



Management's Discussion and Analysis

For the three months ended
March 31, 2026

TSX: VITL.UN



Owner and Manager of Healthcare Infrastructure

Management's Discussion & Analysis

Table of Contents

3	Introduction
5	Business Overview and Strategy
7	Performance Overview
16	Results From Operations
26	Balance Sheet
28	Investment Properties
30	Liquidity and Capital Resources
38	Quarterly Information
39	Risks and Uncertainties
39	Other Financial Disclosures
40	Non-GAAP and Other Supplementary Measures



1. INTRODUCTION

1.1. Basis for Presentation

This Management's Discussion and Analysis ("MD&A") of the results of operations and financial condition of Vital Infrastructure Property Trust ("Vital Infrastructure" or the "REIT") should be read with the REIT's unaudited condensed consolidated interim financial statements and accompanying notes for the three months ended March 31, 2026, the REIT's Annual Information Form dated February 24, 2026 and the REIT's Management Information Circular dated April 1, 2026. The REIT, formerly known as Northwest Healthcare Properties REIT, changed its name to Vital Infrastructure Property Trust in March 2026. The accompanying financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

Unless otherwise indicated, financial information is presented in thousands of Canadian dollars, and per unit amounts are presented on a per-unit basis. Additional information relating to the REIT is available on SEDAR+ at www.sedarplus.ca. This MD&A is current as of May 13, 2026. Historical results and trends discussed in this MD&A may not be indicative of future results.

Basis of Consolidation and Presentation

The financial information in this MD&A is presented on a consolidated basis in accordance with IFRS and reflects the financial position and results of operations of the REIT and its consolidated subsidiaries. References to "Vital Infrastructure" or the "REIT" include the REIT and its consolidated subsidiaries, unless the context otherwise requires.

Until December 30, 2025, the REIT managed Vital Healthcare Property Trust ("Vital Trust"), a New Zealand Stock Exchange-listed trust, and consolidated its assets, liabilities and operating results. Following the internalization of Vital Trust's management structure on that date, the REIT no longer controls Vital Trust and deconsolidated it accordingly. The REIT's retained interest in Vital Trust is accounted for as an equity-accounted investment in accordance with IFRS from that date. As a result, the REIT's consolidated results for 2026 are not directly comparable with prior periods.

For proportionate disclosure in this MD&A, the REIT no longer includes its share of Vital Trust's underlying assets, liabilities, revenues and expenses. Instead, the retained investment is reflected based on the nature of the measure presented, as summarized below.

Measure	Vital Trust treatment beginning January 1, 2026
IFRS financial statements	Accounted for as an equity-accounted investment.
Proportionate balance sheet	Presented as a single line item, "Investment in Vital Trust", at IFRS carrying value.
Proportionate income statement	Distributions from Vital Trust are presented separately; remaining equity-accounted income is presented as non-cash equity income from Vital Trust.
Net operating income ("NOI") and same-property net operating income ("SPNOI")	Excluded from NOI and SPNOI.
Funds from operations ("FFO") and adjusted funds from operations ("AFFO")	Reflected through distributions received from Vital Trust.
Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA")	Reflects Vital Trust based on distributions received, rather than a proportionate share of Vital Trust's underlying operating results.
Net asset value ("NAV") and assets under management	Reflected using the quoted market price of the Vital Trust units held by the REIT.
Leasing metrics and portfolio profile	Excluded from leasing metrics and portfolio profile.

This presentation applies beginning January 1, 2026 and affects comparability with the three months ended March 31, 2025, when Vital Trust was reflected under the prior presentation. The impact of this presentation on the REIT's non-GAAP and other supplementary measures is discussed in Section 11, "Non-GAAP and Other Supplementary Measures".

Use of Operating and Non-Financial Metrics

The REIT uses certain operating and non-financial metrics to assess portfolio performance and support capital allocation and investment decisions. These metrics include measures such as net operating income, same-property performance, occupancy, leasing activity and weighted average lease expiry. Certain of these measures may constitute supplementary financial measures under National Instrument 52-112. Although some of these metrics are not presented directly in the consolidated financial statements, management believes they provide useful information in assessing the REIT's operating performance and portfolio quality.

Use of Non-GAAP and Other Financial Measures

This MD&A includes certain non-GAAP financial measures, non-GAAP ratios and supplementary financial measures, as defined in National Instrument 52-112 - *Non-GAAP and Other Financial Measures Disclosure*. Management uses these measures to evaluate operating performance, financial position and the REIT's ability to meet its financial obligations, and to facilitate period-over-period comparisons. These measures do not have standardized meanings under IFRS and may not be comparable to similar measures presented by other issuers. They should not be considered substitutes for measures determined in accordance with IFRS. Non-GAAP and other supplementary financial measures in this MD&A are identified by the suffix "(1)". Where applicable, these measures are reconciled to the most directly comparable IFRS measures. Definitions, explanations of composition and reconciliations are provided in Section 11, "Non-GAAP and Other Supplementary Measures".

1.2. Forward-Looking Statements

This MD&A may contain forward-looking statements with respect to the REIT, its operations, strategy, financial performance and condition. These statements can generally be identified by words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe", "continue", or the negative thereof or similar variations.

Forward-looking statements in this MD&A include statements concerning driving growth and long-term unitholder value, the stability and durability of the REIT's income, the receiver-led sale process for Healthscope Pty Ltd ("HSO"), the conditional lease agreement with Calvary Health Care ("Calvary") for the REIT's portfolio of 12 assets, including the approval of the receiver and creditors, the ongoing operation of HSO's inpatient facilities, future debt repayment and renewal, target leverage and debt-to-EBITDA ratio levels, the use of proceeds from the internalization of external management at Vital Trust, the REIT's relationship with (and ownership interest in) Vital Trust going forward, the closing of the sale of the REIT's remaining German assets in connection with the REIT's sale of its European portfolio, including the use of proceeds therefrom, the REIT's planned Canadian development, including the expected timeline for construction commencement and completion, the REIT's commitment to continue pursuing asset sales, simplifying the business, reducing costs, and strengthening its balance sheet, the REIT's plans to expand its North American footprint, enhancing operating leverage and driving earnings growth, the REIT's plans to address 2026 debt maturities through a combination of repayments and refinancing, distribution sustainability and the REIT's ability to meet its ongoing distribution and financing obligations, future debt repayment and renewals, and the repurchase of securities under the REIT's normal course issuer bid.

The REIT's actual results and performance discussed herein could differ materially from those expressed or implied by such forward-looking statements. The forward-looking statements contained in this MD&A are based on numerous assumptions which may prove incorrect, and which could cause actual results or events to differ materially from the forward-looking statements. These include assumptions relating to the REIT's properties continuing to perform as they have recently, various general economic and market factors, including exchange rates remaining constant, local real estate conditions remaining strong, and interest rates remaining at current levels or decreasing, the availability of equity and debt financing to the REIT and the REIT's ability to refinance, or extend the maturity of, its existing debt, the continued operation of HSO's hospitals, the approval by the receiver and creditors of the conditional lease agreement with Calvary, the REIT's ability to successfully complete its planned dispositions, developments and acquisitions on the terms proposed, the valuations to be realized on property sales relative to current IFRS values, the expected timing and completion of the European portfolio sale, and the market price of the Trust Units.

Such forward-looking statements are also qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including the risk that the transactions contemplated herein are not completed on the terms proposed or at all, and the risks described in the section titled "Risk Factors" in the Annual Information Form, which are hereby incorporated by reference in this MD&A and available on SEDAR+ at www.sedarplus.ca.

Unless otherwise stated, all forward-looking statements speak only as of the date of this MD&A and, except as expressly required by applicable law, the REIT assumes no obligation to update such statements.

Market and Industry Data

This MD&A includes market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of the information included.

Although the third-party sources believe it to be reliable, the REIT has not independently verified any of the data from third-party sources referred to in this MD&A or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

2. BUSINESS OVERVIEW AND STRATEGY

2.1. About Vital Infrastructure Property Trust

Vital Infrastructure Property Trust ("Vital Infrastructure", or the "REIT"), is an Ontario open-end trust established on January 1, 2010 and governed pursuant to a fourth amended and restated Declaration of Trust dated March 11, 2026 ("Declaration of Trust"). The registered office of the REIT is 180 Dundas Street West, Suite 1100, Toronto, Ontario, M5G 1Z8. The REIT's trust units ("Trust Units") are listed and publicly traded on the Toronto Stock Exchange ("TSX") under the symbol VITL.UN. The REIT's convertible debentures are listed and publicly traded on the TSX under the symbols VITL.DB.H and VITL.DB.I.

The REIT's Business

Vital Infrastructure is an investor, developer and manager of critical healthcare infrastructure located in core urban markets across North America, Brazil, Europe and Australia.

As at March 31, 2026, Vital Infrastructure's portfolio comprised 58 inpatient facilities, 73 outpatient facilities and 3 other health research facilities, with a total gross value exceeding \$6.1 billion. Of this amount, \$3.2 billion is owned in partnership with institutional investors and \$2.9 billion is owned directly by the REIT.

Vital Infrastructure has deep knowledge of healthcare systems, local execution capabilities and longstanding relationships with governments, healthcare providers, and long-term capital, making Vital Infrastructure a strategic infrastructure partner to local healthcare networks and investors.

The REIT's Purpose

Vital Infrastructure's purpose is to unlock the full potential of healthcare by investing in the places where care is delivered. Vital Infrastructure's high-quality healthcare infrastructure portfolio enables better outcomes for patients, while delivering strong returns for unitholders.

The REIT aims to be the leader in healthcare real estate through its deep healthcare expertise and relationships with health systems to create irreplaceable assets at the heart of modern care delivery. We focus on high-quality properties, long-term relationships, and partnership-driven growth, reflecting our belief that properties serve a greater purpose than simply providing space.

2.2. Our Operating Environment

The REIT's portfolio is supported by three long-term trends driving demand for healthcare real estate.

Aging Demographics

Canada's population aged 65 and over continues to be a powerful demand driver for healthcare services. Statistics Canada projects this demographic will increase by approximately 28% by 2036, with this cohort utilizing healthcare services at roughly 3.5 times the per-capita rate of the general population. This demographic shift is expected to support enduring demand for modern, well-located healthcare facilities across the full continuum of care, including primary care, diagnostics, acute care, and specialized treatment.

Rising Healthcare Expenditures

According to CIHI's National Health Expenditure Trends, 2025, Canadian healthcare expenditures are projected to grow at approximately 5% annually over the next 25 years, reflecting increased demand for services, infrastructure modernization, capacity expansion, and the integration of advanced medical technologies. Ongoing public and private investment in healthcare systems is expected to support sustained institutional investment in healthcare real estate.

Shift Toward Outpatient and Ambulatory Care

Healthcare delivery models continue to evolve, with a growing share of procedures migrating from traditional inpatient hospital settings to outpatient and ambulatory facilities. These settings offer operational efficiencies, faster patient recovery times, lower infection risk and improved clinical outcomes. As a result, outpatient and ambulatory facilities are increasingly favoured by health systems, physicians, and payers, supporting continued demand for purpose-built healthcare real estate.

2.3. Our Strategy

The REIT's strategy is to build a scaled healthcare infrastructure platform with an increasing emphasis on the Americas, supported by a strong balance sheet and a disciplined approach to capital allocation. The REIT's objective is to deliver sustainable growth in earnings and net asset value per unit while maintaining financial flexibility across market cycles.

This strategy reflects the REIT's view that long-term demographic trends, rising demand for healthcare services, and the continued shift toward outpatient care will drive durable investment opportunities across its core markets. We believe the REIT's established relationships, operating expertise, and development capabilities position it to generate attractive risk-adjusted returns within this environment.

During the remainder of 2026, the REIT's strategic priorities are to:

- Simplify the portfolio and recycle capital;
- Strengthen and optimize the balance sheet;
- Expand the REIT's North American footprint; and
- Enhance operating leverage and drive earnings growth.

3. PERFORMANCE OVERVIEW

3.1. Key Performance Metrics

The following table summarizes key financial and operating metrics of the REIT for the periods indicated. These metrics should be read in conjunction with the REIT's condensed consolidated interim financial statements and accompanying notes. Financial information is presented in thousands of Canadian dollars, unless otherwise indicated.

As at or for the three months ended March 31 (\$ thousands except where otherwise indicated) (unaudited)	2026	2025
Portfolio and Operating Metrics		
Number of Properties ⁽ⁱ⁾	134	169
Gross Leasable Area (millions of sf) ⁽ⁱ⁾	13.1	15.8
Occupancy % ⁽ⁱ⁾	96.4%	96.5%
Weighted Average Lease Expiry ("WALE") (years) ⁽ⁱ⁾	12.1	13.6
IFRS Financial Measures		
Total assets (IFRS)	\$ 3,528,785	\$ 6,136,341
Total liabilities (IFRS)	1,994,527	3,539,060
Revenue from investment properties (IFRS)	74,067	111,647
Net income (loss)	(3,845)	(15,530)
Net income (loss) per unit	(0.02)	(0.06)
Net income (loss) attributable to unitholders	(3,845)	(890)
Net income (loss) attributable to unitholders per unit	(0.02)	—
Non-GAAP Financial Measures		
Funds from Operations ("FFO") ⁽¹⁾ per unit - diluted	\$ 0.11	\$ 0.10
FFO ⁽¹⁾ payout ratio - diluted	84%	92%
Adjusted Funds from Operations ("AFFO") ⁽¹⁾ per unit - diluted	\$ 0.10	\$ 0.10
AFFO ⁽¹⁾ payout ratio	87%	92%
Distributions declared per unit	\$ 0.09	\$ 0.09
Weighted average number of units outstanding - diluted	250,803,844	249,111,151
Net Asset Value ("NAV")		
NAV ⁽¹⁾ per unit	\$ 7.55	\$ 8.71
Units Outstanding - period end, basic	250,006,220	248,398,612
Capital Structure and Debt Metrics		
Debt to Gross Book Value (IFRS) ⁽¹⁾	46.6%	50.4%
Debt to Gross Book Value (Proportionate) ⁽¹⁾	52.7%	58.2%
Interest coverage (Proportionate) ⁽¹⁾⁽ⁱⁱ⁾	2.12	1.64
Economic Weighted Average Interest Rate (Proportionate) ⁽¹⁾	4.76%	5.02%
Weighted average term to maturity (years) (Proportionate) ⁽¹⁾	2.3	2.9

(i) Although the REIT holds an ownership interest of approximately 30% in its joint venture investments, operational information is presented on a 100% basis. For the three months ended March 31, 2025, this information also includes Vital Trust, while for the three months ended March 31, 2026, Vital Trust has been excluded following the internalization transaction completed on December 30, 2025. Refer to Section 1.1, "Basis for Presentation" and Section 3.3, "Portfolio Profile".

(ii) Interest coverage ratio is presented on a trailing twelve month basis consistent with the REIT's leverage covenants under its senior unsecured debenture indentures.

3.2. Key Performance Highlights

During the quarter, the REIT executed several initiatives to strengthen its balance sheet, enhance liquidity and reposition its portfolio. The discussion below reflects activity during the quarter and subsequent events through May 13, 2026.

Balance Sheet Strengthening and Liquidity

During the quarter, the REIT repaid two Canadian mortgages totalling \$23.7 million using existing liquidity. The related properties were subsequently added to the revolving credit facility's security pool, increasing cumulative available capacity to \$274.0 million.

The REIT also refinanced \$129.5 million (A\$135.3 million) of term debt across its Australian portfolio, including \$17.5 million in its IFRS consolidated assets and \$112.0 million within joint ventures (\$33.6 million at the REIT's share). These refinancing activities extended maturities to between 2029 and 2031 and reduced the weighted average facility margin by 8 basis points.

As at March 31, 2026, total available liquidity was approximately \$366.6 million, comprising \$295.1 million of undrawn capacity under the revolving credit facility and term loan secured by Vital Trust units, and \$71.5 million of cash on a proportionate basis⁽¹⁾.

Subsequent to March 31, 2026, the REIT repaid six Canadian mortgages totalling \$65.0 million using its revolving credit facility.

On February 5, 2026, DBRS Morningstar confirmed the REIT's Issuer Rating and Senior Unsecured Debentures credit rating at BBB (low) with a Stable trend. During the quarter, the REIT also repurchased \$1.4 million of its convertible debentures under its normal course issuer bid.

European Portfolio Sale

As at March 31, 2026, the REIT classified 30 income-producing properties and three properties under development in Europe as held for sale. The portfolio comprises 23 wholly-owned properties in Germany and the Netherlands and 10 properties held through the REIT's joint venture in the Netherlands. The wholly-owned properties have a fair value of \$359.3 million, while the joint venture properties have a fair value of \$253.2 million (\$75.9 million at the REIT's 30% interest), reflecting fair value adjustments made to align carrying values with expected transaction proceeds.

In connection with the classification of the wholly-owned properties as held for sale, \$218.7 million of mortgages were reclassified to liabilities associated with assets held for sale, while debt related to the joint venture properties of \$139.2 million (\$41.8 million at the REIT's 30% interest) remains within the joint venture.

The Netherlands portion of the transaction closed on April 29, 2026, and the remaining German assets are expected to close in the second quarter of 2026, subject to customary closing conditions. Net proceeds attributable to the REIT are estimated at approximately \$145 million, after transaction costs and taxes. The REIT expects to use the net proceeds to reduce leverage and support capital redeployment.

Canadian Development Commitment

In February 2026, the REIT partnered with Royal Victoria Regional Health Centre ("RVH") in Barrie, Ontario, to develop a four-storey, 119,000 square foot health services building on the hospital campus.

Under the agreement, the REIT will fund, develop and manage the building under a long-term ground lease, with an estimated total cost of \$112.0 million. Construction is expected to commence in the fourth quarter of 2026, with completion targeted for the fourth quarter of 2029.

