

Management Discussion & Analysis

Q3 2025

Period ended September 30, 2025
Form 51-102F1

MANAGEMENT'S DISCUSSION & ANALYSIS

SCOPE OF ANALYSIS

This Management's Discussion and Analysis ("MD&A") of Canadian Net Real Estate Investment Trust ("Canadian Net" or the "Trust") aims to provide readers with an assessment of performance and to summarize the operating results and financial position for the 9-month period ended September 30, 2025. It should be read in conjunction with the Condensed Consolidated Interim Financial Statements for the period ended September 30, 2025 and the Condensed Consolidated Interim Financial Statements and MD&A for the period ended September 30, 2024. The financial data contained in this MD&A has been prepared in accordance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and all amounts are in Canadian dollars. You can find all copies of Canadian Net's recent financial reports on Canadian Net's website cnetreit.com and on sedarplus.ca.

Dated November 18, 2025, this MD&A reflects all significant information available as of that date and should be read in conjunction with the Condensed Consolidated Interim Financial Statements for the period ended September 30, 2025 and accompanying notes included in this report.

The audit committee reviewed the contents of this MD&A and the Condensed Consolidated Interim Financial Statements and the Trust's Board of Trustees has approved them.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Securities laws encourage companies to present forward-looking information to provide investors with a better understanding of the Trust's future prospects and help them make informed decisions. This MD&A contains forward-looking statements about the Trust's objectives, strategies, financial position, results of operations, cash flows and operations, which are based on management's current expectations, estimates and assumptions about the markets in which it operates.

Statements based on management's current expectations contain known and unknown inherent risks and uncertainties. Forward-looking statements may include verbs such as "believe," "anticipate," "estimate," "expect," "intend" and "assess" or related expressions, used in the affirmative and negative forms. These statements represent the Trust's intentions, plans, expectations, or beliefs and are subject to risks, uncertainties and other factors, many of which are beyond the Trust's control. Actual results may vary from expectations. The reader is cautioned not to place undue reliance on any forward-looking statements.

Please note that the forward-looking statements contained in this MD&A describe our expectations as at November 18, 2025.

NON-IFRS FINANCIAL MEASURES

This document contains various non-IFRS financial measures, which are used to explain the financial results of the Trust. The terms explained in this section do not have any standardized IFRS meaning and as such may not be comparable to other issuers.

Funds From Operations (FFO) is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. FFO is an industry term and its calculation is prescribed in publications of the Real Property Association of Canada (REALpac). FFO is calculated largely in accordance with the REALpac publication. FFO, as calculated by Canadian Net, is net income (determined in accordance with IFRS) exclusive of unit-based compensation, interest on the lease liability and unrealized changes in the fair value of investment properties, financial instruments, deferred income taxes and gains or losses on property dispositions. However, under REALpac guidance, only the remeasurement component of unit-based compensation should be added back to profit or loss to arrive at FFO. Unit-based compensation and unrealized changes in fair value of investment properties, deferred income taxes and gains or losses on property dispositions are excluded from net income to arrive at FFO because they are volatile and have no impact on cash and accordingly provide a more meaningful additional measure of the Trust's operating performance compared to profit determined in accordance with IFRS.

The Trust considers FFO a meaningful additional measure as it adjusts for certain non-cash items that do not necessarily provide an appropriate picture of a Trust's operating performance. It more reliably shows the impact on operations of trends in occupancy levels, rental rates, net property operating income and interest costs compared to profit determined in accordance with IFRS.

FFO is reconciled to net income and comprehensive income, which is the most directly comparable IFRS measure (refer to the *Reconciliation of Net Income to FFO* section).

Normalized FFO is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Normalized FFO starts with FFO and removes the impact of mortgage early repayment fees and sales tax expense.

The Trust considers Normalized FFO a meaningful additional measure as it adjusts for certain non-recurring items that do not necessarily provide an appropriate picture of a Trust's operating performance.

Normalized FFO is reconciled to net income and comprehensive income, which is the most directly comparable IFRS measure (refer to the *Reconciliation of Net Income to FFO* section).

FFO per unit is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Canadian Net calculates FFO per unit as FFO divided by the weighted average number of units outstanding. Management believes that FFO per unit is a useful measure of operating performance similar to FFO.

Normalized FFO per unit is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Canadian Net calculates Normalized FFO per unit as Normalized FFO divided by the weighted average number of units outstanding. Management believes that Normalized FFO per unit is a useful measure of operating performance similar to Normalized FFO.

Adjusted Funds From Operations (AFFO) is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. It is an industry term used to help evaluate the capacity to provide distributions to unitholders. AFFO is calculated largely in accordance with the REALpac publication. AFFO primarily adjusts FFO (as calculated by Canadian Net) for capital expenditures that preserve the existing rental stream and straight-line rent. Under REALpac guidance, only the remeasurement component of unit-based compensation should be added back to profit or loss to arrive at FFO and AFFO. Capital expenditures are subtracted from FFO to arrive at AFFO because they are expenditures that relate to sustaining and maintaining existing properties. These expenditures would normally be considered investing activities in the statement of cash flows. Straight line rent is also included as an adjustment to AFFO to better represent rent on a contractual and receivable basis.

The Trust considers AFFO to be a useful measure of recurring economic earnings and relevant in understanding its ability to service its debt, fund capital expenditures and provide distributions to unitholders.

AFFO is reconciled to net income and comprehensive income, which is the most directly comparable IFRS measure (refer to the *Adjusted Funds From Operations* section).

AFFO per unit is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Canadian Net calculates AFFO per unit as AFFO divided by the weighted average number of units outstanding. The Trust believes that AFFO per unit is a useful measure of operating performance similar to AFFO.

Net Operating Income (NOI) is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. NOI is an industry term in widespread use and is defined as total revenues less total operating expenses as shown in the consolidated statements of income and comprehensive income (property revenues less total property operating costs such as property taxes, utilities and insurance). The Trust includes NOI as a non-IFRS measure in its consolidated statement of income and comprehensive income.

The Trust considers NOI a meaningful additional measure of operating performance of property assets, prior to financing considerations.

NOI is reconciled to Rental income from investment properties, which is the most directly comparable IFRS measure (refer to the *Results of Operations* section).

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. EBITDA is defined as profit before net interest expense, interest on the lease liability and income tax expense because these items are non-operating in nature.

EBITDA is used in calculations that measure the Trust's ability to service debt.

EBITDA is reconciled to net income and comprehensive income, which is the most directly comparable IFRS measure (refer to the *Reconciliation of Net Income to EBITDA* section).

Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Adjusted EBITDA primarily adjusts EBITDA for change in fair value of investment properties, change in fair value of investment properties in joint ventures, change in fair value of convertible debentures, and change in fair value of warrants. The purpose is to allow the Trust to demonstrate how it services its debt by excluding the impacts of fair market gains and losses, which are volatile and have no impact on cash, and certain non-recurring items.

