

## CANADIAN NET REIT ANNOUNCES 2025 SECOND-QUARTER RESULTS

– REIT also announces monthly distributions for Q4 2025 –

**Montréal (Québec), August 19, 2025** - Canadian Net Real Estate Investment Trust ("Canadian Net" or the "REIT") (TSX-V: NET.UN) today reported its results for the quarter ended June 30<sup>th</sup>, 2025 ("Q2 2025") and distributions for October, November and December 2025.

"We are pleased with our second quarter results, highlighted by an 8% year-to-date increase in FFO per unit<sup>1</sup>," said Kevin Henley, President and CEO. "This quarter reflects the full impact of our recently acquired properties, demonstrating the success of our disciplined growth strategy. Our ability to generate accretive results through our capital recycling program continues to strengthen the REIT and create value for our unitholders."

Our focused portfolio of single-tenant, triple-net, and necessity-based properties remains resilient and highly sought-after, as demonstrated by our continued 100% occupancy rate. In addition, our conservative payout ratio of 52% not only supports our recently announced distribution increase, but also provides room for further growth and long-term stability. Looking ahead, we remain confident in our ability to deliver sustainable performance and continue building on this solid foundation."

### RESULTS FOR Q2 2025

Canadian Net reported Funds from operations<sup>1</sup> ("FFO") of \$3.4 million, or \$0.166 per unit, an increase of 8% compared to \$3.2 million, or \$0.154 per unit, for the quarter ended June 30, 2024 ("Q2 2024").

Rental income was \$6.9 million in Q2 2025, an increase of 4.4% from Q2 2024. Net Operating Income<sup>1</sup> ("NOI") in Q2 2025 was \$5.0 million, an increase of 4.9% from Q2 2024, reflecting an increase in rental income due to property acquisitions.

The REIT generated a net loss attributable to unitholders of \$1.35 million in Q2 2025 compared to a net loss of \$8.92 million in Q2 2024.

### RESULTS FOR THE 6-MONTH PERIOD ENDED JUNE 30, 2025

Canadian Net reported FFO<sup>1</sup> of \$6.8 million, or \$0.330 per unit, an increase of 8% compared to \$6.3 million, or \$0.306 per unit for the 6-month period ended June 30, 2024.

Rental income was \$13.7 million for the 6-month period ended June 30, 2025, an increase of 4.6% from the same period in 2024. NOI<sup>1</sup> over the 6-month period ended June 30, 2025 was \$10.0 million, an increase of 4.1% from the same period in 2024, reflecting an increase in rental income due to property acquisitions.

The REIT generated a net income attributable to unitholders of \$8.8 million for the 6-month period ended June 30, 2025 compared to a net loss of \$7.7 million for the same period last year.

The increase in FFO<sup>1</sup> is derived from higher rental income from property acquisitions and lower interest charges on credit facilities. The increase in NOI<sup>1</sup> was mainly attributable to the increase in rental income from property acquisitions. Finally, the variance in net income attributable to unitholders is primarily attributable to the change in the fair value of investment properties.

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<sup>1</sup> Non-IFRS financial measure with no standardized IFRS meaning and may not be comparable to other issuers. Refer to the section "Non-IFRS financial measures".

## DISTRIBUTIONS

Canadian Net announced that it will make monthly cash distributions of \$0.02917 per unit, representing \$0.35 per unit on an annualized basis, on October 31<sup>st</sup>, November 28<sup>th</sup> and December 31<sup>st</sup>, 2025, to unitholders of record on October 15<sup>th</sup>, November 14<sup>th</sup> and December 15<sup>th</sup>, 2025, respectively.

The tables below represent other financial highlights and the reconciliations of certain non-IFRS measures for Q2 2025 and Q2 2024. This information should be read in conjunction with the Condensed Consolidated Interim Financial Statements and Management's Discussion & Analysis ("MD&A") for the quarters ended June 30<sup>th</sup>, 2025 and June 30<sup>th</sup>, 2024.

