First Quarterly Report 2026

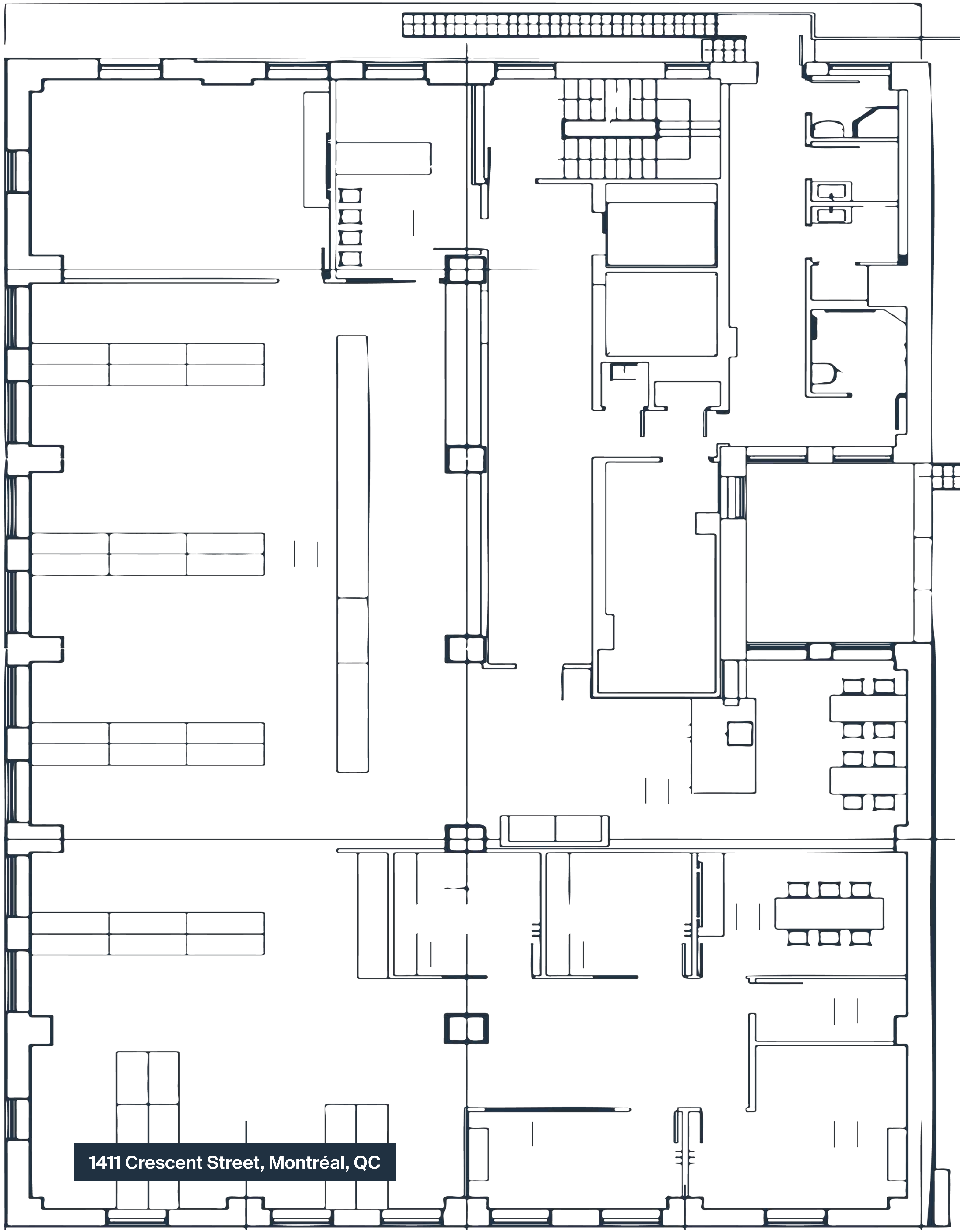
Positioned for Strategic Growth

BTB

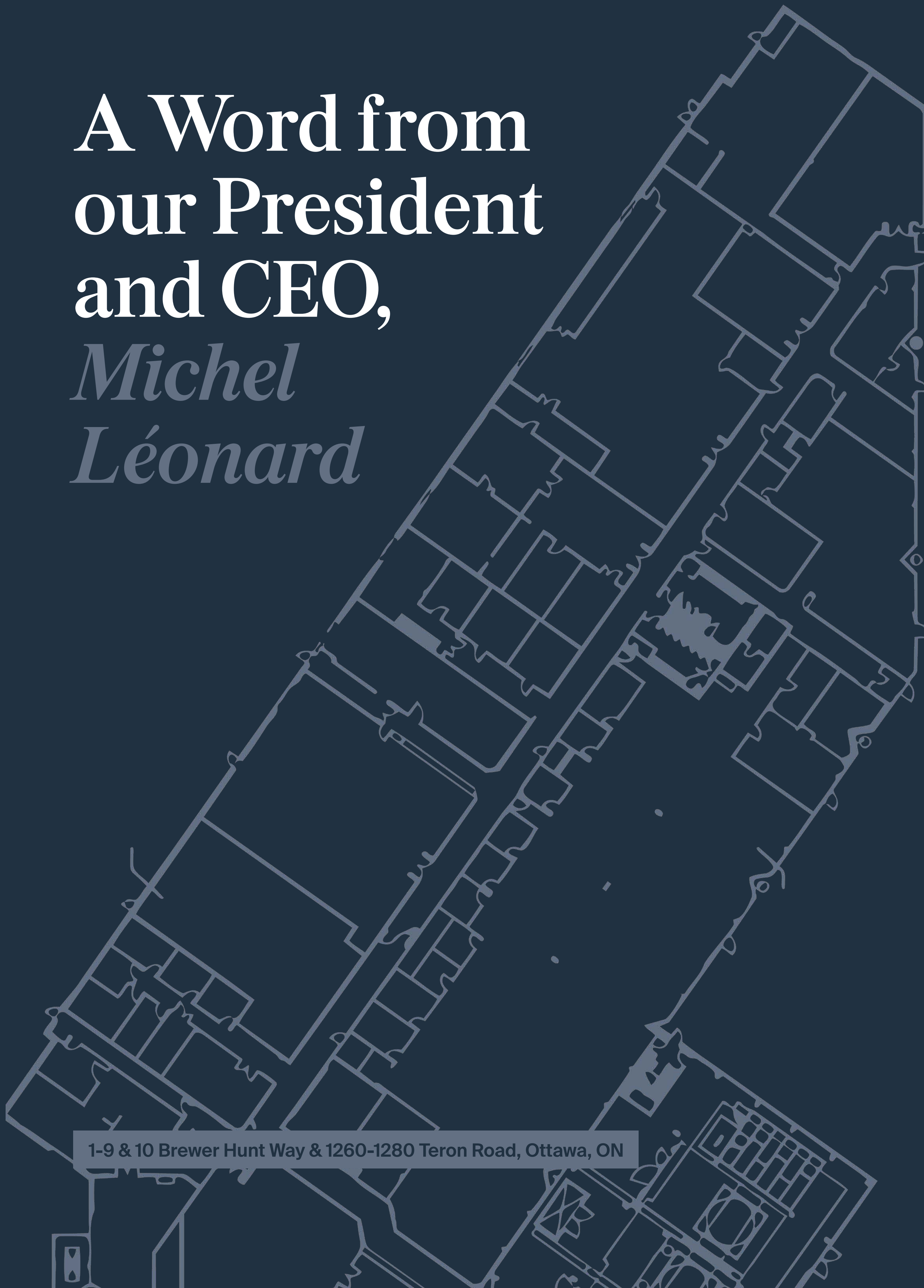
Non-IFRS Financial Measures – Definitions

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. 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
Cash net operating income	Cash net operating income ("Cash NOI") is a non-IFRS financial measure defined as net operating income less: (i) lease incentive amortization; and (ii) straight-line lease adjustment. Cash NOI is reconciled to NOI, which is the most directly comparable IFRS measure. The Trust considers this to be a useful measure of operating performance and the profitability of its portfolio by excluding non-cash items.	Operating results – Cash net operating income; and Appendix 2
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) fair value adjustments (including adjustments of investment properties, of derivative financial instruments, of Class B LP units and of unit price adjustments related to unit-based compensation); (v) transaction costs for acquisitions and dispositions of investment properties and early repayment fees; (vi) straight-line rental revenue adjustments; and (vii) amortization of lease incentives. 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.	Capital Resources – Interest coverage ratio; and Capital Resources – Debt service coverage ratio Appendix 4
Cash Same-Property NOI ("SPNOI")	Cash 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, less: (i) lease incentive amortization; and (ii) straight-line lease adjustment. 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. The Trust also considers this to be a useful measure of operating performance and the profitability of its portfolio by excluding non-cash items.	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; (iv) leasing payroll expenses; (v) unit-based compensation; and (vi) 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 mortgage repayment fees. 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); Cash Flows; and Appendix 3

Non-IFRS Measure	Definition	Reconciliation
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 mortgage 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.	Adjusted Funds from Operations (AFFO); Cash Flows; and Appendix 3
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.	Funds from Operations (FFO); 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. The Trust considers these metrics a useful way to evaluate its distribution paying capacity.	Funds from Operations (FFO); Adjusted Funds from Operations (AFFO); and Appendix 3
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.	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). 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). 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


1411 Crescent Street, Montréal, QC

A Word from our President and CEO, *Michel Léonard*



1-9 & 10 Brewer Hunt Way & 1260-1280 Teron Road, Ottawa, ON

BTB's first quarter of 2026 reflects a transitional period as we continue to execute our portfolio repositioning strategy. During the quarter, we concluded the acquisition of three fully leased industrial properties in Leduc, Alberta, further pivoting into industrial assets and supporting geographic diversification. These acquisitions represent an important step in the Trust's ongoing optimization and highlights our continued focus to enhance portfolio quality and long-term value creation.

Leasing Momentum

Leasing activity was strong during the quarter, totalling over 200,000 square feet, including lease renewals of 165,812 square feet and new leases totaling 40,283 square feet. These results reflect the continued efforts of our teams to maintain occupancy and strengthen tenant relationships across our portfolio.

For the quarter, the increase in the average rent for lease renewals was 7.2%. At quarter-end, the occupancy rate stood at 91.8%, representing a 30 basis points increase compared to the previous quarter. We continue to actively pursue leasing opportunities and remain focused on improving occupancy throughout the year.

Financial Performance

Turning to financial metrics, quarterly results reflect the temporary impact of our ongoing portfolio repositioning strategy. Rental revenue totalled $32.0M for the quarter, while net operating income (NOI) reached $17.8M and cash net operating income (cash NOI) [1] totalled $18.2M. It is important to note that in the first quarter of 2025, the Trust received a partial lease cancellation payment from a tenant, which then positively affected certain metrics by $1.0M and therefore impacted year-over-year comparability. Excluding this lease cancellation payment recorded in the first quarter of 2025, the Cash NOI [1] & NOI would have decreased by 5.5% compared to the same quarter of 2025.

BTB recorded net and comprehensive income of $8.4M for the quarter, representing an increase of $0.8M compared to the same quarter of 2025. Our FFO adjusted [1] was 9.9¢ per unit for the quarter, while our AFFO adjusted per unit [1] stood at 8.6¢. Both these metrics were also impacted by the previously explained impact in NOI.

Acquisitions And Dispositions

As previously mentioned, and as part of our strategic repositioning efforts, BTB acquired three fully leased industrial properties located in the Leduc suburb of Alberta, totalling 143,118 square feet, for a purchase price of $31.5M, excluding transaction fees and adjustments. These acquisitions are expected to contribute approximately $2.5M in annualized net operating income (NOI).

Subsequent to the end of the quarter, BTB acquired a remaining 50% interest in a retail/office property located in Gatineau, Québec, bringing our ownership to 100%. This acquisition is expected to contribute approximately $500K in annualized net operating income (NOI).

During the quarter, the Trust also disposed of a retail property located in Québec City for gross proceeds of $11.7M, allowing us to redeploy capital towards industrial assets to optimize our portfolio. This property generated, on an annualized basis, net operating income (NOI) of $928K.

Therefore, the positive effect of the disposition and acquisitions concluded is $2.1M in annualized net operating income (NOI).

Looking Ahead

As we move forward through 2026, BTB remains focused on executing its portfolio repositioning strategy and actively managing leasing activities across the portfolio to enhance operational performance and create long-term value for unitholders. While the Trust is currently navigating a period of transition, we believe the strategic actions undertaken over the past several quarters are positioning BTB for stronger operational performance and sustainable long-term growth.

We would like to thank our Trustees, investors, clients and employees for their continued confidence and support as we continue building long-term value for all stakeholders.

Michel Léonard
President and Chief Executive Officer

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Total asset value

$1.3B

Properties

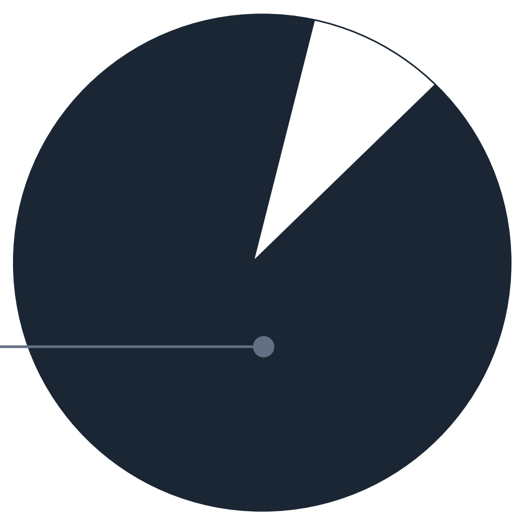
74

Total leasable area

6.0M sq. ft.

Occupancy rate

91.8%



Rental revenue

$32.0M

$34.4M (Q1 2025)

Net operating income (NOI)

$17.8M

$19.8M (Q1 2025)

FFO adjusted per unit [(1)]

9.9¢

11.1¢ (Q1 2025)

AFFO adjusted payout ratio [(1)]

87.2%

72.7% (Q1 2025)

Cash Same-property NOI [(1)]
(Decrease of 9.2%)

$18.0M

$19.8M (Q1 2025)

Net earnings per unit

9.0¢

Distributions per unit

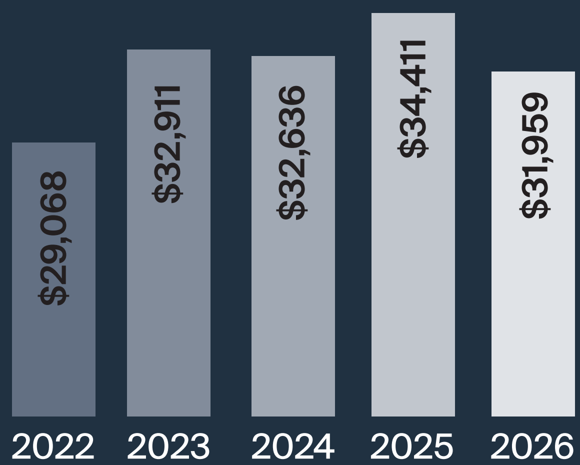
7.5¢

Highlights are presented for the three-month period ended March 31, 2026 or as at March 31, 2026, unless otherwise specified.
(1) This is a non-IFRS financial measure, refer to page 2 and 29.