Canadian Acquisition

On March 24, 2026, the REIT acquired a transitional-care facility in Ottawa, Ontario for \$51.3 million. The property is leased on a triple net basis to The Ottawa Hospital for a remaining term of approximately 15 years, with contractual rent escalations.

3.3. Portfolio Profile

Portfolio Overview

The REIT's portfolio is comprised of high-quality healthcare real estate leased to leading operators, with a significant portion subject to long-term, inflation-indexed lease structures. The portfolio is diversified by geography, asset type and tenant, with a mix of inpatient facilities and outpatient medical clinics that are integral to healthcare delivery and generate stable cash flows.

As at March 31, 2026, the REIT held interests in 134 income-producing properties comprising approximately 13.1 million square feet of gross leasable area across North America, Brazil, Europe and Australia.

Geographic Diversification and Asset Mix

The REIT's portfolio is diversified across four core regions, providing exposure to diverse healthcare systems and tenant bases while maintaining consistent asset quality and lease characteristics.

North America

In North America, the portfolio is primarily comprised of outpatient facilities in Canada and the United States. Canadian outpatient facilities benefit from demand supported by the publicly funded healthcare system, while assets in the United States include outpatient facilities and select inpatient facilities leased under long-term, triple-net, inflation-indexed arrangements.

Brazil

The Brazilian portfolio consists of institutional-quality inpatient facilities located in major markets, including São Paulo, Brasília and Rio de Janeiro, leased under long-term, uncapped, inflation-indexed, triple-net arrangements that deliver stable cash flows and consistent organic growth.

Europe

Across Europe, the portfolio consists primarily of outpatient facilities and medical clinics located in Germany and the Netherlands, as well as an indirect interest in inpatient and rehabilitation facilities held through a joint venture. These assets are supported by long lease terms and inflation index lease structure within publicly funded healthcare systems.

The REIT holds a 30% interest in the European joint venture with an institutional partner, which includes investments in outpatient, inpatient and rehabilitation facilities. For certain assets within the joint venture, the REIT also holds an additional 5.1% direct ownership interest, resulting in an effective interest of 33.6% in those properties.

The European joint venture is supported by the REIT's asset management platform, which provides property and asset management services to the joint venture.

In February 2026, the REIT entered into an agreement to sell the combined portfolio of 33 properties to TPG Real Estate with closing expected in the second quarter of 2026, subject to customary closing conditions. Following completion of the transaction, the REIT is expected to retain one wholly-owned asset in the Netherlands and a portfolio of German clinics through its joint venture. Refer to section 3.2. Key Performance Highlights.

Australasia

In Australasia, the REIT holds interests in healthcare real estate across Australia and New Zealand through joint venture and investment structures. The portfolio includes inpatient facilities, outpatient facilities and other healthcare-related assets that generate growing cash flows supported by tenancies with high-quality healthcare operators under long-term, inflation-indexed leases.

In Australia, the REIT holds a 30% interest in a joint venture and joint operations with an institutional partner (the "Australian JV"). In New Zealand, the REIT holds a 24% interest in Vital Healthcare Property Trust, which is listed on the New Zealand Stock Exchange and accounted for under the equity method.

Portfolio Geographic Diversification and Asset Mix

The following table summarizes the REIT's portfolio by geography as at March 31, 2026:

	North America ⁽ⁱⁱⁱ⁾	Brazil	Europe ⁽ⁱ⁾	Australia ⁽ⁱ⁾	Consolidated Total ⁽ⁱⁱ⁾
Number of properties	58	8	43	25	134
Asset mix by number of properties	78% Outpatient & 20% Inpatient & 2% Other	100% Inpatient	58% Outpatient & 42% Inpatient	12% Outpatient & 80% Inpatient & 8% Other	55% Outpatient & 43% Inpatient & 2% Other
Gross Leasable Area ("GLA") (million sf)	3.7	1.9	4.5	3.0	13.1
Total assets (millions) (Proportionate Basis) ⁽ⁱ⁾	\$1,391	\$727	\$755	\$1,094	\$4,000
Assets under management (millions) ^(iv)	\$1,372	\$719	\$1,137	\$2,834	\$6,062
Occupancy	90.3%	100.0%	97.3%	100.0%	96.4%
WALE (years)	5.8	16.7	13.2	14.7	12.1
Average building age (years)	32	22	39	20	30
Weighted average overall capitalization rate (Proportionate Basis) ⁽ⁱ⁾	6.68%	8.97%	6.42%	5.67%	6.95%

- (i) Assets held through joint ventures are presented at 100%, except total assets and weighted average overall capitalization rate, which are presented on a proportionate basis.
- (ii) Consolidated Total includes corporate assets and the Manager.
- (iii) Occupancy for North America includes three properties under stabilization, where leasing or redevelopment initiatives are in progress. Excluding these properties, North America occupancy would be 92.9%.
- (iv) Assets under management represent the aggregate fair value of investment properties, the quoted market price of the REIT's investment in Vital Trust units, lease assets, real estate related financial instruments, assets held for sale and third-party interests in these assets.

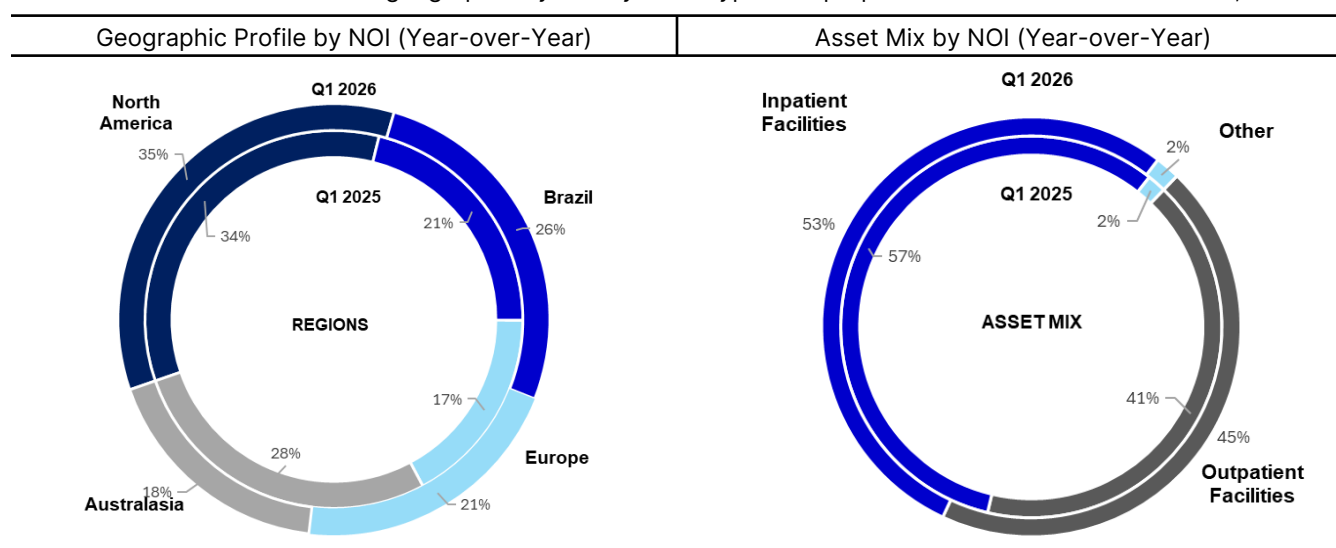
Outpatient Facilities (formerly MOB) are properties that provide medical services to patients who do not require overnight hospitalization. These assets are typically multi-tenant buildings accommodating physician practices, diagnostic services, minor surgical procedures and other outpatient care.

Inpatient Facilities (formerly Hospitals & Healthcare Facilities) are typically leased to a single tenant or hospital operator under long-term, inflation-indexed, triple-net lease structures. Under these arrangements, the REIT does not bear material operating cost or capital expenditure risk.

Other health research facilities ("Other") (formerly Life Sciences) consist primarily of properties leased to tenants engaged in medical research and development under long-term lease arrangements.

Diversification of Assets

The REIT's assets are diversified geographically and by asset type on a proportionate basis⁽¹⁾ as at March 31, 2026:



Tenant Mix

The following table summarizes the REIT's 10 largest tenants by percentage of proportionate revenue for the three months ended March 31, 2026:

	Tenant	Region ⁽ⁱ⁾	%	# of locations
1.	Rede D'Or	Brazil	17.0 %	7
2.	Healthscope	Australia	6.7 %	12
3.	Epworth Foundation	Australia	1.9 %	4
4.	Stichting Albert Schweitzer Ziekenhuis	Europe	1.9 %	4
5.	PrairieCare, LLC	North America	1.9 %	1
6.	Rush University Medical Center	North America	1.5 %	1
7.	Median Kliniken	Europe	1.4 %	8
8.	Hospital Sabara	Brazil	1.3 %	1
9.	Centre Intégré de Santé et de Services Sociaux (CISSS)	North America	0.9 %	5
10.	Erasmus Universitair Medisch Centrum Rotterdam	Europe	0.7 %	1
			35.2 %	44

(i) Australia and Europe are presented on a proportionate ownership basis for assets held through joint ventures. The REIT's ownership in these joint ventures ranges from 30%-33.6%.

Further information on the REIT's two largest tenants is below:

Rede D'Or is Brazil's largest integrated healthcare network, with more than 40 years of operating history and a broad national footprint. The company operates at scale across 14 states, with inpatient facilities primarily concentrated in São Paulo, Rio de Janeiro, Bahia, the Federal District and Pernambuco. Since 2004, Rede D'Or has grown significantly through a series of strategic partnerships and acquisitions. As at March 31, 2026, Rede D'Or had an enterprise value of approximately \$22 billion (R\$83 billion), placing it among Brazil's largest companies by market capitalization. According to public disclosures, Rede D'Or is rated AAA (bra) on the Brazilian national scale by both S&P Global Ratings and Fitch Ratings, each with a stable outlook.

Healthscope Pty Ltd ("HSO") is the REIT's second largest tenant, accounting for 6.7% of proportionate revenues, and occupies 12 properties, reflecting the REIT's 30% ownership interest in these assets. Founded in 1985, HSO is Australia's second largest private inpatient facilities operator, with a network of 37 private hospitals across all Australian states and territories, primarily located in major metropolitan markets, providing medical and surgical, mental health, rehabilitation and maternity services.

In May 2025, HSO's parent entities entered receivership, with its lenders appointing McGrathNicol Restructuring to oversee an orderly sale process, while all hospitals continue to operate as usual. The receiver-led sale process remains ongoing.

As part of a bid submitted by Calvary Health Care ("Calvary") for the REIT's portfolio of 12 assets, the REIT entered into a conditional lease agreement with Calvary on terms acceptable to the REIT. The agreement remains subject to the approval of the receiver and creditors. As discussions are ongoing, there can be no assurance as to the outcome or the potential impact on the REIT.

As at the date of this MD&A, all rent owing from HSO has been received in full and HSO continues to meet all lease obligations.

3.4. Leasing

Leasing Strategy and Impact on Results

The REIT's leasing strategy is focused on maintaining stable occupancy, extending lease terms with healthcare operators, and capturing contractual rent growth. Leasing outcomes directly influence net operating income, earnings stability and the reliability of cash flows supporting distributions and debt service.

Leasing across the portfolio is characterized by long-term agreements with healthcare operators, where tenant relocation risk is low and lease terms are typically longer than those in other property types. In 2025, leasing activity supported stable rental income and limited earnings volatility through a combination of high occupancy, long-dated lease maturities and inflation-linked rent adjustments. These characteristics are reflected in the REIT's operating results and align with its objective of delivering durable and growing cash flows from a diversified healthcare real estate portfolio.

Lease Term Profile and Cash Flow Stability

As at March 31, 2026, the portfolio had a weighted average lease expiry ("WALE") of 12.1 years, providing long-term income visibility and limiting near-term rollover risk.

The lease expiry profile is anchored by long-term arrangements within the inpatient portfolio. The eight Brazilian inpatient facilities are single-tenant assets with lease expiries ranging from September 2034 to January 2045, while European inpatient facilities are predominantly single-tenant assets with an average WALE of 18.5 years. The expiry profile also reflects the long-term nature of the Australian portfolio, which has a WALE of 14.7 years.

Near-term lease expiries are primarily concentrated in outpatient facilities in North America and Europe, where leasing risk is mitigated by strong tenant demand and historically high renewal rates. These assets are typically occupied by long-tenured tenants with established operations in their respective markets. The limited volume of near-term maturities reduces short-term leasing risk and enhances income durability.

The following tables summarize the portfolio's weighted average lease expiry by region and asset type, as well as the scheduled lease expiry profile as at March 31, 2026, excluding development projects.

Weighted Average Lease Expiry by Region and Asset Type

	Asset Mix			WALE (in years)			
	Outpatient Facilities	Inpatient Facilities	Other	Outpatient Facilities	Inpatient Facilities	Other	Total
North America	78%	20%	2%	4.7	9.1	17.7	5.8
Brazil	0%	100%	0%	—	16.7	—	16.7
Europe ⁽ⁱ⁾	58%	42%	0%	5.7	18.5	—	13.2
Australia ⁽ⁱⁱ⁾	12%	80%	8%	25.5	14.2	7.5	14.7
Total Portfolio	55%	43%	2%	6.2	15.8	9.1	12.1

(i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.6% in those joint ventures.

(ii) Australia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.

Lease Expiry Profile by Region

	Remainder of 2026	2027	2028	2029	2030	2031	2032	2033	Thereafter	Total
North America	5.5 %	11.3 %	17.3 %	9.3 %	11.2 %	8.1 %	5.2 %	7.7 %	24.4 %	100.0 %
Brazil	— %	— %	— %	— %	— %	— %	— %	— %	100.0 %	100.0 %
Europe ⁽ⁱ⁾	4.1 %	2.6 %	4.1 %	2.4 %	11.8 %	6.5 %	0.5 %	3.8 %	64.2 %	100.0 %
Australia ⁽ⁱⁱ⁾	1.0 %	1.0 %	0.8 %	0.8 %	1.1 %	1.0 %	— %	2.8 %	91.5 %	100.0 %
Total Portfolio	3.2 %	4.3 %	6.4 %	3.6 %	7.4 %	4.7 %	1.6 %	4.1 %	64.7 %	100.0 %

(i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.6% in those joint ventures.

(ii) Australia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.

The maturity profile demonstrates limited near-term rollover exposure, with the majority of expiries concentrated beyond 2033.

Inflation Protection and Contractual Rent Growth

As at March 31, 2026, 97.0% of the REIT's rental income was subject to contractual rent increases, primarily through inflation-linked or fixed-rate rent adjustments, providing embedded rental growth and a natural hedge against inflation. These contractual features support the resilience of same-property net operating income and enhance revenue visibility across market cycles.

Revenue Subject to Inflation-Linked or Fixed Rate Adjustments

	Inflation-Linked	Fixed-Rate	% of Total Rent
North America	21.3%	66.2%	87.5%
Brazil	100.0%	—%	100.0%
Europe ⁽ⁱ⁾	96.6%	3.1%	99.7%
Australia ⁽ⁱⁱ⁾	22.2%	77.5%	99.7%
Portfolio Weighted Average	45.2%	51.8%	97.0%

(i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.6% in those joint ventures.

(ii) Australia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.

Occupancy and Leasing Activity

Portfolio occupancy remained stable at 96.4% as at March 31, 2026, unchanged from December 31, 2025. Leasing activity during the period was primarily focused on renewals and early lease extensions, reflecting the long-term nature of the portfolio and limited tenant turnover.

During the first quarter of 2026, expiring leases were addressed through renewals and new leasing, limiting downtime and preserving occupancy.

The following table summarizes changes in occupancy during the three months ended March 31, 2026:

(in thousands of square feet)	Three months ended March 31, 2026				
	North America ^(iv)	Brazil	Europe ⁽ⁱ⁾	Australia ⁽ⁱⁱ⁾	Total
Occupancy as at December 31, 2025	90.6 %	100.0 %	97.2 %	100.0 %	96.4 %
Occupied area, December 31, 2025	3,233	1,882	4,402	3,051	12,568
Acquisition	73	—	—	—	73
Expiries	(115)	—	(216)	(1)	(332)
Early terminations	(4)	—	—	—	(4)
Renewals	92	—	183	1	276
New leasing	12	—	36	—	48
Other ⁽ⁱⁱⁱ⁾	(1)	—	—	—	(1)
Occupied area, March 31, 2026	3,290	1,882	4,405	3,051	12,628
Leasable area	3,644	1,882	4,529	3,051	13,106
Occupancy as at March 31, 2026	90.3 %	100.0 %	97.3 %	100.0 %	96.4 %
Early lease extensions	—	—	—	—	—

(i) Europe is presented on a 100% basis for joint venture assets, notwithstanding the REIT's ownership interests of approximately 30%-33.6% in those joint ventures.

(ii) Australasia is presented on a 100% basis for joint venture assets, notwithstanding the REIT's 30% ownership interest in the Australian joint venture.

(iii) Other includes remeasurements and month-to-month leases.

(iv) Occupancy for North America includes three properties under stabilization, where leasing or redevelopment initiatives are in progress. Excluding these properties, North America occupancy would be 92.9%.

Quarterly occupancy trends reflect proactive leasing efforts, including renewals and early lease extensions, which offset expiries and limited vacancy during the period.

Renewal Activity and Contractual Rent Growth

Renewal leasing during the three months ended March 31, 2026 supported organic rental growth and high tenant retention across the portfolio. Renewal spreads reflect asset quality, market conditions and contractual rent escalation mechanisms embedded within the lease structure.