Adjusted EBITDA is used by the Trust to monitor its ability to satisfy and service its debt and to monitor requirements imposed by the Trust's lenders. Specifically, Adjusted EBITDA is used to monitor the Canadian Net's Interest Coverage Ratio based on adjusted EBITDA and Debt Service Coverage Ratio based on adjusted EBITDA.

Adjusted EBITDA is reconciled to net income and comprehensive income, which is the most directly comparable IFRS measure (refer to *Reconciliation of Net Income to EBITDA* section).

Adjusted Investment Properties is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Adjusted Investment Properties is defined as investment properties plus the Trust's proportionate share of developed properties and properties under development owned through joint ventures.

The Trust enters into joint arrangements via jointly controlled entities and/or through co-ownerships and accounts for its interest using the equity method of accounting. Accordingly, the Trust's share of investment properties held through these joint ventures is presented under investment in joint ventures on the balance sheet and not as part of investment properties. As such, the Trust believes that Adjusted Investment Properties is a useful measure as it provides a more accurate picture of the entire value of the Trust's portfolio.

Adjusted Investment Properties is reconciled to Investment Properties, which is the most directly comparable IFRS measure (refer to *Reconciliation of Investment Properties to Adjusted Investment Properties* section).

Distributable Income is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Distributable income is defined as FFO for interest on the lease liability, straight-line rent, distributions from joint ventures, periodic mortgage principal repayments and repayment of long-term debt. The Trust adjusts for these items because it provides a better picture of its distribution capacity and adjusts for other items that affect cash.

The Trust believes distributable income is useful to investors because it is an important measure of the Trust's distribution capacity.

Distributable income is reconciled to FFO and Cash flow from operating activities, which is the most directly comparable IFRS measure (refer to *Reconciliation of Cash Flow Provided from Operating Activities to Distributable Income and Distributions* section).

Distribution as % of FFO is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. It is calculated by dividing the per unit distribution of the period by the FFO per unit of the period.

It is a ratio which measures the sustainability of the Trust's distribution payout. Management believes this ratio is useful to investors since it provides transparency on performance and the overall management of the existing portfolio.

The Trust considers this non-IFRS ratio to be an important measure of the Trust's distribution capacity expressed as a percentage of FFO.

Distribution as % of Normalized FFO is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. It is calculated by dividing the per unit distribution of the period by the Normalized FFO per unit of the period.

It is a ratio which measures the sustainability of the Trust's distribution payout. Management believes this ratio is useful to investors since it provides transparency on performance and the overall management of the existing portfolio.

The Trust considers this non-IFRS ratio to be an important measure of the Trust's distribution capacity expressed as a percentage of Normalized FFO.

Distribution as % of AFFO is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. It is calculated by dividing the per unit distribution of the period by the AFFO per unit of the period.

It is a ratio which measures the sustainability of the Trust's distribution payout. Management believes this ratio is useful to investors since it provides transparency on performance and the overall management of the existing portfolio.

The Trust considers this non-IFRS ratio to be an important measure of the Trust's distribution capacity expressed as a percentage of AFFO.

The Debt Service Coverage Ratio based on Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. It is determined by the Trust as Adjusted EBITDA divided by the debt service requirements for the period, whereby the debt service requirements reflect principal repayments and interest expenses during the period. Payments related to prepayment penalties or payments upon discharge of a mortgage are excluded from the calculation.

The Debt Service Coverage Ratio is a useful measure and is used by the Trust's management to monitor the Trust's ability to meet annual interest and principal payments.

The Interest Coverage Ratio based on Adjusted EBITDA is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. The Trust calculates its Interest Coverage Ratio by dividing Adjusted EBITDA by the Trust's interest obligations for the period.

It is used by management in determining the Trust's ability to service the interest requirements of its outstanding debt.

The Debt to Total Assets Ratio is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. It is determined by the Trust as the sum of mortgages, long-term debt, current portion of mortgages and long-term debt, balance owing on credit facilities and convertible debentures divided by the total assets of the Trust.

Management uses this ratio to evaluate the leverage of the Trust and the strength of its equity position.

The Debt to Total Assets Ratio – Excluding Convertible Debentures is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. It is determined by the

Trust as the sum of mortgages, current portion of mortgages, long-term debts, and balance owing on credit facilities divided by the total assets of the Trust.

Management uses this ratio to evaluate the leverage of the Trust and the strength of its equity position assuming all convertible debentures were converted into units of the Trust.

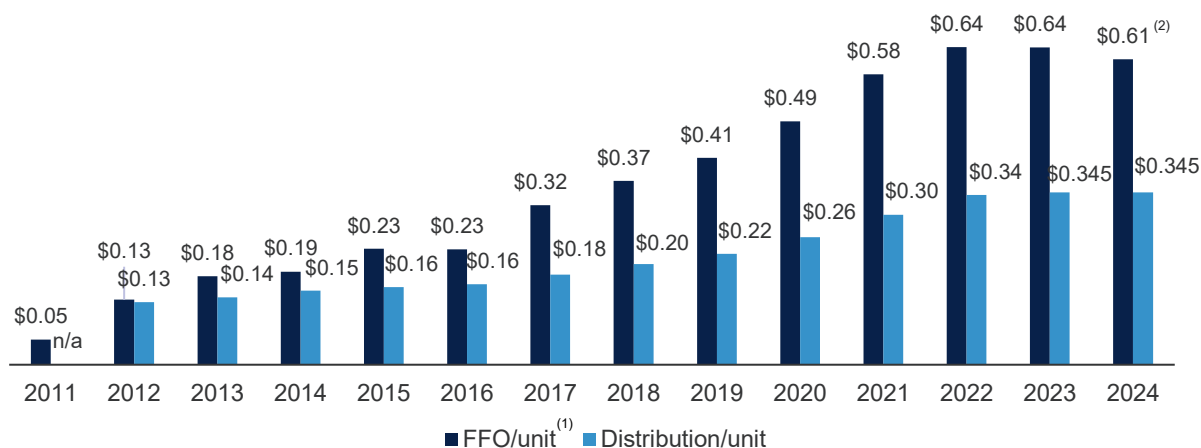
FFO, Normalized FFO, FFO per unit, Normalized FFO per unit, AFFO, AFFO per unit, NOI, EBITDA, Adjusted EBITDA, Adjusted Investment Properties, Distributable Income, Distributions as % of FFO, Distributions as % of Normalized FFO, Distributions as % of AFFO, the Debt Service Coverage Ratio based on Adjusted EBITDA, the Interest Coverage Ratio based on Adjusted EBITDA, the Debt to Total Assets Ratio and the Debt to Total Asset Ratio – Excluding Convertible Debentures are not defined by IFRS, and therefore should not be considered as alternatives to profit or net income calculated in accordance with IFRS.