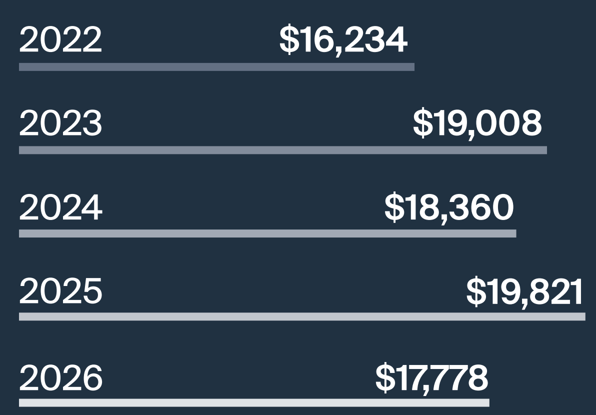
Key Metric Evolution

Our Executive Team

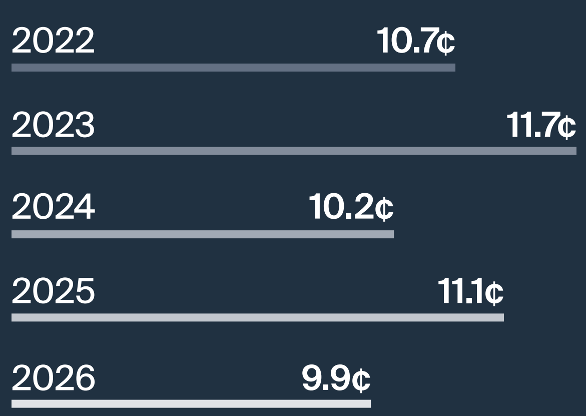
Rental revenue



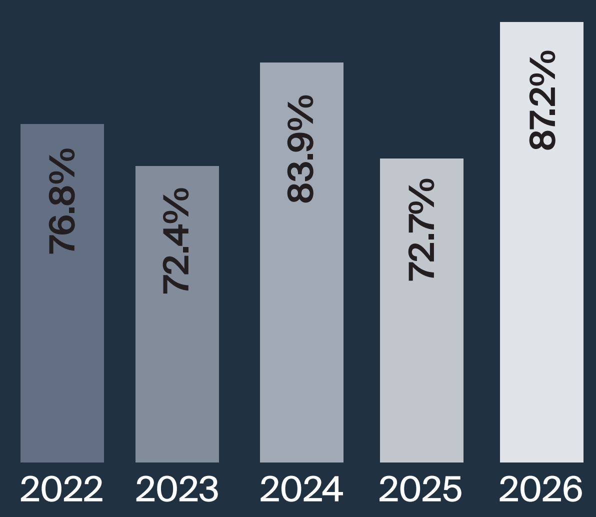
Net operating income (NOI)



FFO adjusted per unit [1]



AFFO adjusted payout ratio [1]

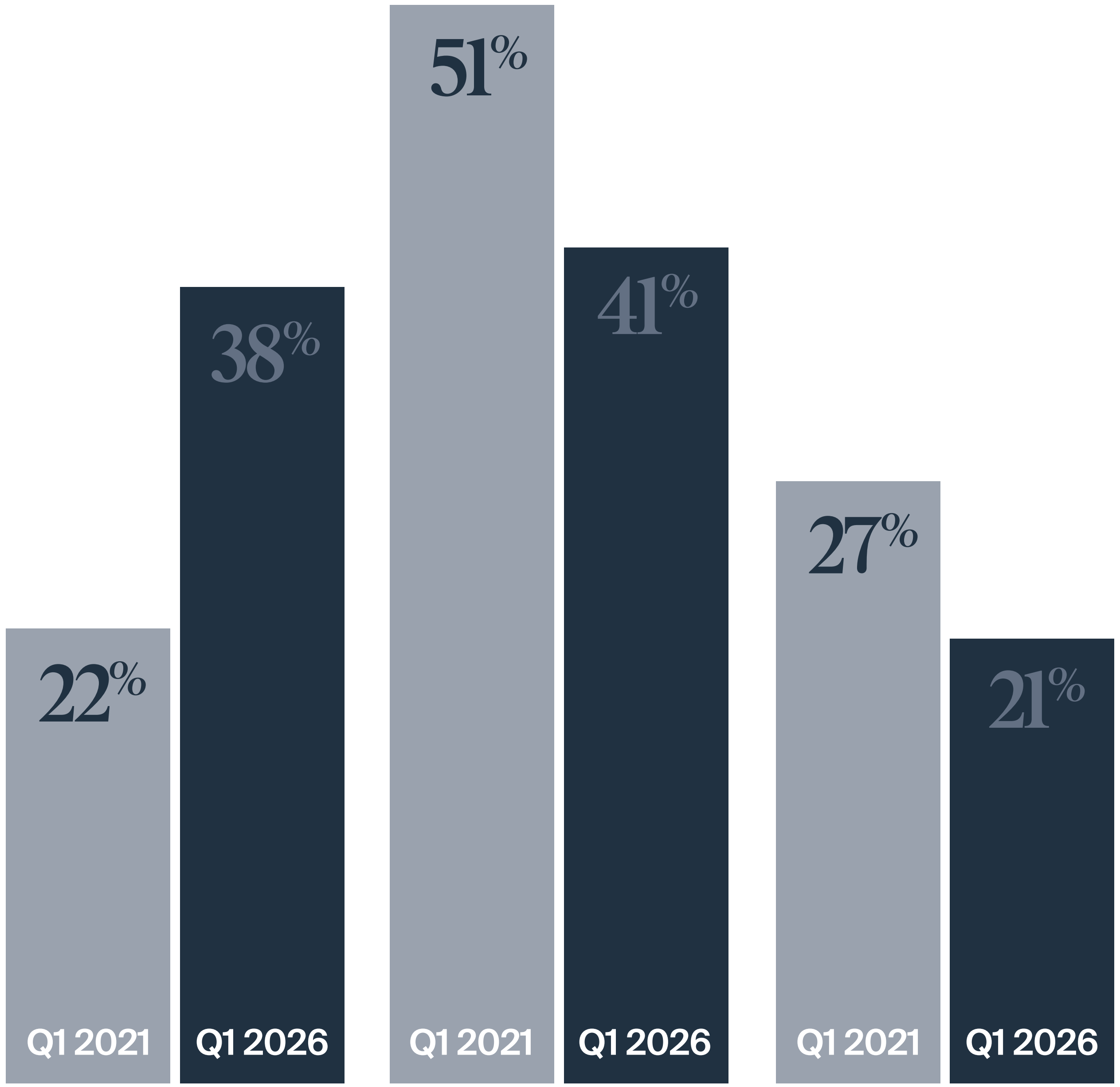


Key metric evolution is presented for the three-month periods ending March 31, in thousands of dollars.
(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Executive Team (from left to right)

Marc-André Lefebvre | Vice President & CFO
Michel Léonard | President & CEO
Charles Dorais Bédard | Vice President of Finance

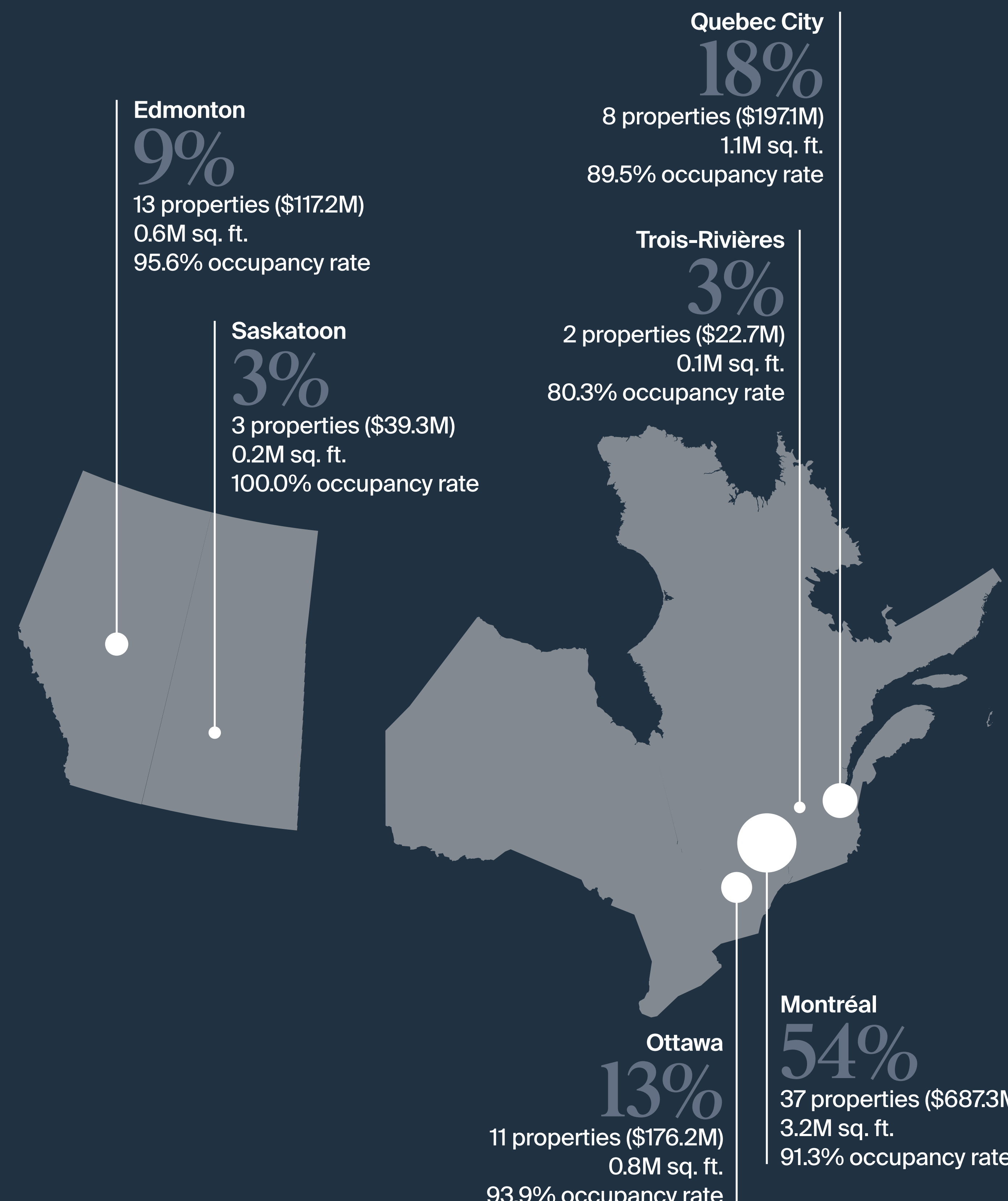
Asset Types



Industrial	Suburban Office	Necessity-Based Retail
+16%	–10%	–6%

Percentages on this page are presented based on fair value of properties.

Geographic Sectors



Percentages on this page are presented based on total leasable area.

On March 18, 2026, BTB continued the ***strategic repositioning*** of its portfolio with the acquisition of ***three fully leased industrial properties*** in the Leduc suburb of Edmonton, Alberta, for a total purchase price of ***$31.5 million*.***

6303 39th Street, Leduc, Alberta

Total leasable area: 88,699 sq. ft.
Year built: 2014
Current tenant: Abaco Drilling Technologies, a manufacturer in the oil exploration and distribution industry.

*Purchase price excluding transaction fees and adjustments.

Recent Acquisitions

6207 39th Street, Leduc, Alberta

Total leasable area: 10,091 sq. ft.
Year built: 2014
Current tenant: Revolution Crane & Transport, Alberta-based company providing crane and transport services to clients across Western and Northern Canada.

6302 39th Street, Leduc, Alberta

Total leasable area: 44,328 sq. ft.
Year built: 2016
Current tenant: NDT Global Inc., a company specializing in pipeline inspection with international operations.

6000 Kieran Street,
St-Laurent, QC

8743 50 Avenue NW,
Edmonton, AB

4105 Sartelon Street,
St-Laurent, QC

Our *Industrial* Properties

- 1325 Hymus Blvd, Dorval
- 4105 Sartelon Street, St-Laurent
- 208-244 Migneron Street & 3400-3410 Griffith Street, St-Laurent
- 7777 Transcanada Highway, St-Laurent
- 6000 Kieran Street, St-Laurent
- 2425 Pitfield Blvd, St-Laurent
- 2005 Le Chatelier Street, Laval
- 4535 Louis B. Mayer Street, Laval
- 3695 des Laurentides (Highway-15), Laval
- 2175 des Entreprises Blvd, Terrebonne
- 2205-2225 des Entreprises Blvd, Terrebonne
- 3190 F.-X. Tessier Street, Vaudreuil-Dorion
- 9900 Irénée-Vachon Street, Mirabel
- 2350 Chemin du Lac, Longueuil
- 191 D'Amsterdam Street, St-Augustin-de-Desmaures
- 175 De Rotterdam Street, St-Augustin-de-Desmaures
- 1-9 & 10 Brewer Hunt Way & 1260-1280 Teron Rd, Ottawa(1)
- 400 Hunt Club Rd, Ottawa
- 1100 Algoma Road, Ottawa
- 6909 - 42 Street, Leduc
- 18410 - 118A Avenue NW, Edmonton
- 18028 - 114 Avenue NW, Edmonton
- 28765 Acheson Road, Acheson
- 25616 - 117 Avenue NW, Acheson
- 3905 Allard Avenue, Edmonton
- 8743 50 Avenue NW, Edmonton
- 8810 (8818-8846) 48 Avenue NW, Edmonton
- 8810 (8856) 48 Avenue NW, Edmonton
- 3542 Millar Avenue, Saskatoon
- 318 - 68th Street, Saskatoon
- 3927 and 3931 Wanuskewin Road, Saskatoon
- 6303 39th Street, Leduc
- 6207 39th Street, Leduc
- 6302 39th Street, Leduc

(1) BOMA BEST certified property

Our *Suburban Office* Properties

2611 Queensview Drive,
Ottawa, ON

1327-1333 Sainte-Catherine Street West
& 1407-1411 Crescent Street, Montréal, QC

- 5810 Sherbrooke Street East, Montréal [1]
- 2101 Sainte-Catherine Street West, Montréal
- 2250 Alfred-Nobel Blvd, St-Laurent [1]
- 2600 Alfred-Nobel Blvd, St-Laurent [1] [2]
- 2344 Alfred-Nobel Blvd, St-Laurent [1]
- 7150 Alexander-Fleming Street, St-Laurent
- 3111 St-Martin Blvd West, Laval [1] [2]
- 3131 St-Martin Blvd West, Laval [1]
- 204 De Montarville Blvd, Boucherville [1]
- 85 Saint-Charles Street West, Longueuil [1]
- 1327-1333 Ste-Catherine Street West & 1407-1411 Crescent Street, Montréal [1]
- 4890-4898 Taschereau Blvd, Brossard [1]
- 145 Saint-Joseph Blvd, St-Jean-sur-Richelieu [1]
- 315-325 MacDonald Street, St-Jean-sur-Richelieu [1]
- 340-360, 370-380, 375 and 377-383 Sir-Wilfrid-Laurier Blvd, Mont-Saint-Hilaire [1]
- 2111 Fernand-Lafontaine Blvd, Longueuil
- 80 Aberdeen Street, Ottawa [1]
- 245 Menten Place, Ottawa [1]
- 2200 Walkley Street, Ottawa [1]
- 2204 Walkley Street, Ottawa [1]
- 2611 Queensview Drive, Ottawa [2]
- 979 [2] & 1031 [1] Bank Street, Ottawa
- 7 and 9 Montclair Blvd, Gatineau [1]
- 6655 Pierre-Bertrand Blvd, Quebec City [1]
- 6700 Pierre-Bertrand Blvd, Quebec City [1]
- 825 Lebourgneuf Blvd, Quebec City [1]
- 815 Lebourgneuf Blvd, Quebec City [1]
- 505 Des Forges Street, Trois-Rivières [1]
- 1500 Royale Street, Trois-Rivières [1]
- 1921 - 91 Street, Edmonton [1]

(1) BOMA BEST certified property (2) LEED certified property

825 Lebourgneuf Boulevard,
Quebec City, QC

Le Marché de l'Ouest,
11590-11800 de Salaberry Boulevard,
Dollard-des-Ormeaux, QC

Le Carrefour St-Romuald,
1200-1252 De la Concorde Street, Lévis, QC

Our *Necessity-Based Retail* Properties

- 3761-3781 des Sources Blvd, Dollard-des-Ormeaux (1)
- 11590-11800 de Salaberry Blvd, Dollard-des-Ormeaux (1)
- 2665-2673 and 2681, Côte Saint-Charles, Saint-Lazare (1)
- 2900 Jacques-Bureau Street, Laval
- 1465-1495 and 1011-1191 Saint-Bruno Blvd and 800 de l'Étang Street, Saint-Bruno-de-Montarville (1)
- 1939-1979 F.-X. Sabourin Street, St-Hubert (1)
- 1000 Du Séminaire Blvd North, St-Jean-sur-Richelieu (1)
- 625-730 De la Concorde Street, Lévis (1)
- 1200-1252 De la Concorde Street, Lévis (1)

(1) BOMA BEST certified property

2900 Jacques-Bureau Street,
Laval, QC

Top 10 Clients

Our top 10 clients make up 25.3% of our total rental revenue and 20.7% of our total leasable area, equaling 1,250,791 square feet.

Canada | Québec | Walmart

NORS | Bristol Myers Squibb™ | BBA | Loblaw Companies Limited

Intrado | wsp | Desjardins

Our Clients

Leasing *Activity*

Here are just a few of our achievements in terms of lease agreements, expansions, and renewals in the first quarter of 2026.

THE HUB SPORTS CENTRE

8828-8832 48th Ave. NW, Edmonton
New lease of 32,750 sq. ft.

PLAN GROUP AN EQUANS COMPANY

80 Aberdeen St., Ottawa
New lease of 3,795 sq. ft.

m0851

1327 Ste-Catherine St. W, Montréal
New lease of 1,716 sq. ft.

POPEYE'S SUPPLEMENTS LOWEST PRICES

6655 Pierre-Bertrand Blvd., Quebec City
Lease expansion of 503 sq. ft.
for a total of 2,250 sq. ft.

groupe touchette

318 - 68th Street, Saskatoon
Lease renewal of 101,356 sq. ft.

Desjardins

6655 Pierre-Bertrand Blvd., Quebec City
Lease renewal of 21,645 sq. ft.

Our Board of *Trustees*

Board of Trustees (from left to right)

Sylvain Fortier | Member of the Investments Committee
Jocelyn Proteau | Chair of the Board
Lucie Ducharme | President of the Human Resources and Governance Committee
Luc Martin | President of the Audit Committee
Jean-Pierre Janson | Vice-Chair of the Board
Sylvie Lachance | President of the Investments Committee
Michel Léonard | President, CEO & Trustee
Christine Marchildon | Member of the Human Resources and Governance Committee
Armand Des Rosiers | Member of the Investments Committee

4890-4898 Taschereau Boulevard, Longueuil, QC

Management Discussion & Analysis

Three-month period ended March 31, 2026

Introduction

The purpose of this Management Discussion and Analysis (“MD&A”) is to communicate the operating results of BTB Real Estate Investment Trust (“BTB” or the “Trust”) for the period ended March 31, 2026, as well as its financial position on that date. The report presents a summary of some of the Trust’s business strategies, and the business risks it faces. This MD&A, dated May 12, 2026, should be read together with the consolidated financial statements and accompanying notes for the period ended March 31, 2026. It discusses significant information available up to the said date of this MD&A. The Trust’s consolidated annual financial statements were prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). Unless otherwise indicated, all amounts are in thousands of Canadian dollars, except for per unit and per square foot amounts. Additional information about the Trust is available on the Canadian Security Administrators (“CSA”) website at www.sedarplus.ca and on our website at www.btbreit.com.

The Audit Committee reviewed the contents of this MD&A and the consolidated financial statements and the Trust’s Board of Trustees has approved them.