	Three months ended March 31, 2026			
	Expiring rate	Renewal rate	Renewal %	Spread %
North America (CAD)	\$ 18.96	\$ 19.67	80 %	3.8 %
Brazil (BRL)	—	—	N/A	N/A
Europe (EUR)	14.83	15.06	85 %	1.5 %
Australia (AUD)	65.31	67.26	100 %	3.0 %

During the three months ended March 31, 2026, renewal leasing activity reflected contractual rent growth and prevailing market conditions. In North America, approximately 92,000 square feet were renewed at an average spread of 4% over expiring rents, while renewal spreads in Europe and Australia were primarily driven by contractual escalators embedded in lease agreements.

3.5. Foreign Currency Translation

A significant portion of the REIT's investment properties and operations are located outside Canada. As a result, changes in the value of the Canadian dollar relative to foreign currencies affect the translation of those assets, liabilities and operating results into Canadian dollars.

The following table summarizes the average and period-end foreign exchange rates that had the most significant impact on the REIT's results:

	Average Exchange Rates			Period End Exchange Rates		
	Three Months Ended			As at		
	March 31, 2026	March 31, 2025	Change	March 31, 2026	December 31, 2025	Change
\$ per €1.00	1.605	1.509	0.096	1.603	1.609	-0.006
\$ per US\$1.00	1.371	1.435	-0.064	1.393	1.371	0.022
\$ per A\$1.00	0.953	0.900	0.053	0.957	0.916	0.041
\$ per NZ\$1.00	0.808	0.814	-0.006	0.797	0.790	0.007
\$ per R\$1.00	0.260	0.245	0.015	0.266	0.250	0.016

Income Statement Impact

During the three months ended March 31, 2026, the Canadian dollar weakened against the Euro, Australian dollar and Brazilian real compared to the prior year, increasing the translated contribution from those regions and having a positive impact on reported operating results. This was partially offset by a stronger Canadian dollar against the U.S. dollar and New Zealand dollar, which reduced the translated contribution from those regions.

Balance Sheet Impact

As at March 31, 2026, the Canadian dollar strengthened slightly against the Euro but weakened against the U.S. dollar, Australian dollar, New Zealand dollar and Brazilian real compared to December 31, 2025. The stronger Canadian dollar against the Euro reduced the value of Euro-denominated assets, while the weaker Canadian dollar against the other currencies increased the value of foreign-denominated assets and liabilities overall.

Foreign Exchange Impact on Operating Results

The estimated impact of foreign exchange movements on operating results for the three months ended March 31, 2026, is summarized below:

(\$ thousands except where otherwise indicated)	Three months ended March 31, 2026 vs. 2025	
Increase in NOI ⁽¹⁾	\$	1,919
Decrease in net loss		(228)
Increase in FFO ⁽¹⁾		1,436
Increase in AFFO ⁽¹⁾		1,431
Increase in FFO ⁽¹⁾ per unit		0.006
Increase in AFFO ⁽¹⁾ per unit		0.006

Management monitors foreign exchange exposure but does not consider foreign currency movements to be indicative of underlying operating performance.

4. RESULTS FROM OPERATIONS

The results of operations for the REIT, as reported under IFRS, for the three months ended March 31, 2026, and 2025, are summarized below:

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Net property operating income			
Revenue from investment properties	\$ 74,067	\$ 111,647	\$ (37,580)
Property operating costs	(26,583)	(34,499)	7,916
	47,484	77,148	(29,664)
Other income (expenses)			
Interest and other income	1,964	6,181	(4,217)
Management fees	3,898	3,773	125
Share of income (loss) from equity accounted investments	1,431	(8,742)	10,173
Finance costs	(20,279)	(38,439)	18,160
General and administrative expenses	(15,410)	(14,848)	(562)
Transaction costs	(2,018)	(9,432)	7,414
Foreign exchange gain (loss)	128	1,819	(1,691)
Accretion of financial liabilities	(2,753)	(3,419)	666
Fair value adjustment of convertible debentures	4,829	(10,485)	15,314
Fair value adjustment of financial instruments	1,206	28,799	(27,593)
Fair value adjustment of investment properties	(22,092)	(46,347)	24,255
Net loss on disposals of assets	(129)	(1,399)	1,270
Fair value adjustment of unit-based compensation liabilities	(981)	(1,470)	489
Loss before taxes	(2,722)	(16,861)	14,139
Current income tax expense	(2,382)	(3,609)	1,227
Deferred income tax recovery	1,259	4,940	(3,681)
Income tax (expense) recovery	(1,123)	1,331	(2,454)
Net loss	\$ (3,845)	\$ (15,530)	\$ 11,685
Net loss attributable to:			
Unitholders	\$ (3,845)	(890)	(2,955)
Non-controlling interests	—	(14,640)	14,640
	\$ (3,845)	\$ (15,530)	\$ 11,685

Three Months

Net loss for the three months ended March 31, 2026 was \$3.8 million, compared to \$15.5 million for the same period in 2025. The improvement was primarily driven by \$18.2 million in lower finance costs resulting from debt reduction and lower interest rates, and a \$10.2 million increase in share of income from equity accounted investments. The results also benefited from favourable fair value changes in convertible debentures and investment properties.

These gains were partially offset by a \$29.7 million decrease in net operating income reflecting non-core asset sales and the loss of control of Vital Trust, as well as unfavourable fair value changes in financial instruments.

4.1. Components of Net Income (Loss)

Revenue from Investment Properties and Property Operating Costs

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
North America	\$ 20,346	\$ 21,812	\$ (1,466)
Brazil	15,499	13,974	1,525
Europe	9,005	8,308	697
Australasia	2,634	33,054	(30,420)
Net property operating income	\$ 47,484	\$ 77,148	\$ (29,664)

Three Months

Net property operating income decreased by \$29.7 million compared to the same period in 2025, primarily due to the internalization of Vital Trust's management structure on December 30, 2025. As a result, Vital Trust was deconsolidated and no longer contributes to net property operating income, with its results now reflected in the REIT's share of income from equity accounted investments.

Excluding this impact, net property operating income increased, driven by higher revenue from investment properties in Brazil as a result of the appreciation of the Brazilian real against the Canadian dollar. This was partially offset by lower income following the disposition of non-core assets and higher property operating costs, which were partly mitigated by rent indexation and higher net parking income in North America.

Interest and other income

Interest and other income decreased for the three months ended March 31, 2026, compared to the prior year, primarily due to the REIT no longer receiving distribution income from its investment in Assura following the full disposition of the asset by June 30, 2025.

Management fees

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Base fee	\$ 3,844	\$ 7,802	\$ (3,958)
Project and acquisition fees	30	389	(359)
Trustee fees	180	430	(250)
Other fees and cost reimbursements	20	20	—
Fees before elimination	4,074	8,641	(4,567)
less: intercompany elimination	(176)	(4,868)	4,692
Management fees	\$ 3,898	\$ 3,773	\$ 125

Three Months Ended

The REIT earns market-based management fees through its wholly owned subsidiaries (the "Manager"), which provide asset, acquisition, and development management services to joint ventures in Australia and Europe.

Management fees before intercompany eliminations, decreased as a result of Vital Trust's internalization, partially offset by increase in fees from Australia and Europe due to foreign exchange impacts.

Finance costs

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
North America - Mortgages and term debt	\$ 3,005	\$ 5,541	\$ (2,536)
Brazil - Term debt	1,304	1,453	(149)
Europe - Mortgages and term debt	2,114	3,151	(1,037)
Australasia - Term debt	1,027	15,060	(14,033)
Corporate			
Australasian secured financing	808	2,672	(1,864)
Corporate credit facility	396	2,220	(1,824)
Senior unsecured debentures	6,645	3,088	3,557
Convertible debentures	4,075	7,145	(3,070)
Interest expense before lease liabilities	19,374	40,330	(20,956)
Interest expense on lease liabilities	135	256	(121)
Less: capitalized interest	(207)	(5,496)	5,289
Interest expense	19,302	35,090	(15,788)
Amortization of financing costs	977	3,349	(2,372)
Finance costs	\$ 20,279	\$ 38,439	\$ (18,160)

Three Months Ended

Finance costs decreased for the three months ended March 31, 2026 compared to the prior year, primarily reflecting a lower weighted average interest rate and changes in the REIT's capital structure.

During 2025, the REIT issued senior unsecured debentures and used the proceeds, together with proceeds from the sale of Assura, to repay higher-cost debt, including European borrowings and certain corporate facilities. In addition, maturing Canadian mortgages were refinanced through the corporate revolving credit facility, contributing to a reduction in overall borrowing costs in 2026.

Finance costs also benefited from the absence of \$1.9 million of accelerated amortization of deferred financing costs recognized in 2025 on the early repayment of debt, partially offset by interest associated with the senior unsecured debentures issued in February 2025.

In addition, following the deconsolidation of Vital Trust on December 30, 2025, interest expense and capitalized interest related to Vital Trust are no longer included in finance costs and are instead reflected in the REIT's share of income from equity-accounted investments.

General and administrative expenses

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Salaries, benefits and other employee costs ⁽ⁱ⁾	\$ 7,457	\$ 11,299	\$ (3,842)
Unit-based compensation expense	3,016	2,573	443
Professional fees and corporate costs	2,172	2,187	(15)
Employee termination benefits and associated costs	1,975	382	1,593
Information technology costs	995	1,227	(232)
Office related costs	632	958	(326)
Management fee expense	562	156	406
Investor relations and public company costs	483	741	(258)
Other	672	772	(100)
	17,964	20,295	(2,331)
Less: Capitalized to properties under development	(551)	(1,732)	1,181
Less: Allocated to property operating expenses	(2,003)	(3,715)	1,712
General and administrative expenses	\$ 15,410	\$ 14,848	\$ 562
General and administrative expenses	\$ 15,410	\$ 14,848	\$ 562
Less: Unit-based compensation expense	(3,016)	(2,573)	(443)
Less: Employee termination benefits and associated costs	(1,975)	(382)	(1,593)
General and administrative expenses attributable to AFFO	\$ 10,419	\$ 11,893	\$ (1,474)

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

Three Months Ended

On a gross basis, general and administrative expenses declined, primarily due to the internalization of management at Vital Trust, which resulted in lower salaries, investor relations and office-related costs. These savings were partially offset by higher employee termination benefits and unit-based compensation.

On a net basis, general and administrative expenses increased modestly for the three months ended March 31, 2026 compared to the same period in 2025, reflecting lower amounts capitalized to development projects and reduced costs allocated to property operating expenses following the transition to outsourced facilities management in North America during the fourth quarter of 2025. Excluding amounts related to employee termination benefits and unit-based compensation, net general and administrative expenses were lower by \$1.5 million as compared to the prior year.

As part of the internalization, the REIT entered into a transitional services agreement under which the REIT and Vital Trust provide certain administrative and support services to each other for a limited period. During the quarter, the REIT incurred \$0.2 million of costs under this arrangement, primarily reflected in management fee expense, with amounts recovered from Vital Trust recognized in the relevant general and administrative expense categories.

Transaction costs

For the three months ended March 31, 2026, the REIT incurred transaction costs of \$2.0 million (three months ended March 31, 2025 - \$9.4 million). Transaction costs primarily include third-party advisory fees, legal and diligence costs, and internal compensation allocations related to acquisitions, dispositions, capital-raising initiatives and other strategic activities.

Fair value adjustments

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Fair value adjustment of convertible debentures	\$ 4,829	\$ (10,485)	\$ 15,314
Fair value adjustment of financial instruments	1,206	28,799	(27,593)
Fair value adjustment of investment properties	(22,092)	(46,347)	24,255
Fair value adjustment of unit-based compensation liabilities	(981)	(1,470)	489
Fair value adjustments	\$ (17,038)	\$ (29,503)	\$ 12,465

Three Months Ended

Fair value adjustments for the three months ended March 31, 2026 reflect the following:

- Changes in the trading price of the REIT's convertible debentures;
- Movements in interest rates, yield curves and foreign exchange rates affecting financial instruments;
- Updates to valuation assumptions for investment properties; and
- Changes in the REIT's unit price impacting unit-based compensation liabilities.

Income tax expense

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Current income tax expense	\$ (2,382)	\$ (3,609)	\$ 1,227
Deferred income tax recovery	1,259	4,940	(3,681)
Income tax (expense) recovery	\$ (1,123)	\$ 1,331	(2,454)

Three Months Ended

For the three months ended March 31, 2026, the REIT recorded an income tax expense, compared to an income tax recovery in the comparable period of 2025.

Current income tax expense primarily relates to taxable earnings in Europe and New Zealand, as well as withholding taxes in Australia and Brazil. Taxable earnings in New Zealand include amounts related to the repatriation of proceeds from the internalization of Vital Trust in 2025. The decrease compared to the prior year primarily reflects the deconsolidation of Vital Trust following the internalization in 2025, as well as certain non-recurring items in the prior year.

Deferred income tax is mainly driven by changes in the carrying values of investment properties. The lower deferred tax recovery compared to the prior year reflects reduced fair value movements in 2026 relative to 2025, as well as the impact of the deconsolidation of Vital Trust.

4.2. Proportionate Basis Results from Operations

(\$ thousands)	For the three months ended					
	March 31, 2026			March 31, 2025		
	IFRS Basis	Adjustments	Proportionate Basis ⁽¹⁾	IFRS Basis	Adjustments	Proportionate Basis ⁽¹⁾
Net operating income						
Revenue from investment properties	\$ 74,067	\$ 12,562	\$ 86,629	\$ 111,647	\$ (14,116)	\$ 97,531
Property operating costs	(26,583)	(1,550)	(28,133)	(34,499)	2,798	(31,701)
	47,484	11,012	58,496	77,148	(11,318)	65,830
Other income (expenses)						
Interest and other income	1,964	(818)	1,146	6,181	(984)	5,197
Management fees	3,898	(1,084)	2,814	3,773	2,408	6,181
Share of income (loss) from equity accounted investments	1,431	(1,431)	—	(8,742)	8,742	—
Non-cash equity income from Vital Trust	—	4,686	4,686	—	—	—
Distributions from Vital Trust	—	3,735	3,735	—	—	—
Finance costs	(20,279)	(4,988)	(25,267)	(38,439)	1,399	(37,040)
General and administrative expenses	(15,410)	(203)	(15,613)	(14,848)	185	(14,663)
Transaction costs	(2,018)	(21)	(2,039)	(9,432)	—	(9,432)
Foreign exchange gain (loss)	128	—	128	1,819	(164)	1,655
Accretion of financial liabilities	(2,753)	—	(2,753)	(3,419)	—	(3,419)
Fair value adjustment of convertible debentures	4,829	—	4,829	(10,485)	—	(10,485)
Fair value adjustment of financial instruments	1,206	1,420	2,626	28,799	2,407	31,206
Fair value adjustment of investment properties	(22,092)	(12,532)	(34,624)	(46,347)	13,164	(33,183)
Net loss on disposals of assets	(129)	—	(129)	(1,399)	32	(1,367)
Fair value adjustment of unit-based compensation liabilities	(981)	—	(981)	(1,470)	—	(1,470)
Loss before taxes	(2,722)	(224)	(2,946)	(16,861)	15,871	(990)
Current income tax expense	(2,382)	122	(2,260)	(3,609)	1,415	(2,194)
Deferred income tax recovery	1,259	102	1,361	4,940	(2,646)	2,294
Income tax (expense) recovery	(1,123)	224	(899)	1,331	(1,231)	100
Net loss	\$ (3,845)	\$ —	\$ (3,845)	\$ (15,530)	\$ 14,640	\$ (890)
Less: non-controlling interests	—	—	—	(14,640)	14,640	—
Net loss attributable to unitholders	\$ (3,845)	\$ —	\$ (3,845)	\$ (890)	\$ —	\$ (890)

4.3. Net Operating Income (Proportionate)⁽¹⁾

Summary

For the periods ended March 31 (\$ thousands)	Three Months			
	2026	2025	\$ Change	% Change
Rental revenue	\$ 85,980	\$ 84,603	\$ 1,377	1.6 %
Operating expenses	(28,533)	(28,854)	321	(1.1)%
Same-property NOI⁽¹⁾	57,447	55,749	1,698	3.0 %
Straight-line rental revenue	728	1,766	(1,038)	
Foreign currency translation	—	(1,765)	1,765	
Vital Trust NOI	—	8,535	(8,535)	
Acquisitions / Dispositions	(46)	1,315	(1,361)	
Other	367	230	137	
Net Operating Income⁽¹⁾	\$ 58,496	\$ 65,830	\$ (7,334)	(11.1)%

Same-property net operating income for the three months ended March 31, 2026 increased by 3.0% compared to the same period in the prior year. The growth was primarily driven by contractual rent adjustments, including inflation-linked increases, as well as rentalized capital expenditures and improved recoveries. This performance reflects the stability of the REIT's lease profile, supported by a weighted average lease expiry of 12.1 years.

For 2026, net operating income excludes any contribution from Vital Trust, as the REIT no longer recognizes its net operating income on a proportionate basis and instead records distributions from Vital Trust and non-cash equity income from Vital Trust. Refer to Section 1.1, "Basis for Presentation" for further details.

North America

For the periods ended March 31 (\$ thousands)	Three Months			
	2026	2025	\$ Change	% Change
Rental revenue	\$ 40,530	\$ 40,137	\$ 393	1.0 %
Operating expenses	(20,635)	(20,475)	(160)	0.8 %
Same-property NOI⁽¹⁾	19,895	19,662	233	1.2 %
Straight-line rental revenue	447	694	(247)	
Foreign currency translation	—	319	(319)	
Acquisitions / Dispositions	(25)	1,012	(1,037)	
Other	29	125	(96)	
Net Operating Income⁽¹⁾	\$ 20,346	\$ 21,812	\$ (1,466)	(6.7)%

Same-property net operating income in North America increased by 1.2% for the three months ended March 31, 2026, compared to the same period in the prior year. The increase was primarily attributable to contractual rent escalations and step-ups, as well as higher parking income. These gains were partially offset by higher property operating costs associated with the transition to outsourced facilities operations effective November 1, 2025.

