BTB REIT demonstrates strong operational performance, with an increase in lease renewal rates of 8.3% and total leasing activity of 959,223 square feet for the year 2024.

Montréal (Québec) February 24th, 2025: BTB Real Estate Investment Trust (**TSX: BTB.UN**) ("**BTB**" or the "**Trust**") releases today its financial results for the fourth quarter and year ended December 31st, 2024.

"As we closed 2024, BTB continues to demonstrate resilience and strong operational performance. This year was marked by strategic initiatives that strengthened our portfolio, enhanced our financial position, and reinforced our commitment to long-term growth." says Michel Léonard, President and Chief Executive Officer.

"Our leasing efforts have led to a 2.3% increase in rental revenue for the quarter and 1.7% for the year 2024. This growth was fueled by securing key lease agreements, reflecting the strength of our assets and tenant relationships. Our average rent renewal rate improved by 18.7% during the quarter and by 8.3% for the year 2024 across the three segments, with a notable performance in the necessity-based retail segment, increasing by 12.9% in 2024 compared to the same period last year. These factors contributed to a 2.6% increase in same-property NOI (1) for the year 2024 compared to the same period last year, underscoring the impact of our leasing momentum and disciplined asset management.

A major milestone this year was the first ground-up development performed by BTB namely, the construction of a Winners/HomeSense store in Lévis, set to open on February 25th, 2025. This project was delivered on time and on budget, bringing well-established national brand into our property and further solidifying our presence in high-traffic retail corridors. By securing long-term leases with national retailers, we are enhancing the stability of our retail segment while responding to evolving consumer demand. This initiative reflects our ability to optimize the performance of our properties.

Our commitment to ESG initiatives remains strong, as we continue to integrate sustainability into our operations and decision-making. In 2024, we have taken meaningful steps to improve energy efficiency of our properties, raise awareness with our staff, and foster sustainable partnerships with our tenants. During 2025, we will issue our second ESG report which will showcase progress made since our inaugural report publication, offering insights into our initiatives, and reinforcing our dedication to responsible management.

On the financial front, we successfully redeemed and fully paid our Series G convertible debentures at maturity, in the amount of $24.0 million (plus accrued interest of $0.7 million). As a subsequent event of the year 2024, we issued the Series I convertible, unsecured, subordinated debentures to redeem, prior to maturity, the Series H convertible debentures. This strategic decision positions us to seize new opportunities while ensuring long-term financial stability for the Trust.

As we enter 2025, we remain focused on executing our vision, supporting our portfolio, and creating lasting value for our stakeholders".

(1) Non-IFRS financial measure. See Appendix 1. The referred non-IFRS financial measures do not have a standardized meaning prescribed by IFRS and these measures cannot be compared to similar measures used by other issuers.

OPERATIONAL HIGHLIGHTS

Periods ended December 31	Quarter		Year	
	2024	2023	**2024**	2023
Committed occupancy rate (%)			**92.7%**	94.2%
Signed new leases (in sq.ft.)	**68,726**	78,340	**185,581**	296,240
New leases related to a development project (in sq.ft.)	**-**	-	**45,870**	-
Renewed leases at term (in sq.ft.)	**96,071**	126,427	**393,416**	384,558
Renewal rate (%)	**66.5%**	73.4%	**72.9%**	62.4%
Renewed leases prior to the end of the term (in sq.ft.)	**64,646**	32,363	**334,356**	101,193
Average increase in lease renewal rate	**18.7%**	14.3%	**8.3%**	9.2%

- During the quarter, the Trust completed lease renewals totaling 160,717 square feet and new leases totaling 68,726 square feet. For the year, the Trust completed lease renewals totaling 727,772 square feet and new leases totaling 231,451 square feet, which includes the lease with Winners/Home Sense in Lévis, Québec. The increase in the average rent renewal rate for the current quarter and for the year was respectively 18.7% and 8.3%. The occupancy rate stood at 92.7%, a 40 basis points increase compared to the prior quarter and a 150 basis points decrease compared to the same period in 2023. The decrease in the occupancy rate is primarily due to the bankruptcy of Nuera Air. The Trust has retained the services of a national commercial brokerage firm specialized in the industrial segment to lease that property.

