# BTB Real Estate Investment Trust

TSX: BTB.UN

People and their stories are at the heart of our success.

## BTB at a Glance

As of December 31st, 2024

| | | | |
|---|---|---|---|
| $1.3B | 6.1M | 75 | 92.7% |
| Total asset value | Square feet | Properties | Occupancy rate |
| $5.57 IFRS | 57.9% | 78.7% | 42.2¢ |
| Net asset value per unit | Total debt ratio(1) | AFFO adjusted payout ratio (YTD)(1) | FFO adjusted per unit (YTD)(1) |
| 8.9% | 44.0¢ | 30.0¢ | $296M |
| Distribution yield | Net earnings per unit | Distributions per unit | Market capitalization (unit price at $3.36) |

(1) This is a non-IFRS financial measure as defined on the following page.

## Top 10 Clients

As of December 31st, 2024

- Québec
- Canada
- NORS
- Walmart
- Bristol Myers Squibb
- LION
- BBA
- Desjardins
- Intrado
- WSP

## Fundamental Principles

- Robust Portfolio
- Vertical Integration
- Value Creation
- Generating Beneficial Returns
- Responsibility

## Acquisition Strategy

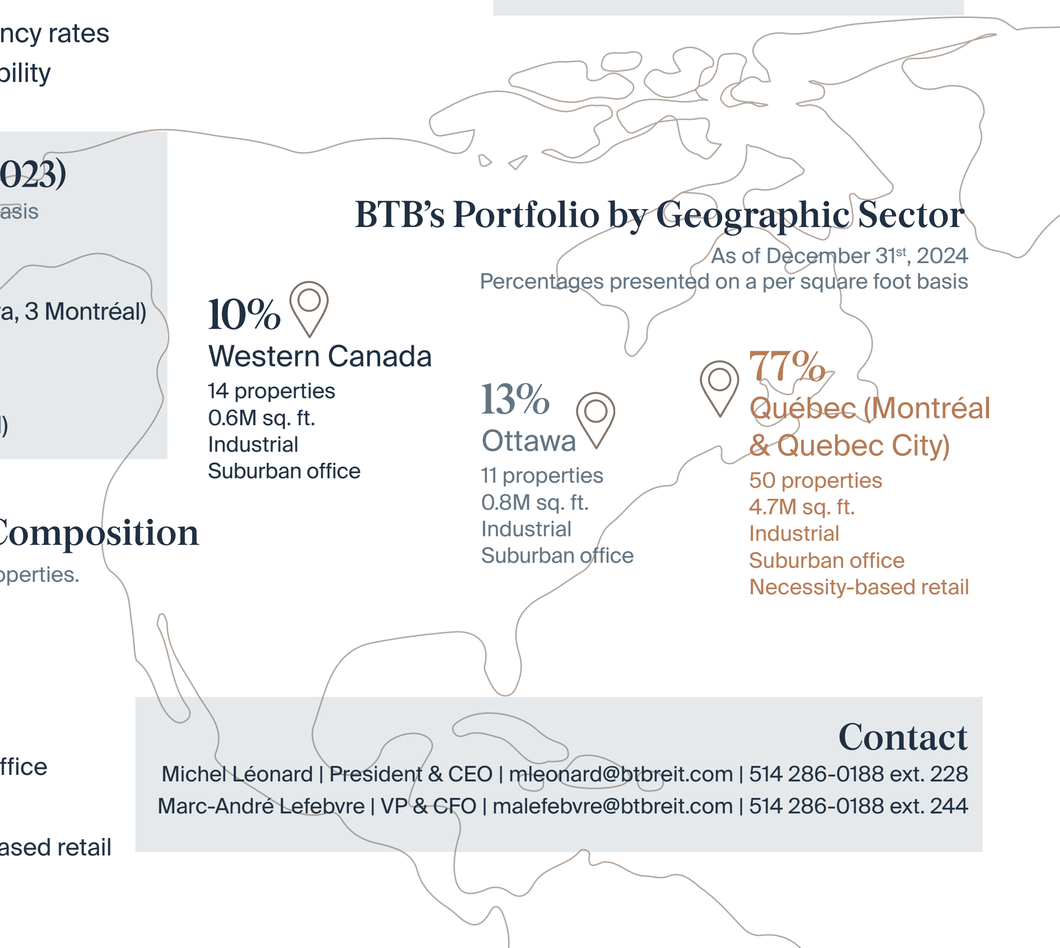
- Primary markets
- Established and reputable tenants
- Long-term leases and high occupancy rates
- Social and environmental responsibility