Excluding the impact of the outsourcing of facilities operations, same-property net operating income would have increased by 3.8% for the three months ended March 31, 2026, compared to the prior year.

Brazil

For the periods ended March 31 (\$ thousands)	Three Months			
	2026	2025	\$ Change	% Change
Rental revenue	\$ 17,226	\$ 16,501	\$ 725	4.4 %
Operating expenses	(1,784)	(1,699)	(85)	5.0 %
Same-property NOI ⁽¹⁾	15,442	14,802	640	4.3 %
Straight-line rental revenue	57	53	4	
Foreign currency translation	—	(881)	881	
Net Operating Income⁽¹⁾	\$ 15,499	\$ 13,974	\$ 1,525	10.9 %

Same-property net operating income in Brazil increased by 4.3% for the three months ended March 31, 2026 compared to the same period in the prior year, primarily driven by inflationary rent adjustments.

Europe

For the periods ended March 31 (\$ thousands)	Three Months			
	2026	2025	\$ Change	% Change
Rental revenue	\$ 16,756	\$ 16,272	\$ 484	3.0 %
Operating expenses	(4,604)	(4,668)	64	(1.4)%
Same-property NOI ⁽¹⁾	12,152	11,604	548	4.7 %
Straight-line rental revenue	(45)	12	(57)	
Foreign currency translation	—	(760)	760	
Acquisitions / Dispositions	(21)	303	(324)	
Other	114	106	8	
Net Operating Income⁽¹⁾	\$ 12,200	\$ 11,265	\$ 935	8.3 %

In Europe, same-property net operating income for the three months ended March 31, 2026 increased by 4.7%, compared to the same period in the prior year, primarily driven by increased occupancy and rental revenue growth from indexation increases.

Australasia

For the periods ended March 31 (\$ thousands)	Three Months			
	2026	2025	\$ Change	% Change
Rental revenue	\$ 11,468	\$ 11,693	\$ (225)	(1.9)%
Operating expenses	(1,510)	(2,012)	502	(25.0)%
Same-property NOI ⁽¹⁾	9,958	9,681	277	2.9 %
Straight-line rental revenue	269	1,007	(738)	
Foreign currency translation	—	(443)	443	
Vital Trust NOI	—	8,535	(8,535)	
Other	224	(1)	225	
Net Operating Income⁽¹⁾	\$ 10,451	\$ 18,779	\$ (8,328)	(44.3)%

Same-property net operating income in Australasia increased by 2.9% for the three months ended March 31, 2026, compared to the same period in the prior year, primarily driven by lower operating expenses during the period.

4.4. Funds from Operations and Adjusted Funds from Operations⁽¹⁾

Funds From Operations ("FFO")⁽¹⁾ and Adjusted Funds From Operations ("AFFO")⁽¹⁾ are key performance indicators used by management to assess operating performance and distribution sustainability. These measures supplement IFRS results by focusing on the REIT's recurring operating and cash-generating performance.

FFO⁽¹⁾ and AFFO⁽¹⁾ are not defined under IFRS and may not be comparable to similar measures presented by other issuers. Detailed definitions and reconciliations to IFRS net income, and descriptions of the adjustments applied in determining FFO⁽¹⁾ and AFFO⁽¹⁾ are provided in Section 11.2, "Funds from Operations ("FFO")" and Section 11.3, "Adjusted Funds from Operations ("AFFO")", respectively.

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	Change
Funds from Operations ⁽¹⁾	\$ 26,629	\$ 24,217	\$ 2,412
FFO ⁽¹⁾ per unit - basic	0.11	0.10	0.01
FFO ⁽¹⁾ per unit - diluted	0.11	0.10	0.01
FFO ⁽¹⁾ payout ratio - diluted	84 %	92 %	(8)%
Adjusted Funds from Operations ⁽¹⁾	\$ 25,758	\$ 24,346	\$ 1,412
AFFO ⁽¹⁾ per unit - basic	0.10	0.10	—
AFFO ⁽¹⁾ per unit - diluted	0.10	0.10	—
AFFO ⁽¹⁾ payout ratio - diluted	87 %	92 %	(5)%
Distributions declared per unit	\$ 0.09	\$ 0.09	—
Weighted avg number of units outstanding - basic	249,996,735	248,104,145	1,892,590
Weighted avg number of units outstanding - diluted	250,803,844	249,111,151	1,692,693
Number of units outstanding, period end - diluted	250,877,491	249,429,535	1,447,956

Funds from Operations⁽¹⁾

The discussion below summarizes the key drivers of FFO⁽¹⁾ for the three months ended March 31, 2026 compared to the prior year period. FFO⁽¹⁾ is intended to reflect the REIT's recurring operating performance, excluding the impact of fair value adjustments and other non-cash items.

Three Months

FFO⁽¹⁾ increased compared to the same period in the prior year, primarily driven by lower finance costs and higher net operating income from same-property growth. The reduction in finance costs reflects a lower weighted average interest rate and changes in the REIT's capital structure, including the use of proceeds from prior period asset dispositions to repay higher-cost debt. FFO in the prior year also included accelerated amortization of deferred financing costs resulting from the early repayment of debt.

These increases were partially offset by lower management fee income and reduced interest and other income following the exit of the Assura investment in June 2025. In addition, since the internalization of Vital Trust, the REIT includes distributions from Vital Trust in FFO rather than its proportionate share of Vital Trust's FFO. Distributions received in the current period were lower than the prior year FFO contribution from Vital Trust, resulting in a reduced contribution year-over-year.

Adjusted Funds from Operations⁽¹⁾

The discussion below summarizes the key drivers of AFFO⁽¹⁾ for the three months ended March 31, 2026, compared to the prior year period. AFFO⁽¹⁾ is intended to reflect recurring cash flows available for distribution after adjusting for leasing costs and maintenance capital expenditures. AFFO⁽¹⁾ is one of several measures used by management to assess distribution levels, together with the REIT's overall liquidity and capital requirements.

Three Months

AFFO⁽¹⁾ increased compared to the prior year, reflecting the increase in FFO⁽¹⁾ discussed above, as well as favourable timing impacts related to straight-line rent. The increase also reflects the absence of accelerated amortization of deferred financing costs recognized in the prior year in connection with the early repayment of debt.

As leasing costs and maintenance capital expenditures are key components of AFFO⁽¹⁾, the section below provides additional detail on expenditures incurred during the period and the related AFFO⁽¹⁾ adjustments.

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

Leasing costs and maintenance capital expenditures represent recurring cash outflows required to maintain the REIT's properties in operating condition and support leasing activity. These costs include tenant improvements, leasing commissions, internal leasing costs, and recurring maintenance capital expenditures, and are presented on a proportionate basis⁽¹⁾.

AFFO⁽¹⁾ includes an adjustment for leasing costs and non-recoverable maintenance capital expenditures intended to reflect the REIT's expected recurring capital requirements over time. In determining this adjustment, management considers historical leasing activity, anticipated maintenance requirements and planned capital programs. Expenditures related to development, redevelopment and expansion activities are excluded, as these are not considered recurring in nature.

Actual leasing costs and maintenance capital expenditures can vary between periods due to the timing of lease renewals, tenant turnover and capital programs. The table below summarizes leasing and maintenance capital expenditures incurred during the period and illustrates the relationship to the AFFO⁽¹⁾ adjustment.

Leasing costs and maintenance capital expenditures are generally lower and more predictable in the REIT's Brazil and Australasia portfolios due to long-term, triple-net lease structures and are therefore reflected on an actual basis. In contrast, the REIT's Canadian and European medical outpatient portfolios are subject to the AFFO⁽¹⁾ adjustment for leasing costs and non-recoverable maintenance capital expenditures, which may result in actual expenditures being above or below the adjustment in a given period.

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Additions to investment properties			
Leasing costs ⁽ⁱ⁾	\$ 762	\$ 1,852	\$ (1,090)
Tenant improvements ⁽ⁱⁱ⁾	1,294	1,006	288
Maintenance capital expenditures	1,266	1,553	(287)
Other capital expenditures	1,798	3,745	(1,947)
	5,120	8,156	(3,036)
Internal leasing costs expensed	549	400	149
	5,669	8,556	(2,887)
Less:			
Recoverable maintenance capital expenditures	(317)	(95)	(222)
Other value enhancing leasing and capital expenditures	(2,981)	(4,707)	1,726
Leasing costs and non-recoverable maintenance capital expenditures	2,371	3,754	(1,383)
AFFO adjustment for leasing costs and non-recoverable maintenance capital expenditures	(3,175)	(3,041)	(134)
Leasing costs and non-recoverable maintenance capital expenditures above or (below) the AFFO adjustment	\$ (804)	\$ 713	\$ (1,517)

(i) Leasing costs exclude internal leasing department compensation costs, which are expensed as incurred.

(ii) Tenant improvements include tenant allowances, landlord work and other maintenance-related activities.

For additional detail, including a regional breakdown, see Section 11.4, "Leasing Costs and Non-Recoverable Maintenance Capital Expenditures (Proportionate Basis)".

5. BALANCE SHEET

The following table reconciles the balance sheets prepared on an IFRS basis to a proportionate basis⁽¹⁾ as at March 31, 2026 and December 31, 2025:

(\$ thousands)	As at March 31, 2026			As at December 31, 2025		
	IFRS Basis	Adjustments to Proportionate Basis	Proportionate Basis ⁽¹⁾	IFRS Basis	Adjustments to Proportionate Basis	Proportionate Basis ⁽¹⁾
Assets						
Investment properties	\$ 2,385,695	\$ 728,194	\$ 3,113,889	\$ 2,270,989	\$ 711,689	\$ 2,982,678
Equity accounted investments	669,375	(669,375)	—	650,540	(650,540)	—
Investment in Vital Trust	—	316,025	316,025	—	302,206	302,206
Deferred tax assets	2,545	—	2,545	2,668	—	2,668
Accounts receivable and other assets	54,723	6,281	61,004	46,844	6,010	52,854
Assets held for sale	359,296	75,948	435,244	383,968	77,902	461,870
Cash and cash equivalents	57,151	14,321	71,472	94,081	13,379	107,460
Total assets	\$ 3,528,785	\$ 471,394	\$ 4,000,179	\$ 3,449,090	\$ 460,646	\$ 3,909,736
Liabilities						
Mortgages and term debt	\$ 596,032	\$ 420,064	\$ 1,016,096	\$ 613,487	\$ 405,152	\$ 1,018,639
Credit facility	70,077	—	70,077	—	—	—
Debentures	740,659	—	740,659	746,631	—	746,631
Deferred tax liabilities	251,090	2,449	253,539	240,340	2,561	242,901
Accounts payable and other liabilities	117,947	7,118	125,065	120,721	10,979	131,700
Liabilities related to assets held for sale	218,722	41,763	260,485	221,065	41,954	263,019
Total liabilities	1,994,527	471,394	2,465,921	1,942,244	460,646	2,402,890
Equity						
Unitholders' equity	1,534,258	—	1,534,258	1,506,846	—	1,506,846
Total liabilities and equity	\$ 3,528,785	\$ 471,394	\$ 4,000,179	\$ 3,449,090	\$ 460,646	\$ 3,909,736

Balance Sheet Analysis (IFRS)

Line Item	\$ Change	Variance Commentary
Investment properties and Assets held for sale	\$ 90,034	The increase primarily reflects the acquisition of a \$51.3 million property in North America, favourable foreign translation adjustments of \$54.4 million, and capital additions of \$5.7 million, partially offset by fair value losses of \$22.1 million primarily related to transaction price adjustments on European assets classified as held for sale.
Equity accounted investments	18,835	This represents the REIT's share of equity-accounted income, distributions received from investments, changes in the carrying value of its investment in Vital Trust, and foreign exchange impacts.
Accounts receivable and other assets, and Accounts payable and other liabilities	5,105	The decrease in payables primarily reflects the timing of interest payments on the REIT's unsecured and convertible debentures and the payment of accrued employee costs, including annual bonus payments, partially offset by higher unit-based compensation liabilities from awards issued during the quarter. The increase in amounts receivable primarily reflects the timing of distributions receivable from Vital Trust.
Cash and cash equivalents	(36,930)	The decrease primarily reflects debt repayments using proceeds from Vital Trust's management internalization, capital expenditures, distributions paid to unitholders, partially offset by positive operating cash movements, and foreign exchange gains.
Mortgages and term debt, Credit facility, and Liabilities related to assets held for sale	50,279	The increase was primarily due to acquisition of a \$51.3 million property in North America using capacity under the REIT's revolving credit facility.
Debentures	(5,972)	The decrease primarily reflects favourable fair value adjustments of convertible debentures and the repurchase and cancellation of convertible debentures under the NCIB.
Deferred taxes and income taxes payable	10,481	This reflects net deferred tax movements primarily arising from the depreciation of the Brazilian Real against the Canadian dollar.
Equity	27,412	The increase primarily reflects foreign currency translation adjustments, partially offset by net loss for the period and distributions paid to unitholders.

6. INVESTMENT PROPERTIES

Continuity

As at March 31, 2026, the estimated fair value of investment properties on a proportionate basis⁽¹⁾ was \$3.1 billion, compared to \$3.0 billion at December 31, 2025, reflecting an implied weighted average capitalization rate of 6.95% (December 31, 2025 - 6.90%).

The movement in investment properties on both an IFRS and proportionate basis is summarized below:

(\$ thousands)	Income Producing Properties		Properties Under Development		Investment Properties	
	IFRS Basis	Proportionate Basis ⁽¹⁾	IFRS Basis	Proportionate Basis ⁽¹⁾	IFRS Basis	Proportionate Basis ⁽¹⁾
Balance, beginning of period	\$ 2,257,107	\$ 2,963,774	\$ 13,882	\$ 18,904	\$ 2,270,989	\$ 2,982,678
Acquisition of investment properties	51,282	51,282	—	—	51,282	51,282
Additions to investment properties	2,938	3,750	1,565	1,680	4,503	5,430
Amortization of straight line rent	765	765	—	—	765	765
Fair value adjustment of investment properties	2,782	(5,557)	(465)	(2,559)	2,317	(8,116)
Foreign currency translation	55,839	81,642	—	208	55,839	81,850
Balance, end of period	\$ 2,370,713	\$ 3,095,656	\$ 14,982	\$ 18,233	\$ 2,385,695	\$ 3,113,889

Valuation of Investment Properties

Investment properties are measured at fair value at each reporting date, primarily using a discounted cash flow methodology that estimates the present value of projected property-level cash flows over the expected holding period, including a terminal value based on a capitalization rate. Where appropriate, direct capitalization methods are also used based on market capitalization rates applied to stabilized net operating income. Fair value is most sensitive to changes in assumptions in capitalization rates and is also impacted by assumptions related to discount rates, leasing assumptions, operating expenses and capital expenditures.

The weighted average discount rates and capitalization rates used in the valuation of the REIT's income-producing properties, presented on a proportionate basis⁽¹⁾, are summarized in the table below by geography.

	March 31, 2026			December 31, 2025		
	Discount rate	Terminal capitalization rate	Overall capitalization rate	Discount rate	Terminal capitalization rate	Overall capitalization rate
North America	7.63%	6.93%	6.68%	7.66%	6.95%	6.72%
Brazil	9.35%	8.30%	8.97%	9.43%	8.30%	8.88%
Europe	6.17%	5.39%	6.42%	6.15%	5.39%	6.50%
Australia	6.91%	5.89%	5.67%	6.73%	5.73%	5.54%
Total	7.74%	6.86%	6.95%	7.69%	6.81%	6.90%

Valuation Commentary

For the three months ended March 31, 2026, the REIT recorded fair value losses of \$22.1 million on an IFRS basis, and \$34.6 million on a proportionate basis⁽¹⁾ related to investment properties.

Fair value changes were primarily driven by transaction price adjustments on European assets classified as held for sale. Additional adjustments reflect changes in property-level assumptions used in the valuation process, including leasing assumptions, contractual rent adjustments, and movements in discount and capitalization rates across the portfolio. These changes reflect both asset-specific developments and broader market conditions during the period.

Development and Valuation Process

Development properties are generally valued based on land value plus development and construction costs, unless future cash flows can be reliably estimated, in which case a discounted cash flow approach is applied.

Valuations are prepared internally and reviewed quarterly as part of a formal governance process. Independent third-party appraisers are engaged on a rotating basis, with each income-producing property externally appraised at least once within a multi-year cycle. Management reviews the methodologies and key assumptions used in external appraisals and incorporates relevant market evidence into its internal valuations.

For the three months ended March 31, 2026, investment properties with an aggregate fair value of approximately \$32.5 million, representing approximately 1% of the portfolio, were valued by independent third-party appraisers (March 31, 2025 - \$55.9 million and 1%).

2026 Transaction Activity

Acquisitions

During the three months ended March 31, 2026, the REIT acquired the following income-producing property:

(\$ thousands)

Property	Date of Acquisition	Location	Ownership Interest Acquired	Purchase Price ⁽¹⁾
Ottawa Hospital Transitional Care Centre	March 24	Ottawa, Canada	100%	\$51,282
Total acquisitions				\$51,282

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

7. LIQUIDITY AND CAPITAL RESOURCES

7.1. Liquidity and Capital Structure

The REIT actively manages its liquidity and capital structure to maintain financial flexibility and support portfolio investment and operating activities. Funding requirements are expected to be met through a combination of cash on hand, operating cash flows and available undrawn capacity under its credit facility and term debt, supplemented by secured or unsecured financing as appropriate. This liquidity supports the REIT's ability to fund near-term obligations, including distributions, as part of its broader capital management strategy.