## SUMMARY OF SELECTED FINANCIAL INFORMATION

Periods ended June 30	6 months		Δ	%
	2025	2024		
<b>Financial info</b>				
Property rental income	13,734,937	13,133,535	601,402	5%
Net income and comprehensive income (loss)	8,832,067	(7,655,470)	16,487,537	(215%)
NOI <sup>(1)</sup>	10,005,893	9,613,679	392,214	4%
FFO <sup>(1)</sup>	6,790,199	6,293,681	496,518	8%
AFFO <sup>(1)</sup>	6,529,328	5,932,783	596,545	10%
EBITDA <sup>(1)</sup>	12,396,330	(4,050,096)	16,446,426	(406%)
Adjusted EBITDA <sup>(1)</sup>	9,777,061	9,494,836	282,225	3%
Investment properties	291,323,830	258,260,480	33,063,350	13%
Adjusted investment properties <sup>(1)</sup>	340,766,823	316,875,874	23,890,949	8%
Total assets	316,838,323	293,750,859	23,087,464	8%
Mortgages	143,165,499	128,394,304	14,771,195	12%
Current portion of mortgages and long-term debt	15,248,467	15,878,598	(630,131)	(4%)
Mortgages on investment properties held for sale	-	3,673,379	(3,673,379)	(100%)
Credit facilities	12,565,000	17,725,000	(5,160,000)	(29%)
Total convertible debentures	6,014,304	5,789,159	225,145	4%
Total equity	134,930,711	118,446,204	16,484,507	14%
Weighted average units o/s - basic	20,582,076	20,546,748	35,328	-
<b>Amounts on a per unit basis</b>				
FFO <sup>(1)</sup>	0.330	0.306	0.024	8%
AFFO <sup>(1)</sup>	0.317	0.289	0.028	10%
Distributions	0.173	0.173	-	-

(1) This is a non-IFRS financial measure with no standardized IFRS meaning and may not be comparable to other issuers. Refer to the sections "Non-IFRS financial measures".

## NON-IFRS FINANCIAL MEASURES

The Trust's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). In this press release, as a complement to results provided in accordance with IFRS, the Trust discloses and discusses certain non-IFRS financial measures: FFO, FFO per unit, AFFO, AFFO per unit, NOI, and Adjusted Investment Properties. These non-IFRS measures are not defined by IFRS, do not have a standardized meaning, and may not be comparable with similar measures presented by other issuers. Canadian Net has presented such non-IFRS measures as management of the Trust believes they are relevant measures of Canadian Net's underlying operating performance and debt management. Non-IFRS measures should not be considered as alternatives to net income, cash generated from (utilized in) operating activities, or comparable metrics determined in accordance with IFRS as indicators of the Trust's performance, liquidity, cash flow, and profitability. Information appearing in this news release is a select summary of results. This news release should be read in conjunction with the Condensed Consolidated Interim Financial Statements and MD&A for the Trust. Please refer to the "Non IFRS Financial Measures" section in Canadian Net's management's discussion and analysis for the period ended June 30, 2025, available under Canadian Net's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) for a full description of these measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS. Such explanation is incorporated by reference herein.

In addition, below are the reconciling tables for the non-IFRS measures used in this press release.

## Reconciliation of Investment Properties to Adjusted Investment Properties

As at June 30	2025	2024	Δ
<b>Investment Properties</b>			
Developed properties	291,323,830	258,260,480	13%
Investment properties held for sale	-	10,900,842	(100%)
<b>Joint Venture Ownership<sup>(1)</sup></b>			
Developed properties	47,550,096	45,587,872	4%
Properties under development	1,892,897	2,126,680	(11%)
<b>Adjusted Investment Properties<sup>(2)</sup></b>	<b>340,766,823</b>	<b>316,875,874</b>	<b>8%</b>

(1) Represents Canadian Net's proportionate share

(2) This is a non-IFRS financial measure with no standardized IFRS meaning and may not be comparable to other issuers. Refer to the section "Non-IFRS financial measures"