## Recent Acquisitions (2021-2023)

Percentages presented on a per square foot basis

76% industrial
(9 Edmonton, 4 Saskatoon, 1 Ottawa, 3 Montréal)

24% suburban office
(1 Edmonton, 2 Ottawa, 2 Montréal)



## BTB's Portfolio by Geographic Sector

As of December 31st, 2024
Percentages presented on a per square foot basis

**10% Western Canada**
14 properties
0.6M sq. ft.
Industrial
Suburban office

**13% Ottawa**
11 properties
0.8M sq. ft.
Industrial
Suburban office

**77% Québec (Montréal & Quebec City)**
50 properties
4.7M sq. ft.
Industrial
Suburban office
Necessity-based retail

## Evolution of BTB's Portfolio Composition

Percentages presented based on fair value of properties.

| Q4 2020 | | Q4 2024 | |
|---|---|---|---|
| 18.1% | > | 36.7% | industrial |
| 54.6% | > | 41.6% | suburban office |
| 27.3% | > | 21.7% | necessity-based retail |


## Contact

Michel Léonard | President & CEO | mleonard@btbreit.com | 514 286-0188 ext. 228
Marc-André Lefebvre | VP & CFO | malefebvre@btbreit.com | 514 286-0188 ext. 244

# Non-IFRS Financial Measures – Definitions

| Non-IFRS Measure | Definition | Reconciliation |
|---|---|---|
| **Adjusted net income** | Adjusted net income is a non-IFRS financial measure that starts with net income and comprehensive income and removes the effects of: (i) fair value adjustment of investment properties; (ii) fair value adjustment of derivative financial instruments; (iii) fair value adjustment of Class B LP units; and (iv) transaction costs incurred for acquisitions and dispositions of investment properties and early repayment fees.<br>The Trust considers this to be a useful measure of operating performance, as fair value adjustments can fluctuate widely with the real estate market. | Operating results – Adjusted net income |
| **Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”)** | Adjusted EBITDA income is a non-IFRS financial measure that starts with net income and comprehensive income and removes the effects of certain adjustments, on a proportionate basis, including: (i) interest expense; (ii) taxes; (iii) depreciation of property and equipment; (iv) amortization of intangible assets; (v) fair value adjustments (including adjustments of investment properties, of financial instruments, of Class B LP units and of unit price adjustments related to unit-based compensation); (vi) transaction costs for acquisitions and dispositions of investment properties and early repayment fees; and (vii) straight-line rental revenue adjustments.<br>The most directly comparable IFRS measure to Adjusted EBITDA is net income and comprehensive income. The Trust believes Adjusted EBITDA is a useful metric to determine its ability to service debt, to finance capital expenditures and to provide distributions to its Unitholders. | Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”);<br>Capital Resources – Interest coverage ratio; and<br>Capital Resources – Debt service coverage ratio |
| **Same-Property NOI** | Same-Property NOI is a non-IFRS financial measure defined as net operating income (“NOI”) for the properties that the Trust owned and operated for the entire duration of both the current year and the previous year. The most directly comparable IFRS measure to same-property NOI is Operating Income.<br>The Trust believes this is a useful measure as NOI growth can be assessed on its portfolio by excluding the impact of property acquisitions and dispositions of both the current year and previous year. The Trust uses the Same-Property NOI to indicate the profitability of its existing portfolio operations and the Trust’s ability to increase its revenues, reduce its operating costs and generate organic growth. | Operating results – Same-Property Portfolio |
| **Funds from Operations (“FFO”) and FFO Adjusted** | FFO is a non-IFRS financial measure used by most Canadian real estate investment trusts based on a standardized definition established by REALPAC in its January 2022 White Paper (“White Paper”). FFO is defined as net income and comprehensive income less certain adjustments, on a proportionate basis, including: (i) fair value adjustments on investment properties, class B LP units and derivative financial instruments; (ii) amortization of lease incentives; (iii) incremental leasing costs; and (iv) distribution on class B LP units. FFO is reconciled to net income and comprehensive income, which is the most directly comparable IFRS measure. FFO is also reconciled with the cash flows from operating activities, which is an IFRS measure.<br>FFO Adjusted is also a non-IFRS financial measure that starts with FFO and removes the impact of transaction costs on acquisitions and dispositions of investment properties and early repayment fees.<br>The Trust believes FFO and FFO Adjusted are key measures of operating performance and allow the investors to compare its historical performance. | Funds from Operations (FFO);<br>Cash Flows; and<br>Appendix 2 |