(\$ thousands)	As at March 31, 2026	As at December 31, 2025	\$ Change
Cash and cash equivalents - proportionate basis ⁽¹⁾	\$ 71,472	\$ 107,460	\$ (35,988)
Unused portion of credit facility and term debt	295,103	358,077	(62,974)
Liquidity	\$ 366,575	\$ 465,537	\$ (98,962)

As at March 31, 2026, total available liquidity was \$366.6 million, comprised of cash and cash equivalents and undrawn capacity under its committed credit facility and term debt. Management believes this liquidity position provides sufficient capacity to fund near-term obligations and support ongoing strategic priorities.

The REIT's access to cash is subject to certain restrictions, including: (i) cash held by joint ventures, which may only be accessed through distributions; (ii) withholding taxes that may apply when transferring funds between jurisdictions; (iii) cash management and collateral requirements under certain credit facilities; and (iv) requirements related to maintaining REIT status compliance.

7.2. Major Cash Flow Components

The following table summarizes the REIT's net change in cash and cash equivalents for the three months ended March 31, 2026:

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Cash and cash equivalents, beginning of period (IFRS basis)	\$ 94,081	\$ 51,247	\$ 42,834
Cash provided by operating activities	4,475	26,590	(22,115)
Cash provided by (used in) investing activities	(55,605)	4,507	(60,112)
Cash provided by (used in) financing activities	12,186	(18,770)	30,956
Effect of foreign currency translation	2,014	7,023	(5,009)
Cash and cash equivalents, end of period (IFRS basis)	\$ 57,151	\$ 70,597	\$ (13,446)

Three Months

During the three months ended March 31, 2026, cash decreased to \$57.2 million. The decrease primarily reflects cash used in investing activities, including property acquisitions and capital expenditures, partially offset by positive cash flow from financing activities and cash provided by operating activities.

Financing activities primarily reflect net borrowings under the REIT's credit facilities, while operating cash flows were supported by stable portfolio performance. Foreign exchange movements modestly increased cash during the period.

7.3. Total Debt

The REIT's debt structure supports long-term portfolio stability and reliable access to capital. Borrowings are diversified by lender, instrument and geography, with maturities staggered to reduce refinancing concentration. The structure reflects the stable, long-term cash flows generated by the REIT's healthcare real estate portfolio.

The table below summarizes the REIT's total debt on an IFRS and proportionate basis⁽¹⁾:

(\$ thousands)	As at March 31, 2026			As at December 31, 2025		
	IFRS Basis	Adjustments	Proportionate Basis ⁽¹⁾	IFRS Basis	Adjustments	Proportionate Basis ⁽¹⁾
Mortgages payable	\$ 569,740	\$ 96,317	\$ 666,057	\$ 598,929	\$ 97,334	\$ 696,263
Term debt	248,234	366,434	614,668	240,926	350,623	591,549
Credit facility	71,590	—	71,590	—	—	—
Senior unsecured debentures	500,000	—	500,000	500,000	—	500,000
Convertible debentures	243,122	—	243,122	249,309	—	249,309
Lease liabilities	10,269	—	10,269	10,300	—	10,300
Total debt	1,642,955	462,751	2,105,706	1,599,464	447,957	2,047,421
Unamortized deferred financing costs	(7,196)	(924)	(8,120)	(7,981)	(851)	(8,832)
Total Debt	\$1,635,759	\$ 461,827	\$ 2,097,586	\$1,591,483	\$ 447,106	\$ 2,038,589
Included in mortgages payable						
Liabilities related to assets held for sale	\$ 218,722	\$ 41,763	\$ 260,485	\$ 221,065	\$ 41,954	\$ 263,019

As at March 31, 2026, total debt on a proportionate basis⁽¹⁾ was \$2.1 billion. The increase from December 31, 2025 was primarily due to the acquisition of a \$51.3 million property in North America using capacity under the REIT's revolving credit facility. The maturity profile remains well distributed, and the REIT was in compliance with all financial covenants at quarter end.

On a proportionate basis⁽¹⁾, approximately \$1.2 billion of the REIT's assets were unencumbered at March 31, 2026 (December 31, 2025 - \$1.2 billion).

Mortgages and term debt

Changes in debt balances during the period reflect refinancing activity, scheduled amortization, as well as the impact of foreign currency movements and inflation indexation on certain instruments. Borrowings and repayments were undertaken in line with the REIT's capital management framework.

(\$ thousands)	IFRS Basis			Proportionate Basis ⁽¹⁾		
	Mortgages payable	Term debt	Total	Mortgages payable	Term debt	Total
Opening balance, January 1, 2026	\$ 598,929	\$ 240,926	\$ 839,855	\$ 696,263	\$ 591,549	\$ 1,287,812
Principal amortization	(4,188)	(7,208)	(11,396)	(4,987)	(7,208)	(12,195)
Repayments	(23,702)	—	(23,702)	(23,702)	—	(23,702)
Accretion of financial liabilities	—	2,753	2,753	—	2,753	2,753
Foreign exchange adjustment	(1,299)	11,763	10,464	(1,517)	27,574	26,057
	569,740	248,234	817,974	666,057	614,668	1,280,725
Unamortized deferred financing costs	(1,544)	(1,676)	(3,220)	(1,814)	(2,330)	(4,144)
Ending balance, March 31, 2026	\$ 568,196	\$ 246,558	\$ 814,754	\$ 664,243	\$ 612,338	\$ 1,276,581

Refer to Section 11.7, "Mortgages and Term Debt Continuity by Region (Proportionate Basis)" for additional details.

Credit facility

Changes in the credit facility balance during the period primarily reflect drawings and repayments under the REIT's revolving credit facility.

(\$ thousands)			As at March 31, 2026			As at December 31, 2025		
Facility Type	Maturity	Weighted Average Interest Rate	Maximum	Available	Drawn	Maximum	Available	Drawn
Secured	July 2027	4.27 %	\$ 273,974	\$ 202,384	\$ 71,590	\$ 252,187	\$ 252,187	\$ —
Unamortized deferred financing costs					(1,513)			—
Balance, end of period					\$ 70,077			\$ —

Debentures

Senior Unsecured Debentures

As at March 31, 2026, the REIT had the following senior unsecured debentures outstanding:

Series	Issuance date	Maturity date	Coupon rate	Interest payment dates	As at March 31, 2026	As at December 31, 2025
Series A	Feb 18, 2025	Feb 18, 2028	5.02 %	Feb 18 and Aug 18	\$ 200,000	\$ 200,000
Series B	Feb 18, 2025	Feb 18, 2030	5.51 %	Feb 18 and Aug 18	300,000	300,000
					5.32 %	500,000
Unamortized deferred financing costs					(2,463)	(2,678)
Balance, end of period					\$ 497,537	\$ 497,322

Convertible Debentures

The following table summarizes the REIT's convertible debentures:

Series	Conversion price per Unit (\$)	Issuance date	Maturity date	Interest rate	Interest payment dates	As at March 31, 2026	As at December 31, 2025
VITL.DB.H	\$16.00	Aug 25, 2022	Aug 31, 2027	6.25%	Feb 28 and Aug 31	\$ 154,767	\$ 158,324
VITL.DB.I	\$10.55	Apr 27, 2023	Apr 30, 2028	7.75%	Apr 30 and Oct 31	88,355	90,985
						\$ 243,122	\$ 249,309

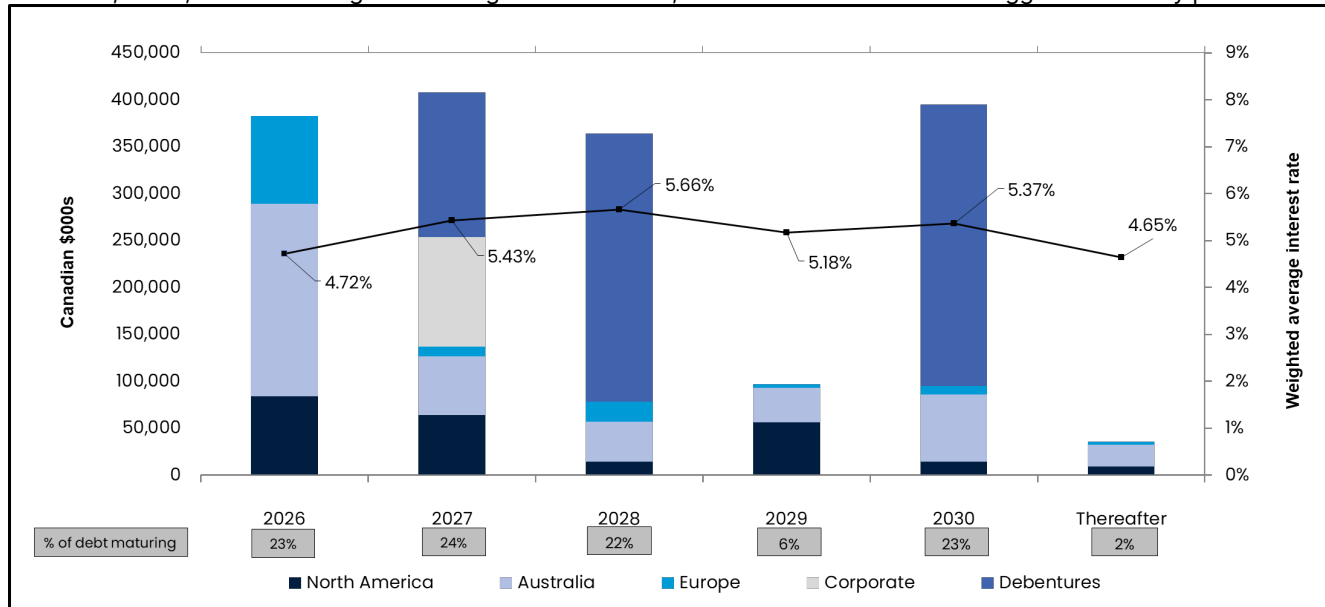
On November 11, 2025, the REIT announced that the TSX had approved a normal course issuer bid ("NCIB") for a portion of its outstanding convertible debentures and Trust Units. The NCIB allows the REIT to repurchase up to \$15.5 million principal amount of Series H debentures, \$8.6 million principal amount of Series I debentures, and 22.2 million Trust Units.

During the three months ended March 31, 2026, the REIT repurchased total consideration of \$1.4 million of its convertible debentures under the NCIB.

The REIT may continue to repurchase convertible debentures under the NCIB as market conditions warrant.

Schedules of Repayments

The chart below summarizes the REIT's debt maturities, excluding liabilities held for sale, on a proportionate basis⁽¹⁾ at March 31, 2026, based on weighted average interest rates, and illustrates the REIT's staggered maturity profile.



As at March 31, 2026, \$383.0 million of total debt, excluding liabilities associated with assets held for sale, on a proportionate basis⁽¹⁾ is maturing in 2026. The REIT expects to address these maturities through a combination of repayments and refinancing, as follows:

- **Canada:** \$83.8 million of mortgage maturities are expected to be repaid on or before maturity or transitioned to the revolving credit facility, of which \$65.0 million has been repaid subsequent to quarter end.
- **Europe:** \$93.8 million of mortgage maturities are expected to be addressed through a combination of repayments and refinancing. Approximately \$16.0 million has been repaid subsequent to quarter end, with the balance expected to be refinanced during the second quarter of 2026.
- **Australia (joint venture):** \$205.3 million of term debt at the REIT's share matures in December 2026 and is expected to be refinanced in the third quarter of 2026.

Interest rate risk management

The REIT manages interest rate risk through a combination of fixed-rate and variable-rate borrowings and the use of interest rate derivatives. As at March 31, 2026, the weighted average interest rate ("WAIR") on debt on a proportionate basis⁽¹⁾ was 4.95%, reflecting the REIT's contractual borrowing costs.

	North America		Brazil		Europe		Australia		Corporate		Total	
	Debt payable	WAIR	Debt payable	WAIR	Debt payable	WAIR	Debt payable	WAIR	Debt payable	WAIR	Debt payable	WAIR
Remainder of 2026	\$ 87,927	3.64 %	\$ 22,284	4.79 %	\$ 118,428	4.29 %	\$ 205,298	5.31 %	\$ —	— %	\$ 433,937	4.67 %
2027	68,113	5.83 %	29,980	4.75 %	54,753	4.02 %	62,881	5.23 %	271,333	5.44 %	487,060	5.27 %
2028	17,266	5.47 %	20,149	3.88 %	129,354	3.51 %	43,044	5.98 %	285,848	5.84 %	495,661	5.15 %
2029	58,256	5.09 %	20,915	3.88 %	75,682	1.86 %	36,664	5.60 %	—	— %	191,517	3.78 %
2030	14,819	4.57 %	21,713	3.88 %	28,262	2.78 %	71,733	5.41 %	300,000	5.51 %	436,527	5.20 %
Thereafter	9,515	3.35 %	11,175	3.88 %	3,682	2.05 %	23,383	5.48 %	—	— %	47,755	4.42 %
	\$255,896	4.72 %	\$ 126,216	4.25 %	\$ 410,161	3.44 %	\$443,003	5.41 %	\$ 857,181	5.60 %	\$2,092,457	4.95 %

The majority of the REIT's debt is fixed-rate or economically hedged through derivative instruments, which limits exposure to changes in interest rates in the near term. The REIT's economic weighted average interest rate ("Economic WAIR"), which reflects the impact of both fixed-rate borrowings and derivative instruments, was 4.76% on a proportionate basis⁽¹⁾ at March 31, 2026 (December 31, 2025 – 4.71%). Economic WAIR reflects the REIT's effective cost of debt and is used by management to assess borrowing costs relative to prevailing market rates.

7.4. Financial Ratios

The REIT monitors a number of financial ratios to assess leverage, liquidity, and its ability to service debt obligations. Certain ratios are calculated in accordance with the REIT's Declaration of Trust and lending agreements, while others are used by management for monitoring purposes. These ratios are also presented on both an IFRS and proportionate basis⁽¹⁾ to reflect the REIT's economic interest in joint ventures.

Differences among these ratios reflect variations in governing documents, covenant definitions, the treatment of convertible debentures and cash and cash equivalents, and differences in consolidation methodology. Detailed definitions and calculations are provided in Section 11.8, "Financial Ratio Calculations".

Leverage Ratios

Under the REIT's Declaration of Trust, the REIT may not incur or assume additional indebtedness if, after giving effect thereto, total indebtedness would exceed 65% of Gross Book Value ("GBV"), as defined therein. The REIT is also subject to leverage covenants under its revolving credit agreement and senior unsecured debenture indentures, which use definitions that differ from those in the Declaration of Trust.

In addition to these asset-based leverage measures, management monitors a cash flow-based leverage ratio, Debt to Adjusted EBITDA⁽¹⁾ which assesses the REIT's ability to service and repay indebtedness from recurring operating earnings. This ratio is used for monitoring purposes only and is not a covenant under the REIT's Declaration of Trust, revolving credit agreement, or senior unsecured debenture indentures.

The following table summarizes the REIT's leverage ratios as at March 31, 2026 and December 31, 2025:

Definition	As at	
	March 31, 2026	December 31, 2025
Debt to Gross Book Value (IFRS)	46.6 %	46.4 %
Debt to Gross Book Value (proportionate basis) ⁽¹⁾	52.7 %	52.4 %
Debt to Adjusted EBITDA (proportionate basis) ⁽¹⁾⁽ⁱ⁾	8.62	8.05

(i) Adjusted EBITDA as at December 31, 2025 includes EBITDA earned from Vital Trust prior to deconsolidation, while debt excludes Vital Trust balances. Replacing prior-period Vital Trust EBITDA with distributions received from Vital Trust results in a comparable Debt to Adjusted EBITDA ratio of 8.72x as at December 31, 2025.

As at March 31, 2026, the REIT was in compliance with all leverage limits and covenants under its Declaration of Trust, revolving credit agreement, and senior unsecured debenture indentures.

Coverage Ratios

The REIT monitors its ability to service interest and principal obligations through its interest coverage ratio, calculated on both an IFRS and proportionate basis⁽¹⁾. Covenant compliance is assessed using the basis specified in the applicable revolving credit agreement or senior unsecured debenture indenture.

Ratio	Basis	Trailing twelve months ended	
		March 31, 2026	March 31, 2025
Interest coverage ratio	IFRS	2.22	1.73
Interest coverage ratio	Proportionate Basis ⁽¹⁾	2.12	1.64

As at March 31, 2026 and March 31, 2025, the REIT was in compliance with all coverage covenants under its revolving credit agreement and senior unsecured debenture indentures.

Minimum Adjusted Equity Covenant

The REIT is subject to a minimum adjusted equity covenants requiring minimum adjusted equity of \$500.0 million under the terms of its senior unsecured debentures indenture and under \$1.0 billion under the terms of its revolving credit agreement. As at March 31, 2026, the REIT was in compliance with these covenants.

7.5. Net Asset Value⁽¹⁾

(\$ thousands except where otherwise indicated)	March 31, 2026	December 31, 2025	\$ Change
Unitholders' equity	\$ 1,534,258	\$ 1,506,846	\$ 27,412
Add/(deduct) proportionate share of:			
Unit-based compensation liabilities	16,166	12,699	3,467
Deferred tax liability, net	250,994	240,233	10,761
Derivative financial instruments, net	(6,148)	(3,521)	(2,627)
Manager valuation adjustment ⁽ⁱ⁾	132,000	132,000	—
Vital Trust mark-to-market adjustment ⁽ⁱⁱ⁾	(39,380)	\$ —	(39,380)
Net Asset Value ("NAV")	\$ 1,887,890	\$ 1,888,257	\$ (367)
Units outstanding ('000s) - period end	250,006	249,993	13
NAV per unit	\$ 7.55	\$ 7.55	\$ —

(i) Manager includes the European and Australian asset management operations.