FINANCIAL RESULTS HIGHLIGHTS

Periods ended December 31	Quarter		Year	
(in thousands of dollars, except for ratios and per unit data)	**2024**	2023	**2024**	2023
	$	$	**$**	$
Rental revenue	**32,671**	31,922	**130,030**	127,826
Net operating income (NOI)	**19,082**	19,255	**75,051**	75,379
Net income and comprehensive income	**18,847**	1,734	**38,742**	36,598
Adjusted EBITDA (1)	**17,556**	18,065	**70,162**	69,719
Same-property NOI (1)	**18,351**	18,882	**69,709**	67,926
FFO Adjusted (1)	**9,656**	9,688	**37,157**	38,946
FFO adjusted payout ratio	**68.8%**	67.2%	**71.1%**	66.5%
AFFO Adjusted (1)	**8,923**	8,966	**33,554**	34,956
AFFO adjusted payout ratio	**74.5%**	72.6%	**78.7%**	74.1%
FINANCIAL RESULTS PER UNIT				
Net income and comprehensive income	**21.3¢**	2.0¢	**44.0¢**	42.4¢
Distributions	**7.5¢**	7.5¢	**30.0¢**	30.0¢
FFO Adjusted (1)	**10.9¢**	11.1¢	**42.2¢**	45.1¢
AFFO Adjusted (1)	**10.1¢**	10.3¢	**38.1¢**	40.5¢

- **Rental revenue:** Stood at $32.7 million for the current quarter, which represents an increase of 2.3% compared to the same quarter of 2023. For the year 2024, rental revenue totalled $130.0 million which represents an increase of 1.7% compared to the same period in 2023. During Q1 2023, the Trust recorded a one-time $1.4 million increase of rental revenue pursuant to unrecorded revenue for previous quarters associated to a specific lease (the “One-Time Adjustment”). Excluding the One-Time Adjustment, rental revenue for the year 2024 compared to the same period in 2023 would have increased by 2.9%.

(1) Non-IFRS financial measure. See Appendix 1.