SUMMARY OF SELECTED FINANCIAL INFORMATION

Periods ended September 30	9 months			
	2025	2024	Δ	%
Financial info				
Property rental income	20,651,186	19,337,096	1,314,090	7%
Net income and comprehensive income	11,690,874	5,315,339	6,375,535	120%
NOI ⁽¹⁾	15,055,315	14,166,312	889,003	6%
FFO ⁽¹⁾	10,168,070	9,102,645	1,065,425	12%
Normalized FFO ⁽¹⁾	10,168,070	9,310,559	857,511	9%
AFFO ⁽¹⁾	9,756,269	8,658,851	1,097,418	13%
EBITDA ⁽¹⁾	17,087,314	10,670,478	6,416,836	60%
Adjusted EBITDA ⁽¹⁾	14,743,962	13,739,618	1,004,344	7%
Investment properties	291,142,734	267,378,220	23,764,514	9%
Adjusted investment properties ⁽¹⁾	341,092,506	317,006,824	24,085,682	8%
Total assets	316,821,303	293,510,295	23,311,008	8%
Mortgages	144,430,085	126,895,706	17,534,379	14%
Current portion of mortgages	12,706,069	16,136,371	(3,430,302)	(21%)
Credit facilities	12,840,000	11,170,000	1,670,000	15%
Total convertible debentures	5,984,565	5,753,739	230,826	4%
Total equity	135,986,974	129,426,184	6,560,790	5%
Weighted average units o/s - basic	20,587,320	20,551,554	35,766	-
Amounts on a per unit basis				
FFO ⁽¹⁾	0.494	0.443	0.051	12%
Normalized FFO ⁽¹⁾	0.494	0.453	0.041	9%
AFFO ⁽¹⁾	0.474	0.421	0.053	13%
Distributions	0.259	0.259	-	-
Financial ratios				
Weighted avg. interest rate	4.02%	3.83%	0.19%	
Debt to total assets ⁽¹⁾	56%	54%	2%	
Debt to total assets - Excluding convertible debentures ⁽¹⁾	54%	53%	1%	
Interest coverage ratio based on adjusted EBITDA ⁽¹⁾	2.6x	2.4x	0.2x	
Debt service coverage ratio based on adjusted EBITDA ⁽¹⁾	1.6x	1.5x	0.1x	
Distributions as a % of FFO ⁽¹⁾	52%	58%	(6%)	
Distributions as a % of Normalized FFO ⁽¹⁾	52%	57%	(5%)	
Distributions as a % of AFFO ⁽¹⁾	55%	62%	(7%)	
Leasing information				
Occupancy	100%	100%	-	
Mix of tenancy based on NOI ⁽¹⁾				
National	91%	90%	1%	
Regional	7%	8%	(1%)	
Local	2%	2%	-	
Breakdown of NOI ⁽¹⁾ per property type				
Retail	66%	63%	3%	
National service-station and c-store chains	17%	20%	(3%)	
Quick Service Restaurants	14%	14%	-	
Other	3%	3%	-	
	100%	100%	-	
Number of properties	97	93	4	
Other				
Average term to maturity – mortgages (years)	3.4	4.1	(0.7)	
Average term to maturity – leases (years)	6.1	6.2	(0.1)	
IFRS capitalization rate	6.44%	6.42%	0.02%	

(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".

HISTORICAL FINANCIAL PERFORMANCE

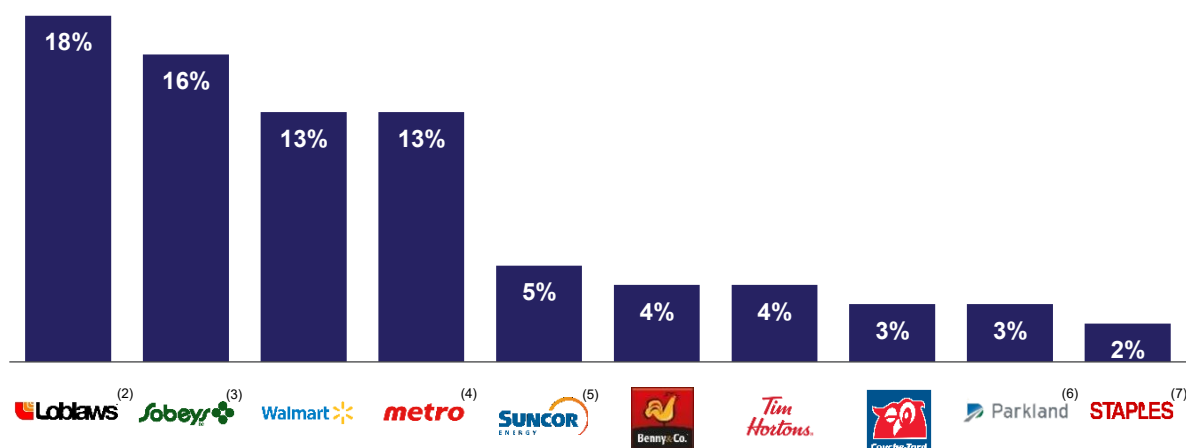


(1) This is a non-IFRS financial measure that does not have any standardized IFRS meaning and as such may not be comparable to other issuers. Refer to section "Non-IFRS financial measures".

(2) Normalized FFO per unit⁽¹⁾

TENANT OVERVIEW – PERIOD ENDED SEPTEMBER 30, 2025

TOP 10 TENANTS (81%)⁽¹⁾



Notes:

- (1) Based on NOI; Includes the Trust's proportionate share of NOI from properties held through joint ventures. NOI 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) Loblaw's operates Pharmaprix pharmacies and the Provigo, Maxi, Independent's and Atlantic Superstore grocery banners
- (3) Sobeys operates IGA grocery stores, Shell service-stations and Sobeys Fast Fuel service-stations
- (4) Metro operates grocery stores under the Metro, Super C and Food Basics banners and pharmacies under the Brunet and Jean Coutu banners
- (5) Suncor operates service-stations under the Petro-Canada banner
- (6) Parkland Corporation operates service-stations under the Ultramar and Esso banners
- (7) Staples operates the Bureau en Gros retail stores

