 2024		
	Australia	Europe	Total	Australia	Europe	Total
Revenue from investment properties	\$ 29,528	\$ 11,354	\$ 40,882	\$ 26,592	\$ 10,592	\$ 37,184
Interest and other income	1,638	80	1,718	1,747	79	1,826
Total revenue	31,166	11,434	42,600	28,339	10,671	39,010
Operating costs, expenses, and fair value adjustments						
Operating costs	(3,136)	(1,487)	(4,623)	(1,805)	(1,906)	(3,711)
Interest expense	(13,887)	(6,908)	(20,795)	(15,244)	(6,449)	(21,693)
General and administrative expenses	(2,199)	(1,016)	(3,215)	(2,330)	(1,551)	(3,881)
Other income (expenses)	(276)	(136)	(412)	(461)	(123)	(584)
Fair value adjustment of investment properties	3,728	—	3,728	(81,473)	(2,336)	(83,809)
Income (loss) before taxes	15,396	1,887	17,283	(72,974)	(1,694)	(74,668)
Income tax (expense) recovery	—	(530)	(530)	—	(56)	(56)
Net income (loss)	\$ 15,396	\$ 1,357	\$ 16,753	\$ (72,974)	\$ (1,750)	\$ (74,724)
Share of income (loss) from equity accounted investments	\$ 4,206	\$ 460	\$ 4,666	\$ (21,616)	\$ (484)	\$ (22,100)
	For the nine months ended					
	September 30, 2025			September 30, 2024		
	Australia	Europe	Total	Australia	Europe	Total
Revenue from investment properties	\$ 90,541	\$ 33,393	\$ 123,934	\$ 83,051	\$ 32,030	\$ 115,081
Interest and other income	5,001	245	5,246	5,262	275	5,537
Total revenue	95,542	33,638	129,180	88,313	32,305	120,618
Operating costs, expenses, and fair value adjustments						
Operating costs	(11,890)	(4,762)	(16,652)	(9,883)	(6,134)	(16,017)
Interest expense	(42,810)	(20,077)	(62,887)	(45,214)	(18,947)	(64,161)
General and administrative expenses	(6,593)	(2,940)	(9,533)	(7,276)	(3,453)	(10,729)
Other income (expenses)	(870)	(396)	(1,266)	(1,102)	(389)	(1,491)
Fair value adjustment of investment properties	(39,124)	7,526	(31,598)	(126,336)	(6,235)	(132,571)
Income (loss) before taxes	(5,745)	12,989	7,244	(101,498)	(2,853)	(104,351)
Income tax (expense) recovery	—	(3,353)	(3,353)	—	(1,545)	(1,545)
Net income (loss)	\$ (5,745)	\$ 9,636	\$ 3,891	\$ (101,498)	\$ (4,398)	\$ (105,896)
Share of income (loss) from equity accounted investments	\$ (2,625)	\$ 3,197	\$ 572	\$ (30,755)	\$ (1,329)	\$ (32,084)

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

6. Derivative Financial Instruments

Derivative financial instruments consist of interest rate 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.

As at	September 30, 2025	December 31, 2024
Financial assets:		
Interest rate derivatives	\$ 6,440	\$ 16,078
Cross currency interest derivative	955	—
Foreign exchange contracts	—	107
Total financial assets	\$ 7,395	\$ 16,185
Financial liabilities:		
Interest rate derivatives	\$ (10,434)	\$ (6,136)
Foreign exchange contracts	(647)	(45)
Total financial liabilities	\$ (11,081)	\$ (6,181)

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 gains (losses) attributable to financial instruments recognized in the condensed consolidated interim statements of income (loss) are as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Fair value adjustment				
Interest rate and cross currency derivatives	\$ 5,257	\$ (24,415)	\$ (11,885)	\$ (12,095)
Foreign exchange contracts	(1,009)	408	(606)	336
Investment in real estate securities ⁽ⁱ⁾	—	2,517	37,161	1,618
Fair value adjustment of financial instruments	\$ 4,248	\$ (21,490)	\$ 24,670	\$ (10,141)

- (i) The REIT held non-controlling investment interests in (i) securities of Assura PLC ("Assura"), a publicly-listed REIT on the London Stock Exchange (LSE: AGR) (note 7), and (2) unlisted securities of an Australian healthcare fund that invested in and owned investment properties. During the nine months ended September 30, 2025, the REIT disposed of its holdings in both investments through sales and redemptions (note 7).