- **Net Operating Income (NOI):** Totalled $19.1 million for the current quarter, which represents a decrease of 0.9% compared to the same quarter of 2023. The decrease for the quarter is due to the bankruptcy of two tenants: (1) Énergie Cardio in Quebec City ($0.2 million), which space was rapidly leased to the group that purchased the assets of the business of the bankrupt tenant and (2) Nuera Air, a tenant occupying 132,665 square feet in an industrial property in Laval ($0.5 million) partially offset by operating improvements, higher rent renewal rates, and increases in rental spreads for in-place leases ($0.5 million). For the year 2024, the NOI totalled $75.1 million which represents a decrease of 0.4% compared to 2023. Excluding the One-Time Adjustment, NOI for the year compared to the same period in 2023 would have increased by 1.4%.
- **Net income and comprehensive income:** Totalled $18.8 million for the current quarter compared to $1.7 million for the same period in 2023, representing an increase of $17.1 million. The result for the quarter is affected by a $14.5 million non-cash net increase of the fair value of investment properties and $3.2 million non-cash gain in the fair value of derivative financial instruments. For the year 2024, net income and comprehensive income totalled $38.7 million, representing an increase of $2.1 million. Excluding the One-Time Adjustment, the increase for the year, compared to the same period in 2023, would have been $3.5 million.
- **Same-property NOI** [(1)]: For the quarter, the same-property NOI decreased by 2.8% compared to the same period in 2023. The decrease is due to the two previously outlined bankruptcies. For the year 2024, the same-property NOI increased by 2.6% compared to 2023. The increase for the year 2024, is due to higher rent renewal rates of 8.3% across all three segments of the portfolio. For the year, the Trust achieved increases of rent renewal rates of 10.3% for the industrial segment, 5.5% for the suburban office segment and 12.9% for the necessity-based retail segment.
- **FFO adjusted per unit** [(1)]: Was 10.9¢ per unit for the quarter compared to 11.1¢ per unit for the same period in 2023, representing a decrease of 0.2¢ per unit. The decrease is explained by an increase in weighted average number of units outstanding of 1.7 million units, due to the unitholder's participation in the distribution reinvestment plan. For the year 2024, the FFO adjusted was 42.2¢ per unit compared to 45.1¢ per unit for the same period in 2023, representing a decrease of 2.9¢ per unit. The decrease of FFO adjusted per unit for the year is explained by a decrease in NOI of $0.3 million and an increase in interest expenses net of financial income of $1.5 million. Excluding the One-Time Adjustment, the FFO adjusted per unit for the year 2024 compared to the same period in 2023 would have decreased by 1.3¢ per unit.
- **FFO adjusted payout ratio** [(1)]: Was 68.8% for the quarter compared to 67.2% for the same period in 2023, an increase of 1.6%. For the year 2024, the FFO adjusted payout ratio was 71.1% compared to 66.5% for the same period in 2023, an increase of 4.6%. Excluding the One-Time Adjustment, the FFO adjusted payout ratio for year 2024 compared to the same period in 2023 would have increased by 2.1%.
- **AFFO adjusted per unit** [(1)]: Was 10.1¢ per unit for the quarter compared to 10.3¢ per unit for the same period in 2023, representing a decrease of 0.2¢ per unit, in line with the decrease of FFO adjusted explained above. For the year 2024, the AFFO adjusted per unit was 38.1¢ per unit compared to 40.5¢ per unit for the same period in 2023, representing a decrease of 2.4¢ per unit compared to the same period in 2023. Excluding the One-Time Adjustment, the AFFO adjusted per unit would have decreased by 0.8¢ per unit. AFFO adjusted per unit was also

[(1)] Non-IFRS financial measure. See Appendix 1.

negatively impacted by the increase in weighted average number of units outstanding of 1.7 million units, due to the unitholder's participation in the distribution reinvestment plan.

- **AFFO adjusted payout ratio (1)**: Was 74.5% for the fourth quarter compared to 72.6% for the same period in 2023, an increase of 1.9%. For the year 2024, the AFFO adjusted payout ratio was 78.7% compared to 74.1% for the same period in 2023, an increase of 4.6%. Excluding the One-Time Adjustment, the AFFO adjusted payout ratio for the year 2024 compared to the same period in 2023 would have increased by 1.5%.

BALANCE SHEET AND LIQUIDITY HIGHLIGHTS

Periods ended December 31	Year	
(in thousands of dollars, except for ratios and per unit data)	**2024**	2023
	$	$
Total asset value	**1,256,003**	1,227,648
Total debt ratio (1)	**57.9%**	58.6%
Mortgage debt ratio (2)	**52.8%**	52.2%
Weighted average interest rate on mortgage debt	**4.35%**	4.37%
Market capitalization	**295,761**	254,048
Market price of units	**3.36**	2.93
NAV per unit (1)	**5.57**	5.46

- **Investment properties:** At December 31, 2024, 56% of the fair value of investment properties was externally appraised for an aggregate fair value of $687.6 million. For the year, the Trust recorded a gain of $10.3 million of net changes in fair value, reflecting stability in capitalization rates across all 3 asset classes as well as the updated cash flows assumptions.
- **Debt metrics:** BTB ended the year with a total debt ratio (1) of 57.9%, recording a decrease of 70 basis points compared to December 31, 2023. The Trust ended the year with a mortgage debt ratio (1) of 52.8%, an increase of 60 basis points compared to December 31, 2023.
- **Liquidity position:** BTB held $2.5 million of cash at the end of the year and $15.2 million is available under its credit facilities (3).
- **Debentures:** During the quarter, the Trust fully redeemed and paid at maturity the Series G unsecured subordinated convertible debentures at their nominal value of $24.0 million plus accrued interest of $0.7 million using proceeds sourced from mortgage loans refinancings.