BREAKDOWN OF PROPERTIES & OPERATING SECTORS

#	Address	City/Province	Type	Ownership	Area (sf)			Status
					Land	Building	CNET %	
1	196 Hôtel-de-Ville Blvd.	Rivière-du-Loup, QC	Gas, c-store	100%	14 K	2,400	2,400	Income producing
2	1349-1351 Road 117	Val-David, QC	QSR, gas, c-store	100%	36 K	4,748	4,748	Income producing
3	275 Barkoff St.	Trois-Rivières, QC	Gas, c-store	65%	60 K	2,400	1,560	Income producing
4	530 Barkoff St.	Trois-Rivières, QC	Gas, c-store	50%	30 K	2,641	1,321	Income producing
5	340-344 Montée du Comté	Les Coteaux, QC	QSR, gas, c-store	100%	67 K	8,071	8,071	Income producing
6	1440-50 St-Laurent East Blvd.	Louiseville, QC	QSR, gas, c-store	50%	115 K	6,132	3,066	Income producing
7	1460 St-Laurent East Blvd.	Louiseville, QC	QSR	50%	37 K	4,841	2,421	Income producing
8	490-494 De L'Atrium Blvd.	Québec City, QC	Gas, c-store	100%	34 K	6,574	6,574	Income producing
9	7335 Guillaume Couture Blvd.	Lévis, QC	QSR	100%	30 K	2,860	2,860	Income producing
10	1319 Brookdale Avenue	Cornwall, ON	QSR	100%	33 K	3,127	3,127	Income producing
11	4200 Bernard-Pilon St.	St-Mathieu de Beloeil, QC	Gas, c-store	100%	20 K	1,200	1,200	Income producing
12	1901 Raymond Blais St.	Sainte-Julie, QC	Gas, c-store	100%	27 K	1,392	1,392	Income producing
13	2000 Leonard de Vinci St.	Sainte-Julie, QC	QSR	100%	39 K	4,575	4,575	Income producing
14	2050 Leonard de Vinci St.	Sainte-Julie, QC	Gas	100%	86 K	1,255	1,255	Income producing
15	2051 Nobel St.	Sainte-Julie, QC	QSR	100%	50 K	5,975	5,975	Income producing
16	2871-2885 Des Prairies St.	Trois-Rivières, QC	QSR, gas, c-store	100%	60 K	6,662	6,662	Income producing
17	4932 Des Sources Blvd.	Pierrefonds, QC	QSR	100%	23 K	2,716	2,716	Income producing
18	314 De Montigny St.	St-Jérôme, QC	QSR	100%	24 K	2,832	2,832	Income producing
19	288 Valmont St.	Repentigny, QC	Gas, c-store	100%	22 K	2,400	2,400	Income producing
20	2439 Sainte-Sophie Blvd.	Sainte-Sophie, QC	Gas, c-store	95%	58 K	4,856	4,613	Income producing
21	2429 Sainte-Sophie Blvd.	Sainte-Sophie, QC	QSR	95%	45 K	3,710	3,525	Income producing
22	610 Saint-Joseph Blvd.	Gatineau, QC	Other	100%	13 K	3,372	3,372	Income producing
23	513 Des Laurentides Blvd.	Laval, QC	Other	100%	12 K	3,019	3,019	Income producing
24	4 North St.	Waterloo, QC	Gas, c-store	100%	14 K	2,845	2,845	Income producing
25	3355 de la Pérade St.	Quebec City, QC	Retail	100%	142 K	28,894	28,894	Income producing
26	2555 Montmorency Blvd	Quebec City, QC	Retail	100%	110 K	25,480	25,480	Income producing
27	3592 Laval St.	Lac Mégantic, QC	Gas, c-store	100%	20 K	1,777	1,777	Income producing
28	1730 Jules Vernes Ave.	Cap Rouge, QC	QSR	50%	38 K	4,100	2,050	Income producing
29	235 Montée Paiement	Gatineau, QC	Retail	100%	149 K	25,706	25,706	Income producing
30	510 Bethany Ave.	Lachute, QC	QSR, gas, c-store	50%	113 K	11,910	5,955	Income producing
31	1337 Iberville Blvd.	Repentigny, QC	Retail	100%	57 K	17,050	17,050	Income producing
32	222 St-Jean-Baptiste Blvd.	Mercier, QC	QSR, gas, c-store	82.5%	70 K	9,488	7,828	Income producing
33	230 St-Jean-Baptiste Boul.	Mercier, QC	QSR	82.5%	33 K	4,165	3,436	Income producing
34	101 Hébert St.	Mont-Laurier, QC	Retail	100%	350 K	37,530	37,530	Income producing
35	260-280 Mgr. Langlois Blvd.	Valleyfield, QC	QSR, gas, c-store	50%	107 K	10,114	5,057	Income producing
36	20 Frontenac Ouest Blvd.	Thetford Mines, QC	QSR	100%	30 K	2,400	2,400	Income producing
37	975 Wilkinson Ave.	Dartmouth, NS	QSR, gas, c-store	50%	85 K	7,975	3,988	Income producing
38	1501 Jacques Bedard St.	Quebec City, QC	Retail	100%	152 K	24,652	24,652	Income producing
39	852 Laure Blvd.	Sept Îles, QC	QSR	100%	28 K	3,239	3,239	Income producing
40	87-91 Starrs Road	Yarmouth, NS	Gas, c-store	100%	62 K	3,335	3,335	Income producing
41	4675 Shawinigan Sud Blvd.	Shawinigan, QC	QSR, gas, c-store	50%	101 K	7,126	3,563	Income producing
42	480 Bethany Ave.	Lachute, QC	Retail	100%	492 K	75,681	75,681	Income producing
43	484 Bethany Ave.	Lachute, QC	QSR	100%	32 K	3,037	3,037	Income producing
44	2077 Laurentides Blvd.	Laval, QC	Retail	100%	31 K	9,462	9,462	Income producing
45	111-117 Desjardins Blvd.	Maniwaki, QC	Retail	100%	45 K	16,085	16,085	Income producing
46	550 Lafèche Blvd.	Baie-Comeau, QC	Retail	100%	102 K	19,676	19,676	Income producing