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

7. Other Assets

As at	September 30, 2025	December 31, 2024
Loans and mortgages receivable	\$ 17,886	\$ 14,963
Prepaid expenses and deposits	12,380	10,065
Lease assets	11,537	11,556
Commodity taxes recoverable	5,405	8,525
Furniture and office equipment	2,542	3,410
Other	147	143
Investment in Assura	—	169,417
Investment in unlisted securities	—	4,278
Other Assets	\$ 49,897	\$ 222,357

Loans and mortgages receivable

As at September 30, 2025, loans and mortgages receivable includes \$11.8 million or loans and mortgages receivable related to Vital Trust asset sales, bearing fixed rate interest and maturing between December 2025 and December 2033. Mortgage and loans receivable also includes an interest-bearing vendor take-back mortgage of \$3.9 million carried at amortized cost and maturing in August 2026, related to the sale of North American investment properties in 2024.

Prepaid expenses and deposits

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

Lease assets

Lease assets include \$7.5 million (December 31, 2024 – \$7.1 million) related to a long-term land lease with a third party, which is measured using a discount rate of 7.0% and has a remaining lease term of 63 years.

Investment in Assura

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 investment. The REIT's shares in Assura were originally acquired in August 2024 as partial consideration for the REIT's disposition of its UK portfolio at a value of \$177.0 million (£100.0 million). Proceeds from the sale were used to repay related debt and corporate facilities. For the nine months ended September 30, 2025, the REIT recognized a fair value gain of \$37.2 million.

The REIT also received distribution income of \$2.8 million, net of withholding tax, during the nine months ended September 30, 2025. The income is recognized as part of interest and other income in the statement of net income (loss).

Investment in unlisted securities

During the nine months ended September 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 September 30, 2025, the REIT no longer holds units in these unlisted securities.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

8. Mortgages and Loans Payable

As at	September 30, 2025		December 31, 2024	
Mortgages payable	\$	629,118	\$	680,998
Term debt		1,431,092		1,702,968
Credit facilities		91,450		264,719
		2,151,660		2,648,685
Unamortized deferred financing costs		(9,146)		(13,140)
Mortgages and loans payable	\$	2,142,514	\$	2,635,545
Classified as:				
Current portion	\$	272,807	\$	194,854
Non-current portion		1,869,707		2,440,691
Mortgages and loans payable	\$	2,142,514	\$	2,635,545

The REIT's credit facilities, term loans, and mortgages are subject to customary financial and non-financial covenants, including requirements relating to debt service coverage, interest coverage, unitholders' equity, investment property valuation, and the market prices of the REIT and Vital Trust units. The classification of mortgages and loans payable between current and non-current is based on the REIT's compliance with these covenants. As at September 30, 2025, the REIT was in compliance with all applicable covenants and expects to remain in compliance for at least the next 12 months. Accordingly, mortgages and loans payable with contractual maturities beyond 12 months from the reporting date have been classified as non-current.

As at September 30, 2025, the REIT's fixed-rate and variable-rate mortgages and loans payables totalled \$0.5 billion and \$1.6 billion, respectively, with contractual weighted average interest rates of 4.06% and 4.83%. Of the \$1.6 billion in variable-rate debt, 78% or \$1.3 billion is economically fixed or capped through interest rate derivatives with a weighted average term of 1.8 years, which reduces the weighted average interest rate on this debt by 0.07% (note 6).

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

	Mortgages payable	Term debt	Credit facilities	Total
Balance, December 31, 2024	\$ 680,998	\$ 1,702,968	\$ 264,719	\$ 2,648,685
Principal amortization payments	(14,034)	(18,900)	—	(32,934)
Repayments	(132,776)	(584,593)	(417,304)	(1,134,673)
Advances and refinancing proceeds	66,149	279,128	243,950	589,227
Accretion of financial liabilities	—	4,786	—	4,786
Foreign currency adjustment	28,781	47,703	85	76,569
	629,118	1,431,092	91,450	2,151,660
Unamortized deferred financing costs	(1,934)	(5,604)	(1,608)	(9,146)
Balance, September 30, 2025	\$ 627,184	\$ 1,425,488	\$ 89,842	\$ 2,142,514

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

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

	Remainder of 2025	2026	2027	2028	2029	Thereafter	Total
Amortizing principal payments							
Mortgages payable	\$ 4,514	\$ 13,222	\$ 9,449	\$ 6,486	\$ 3,925	\$ 1,200	\$ 38,796
Term debt ⁽ⁱ⁾	6,795	28,160	28,537	19,023	19,747	31,051	133,313
	11,309	41,382	37,986	25,509	23,672	32,251	172,109
Payments due at maturity							
Mortgages payable	20,889	220,798	75,156	104,501	126,705	42,273	590,322
Term debt	—	—	151,197	461,152	323,067	362,363	1,297,779
Credit facilities	—	—	91,450	—	—	—	91,450
	20,889	220,798	317,803	565,653	449,772	404,636	1,979,551
Total	\$ 32,198	\$ 262,180	\$ 355,789	\$ 591,162	\$ 473,444	\$ 436,887	\$ 2,151,660