Forward-Looking Statements – Caveat

From time to time, written or oral forward-looking statements are made within the meaning of applicable Canadian securities legislation. Forward-looking statements are made in this MD&A, in other filings with Canadian regulators, in reports to unitholders and in other communications. These forward-looking statements may include statements regarding the Trust’s future objectives, strategies to achieve the Trust’s objectives, as well as statements with respect to the Trust’s beliefs, outlooks, plans, objectives, expectations, forecasts, estimates and intentions. The words “may,” “could,” “should,” “outlook,” “believe,” “plan,” “forecast,” “estimate,” “expect,” “propose,” and the use of the conditional and similar words and expressions are intended to identify forward-looking statements.

By their very nature, forward-looking statements involve numerous factors and assumptions, and are subject to inherent risks and uncertainties, both general and specific, which give rise to the possibility that predictions, forecasts, projections, and other forward-looking statements will not be achieved. Readers must be warned not to place undue reliance on these statements as several important factors could cause the Trust’s actual results to differ materially from the expectations expressed in such forward looking statements. These factors include general economic conditions in Canada and elsewhere, the effects of competition in the markets where we operate, the impact of changes in laws and regulations, including tax laws, successful execution of the Trust’s strategy, the ability to complete and integrate strategic acquisitions successfully, potential dilution, the ability to attract and retain key employees and executives, the financial position of lessees, the ability to refinance debts upon maturity, the ability to renew leases coming to maturity, and to lease vacant space, the ability to complete developments on plan and on schedule and to raise capital to finance the Trust’s growth, as well as changes in interest rates. The foregoing list of important factors likely to affect future results is not exhaustive. When relying on forward-looking statements to make decisions with respect to the Trust, investors and others should carefully consider these factors and other facts and uncertainties. Additional information about these factors can be found in the “Risks and Uncertainties” section.

The Trust cannot assure investors that actual results will be consistent with any forward-looking statements, and the Trust assumes no obligation to update or revise such forward-looking statements to reflect new events or circumstances, except as required under applicable securities regulations.

Non-IFRS Financial Measures

Certain terms and measures used in this MD&A (listed and defined in the non-IFRS financial measures table on page 2 and 3 of this report, including any per unit information if applicable), are non-IFRS performance measures and do not have standardized meanings prescribed by IFRS. Explanations on how these non-IFRS financial measures provide useful information to investors and the additional purposes, if any, for which the Trust uses these non-IFRS financial measures, are also included in the table on page 2 and 3. IFRS are International Financial Reporting Standards defined and issued by the IASB, in effect as at the date of this MD&A.

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 Appendices 2 to 4 if applicable, do not have a standardized meaning prescribed by IFRS and these measures cannot be compared to similar measures used by other issuers.

The Trust

The Trust is an unincorporated open-ended real estate trust formed under and governed by the laws of the province of Quebec pursuant to a trust agreement (as amended). The Trust began its real estate operations on October 3, 2006, and as of March 31, 2026, it owned 74 properties, being industrial, suburban office and necessity-based retail properties located in primary markets of the provinces of Quebec, Ontario, Alberta, and Saskatchewan. Since its inception, the Trust has become an important property owner in the province of Quebec, in Eastern Ontario and since December 2021, in Western Canada. The units and Series I convertible debentures are traded on the Toronto Stock Exchange under the symbols “BTB.UN” and “BTB.DB.I”, respectively.

The Trust’s management is entirely internalized, and no service agreements or asset management agreements are in force between the Trust and its officers. The Trust therefore ensures that the interests of management and of its employees are aligned with those of the unitholders. Only one property is managed by third party managers dealing at arm’s length with the Trust. Management’s objective is, when favourable circumstances will prevail, to directly manage the Trust’s remaining properties to possibly achieve savings in management and operating fees through centralized and improved property management operations.

The following table provides a summary of the real estate portfolio:

	Number of properties	Leasable area (sq. ft.)	Fair value (thousands of $)
As at March 31, 2026	74	6,035,583	1,239,849

These figures include a 50% interest in one property totalling 74,940 square feet in Gatineau, Québec and total leasable area includes a 55,849 square-foot property in Edmonton reclassified as a finance lease and not included in fair value.

Objectives and Business Strategies

The Trust's primary objective is to maximize total return to unitholders. Total return includes distributions and long-term appreciation of the trading value of its units. More specifically, the objectives are as follows:

(i) Generate stable monthly cash distributions that are reliable and fiscally beneficial to unitholders.

(ii) Grow the Trust's assets through internal growth and accretive acquisitions.

(iii) Optimize the value of its assets through dynamic management of its properties to maximize their long-term value.

Strategically, the Trust seeks to acquire properties with high occupancy rates, good tenant quality, superior locations or low potential lease turnover and properties that are well maintained and may require less capital expenditures.

The Trust's management regularly performs strategic portfolio reviews to determine whether it is financially advisable to dispose of certain investment properties. The Trust may dispose of certain properties if they no longer meet the Trust's investment criteria.

In such cases, the Trust expects to use the proceeds from the sale of properties to reduce indebtedness and/or redeploy capital in property acquisitions.

Highlights of the First Quarter Ended March 31, 2026

Rental revenue: Stood at $32.0 million for the quarter, which represents a decrease of $2.5 million or 7.1% compared to the same quarter of 2025. The decrease is caused by (1) a partial lease cancellation payment from a tenant which positively affected the rental revenue in the first quarter of 2025 of $1.0 million, (2) a net decrease of $0.5 million related to dispositions completed throughout 2025, partially offset by acquisitions concluded at the end of the quarter, the impact of said acquisitions will be reflected in future quarters, and (3) a decrease of $1.5 million resulting from planned tenant departures not yet replaced, free rent granted to new tenants, and the rent reduction granted to Lion Electric. The Trust recorded a positive variance of $0.5 million due to new leases concluded, higher lease renewal rental rates, and increases in rental spreads for in-place leases.

Net operating income (NOI): Totalled $17.8 million for the quarter, which represents a decrease of $2.0 million or 10.3% compared to the same quarter of 2025. The decrease is caused by (1) a partial lease cancellation payment from a tenant which positively affected the NOI in the first quarter of 2025 of $1.0 million. Excluding the said lease cancellation payment recorded in the first quarter of 2025, the NOI would have decreased by 5.5% compared to the same quarter of 2025.

Cash net operating income (Cash NOI) [(1)]: Totalled $18.2 million for the quarter, which represents a decrease of $2.1 million or 10.2% compared to the same quarter of 2025. The decrease is due to (1) a partial lease cancellation payment which positively affected NOI in the first quarter of 2025 of $1.0 million, (2) a net decrease of $0.2 million related to dispositions completed throughout 2025, partially offset by acquisitions concluded at the end of the quarter, the impact of said acquisitions will be reflected in future quarters, and (3) a decrease of $1.3 million resulting from planned tenant departures not yet replaced, free rent granted to new tenants, and the rent reduction granted to Lion Electric. The Trust recorded a positive variance of $0.4 million due to operating improvements, new leases concluded, higher lease renewal rental rates, and increases in rental spreads for in-place leases. Excluding the partial lease cancellation recorded in the first quarter of 2025, the Cash NOI would have decreased by 5.5% compared to the same quarter of 2025.

Net income and comprehensive income: The Trust recorded a net gain of $8.4 million for the quarter, which represents an increase of $0.8 million compared to the same quarter of 2025.

Cash same-property NOI [(1)]: For the quarter, the cash same-property NOI decreased by $1.8 million or 9.2% compared to the same period in 2025. The decrease is mostly caused by the office segment due to (1) a partial lease cancellation payment which positively affected NOI in the first quarter of 2025 of $1.0 million (2) a decrease in NOI recorded in the office segment due to free rent granted to new tenants with whom leases were concluded in the fourth quarter of 2025 and (3) planned departures of tenants which have not yet been replaced. The industrial segment was negatively impacted by a planned departure of a tenant, not yet replaced in Edmonton, Alberta and the lease amendment negotiated with Lion Electric showing a rent reduction of $0.2 million. The retail segment was positively impacted by a new major tenant in Levis, whose lease began on February 25, 2025.

FFO adjusted per unit [(1)]: Was 9.9¢ per unit for the quarter compared to 11.1¢ per unit for the same period in 2025, representing a decrease of 1.2¢ per unit. The decrease is driven by the previously explained decrease in NOI.

AFFO adjusted per unit [(1)]: Was 8.6¢ per unit for the quarter compared to 10.3¢ per unit for the same period in 2025, representing a decrease of 1.7¢ per unit. The decrease is explained by the previously outlined $2.1 million decrease in Cash NOI. This decrease is partially offset by a $0.3 million decrease in administration expenses.

AFFO adjusted payout ratio [(1)]: For the quarter 2026, the AFFO adjusted payout ratio was 87.2% compared to 72.7% for the same quarter in 2025, an increase of 14.5%.

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Leasing activity: During the quarter, leasing activity was 206,095 square feet including lease renewals totaling 165,812 square feet and new leases totaling 40,283 square feet. The increase in the average lease renewal rental rate for the current quarter was 7.2%. The occupancy rate of the portfolio stood at 91.8%, a 30 basis points increase compared to the prior quarter and a 70 basis points decrease compared to the same period in 2025. The decrease in the occupancy rate is primarily related to two known departures in the year 2025: (i) an industrial tenant that occupied 24,014 square feet located in Edmonton, Alberta and (ii) a suburban office tenant that occupied 28,049 square feet located in Ottawa, Ontario.

Acquisitions: On March 18, 2026, the Trust acquired three fully leased industrial properties located at 6304, 6302 and 6207 39th Street in Leduc, Alberta, totalling 143,118 square feet. The purchase price for said properties is $31.5 million, excluding transaction fees and adjustments. On an annualized basis, it is anticipated that this acquisition will contribute $2.5 million to NOI. These acquisitions are in-line with BTB's strategic repositioning of its portfolio.

Dispositions: On March 24, 2026, the Trust disposed of a retail property located at 909-915 Boulevard Pierre-Bertrand, Quebec City, Quebec, for total gross proceeds of $11.7 million, excluding transaction costs and adjustments.

Liquidity position: The Trust held $1.4 million of cash and cash equivalent at the end of the quarter and $22.3 million is available under its credit facilities. [2]

Debt metrics: BTB ended the quarter with a total debt ratio [1] of 58.0%, recording an increase of 100 basis points compared to December 31, 2025. The Trust ended the quarter with a mortgage debt ratio [1] of 52.1%, recording an increase of 80 basis points compared to December 31, 2025.

Subsequent event: On April 30, 2026, the Trust acquired the remaining 50% interest in a mixed-used office property located at 7 & 9, Montclair Boulevard in Gatineau, Quebec. The purchase price for the remaining interest is $7 million, excluding transaction fees and adjustments. On an annualized basis, it is anticipated that this acquisition will contribute $0.5 million to NOI.

Summary of significant items as at March 31, 2026

- Total number of properties: 74
- Total leasable area: 6.0 million square feet
- Total asset value: $1.3 billion
- Market capitalization: $335 million (unit trading price of $3.80 as at March 31, 2026)

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) 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.

Selected Financial Information

The following table presents selected financial information for the period ended March 31, 2026, and March 31, 2025.

Quarters ended March 31, (in thousands of dollars, except for ratios and per unit data)		Quarter	
		2026	2025
	Reference (page)	$	$
Financial information			
Rental revenue	41	31,959	34,411
Net operating income (NOI)	41	17,778	19,821
Cash net operating income (Cash NOI) [1]	41	18,173	20,237
Net income (loss) and comprehensive income	41	8,361	7,608
Adjusted net income [1]	44	7,174	8,504
Cash NOI from the same-property portfolio [1]	45	17,964	19,784
Distributions	46	6,674	6,666
FFO Adjusted [1]	47	8,788	9,880
AFFO Adjusted [1]	48	7,695	9,167
Cash flow from operating activities	50	11,588	15,364
Total assets	51	1,268,793	1,264,459
Investment properties	51	1,239,849	1,235,460
Mortgage loans	53	660,811	659,359
Convertible debentures	54	35,584	34,648
Credit facilities		37,233	34,276
Mortgage debt ratio [1]	54	52.1%	52.1%
Total debt ratio [1]	54	58.0%	57.7%
Weighted average interest rate on mortgage debt	53	4.41%	4.35%
Market capitalization		335,499	299,979
Financial information per unit			
Units outstanding (000)	56	88,289	88,229
Class B LP units outstanding (000)	56	697	697
Weighted average number of units outstanding (000)	56	88,284	88,127
Weighted average number of units and Class B LP units outstanding (000)	56	88,981	88,824
Net income and comprehensive income	41	9.4¢	8.6¢
Adjusted net income [1]	44	8.1¢	9.6¢
Distributions	46	7.5¢	7.5¢
FFO Adjusted [1]	47	9.9¢	11.1¢
Payout ratio on FFO Adjusted [1]	47	75.8%	67.4%
AFFO Adjusted [1]	48	8.6¢	10.3¢
Payout ratio on AFFO Adjusted [1]	48	87.2%	72.7%
Market price of units		3.80	3.40
Operational information			
Number of properties	36	74	75
Leasable area (thousands of sq. ft.)	36	6,036	6,126
Committed occupancy rate	36	91.8%	92.5%
Increase in average lease renewal rate	38	7.2%	5.1%

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Selected Quarterly Information

The following table summarizes the Trust's selected financial information for the last eight quarters:

(in thousands of dollars except for per unit data)	2026 Q-1	2025 Q-4	2025 Q-3	2025 Q-2	2025 Q-1	2024 Q-4	2024 Q-3	2024 Q-2
	$	$	$	$	$	$	$	$
Rental revenue	**31,959**	32,339	32,876	30,513	34,411	32,671	32,505	32,218
Net operating income (NOI)	**17,778**	18,238	19,866	17,129	19,821	19,082	18,753	18,856
Cash net operating income (Cash NOI) (1)	**18,173**	18,674	20,128	19,465	20,237	19,674	19,313	19,377
Net income and comprehensive income	**8,361**	(932)	9,501	6,194	7,608	18,847	5,470	7,272
Net income and comprehensive income per unit	**9.4¢**	(1.0)¢	10.7¢	7.0¢	8.6¢	21.3¢	6.2¢	8.3¢
Cash flow from operating activities	**11,588**	20,070	16,383	18,787	15,364	18,482	16,417	18,758
FFO Adjusted (1)	**8,788**	8,594	10,204	7,365	9,880	9,656	9,426	9,149
FFO Adjusted per unit (1)	**9.9¢**	9.7¢	11.5¢	8.3¢	11.1¢	10.9¢	10.7¢	10.4¢
AFFO Adjusted (1)	**7,695**	7,863	8,993	8,423	9,167	8,923	8,581	8,230
AFFO Adjusted per unit (1)	**8.6¢**	8.8¢	10.1¢	9.5¢	10.3¢	10.1¢	9.7¢	9.4¢
Distributions (2)	**6,674**	6,673	6,678	6,671	6,666	6,648	6,627	6,605
Distributions per unit (2)	**7.5¢**	7.5¢	7.5¢	7.5¢	7.5¢	7.5¢	7.5¢	7.5¢

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) Includes distributions on Class B LP units.

Segmented Information

The Trust's operations are generated from three segments of properties located in the provinces of Quebec, Ontario, Alberta and Saskatchewan. The following tables summarize each operating segment's contribution to investment properties, to revenues, to net operating income (NOI) and to cash net operating income (Cash NOI) for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars)	Industrial		Suburban office		Necessity-based retail		Total
	$	%	$	%	$	%	$
Quarter ended March 31, 2026							
Investment properties	**473,992**	**38.2**	**503,496**	**40.6**	**262,361**	**21.2**	**1,239,849**
Rental revenue	**8,197**	**25.6**	**15,599**	**48.8**	**8,163**	**25.6**	**31,959**
Net operating income (NOI)	**5,483**	**30.8**	**7,538**	**42.4**	**4,757**	**26.8**	**17,778**
Cash net operating income (Cash NOI) (1)	**5,543**	**30.5**	**7,817**	**43.0**	**4,813**	**26.5**	**18,173**
Committed occupancy rate (%)	**-**	**92.7**	**-**	**87.3**	**-**	**98.5**	**-**
Quarter ended March 31, 2025							
Investment properties	453,174	36.7	513,871	41.6	268,415	21.7	1,235,460
Rental revenue	8,392	24.4	18,011	52.3	8,008	23.3	34,411
Net operating income (NOI)	5,870	29.6	9,350	47.2	4,601	23.2	19,821
Cash net operating income (Cash NOI) (1)	5,819	28.8	9,678	47.8	4,740	23.4	20,237
Committed occupancy rate (%)	-	93.5	-	88.5	-	98.5	-

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Industrial performance

The proportional fair value of industrial properties increased to 38.2% compared to 36.7% in the same period last year, mainly due to the acquisition of three industrial properties in the current quarter. The proportional share of rental revenue and cash NOI increased by 1.2% and 1.7%, respectively, compared to the same period last year. The decrease in revenue and cash NOI is primarily attributable to the departure of an industrial tenant that occupied 24,014 square feet located in Edmonton, Alberta and rent reduction associated with the rent reduction granted to Lion Electric. The occupancy rate for the segment decreased by 80 basis points from 93.5% to 92.7% due to the known departure of an industrial tenant occupying 24,014 square feet (Q3-2025). The fully leased acquisitions concluded in the quarter and a new lease committed in the quarter for 32,750 square feet mitigated the decrease of the occupancy rate.