Canadian Net Real Estate Investment Trust

#	Address	City/Province	Type	Ownership	Area (sf)			Status
					Land	Building	CNET %	
47	304 LaSalle Blvd.	Baie-Comeau, QC	QSR	100%	13 K	3,300	3,300	Income producing
48	35 route 201	Coteau-du-Lac, QC	QSR, gas, c-store	50%	31 K	4,500	2,250	Income producing
49	835 Lucien Chenier St.	Farnham, QC	QSR, gas, c-store	100%	89 K	7,000	7,000	Income producing
50	24 Milkana Way	Kenora, ON	Retail	100%	534 K	80,881	80,881	Income producing
51	1410 Principale St.	St-Etienne-des-Grès, QC	QSR, gas, c-store	75%	26 K	4,122	3,092	Income producing
52	2505 Saint-Louis St.	Gatineau, QC	Retail	100%	88 K	25,389	25,389	Income producing
53	124 Beech Hill Road	Antigonish, NS	QSR, gas, c-store	50%	176 K	4,040	2,020	Income producing
54	16670 Des Acadiens Blvd.	Bécancour, QC	QSR, gas, c-store	75%	14 K	3,600	2,700	Income producing
55	1875 Sainte-Marguerite St.	Trois-Rivières, QC	Gas, c-store	75%	19 K	2,400	1,800	Income producing
56	5100 Wilfrid Hamel Blvd.	Quebec City, QC	Gas, c-store	50%	26 K	3,077	1,539	Income producing
57	369 St-Charles St. West	Longueuil, QC	Gas, c-store	50%	15 K	2,578	1,289	Income producing
58	1305-1375 Sherbrooke St.	Magog, QC	QSR, gas, c-store	50%	38 K	8,900	4,450	Income producing
59	250 Saint-Antoine Nord St.	Lavaltrie, QC	Retail	100%	87 K	22,794	22,794	Income producing
60	524-534 Saint-Joseph Blvd.	Drummondville, QC	QSR	50%	26 K	7,684	3,842	Income producing
61	570 Saint-Joseph Blvd.	Drummondville, QC	QSR	50%	52 K	3,855	1,928	Income producing
62	491 Seigneuriale St.	Quebec City, QC	Retail	100%	103 K	21,303	21,303	Income producing
63	150 St-Alphonse Blvd.	Roberval, QC	Retail	100%	207 K	43,378	43,378	Income producing
64	15 McChesney Ave.	Kirkland Lake, ON	Retail	100%	200 K	45,157	45,157	Income producing
65	394 Westville Road	New Glasgow, NS	Retail	100%	487 K	90,800	90,800	Income producing
66	1225 Kings St.	Sydney, NS	Retail	100%	155 K	47,189	47,189	Income producing
67	476-478 Ch. Knowlton	Lac-Brome, QC	QSR, gas, c-store	100%	51 K	4,500	4,500	Income producing
68	14 Sunset Road	Pictou, NS	QSR, gas, c-store	50%	129 K	5,460	2,730	Income producing
69	7301 Laurier Blvd.	Terrebonne, QC	QSR	40%	35 K	3,885	1,554	Income producing
70	7751-7811 Roi-Rene Blvd.	Anjou, QC	QSR	40%	33 K	5,800	2,320	Under development
71	10 700 Ch. Cote-de-Liesse	Lachine, QC	Gas	100%	37 K	395	395	Income producing
72	860 d'Alma St.	Saguenay, QC	QSR	40%	40 K	3,885	1,554	Income producing
73	135 Barton St. East	Hamilton, ON	Retail	100%	153 K	37,509	37,509	Income producing
74	95-103 Water St. North	Cambridge, ON	Retail	100%	122 K	38,500	38,500	Income producing
75	107 Bridge St.	Dunnville, ON	Retail	100%	91 K	27,651	27,651	Income producing
76	199 Simcoe Ave.	Keswick, ON	Retail	100%	106 K	27,838	27,838	Income producing
77	1035 Wilfrid-Hamel Blvd.	Quebec City, QC	Retail	100%	98 K	27,400	27,400	Income producing
78	2 Saint-Martin St.	Bromont, QC	QSR	100%	6 K	5,703	5,703	Income producing
79	420 Serge Pepin St.	Beloeil, QC	QSR	40%	25 K	3,885	1,554	Income producing
80	110 Montée des Pionniers	Lachenaie, QC	QSR	40%	24 K	3,885	1,554	Income producing
81	160 Chem. Du Lac Millette	St-Sauveur, QC	QSR	40%	4 K	4,376	1,750	Income producing
82	3718 Harvey Blvd.	Saguenay, QC	QSR	40%	46 K	4,400	1,760	Income producing
83	10 Cambridge St.	Collingwood, ON	Retail	100%	496 K	111,118	111,118	Income producing
84	617 -639 Duvernay St.	Verchères, QC	Retail	100%	105 K	29,904	29,904	Income producing
85	320 Albiny-Paquette Blvd.	Mont-Laurier, QC	QSR	40%	68 K	3,885	1,554	Income producing
86	2085 Mellon Blvd.	Saguenay, QC	Retail	100%	159 K	38,064	38,064	Income producing
87	2095 Mellon Blvd.	Saguenay, QC	Other	100%	33 K	4,016	4,016	Income producing
88	46 Robie St.	Truro, NS	Retail	100%	163 K	30,500	30,500	Income producing
89	45 Albert Ferland St.	Chénéville, QC	Retail	100%	213 K	29,698	29,698	Income producing
90	110 Principale St.	St-André-Avellin, QC	Retail	100%	157 K	35,991	35,991	Income producing
91	1535 St-Antoine Blvd.	St-Jérôme, QC	Gas, c-store	100%	35 K	3,500	3,500	Income producing

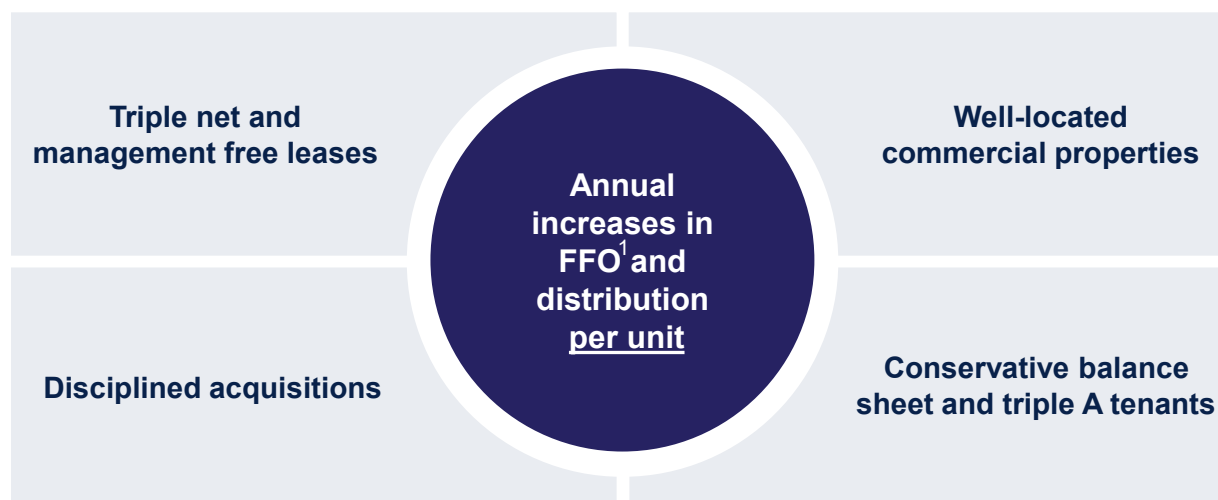
Canadian Net Real Estate Investment Trust

#	Address	City/Province	Type	Ownership	Area (sf)			Status
					Land	Building	CNET %	
92	1165 Smythe St.	Fredericton, NB	Other	100%	18 K	4,400	4,400	Income producing
93	41 St-Jean-Baptiste Blvd.	Chateauguay, QC	Retail	100%	217 K	53,151	53,151	Income producing
94	935 Prince St.	Truro, NS	Retail	100%	237 K	49,220	49,220	Income producing
95	150 6 th Street	La Baie, QC	Retail	100%	156 K	34,568	34,568	Income producing
96	170 6 th Street	La Baie, QC	Other	100%	50 K	11,000	11,000	Income producing
97	180 6 th Street	La Baie, QC	Retail	100%	35 K	4,519	4,519	Income producing
QSR: Quick Service Restaurant					8,824 K	1,520,038	1,445,983	

DESCRIPTION OF ACTIVITIES AND BUSINESS OVERVIEW

Canadian Net is an active Trust operating in the Canadian commercial real estate market. The Trust currently trades on the TSX Venture using the ticker symbol NET.UN. The Trust owns and rents commercial real estate properties directly, through its wholly-owned subsidiaries and joint ventures.