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

Mortgages payable

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

Maturity	Weighted average interest rate	Principal repayments	Balance due at maturity	September 30, 2025	December 31, 2024
Remainder of 2025	3.05 %	\$ 4,514	\$ 20,889	\$ 25,403	\$ 171,829
2026	3.84 %	13,222	220,798	234,020	218,755
2027	5.31 %	9,449	75,156	84,605	81,700
2028	4.09 %	6,486	104,501	110,987	51,806
2029	3.27 %	3,925	126,705	130,630	124,142
Thereafter	3.74 %	1,200	42,273	43,473	32,766
	3.91 %	\$ 38,796	\$ 590,322	\$ 629,118	\$ 680,998
Unamortized deferred financing costs				(1,934)	(2,288)
Balance, end of period				\$ 627,184	\$ 678,710

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

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

Term debt

As at September 30, 2025, the REIT's term debt balances were as follows:

Security	Security amount	Maturities	Weighted average interest rate	September 30, 2025	December 31, 2024
Brazilian investment properties	\$ 357,694	Nov 2027 - Jun 2031	4.31 %	\$ 133,313	\$ 131,715
Australasian secured properties	2,894,229	Mar 2027 - Mar 2032	5.01 %	1,215,536	1,142,490
Vital units	344,700	Mar 2027	5.33 %	82,243	150,387
Assura units	—	—	—	—	81,072
US investment properties	—	—	—	—	197,304
	\$3,596,623		4.96 %	\$ 1,431,092	\$ 1,702,968
Unamortized deferred financing costs				(5,604)	(8,876)
Balance, end of period				\$ 1,425,488	\$ 1,694,092

As at September 30, 2025, the maximum amount available to be drawn is \$154.1 million, including \$71.2 million related to Vital Trust's term debts, which are subject to restrictions on the extent to which the REIT can access these funds (note 12).

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

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

Credit facilities

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

Facility Type	Maturity	Weighted Average Interest Rate	September 30, 2025			December 31, 2024		
			Maximum Available	Drawn	Maximum Available	Drawn		
Secured	July 2027	4.61 %	\$ 215,124	\$ 123,674	\$ 91,450	\$ 252,500	\$ 52,781	\$ 199,719
Unsecured	—	— %	—	—	—	95,000	30,000	65,000
		4.61 %	\$ 215,124	\$ 123,674	\$ 91,450	\$ 347,500	\$ 82,781	\$ 264,719
Unamortized deferred financing costs					(1,608)			(1,976)
Balance, end of period					\$ 89,842			\$ 262,743

On February 18, 2025, the REIT repaid in full its unsecured revolving credit facility, which had an outstanding balance of \$65.0 million and was scheduled to mature in March 2026. The facility, which previously provided a borrowing capacity of \$95.0 million, is no longer available to be drawn.

On July 29, 2025, the REIT amended the terms of its secured revolving credit facility. The amendment extended the maturity date of the facility to July 2027 and introduced grid-based pricing tied to the REIT's credit rating, resulting in a 65 basis point reduction in the cost of borrowing. The amendment also provides for a \$100.0 million accordion feature, available subject to incremental security and lender approval.

As at September 30, 2025, the REIT's secured revolving credit facility was secured by charges on investment properties with an estimated fair value of \$292.6 million (December 31, 2024 - \$344.3 million).

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

9. Debentures

As at	September 30, 2025		December 31, 2024
Senior unsecured debentures	\$	497,143	\$ —
Convertible debentures		249,504	356,963
Debentures	\$	746,647	\$ 356,963
Classified as:			
Current	\$	249,504	\$ 356,963
Non-current		497,143	—
Debentures	\$	746,647	\$ 356,963

In accordance with IAS 1, *Presentation of Financial Statements*, the REIT's convertible debentures are classified as current liabilities, as the holders have the right to convert the debentures into REIT units at any time.

Senior unsecured debentures

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

Series	Issuance date	Maturity date	Coupon rate	Interest payment dates	September 30, 2025	December 31, 2024
Series A	Feb 18, 2025	Feb 18, 2028	5.02 %	February 18 and August 18	\$ 200,000	\$ —
Series B	Feb 18, 2025	Feb 18, 2030	5.51 %	February 18 and August 18	300,000	—
			5.32 %		500,000	—
Unamortized deferred financing costs					(2,857)	—
Balance, end of period					\$ 497,143	\$ —

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 maturing on February 18, 2028; and \$300.0 million of 5.51% Series B senior unsecured debentures maturing on February 18, 2030.

Deferred financing costs of \$3.4 million were incurred in connection with the Series A and Series B debenture issuances and are presented as a reduction of the carrying amounts of the respective debentures. For the three and nine months ended September 30, 2025, \$0.2 million and \$0.5 million, respectively, were recognized as amortization of deferred financing costs. Both Series A and Series B debentures are redeemable, in whole or in part, in accordance with the terms of the related trust indentures.