SUMMARY OF SIGNIFICANT ITEMS AS AT DECEMBER 31st, 2024

- Total number of properties: 75
- Total leasable area: approximately 6.1 million square feet
- Total asset value: approximately $1.3 billion
- Market capitalization as at December 31, 2024: $295.8 million (unit trading price of $3.36)

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(1) Non-IFRS financial measure. See Appendix 1. The referred non-IFRS financial measures do not have a standardized meaning prescribed by IFRS and these measures cannot be compared to similar measures used by other issuers.
(2) This is a non-IFRS financial measure. The mortgage debt ratio is calculated by dividing the mortgage loans outstanding by the total gross value of the assets of the Trust less cash and cash equivalents.
(3) Credit facilities is a term used that reconciles with the bank loans as presented and defined in the Trust's consolidated financial statements and accompanying notes.

SUBSEQUENT EVENTS

- On January 23, 2025, the Trust issued Series I convertible, unsecured, subordinated debentures bearing 7.25% interest payable semi-annually and maturing on February 28, 2030, in the amount of $40.25 million. The Serie I debentures are convertible at the holder's option at any time before February 28, 2030, at a conversion price of $4.10 per unit.
- On February 24, 2025, the Trust fully redeemed and paid at maturity the Series H convertible debentures at their nominal value of $19.9 million.
- On February 24, 2025, the Trust undertook the initiative to strengthen its capital structure and unitholder value strategy by suspending the distribution reinvestment plan ("DRIP"). The suspension of the DRIP is intended to nullify unfavorable unitholder dilution, and this decision is aligned with the Trust's objective to maximize total return to unitholders. Until further notice, unitholders who were enrolled in the DRIP will automatically receive distribution payments in the form of cash. Computershare Trust Company of Canada, as administrator of the DRIP, will forward a notice and related documentation to all current DRIP participants in the coming days.

QUARTERLY CALL INFORMATION

Management will hold a conference call on **Tuesday, February 25th, 2025**, at 9 am, Eastern Time, to present BTB's financial results and performance for the fourth quarter of 2024.

DATE:	Tuesday, February 25th, 2025
TIME:	9 am, Eastern Time
URL ENTRY:	https://emportal.ink/42kpmQ2
DIAL:	Montréal: (+1) 514 400 3794 (local) Toronto: (+1) 289 819 1299 (local)
	North America (toll-free): (+1) 800 990 4777
WEB:	https://app.webinar.net/9BEYq9p42kP
VISUAL:	A presentation will be uploaded on BTB's website prior to the call https://bit.ly/3IaJ9pj

The media and all interested parties may attend the call-in listening mode only. Conference call operators will coordinate the question-and-answer period (from analysts only) and will instruct participants regarding the procedures during the call.

The audio recording of the conference call will be available by via playback until March 3rd, 2025, by dialing: (+1) 289 819 1450 (local) or, (+1) 888 660 6345 (toll-free) and by entering the following access code: **38021 #**

ABOUT BTB

BTB is a real estate investment trust listed on the Toronto Stock Exchange. BTB REIT invests in industrial, suburban office and necessity-based retail properties across Canada for the benefit of their investors. As of today, BTB owns and manages **75 properties**, representing a total leasable area of approximately **6.1 million square feet**.
People and their stories are at the heart of our success.
For more detailed information, visit BTB's website at www.btbreit.com.