Prior to June 17, 2021, the Trust operated under the name of Fronsac Real Estate Investment Trust and ticker “FRO.UN”.



The principal registered and head office of the Trust is located at 106 Gun Avenue, Pointe Claire, QC, H9R 3X3.

As at September 30, 2025, the Trust held 97 investment properties, 80 residing in the province of Quebec, 8 in the province of Ontario, 8 in the province of Nova Scotia and 1 in the province of New Brunswick. The properties are occupied by 4 distinct groups of tenants composed of: (1) necessity-based retailers, (2) national service station and convenience store chains, (3) quick-service restaurant chains, and (4) others.

The quality of the properties in the portfolio allows Canadian Net to maintain a best-in-class occupancy level. As at September 30, 2025, the Trust's occupancy was at 100%.

The Trust management is entirely internalized, and no service agreements or asset management agreements are in force between Canadian Net and its officers and trustees. The Trust, therefore, ensures that the interests of management and of its employees are aligned with those of the unitholders.

These properties are leased to tenants on a management-free basis with triple net leases. Under this type of arrangement, the tenant is responsible for paying real estate taxes, insurance and any general maintenance required, in addition to the base rent already stipulated in the lease terms. These types of leases ensure stable recurring cash flows with an opportunity for growth.

OUTLOOK 2025

The Trust is constantly seeking commercial real estate properties with minimal management and triple-net leases. These types of acquisitions limit the overhead required to run the business and in turn, allow management to focus on adding value through strategic acquisitions that are accretive to the Trust's FFO¹ and AFFO per unit¹.

The Trust believes in a long-term growth strategy through acquiring properties that will increase its funds from operations per unit¹, distributions per unit and as a result increase total unitholders value.

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"

ANNUAL CASH DISTRIBUTION PER UNIT

► Growth in distributions of 180% since 2012

► Compounded annual growth rate : 8.2%



FINANCIAL HIGHLIGHTS

	2025			2024				2023
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Rental income	6,916,249	6,885,960	6,848,977	6,786,773	6,203,561	6,593,938	6,539,597	7,249,338
Net Operating Income ⁽¹⁾	5,049,422	5,029,528	4,976,365	4,750,890	4,552,633	4,795,492	4,818,187	4,888,779
Net income (loss)								
to unitholders	2,858,807	(1,349,193)	10,181,260	1,788,202	12,970,809	(8,916,576)	1,261,106	4,343,997
FFO ⁽¹⁾	3,377,871	3,412,036	3,378,163	3,252,599	2,808,963	3,166,760	3,126,921	3,335,581
Normalized FFO ⁽¹⁾	3,377,871	3,412,036	3,378,163	3,252,599	3,016,877	3,166,760	3,126,921	3,335,581
FFO per unit ⁽¹⁾	0.164	0.166	0.164	0.158	0.137	0.154	0.152	0.162
Normalized FFO per unit ⁽¹⁾	0.164	0.166	0.164	0.158	0.147	0.154	0.152	0.162
Value of investment								
properties (000's)	291,324	291,324	295,094	275,479	267,378	258,260	276,396	277,842
Adjusted investment								
properties (000's) ⁽¹⁾	341,093	340,767	344,782	325,033	317,007	316,876	329,721	331,143
Total assets (000's)	316,821	316,838	321,277	301,322	293,510	293,751	306,833	308,350
Total liabilities (000's)	180,834	181,908	183,220	171,881	164,084	175,305	177,696	178,863
Equity (000's)	135,987	134,931	138,057	129,441	129,426	118,446	129,136	129,487
Weighted avg. units o/s								
Basic (000's)	20,598	20,598	20,566	20,561	20,561	20,561	20,532	20,529

(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 the section "Non-IFRS financial measures"

RECONCILIATION OF INVESTMENT PROPERTIES TO ADJUSTED INVESTMENT PROPERTIES

As at September 30	2025	2024	Δ
Investment Properties			
Developed properties	291,142,734	267,378,220	9%
Joint Venture Ownership⁽¹⁾			
Developed properties	48,641,089	47,075,565	3%
Properties under development	1,308,683	2,553,039	(49%)
Adjusted Investment Properties⁽²⁾	341,092,506	317,006,824	8%

(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"

RECONCILIATION OF NET INCOME TO FFO

Periods ended September 30	3 months			9 months		
	2025	2024	Δ	2025	2024	Δ
Net income attributable to unitholders	2,858,807	12,970,809	(10,112,002)	11,690,874	5,315,339	6,375,535
Δ in value of investment properties	308,554	(9,045,962)	9,354,516	(2,869,132)	3,413,037	(6,282,169)
Δ in value of investment properties in joint ventures	(32,637)	(1,436,284)	1,403,647	526,196	(325,597)	851,793
Unit-based compensation	243,147	312,572	(69,425)	820,548	715,537	105,011
Δ fair value adjustments on derivative financial instruments	-	6,454	(6,454)	(416)	(18,300)	17,884
Income taxes	-	1,374	(1,374)	-	2,629	(2,629)
FFO ⁽¹⁾	3,377,871	2,808,963	20%	10,168,070	9,102,645	12%
Sales tax expense ⁽²⁾	-	117,150	(117,150)	-	117,150	(117,150)
Mortgage early repayment fee	-	90,764	(90,764)	-	90,764	(90,764)
Normalized FFO ⁽¹⁾⁽³⁾	3,377,871	3,016,877	12%	10,168,070	9,310,559	9%
FFO per unit ⁽¹⁾	0.164	0.137	20%	0.494	0.443	12%
Normalized FFO per unit ⁽¹⁾	0.164	0.147	12%	0.494	0.453	9%
Distributions	1,802,544	1,773,437	29,107	5,352,607	5,317,702	34,905
Distributions per unit	0.086	0.086	-	0.259	0.259	-
FFO per unit ⁽¹⁾ - after distributions	0.078	0.051	53%	0.235	0.184	28%
Normalized FFO per unit ⁽¹⁾ - after distributions	0.078	0.061	28%	0.235	0.194	21%
Distributions as a % of FFO ⁽¹⁾	52%	63%	(11%)	52%	58%	(6%)
Distributions as a % of Normalized FFO ⁽¹⁾	52%	59%	(7%)	52%	57%	(5%)
Weighted avg. units o/s						
Basic	20,597,637	20,561,060	36,577	20,587,320	20,551,554	35,766

(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) Sales tax expense related to input tax credits previously claimed on certain payments as well as related interest and penalties. Refer to Risks related to certain tax matters section.