The REIT's senior unsecured debentures are subject to financial and other customary covenants. As at September 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.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

Convertible debentures

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

As at	September 30, 2025	December 31, 2024
Balance, beginning of period	\$ 356,963	\$ 320,854
Conversion of convertible debentures to units	(10)	—
Repayment of convertible debentures	(124,990)	—
Fair value adjustment of convertible debentures	17,541	36,109
Balance, end of period	\$ 249,504	\$ 356,963

On March 31, 2025, the REIT repaid the principal amount of its 10.00% Series NWH.DB.G convertible debentures, totalling \$125.0 million, using available liquidity. From January 1, 2025 to the date of repayment, a nominal amount of debentures were converted into 1,379 REIT units (note 11).

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

Series	Conversion price per Unit (\$)	Issuance date	Maturity date	Interest rate	Interest payment dates	September 30, 2025	December 31, 2024
NWH.DB.G	\$—	Dec 20, 2018	Mar 31, 2025	—%	N/A	\$ —	\$ 126,000
NWH.DB.H	\$16.00	Aug 25, 2022	Aug 31, 2027	6.25%	February 28 and August 31	158,743	147,300
NWH.DB.I	\$10.55	Apr 27, 2023	Apr 30, 2028	7.75%	April 30 and October 31	90,761	83,663
						\$ 249,504	\$ 356,963

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

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

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

10. Unit-Based Compensation

The related activity of the unit-based compensation liabilities are as follows:

As at	September 30, 2025	December 31, 2024
Balance, beginning of period	\$ 9,929	\$ 15,161
Unit-based compensation expense	5,709	4,463
Redeemed and paid in cash	(2,547)	(2,735)
Redeemed and settled in Trust Units	(631)	(3,219)
Fair value adjustment	1,262	(3,687)
Foreign exchange gain (loss)	(46)	(54)
Balance, end of period	\$ 13,676	\$ 9,929

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

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 REIT trust units are authorized to be issued.

Deferred Units

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

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

As at September 30, 2025, the fair value of the accrued DUP units was \$5.9 million (December 31, 2024 - \$6.5 million) and is expected to vest between 2025 and 2026. The deferred unit liability is remeasured at each reporting date based on the fair market value of a REIT unit or Vital Trust unit, as applicable, with changes in fair value recognized in the condensed consolidated interim statements of income (loss) as part of fair value adjustment of unit-based compensation liabilities.

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

(Number of Awards)	Nine months ended September 30, 2025	
	REIT	Vital Trust
Outstanding Deferred Units, December 31, 2024	1,473,964	170,409
Granted	155,159	—
Redeemed and paid in cash	(484,187)	(49,604)
Redeemed and paid in REIT units	(127,843)	—
Forfeited	(5,798)	—
Distribution entitlement	77,968	6,004
Outstanding Deferred Units, September 30, 2025	1,089,263	126,809
Units vested, September 30, 2025	934,263	126,809

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to the Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

Restricted Units

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

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

(Number of Awards)	Nine months ended September 30, 2025	Weighted average grant date fair value per unit
Outstanding Restricted Units, December 31, 2024	1,383,683 \$	6.69
New grants	586,054	4.60
Redeemed and paid in cash	(34,053)	4.89
Forfeited	(195,889)	5.71
Distribution entitlement	100,172	4.83
Outstanding Restricted Units, September 30, 2025	1,839,967 \$	6.06

As at September 30, 2025, the fair value of the accrued RUs was \$3.8 million (December 2024 - \$2.0 million), determined based on the trading price of the REIT’s units. The awards are remeasured at fair value at each reporting date using the fair market value of a REIT unit, with and the change in fair value recognized in the condensed consolidated interim statements of income (loss) as part of fair value adjustment of unit-based compensation liabilities.

Performance Units

The REIT grants performance units (“PUs”) under the EIP with a three-year vesting period. The PUs are subject to both market and non-market performance conditions, which include measures of absolute and relative performance assessed over the three-year period.

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

(Number of Awards)	Nine months ended September 30, 2025	Weighted average grant date fair value per unit
Outstanding Performance Units, December 31, 2024	1,310,134 \$	7.12
New grants	908,899	4.65
Forfeited and cancelled by performance factor	(646,345)	8.30
Distribution entitlement	99,210	4.83
Outstanding Performance Units, September 30, 2025	1,671,898 \$	5.19

As at September 30, 2025, the fair value of the accrued PUs was \$3.9 million (December 31, 2024 - \$1.4 million), determined based on market and non-market performance measures. The awards are remeasured at fair value at each reporting date, with changes in fair value recognized in the condensed consolidated interim statements of income (loss) as part of fair value adjustment of unit-based compensation liabilities. for the period

Grant dates	April 14, 2023 - July 2, 2025
Weighted average remaining term to vesting	1.52
Average volatility rate	16.9%
Weighted average risk-free interest rate	2.70%