| **Adjusted Funds from Operations (“AFFO”) and AFFO Adjusted** | AFFO is a non-IFRS financial measure used by most Canadian real estate investment trusts based on a standardized definition established by REALPAC in its White Paper. AFFO is defined as FFO less: (i) straight-line rental revenue adjustment; (ii) accretion of effective interest; (iii) amortization of other property and equipment; (iv) unit-based compensation expenses; (v) provision for non-recoverable capital expenditures; and (vi) provision for unrecovered rental fees (related to regular leasing expenditures). AFFO is reconciled to net income and comprehensive income, which is the most directly comparable IFRS measure. AFFO is also reconciled with the cash flows from operating activities, which is an IFRS measure.<br>AFFO Adjusted is also a non-IFRS financial measure that starts with AFFO and removes the impact of transaction costs on acquisitions and dispositions of investment properties and early repayment fees.<br>The Trust considers AFFO and AFFO Adjusted to be useful measures of economic earnings and relevant in understanding its ability to service its debt, fund capital expenditures and provide distributions to unitholders. | Adjusted Funds from Operations (AFFO);<br>Cash Flows; and<br>Appendix 2 |
| **FFO and AFFO per unit and FFO adjusted and AFFO adjusted per unit** | FFO and AFFO per unit and FFO Adjusted and AFFO Adjusted per unit are non-IFRS financial measures used by most Canadian real estate investment trusts based on a standardized definition established by REALPAC in its White Paper. These ratios are calculated by dividing the FFO, AFFO, FFO Adjusted and AFFO Adjusted by the Weighted average number of units and Class B LP units outstanding.<br>The Trust believes these metrics to be key measures of operating performances allowing the investors to compare its historical performance in relation to an individual per unit investment in the Trust. | Funds from Operations (FFO);<br>Adjusted Funds from Operations (AFFO) |
| **FFO and AFFO payout ratios and FFO Adjusted and AFFO Adjusted payout ratios** | FFO and AFFO payout ratios and FFO Adjusted and AFFO Adjusted payout ratios are non-IFRS financial measures used by most Canadian real estate investment trusts based on a standardized definition established by REALPAC in its White Paper. These payout ratios are calculated by dividing the actual distributions per unit by FFO, AFFO, FFO Adjusted and AFFO Adjusted per unit in each period.<br>The Trust considers these metrics a useful way to evaluate its distribution paying capacity. | Funds from Operations (FFO);<br>Adjusted Funds from Operations (AFFO); and<br>Appendix 2 |
| **Total Debt Ratio** | Total debt ratio is a non-IFRS financial measure of the Trust financial leverage, which is calculated by taking the total long-term debt less cash divided by total gross value of the assets of the Trust less cash.<br>The Trust considers this metric useful as it indicates its ability to meet its debt obligations and its capacity for future additional acquisitions. | Capital Resources – Debt ratio |
| **Total Mortgage Debt Ratio** | Mortgage debt ratio is a non-IFRS financial measure of the Trust financial leverage, which is calculated by taking the total mortgage debt less cash divided by total gross value of the assets of the Trust less cash. The Trust considers this metric useful as it indicates its ability to meet its mortgage debt obligations and its capacity for future additional acquisitions. | Capital Resources – Mortgage ratio |
| **Interest Coverage Ratio** | Interest coverage ratio is a non-IFRS financial measure which is calculated by taking the Adjusted EBITDA divided by interest expenses net of financial income (interest expenses exclude early repayment fees, accretion of effective interest, distribution on Class B LP units, accretion of non-derivative liability component of convertible debentures and the fair value adjustment on derivative financial instruments and Class B LP units).<br>The Trust considers this metric useful as it indicates its ability to meet its interest cost obligations for a given period. | Capital Resources – Interest coverage ratio |
| **Debt Service Coverage Ratio** | Debt service coverage ratio is a non-IFRS financial measure which is calculated by taking the Adjusted EBITDA divided by the Debt Service Requirements, which consists of principal repayments and interest expenses net of financial income (interest expenses exclude early repayment fees, accretion of effective interest, distribution on Class B LP units, accretion of non-derivative liability component of convertible debentures and the fair value adjustment on derivative financial instruments and Class B LP units).<br>The Trust considers this metric useful as it indicates its ability to meet its debt service obligations for a given period. | Capital Resources – Debt service coverage ratio |