(3) Normalized FFO adds back one-time sales tax expense related to input tax credits previously claimed on certain payments as well as related interest and penalties and mortgage early repayment fees. Refer to sections "Non-IFRS financial measures" and "Risks related to certain tax matters section".

ADJUSTED FUNDS FROM OPERATIONS

Periods ended September 30	3 months			9 months		
	2025	2024	Δ	2025	2024	Δ
FFO ⁽¹⁾	3,377,871	2,808,963	568,908	10,168,070	9,102,645	1,065,425
Straight-line rent adjustment ⁽²⁾	(40,653)	8,696	(49,349)	(124,845)	(87,864)	(36,981)
Maintenance/cap-ex on existing properties	(110,277)	(91,592)	(18,685)	(286,956)	(355,930)	68,974
AFFO ⁽¹⁾	3,226,941	2,726,067	18%	9,756,269	8,658,851	13%
AFFO per unit ⁽¹⁾	0.157	0.133	18%	0.474	0.421	13%
Distributions per unit	0.086	0.086	-	0.259	0.259	-
AFFO per unit ⁽¹⁾ - after distributions	0.071	0.047	51%	0.215	0.162	33%
Distributions as a % of AFFO ⁽¹⁾	55%	65%	(10%)	55%	62%	(7%)
Weighted avg. units o/s						
Basic	20,597,637	20,561,060	36,577	20,587,320	20,551,554	35,766

(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

CASH FLOW AND LIQUIDITY

Periods ended September 30	3 months			9 months		
	2025	2024	Δ	2025	2024	Δ
Cash flow from:						
Operating activities	2,714,908	2,402,103	312,805	8,895,903	7,357,866	1,538,037
Investing activities	(263,527)	10,558,191	(10,821,718)	(11,966,315)	12,678,590	(24,644,905)
Financing activities	(2,805,356)	(13,242,641)	10,437,285	3,009,411	(20,117,324)	23,126,735
Increase (decrease) in cash & cash equivalents	(353,975)	(282,347)	(71,628)	(61,001)	(80,868)	19,867
Cash & cash equivalents						
- Beginning of period	1,172,252	1,189,202	(16,950)	879,278	987,723	(108,445)
Cash & cash equivalents						
- End of period	818,277	906,855	(88,578)	818,277	906,855	(88,578)

The Trust's rental income revenues are used to pay down various working capital obligations. These funds are the primary source to fund mortgage/loan and other debt payments, with the residual used to fund distributions to unit holders.

For the 9-month period ended September 30, 2025, Canadian Net has increased its cash from operating activities, driven by the increase in rental income from acquired properties, lower interest charges on credit facilities, and by the timing of cash receipts related to the recoveries of operating expenses as well as payments of certain operating expenses.

Cash spent on investing activities in 2025 can be mainly attributed to property acquisitions, while cash generated by investing activities in 2024 is mainly attributable to property dispositions and distributions from joint ventures. For more details, please refer to Note 3 "Investment Properties", and Note 4 "Joint Arrangements" in the Financial Statements dated September 30, 2025.

For the 9-month period ended September 30, 2025, Canadian Net generated cash from financing activities. These amounts are the result of the money raised through new mortgages used to fund property acquisitions.

The Trust expects to be able to meet all its obligations as they become due in the short term and the long term. Canadian Net expects to have sufficient liquidity as a result of cash on hand, cash flow from operating activities, and operating facilities, the ability to refinance properties when required as well as the ability to raise equity and debt in the capital markets when deemed necessary.

RECONCILIATION OF CASH FLOW PROVIDED FROM OPERATING ACTIVITIES TO DISTRIBUTABLE INCOME AND DISTRIBUTIONS

Periods ended September 30	3 months			9 months		
	2025	2024	Δ	2025	2024	Δ
Cash flow provided						
from operating activities	2,714,908	2,402,103	312,805	8,895,903	7,357,866	1,538,037
Net change in non-cash asset and liability items	186,637	(53,712)	240,349	(42,624)	434,488	(477,112)
Income taxes	-	1,374	(1,374)	-	2,629	(2,629)
Straight-line rent adjustment ⁽³⁾	40,653	(27,396)	68,049	124,845	31,047	93,798
Δ in accrued interest	9,000	21,000	(12,000)	2,700	(3,700)	6,400
Δ in value of investment properties in joint ventures	(32,637)	(1,436,284)	1,403,647	526,196	(325,597)	851,793
Share of net income from investments in joint ventures ⁽²⁾	429,571	1,866,458	(1,436,887)	726,688	1,577,879	(851,191)
Unit-based compensation	-	-	-	20,000	77,243	(57,243)
Accretion of the non-derivative liability component of convertible debentures	29,739	35,420	(5,681)	(85,638)	(49,210)	(36,428)
FFO ⁽¹⁾	3,377,871	2,808,963	20%	10,168,070	9,102,645	12%
Straight-line rent adjustment ⁽³⁾	(40,653)	8,696	(49,349)	(124,845)	(87,864)	(36,981)
Distributions from joint ventures	12,750	10,500	2,250	788,000	536,500	251,500
Periodic mortgage principal repayments	(1,277,812)	(1,222,083)	(55,729)	(3,741,891)	(3,506,413)	(235,478)
Repayment of long-term debt	-	(30,000)	30,000	-	(45,000)	45,000
Distributable income ⁽¹⁾	2,072,156	1,576,076	32%	7,089,334	5,999,868	18%
Distributions to unitholders	(1,802,544)	(1,773,437)	(29,107)	(5,352,607)	(5,317,702)	(34,905)
Cash surplus after distributions	269,612	(197,361)	(237%)	1,736,727	682,166	155%

(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) Excludes straight-line rent in equity accounted investments