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

The REIT's unit-based compensation expense (recovery), recognized within general and administrative expenses and fair value adjustments, was as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Deferred Units	\$ 480	\$ (1,784)	\$ 1,742	\$ (1,695)
Restricted Units	622	483	1,728	1,683
Performance Units	1,016	843	2,239	2,373
Unit-based compensation expense included in general and administration expenses	\$ 2,118	\$ (458)	\$ 5,709	\$ 2,361
Fair value remeasurement:				
Deferred Units	\$ 350	\$ 1,361	\$ 813	\$ 1,248
Restricted Units	19	(90)	172	(409)
Performance Units	11	370	277	(359)
Fair value adjustment of unit-based compensation liabilities	\$ 380	\$ 1,641	\$ 1,262	\$ 480

11. Unitholders' Equity

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

The REIT is authorized to issue an unlimited number of REIT Trust units and an unlimited number of special voting units, both 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 declared by the REIT. Unitholders have the right to require the REIT to redeem their units on demand. Upon receipt of a redemption notice, 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 in accordance with a market-based formula. The Redemption Price will be paid in accordance with the conditions provided for in the REIT's Declaration of Trust.

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

	Note	REIT units	Amount
Balance, December 31, 2024		247,784,245	\$ 2,547,239
Units issued through distribution reinvestment plan		2,079,203	9,744
Units issued on conversion of convertible debentures	9	1,379	10
Units issued under unit-based compensation plans	10	127,843	631
Balance, September 30, 2025		249,992,670	\$ 2,557,624

Following the September 2025 distribution (paid on October 15, 2025), the REIT suspended its distribution reinvestment plan ("DRIP") until further notice. Unitholders previously enrolled in the plan now receive their distribution payments in cash. The suspension does not impact the REIT's distribution policy or the regular payment of monthly cash distributions to unitholders.

Prior to the suspension, the DRIP enabled unitholders to reinvest their monthly cash distributions in additional REIT units at a 3% discount to the weighted average trading price for the five trading days immediately preceding the distribution date. For the three and nine months ended September 30, 2025, the REIT's DRIP participation rates were 14.9% and 14.8%, respectively (September 30, 2024 - 11.8% and 11.4%).

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

12. Non-Controlling Interests

The following tables present summarized financial information for Vital Trust where non-controlling or partial interests are owned by a third party. Changes in the REIT's relative interest, as reflected in the statement of unitholders' equity for the nine months ended September 30, 2025, is as a result from exchanges of investment interests with non-controlling third parties associated with Vital Trust.

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

Summarized financial information for the REIT's non-controlling interest in Vital Trust is as follows:

As at September 30, 2025	Vital Trust
REIT's ownership interest	28.2 %
Total assets	\$ 2,747,164
Total liabilities	1,311,632
Net assets	\$ 1,435,532
Attributable to:	
Unitholders of the REIT	\$ 415,761
Non-controlling interests	1,019,771
	\$ 1,435,532

Vital Trust	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
		\$	\$	\$
Revenue from investment properties	37,914	36,708	110,971	106,888
Net income (loss) attributable to:				
Unitholders of the REIT	\$ 5,880	\$ (8,920)	\$ 2,720	\$ (9,981)
Non-controlling interests	15,002	(19,014)	7,023	(14,883)
Net income (loss)	\$ 20,882	\$ (27,934)	\$ 9,743	\$ (24,864)
Total comprehensive income (loss) attributable to:				
Unitholders of the REIT	\$ 7,484	\$ 3,730	\$ 9,883	\$ 4,522
Non-controlling interests	17,037	19,231	24,051	26,184
Total comprehensive income (loss)	\$ 24,521	\$ 22,961	\$ 33,934	\$ 30,706
Distributions attributable to non-controlling interests	\$ 9,744	\$ 9,952	\$ 29,187	\$ 26,937

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

Net income (loss) and comprehensive income (loss) attributable to the REIT's non-controlling interests were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Net income (loss) attributable to:				
Vital Trust	\$ 15,002	\$ (19,014)	\$ 7,023	\$ (14,883)
Other investments	—	—	—	(27)
Net income (loss) attributable to non-controlling interests	\$ 15,002	\$ (19,014)	\$ 7,023	\$ (14,910)
Comprehensive income (loss) attributable to:				
Vital Trust	\$ 17,037	\$ 19,231	\$ 24,051	\$ 26,184
Other investments	—	—	—	(27)
Comprehensive income (loss) attributable to non-controlling interests	\$ 17,037	\$ 19,231	\$ 24,051	\$ 26,157

The cash flows attributable to the REIT's non-controlling interest in Vital Trust was as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Cash flows from (used in):				
Operating activities	\$ 1,984	\$ 15,508	\$ 35,098	\$ 38,047
Investing activities	20,123	(33,692)	(42,089)	(47,911)
Financing activities	(29,636)	17,275	7,996	13,377
Effect of foreign currency translation	6,487	(115)	5,396	(18)
Net change in cash and cash equivalents	\$ (1,042)	\$ (1,024)	\$ 6,401	\$ 3,495
Cash and cash equivalents, end of period	\$ 11,989	\$ 14,749	\$ 11,989	\$ 14,749

For the three and nine months ended September 30, 2025, the REIT earned management fees of \$4.9 million and \$14.9 million, respectively, for management services provided to Vital Trust (three and nine months ended September 30, 2024 - \$3.4 million and \$10.0 million, respectively). These management fees are eliminated on consolidation as intercompany transactions, while the REIT retains the economic benefit of approximately 72% of the fees, representing its non-controlling ownership interest in Vital Trust.