FOR FURTHER QUESTIONS

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FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements with respect to BTB. These statements generally can be identified by the use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intend", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of BTB could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulation, and the factors described from time to time in the documents filed by BTB with the securities regulators in Canada. The cautionary statements qualify all forward-looking statements attributable to BTB and persons acting on their behalf. Unless otherwise stated or required by applicable law, all forward-looking statements speak only as of the date of this press release.

APPENDIX 1: RECONCILIATION OF NON-IFRS MEASURES

Non-IFRS Financial Measures

Certain terms used in this press release are listed and defined in the table hereafter, including any per unit information if applicable, are not measures recognized by International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS. Such measures may differ from similar computations as reported by similar entities and, accordingly, may not be comparable to similar measures. Explanations on how these non-IFRS financial measures provide useful information to investors and additional purposes, if any, for which the Trust uses these non-IFRS financial measures, are also included in the table hereafter.

Securities regulations require that non-IFRS financial measures be clearly defined and that they not be assigned greater weight than IFRS measures. The referred non-IFRS financial measures, which are reconciled to the most similar IFRS measure in the table thereafter if applicable, do not have a standardized meaning prescribed by IFRS and these measures cannot be compared to similar measures used by other issuers.

NON-IFRS MEASURE	DEFINITION
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. The Trust considers this to be a useful measure of operating performance, as fair value adjustments can fluctuate widely with the real estate market.
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. 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.
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. 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.

NON-IFRS MEASURE	DEFINITION
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. 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. The Trust believes FFO and FFO Adjusted are key measures of operating performance and allow the investors to compare its historical performance.
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. 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. 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.
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. 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.

NON-IFRS MEASURE	DEFINITION
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 and FFO Adjusted and AFFO Adjusted per unit in each period. The Trust considers these metrics a useful way to evaluate its distribution paying capacity.
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. The Trust considers this metric useful as it indicates its ability to meet its debt obligations and its capacity for future additional acquisitions.
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.
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). The Trust considers this metric useful as it indicates its ability to meet its interest cost obligations for a given period.
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). The Trust considers this metric useful as it indicates its ability to meet its interest cost obligations for a given period.

NON-IFRS MEASURE	DEFINITION
Provision For Non-Recoverable Capital Expenditures	In calculating adjusted AFFO, the Trust deducts a provision for non-recoverable capital expenditures to consider capital expenditures invested to maintain the condition of its properties and to preserve rental revenue. The provision for non-recoverable capital expenditures is calculated based on 2% of rental revenues. This provision is based on management's assessment of industry practices and its investment forecasts for the coming years.
Provision For Unrecovered Rental Fees	The Trust also deducts a provision for unrecovered rental fees in the amount of approximately 25¢ per sq. ft. on an annualized basis. Even though quarterly rental fee disbursements vary significantly from one quarter to another, management considers that this provision fairly presents, in the long term, the average disbursements not recovered directly in establishing the rent that the Trust will undertake. These disbursements consist of inducements paid or granted when leases are signed that are generally amortized over the term of the lease and are subject to an equivalent increase in rent per square foot, and of brokerage commissions and leasing payroll expenses.
Total Long-Term Debt Less Cash And Cash Equivalents	This is a non-IFRS financial measure. Long-term debt less cash and cash equivalent is a non-IFRS financial measure, calculated as the total of (i) fixed-rate mortgage loans payable; (ii) floating rate mortgage loans payable; (iii) Series G debenture capital amount; (iv) Series F debenture capital adjusted with non-derivative component fewer conversion options exercised by holders; and (v) credit facilities, less cash, and cash equivalents. The most directly comparable IFRS measure to net debt is debt.
Total Gross Value Of The Assets Of The Trust Less Cash And Cash Equivalent	This is a non-IFRS financial measure. Gross value of the assets of the Trust less cash and cash equivalent ("GVALC") is a non-IFRS financial measure defined as the Trust's total assets adding the cumulated amortization property and equipment and removing the cash and cash equivalent. The most directly comparable IFRS measure to GVALC is total assets.