Suburban office performance

The proportional fair value of the suburban office properties decreased at 40.6% compared to 41.6% in the same period last year. This decrease is mainly attributable to the disposition of an office property in Québec city during Q3-2025. The proportional share of rental revenue and cash NOI generated by the suburban office segment for the quarter decreased by 3.5% and 4.8%, respectively, compared to the same period last year. This decrease is primarily attributable to a partial lease cancellation payment from a tenant which positively affected the rental revenue in the first quarter of 2025. The occupancy rate for this segment decreased by 120 basis points to 87.3% compared to the same period in 2025, mainly reflecting known tenant departures not yet replaced. Leasing activity in the suburban office segment remained solid, with 54,373 square feet renewed with an average rent increase of 5.3%, partially offsetting the impact of departures.

Necessity-based retail performance

The necessity-based retail segment continues to demonstrate strong performance, as most of the properties in this segment are anchored by necessity-based tenants. The occupancy rate stood at 98.5% at the end of the first quarter of 2026, consistent with the same period in 2025. The proportional share of rental revenue and cash NOI increased by 2.3% and 3.1%, respectively, compared to the same period last year. For the quarter, the Trust concluded lease renewals for a total of 10,083 square feet in the necessity-based retail segment with an average rent increase of 10.9%.

Operating Performance Indicators

The following performance indicators are used to measure the Trust's operating performance:

Committed occupancy rate: provides an indication of the optimization of rental space and the potential revenue gain from the Trust's property portfolio. This rate considers occupied leasable area and the leasable area of leases that have been signed as of the end of the quarter but where the term of the lease has not yet begun.

In-place occupancy rate: shows the percentage of occupied leasable area at the end of the period.

Lease renewal rate: is used to record the Trust's tenant retention with lease renewals.

Average rate of rent for renewed leases: measures organic growth and the Trust's ability to increase its rental revenue for a given period.

Real Estate Portfolio

At the end of the first quarter of 2026, BTB owned 74 properties, representing a total fair value of approximately $1.2 billion and a total leasable area of approximately 6.0 million square feet. A description of all the properties owned by the Trust can be found in the Trust's Annual Information Form available at www.sedarplus.ca.

Summary of investment properties held as at March 31, 2026

Operating segment	Number of properties	Leasable area (sq. ft.)	Committed occupancy rate (%)	In Place occupancy rate (%)	% of portfolio
Industrial	34	2,202,037	92.7	91.3	36.5
Suburban office	31	2,507,235	87.3	86.9	41.5
Necessity-based retail	9	1,326,311	98.5	98.4	22.0
Total portfolio	**74**	**6,035,583**	**91.8**	**91.0**	**100.0**

Geographic sector	Number of properties	Leasable area (sq. ft.)	Committed occupancy rate (%)	In Place occupancy rate (%)	% of portfolio
Montreal	37	3,244,779	91.3	91.2	53.8
Quebec City	8	1,087,183	89.5	89.3	18.0
Trois-Rivières	2	149,077	80.3	80.3	2.5
Ottawa	11	809,115	93.9	93.4	13.4
Edmonton	13	548,357	95.6	89.7	9.0
Saskatoon	3	197,072	100.0	100.0	3.3
Total portfolio	**74**	**6,035,583**	**91.8**	**91.0**	**100.0**

Acquisitions of investments properties

On March 18, 2026, the Trust acquired three fully leased industrial properties located at 6303, 6302 and 6207 39th Street in Leduc, Alberta, for a total consideration of $31.5 million, excluding transaction costs and adjustments. Following the acquisition of the properties, the Trust's total leasable area increased by 143,118 square feet.

Disposition of investment property

On March 24, 2026, the Trust disposed of a retail property located at 909-915 Pierre-Bertrand Boulevard, in Quebec City, Quebec, for total proceeds of $11.7 million, excluding transactions costs and adjustments.

Real Estate Operations

Portfolio occupancy

The following table summarizes the changes in occupied area for the period ended March 31, 2026, and March 31, 2025.

Quarters ended March 31 (in sq. ft.)	Quarter	
	2026	2025
Occupied area at the beginning of the period (1)	**5,460,118**	5,676,015
Purchased assets	**143,118**	-
Sold assets (3)	**(84,704)**	
Signed new leases	**40,283**	56,629
Tenant departures	**(21,009)**	(64,643)
Other (2)	**-**	-
Occupied leasable area at the end of the period (1)	**5,537,806**	5,668,001
Vacant area at the beginning of the period	**519,767**	449,720
Sold assets vacant (3)	**(2,716)**	-
Net absorption (4)	**(19,274)**	8,014
Vacant leasable area at the end of the period (3)	**497,777**	457,734
Total leasable area at the end of the period	**6,035,583**	6,125,735

(1) The occupied area includes in place and committed agreements.
(2) Other adjustments on the occupied area represent mainly area remeasurements.
(3) The total square footage of the sold property was 87,420 square feet, which 84,704 square feet were occupied, and 2,716 square feet were vacant. The occupied portion is presented under "*Sold assets*", and the vacant portion is presented under "*Sold assets vacant*".
(4) The net absorption is the difference between the signed new leases and Tenant departures.

Compared to the same period last year, the Trust saw a decrease in its committed occupancy rate by 70 basis points from 92.5% to 91.8%, primarily due to two known departures in the year 2025: (i) an industrial tenant that occupied 24,014 square feet located in Edmonton, Alberta and (ii) an office tenant that occupied 28,049 square feet located in Ottawa, Ontario.

Leasing activities

The following table summarizes the lease renewal activity for the periods ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in sq. ft.)	Quarter	
	2026	2025
Leases expired at term	**177,384**	141,910
Renewed leases at term	**165,812**	77,504
Lease renewal rate	**93.5%**	54.6%

The most significant lease renewals concluded during the quarter were attributed to Groupe Touchette (industrial segment), located in Saskatoon, Saskatchewan, representing, 101,356 square feet, Desjardins Group (suburban office segment), located in Quebec City representing 21,645 square feet and to the Liquor Control Board of Ontario (suburban office segment), in Ottawa representing 6,784 square feet.

Average lease rental renewal rate

	Quarter	
Operating segment	Renewals (sq. ft.)	Increase (%)
Industrial	101,356	7.6%
Suburban office	54,373	5.3%
Necessity-based retail	10,083	10.9%
Total	**165,812**	**7.2%**

New leases

During the quarter, the Trust leased a total of 40,283 square feet to new tenants. The most significant new lease concluded during the quarter was a long-term lease representing 32,750 square feet (recorded as ''Committed'' in the industrial segment) with the Hub Sports Centre, located in Edmonton. The remaining 7,533 square feet represents the new ''committed'' tenants, thereby leaving a total of 497,777 square feet of leasable area available for lease at the end of the quarter.

As such, 81.3% of new leases were concluded in the industrial segment, 14.9% of new leases were concluded in the suburban office segment 3.8% in the necessity-based retail segment.

Occupancy rates

The following tables detail the Trust's committed occupancy rates by operational segments and geographic sectors, including committed lease agreements:

	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Operating segment	%	%	%	%	%
Industrial	**92.7**	90.6	90.6	91.8	93.5
Suburban office	**87.3**	87.6	88.0	86.6	88.5
Necessity-based retail	**98.5**	98.9	98.9	98.8	98.5
Total portfolio	**91.8**	91.3	91.5	91.2	92.5

	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
Geographic sector	%	%	%	%	%
Montreal	**91.3**	91.6	91.6	91.6	92.0
Quebec City	**89.5**	90.4	90.0	85.8	87.6
Trois-Rivières	**80.3**	80.3	75.9	75.9	75.9
Ottawa	**93.9**	93.4	96.9	98.8	99.6
Edmonton	**95.6**	86.0	86.0	91.9	100.0
Saskatoon	**100.0**	100.0	100.0	100.0	100.0
Total portfolio	**91.8**	91.3	91.5	91.2	92.5

Lease maturities

The following table summarizes the Trust's lease maturity profile for the next five years:

	2026	**2027**	**2028**	**2029**	**2030**
Industrial					
Leasable area (sq. ft.)	197,521	270,870	403,297	86,014	138,291
Average lease rate/square foot ($) [1]	$13.28	$9.33	$15.06	$16.49	$12.30
% of industrial portfolio	8.97%	12.30%	18.31%	3.91%	6.28%
Suburban office					
Leasable area (sq. ft.)	312,358	351,053	231,197	317,422	408,855
Average lease rate/square foot ($) [1]	$13.81	$17.49	$16.38	$15.64	$17.22
% of office portfolio	12.46%	14.00%	9.22%	12.66%	16.31%
Necessity-based retail					
Leasable area (sq. ft.)	33,770	157,805	59,697	255,182	69,914
Average lease rate/square foot ($) [1]	$11.21	$12.86	$17.89	$12.68	$20.34
% of retail portfolio	2.39%	11.16%	4.22%	18.05%	4.95%
Total portfolio					
Leasable area (sq. ft.)	**543,649**	**779,728**	**694,191**	**658,618**	**617,060**
Average lease rate/square foot ($) [1]	**$13.46**	**$13.72**	**$15.75**	**$14.61**	**$16.47**
% of total portfolio	**9.01%**	**12.92%**	**11.50%**	**10.91%**	**10.22%**

(1) This is a non-IFRS financial measure. The average lease rate / square foot ($) ratio is calculated by dividing the annual rental revenues related to leases maturing within a specific year divided by the total leasable area (square feet) of the leases maturing within a specific year.

Weighted average lease term

For the quarter ended March 31, 2026, the weighted average lease term stood at 4.9 years compared to 5.6 years for the same period in 2025. In addition, to secure future revenue for the Trust and to solidify its tenant base, the Trust's lease renewal strategy is also focused on renewing leases prior to their maturities to increase the average outstanding lease terms.

Top 10 tenants

The Trust's three largest tenants are the Government of Canada, the Government of Quebec (both in the suburban office segment), and Walmart (in the necessity-based retail segment), representing respectively 5.6%, 5.5%, and 3.1% of rental revenue.

48.2% of the Trust's total revenue is generated by leases signed with federal, provincial and municipal governments and publicly traded entities.

The following table shows the Top 10 tenants' contribution to total revenue as a percentage of revenue as at March 31, 2026. Their contribution accounts for 25.3% of rental revenue and represents 20.7% of the Trust's total leasable area:

Client	% of rental revenue	% of leasable area	Leasable area (sq. ft.)
Government of Canada	5.6	4.1	246,456
Government of Quebec	5.5	4.5	273,604
Walmart	3.1	4.4	264,550
Nors (previously known as Strongco)	2.4	2.0	118,585
Bristol-Myers Squibb Canada Co	1.9	1.0	61,034
Groupe BBA Inc.	1.6	1.1	69,270
Loblaw Companies Limited	1.3	1.1	64,745
Intrado Life & Safety Canada Inc.	1.3	0.9	53,567
WSP	1.4	0.8	48,478
Desjardins Group	1.2	0.8	50,502
	25.3	**20.7**	**1,250,791**

Operating Results

The following tables summarize the financial results for the period ended March 31, 2026, and March 31, 2025. These tables should be read in conjunction with the consolidated financial statements and the accompanying notes:

Quarters ended March 31 (in thousands of dollars)	Quarter	
	2026	2025
	$	$
Rental revenue	**31,959**	34,411
Operating expenses	**14,181**	14,590
Net operating income (NOI)	**17,778**	19,821
Net financial expenses and financial income	**7,517**	10,195
Administration expenses	**1,708**	2,018
Transaction costs	**192**	-
Net income and comprehensive income	**8,361**	7,608

Quarters ended March 31 (in thousands of dollars)	Quarter	
	2026	2025
Net operating income (NOI)	**17,778**	19,821
Lease incentive amortization	**849**	797
Straight-line lease adjustment	**(454)**	(381)
Cash net operating income (Cash NOI) [1]	**18,173**	20,237

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Rental revenue

For the quarter, rental revenue stood at $32.0 million, which represents a decrease of $2.5 million or 7.1% compared to the same quarter in 2025. The decrease is caused by (1) a partial lease cancellation payment from a tenant which positively affected the rental revenue in the first quarter of 2025 of $1.0 million, (2) a net decrease of $0.5 million related to dispositions completed throughout 2025, partially offset by acquisitions concluded at the end of the quarter, the impact of said acquisitions will be reflected in future quarters, and (3) a decrease of $1.5 million resulting from planned tenant departures not yet replaced, free rent granted to new tenants, and the rent reduction granted to Lion Electric. The Trust recorded a positive variance of $0.5 million due to new leases concluded, higher lease renewal rental rates, and increases in rental spreads for in-place leases.

Operating expenses

The following table summarizes the Trust's operating expenses for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars)	Quarter	
	2026	2025
	$	$
Operating expenses		
Maintenance, repairs and other operating costs	**5,043**	5,129
Energy	**2,164**	2,339
Property taxes and insurance	**6,974**	7,122
Total operating expenses	**14,181**	14,590
% of rental revenue	**44.4%**	42.4%

As a percentage of revenues, operating expenses increased by 2.0% for the quarter compared to the same quarter last year. Excluding the previously reported partial lease cancellation in the first quarter of 2025 of $1.0 million, the operating expenses as a percentage of revenue would have increased by 0.7% compared to the same quarter in 2025.

Financial expenses and income

The following table summarizes financial expenses for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars)	Quarter	
	2026	2025
	$	$
Financial income	(265)	(427)
Interest on mortgage loans	7,194	7,301
Interest on convertible debentures	727	754
Interest on credit facilities	486	475
Other interest expense	118	126
Interest expense net of financial income	8,260	8,229
Distributions on Class B LP units	52	52
Net financial expenses before non-monetary items	8,312	8,281
Accretion of effective interest on mortgage loans and convertible debentures	431	580
Accretion of non-derivative liability component of convertible debentures	153	438
Net financial expenses before the following items:	8,896	9,299
Fair value adjustment on derivative financial instruments	(1,177)	868
Fair value adjustment on Class B LP units	(202)	28
Net financial expenses net of financial income	7,517	10,195

Financial income consists of interest income generated from interest rate swap agreements on mortgages and earned finance income generated from a lease reclassified as a finance lease triggered by the exercise of an option to purchase the property located at 18028, 114th Avenue NW, in Edmonton, Alberta.

Interest expense, net of financial income remained stable compared to the same period last year.

As at March 31, 2026, the weighted average mortgage interest rate was 4.41%, 6 basis points higher than the average rate as at March 31, 2025 which stood at 4.35%. The increase is primarily due to fixed-rate mortgages being refinanced at rates slightly higher.

The weighted average interest rate for fixed mortgage loans increased by 15 basis points to 4.31% (4.16% as at March 31, 2025). Interest rates on first-ranking mortgage loans ranged from 3.20% to 6.44% as at March 31, 2026, (2.37% to 6.80% as at March 31, 2025). The cumulative balance of the Trust's loans subject to a fixed interest rate is $552.3 million.

The weighted average contractual interest rate for mortgages subject to variable interest rates was 5.60%, a decrease of 85 basis points compared to the same period in 2025 which was 6.45%. The cumulative balance of the Trust's loans subject to a variable rate is $11.7 million. The weighted average contractual interest rate for mortgages subject to floating-for-fixed interest rate swap net of finance income was 4.84%, (4.94% floating rate), a decrease of 2 basis points compared to the same period in 2025 which was 4.86%, (5.47% floating rate).

The cumulative balance of the Trust's loans subject to a floating-for-fixed interest rate swap is $99.4 million.

The weighted average term of mortgage loans in place as at March 31, 2026, was 2.2 years (2.6 years as at March 31, 2025).

Net financial expenses, net of financial income, described above, include non-monetary items. These non-monetary items are the accretion of effective interest on mortgage loans and on convertible debentures, the accretion of non-derivative liability component of convertible debentures and the fair value adjustment on derivative financial instruments and on Class B LP units.

Administration expenses

The following table summarizes the Trust's administration expenses for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars)	Quarter	
	2026	2025
	$	$
Corporate expenses	1,590	1,678
Expected credit losses	9	146
Unit-based compensation	109	194
Trust administration expenses	1,708	2,018

Fair value adjustment of investment properties

Under IAS 40, the Trust accounts for its investment properties at fair value and recognizes the gain or loss arising from a change in the fair value in profit or loss for the period in which it arises. Furthermore, upon a disposition the Trust will revaluate the investment property at the disposition consideration.

On an annual basis, the Trust retains the services of independent external appraisers to evaluate the fair value of a significant portion of its portfolio. Pursuant to its policy, the Trust ensures that all properties are externally appraised on a three-year rotation basis. In addition, the Trust externally appraises the 15 most valuable properties and properties that are part of acquisitions, financing, or refinancing transactions, or at a lender's request. As at March 31, 2026, the Trust had not externally appraised any of its properties. To determine the value of the properties not independently appraised during a given year, the Trust receives quarterly market data regarding capitalization rates and discount rates reflecting real estate market conditions from independent external appraisers or independent experts. The capitalization rate reports provide a range of rates for various geographic regions where the Trust operates and for various types and qualities of properties within each said region. The Trust utilizes capitalization and discount rates within ranges provided by these external experts.

There were no changes in fair value of investment properties for the period ended March 31, 2026 and March 31, 2025.