(ii) Vital Trust mark-to-market adjustment represents the difference between carrying value of the REIT's investment in Vital Trust and the quoted market price of the REIT's Vital Trust units as at the balance sheet date.

Variance Commentary

NAV per unit was \$7.55 at March 31, 2026 in line with December 31, 2025, reflecting fair value losses on European assets classified as held for sale and mark-to-market losses on the REIT's Vital Trust units, partially offset by favourable foreign exchange movements.

7.6. Distributions and Unitholders' Equity

Distributions

For the three months ended March 31, 2026, the REIT declared total distributions of \$22.5 million (2025 - \$22.3 million), representing an annualized distribution rate of \$0.36 per unit per annum, consistent with the prior year.

Distributions are paid monthly and are intended to provide stable and predictable cash flows to unitholders, while maintaining flexibility to fund capital commitments and support the REIT's long-term financial position.

Distribution Reinvestment Plan

The REIT suspended its Distribution Reinvestment Plan ("DRIP") in September 2025. As a result, all distributions are currently paid in cash.

Distribution Funding and Sustainability

Distributions are funded through operating cash flows, investment income and available liquidity. Management evaluates distribution sustainability on a full-year basis, considering the REIT's overall liquidity position, recurring cash flows, and the timing of receipts and payments, including capital activity and the classification of certain cash flows. In periods where cash flows do not fully align with distributions, the REIT may utilize available liquidity as part of its capital management approach.

The following tables present net income, cash flows from operating activities attributable to unitholders and other cash flow measures relevant to distribution coverage for the three months ended March 31, 2026 and 2025.

Net Income (Loss) Compared to Distributions

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Net loss attributable to unitholders	\$ (3,845)	\$ (890)	\$ (2,955)
Less: distributions paid and payable	(22,500)	(22,338)	(162)
Shortfall of adjusted net income (loss) attributable to unitholders over distributions paid and payable	\$ (26,345)	\$ (23,228)	\$ (3,117)

Management expects distributions to differ from net income (loss), as net income (loss) includes fair value adjustments and other non-cash items that do not affect the REIT's ability to fund distributions.

Cash Flows from Operating Activities Attributable to Unitholders Compared to Distributions

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Cash flows from operating activities	\$ 4,475	\$ 26,590	\$ (22,115)
Less: non-controlling interests	—	(9,857)	9,857
Cash flows from operating activities attributable to unitholders	4,475	16,733	(12,258)
Less: distributions paid and payable	(22,500)	(22,338)	(162)
Shortfall of cash flows from operating activities attributable to unitholders over distributions paid and payable	\$ (18,025)	\$ (5,605)	\$ (12,420)

Cash Flows Available to Support Distributions Compared to Distributions

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Shortfall of cash flows from operating activities attributable to unitholders over distributions paid and payable	\$ (18,025)	\$ (5,605)	\$ (12,420)
Value of REIT Units issued pursuant to the DRIP	—	2,785	(2,785)
Distribution income from investments	5,859	5,017	842
Adjusted (shortfall) surplus of cash flows from operating activities attributable to unitholders over distributions paid and payable	\$ (12,166)	\$ 2,197	\$ (14,363)

The shortfall and adjusted shortfall of cash flows from operating activities attributable to unitholders for the three months ended March 31, 2026 primarily reflects working capital movements, including the timing of cash tax and interest payments on debentures, and does not reflect a change in the underlying operating performance of the portfolio. Based on current cash flow projections and available capacity under the REIT's credit facilities, management expects to meet its ongoing distribution and financing obligations.

Unitholders' Equity

Unitholders' equity represents a core component of the REIT's long-term capitalization. Changes in unitholders' equity during the period primarily reflect Trust Units issued under unit-based incentive plans.

The following table summarizes changes in the REIT's units outstanding for the three months ended March 31, 2026:

	# Units Outstanding
Trust Units outstanding, December 31, 2025	249,992,670
Issuance of Trust Units under the unit-based incentive plans	13,550
Trust Units outstanding, March 31, 2026	250,006,220

7.7. Credit Rating

The REIT and its senior unsecured debentures are rated by DBRS Morningstar ("DBRS"), an independent credit rating agency. Credit ratings provide an assessment of the REIT's ability to meet its financial obligations and reflect both interest and principal repayment risk. Rating categories range from the highest credit quality (generally "AAA") to default in payment (generally "D").

On February 5, 2025, DBRS assigned an initial issuer rating of BBB (low) with a Stable trend. On February 5, 2026, DBRS completed its annual review and confirmed the rating and trend.

The table below summarizes the REIT's credit ratings as at March 31, 2026:

	DBRS Morningstar	
	Credit Rating	Trend
Issuer rating	BBB (low)	Stable
Senior unsecured debentures rating	BBB (low)	Stable

8. QUARTERLY INFORMATION

The following is a summary of selected financial information for each of the last eight quarterly periods:

	Q1-26	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24	Q3-24	Q2-24
Number of Properties ⁽ⁱ⁾	134	133	167	168	169	172	186	200
Gross Leasable Area (millions of sf) ⁽ⁱ⁾	13.1	13.0	15.7	15.8	15.8	15.9	16.1	17.8
Occupancy % ⁽ⁱ⁾	96.4%	96.4%	96.9%	96.6%	96.5%	96.4%	96.1%	96.5%
WALE (years) ⁽ⁱ⁾	12.1	12.3	13.4	13.5	13.6	13.6	13.4	13.4
Operating Results								
Revenue from investment properties (IFRS)	\$ 74,067	\$ 107,588	\$ 104,286	\$ 99,004	\$ 111,647	\$ 102,702	\$ 107,015	\$ 119,141
Net income (loss)	\$ (3,845)	\$ (27,037)	\$ 31,167	\$ 32,621	\$ (15,530)	\$ 2,928	\$ (157,266)	\$ (127,224)
NOI ⁽¹⁾	47,484	79,514	79,168	76,308	77,148	77,764	82,216	93,976
Adjusted EBITDA ⁽¹⁾ (IFRS)	51,015	77,763	78,114	73,899	79,289	79,350	84,423	90,647
Adjusted EBITDA ⁽¹⁾ (Proportionate)	55,881	63,810	63,507	60,949	66,046	66,419	72,527	79,670
FFO ⁽¹⁾	26,629	30,621	28,075	26,521	24,217	23,674	15,775	22,314
AFFO ⁽¹⁾	25,758	29,502	26,328	25,407	24,346	24,281	22,352	21,186
Distributions	22,500	22,499	22,480	22,408	22,338	22,346	22,229	22,150
Per Unit Amounts								
Net income (loss)	\$ (0.02)	\$ (0.11)	\$ 0.12	\$ 0.13	\$ (0.06)	\$ 0.01	\$ (0.63)	\$ (0.51)
Net income (loss) attributable to unitholders	\$ (0.02)	\$ (0.37)	\$ 0.06	\$ 0.05	\$ 0.19	\$ 0.03	\$ (0.39)	\$ (0.49)
FFO ⁽¹⁾ per unit - Diluted	\$ 0.11	\$ 0.12	\$ 0.11	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.06	\$ 0.09
AFFO ⁽¹⁾ per unit - Diluted	\$ 0.10	\$ 0.12	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09	\$ 0.09
Distributions	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09
NAV ⁽¹⁾ per unit	\$ 7.55	\$ 7.55	\$ 8.48	\$ 8.67	\$ 8.71	\$ 8.55	\$ 9.02	\$ 9.53
Market price per unit - closing	\$ 5.28	\$ 5.11	\$ 5.09	\$ 4.98	\$ 5.00	\$ 4.42	\$ 5.68	\$ 4.66
Weighted average number of units outstanding								
Basic	249,996,735	249,992,670	249,662,325	248,856,278	248,104,145	247,493,809	246,832,144	246,032,139
Diluted	250,803,844	251,081,454	250,712,935	249,941,309	249,111,151	248,641,782	247,870,148	247,415,816
Debt to Gross Book Value								
Debt to Gross Book Value ⁽¹⁾ (IFRS)	46.6%	46.4%	48.4%	48.5%	50.4%	50.0%	49.2%	52.5%
Debt to Gross Book Value ⁽¹⁾ (Proportionate)	52.7%	52.4%	55.9%	56.0%	58.0%	58.5%	57.4%	60.9%

Operational information is presented on a 100% basis for the REIT's joint venture investments across all eight quarters and for Vital Trust for all periods except Q4 2025 and Q1 2026, notwithstanding the REIT's approximately 30% ownership interest. Effective December 31, 2025, Vital Trust has been excluded from operational information to reflect the internalization transaction. See Section 1.1, "Basis for Presentation" and Section 3.3, "Portfolio Profile".

Quarterly results are influenced by asset sales, development activity, leasing timing, acquisitions and foreign exchange movements. Investment property balances reflect capital recycling, development activity and changes in fair value under IFRS Accounting Standards, while net income (loss) is primarily driven by non-cash fair value adjustments, foreign exchange movements and transaction-related or other non-recurring items.

9. RISKS AND UNCERTAINTIES

The principal risks affecting the REIT's business are described in the REIT's Annual Information Form ("AIF") for the year ended December 31, 2025 and in the MD&A included in the 2025 Annual Report, each of which is available on SEDAR+ at www.sedarplus.ca and incorporated herein by reference. Those risks and the related risk management strategies have not materially changed.

10. OTHER FINANCIAL DISCLOSURES

10.1. Related Party Transactions

In the normal course of business, the REIT enters into transactions with entities whose trustees or directors are also Trustees of the REIT or members of senior management. These transactions are conducted in the ordinary course of operations and recorded at the transaction or exchange amounts agreed to by the parties.

The REIT's related parties include associates, joint ventures and other entities over which the REIT has control or significant influence, as well as key management personnel. Key management personnel comprise the Trustees and those individuals with authority and responsibility for planning, directing and controlling the activities of the REIT.

Transactions with equity-accounted investments include interest income on loan balances outstanding with the European joint ventures and asset and development management fees earned from those joint ventures. These arrangements form part of the REIT's asset management activities and are measured at exchange amounts agreed between the parties.

10.2. Subsequent Events

Subsequent to March 31, 2026, the REIT repaid six Canadian mortgages totalling \$65.0 million using its revolving credit facility. Two properties were added to the borrowing base of the revolving credit facility, increasing the REIT's availability to draw to approximately \$340 million.

On February 24, 2026, the REIT entered into an agreement with TPG Real Estate to sell a 33-property portfolio in Germany and the Netherlands, comprising 30 income-producing properties and three properties under development. The portfolio includes 23 wholly owned properties and 10 properties held through the REIT's joint venture in the Netherlands. The Netherlands portion of the transaction closed on April 29, 2026, and the remaining German assets are expected to close in the second quarter of 2026, subject to customary closing conditions. Net proceeds attributable to the REIT are estimated at approximately \$145 million, after transaction costs and taxes.

10.3. Controls and Procedures

The REIT maintains disclosure controls and procedures designed to provide reasonable assurance that material information relating to the REIT, including its consolidated subsidiaries, is made known to management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), in a timely manner. These controls and procedures are designed to ensure that information required to be disclosed in the REIT's filings under applicable securities legislation is recorded, processed, summarized and reported within the required time periods.

In accordance with National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the CEO and CFO have evaluated, or caused to be evaluated under their supervision, the effectiveness of the REIT's disclosure controls and procedures as at March 31, 2026 and concluded that they were effective. There were no changes in the REIT's internal control over financial reporting during the three months ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, the REIT's internal control over financial reporting.

11. NON-GAAP AND OTHER SUPPLEMENTARY MEASURES

The condensed consolidated interim financial statements of Vital Infrastructure Property Trust are prepared in accordance with IFRS. This MD&A includes certain financial measures and ratios that do not have standardized meanings under IFRS and, as a result, may not be comparable to similar measures presented by other issuers. These measures include non-GAAP financial measures, non-GAAP ratios and other specified financial measures, as defined in National Instrument 52-112, "Non-GAAP and Other Financial Measures Disclosure".

Management uses these measures as supplemental indicators to evaluate the REIT's operating performance, financial condition and ability to generate cash flows. These measures are not substitutes for financial measures determined in accordance with IFRS. Each non-GAAP measure is defined below and, where applicable, is accompanied by a reconciliation to the most directly comparable IFRS measure presented elsewhere in this MD&A.

Non-GAAP Measure	Description and Purpose	Reconciliation
Proportionate Basis	<ul style="list-style-type: none"> Proportionate basis is a non-IFRS presentation method used by the REIT to reflect its economic interest in equity-accounted joint ventures and subsidiaries by including the REIT's proportionate share of assets, liabilities, revenues and expenses, where applicable. Following the internalization of Vital Trust and the resulting loss of control, the REIT's investment in Vital Trust is accounted for as an equity-accounted investment under IFRS. For purposes of this MD&A, this investment is not proportionately consolidated. Instead, it is presented as a single line item on the proportionate balance sheet at its IFRS carrying value, with distributions presented separately and the remaining equity-accounted income recognized as a non-cash adjustment in the proportionate income statement. Management believes the proportionate basis presentation provides useful information by more closely reflecting the underlying economics of the REIT's investments. However, this presentation is not defined under IFRS and may not be comparable to similar measures presented by other issuers. 	<p>Section 4.2, "Proportionate Basis Results from Operations"</p> <p>Section 5, "Balance Sheet"</p>
Net Operating Income ("NOI")	<ul style="list-style-type: none"> NOI represents revenue from investment properties, including straight-line rent and lease termination income, less property operating costs and is presented as net property operating income in the REIT's consolidated financial statements prepared in accordance with IFRS. NOI reflects the operating performance of the REIT's income-producing properties before the impact of financing, income taxes and other non-property-level items. NOI is also presented on a proportionate basis in the MD&A. Management believes NOI is an important measure of property-level operating performance used by real estate industry analysts, investors and management, and a key input in determining the fair value of the REIT's income-producing portfolio. 	<p>Section 11.1, "Net Operating Income"</p>

Non-GAAP Measure	Description and Purpose	Reconciliation
Same-Property NOI (Constant Currency) ("SPNOI")	<ul style="list-style-type: none"> • SPNOI is a non-IFRS financial measure used to assess period-over-period operating performance of income-producing properties owned by the REIT for a full reporting period in both the current and comparative periods. • The measure excludes straight-line rental revenue, NOI attributable to properties that have been acquired, disposed of, or are subject to significant change as a result of development, redevelopment or expansion activities, as well as properties held for redevelopment. For the periods presented, SPNOI also excludes comparative-period NOI from Vital Trust to reflect its deconsolidation and current presentation. • SPNOI also excludes the impact of non-recurring items not expected to recur. • To enhance comparability, foreign currency impacts are excluded by converting comparative-period results using current-period average exchange rates. • SPNOI is derived from NOI and presented on a proportionate basis. • Management believes SPNOI is useful in understanding changes in NOI attributable to occupancy, contractual rental rate changes, operating costs and realty taxes, before considering the impact of acquisitions, dispositions and development activity. 	Section 11.1, "Net Operating Income"
Funds from Operations ("FFO")	<ul style="list-style-type: none"> • FFO is a non-IFRS financial measure used by the REIT to assess operating performance and is derived from IFRS net income (loss), the most directly comparable financial measure. • FFO excludes items that are not considered indicative of the recurring operating performance of income-producing real estate, such as fair value adjustments, gains or losses on property dispositions, unrealized foreign exchange, deferred income taxes and transaction-related items. • The measure also reflects the economic benefit of certain management fees eliminated on consolidation but realized through non-controlling interests, and excludes certain investment, financing and general and administrative costs. • REALPAC has published guidance for the calculation of FFO, and the REIT generally calculates FFO in accordance with this guidance, subject to certain adjustments disclosed in the reconciliation. • Management uses FFO to evaluate operating performance and believes it meaningfully reflects period-over-period changes in occupancy, rental rates, operating costs, realty taxes, transaction activity and interest costs. 	Section 11.2, "Funds from Operations ("FFO")"

Non-GAAP Measure	Description and Purpose	Reconciliation
Adjusted Funds from Operations ("AFFO")	<ul style="list-style-type: none"> AFFO is a non-IFRS financial measure used by the REIT to assess operating performance and recurring cash flows and is derived from FFO, the most directly comparable financial measure. AFFO adjusts FFO for items that are non-cash in nature or that do not reflect recurring cash outflows associated with the ownership and operation of income-producing real estate, including financing-related amortization, straight-line rent differences, leasing costs, sustaining capital expenditures and unit-based compensation. The measure includes the REIT's proportionate share of adjustments related to equity-accounted investments and joint ventures. REALPAC has published guidance for the calculation of AFFO, and the REIT generally calculates AFFO in accordance with this guidance, subject to certain adjustments disclosed in the reconciliation. Management uses AFFO to evaluate operating performance and distribution sustainability and believes it reflects recurring operating cash flows, taking into account the timing of sustaining capital expenditures and leasing activity. 	Section 11.3, "Adjusted Funds from Operations ("AFFO")"
FFO and AFFO Payout Ratios	<ul style="list-style-type: none"> FFO and AFFO payout ratios are non-IFRS financial ratios used by management to assess the sustainability of the REIT's distribution payments. The ratios are calculated as cash distributions declared divided by FFO or AFFO, as applicable, for the period. Management uses these ratios, together with other financial metrics, in evaluating distribution levels and long-term capital allocation decisions. 	Section 4.4, "Funds from Operations and Adjusted Funds from Operations"
Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")	<ul style="list-style-type: none"> Adjusted EBITDA is a non-GAAP financial measure derived from IFRS net income (loss). The measure excludes interest expense, income taxes, depreciation and amortization, fair value adjustments, unit-based compensation, unrealized foreign exchange gains and losses, gains and losses on dispositions, transaction costs and other non-operating or non-recurring items, as detailed in the applicable reconciliations. Management and lenders use Adjusted EBITDA to assess recurring operating earnings, debt service capacity and compliance with financing arrangements. 	Section 11.8, "Financial Ratio Calculations"
Debt	<ul style="list-style-type: none"> Debt is a supplementary financial measure representing the REIT's indebtedness, as defined and calculated for the purposes of the financial ratios and covenants disclosed in this MD&A. It generally includes mortgages, loans and credit facilities, lease liabilities and debentures reported in the consolidated financial statements and may include the REIT's proportionate share of debt held in joint ventures, as applicable. Debt may be presented on an IFRS or proportionate basis and, depending on the applicable definition, may exclude certain components; where noted, Debt is presented net of unamortized financing costs. Management and lenders use Debt to assess leverage, financing capacity and compliance with debt-related covenants, including in relation to Gross Book Value, Adjusted EBITDA and other measures, as applicable. 	Section 7.3, "Total Debt" and Section 11.8, "Financial Ratio Calculations"