## Results of Operations

Periods ended June 30	3 months			6 months		
	2025	2024	Δ	2025	2024	Δ
Rental Income	6,885,960	6,593,938	292,022	13,734,937	13,133,535	601,402
Operating expenses	(1,856,432)	(1,798,446)	(57,986)	(3,729,044)	(3,519,856)	(209,188)
Net Operating Income <sup>(1)</sup>	5,029,528	4,795,492	234,036	10,005,893	9,613,679	392,214
Share of net income from investments in joint ventures	(195,866)	(501,516)	305,650	335,360	(288,579)	623,939
Change in fair values of investment properties	(3,932,846)	(11,029,390)	7,096,544	3,177,686	(12,458,999)	15,636,685
Unit-based compensation	(207,474)	(157,788)	(49,686)	(577,401)	(402,965)	(174,436)
Administrative expenses	(255,553)	(264,943)	9,390	(541,281)	(535,640)	(5,641)
Financial expenses	(1,786,982)	(1,758,431)	(28,551)	(3,568,190)	(3,582,966)	14,776
Net income (loss) attributable to unitholders	(1,349,193)	(8,916,576)	7,567,383	8,832,067	(7,655,470)	16,487,537
FFO <sup>(1)</sup>	3,412,036	3,166,760	8%	6,790,199	6,293,681	8%
FFO per unit <sup>(1)</sup>	0.166	0.154	8%	0.330	0.306	8%
Weighted avg. units o/s Basic	20,597,637	20,561,060	36,577	20,582,076	20,546,748	35,328

(1) This is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Refer to section "Non-IFRS financial measures"

## Reconciliation of Net Income to Funds from Operations

Periods ended June 30	3 months			6 months		
	2025	2024	Δ	2025	2024	Δ
Net income (loss) attributable to unitholders	(1,349,193)	(8,916,576)	7,567,383	8,832,067	(7,655,470)	16,487,537
Δ in value of investment properties	3,932,846	11,029,390	(7,096,544)	(3,177,686)	12,458,999	(15,636,685)
Δ in value of investment properties in joint ventures	621,585	913,157	(291,572)	558,833	1,110,687	(551,854)
Unit-based compensation	207,474	157,788	49,686	577,401	402,965	174,436
Δ fair value adjustments on derivative financial instruments	(676)	(18,253)	17,577	(416)	(24,754)	24,338
Income taxes	-	1,254	(1,254)	-	1,254	(1,254)
FFO <sup>(1)</sup>	3,412,036	3,166,760	8%	6,790,199	6,293,681	8%
FFO per unit <sup>(1)</sup>	0.166	0.154	8%	0.330	0.306	8%
Distributions	1,776,626	1,773,636	2,990	3,550,063	3,544,265	5,798
Distributions per unit	0.086	0.086	-	0.173	0.173	-
FFO per unit <sup>(1)</sup> - after distributions	0.080	0.068	18%	0.158	0.134	18%
Distributions as a % of FFO <sup>(1)</sup>	52%	56%	(4%)	52%	56%	(4%)
Weighted avg. units o/s Basic	20,597,637	20,561,060	36,577	20,582,076	20,546,748	35,328

(1) This is a non-IFRS financial measure with no standardized IFRS meaning and may not be comparable to other issuers. Refer to the section "Non-IFRS financial measures"

## Adjusted Funds from Operations

Periods ended June 30	3 months			6 months		
	2025	2024	Δ	2025	2024	Δ
FFO <sup>(1)</sup>	3,412,036	3,166,760	245,276	6,790,199	6,293,681	496,518
Straight-line rent adjustment <sup>(2)</sup>	(33,159)	(59,977)	26,818	(84,192)	(96,560)	12,368
Maintenance/cap-ex on existing properties	(148,501)	(256,021)	107,520	(176,679)	(264,338)	87,659
AFFO <sup>(1)</sup>	3,230,376	2,850,762	13%	6,529,328	5,932,783	10%
AFFO per unit <sup>(1)</sup>	0.157	0.139	13%	0.317	0.289	10%
Distributions per unit	0.086	0.086	-	0.173	0.173	-
AFFO per unit <sup>(1)</sup> - after distributions	0.071	0.052	36%	0.145	0.117	24%
Distributions as a % of AFFO <sup>(1)</sup>	55%	62%	(7%)	54%	60%	(6%)
Weighted avg. units o/s						
Basic	20,597,637	20,561,060	36,577	20,582,076	20,546,748	35,328