The following tables summarize the significant assumptions used in the modelling process for both internal and external appraisals for the periods ended March 31, 2026 and December 31, 2025:

As at March 31, 2026	Industrial	Suburban office	Necessity-based retail
Capitalization rate	5.50% - 7.50%	6.00% - 8.25%	5.75% - 7.50%
Terminal capitalization rate	5.75% - 8.00%	6.25% - 8.50%	6.00% - 7.75%
Discount rate	6.25% - 8.75%	6.75% - 9.00%	6.50% - 8.25%
Weighted average capitalization rate	6.23%	6.98%	7.00%
As at December 31, 2025			
Capitalization rate	5.50% - 7.50%	6.00% - 8.50%	5.75% - 7.75%
Terminal capitalization rate	5.75% - 8.00%	6.25% - 8.50%	6.00% - 8.00%
Discount rate	6.25% - 8.75%	6.75% - 9.00%	6.50% - 8.75%
Weighted average capitalization rate	6.18%	6.98%	7.03%

The weighted average capitalization rate for the entire portfolio was 6.70% as at March 31, 2026, stable compared to the previous quarter (6.70% as at December 31, 2025).

As at March 31, 2026, the Trust has estimated that if an increase / decrease of 0.25% in the capitalization rate were applied to the overall portfolio, this variation would affect the fair value of its investment properties respectively by a reduction of $45.0 million or an increase of $48.6 million. The change in the capitalization rates is an appropriate proxy of the changes for the discount and terminal capitalization rates.

Adjusted net income

Net income and comprehensive income fluctuate from one quarter to the next based on volatile non-monetary items. The fair value of derivative financial instruments and the fair value of investment properties fluctuate based on the stock market volatility of the Trust's units, the forward interest rate curve and the discount and capitalization rates of its real estate portfolio.

The following table summarizes the adjusted net income (1) before these volatile non-monetary items and transaction costs for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars, except for per unit)	Quarter	
	2026	2025
	$	$
Net income and comprehensive income	8,361	7,608
Transaction costs on acquisitions and dispositions of investment properties and early repayment fees	192	-
Fair value adjustment on derivative financial instruments	(1,177)	868
Fair value adjustment on Class B LP units	(202)	28
Adjusted net income (1)	7,174	8,504
Per unit	8.1¢	9.6¢

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Adjusted net income decreased by $1.3 million for the quarter compared to the same period last year. This decrease is primarily attributable to (1) an NOI decrease of $2.0 million offset by (2) a decrease of administration expenses of $0.2 million and (3) a decrease of net financial expenses before fair value adjustments of $0.4 million.

Operating Results – Same-Property Portfolio

Same-property portfolio

The same-property portfolio includes all the properties owned by the Trust on March 31, 2025, and that are still owned by the Trust on March 31, 2026. Therefore, it excludes all the acquired (2) (3) and disposed (2) (3) properties during the years 2025 and 2026, straight-line rent and amortization of lease incentives.

The following table summarizes the results of the cash same-property NOI (1) for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars)	Quarter		
	2026	2025	Δ %
	$	$	
Cash Net operating income (NOI) (1)	18,173	20,237	(10.2)%
Cash NOI (1) sourced from:			
Acquisitions	(99)	-	
Dispositions	(188)	(463)	
Corporation	78	10	
Cash Same-Property NOI (1)	17,964	19,784	(9.2)%
Cash Same-Property NOI (1) sourced from:			
Industrial	5,444	5,741	(5.2)%
Suburban office	7,892	9,602	(17.8)%
Necessity-based retail	4,628	4,441	4.2%
Cash Same-Property NOI (1)	17,964	19,784	(9.2)%

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Compared to the same quarter last year, the cash same-property net operating income (SPNOI) (1) decreased by 9.2%. Excluding the partial lease cancellation payment which positively affected NOI in the first quarter of 2025 of $1.0 million, the Cash SPNOI would have decreased by 4.4%.

For the quarter, the Cash SPNOI for the industrial segment decreased by $0.3 million or 5.2% compared to the same quarter last year. This decrease is primarily due to (1) a rent reduction granted to Lion Electric ($0.2 million), and (2) a planned tenant departure at the end of the third quarter of 2025 not yet replaced occupying 24,014 square feet in Edmonton ($0.2 million).

For the quarter, the Cash SPNOI for the suburban office segment decreased by $1.7 million or 17.8% compared to the same quarter last year. The decrease is driven by (1) the previously outlined partial lease cancellation payment of $1.0 million which positively affected the cash SPNOI in the first quarter of 2025 and (2) planned departures of tenants in Ottawa at the end of the third quarter of 2025 not yet fully replaced. Excluding the partial lease cancellation payment which positively affected NOI in the first quarter of 2025 of $1.0 million, the Cash SPNOI for the suburban office segment would have decreased by 8.3%.

Finally, for the quarter, the Cash SPNOI for necessity-based retail segment increased by $0.2 million or 4.2% compared to the same quarter last year. The increase is due to the full-quarter contribution of a new major tenant in Levis, whose lease began on February 25, 2025.

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) Refer to the Trust's consolidated financial statements dated May 12, 2026, note 3, section a) for the acquired properties details.
(3) Refer to the audited consolidated financial statements and accompanying notes for the year ended December 31, 2025, for the acquisitions and dispositions of the year 2025.

Distributions

Distributions and per unit

The following table summarizes the distributions for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars, except for per unit data)	Quarter	
	2026	2025
	$	$
Distributions		
Cash distributions	6,622	6,327
Cash distributions – Class B LP units	52	52
Distributions reinvested under the distribution reinvestment plan	-	287
Total distributions to unitholders	6,674	6,666
Percentage of reinvested distributions [(1)(2)]	0.0%	4.3%
Per unit [(2)]		
Distributions	7.5¢	7.5¢

(1) This is a non-IFRS financial measure. The percentage of reinvested distributions ratio is calculated by dividing the distributions reinvested under the distribution reinvestment plan by the total distributions to unitholders.
(2) Including Class B LP units.

For the quarter, the monthly distributions paid to unitholders totalled 2.5¢ per unit and for the quarter, totalled 7.5¢ per unit, unchanged from the same quarter of 2025.

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 period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars, except for per unit)	Quarter	
	2026	2025
	$	$
Net income and comprehensive income (IFRS)	8,361	7,608
Fair value adjustment on Class B LP units	(202)	28
Amortization of lease incentives	849	797
Fair value adjustment on derivative financial instruments	(1,177)	868
Leasing payroll expenses	529	466
Distributions - Class B LP units	52	52
Unit-based compensation (Unit price remeasurement)	184	61
FFO [(1)]	8,596	9,880
Transaction costs on disposition of investment properties and mortgage early repayment fees	192	-
FFO Adjusted [(1)]	8,788	9,880
FFO per unit [(1)(2)(3)]	9.7¢	11.1¢
FFO Adjusted per unit [(1)(2)(4)]	9.9¢	11.1¢
FFO payout ratio [(1)]	77.3%	67.4%
FFO Adjusted payout ratio [(1)]	75.8%	67.4%

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) Including Class B LP units.
(3) The FFO per unit ratio is calculated by dividing the FFO [(1)] by the Trust's total weighted average number of units outstanding (including the Class B LP units).
(4) The FFO Adjusted per unit ratio is calculated by dividing the FFO Adjusted [(1)] by the Trust's total weighted average number of units outstanding (including the Class B LP units).

For the quarter, FFO Adjusted [(1)] was 9.9¢ per unit, compared to 11.1¢ per unit for the same period in 2025, representing a decrease of 1.2¢ per unit or 10.8%. The decrease is driven by the previously outlined decrease in NOI.

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Adjusted Funds from Operations (AFFO) [(1)]

The following table provides a reconciliation of FFO [(1)] and AFFO [(1)] for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars, except for per unit data)	Quarter	
	2026	2025
	$	$
FFO [(1)]	8,596	9,880
Straight-line rental revenue adjustment	(454)	(381)
Accretion of effective interest	431	580
Amortization of other property and equipment	19	18
Unit-based compensation expenses	(75)	133
Provision for non-recoverable capital expenditures [(1)]	(639)	(688)
Provision for unrecovered rental fees [(1)]	(375)	(375)
AFFO [(1)]	7,503	9,167
Transaction costs on disposition of investment properties and mortgage early repayment fees	192	-
AFFO Adjusted [(1)]	7,695	9,167
AFFO per unit [(1) (2) (3)]	8.4¢	10.3¢
AFFO Adjusted per unit [(1) (2) (4)]	8.6¢	10.3¢
AFFO payout ratio [(1)]	89.3%	72.7%
AFFO Adjusted payout ratio [(1)]	87.2%	72.7%

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) Including Class B LP units.
(3) The AFFO per unit ratio is calculated by dividing the AFFO [(1)] by the Trust's total weighted average number of units outstanding (including the Class B LP units).
(4) The AFFO Adjusted per unit ratio is calculated by dividing the AFFO Adjusted [(1)] by the Trust's total weighted average number of units outstanding (including the Class B LP units).

For the quarter, the AFFO adjusted [(1)] per unit was 8.6¢ per unit compared to 10.3¢ per unit for the same period in 2025, representing a decrease of 1.7¢ per unit or 16.5%. The decrease is explained by the previously outlined $2.1 million decrease in Cash NOI. This decrease is partially offset by a $0.3 million decrease in administration expenses.

In calculating AFFO [(1)], the Trust deducts a provision for non-recoverable capital expenditures [(2)] 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.

The Trust also deducts a provision for unrecoverable rental fees [(2)] in the amount of approximately 25¢ per square foot of the leasable area of the Trust's properties, on an annualized basis. Even though quarterly rental fee disbursements vary significantly from one quarter to another, management considers that this provision fairly represents, in the long term, the average disbursements not recovered directly in the rent that the Trust will receive. These disbursements consist of inducements paid or granted to its tenants 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, of brokerage commissions and its leasing team payroll expenses.

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) This is a non-IFRS financial measure as defined in this page.

The following table compares the amount of the provision for non-recoverable capital investments to the amount of investment made during the last three years:

Periods ended March 31 and December 31 (in thousands of dollars)	March 31, 2026	March 31, 2025	December 31, 2025	December 31, 2024
	$	$	$	$
Provision for non-recoverable capital expenditures [(1)]	639	688	2,603	2,601
Non-recoverable capital expenditures	49	237	2,070	2,878

(1) This is a non-IFRS financial measure, refer to AFFO section for detailed explanations.

The Trust intends to achieve a balance between actual investment and the estimated provisions over the long term. Management may change the calculation of the provision, as required.

Cash Flows

The following table shows the Trust's net distributions to unitholders compared to net cash flows from operating activities less interest paid for the period ended March 31, 2026, and March 31, 2025 and for the years 2025 and 2024:

Periods ended March 31 and 12-month periods ended December 31 (in thousands of dollars)	2026 (3 months)	2025 (3 months)	2025 (12 months)	2024 (12 months)
	$	$	$	$
Net cash flows from operating activities	11,588	15,364	70,604	66,004
Interest paid	(8,204)	(8,083)	(33,113)	(32,594)
Net cash flows from operating activities less interest paid	3,384	7,281	37,491	33,410
Net distributions to unitholders	6,622	6,035	25,894	22,638
Surplus of net cash flows from operating activities less interest paid compared to net distributions to unitholders	(3,238)	1,246	11,597	10,772

The following table summarizes the reconciliation of net cash flows from operating activities presented in the financial statements, AFFO [1] and FFO [1] for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars)	Quarter	
	2026	2025
	$	$
Cash flows from operating activities	11,588	15,364
Leasing payroll expenses	529	466
Transaction costs on purchase and disposition of investment properties and early repayment fees	(192)	-
Adjustments for changes in other working capital items	5,005	3,067
Financial income	265	427
Interest expenses	(8,525)	(8,656)
Provision for non-recoverable capital expenditures [2]	(639)	(688)
Provision for non-recovered rental fees [2]	(375)	(375)
Accretion of non-derivative liability component of convertible debentures	(153)	(438)
AFFO [1]	7,503	9,167
Provision for non-recoverable capital expenditures [2]	639	688
Provision for non-recovered rental fees [2]	375	375
Straight-line rental revenue adjustment	454	381
Unit-based compensation expenses	75	(133)
Accretion of effective interest	(431)	(580)
Amortization of property and equipment	(19)	(18)
FFO [1]	8,596	9,880

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) This is a non-IFRS financial measure, refer to AFFO section for detailed explanations.

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Assets

Investment properties

The Trust has grown through the acquisitions of quality properties based on its selection criteria, while maintaining an appropriate allocation among three operating segments: industrial, suburban office, and necessity-based retail.

The real estate portfolio consists of direct interests in wholly owned investment properties and of the Trust's share of a jointly controlled investment property where the assets, liabilities, revenues, and expenses are shared in accordance with the ownership interest.

The following table summarizes the changes in the fair value of investment properties for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars)	Quarter	
	2026	2025
	$	$
Balance, beginning of period	1,217,957	1,233,282
Additions:		
Acquisitions	31,662	-
Dispositions	(11,700)	-
Construction on investment property	-	101
Capital expenditures	816	1,278
Leasing fees and capitalized lease incentives	1,509	1,215
Other non-monetary changes [1]	(395)	(416)
Balance, end of period	1,239,849	1,235,460

(1) The other non-monetary changes are composed of the lease incentives amortization and straight-line lease adjustments.

Improvements in investment properties

The Trust invests its capital to improve its properties to preserve the quality of their infrastructure and services provided to tenants. These investments include value-added expenditures required to upkeep properties, as well as property improvements and redevelopment projects intended to increase leasable area, occupancy rates, quality of space available for rent or fair value. Some capital expenditures are amortized and may be recovered from tenants.

The following table summarizes capital expenditures, incentives, and leasing fees, for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars)	Quarter	
	2026	2025
	$	$
Recoverable capital expenditures	767	1,041
Non-recoverable capital expenditures	49	237
Total capital expenditures	816	1,278
Leasing fees and leasehold improvements	1,509	1,215
Construction on investment property	-	101
Total	2,325	2,594

Receivables

(in thousands of dollars)	March 31, 2026	December 31, 2025	March 31, 2025
	$	$	$
Rent receivable	8,729	4,699	5,137
Allowance for expected credit losses	(1,651)	(1,683)	(960)
Net rent receivable	7,078	3,016	4,177
Unbilled recoveries	1,055	1,863	1,424
Other receivables	266	602	1,209
Receivables	8,399	5,481	6,810

Prepaid expenses, Deposits and Property and equipment

(in thousands of dollars)	March 31, 2026	December 31, 2025	March 31, 2025
	$	$	$
Property and equipment	1,535	1,592	1,494
Accumulated depreciation	(1,372)	(1,356)	(1,304)
Net property and equipment	163	236	190
Prepaid expenses	4,173	1,128	3,952
Deposits	3,402	2,323	2,192
Other assets	7,738	3,687	6,334

Capital Resources

Long-term debt

The following table summarizes the balance of BTB's indebtedness on March 31, 2026, including mortgage loans and convertible debentures, based on the year of maturity and corresponding weighted average contractual interest rates:

As at March 31, 2026 (in thousands of dollars)	Balance of convertible debentures [1]	Balance of mortgages payable [1]	Weighted average contractual interest rate
	$	$	%
Year of maturity			
2026	-	200,196	4.09
2027	-	145,415	4.40
2028	-	92,500	4.54
2029	-	115,918	4.68
2030	40,250	40,061	6.05
2031 and thereafter	-	69,269	4.49
Total	40,250	663,359	4.57

(1) Gross amounts.

The Trust has $200.2 million of mortgages that are maturing over the next nine months. The Trust, as of the date of this report, received commitment letters or letters of intent from financial institutions for the refinancing of $25.9 million and is in the process of negotiating the remaining 2026 mortgages coming to maturity.

Weighted average contractual interest rate

As at March 31, 2026, the weighted average contractual interest rate of the Trust's long-term debt stood at 4.57% (4.41% for mortgage loans and 7.25% for convertible debentures), representing an increase of 5 basis points compared to the same period last year which was 4.52% (4.35% for mortgage loans and 7.25% for convertible debentures).

Mortgage loans

The following table summarizes the changes in mortgage loans payable for the period ended March 31, 2026:

Period ended March 31, 2026 (in thousands of dollars)	Quarter
	$
Balance at beginning [1]	643,944
Mortgage loans contracted or assumed [2]	43,857
Balance repaid at maturity or upon disposition [3]	(20,026)
Monthly principal repayments [4]	(4,416)
Balance as at March 31, 2026 [1]	663,359

(1) Before unamortized financing expenses and fair value assumption adjustments.
(2) This is a non-IFRS measure. Mortgage loans contracted or assumed are included in the Consolidated Statements of Cash Flows within the *Mortgage loans, net of financing expenses*.
(3) This is a non-IFRS measure. Balance repaid at maturity or upon disposition are included in the Consolidated Statements of Cash Flows within the following: *Repayment of mortgage loans* and *Net proceeds from disposition of investment properties*.
(4) This is a non-IFRS measure. Principal monthly repayments are included in the Consolidated Statements of Cash Flows within *Repayment of mortgage loans*.

The weighted average term of existing mortgage loans was 2.2 years as at March 31, 2026, compared to 2.6 years for the same period last year. The Trust attempts to spread the maturities of its mortgages over several years to mitigate the risk associated with mortgage renewals.

The following table summarizes future mortgage loan repayments for the next few years:

As at March 31, 2026 (in thousands of dollars)	Principal repayment	Balance at maturity	Total	% of total
	$	$	$	
Maturity				
2026 (9 months)	12,284	187,912	200,196	30.2
2027	12,515	132,900	145,415	21.9
2028	8,400	84,100	92,500	14.0
2029	5,310	110,608	115,918	17.5
2030	3,318	36,743	40,061	6.0
2031 and thereafter	6,001	63,268	69,269	10.4
Total	47,828	615,531	663,359	100.0
Unamortized financing expenses and fair value assumption adjustments			(2,548)	
Balance as at March 31, 2026			660,811	

As at March 31, 2026, the Trust was in compliance with all the contractual mortgage covenants to which it is subject.