NON-IFRS FINANCIAL MEASURES – QUARTERLY RECONCILIATION

Funds from Operations (FFO) (1)

The following table provides a reconciliation of net income and comprehensive income established in accordance with IFRS and FFO (1) for the last eight quarters:

	2024 Q-4	2024 Q-3	2024 Q-2	2024 Q-1	2023 Q-4	2023 Q-3	2023 Q-2	2023 Q-1
(in thousands of dollars, except for per unit)	**$**	$	$	$	$	$	$	$
Net income and comprehensive income (IFRS)	**18,847**	5,470	7,272	7,153	1,734	15,216	10,846	8,802
Fair value adjustment on investment properties	**(9,975)**	(283)	-	(6)	4,480	(6,481)	-	-
Fair value adjustment on Class B LP units	**(174)**	335	(21)	160	(42)	(159)	(775)	-
Amortization of lease incentives	**966**	807	704	690	641	664	750	728
Fair value adjustment on derivative financial instruments	**(760)**	2,168	379	(325)	2,396	(584)	(763)	184
Leasing payroll expenses (6)	**739**	535	433	591	401	359	327	356
Distributions – Class B LP units	**52**	52	53	52	52	56	42	22
Unit-based compensation (Unit price remeasurement) (5)	**(39)**	342	63	409	(11)	(87)	(232)	(59)
FFO (1)	**9,656**	9,426	8,883	8,724	9,651	8,984	10,195	10,033
Transaction costs on disposition of investment properties and mortgage early repayment fees	**-**	-	267	202	37	46	-	-
FFO Adjusted (1)	**9,656**	9,426	9,150	8,926	9,688	9,030	10,195	10,033
FFO per unit (1) (2) (3)	**10.9¢**	10.7¢	10.1¢	10.0¢	11.1¢	10.3¢	11.8¢	11.7¢
FFO Adjusted per unit (1) (2) (4)	**10.9¢**	10.7¢	10.4¢	10.2¢	11.1¢	10.4¢	11.8¢	11.7¢
FFO payout ratio (1)	**68.8%**	70.0%	74.3%	75.2%	67.5%	72.9%	63.8%	64.1%
FFO Adjusted payout ratio (1)	**68.8%**	70.3%	72.2%	73.5%	67.2%	72.5%	63.8%	64.1%

(1) This is a non-IFRS financial measure.

(2) Including Class B LP units.

(3) This is a non-IFRS financial measure. The FFO per unit ratio is calculated by dividing the FFO (1) by the Trust's unit outstanding at the end of the period (including the Class B LP units at outstanding at the end of the period).

(4) This is a non-IFRS financial measure. The recurring FFO per unit ratio is calculated by dividing the recurring FFO (1) by the Trust's unit outstanding at the end of the period (including the Class B LP units at outstanding at the end of the period).

(5) The impact of the unit price remeasurement on the deferred unit-based compensation plan has been considered in the calculation of the recurring FFO and AFFO starting Q2 2021.

(6) The impact of the CIO compensation, hired in Q2 2022, was added to the Leasing payroll expenses during Q4 2022 as his duties were mainly leasing activities throughout the year.

Adjusted Funds from Operations (AFFO) [1]

The following table provides a reconciliation of FFO [1] and AFFO [1] for the last eight quarters:

	2024 Q-4	2024 Q-3	2024 Q-2	2024 Q-1	2023 Q-4	2023 Q-3	2023 Q-2	2023 Q-1
(in thousands of dollars, except for per unit)	**$**	$	$	$	$	$	$	$
FFO [1]	**9,656**	9,426	8,883	8,724	9,651	8,984	10,195	10,033
Straight-line rental revenue adjustment	**(374)**	(247)	(183)	(394)	(197)	(842)	(291)	(633)
Accretion of effective interest	**402**	391	361	308	310	271	278	236
Amortization of other property and equipment	**21**	17	17	17	20	33	23	23
Unit-based compensation expenses	**247**	19	(95)	(9)	159	184	237	256
Provision for non-recoverable capital expenditures [1]	**(654)**	(650)	(644)	(653)	(639)	(626)	(634)	(658)
Provision for unrecovered rental fees [1]	**(375)**	(375)	(375)	(375)	(375)	(375)	(375)	(375)
AFFO [1]	**8,923**	8,581	7,964	7,618	8,929	7,629	9,433	8,882
Transaction costs on disposition of investment properties and mortgage early repayment fees	**-**	-	267	201	37	46	-	-
AFFO Adjusted [1]	**8,923**	8,581	8,231	7,819	8,966	7,675	9,433	8,882
AFFO per unit [1] [2] [3]	**10.1¢**	9.7¢	9.1¢	8.7¢	10.2¢	8.8¢	10.9¢	10.3¢
AFFO Adjusted per unit [1] [2] [4]	**10.1¢**	9.7¢	9.4¢	8.9¢	10.3¢	8.8¢	10.9¢	10.3¢
AFFO payout ratio [1]	**74.5%**	76.8%	82.9%	86.2%	72.9%	85.8%	69.0%	72.4%
AFFO Adjusted payout ratio [1]	**74.5%**	77.2%	80.2%	83.9%	72.6%	85.3%	69.0%	72.4%

(1) This is a non-IFRS financial measure.
(2) Including Class B LP units.
(3) The AFFO per unit ratio is calculated by dividing the AFFO [1] by the Trust's unit outstanding at the end of the period (including the Class B LP units at outstanding at the end of the period).
(4) The recurring AFFO per unit ratio is calculated by dividing the recurring AFFO [1] by the Trust's unit outstanding at the end of the period (including the Class B LP units at outstanding at the end of the period).

Debt Ratios

The following table summarizes the Trust's debt ratios as at December 31, 2024, and December 31 2023:

(in thousands of dollars)	**December 31, 2024**	December 31, 2023
	$	$
Cash and cash equivalents	**(2,471)**	(912)
Mortgage loans outstanding [1]	**665,607**	640,425
Convertible debentures [1]	**19,576**	43,185
Credit facilities	**44,298**	36,359
Total long-term debt less cash and cash equivalents [2] [3]	**727,010**	719,057
Total gross value of the assets of the Trust less cash and cash equivalents [2] [4]	**1,254,818**	1,227,949
Mortgage debt ratio (excluding convertible debentures and credit facilities) [2] [5]	**52.8%**	52.2%
Debt ratio – convertible debentures [2] [6]	**1.6%**	3.5%
Debt ratio – credit facilities [2] [7]	**3.5%**	3.0%
Total debt ratio [2]	**57.9%**	58.6%

(1) Before unamortized financing expenses and fair value assumption adjustments.
(2) This is a non-IFRS financial measure.
(3) Long-term debt less free cash flow is a non-IFRS financial measure, calculated as total of: (i) fixed rate mortgage loans payable; (ii) floating rate mortgage loans payable; (iii) Series G debenture capital amount; (iv) Series F debenture capital adjusted with non-derivative component less conversion options exercised by holders; and (v) credit facilities, less cash and cash equivalents. The most directly comparable IFRS measure to net debt is debt.
(4) Gross value of the assets of the Trust less cash and cash equivalent ("GVALC") is a non-IFRS financial measure defined as the Trust total assets adding the cumulated amortization property and equipment and removing the cash and cash equivalent. The most directly comparable IFRS measure to GVALC is total assets.
(5) Mortgage debt ratio is calculated by dividing the mortgage loans outstanding by the GVALC.
(6) Debt ratio – convertible debentures is calculated by dividing the convertible debentures by GVALC.
(7) Debt ratio – credit facilities is calculated by dividing the credit facilities by the GVALC.