13. Revenue from Investment Properties

The components of revenue from investment properties are as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Rental income	\$ 80,965	\$ 84,026	\$ 238,979	\$ 281,592
Operating cost recoveries	15,725	16,680	44,387	49,282
Property tax and insurance recoveries	5,697	4,721	25,864	25,234
Other revenue	1,899	1,588	5,707	3,593
Revenue from investment properties	\$ 104,286	\$ 107,015	\$ 314,937	\$ 359,701

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

14. Finance Costs

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

	Note	For the three months ended September 30,		For the nine months ended September 30,	
		2025	2024	2025	2024
Interest expense		\$ 31,122	\$ 44,332	\$ 96,987	\$ 153,521
Amortization of financing costs	8, 9	1,380	11,366	7,525	20,817
Other finance expenses		—	—	—	169
Finance costs		\$ 32,502	\$ 55,698	\$ 104,512	\$ 174,507

15. Supplemental Cash Flow Information

Cash, cash equivalents, and restricted cash

As at	September 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 75,908	\$ 51,247
Restricted cash ⁽ⁱ⁾	1,526	1,733
Total cash, cash equivalents, and restricted cash	\$ 77,434	\$ 52,980

(i) Restricted cash represents cash held in the REIT's designated bank accounts pledged as collateral, of which \$1.2 million forms part of the security for certain European mortgages (note 8).

Changes in non-cash working capital

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Accounts receivable	\$ 6,527	\$ 8,054	\$ 11,907	\$ 1,857
Other assets	(281)	2,005	(1,001)	(9,575)
Accounts payable and accrued liabilities	(5,908)	(1,103)	4,199	5,405
Changes in non-cash working capital	\$ 338	\$ 8,956	\$ 15,105	\$ (2,313)

Items not affecting cash and other items

	Note	For the three months ended September 30,		For the nine months ended September 30,	
		2025	2024	2025	2024
Amortization of other assets		\$ 586	\$ 697	\$ 1,704	\$ 3,174
Unrealized foreign exchange loss (gain)		2,827	1,888	(4,588)	(11,093)
Unit-based compensation expense	10	2,118	(458)	5,709	2,361
Fair value adjustment of convertible debentures	9	6,850	34,179	17,541	35,871
Fair value adjustment of financial instruments	6	(4,248)	21,490	(24,670)	10,141
Fair value adjustment of investment properties	3, 4	(8,781)	94,747	23,947	338,867
Fair value adjustment of unit-based compensation liabilities	10	380	1,641	1,262	480
Items not affecting cash and other items		\$ (268)	\$ 154,184	\$ 20,905	\$ 379,801

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

Non-cash financing and investing activities

	Note	For the three months ended September 30,		For the nine months ended September 30,	
		2025	2024	2025	2024
Non-cash distributions to unitholders under the DRIP	11	\$ 3,536	\$ 2,573	\$ 9,744	\$ 7,262
Non-cash conversion of convertible debentures	11	—	—	10	—
Non-cash conversion of Class B exchangeable units	11	—	—	—	8,926
Non-cash consideration from sale of subsidiary	7	—	177,000	—	177,000
Units issued under unit-based compensation plan	10	—	1,745	631	3,038
Non-cash financing and investing activities		\$ 3,536	\$ 181,318	\$ 10,385	\$ 196,226

16. Segmented Information

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

During the three and nine months ended September 30, 2025, a single tenant in Brazil accounted for approximately 14% of the total revenue from investment properties on a consolidated basis (three and nine months ended September 30, 2024 - 11%).