Convertible debentures

The following table summarizes the convertible debentures as at March 31, 2026:

(in thousands of dollars)	Series I [(1)(2)]
Par value	40,250 [(3)]
Contractual interest rate	7.25%
Effective interest rate	8.54%
Date of issuance	January 2025
Per-unit conversion price	4.10
Date of interest payment	February 28 and August 31
Maturity date	February 2030
Balance as at March 31, 2026	**35,584**

(1) Redeemable by the Trust, under certain conditions, on or after February 28, 2028 and prior to February 28, 2029, at a redemption price equal to the principal amount plus accrued, unpaid interest, provided that the unit market price is at least 125% of the Series I conversion price and, on or after February 28, 2029, and prior to February 28, 2030, at a redemption price equal to their principal amount plus accrued and unpaid interest.
(2) The Trust may, at its option and under certain conditions, elect to satisfy its obligation to pay the principal amount of the Series I debentures by issuing tradable units freely to Series I debenture holders obtained by dividing the principal amount of the debentures by 95% of the current market price on the date of redemption or maturity.
(3) No conversion since the issuance of the Series I debentures.

Debt ratio

In accordance with its trust agreement, the Trust cannot contract a mortgage loan if, after having contracted the said loan, the total mortgage debt would exceed 75% of the fair value of the Trust's total assets. When establishing this calculation, the convertible debentures should not be considered in the calculation of total indebtedness. Moreover, under its trust indenture, in case of failure to abide by this condition, the Trust benefits from a 12-month additional period from the date of its knowledge to remedy the situation.

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

(in thousands of dollars)	March 31, 2026	December 31, 2025	March 31, 2025
	$	$	$
Cash and cash equivalents	(1,448)	(5,432)	(5,450)
Mortgage loans outstanding [(1)]	663,359	643,944	661,874
Convertible debentures [(1)]	37,261	37,108	36,671
Credit facilities	37,233	34,456	34,276
Total long-term debt less cash and cash equivalents [(2)(3)]	736,405	710,076	727,371
Total gross value of the assets of the Trust less cash and cash equivalents [(2)(4)]	1,270,165	1,245,284	1,260,313
Mortgage debt ratio (excluding convertible debentures and credit facilities) [(2)(5)]	52.1%	51.3%	52.1%
Debt ratio – convertible debentures [(2)(6)]	2.9%	3.0%	2.9%
Debt ratio – credit facilities [(2)(7)]	2.9%	2.8%	2.7%
Total debt ratio [(2)]	58.0%	57.0%	57.7%

(1) Before unamortized financing expenses and fair value assumption adjustments.
(2) This is a non-IFRS financial measure, refer to page 2 and 29.
(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 I convertibles debentures capital adjusted with non-derivative component less conversion options exercised by holders; and (iv) 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 the GVALC.
(7) Debt ratio – credit facilities is calculated by dividing the credit facilities by the GVALC.

The Trust seeks to finance its acquisitions with a maximum mortgage debt ratio of 65% since the cost of financing is lower than the capital cost of the Trust's equity. Liquidity refers to the Trust having credit availability under committed credit facilities and/or generating enough cash and cash equivalents to fund the ongoing operational commitments including maintenance capital and development capital expenditures, distributions to unitholders and planned growth in the business. The Trust maintains credit facilities to provide financial liquidity which can be drawn or repaid on short notice, reducing the need to hold liquid resources in cash and deposits.

Interest coverage ratio

The following table summarizes the interest coverage ratio for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars, except for the ratios)	Quarter	
	2026	2025
	$	$
Adjusted EBITDA [(1)]	16,728	18,235
Interest expenses net of financial income [(2)]	8,260	8,229
Interest coverage ratio [(3)]	2.03	2.22

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) This is a non-IFRS financial measure. 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.
(3) This is a non-IFRS financial measure. Interest coverage ratio is calculated by dividing the Adjusted EBITDA [(1)] by Interest expenses net of financial income (as previously defined).

Debt service coverage ratio

The following table summarizes the debt service coverage ratio for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars, except for the ratios)	Three-month	
	2026	2025
	$	$
Adjusted EBITDA [(1)]	16,728	18,235
Interest expenses net of financial income [(2)]	8,260	8,229
Principal repayments	4,416	4,874
Debt service requirements	12,676	13,103
Debt service coverage ratio [(3)]	1.32	1.39

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) This is a non-IFRS financial measure. 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.
(3) This is a non-IFRS financial measure. Debt service coverage ratio is calculated by dividing the Adjusted EBITDA [(1)] by Debt service requirements.

Class B LP units

The following table summarizes the Class B LP units for the period ended March 31, 2026:

Period ended March 31, 2026 (in number of units)	Quarter	
	Units	$
Class B LP units outstanding, beginning of period	697,265	2,852
Fair value adjustment	-	(202)
Class B LP units outstanding, end of period	697,265	2,650

The Class B LP units are exchangeable at any time, at the option of the holder, for an equal number of units of the Trust trading on the TSX. They are entitled to receive the same distributions as declared on the Trust units. In accordance with IFRS, distributions paid on Class B LP units are recorded as financial expenses when declared. Distributions declared are adjusted in calculating FFO and AFFO.

Units outstanding

The following table summarizes the total number of units outstanding and the weighted number of units outstanding for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in number of units)	Quarter	
	2026	2025
Units outstanding, beginning of the period	88,268,679	88,024,109
Distribution reinvestment plan	-	177,541
Issued - employee unit purchase plan	31,544	27,490
Units outstanding, end of the period	88,300,223	88,229,140
Weighted average number of units outstanding	88,284,451	88,126,625
Weighted average number of Class B LP units and units outstanding	88,981,716	88,823,890

On March 4, 2025, the Toronto Stock Exchange (TSX) approved the renewal of the normal course issuer bid ("NCIB"), permitting BTB to repurchase for cancellation up to 6,063,797 units from March 6, 2025, to March 5, 2026, representing approximately 7% of the Trust's issued and outstanding units at the time of the renewal. As of March 31, 2026, no units have been repurchased for cancellation.

Off-balance sheet arrangements and contractual commitments

The Trust does not have any other off-balance sheet arrangement or commitment that have or are likely to have an impact on its operating results or financial position, specifically its cash position and sources of financing.

Accounting Policies and Estimates

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Estimates are based on historical experience and other assumptions that are considered reasonable under given circumstances. The result of the continual review of these estimates is the basis for exercising judgment on the carrying amounts of assets and liabilities and the reported amounts of revenues and expenses. Actual results may differ from these estimates. Critical judgments made by BTB in applying significant accounting policies, the most significant of which is the fair value of investment properties, are described in the annual consolidated financial statements as at and for the years ended December 31, 2025, and 2024.

The Trust used the income approach to determine fair value. Fair value is estimated by capitalizing the cash flow that a property can reasonably be expected to produce over its remaining economic life. The income approach is based on two methods: the overall capitalization rate method, whereby net operating income is capitalized at the requisite overall capitalization rate, or the discounted cash flow method, whereby cash flows are projected over the expected term of the investment plus a terminal value discounted using an appropriate discount rate.

Risks and Uncertainties

Numerous risks and uncertainties could cause BTB's actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including those described in the "Risk Factors" section of BTB's 2026 Annual Information Form for the year ended December 31, 2025, and those described in the "Risk Factors" section of BTB's Prospectus Supplement filed on January 16, 2025 on www.sedarplus.ca which is hereby incorporated by reference.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

The President and Chief Executive Officer and the Vice-President and Chief Financial Officer of BTB are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in Canadian Securities Administrators Multilateral Instrument 52-109.

Evaluations are performed regularly to assess the effectiveness of DC&P, including this MD&A and the consolidated financial statements. Based on these evaluations, the President and Chief Executive Officer and the Vice-President and Chief Financial Officer concluded that the DC&P were effective as at December 31, 2025.

During the first quarter of 2026, management made no changes to internal control over financial reporting that materially affected, or are likely to materially affect, internal control over financial reporting.

Appendix 1 – Definitions

Class B LP Units

Class B LP units means the Class B LP limited partnership units of BTB LP, which are exchangeable for units, on a one for one basis.

Rental revenue

Rental revenue includes all amounts earned from tenants related to lease agreements, including basic rent and additional rent from operating expense recoveries. It also includes other service charges for parking and storage, lease termination revenues and straight-line rent adjustments.

Some of the Trust's leases include clauses providing for the recovery of rental revenue based on amounts that increase every few years. These increases are negotiated when the leases are signed. Under IFRS, these increases must be recognized on a straight-line basis over the terms of the leases.

Operating expenses

Operating expenses are expenses directly related to real estate operations and are generally charged back to tenants as provided for in the contractual terms of the leases. Operating expenses include property taxes and public utilities, costs related to indoor and outdoor maintenance, heating, ventilation and air conditioning, elevators, insurance, janitorial services and management and operating fees. The amount of operating expenses that the Trust can recover from its tenants depends on the occupancy rate of the properties and the nature of the existing leases containing clauses regarding the recovery of expenses. Most of the Trust's leases are net rental leases under which tenants are required to pay their share of the properties' operating expenses. The Trust pays particular attention to compliance with existing leases and the recovery of these operating expenses.

Net operating income (NOI)

NOI is used in the real estate industry to measure operational performance. The Trust defines it as rental revenue from properties, less the combined operating expenses of investment properties. This definition may differ from that of other issuers and accordingly, the Trust's NOI may not be comparable to the NOI of other issuers.

Financial expenses

Financial expenses arise from the following loans and financing:

- Mortgage loans payable contracted or assumed totalling approximately $663.4 million as at March 31, 2026, compared to $661.9 million as at March 31, 2025.
- Series I convertible debentures for a total par value of $40.3 million as at March 31, 2026.
- Credit facilities used as needed.
- Financing costs on mortgages, convertible debentures and other loans netted against the related debt and amortized on an effective interest basis over the expected life of the debt.

Administration expenses

Administration expenses include corporate costs such as payroll expenses and professional fees associated with executive and administrative staff of the Trust, the compensation plan for trustees, legal and auditing services, expenses related to listed fund status, insurance costs, office expenses and expected credit losses and related legal fees. Administration expenses include amortization of the head office building and property and equipment, as well as unit-based compensation, a non-monetary item that affects the volatility of administrative expenses from quarter to quarter.

Fair value adjustment on investment properties

Under IAS 40, the Trust accounts for its investment properties at fair value and recognizes the gain or loss arising from a change in the fair value in profit or loss for the quarters in which it arises.

The fair value of investment properties is determined using the discounted cash flow method, the capitalized net operating income (NOI) method or the comparable method, which are generally accepted valuation methods.

Management receives quarterly capitalization rate and discount rate data from external chartered valuators and independent experts. The capitalization rate reports provide a range of rates for various geographic regions and for various types and qualities of properties within each region. The Trust utilizes capitalization and discount rates within ranges provided by external valuators. To the extent that the externally provided capitalization rate ranges change from one reporting quarter to the next or should another rate within the provided ranges be more appropriate than the rate previously used, the fair value of the investment properties would increase or decrease accordingly.

Same-property portfolio

The same-property portfolio includes all the properties owned by the Trust as at January 1, 2025 and still owned as at March 31, 2026, but does not include the financial impacts from dispositions, acquisitions and developments completed in 2025 and 2026, as well as the results of subsequently sold properties.

Cash net operating income (NOI) from the same-property portfolio

Cash net operating income (NOI) from the same-property portfolio provides an indication of the profitability of existing portfolio operations and the Trust's ability to increase its revenues and reduce its costs, excluding non-cash items. It is defined as rental revenue from properties from the same-property portfolio, less operating expenses of the same portfolio and less lease incentive amortization and straight-line lease adjustment.

Appendix 2 – Non-IFRS Financial Measures – Cash NOI Operating Segment and Quarterly Reconciliation

Cash net operating income (Cash NOI) [1]

The following table provides a reconciliation of cash NOI [1] with NOI for the period ended March 31, 2026, and March 31, 2025:

	Industrial	Suburban office	Necessity-based retail	Total
	$	$	$	$
Three-month period ended March 31, 2026				
Net operating income (NOI)	**5,483**	**7,538**	**4,757**	**17,778**
Lease incentive amortization	**203**	**493**	**153**	**849**
Straight-line lease adjustment	**(143)**	**(214)**	**(97)**	**(454)**
Cash net operating income (Cash NOI) [1]	**5,543**	**7,817**	**4,813**	**18,173**
Three-month period ended March 31, 2025				
Net operating income (NOI)	5,870	9,350	4,601	19,821
Lease incentive amortization	124	529	144	797
Straight-line lease adjustment	(175)	(201)	(5)	(381)
Cash net operating income (Cash NOI) [1]	5,819	9,678	4,740	20,237

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

The following table provides a reconciliation of cash NOI [1] with NOI for the last eight quarters:

	2026 Q-1	2025 Q-4	2025 Q-3	2025 Q-2	2025 Q-1	2024 Q-4	2024 Q-3	2024 Q-2
(in thousands of dollars, except for per unit)	**$**	$	$	$	$	$	$	$
Net Operating Income	**17,778**	18,238	19,866	17,129	19,821	19,082	18,753	18,856
Lease incentive amortization	**849**	852	854	836	797	966	807	704
Straight-line lease adjustment	**(454)**	(416)	(592)	1,500	(381)	(374)	(247)	(183)
Cash net operating income [1]	**18,173**	18,674	20,128	19,465	20,237	19,674	19,313	19,377

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Appendix 3 – Non-IFRS Financial Measures – FFO and AFFO 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:

	2026 Q-1	2025 Q-4	2025 Q-3	2025 Q-2	2025 Q-1	2024 Q-4	2024 Q-3	2024 Q-2
(in thousands of dollars, except for per unit)	**$**	$	$	$	$	$	$	$
Net income and comprehensive income (IFRS)	**8,361**	(932)	9,501	6,194	7,608	18,847	5,470	7,272
Fair value adjustment on investment properties	**-**	6,619	(1,269)	(700)	-	(9,975)	(283)	-
Fair value adjustment on Class B LP units	**(202)**	244	70	167	28	(174)	335	(21)
Amortization of lease incentives	**849**	852	854	836	797	966	807	704
Fair value adjustment on derivative financial instruments	**(1,177)**	581	140	(176)	868	(760)	2,168	379
Leasing payroll expenses	**529**	522	482	525	466	739	535	433
Distributions – Class B LP units	**52**	53	52	52	52	52	52	53
Unit-based compensation (Unit price remeasurement)	**184**	499	357	201	61	(39)	342	63
FFO [1]	**8,596**	8,438	10,187	7,099	9,880	9,656	9,426	8,883
Transaction costs on disposition of investment properties and mortgage early repayment fees	**192**	156	17	266	-	-	-	266
FFO Adjusted [1]	**8,788**	8,594	10,204	7,365	9,880	9,656	9,426	9,149
FFO per unit [1][2][3]	**9.7¢**	9.5¢	11.5¢	8.0¢	11.1¢	10.9¢	10.7¢	10.1¢
FFO Adjusted per unit [1][2][4]	**9.9¢**	9.7¢	11.5¢	8.3¢	11.1¢	10.9¢	10.7¢	10.4¢
FFO payout ratio [1]	**77.3%**	78.9%	65.2%	94.0%	67.4%	68.8%	70.0%	74.3%
FFO Adjusted payout ratio [1]	**75.8%**	77.3%	65.2%	90.6%	67.4%	68.8%	70.3%	72.2%

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) Including Class B LP units.
(3) The FFO per unit ratio is calculated by dividing the FFO [1] by the Trust's total weighted average number of units (including the Class B LP units).
(4) The FFO Adjusted per unit ratio is calculated by dividing the FFO Adjusted [1] by the Trust's total weighted average number of units (including the Class B LP units).

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Adjusted Funds from Operations (AFFO) [1]

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

	2026 Q-1	2025 Q-4	2025 Q-3	2025 Q-2	2025 Q-1	2024 Q-4	2024 Q-3	2024 Q-2
(in thousands of dollars, except for per unit)	$	$	$	$	$	$	$	$
FFO [1]	8,596	8,438	10,187	7,099	9,880	9,656	9,426	8,883
Straight-line rental revenue adjustment	(454)	(416)	(592)	1,500	(381)	(374)	(247)	(183)
Accretion of effective interest	431	458	383	367	580	402	391	361
Amortization of other property and equipment	19	69	37	17	18	21	17	17
Unit-based compensation expenses	(75)	180	(6)	159	133	247	19	(95)
Provision for non-recoverable capital expenditures [1]	(639)	(647)	(658)	(610)	(688)	(654)	(650)	(644)
Provision for unrecovered rental fees [1]	(375)	(375)	(375)	(375)	(375)	(375)	(375)	(375)
AFFO [1]	7,503	7,707	8,976	8,157	9,167	8,923	8,581	7,964
Transaction costs on disposition of investment properties and mortgage early repayment fees	192	156	17	266	-	-	-	267
AFFO Adjusted [1]	7,695	7,863	8,993	8,423	9,167	8,923	8,581	8,231
AFFO per unit [1][2][3]	8.4¢	8.7¢	10.1¢	9.2¢	10.3¢	10.1¢	9.7¢	9.1¢
AFFO Adjusted per unit [1][2][4]	8.6¢	8.8¢	10.1¢	9.5¢	10.3¢	10.1¢	9.7¢	9.4¢
AFFO payout ratio [1]	89.3%	86.2%	74.3%	81.8%	72.7%	74.5%	76.8%	82.9%
AFFO Adjusted payout ratio [1]	87.2%	85.2%	74.3%	79.2%	72.7%	74.5%	77.2%	80.2%

(1) This is a non-IFRS financial measure, refer to page 2 and 29.
(2) Including Class B LP units.
(3) The AFFO per unit ratio is calculated by dividing the AFFO [1] by the Trust's total weighted average number of units (including the Class B LP units).
(4) The AFFO Adjusted per unit ratio is calculated by dividing the AFFO Adjusted [1] by the Trust's total weighted average number of units (including the Class B LP units).