Non-GAAP Measure	Description and Purpose	Reconciliation
Debt to Adjusted EBITDA	<ul style="list-style-type: none"> Debt to Adjusted EBITDA is a supplementary financial ratio calculated as Debt divided by Adjusted EBITDA. For purposes of this ratio, Adjusted EBITDA is calculated on a trailing twelve-month basis. Management uses this ratio to assess the REIT's financial leverage and its ability to service and repay indebtedness using recurring operating earnings. 	Section 11.8, "Financial Ratio Calculations"
Gross Book Value ("GBV")	<ul style="list-style-type: none"> Gross Book Value is defined as total assets reported in the consolidated financial statements. This measure may be presented on an IFRS or a proportionate basis, as applicable. Gross Book Value is used, as applicable, in leverage ratios and covenant calculations in accordance with the definitions contained in the REIT's Declaration of Trust, revolving credit agreement, and senior unsecured debenture indentures, including Debt to Gross Book Value. 	Section 11.8, "Financial Ratio Calculations"
Debt to Gross Book Value	<ul style="list-style-type: none"> Debt to Gross Book Value is a supplementary financial ratio calculated as Debt divided by Gross Book Value, as defined and calculated for the purposes of the applicable financial ratios and covenants disclosed in this MD&A, and is presented on an IFRS and proportionate basis, as applicable. Management and lenders use this ratio to assess the REIT's leverage and compliance with leverage-related covenants. 	Section 11.8, "Financial Ratio Calculations"
Interest Expense for the Interest Coverage Ratio	<ul style="list-style-type: none"> Interest Expense represents interest expense recognized under IFRS, adjusted to include capitalized interest and, where applicable, pro forma adjustments. The measure is calculated in accordance with the applicable definitions set out in the REIT's senior unsecured debenture indentures. 	Section 11.8, "Financial Ratio Calculations"
Interest Coverage	<ul style="list-style-type: none"> Interest Coverage is a supplementary financial ratio calculated by dividing Adjusted EBITDA by Interest Expense for the Interest Coverage Ratio, with both amounts calculated in accordance with the applicable senior unsecured debenture indentures. For purposes of this ratio, Adjusted EBITDA is adjusted on a pro forma basis to reflect the full-year impact of acquisitions and dispositions completed during the reporting period. Management and lenders use this ratio to assess the REIT's ability to service interest obligations and comply with interest-related covenants. 	Section 11.8, "Financial Ratio Calculations"
Minimum Adjusted Equity	<ul style="list-style-type: none"> Minimum Adjusted Equity is a supplementary financial measure derived from Unitholders' equity and calculated in accordance with the definitions contained in the REIT's senior unsecured debenture indentures. The measure adjusts Unitholders' equity for certain items, including deferred tax assets and deferred tax liabilities, as applicable. 	Section 7.4, "Financial Ratios"
Net Asset Value ("NAV")	<ul style="list-style-type: none"> NAV is a non-IFRS financial measure calculated as total assets less total liabilities and non-controlling interests, adjusted to reflect management's estimates of fair value, including the fair value of the Manager and Vital Trust units. Management uses NAV as a measure of the REIT's intrinsic value, and NAV per Unit as a valuation metric to assess whether the REIT's units are trading at a discount or premium to intrinsic value. 	Section 7.5, "Net Asset Value"

Non-GAAP Measure	Description and Purpose	Reconciliation
Cash Flows from Operating Activities Attributable to Unitholders	<ul style="list-style-type: none"> • Cash Flows from Operating Activities Attributable to Unitholders is a non-IFRS financial measure derived from cash flows from operating activities determined in accordance with IFRS. • The measure reflects operating cash flows attributable to Unitholders after adjustments for non-controlling interests and other items. • Management uses this measure to assess the REIT's ability to fund distributions to Unitholders from operating cash flows. 	Section 7.6, "Distributions and Unitholders' Equity"
Liquidity	<ul style="list-style-type: none"> • Liquidity is a non-GAAP financial measure calculated as the sum of cash and cash equivalents and the undrawn portion of the REIT's revolving credit facility. • Management uses Liquidity to assess the REIT's short-term financial flexibility and ability to fund operating requirements, capital expenditures and other commitments. 	Section 7.1, "Liquidity and Capital Structure"
Per Unit Measures	<ul style="list-style-type: none"> • FFO per Unit, AFFO per Unit, NAV per Unit and Distributions declared per Unit are calculated by dividing the applicable measure by the number of units outstanding, calculated on a basic or diluted basis, as applicable. • Per unit amounts are calculated using the weighted average number of units outstanding during the period or units outstanding at period end, as applicable. • Where relevant, diluted unit counts include the impact of vested trust units, exchangeable or convertible units and other dilutive instruments, in accordance with the applicable calculation methodology. 	Section 4.4, "Funds from Operations and Adjusted Funds from Operations" and Section 7.5, "Net Asset Value"

11.1. Net Operating Income⁽¹⁾

The table below reconciles net income (loss), as determined in accordance with IFRS, to Net Operating Income for the periods presented. Refer to Section 4.3, "Net Operating Income (Proportionate)" and Section 11, "Non-GAAP and Other Supplementary Measures" for further details.

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Net income (loss)	\$ (3,845)	\$ (15,530)	\$ 11,685
Interest and other income	(1,964)	(6,181)	4,217
Management fees	(3,898)	(3,773)	(125)
Share of income (loss) from equity accounted investments	(1,431)	8,742	(10,173)
Finance costs	20,279	38,439	(18,160)
General and administrative expenses	15,410	14,848	562
Transaction costs	2,018	9,432	(7,414)
Foreign exchange gain (loss)	(128)	(1,819)	1,691
Accretion of financial liabilities	2,753	3,419	(666)
Fair value adjustment of convertible debentures	(4,829)	10,485	(15,314)
Fair value adjustment of financial instruments	(1,206)	(28,799)	27,593
Fair value adjustment of investment properties	22,092	46,347	(24,255)
Net loss on disposals of assets	129	1,399	(1,270)
Fair value adjustment of unit-based compensation liabilities	981	1,470	(489)
Income tax (expense) recovery	1,123	(1,331)	2,454
Net Operating Income (IFRS)	47,484	77,148	(29,664)
Adjustment for equity accounted investments	11,012	(11,318)	22,330
Net Operating Income (proportionate)	\$ 58,496	\$ 65,830	\$ (7,334)

The table below reconciles Net Operating Income to Same-Property Net Operating Income for the periods presented. Refer to Section 4.3, "Net Operating Income (Proportionate)" and Section 11, "Non-GAAP and Other Supplementary Measures" for further details.

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Net Operating Income (proportionate)	\$ 58,496	\$ 65,830	(7,334)
Straight-line rental revenue	(728)	(1,766)	1,038
Foreign currency translation	—	1,765	(1,765)
Vital Trust NOI	—	(8,535)	8,535
Acquisitions / Dispositions	46	(1,315)	1,361
Other	(367)	(230)	(137)
Same-Property Net Operating Income	\$ 57,447	\$ 55,749	\$ 1,698

11.2. Funds from Operations ("FFO")⁽¹⁾

In accordance with the January 2022 guidance published by REALPAC, FFO is calculated by adjusting IFRS net income to exclude items that are not considered indicative of the recurring operating performance of income-producing real estate. These adjustments include, among others, fair value changes, deferred income taxes, gains or losses on dispositions, and transaction costs. Management believes these adjustments provide a consistent and comparable baseline measure of operating performance prior to the consideration of additional management adjustments.

For the periods ended March 31 (\$ thousands)	Note	Three Months		
		2026	2025	\$ Change
Net loss attributable to unitholders		\$ (3,845)	\$ (890)	\$ (2,955)
Add / (Deduct):				
Fair value adjustment of convertible debentures		(4,829)	10,485	(15,314)
Fair value adjustment of financial instruments		(1,206)	(28,799)	27,593
Fair value adjustment of investment properties		22,092	46,347	(24,255)
Fair value adjustment of unit-based compensation liabilities		981	1,470	(489)
Less: Non-controlling interests' share of fair market value losses (gains)		—	(27,385)	27,385
Accretion of financial liabilities	A	2,753	3,419	(666)
Unrealized foreign exchange loss (gain)		(154)	(1,855)	1,701
Less: Non-controlling interests' share of unrealized foreign exchange loss (gain)		—	169	(169)
Deferred tax expense (recovery)		(1,259)	(4,940)	3,681
Less: Non-controlling interests' share of deferred taxes		—	2,178	(2,178)
Transaction costs	B	2,018	9,432	(7,414)
Net loss on disposal of assets		1,065	1,399	(334)
Less: Non-controlling interests' share of net loss on disposal		—	(31)	31
Net adjustments for equity accounted entities		11,031	12,284	(1,253)
Non-cash equity income from Vital Trust	D	(4,686)	—	(4,686)
Internal leasing costs		549	400	149
Property taxes accounted for under IFRIC 21		71	20	51
Net adjustment for lease liabilities		(129)	(81)	(48)
Employee termination benefits and related expenses	C	1,975	382	1,593
G&A expenses related to strategic tenant inducements	E	202	213	(11)
Funds from Operations		\$ 26,629	\$ 24,217	\$ 2,412
FFO per Unit - Basic		\$ 0.11	\$ 0.10	\$ 0.01
FFO per Unit - Diluted		\$ 0.11	\$ 0.10	\$ 0.01
Weighted average number of units outstanding				
Basic		249,996,735	248,104,145	1,892,590
Diluted		250,803,844	249,111,151	1,692,693

Management Adjustments Not Contemplated by REALPAC

The following adjustments are not contemplated by REALPAC guidance and reflect management's judgment regarding items that do not represent the recurring operating performance of the REIT's income-producing real estate portfolio.

- A. Accretion of financial liabilities
Certain securitized financing arrangements in Brazil are subject to inflation indexation based on the Brazilian consumer price index ("IPCA") over the term of the related debt instruments. As a result, the carrying value of these liabilities increases through accretion from the date of inception to their respective maturities. This accretion is recognized under IFRS as a fair value-related adjustment to the associated liabilities. The resulting expense is financing-related in nature and does not impact the REIT's property-level operating performance or cash flows. Accordingly, these amounts are excluded in determining FFO.
- B. Transaction costs
Under IFRS, certain transaction and business development costs are expensed as incurred, depending on the accounting treatment applied to the underlying transaction. To provide consistent treatment of transaction-related costs and enhance the comparability of FFO, the REIT excludes transaction costs that are non-recurring in nature and do not reflect ongoing operating performance. These costs may include acquisition and disposition-related expenses, costs associated with evaluating investment opportunities and strategic initiatives, and other transaction-related expenditures.
- C. Employee termination benefits and related expenses
Employee termination benefits and related costs arise from workforce restructuring initiatives undertaken as part of broader operational efficiency programs. These costs are recognized under IFRS in the period incurred, are non-recurring in nature, and do not reflect the REIT's ongoing operating performance. Accordingly, these amounts are excluded in determining FFO.
- D. Non-cash equity income from Vital Trust
Following the internalization of Vital Trust on December 30, 2025, the REIT accounts for its investment as an equity-accounted investment under IFRS and recognizes its share of earnings. Effective January 1, 2026, for the purpose of determining FFO, the REIT includes only distributions received from Vital Trust, which represent the REIT's share of Vital Trust's FFO that is distributed in cash. The non-distributed portion of Vital Trust's FFO is excluded, as it does not represent cash received by the REIT.
- E. G&A expenses related to strategic tenant inducements
Certain general and administrative expenses incurred during the period relate to strategic tenant inducements. These costs are recognized under IFRS as incurred and are incremental to the REIT's normal course operations. As such, they do not reflect the REIT's ongoing property-level operating performance and are excluded in determining FFO.

The adjustments described above are reviewed by management and the Audit Committee and are applied consistently from period to period.

11.3. Adjusted Funds from Operations ("AFFO")⁽¹⁾

AFFO⁽¹⁾ is a supplemental non-IFRS financial measure calculated by adjusting FFO⁽¹⁾ to exclude items that do not reflect recurring cash outflows associated with the ownership and operation of income-producing real estate. In accordance with the January 2022 guidance published by REALPAC, AFFO⁽¹⁾ is intended to approximate recurring cash flows. Management believes these adjustments provide a useful measure of operating cash flow and distribution sustainability. Accordingly, the REIT's method of calculating AFFO⁽¹⁾ may differ from that of other issuers and may not be comparable to similar measures presented by other issuers. Beginning January 1, 2026, as AFFO⁽¹⁾ is derived from FFO⁽¹⁾, the REIT's investment in Vital Trust is reflected in AFFO⁽¹⁾ through distributions received, with no further Vital Trust-specific AFFO⁽¹⁾ adjustment in the current period.

AFFO⁽¹⁾ includes an adjustment for leasing costs and maintenance capital expenditures, which is calculated using actual expenditures for certain portfolios and a reserve-based estimate for others. Actual leasing and maintenance capital expenditures may differ from the adjustment reflected in AFFO⁽¹⁾ in a given period due to the timing of leasing activity and capital projects.

AFFO⁽¹⁾ is generated across the REIT's international operations in multiple currencies and is presented in Canadian dollars. As a result, foreign exchange movements may affect the Canadian-dollar presentation of AFFO⁽¹⁾ in a given period. Management does not consider foreign currency movements to be indicative of the underlying operating performance or recurring cash outflows associated with the REIT's income-producing real estate portfolio.

(\$ thousands except where otherwise indicated)	Note	Three Months		
		2026	2025	\$ Change
Funds from Operations⁽¹⁾		\$ 26,629	\$ 24,217	\$ 2,412
Add / (Deduct):				
Amortization of transactional deferred financing charges	A	—	1,903	(1,903)
Unit-based compensation expense	B	3,016	2,573	443
Straight-line rental revenue		(707)	(520)	(187)
Less: non-controlling interests' share of straight-line revenue		—	(515)	515
Leasing costs and non-recoverable maintenance capital expenditures		(2,998)	(3,369)	371
Less: non-controlling interests' share of actual capex and leasing costs		—	270	(270)
Net adjustments for equity accounted entities		(182)	(213)	31
Adjusted Funds from Operations⁽¹⁾		\$ 25,758	\$ 24,346	\$ 1,412
AFFO ⁽¹⁾ per Unit - Basic		\$ 0.10	\$ 0.10	\$ —
AFFO ⁽¹⁾ per Unit - Diluted		\$ 0.10	\$ 0.10	\$ —
Distributions per Unit		\$ 0.09	\$ 0.09	\$ —
Weighted average number of units outstanding				
Basic		249,996,735	248,104,145	1,892,590
Diluted		250,803,844	249,111,151	1,692,693

Management Adjustments Not Contemplated by REALPAC

The following adjustments are not contemplated by REALPAC guidance and reflect management's judgment regarding items that do not represent the recurring operating performance of the REIT's income-producing real estate portfolio.

- A. Amortization of transactional deferred financing charges
Under IFRS, deferred financing costs are amortized over the term of the related debt instruments and recognized as a non-cash expense. This amortization is financing-related in nature and does not represent a current-period cash outflow. Accordingly, amortization of deferred financing costs is excluded in determining AFFO. In certain circumstances, including short-term, transaction-related financings or the write-off of deferred financing costs on debt repaid prior to maturity, the associated cash outflows are reflected in AFFO in the period incurred.
- B. Unit-based compensation expense
Unit-based compensation expense is recognized under IFRS over the applicable vesting period as a non-cash expense. This expense does not represent a current-period cash outflow and may be settled, at the REIT's option, through the issuance of a fixed number of units. Accordingly, unit-based compensation expense is excluded in determining AFFO.