As at September 30, 2025	North America	Brazil	Europe	Australasia	Other	Total
Investment properties	\$ 1,311,966	\$ 688,321	\$ 617,551	\$ 2,766,560	\$ —	\$ 5,384,398
Mortgages and loans payable	303,625	131,965	323,559	1,211,710	171,655	2,142,514

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

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

For the three months ended September 30, 2025

	North America	Brazil	Europe	Australasia	Other	Total
Net property operating income						
Revenue from investment properties	\$ 36,315	\$ 14,460	\$ 13,352	\$ 40,159	\$ —	\$ 104,286
Property operating costs	(14,827)	—	(4,577)	(5,714)	—	(25,118)
	21,488	14,460	8,775	34,445	—	79,168
Other income (expenses)						
Interest and other income	75	274	65	604	1,368	2,386
Management fees	20	—	803	3,193	—	4,016
Share of income (loss) from equity accounted investments	—	—	460	4,206	—	4,666
Interest expense	(3,486)	(1,456)	(2,140)	(10,976)	(13,064)	(31,122)
General and administrative expenses	(2,314)	(562)	(2,176)	(4,241)	(6,925)	(16,218)
Transaction costs	—	—	(1,237)	(105)	(1,859)	(3,201)
Foreign exchange gain (loss)	37	3	(595)	(4,742)	2,659	(2,638)
Operating income (loss)	\$ 15,820	\$ 12,719	\$ 3,955	\$ 22,384	\$ (17,821)	\$ 37,057

For the three months ended September 30, 2024

	North America	Brazil	Europe	Australasia	Corporate	Total
Net property operating income						
Revenue from investment properties	\$ 35,788	\$ 13,388	\$ 18,904	\$ 38,935	\$ —	\$ 107,015
Property operating costs	(14,179)	—	(5,200)	(5,420)	—	(24,799)
	21,609	13,388	13,704	33,515	—	82,216
Other income (expenses)						
Interest and other income	128	86	3,818	977	1,142	6,151
Management fees	16	—	764	3,337	—	4,117
Share of income (loss) from equity accounted investments	—	—	(484)	(2,616)	—	(22,100)
Interest expense	(7,222)	(3,592)	(4,836)	(10,817)	(17,865)	(44,332)
General and administrative expenses	(2,483)	(527)	(3,723)	(5,812)	(3,458)	(16,003)
Transaction costs	(85)	(284)	(713)	(3,664)	(620)	(5,366)
Foreign exchange gain (loss)	—	2,418	2,113	(496)	(4,535)	(500)
Operating income (loss)	\$ 11,963	\$ 11,489	\$ 10,643	\$ (4,576)	\$ (25,336)	\$ 4,183

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

For the nine months ended September 30, 2025

	North America	Brazil	Europe	Australasia	Corporate	Total
Net property operating income						
Revenue from investment properties	\$ 114,624	\$ 43,961	\$ 38,214	\$ 118,138	\$ —	\$ 314,937
Property operating costs	(50,117)	(1,598)	(12,809)	(17,789)	—	(82,313)
	64,507	42,363	25,405	100,349	—	232,624
Other income (expenses)						
Interest and other income	252	1,018	3,956	1,777	4,112	11,115
Management fees	61	—	2,302	9,016	—	11,379
Share of income (loss) from equity accounted investments	—	—	3,197	(2,625)	—	572
Interest expense	(12,812)	(4,282)	(7,607)	(31,224)	(41,062)	(96,987)
General and administrative expenses	(5,764)	(1,785)	(6,809)	(13,638)	(17,961)	(45,957)
Transaction costs	(98)	(258)	(3,860)	(600)	(10,207)	(15,023)
Foreign exchange gain (loss)	413	(11)	7,170	(2,374)	(543)	4,655
Operating income (loss)	\$ 46,559	\$ 37,045	\$ 23,754	\$ 60,681	\$ (65,661)	\$ 102,378

For the nine months ended September 30, 2024

	North America	Brazil	Europe	Australasia	Other	Total
Net property operating income						
Revenue from investment properties	\$ 127,589	\$ 44,127	\$ 73,983	\$ 114,002	\$ —	\$ 359,701
Property operating costs	(54,867)	(1,704)	(15,897)	(15,589)	—	(88,057)
	72,722	42,423	58,086	98,413	—	271,644
Other income (expenses)						
Interest and other income	332	324	4,065	4,524	3,665	12,910
Management fees	48	—	2,180	9,105	—	11,333
Share of income (loss) from equity accounted investments	—	—	(1,329)	(30,755)	—	(32,084)
Interest expense	(26,439)	(15,413)	(22,962)	(31,298)	(57,409)	(153,521)
General and administrative expenses	(5,304)	(1,530)	(9,401)	(16,687)	(12,097)	(45,019)
Transaction costs	(704)	(686)	(1,993)	(5,642)	(3,275)	(12,300)
Foreign exchange gain (loss)	(2)	4,898	2,115	(1,193)	6,551	12,369
Operating income (loss)	\$ 40,653	\$ 30,016	\$ 30,761	\$ 26,467	\$ (62,565)	\$ 65,332

17. Commitments and Contingencies

Development commitments

The REIT has entered into acquisition and construction agreements on certain development properties, with committed costs of \$41.1 million as at September 30, 2025 (December 31, 2024 - \$88.0 million). This amount includes \$15.8 million relating to Vital Trust, where the timing of expenditures will depend on project progress. The REIT expects to complete these projects throughout 2025 and into 2026 (December 31, 2024 - \$62.5 million).