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

Appendix 4 – Non-IFRS Financial Measures – Adjusted EBITDA [1] Reconciliation

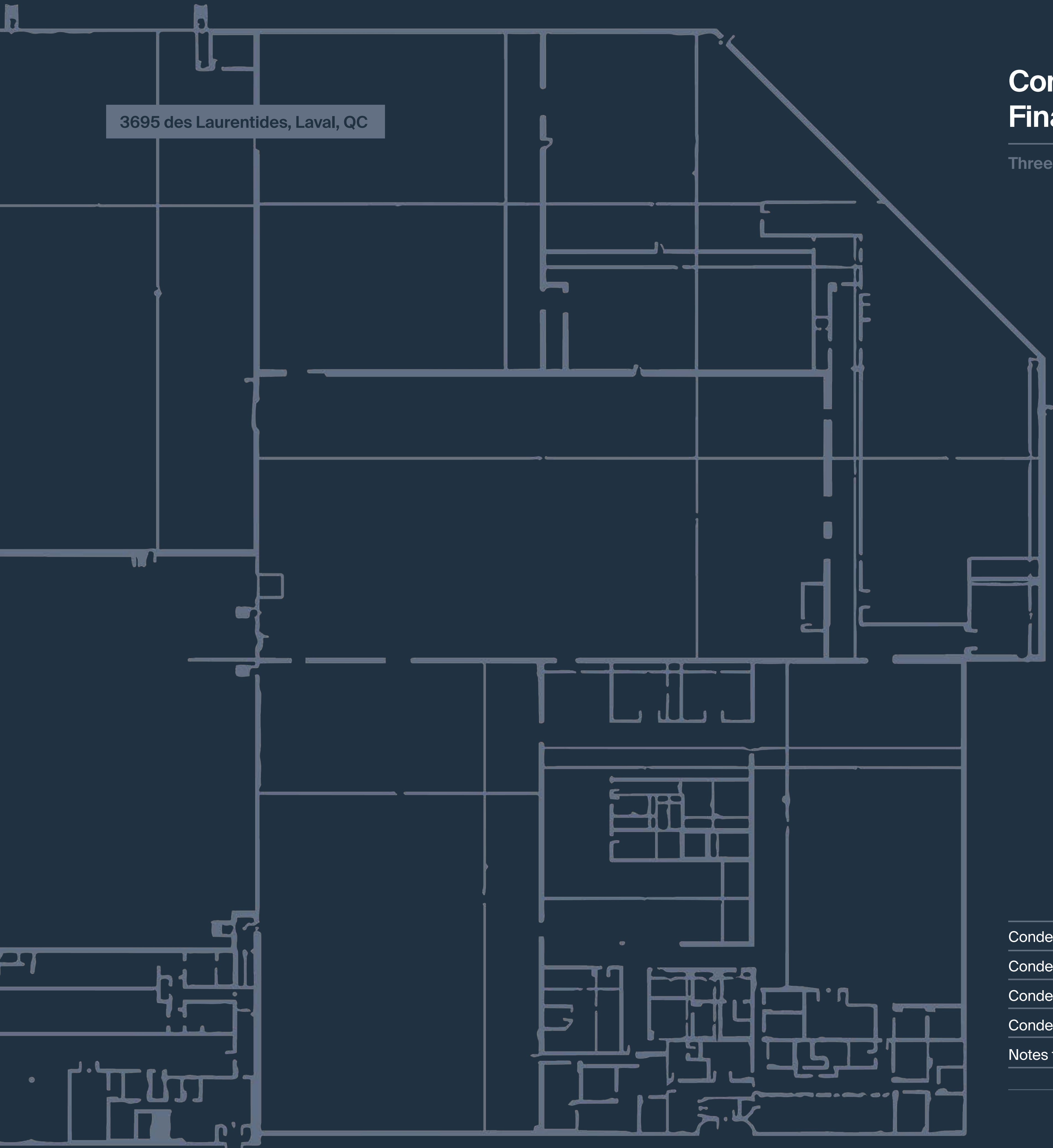
Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) [1]

The following table provides a reconciliation of net income and comprehensive income established in accordance with IFRS and Adjusted EBITDA [1] for the period ended March 31, 2026, and March 31, 2025:

Quarters ended March 31 (in thousands of dollars, except for per unit)	Three-month	
	2026	2025
	$	$
Net income being total comprehensive income for the period	8,361	7,608
Interest expense	8,525	8,656
Accretion of effective interest on mortgage loans and convertible debentures	431	580
Amortization of property and equipment	19	18
Lease incentive amortization	849	797
Fair value adjustment on investment properties	-	-
Fair value adjustment on derivative financial instruments	(1,177)	868
Fair value adjustment on Class B LP units	(202)	28
Unit-based compensation (Unit price remeasurement)	184	61
Transaction costs on acquisitions and dispositions of investment properties and early repayment fees	192	-
Straight-line lease adjustment	(454)	(381)
Adjusted EBITDA [1]	16,728	18,235

(1) This is a non-IFRS financial measure, refer to page 2 and 29.

(1) This is a non-IFRS financial measure, refer to page 2 and 29.



Condensed Consolidated Interim Financial Statements

Three-month period ended March 31, 2026

Condensed Consolidated Interim Statements of Financial Position

(Unaudited - in thousands of CAD dollars)

	Notes	As at March 31, 2026	As at December 31, 2025
		$	$
Assets			
Investment properties	3	1,239,849	1,217,957
Property and equipment		163	236
Prepaid expenses and deposits		7,575	3,451
Finance lease receivable		10,359	10,371
Receivables	4	8,399	5,481
Balance of sale	4	1,000	1,000
Cash and cash equivalents		1,448	5,432
Total assets		**1,268,793**	**1,243,928**
Liabilities and unitholders' equity			
Mortgage loans payable	5	660,811	641,450
Convertible debentures	6	35,584	35,341
Bank loans	7	37,233	34,456
Lease liabilities		8,918	8,929
Class B LP Units	8	2,650	2,852
Unit-based compensation	10	3,421	3,444
Derivative financial instruments	9	2,970	4,148
Trade and other payables		22,153	20,127
Distribution payable to unitholders		2,207	2,207
Total liabilities		**775,947**	**752,954**
Unitholders' equity		**492,846**	**490,974**
		1,268,793	**1,243,928**

See accompanying notes to condensed consolidated interim financial statements.

Approved by the Board on May 12, 2026.

Michel Léonard, Trustee

Jocelyn Proteau, Trustee

Condensed Consolidated Interim Statements of Comprehensive Income

(Unaudited - in thousands of CAD dollars)

	Notes	For the three-month periods ended March 31, 2026	2025
		$	$
Operating revenues			
Rental revenue	12	31,959	34,411
Operating expenses			
Public utilities and other operating expenses		7,207	7,468
Property taxes and insurance		6,974	7,122
		14,181	14,590
Net operating income		**17,778**	**19,821**
Financial income		265	427
Expenses			
Financial expenses		9,109	9,674
Distributions - Class B LP Units	8	52	52
Fair value adjustment – Class B LP Units	8	(202)	28
Net adjustment to fair value of derivative financial instruments		(1,177)	868
Net financial expenses	13	7,782	10,622
Administration expenses		1,708	2,018
Net change in fair value of investment properties and disposition expenses	3	192	-
Net income and comprehensive income for the period		**8,361**	**7,608**

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Changes in Unitholders' Equity

(Unaudited - in thousands of CAD dollars)

	Notes	Unitholders' contributions	Cumulative distribution	Cumulative comprehensive income	Total
Balance as at January 1, 2026		405,709	(280,793)	366,058	490,974
Issuance of units, net of issuance expenses	11	133	-	-	133
Distribution to unitholders	11	-	(6,622)	-	(6,622)
		405,842	(287,415)	366,058	484,485
Comprehensive income		-	-	8,361	8,361
Balance as at March 31, 2026		**405,842**	**(287,415)**	**374,419**	**492,846**
Balance as at January 1, 2025		**404,914**	**(254,319)**	**343,687**	**494,282**
Issuance of units, net of issuance expenses		667	-	-	667
Distribution to unitholders		-	(6,614)	-	(6,614)
		405,581	(260,933)	343,687	488,335
Comprehensive income		-	-	7,608	7,608
Balance as at March 31, 2025		**405,581**	**(260,933)**	**351,295**	**495,943**

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - in thousands of CAD dollars)

		For the three-month periods ended March 31,	
	Notes	2026	2025
		$	$
Operating activities			
Net income for the period		8,361	7,608
Adjusted for:			
Net change in fair value of investment properties and disposition expenses	3	192	-
Depreciation of property and equipment	14	19	18
Unit-based compensation	10	110	194
Straight-line lease adjustment	12	(454)	(381)
Lease incentive amortization	12	849	797
Financial income		(265)	(427)
Net financial expenses	13	7,782	10,622
		16,594	18,431
Adjustment for changes in other working capital items		(5,006)	(3,067)
Net cash from operating activities		**11,588**	**15,364**
Investing activities			
Acquisitions of investment properties net of mortgage loans assumed	3	(31,662)	-
Additions to investment properties and others	3	(2,325)	(2,493)
Construction on investment property	3	-	(101)
Net proceeds from dispositions of investment properties and transaction costs	3	1,857	-
Net cash from (used in) investing activities		**(32,130)**	**(2,594)**
Financing activities			
Mortgage loans, net of financing expenses		43,499	1,066
Repayment of mortgage loans		(14,791)	(4,874)
Bank loans		2,739	(10,063)
Lease liability payments		(11)	(5)
Net proceeds from convertible debentures		-	38,172
Repayment of convertible debenture	6	-	(19,917)
Net distribution to unitholders		(6,622)	(6,035)
Net distribution – Class B LP units	8	(52)	(52)
Interest paid		(8,204)	(8,083)
Net cash (used in) from financing activities		**16,558**	**(9,791)**
Net change in cash and cash equivalents		**(3,984)**	**2,979**
Cash and cash equivalents, beginning of period		**5,432**	**2,471**
Cash and cash equivalents, end of period		**1,448**	**5,450**

See accompanying notes to condensed consolidated interim financial statements.

Notes to Condensed Consolidated Interim Financial Statements

For the three-months ended March 31, 2026 and 2025
(Unaudited - in thousands of CAD dollars, except unit and per unit amounts)

1. Reporting Entity

BTB Real Estate Investment Trust (“BTB”) is an unincorporated open-ended real estate investment trust formed and governed under the Civil code of Quebec pursuant to a trust agreement and is domiciled in Canada. The address of BTB’s registered office is 1411 Crescent Street, Suite 300, Montreal, Quebec, Canada, H3G 2B2. The condensed consolidated interim financial statements of BTB for the three-month period ended March 31, 2026 and 2025 comprise BTB and its wholly-owned subsidiaries (together referred to as the “Trust”) and the Trust’s interest in joint operations.

2. Basis of Preparation

(a) Statement of compliance

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). They do not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the Trust’s consolidated financial statements for the year ended December 31, 2025.

The accounting policies applied by the Trust in these unaudited condensed interim financial statements are the same as those applied by the Trust in its consolidated financial statements for the year ended December 31, 2025.

These unaudited condensed consolidated interim financial statements were approved by the Board of Trustees on May 12, 2026.

(b) Functional and presentation currency

These unaudited condensed consolidated financial statements are presented in Canadian dollars, which is BTB’s functional currency. All financial information has been rounded to the nearest thousand, except per unit amounts.

(c) Use of estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the unaudited condensed consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Actual results may differ from these estimates, and the differences may be material.

3. Investment Properties

	Three-month period ended March 31,	Year ended December 31,
	2026	**2025**
	$	$
Balance beginning of period	1,217,957	1,233,282
Adjustments to right-of-use assets	-	295
Acquisitions of investment properties (note 3(a))	31,662	-
Dispositions of investment properties (note 3(b))	(11,700)	(19,715)
Construction on investment property	-	101
Capital expenditures	816	4,867
Capitalized leasing fees	166	2,345
Capitalized lease incentives	1,343	4,882
Lease incentives amortization	(849)	(3,339)
Straight-line lease adjustment	454	(111)
Net changes in fair value of investment properties	-	(4,650)
Balance end of period	**1,239,849**	**1,217,957**

On an annual basis, the Trust retains the services of independent external appraisers to evaluate the fair value of a significant portion of its portfolio. In addition, as part of acquisitions, financing, or refinancing transactions, or at the request of lenders, other properties are also independently appraised during the year. Management may also select properties based on its assessment of circumstances that in its view would require an independent external appraisal. These appraisers have appropriate professional qualifications and use recognized valuation techniques, comprising the discounted cash flow, the direct capitalization and comparable methods.

At March 31, 2026, no independent external appraisals were obtained for investment properties (December 31, 2025 - appraisals were obtained for investment properties having a total fair value of $702,785).

The fair value of the remaining investment properties is determined by management using internally generated valuations based on the discounted cash flow method.

In determining the fair value of investment properties, the Trust has adjusted cash flow assumptions for its estimate of near-term disruptions to cash flows to reflect collections, vacancy and assumptions on new leasing. The Trust undertook a process to assess the appropriateness of the rates considering changes to property level cash flows and any risk premium inherent in such cash flow changes. These considerations are reflected in the fair value adjustments of investment properties.

The fair value of investment properties is based on Level 3 inputs. There have been no transfers during the period between levels. The significant inputs used to determine the fair value of the Trust's investment properties are as follows:

	Industrial	Suburban office	Necessity-based retail
As at March 31, 2026			
Capitalization rate	5.50% - 7.50%	6.00% - 8.25%	5.75% - 7.50%
Terminal capitalization rate	5.75% - 8.00%	6.25% - 8.50%	6.00% - 7.75%
Discount rate	6.25% - 8.75%	6.75% - 9.00%	6.50% - 8.25%
Weighted average capitalization rate	6.23%	6.98%	7.00%
As at December 31, 2025			
Capitalization rate	5.50% - 7.50%	6.00% - 8.50%	5.75% - 7.75%
Terminal capitalization rate	5.75% - 8.00%	6.25% - 8.50%	6.00% - 8.00%
Discount rate	6.25% - 8.75%	6.75% - 9.00%	6.50% - 8.75%
Weighted average capitalization rate	6.18%	6.98%	7.03%

The following table provides a sensitivity analysis of the fair value of investment properties for changes in the weighted average capitalization rate as at March 31, 2026, which is representative of the sensitivity to changes in the discount rate and terminal capitalization rate as at March 31, 2026.

Capitalization rate sensitivity Increase (decrease)	Fair Value	Change in fair value
	$	$
(0.50) %	1,306,934	67,085
(0.25) %	1,288,425	48,576
Base rate	1,239,849	-
0.25 %	1,194,836	(45,013)
0.50 %	1,153,005	(86,844)

(a) Acquisitions

The fair value of the assets and liabilities recognized in the consolidated statement of financial position on the date of the acquisition during the three-month period ended March 31, 2026, were as follows:

Fair value recognized on acquisition						
Acquisition date	**Property type**	**Location**	**Interest acquired**	**Investment properties, including acquisition costs**	**Mortgage loan assumed**	**Net consideration**
			%	$	$	$
March 2026	Industrial	Edmonton, AB	100	31,662	-	31,662
Total				**31,662**	**-**	**31,662**

(b) Dispositions

The fair value of the assets and liabilities derecognized in the consolidated statement of financial position on the date of the disposition were as follows:

Disposal date	Property type	Location	Gross proceeds	Balance of sale	Mortgage reimbursement	Disposition expenses	Net proceeds
				$	$	$	$
March 2026	Office	Québec, QC	11,700	-	(9,651)	(192)	1,857
Total			**11,700**	**-**	**(9,651)**	**(192)**	**1,857**

(c) Net changes in fair value of investment properties and disposition expenses

Three-month periods ended March 31,	2026	2025
	$	$
Net changes in fair value of investment properties (loss)/gain	-	-
Disposition expenses	(192)	-
	(192)	**-**

The disposition expenses include mainly commissions and debt prepayment penalties on mortgage loans related to the disposed properties.

There were no changes in fair value of investment properties for the three-month period ended March 31, 2026, and March 31, 2025.

4. Receivables

	As at March 31, 2026	As at December 31, 2025
	$	$
Rents receivable	8,729	4,699
Allowance for expected credit losses	(1,651)	(1,683)
Net rents receivable	7,078	3,016
Unbilled recoveries	1,055	1,863
Other receivables	266	602
Total	**8,399**	**5,481**

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease commitments. The Trust mitigates this risk by varying its tenant mix, staggering its lease terms and avoiding dependence on a single tenant for a significant portion of the Trust's operating revenues. Management conducts due diligence on new tenants and if deemed necessary credit assessments for certain new tenants. The Trust analyzes its trade receivables on a regular basis and establishes an allowance for expected credit losses that represents its estimate of lifetime expected credit losses to be incurred in respect of its trade receivables. In assessing the adequacy of the allowance for expected credit losses on tenant receivables, management has considered the likelihood of collection of current receivables.

The Trust's assessment of expected credit losses is inherently subjective due to the forward-looking nature of the assessments. As a result, the value of the expected credit loss is subject to a degree of uncertainty and is made on the basis of assumptions.

Balance of sale

The balance of sale consists of a loan receivable due July 11, 2027, bearing interest at 5% annually for the term. The balance of sale as at March 31, 2026 is $1,000 (December 31, 2025 - $1,000).