(1) This is a non-IFRS financial measure with no standardized IFRS meaning and may not be comparable to other issuers. Refer to the section "Non-IFRS financial measures"

(2) Adjusted for the proportionate share of equity-accounted investments

## Reconciliation of Net Income to EBITDA

Periods ended June 30	3 months			6 months		
	2025	2024	Δ	2025	2024	Δ
Net income (loss) attributable to unitholders	(1,349,193)	(8,916,576)	7,567,383	8,832,067	(7,655,470)	16,487,537
Net interest expense	1,786,637	1,775,105	11,532	3,564,263	3,604,120	(39,857)
Income taxes	-	1,254	(1,254)	-	1,254	(1,254)
EBITDA <sup>(1)</sup>	437,444	(7,140,217)	7,577,661	12,396,330	(4,050,096)	16,446,426
Δ in value of investment properties	3,932,846	11,029,390	(7,096,544)	(3,177,686)	12,458,999	(15,636,685)
Δ in value of investment properties in joint ventures	621,585	913,157	(291,572)	558,833	1,110,687	(551,854)
Δ in value of convertible debentures	(676)	(18,253)	17,577	(416)	(24,754)	24,338
Adjusted EBITDA <sup>(1)</sup>	4,991,199	4,784,077	4%	9,777,061	9,494,836	3%
Interest expense	1,883,651	1,903,883	(20,232)	3,733,809	3,825,547	(91,738)
Principal repayments	1,264,240	1,164,286	99,954	2,464,079	2,284,330	179,749
Debt service requirements	3,147,891	3,068,169	3%	6,197,888	6,109,877	1%
Interest coverage ratio based on adjusted EBITDA <sup>(1)</sup>	2.6x	2.5x	0.1x	2.6x	2.5x	0.1x
Debt service coverage based on adjusted EBITDA <sup>(1)</sup>	1.6x	1.6x	-	1.6x	1.6x	-

(1) This is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Refer to section "Non-IFRS financial measures"

## EARNINGS WEBCAST

Canadian Net will host a webcast on August 20<sup>th</sup>, at 9:00 a.m. (EST) to discuss the results.

The link to join the webcast is the following: <https://edge.media-server.com/mmc/p/kuetvksq>

**About Canadian Net** – Canadian Net Real Estate Investment Trust is an open-ended trust that acquires and owns high-quality triple net and management-free commercial real estate properties.

**Forward-Looking Statements** - This press release contains forward-looking statements and information as defined by applicable securities laws. Canadian Net warns the reader that actual events may differ materially from current expectations due to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from the results anticipated in such statements. Among these include the risks related to economic conditions, the risks associated with the local real estate market, the dependence on the financial condition of tenants, the uncertainties related to real estate activities, the changes in interest rates, the availability of financing in the form of debt or equity, the effects related to the adoption of new IFRS standards, as well as other risks and factors described from time to time in the documents filed by Canadian Net with securities regulators, including the management report. Canadian Net does not update or modify its forward-looking statements even if future events occur or for any other reason unless required by law or any regulatory authority.

Neither the TSX Venture Exchange Inc. nor its Regulatory Services Provider (as that term is defined in the Policy of the TSX Venture Exchange and its Regulatory Services Provider) accepts any responsibility for the adequacy or accuracy of this release.

The June 30, 2025, financial statements and management discussion & analysis of Canadian Net may be viewed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

For further information please contact Kevin Henley at (450) 536-5328.