AFFO as calculated on a proportionate basis⁽¹⁾:

For the periods ended March 31 (\$ thousands)	Three Months		
	2026	2025	\$ Change
Net operating income	\$ 58,496	\$ 57,157	\$ 1,339
Interest and other income	1,146	5,092	(3,946)
Management fees	2,814	6,181	(3,367)
Finance costs	(25,267)	(34,415)	9,148
General and administrative expenses	(15,613)	(14,535)	(1,078)
Add: Employee termination benefits and related expenses	1,975	382	1,593
Add: G&A expenses related to strategic tenant inducements	202	213	(11)
Realized foreign exchange gain (loss)	(26)	(28)	2
Current tax expenses	(1,324)	(1,610)	286
Internal leasing costs	549	400	149
Property taxes accounted for under IFRIC 21	71	20	51
Net adjustments for lease liabilities	(129)	(43)	(86)
Distributions from Vital Trust	3,735	—	3,735
FFO contribution from Vital Trust	—	5,402	(5,402)
Funds from Operations	\$ 26,629	\$ 24,216	\$ 2,413
Amortization of transactional deferred financing charges	—	1,903	(1,903)
Unit-based compensation expense	3,016	2,573	443
Straight-line revenue	(712)	(1,509)	797
Leasing costs and non-recoverable maintenance capital expenditures	(3,175)	(2,935)	(240)
AFFO contribution from Vital Trust	—	97	(97)
Adjusted Funds from Operations	\$ 25,758	\$ 24,345	\$ 1,413
FFO per Unit - Basic	\$ 0.11	\$ 0.10	\$ 0.01
FFO per Unit - Diluted	\$ 0.11	\$ 0.10	\$ 0.01
AFFO ⁽¹⁾ per Unit - Basic	\$ 0.10	\$ 0.10	\$ —
AFFO ⁽¹⁾ per Unit - Diluted	\$ 0.10	\$ 0.10	\$ —
Weighted average number of units outstanding			
Basic	249,996,735	248,104,145	1,892,590
Diluted	250,803,844	249,111,151	1,692,693

11.4. Leasing Costs and Non-Recoverable Maintenance Capital Expenditures (Proportionate Basis)⁽¹⁾

As discussed in Section 4.4, "Funds from Operations and Adjusted Funds from Operations", AFFO⁽¹⁾ includes an adjustment for leasing costs and non-recoverable maintenance capital expenditures intended to reflect the REIT's recurring capital requirements. The tables below present actual expenditures incurred during the period, on a proportionate basis⁽¹⁾ and by region, and reconcile these amounts to the AFFO⁽¹⁾ adjustment, where applicable.

(\$ thousands)	Three months ended March 31, 2026			
	North America	Europe	Australia	Total
Additions to investment properties				
Leasing costs ⁽ⁱ⁾	\$ 754	\$ —	\$ 8	\$ 762
Tenant improvements ⁽ⁱⁱ⁾	526	563	205	1,294
Maintenance capital expenditures	333	933	—	1,266
Other capital expenditures	1,019	19	760	1,798
	2,632	1,515	973	5,120
Internal leasing costs expensed	398	151	—	549
	3,030	1,666	973	5,669
Less:				
Recoverable maintenance capital expenditures	(314)	(3)	—	(317)
Other value enhancing leasing and capital expenditures	(1,104)	(1,189)	(688)	(2,981)
Leasing costs and non-recoverable maintenance capital expenditures	1,612	474	285	2,371
AFFO adjustment for leasing costs and non-recoverable maintenance capital expenditures	(2,099)	(791)	(285)	(3,175)
Leasing costs and non-recoverable maintenance capital expenditures above or (below) the AFFO adjustment	\$ (487)	\$ (317)	\$ —	\$ (804)

(i) Leasing costs exclude internal leasing department compensation costs, which are expensed as incurred.

(ii) Tenant improvements include tenant allowances, landlord work and other maintenance-related activities.

11.5. Selected Information For Comparative Purposes

The following table reconciles net income (loss) attributable to unitholders in accordance with IFRS to FFO⁽¹⁾ and AFFO⁽¹⁾ for the periods ended as indicated. Refer to Section 4.4, "Funds from Operations and Adjusted Funds from Operations" and Section 11, "Non-GAAP and Other Supplementary Measures" for further details about this non-GAAP measure.

(\$ thousands except where otherwise indicated)	Q1-26	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24	Q3-24	Q2-24
Net loss attributable to unitholders	\$ (3,845)	\$ (94,087)	\$ 16,165	\$ 25,960	\$ (890)	\$ 8,465	\$ (138,252)	\$ (122,338)
Add / (Deduct):								
Fair value (gains) losses	17,038	24,217	(5,799)	(5,624)	29,503	40,868	152,057	161,591
Less: Non-controlling interests' share of fair market value losses (gains)	—	31,371	7,084	5	(27,385)	(14,237)	(30,145)	(10,947)
Accretion of financial liabilities	2,753	2,031	970	397	3,419	1,876	937	424
Unrealized foreign exchange loss (gain)	(154)	(130)	2,827	(5,560)	(1,855)	(21,542)	1,888	784
Less: NCI' share of unrealized FX loss (gain)	—	(834)	(2,795)	1,359	169	(283)	(30)	(32)
Deferred tax expense (recovery)	(1,259)	(12,627)	2,787	7,414	(4,940)	(2,971)	(30,851)	(32,834)
Less: NCI share of deferred taxes	—	28,925	1,109	(3,981)	2,178	3,197	4,846	(1,164)
Transaction costs	2,018	3,674	3,201	2,390	9,432	4,393	5,366	4,568
Less: NCI share of non-recurring transaction costs	—	(261)	—	(6)	—	(1,345)	(354)	—
Net loss on disposal of assets	1,065	643	892	3,380	1,399	3,777	21,299	4,905
Less: Non-controlling interests' share of net loss on disposal of assets	—	—	(298)	(181)	(31)	(588)	(309)	(206)
Loss on internalization of Vital Trust	—	51,595	—	—	—	—	—	—
Less: Non-controlling interests' share of loss on internalization of Vital Trust	—	(3,214)	—	—	—	—	—	—
Net adjustments for equity accounted entities	11,031	(2,805)	(875)	(1,013)	12,284	1,092	24,606	15,836
Non-cash equity income from Vital Trust	(4,686)	—	—	—	—	—	—	—
Internal leasing costs	549	438	526	439	400	300	312	293
Property taxes accounted for under IFRIC 21	71	(8)	(20)	8	20	47	(108)	(74)
Net adjustment for lease liabilities	(129)	(79)	25	102	(81)	4	(189)	(125)
Employee termination benefits and related expenses	1,975	1,570	2,078	1,234	382	—	3,807	—
Other FFO adjustments	202	202	198	198	213	621	895	1,633
FFO⁽¹⁾	\$ 26,629	\$ 30,621	\$ 28,075	\$ 26,521	\$ 24,217	\$ 23,674	\$ 15,775	\$ 22,314
Per Unit Amounts								
FFO ⁽¹⁾ per unit - Basic	\$ 0.11	\$ 0.12	\$ 0.11	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.06	\$ 0.09
FFO ⁽¹⁾ per unit - Diluted	\$ 0.11	\$ 0.12	\$ 0.11	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.06	\$ 0.09
Weighted average number of units outstanding								
Basic	249,996,735	249,992,670	249,662,325	248,856,278	248,104,145	247,493,809	246,832,144	246,032,139
Diluted	250,803,844	251,081,454	250,712,935	249,941,309	249,111,151	248,641,782	247,870,148	247,415,816

The following table presents the reconciliation from FFO⁽¹⁾ to AFFO⁽¹⁾ for the periods indicated:

(\$ thousands except where otherwise indicated)	Q1-26	Q4-25	Q3-25	Q2-25	Q1-25	Q4-24	Q3-24	Q2-24
FFO⁽¹⁾	\$ 26,629	\$ 30,621	\$ 28,075	\$ 26,521	\$ 24,217	\$ 23,674	\$ 15,775	\$ 22,314
Add / (Deduct):								
Amortization of transactional deferred financing charges	—	—	—	1,447	1,903	271	10,318	2,031
Unit-based compensation expense	3,016	2,624	2,118	1,018	2,573	2,102	(457)	270
Straight-line rental revenue	(707)	(174)	(95)	315	(520)	1,400	79	32
Less: non-controlling interests' share of straight-line revenue	—	(405)	(539)	(513)	(515)	(565)	(536)	(542)
Leasing costs and non-recoverable maintenance capital expenditures	(2,998)	(3,368)	(2,790)	(3,030)	(3,369)	(2,739)	(2,993)	(2,930)
Less: non-controlling interests' share of actual capex and leasing costs	—	145	35	240	270	88	120	13
Net adjustments for equity accounted entities	(182)	59	(476)	(591)	(213)	50	46	(2)
AFFO⁽¹⁾	\$ 25,758	\$ 29,502	\$ 26,328	\$ 25,407	\$ 24,346	\$ 24,281	\$ 22,352	\$ 21,186

Per Unit Amounts

AFFO ⁽¹⁾ per unit - Basic	\$ 0.10	\$ 0.12	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09	\$ 0.09
AFFO ⁽¹⁾ per unit - Diluted	\$ 0.10	\$ 0.12	\$ 0.11	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.09	\$ 0.09

Weighted average number of units outstanding

Basic	249,996,735	249,992,670	249,662,325	248,856,278	248,104,145	247,493,809	246,832,144	246,032,139
Diluted	250,803,844	251,081,454	250,712,935	249,941,309	249,111,151	248,641,782	247,870,148	247,415,816

11.6. Investment Properties Continuity by Region (Proportionate Basis)

The following tables present the continuity of investment properties by region on a proportionate basis⁽¹⁾ for the periods indicated and supplement the consolidated investment property continuity discussed in Section 6, "Investment Properties".

(\$ thousands)	Three months ended March 31, 2026				
	Income Producing Properties				
	North America	Brazil	Europe	Australia	Total
IFRS basis balance, beginning of period	\$ 1,299,272	\$ 668,650	\$ 154,313	\$ 134,872	\$ 2,257,107
Adjustments ⁽¹⁾	—	—	122,710	583,957	706,667
Non-IFRS proportionate balance, beginning of period	1,299,272	668,650	277,023	718,829	2,963,774
Acquisition of investment properties	51,282	—	—	—	51,282
Additions to investment properties	2,504	—	325	921	3,750
Additions to (amortization of) straight line rents	447	57	—	261	765
Fair value gain (loss)	(1,927)	5,644	(325)	(8,949)	(5,557)
Foreign currency translation	5,811	44,581	(1,136)	32,386	81,642
Non-IFRS proportionate balance, end of period	\$ 1,357,389	\$ 718,932	\$ 275,887	\$ 743,448	\$ 3,095,656

(\$ thousands)	Properties Under Development				
	North America	Brazil	Europe	Australia	Total
	IFRS basis balance, beginning of period	\$ 13,882	\$ —	\$ —	\$ —
Adjustments ⁽¹⁾	—	—	—	5,022	5,022
Non-IFRS proportionate balance, beginning of period	13,882	—	—	5,022	18,904
Additions to investment properties	1,565	—	—	115	1,680
Fair value gain (loss)	(465)	—	—	(2,094)	(2,559)
Foreign currency translation	—	—	—	208	208
Non-IFRS proportionate balance, end of period	\$ 14,982	\$ —	\$ —	\$ 3,251	\$ 18,233

(\$ thousands)	Total				
	North America	Brazil	Europe	Australia	Total
	IFRS basis balance, beginning of period	\$ 1,313,154	\$ 668,650	\$ 154,313	\$ 134,872
Adjustments ⁽¹⁾	—	—	122,710	588,979	711,689
Non-IFRS proportionate balance, beginning of period	1,313,154	668,650	277,023	723,851	2,982,678
Acquisition of investment properties	51,282	—	—	—	51,282
Additions to investment properties	4,069	—	325	1,036	5,430
Additions to (amortization of) straight line rents	447	57	—	261	765
Fair value gain (loss)	(2,392)	5,644	(325)	(11,043)	(8,116)
Foreign currency translation	5,811	44,581	(1,136)	32,594	81,850
Non-IFRS proportionate balance, end of period	\$ 1,372,371	\$ 718,932	\$ 275,887	\$ 746,699	\$ 3,113,889

11.7. Mortgages and Term Debt Continuity by Region (Proportionate Basis)⁽¹⁾

The following table presents the continuity of the REIT's mortgages and term debt by region (before reclassification as held for sale) on a proportionate basis⁽¹⁾ for the three months ended March 31, 2026.

The schedule below supplements the consolidated debt continuity discussed in Section 7.3, "Total Debt".

(\$ thousands)	For the three months ended March 31, 2026					
	North America Mortgages	Brazil Term Loans	Europe Mortgages	Australia Term Loans	Corporate Debt	Total
Opening balance, December 31, 2025	\$ 281,518	\$ 122,620	\$ 414,745	\$ 423,887	\$ 45,042	\$ 1,287,812
Principal amortization	(1,920)	(7,208)	(3,067)	—	—	(12,195)
Repayments	(23,702)	—	—	—	—	(23,702)
Inflation adjustment	—	2,753	—	—	—	2,753
Foreign exchange adjustment	—	8,051	(1,517)	19,116	407	26,057
	255,896	126,216	410,161	443,003	45,449	1,280,725
Unamortized deferred financing costs	(794)	(1,117)	(1,020)	(923)	(290)	(4,144)
Ending balance, March 31, 2026	\$ 255,102	\$ 125,099	\$ 409,141	\$ 442,080	\$ 45,159	\$ 1,276,581

11.8. Financial Ratio Calculations

The following tables present the calculations supporting the leverage, coverage, and supplementary financial ratios disclosed in Section 7.4, "Financial Ratios". Ratios are calculated in accordance with the definitions contained in the REIT's Declaration of Trust, revolving credit agreement and senior unsecured debenture indentures, as applicable, or as otherwise used by management.

Debt to Gross Book Value Ratios

The following tables present the calculation of Total Debt and Gross Book Value used in determining the leverage ratios disclosed in Section 7.4, "Financial Ratios":

(\$ thousands)	As at March 31, 2026		As at December 31, 2025	
	IFRS	Proportionate Basis ⁽¹⁾	IFRS	Proportionate Basis ⁽¹⁾
Mortgages and term debt	\$ 596,032	\$ 1,016,096	\$ 613,487	\$ 1,018,639
Credit facility	70,077	70,077	—	—
Debentures	740,659	740,659	746,631	746,631
Lease liabilities	10,269	10,269	10,300	10,300
Unamortized financing costs	7,196	8,120	7,981	8,832
Liabilities related to assets held for sale	218,722	260,485	221,065	263,019
Debt⁽¹⁾	\$ 1,642,955	\$ 2,105,706	\$ 1,599,464	\$ 2,047,421

(\$ thousands except where otherwise indicated)	As at March 31, 2026		As at December 31, 2025	
	IFRS	Proportionate Basis ⁽¹⁾	IFRS	Proportionate Basis ⁽¹⁾
Debt ⁽¹⁾	\$ 1,642,955	\$ 2,105,706	\$ 1,599,464	\$ 2,047,421
Gross Book Value ⁽¹⁾	3,528,785	4,000,179	3,449,090	3,909,736
Debt to Gross Book Value⁽¹⁾	46.6 %	52.7 %	46.4 %	52.4 %

Adjusted EBITDA⁽¹⁾

Adjusted EBITDA⁽¹⁾ is calculated on both an IFRS and proportionate basis and is used in the calculation of the interest coverage, debt service coverage, and Debt to Adjusted EBITDA⁽¹⁾ ratios disclosed in Section 7.4, "Financial Ratios".

Following the deconsolidation of Vital Trust on December 30, 2025, Adjusted EBITDA⁽¹⁾ no longer includes the REIT's proportionate share of Vital Trust operating results. As a result, comparability with prior periods is affected.

(\$ thousands)	For the three months ended			
	March 31, 2026		March 31, 2025	
	IFRS Basis	Proportionate Basis ⁽¹⁾	IFRS Basis	Proportionate Basis ⁽¹⁾
Net income (loss)	\$ (3,845)	\$ (3,845)	\$ (15,530)	\$ (890)
Finance costs	20,279	25,267	38,439	37,040
Income tax expense (recovery)	1,123	899	(1,331)	(100)
Amortization of other assets	338	338	574	574
Fair value adjustment of convertible debentures	(4,829)	(4,829)	10,485	10,485
Fair value adjustment of investment properties	22,092	34,624	46,347	33,183
Fair value adjustment of financial instruments	(1,206)	(2,626)	(28,799)	(31,206)
Fair value adjustment of unit-based compensation liabilities	981	981	1,470	1,470
Accretion of financial liabilities	2,753	2,753	3,419	3,419
Unrealized foreign exchange loss (gain)	(154)	(154)	(1,855)	(1,685)
Transaction costs	2,018	2,039	9,432	9,432
Net loss on disposal of assets	129	129	1,399	1,367
Employee termination benefits and related expenses	1,975	1,975	382	382
Unit-based compensation expense	3,016	3,016	2,573	2,573
Net adjustments for equity accounted investments	11,031	—	12,284	—
Non-cash equity income from Vital Trust	(4,686)	(4,686)	—	—
Adjusted EBITDA⁽¹⁾	\$ 51,015	\$ 55,881	\$ 79,289	\$ 66,044

Debt to Adjusted EBITDA⁽¹⁾ (Proportionate Basis)

Debt to Adjusted EBITDA⁽¹⁾ is presented on a proportionate basis⁽¹⁾, consistent with how management monitors leverage across the REIT's consolidated and joint venture investments.

(\$ thousands except where otherwise indicated)	March 31, 2026	December 31, 2025
Debt ⁽ⁱ⁾	\$ 2,105,706	\$ 2,047,421
Trailing twelve months adjusted EBITDA ⁽¹⁾⁽ⁱ⁾	244,147	254,357
Debt to Adjusted EBITDA⁽¹⁾	8.62	8.05

(i) Adjusted EBITDA as at December 31, 2025 includes EBITDA earned from Vital Trust prior to deconsolidation, while debt excludes Vital Trust balances. Replacing prior-period Vital Trust EBITDA with distributions received from Vital Trust results in a comparable Debt to Adjusted EBITDA ratio of 8.72x as at December 31, 2025.

Interest Coverage Ratio

The following tables present the calculation of the interest coverage ratio disclosed in Section 7.4, "Financial Ratios":

(\$ thousands except where otherwise indicated)	For the trailing twelve months ended			
	March 31, 2026		March 31, 2025	
	IFRS Basis	Proportionate Basis ⁽¹⁾	IFRS Basis	Proportionate Basis ⁽¹⁾
Trailing twelve month adjusted EBITDA ⁽¹⁾	\$ 280,791	\$ 244,147	\$ 333,709	\$ 284,662
Trailing twelve month Interest expense for interest coverage ratio	126,674	115,387	192,605	173,519
Interest coverage ratio	2.22	2.12	1.73	1.64