5. Mortgage Loans Payable

Mortgage loans payable are secured by immovable hypothecs on investment properties having a fair value of approximately $1,196,431 as at March 31, 2026 (December 31, 2025 – $1,178,560).

	As at March 31,	As at December 31,
	2026	**2025**
	$	$
Fixed rate mortgage loans payable	552,301	538,918
Floating rate mortgage loans payable	111,058	105,026
Unamortized financing expenses	(2,548)	(2,494)
Mortgage loans payable	**660,811**	**641,450**
Short-term portion	200,196 [1]	214,892
Weighted average interest rate	4.41%	4.36%
Weighted average term to maturity (years)	2.23	2.33
Range of annual rates	3.20% - 6.44%	3.10% - 6.80%

(1) For the nine-month period remaining

As at March 31, 2026, the mortgage loan scheduled repayments are as follows:

	Scheduled repayments	Principal maturity	Total
	$	$	$
2026 [1]	12,284	187,912	200,196
2027	12,515	132,900	145,415
2028	8,400	84,100	92,500
2029	5,310	110,608	115,918
2030	3,318	36,743	40,061
Thereafter	6,001	63,268	69,269
	47,828	**615,531**	**663,359**
Unamortized financing expenses and fair value assumption adjustments			(2,548)
			660,811

(1) For the nine-month period remaining

The Trust may enter into floating-for-fixed interest rate swap agreements on floating interest rate mortgages to hedge the variability in cash flows attributed to fluctuating interest rates. The Trust does not apply hedge accounting to such cash flow hedging relationships (see Note 9). The following table presents relevant information on interest rate swap agreements:

Transaction date	Original principal amount	Effective fixed interest rate	Settlement basis	Maturity date	Outstanding amount	
					As at March 31, **2026**	As at December 31, **2025**
	$	%			$	$
June 2016	13,000	3.46	Quarterly	June 2026	9,375	9,473
November 2017	23,075	3.91	Monthly	December 2027	17,777	17,962
May 2024	16,860	6.44	Monthly	May 2029	16,333	16,410
June 2024	25,400	5.83	Monthly	June 2029	24,592	24,725
August 2024	23,132	3.97	Monthly	November 2027	20,808	21,032
September 2024	11,000	4.59	Monthly	September 2029	10,480	10,570
Total	**112,467**				**99,365**	**100,172**

6. Convertible Debentures

As at March 31, 2026 and 2025, the Trust had the following subordinated, unsecured, convertible debenture outstanding.

	Capital	Non-derivative liability component at issuance	Financing expenses at issuance	Interest rates		Unit conversion price	Interest payments	Maturity
				Coupon	Effective			
				%	%	$		
Series I	40,250	3,676	2,077	7.25	8.54	4.10	Semi-annual	February 2030

	Series I
	$
As at March 31, 2026	
Non-derivative liability component upon issuance	36,574
Accretion of non-derivative liability component	687
	37,261
Conversion options exercised by holders	-
	37,261
Unamortized financing expenses	(1,677)
Non-derivative liability component	**35,584**
Conversion and redemption options liability component at fair value	**2,524**

Series I

On January 23, 2025, the Trust issued Series I unsecured, subordinated, convertible debentures bearing 7.25% interest payable semi-annually and maturing on February 28, 2030, in the amount of $40,250. The debentures are convertible at the holder's option at any time before February 28, 2030, at a conversion price of $4.10 per unit.

The Series I debentures will not be redeemable before February 28, 2028, except in the case of a change in control. On or after February 28, 2028 and prior to February 28, 2029, under certain conditions, the debentures may be redeemed by the Trust at a redemption price equal to the principal amount plus accrued and unpaid interest, provided that the volume-weighted average trading price of the Units on the Toronto Stock Exchange for the 20 consecutive trading days ending on the fifth trading day preceding the date on which notice of redemption is given is at least 125% of the Conversion Price.

On or after February 28, 2029, and prior to February 28, 2030, under certain conditions, the debentures will be redeemable by the Trust, in whole or in part at any time and for a redemption price equal to the principal amount thereof plus accrued and unpaid interest. The Trust may, under certain conditions, elect to satisfy its obligation to pay the principal amount of the debentures that are to be redeemed or that have matured by issuing a number of units obtained by dividing the principal amount of the debentures by 95% of the current market price on the date of redemption or maturity.

As of March 31, 2026, no conversion options have been exercised by holders of debentures.

7. Bank Loans

The Trust has access to three credit facilities. The first is a revolving credit facility in the amount of $50,000 with an accordion option of up to an additional $10,000. This revolving credit facility bears interest at a rate of 1% above the prime rate or 2.25% above the Term CORRA Rate or Daily Compounded CORRA Rate. At March 31, 2026, $37,233 was due under the revolving credit facility (December 31, 2025, $31,856).

The revolving credit facility is secured by an immoveable first rank hypothec on two properties having a fair value of $39,394 and by negative pledge of a selection of borrowing base properties having a fair value of $385,718.

The second facility is a revolving line of credit in the amount of $7,500. This line of credit bears interest at a rate of 1% above the prime rate. At March 31, 2026, no amount was due under this line of credit (December 31, 2025 – $2,600). The line of credit is secured by an immoveable second rank hypothec on four properties having a fair value of $90,860.

The third facility is a revolving line of credit, unsecured in the amount of $2,000. This line of credit bears interest at a rate of 1% above the prime rate. At March 31, 2026, no amount was due under the operating line of credit (December 31, 2025 – $0).

8. Class B LP Units

	Three-month period ended March 31, 2026		Year ended December 31, 2025	
	Units	$	Units	$
Units outstanding, beginning of period	697,265	2,852	697,265	2,343
Fair value adjustment	-	(202)	-	509
Units outstanding, end of period	**697,265**	**2,650**	**697,265**	**2,852**

The Class B LP Units are exchangeable into Trust units on a one-for-one basis at any time at the option of the holder.

The Class B LP Units are entitled to distribution equal to distribution declared on Trust units, on a one-to-one basis. Distributions on Class B LP Units are recognized in the statement of comprehensive income when declared.

Three-month periods ended March 31,	2026	2025
	$	$
Distribution to Class B LP unitholders	52	52
Distribution per Class B LP unit	0.075	0.075

9. Fair Value Measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. They do not include the fair value of cash and cash equivalents, receivables, trade and other payables and distribution payable to unitholders, which approximated their carrying amount as at March 31, 2026, because of their short-term maturity or because they bear interest at current market rates.

As at March 31, 2026	Carrying amount			Fair value
		Level 1	Level 2	Level 3
	$	$	$	$
Measured at fair value				
Conversion and redemption options of convertible debentures (note 6)	2,524	-	-	2,524
Interest rate swap liability	446	-	446	-
Class B LP Units (note 8)	2,650	2,650	-	-
For which fair values are disclosed				
Mortgage loans payable (note 5)	663,359	-	656,215	-
Convertible debentures, including their conversion and redemption features (note 6)	38,108	42,705	-	-
Bank loans (note 7)	37,233	-	37,233	-

The fair value of mortgage loans payable was calculated by discounting cash flows from future payments of principal and interest using the period end market rates for various loans with similar risk and credit profiles. The period end market rates have been estimated by reference to published mortgage rates by major financial institutions for similar maturities.

The carrying amount of the bank loans approximates their fair value due to their short-term maturity.

The fair value of convertible debentures, including their conversion and redemption features, was determined with reference to the last quoted trading price preceding the period end.

The fair value of the Class B LP Units is determined with reference to the market price of the Trust units as at period end.

The fair values of derivative financial instruments, which comprise the conversion and redemption options of convertible debentures and interest rate swaps, are based respectively on the partial differential equation method and the discounted future cash flows method. The assumptions used in the partial differential equation method are estimated by reference to the market price of the Trust units and its volatility and take into account the credit risk of the financial instrument. The assumptions used in the discounted future cash flows method are estimated by reference to the Canadian Overnight Repo Rate Average ("CORRA") forward rates.

Such fair value estimates are not necessarily indicative of the amounts the Trust might pay or receive in actual market transactions. Potential transaction costs have also not been considered in estimating fair value.

The following table provides a reconciliation of Level 3 fair value measurements on the consolidated statements of financial position:

	Conversion and redemption options of convertible debentures (Assets) / Liabilities
	$
Three-months period ended March 31, 2026	
Balance beginning of period	3,377
Change for the period recognized in profit or loss under net adjustment to fair value of derivative financial instruments	(853)
Balance end of period	**2,524**

The following table provides a sensitivity analysis for the volatility applied in fair value measurement of the conversion and redemption options of convertible debentures at March 31, 2026:

	Conversion and redemption options of convertible debentures	Volatility
	$	%
Volatility sensitivity		
Increase (decrease)		
(0.50)%	2,395	17.42
March 31, 2026	2,524	17.92
0.50%	2,653	18.42

As shown in the sensitivity analysis above, the fair value of the conversion and redemption options of convertible debentures is impacted by a change in the volatility used in the valuation model. Generally, an increase in the volatility, other things being equal, will result in an increase in fair value of the conversion and redemption options of convertible debentures and vice-versa.

10. Unit-based Compensation

(a) Deferred unit compensation plan for trustees and certain executive officers

The Trust offers a deferred unit compensation plan for its trustees and certain executive officers. Under this plan, the trustees and certain executive officers may elect to receive as compensation either cash, deferred units, or a combination of both.

The following table presents relevant information on changes in the number of deferred units:

For the three-month period ended March 31,	2026	2025
	Deferred units	Deferred units
Outstanding, beginning of period	290,806	213,792
Trustees' compensation	13,830	15,324
Distributions paid in units	5,441	4,835
Outstanding, end of period	**310,077**	**233,951**

As at March 31, 2026, the liability related to the plan was $1,177 (December 31, 2025 - $1,190). The related figures recorded in the statement of comprehensive income amounted to a revenue of $12 for the three-month period ended March 31, 2026 (for the three-month period ended March 31, 2025 – expense of $79).

(b) Employee unit purchase plan

The Trust offers an optional employee unit purchase plan to all its employees. Under this plan, the employees may contribute, each year, pursuant to a maximum of 7% to 10% of their base salary depending on their position occupied within the Trust. For each two units purchased by an employee, the Trust issues one unit from treasury.

As at March 31, 2026, the liability related to the plan was $0 (December 31, 2025 - $123). The related expense recorded in the statement of comprehensive income amounted to $9 for the three-month period ended March 31, 2026 (for the three-month period ended March 31, 2025 - expense of $14). The 31,544 units related to 2025 purchases were issued in March 2026 (29,710 units related to 2024 purchases).

(c) Restricted unit compensation plan

The Trust offers a restricted unit compensation plan for all executive officers and key employees. Under this plan, the executive officers and key employees are eligible to receive restricted units.

The following table presents relevant information on changes in the restricted units:

Three-month period ended March 31,	2026	2025
	Restricted units	Restricted units
Outstanding, beginning of period	504,037	301,249
Cancelled	-	(8,181)
Outstanding, end of period	**504,037**	**293,068**

As at March 31, 2026, the liability related to the plan was $1,432 (December 31, 2025 - $1,289). The related expense recorded in the statement of comprehensive income amounted to $143 for the three-month period ended March 31, 2026 (for the three-month period ended March 31, 2025 – expense of $102).

(d) Cash settled share-based retirement compensation plan

As at March 31, 2026, the long-term obligation related to the plan was $812 (December 31, 2025 - $842). The related revenue recorded in the statement of comprehensive income amounted to $30 for the three-month period ended March 31, 2026 (for the three-month period ended March 31, 2025 – income of $2).

11. Trust Units Issued and Outstanding

BTB is authorized to issue an unlimited number of trust units. Each trust unit represents a single vote at any meeting of unitholders and entitles the unitholder to receive a pro rata share of all distributions. The unitholders have the right to require BTB to redeem their trust units on demand. Upon receipt of the redemption notice, all rights to and under the trust units tendered for redemption are surrendered and the holder thereof is entitled to receive a price per trust unit ("Redemption Price"), as determined by a market formula. The Redemption Price is to be paid in accordance with the conditions provided for in the Declaration of Trust. BTB trust units are considered liability instruments under IFRS because the trust units are redeemable at the option of the holder, however, they are presented as equity in accordance with IAS 32.

Trust units issued and outstanding are as follows:

Three-month period ended March 31,	2026	
	Units	$
Trust units outstanding, beginning of period	88,268,679	405,709
Issue pursuant to the employee unit purchase plan (note 10 (b))	31,544	133
Trust units outstanding, end of period	**88,300,223**	**405,842**

(a) Distribution reinvestment plan

BTB offers a distribution reinvestment plan for its trust unitholders. Participation in the plan is optional and under the terms of the plan, the unitholders can elect to have the cash distributions reinvested in additional trust units. The trust units are issued from BTB's treasury at a price based on the volume-weighted average of the trading prices on the Toronto Stock Exchange for the last five trading days before the distribution date, less a 3% discount. The distribution reinvestment plan was suspended on February 24, 2025.

(b) Distributions

Three-month periods ended March 31,	2026	2025
	$	$
Distribution to unitholders	6,622	6,614
Distribution per Trust unit	0.075	0.075

(c) Normal course issuer bid ("NCIB")

As of March 31, 2026, no units have been repurchased for cancellation.

12. Rental Revenues

Three-month periods ended March 31,	2026	2025
	$	$
Base rent and other lease generated revenues	19,418	20,183
Lease cancellation fees	-	981
Property tax and insurance recoveries	6,545	6,795
	25,963	27,959
Operating expenses recoveries and other revenues	6,391	6,868
Lease incentive amortization	(849)	(797)
Straight-line lease adjustment	454	381
	31,959	**34,411**

13. Net Financial Expenses

Three-month periods ended March 31,	2026	2025
	$	$
Interest on mortgage loans payable	7,194	7,301
Interest on convertible debentures	727	754
Interest on bank loans	486	475
Interest on lease liabilities	112	108
Other interest expense	6	18
Accretion of non-derivative liability component of convertible debentures	153	438
Accretion of effective interest on mortgage loans payable and convertible debentures	431	580
Distributions - Class B LP Units	52	52
Fair value adjustment – Class B LP Units	(202)	28
Net adjustment to fair value of derivative financial instruments	(1,177)	868
	7,782	**10,622**

14. Expenses by Nature

Three-month periods ended March 31,	2026	2025
	$	$
Depreciation	19	18
Employee compensation and benefits expense	2,823	2,740

15. Earnings per Unit

BTB's trust units being puttable financial instruments presented as equity in accordance with IAS 32, the Trust is not required to report a profit or loss per trust unit figure on its consolidated statements of comprehensive income. However, for disclosure purposes only, the Trust has determined basic earnings per unit using the same basis that would apply in accordance with IAS 33, *Earnings per Share*.

Net earnings per unit are calculated based on the weighted average number of trust units outstanding as follows:

Three-month periods ended March 31,	2026	2025
	$	$
Net income	8,361	7,608
Weighted average number of trust units outstanding – basic [1]	88,981,716	88,823,890
Earnings per unit – basic	**0.09**	**0.09**

(1) Class B LP Units included

16. Liquidity Risk Management

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they come due. Liquidity risk is managed by:

- maximizing cash flows from operations;
- adopting an investment property acquisition and improvement program that takes into account available liquidity;
- using credit facilities;
- staggering mortgage loan maturities;
- maximizing the value of investment properties, thus increasing mortgage financing on renewal of loans; and
- issuing debt securities or BTB's units on the financial markets.

Management believes that the Trust will be able to obtain the financing required to make the payments coming due in the next year. However, there is a risk that changes affecting market conditions and access to financing may invalidate this assumption.

Some mortgage loans include subjective and restrictive covenant clauses under which the Trust must comply with financial conditions and ratios. As at March 31, 2026, the Trust was in compliance with all the covenants to which it was subject.

17. Operating Segments

For investment properties, discrete financial information is provided to the Chief Executive Officer and Chief Financial Officer on an aggregated investment property basis. The information provided is net rentals (including gross rent and property expenses) and fair value of investment properties. The individual investment properties are aggregated into segments with similar economic characteristics. The Chief Executive Officer and Chief Financial Officer consider that this is best achieved by aggregating into necessity-based retail, suburban office and industrial.

Consequently, the Trust is considered to have three operating segments, as follows:

- Industrial
- Suburban office
- Necessity-based retail

	Industrial	Suburban office	Necessity-based retail	Total
	$	$	$	$
Three-month period ended March 31, 2026				
Investment properties	473,992	503,496	262,361	**1,239,849**
Rental revenue from properties	8,197	15,599	8,163	**31,959**
Net operating income	5,483	7,538	4,757	**17,778**
Three-month period ended March 31, 2025				
Investment properties	453,174	513,871	268,415	**1,235,460**
Rental revenue from properties	8,392	18,011	8,008	**34,411**
Net operating income	5,870	9,350	4,601	**19,821**

18. Commitments and Contingencies

Litigation

The Trust is involved in litigation and claims which arise from time to time in the normal course of business. These litigation and claims are generally covered by insurance. In the opinion of management, any liability that may arise from such contingencies will not have a significant adverse effect on the Trust's consolidated financial statements.

19. Subsequent Events

On April 30, 2026, the Trust acquired the remaining 50% interest in Huntington/BTB Montclair in Gatineau, Quebec, for $7,000, excluding transaction costs, resulting in the Trust holding a 100% interest in the property.

Corporate *Information*

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Listing
The units and debentures of
BTB Real Estate Investment Trust
are listed on the Toronto Stock Exchange
under the trading symbols: BTB.UN
BTB.DB.G
BTB.DB.H

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Annual General Meeting
June 16th, 2026, 11 a.m.
Mount Royal Club
1175 Sherbrooke Street West, Montréal