Landlord work commitments

Pursuant to a lease renewal during the year ended December 31, 2024, the REIT has entered into an agreement to reimburse the tenant on a Brazilian property for up to \$6.9 million of landlord's work. The reimbursement is expected to occur by October 2027.

Guarantees

The REIT provides guarantees to subsidiaries, including consolidated and equity accounted entities, which are not expected to have a material impact on the condensed consolidated interim financial statements. In connection with the 2023 disposition of an Australasian investment property, the REIT entered into agreements to provide rental guarantees of up to \$3.3 million, expiring in 2028. These guarantees would become effective if the sub-lease is terminated due to default by the sub-landlord. No such action has occurred or is anticipated, and accordingly no provision has been recognized by the REIT.

Indemnities

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

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

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

Legal proceedings

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

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to the Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and nine months ended September 30, 2025

Unaudited

18. 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, *Fair Value Measurement*, 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 September 30, 2025 are as follows:

	Note	Carrying value	Fair Value		
			Level 1	Level 2	Level 3
Assets					
Fair value through profit and loss:					
Investment properties ⁽ⁱ⁾	3	\$ 5,384,398	\$ —	\$ —	\$ 5,384,398
Derivative financial instruments ⁽ⁱⁱ⁾	6	7,395	—	7,395	—
Assets held for sale	4	79,734	—	—	79,734
Amortized cost:					
Loans and mortgages receivable	7	17,886	—	—	17,886
Liabilities					
Fair value through profit and loss:					
Derivative financial instruments ⁽ⁱⁱ⁾	6	11,081	—	11,081	—
Convertible debentures ⁽ⁱⁱⁱ⁾	9	249,504	249,504	—	—
Unit-based compensation liabilities	10	13,676	—	9,735	3,941
Amortized cost:					
Mortgages and loans payable ^(iv)	8	2,142,514	—	2,144,510	—
Lease liabilities		21,367	—	21,367	—
Senior unsecured debentures ⁽ⁱⁱⁱ⁾	9	497,143	506,210	—	—

(i) The REIT determines the estimated fair value of each investment property, excluding certain properties under development, using the discounted cash flow and direct capitalization methods.

(ii) 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.

(iii) The fair value of the REIT's convertible debentures and senior unsecured debentures is based on unadjusted quoted market prices obtained from an active market.

(iv) The fair values of the REIT's mortgages and loans payable are determined using present value calculations based on market-observable interest rates for instruments with similar terms and conditions.

19. Capital Management

Capital is comprised of the REIT's unitholders' equity, mortgages, 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. The Declaration of Trust limits total indebtedness to no more than 65% of Gross Book Value, excluding deferred revenue and unsecured debt.

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

- debt to gross asset value, excluding convertible debentures, not in excess of 65%;
- debt to gross book value, including convertible debentures, not in excess of 70%;
- debt service coverage ratio of not less than 1.25:1, on a trailing twelve months basis; and
- minimum unitholders' equity of \$1.0 billion plus 75% of net proceeds from equity offerings after December 31, 2024.

The debt service coverage ratio covenant increases to 1.3:1 for the quarter ending December 31, 2025 (based on the trailing 12 months) and 1.4:1 beginning March 31, 2026, with quarterly testing thereafter.

The REIT's senior unsecured debentures are subject to certain occurrence-based covenants, as defined in the supplemental indenture, including:

- interest coverage ratio greater than or equal to 1.65 to 1;
- indebtedness to asset value, excluding convertible debentures and adjusting for cash and cash equivalents from both indebtedness and assets, of less than or equal to 65%; and
- proportionate adjusted unitholders' equity of not less than \$500.0 million.

As at September 30, 2025, the REIT was in compliance with all of the above covenants and those in respect of its loans and mortgages disclosed in note 8. The loans referred to above have been classified as non-current as at September 30, 2025, as the REIT has the right to defer settlement for at least 12 months after the reporting period.

In addition, on the earlier of February 18, 2027, or 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.

20. Subsequent Events

1. On September 15, 2025, the REIT announced a distribution of \$0.03 per unit to unitholders of record on September 30, 2025, and was paid on October 15, 2025.
2. On October 15, 2025, the REIT announced a distribution of \$0.03 per unit to unitholders of record on October 31, 2025, and will be paid on November 14, 2025.
3. On November 9, 2025, the REIT announced that it had entered into a conditional agreement with the independent directors of Vital Trust to internalize the management of Vital Trust for total consideration of NZ\$214 million (approximately \$170 million). The transaction is subject to customary conditions, including lender consents, regulatory approvals, and a successful equity raise by Vital Trust of not less than NZ\$175 million, net. On November 11, 2025, Vital successfully completed a fully subscribed NZ\$190 million equity placement, with settlement of the new units expected to occur on November 14, 2025. Closing of the internalization is expected to occur on or about December 31, 2025, or, if additional time is required to satisfy these conditions, during the first quarter of 2026.