(3) Adjusted for proportionate share of equity accounted investments

RESULTS OF OPERATIONS

Periods ended September 30	3 months			9 months		
	2025	2024	Δ	2025	2024	Δ
Rental Income	6,916,249	6,203,561	712,688	20,651,186	19,337,096	1,314,090
Operating expenses	(1,866,827)	(1,650,928)	(215,899)	(5,595,871)	(5,170,784)	(425,087)
Net Operating Income ⁽¹⁾	5,049,422	4,552,633	496,789	15,055,315	14,166,312	889,003
Share of net income from investments in joint ventures	453,043	1,866,458	(1,413,415)	788,403	1,577,879	(789,476)
Change in fair values of investment properties	(308,554)	9,045,962	(9,354,516)	2,869,132	(3,413,037)	6,282,169
Unit-based compensation	(243,147)	(312,572)	69,425	(820,548)	(715,537)	(105,011)
Administrative expenses	(257,339)	(424,847)	167,508	(798,620)	(960,487)	161,867
Financial expenses	(1,834,618)	(1,756,825)	(77,793)	(5,402,808)	(5,339,791)	(63,017)
Net income attributable to unitholders	2,858,807	12,970,809	(10,112,002)	11,690,874	5,315,339	6,375,535
FFO ⁽¹⁾	3,377,871	2,808,963	20%	10,168,070	9,102,645	12%
FFO per unit ⁽¹⁾	0.164	0.137	20%	0.494	0.443	12%
Normalized FFO ⁽¹⁾	3,377,871	3,016,877	12%	10,168,070	9,310,559	9%
Normalized FFO per unit ⁽¹⁾	0.164	0.147	12%	0.494	0.453	9%
Weighted avg. units o/s						
Basic	20,597,637	20,561,060	36,577	20,587,320	20,551,554	35,766

(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 EBITDA

Periods ended September 30	3 months			9 months		
	2025	2024	Δ	2025	2024	Δ
Net income attributable to unitholders	2,858,807	12,970,809	(10,112,002)	11,690,874	5,315,339	6,375,535
Net interest expense	1,832,177	1,748,390	83,787	5,396,440	5,352,510	43,930
Income taxes	-	1,374	(1,374)	-	2,629	(2,629)
EBITDA ⁽¹⁾	4,690,984	14,720,573	(10,029,589)	17,087,314	10,670,478	6,416,836
Δ in value of investment properties	308,554	(9,045,962)	9,354,516	(2,869,132)	3,413,037	(6,282,169)
Δ in value of investment properties in joint ventures	(32,637)	(1,436,284)	1,403,647	526,196	(325,597)	851,793
Δ in value of convertible debentures	-	6,454	(6,454)	(416)	(18,300)	17,884
Adjusted EBITDA ⁽¹⁾	4,966,901	4,244,781	17%	14,743,962	13,739,618	7%
Interest expense	1,900,199	1,834,160	66,039	5,634,008	5,659,707	(25,699)
Principal repayments	1,277,812	1,222,083	55,729	3,741,891	3,506,413	235,478
Debt service requirements	3,178,011	3,056,243	4%	9,375,899	9,166,120	2%
Interest coverage ratio based on adjusted EBITDA ⁽¹⁾	2.6x	2.3x	0.3x	2.6x	2.4x	0.2x
Debt service coverage based on adjusted EBITDA ⁽¹⁾	1.6x	1.4x	0.2x	1.6x	1.5x	0.1x

(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"

RESULTS OF OPERATIONS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

For the quarter ended September 30, 2025, the Trust had rental income of \$6,916,249 (\$6,203,561 in Q3 2024). This increase in rental income is due to the addition of new properties and the increases in rent of certain existing properties. These rents are composed primarily of fixed monthly rents as well as variable rents based on gross sales for certain tenants.

The change in fair value of investment properties is based on the change in capitalization rates applied to each property's adjusted net operating income as well as post-acquisition adjustments (see *Significant Accounting Policies and Estimates* section for more details). As at September 30, 2025, the Trust has estimated that a 0.25% decrease in the capitalization rate applied to the overall portfolio would increase the fair value of the investment properties by approximately \$11,893,426 (\$10,509,026 in Q3 2024) while an increase of 0.25% in the capitalization rate would decrease the fair value of the investment properties by approximately \$10,976,303 (\$10,538,455 in Q3 2024). The weighted average capitalization rate used in the calculation of the fair value of investment property is 6.44% (6.42% in Q3 2024) while the range of capitalization rates used is 5.25% to 7.25% (4.75% to 7.25% in Q3 2024). The capitalization rates used in the calculation of the change in fair value of investment properties are provided by a third-party firm specializing in the appraisal of commercial properties. The adjusted rental income is adjusted to take into consideration provision for vacancies, administrative fees, structural reserves and discounts on variable income.

The Trust's operating expenses were mainly financial in nature and were almost entirely made up of interest on mortgages, line of credits and convertible debentures, which amounted to \$1,834,618 in Q3 2025 compared to \$1,756,825 in Q3 2024. This increase in net financial expenses is mainly due to higher interest charges on mortgage renewals and interest on new mortgages from property acquisitions, partially offset by lower interest charges on credit facilities.

For the quarter ended September 30, 2025, The Trust's administrative expenses were \$257,339 (\$424,847 in Q3 2024). The higher expenses in Q3 2024 were due to a one-time sales tax expense relating to previously claimed input tax credits as well as related interest and penalties, and higher legal and professional fees.

For the quarter ended September 30, 2025, the Trust recorded FFO¹ of \$3,377,871, or \$0.164 per unit, in comparison to \$2,808,963, or \$0.137 per unit in Q3 2024. Normalized FFO¹ for the quarter was \$3,377,871, or \$0.164 per unit, compared to \$3,016,877, or \$0.147 per unit for the same quarter last year. The increase in Normalized FFO¹ is derived from higher rental income from property acquisitions and lower interest charges on credit facilities, partially offset by interest on mortgages from property acquisitions. FFO¹ was also impacted by property dispositions in 2024.

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"

RESULTS OF OPERATIONS FOR THE 9-MONTH PERIOD ENDED SEPTEMBER 30, 2025

For the period ended September 30, 2025, the Trust had rental income of \$20,651,186 (\$19,337,096 for the same period in 2024). This increase in rental income is due to the addition of new properties and the increases in rent of certain existing properties. Rental income in 2024 was also impacted by property dispositions. These rents are composed primarily of fixed monthly rents as well as variable rents based on gross sales for certain tenants.

The change in fair value of investment properties is based on the change in capitalization rates applied to each property's adjusted net operating income as well as post-acquisition adjustments (see *Significant Accounting Policies and Estimates* section for more details).

The Trust's operating expenses were mainly financial in nature and were almost entirely made up of interest on mortgages, line of credits, convertible debentures and change in fair value of convertible debentures, which amounted to \$5,402,808 for the 9-month period ended September 30, 2025, compared to \$5,339,791 for the same period last year. This increase in net financial expenses is due to higher interest charges on mortgage renewals and interest on new mortgages from property acquisitions, partially offset by lower interest charges on credit facilities.

For the 9-month period ended September 30, 2025, The Trust's administrative expenses were \$798,620 (\$960,487 in 2024). The higher expenses for the 2024 period were due to a one-time sales tax expense relating to previously claimed input tax credits as well as related interest and penalties, and higher legal and professional fees.

For the period ended September 30, 2025, the Trust recorded FFO¹ of \$10,168,070, or \$0.494 per unit, in comparison to \$9,102,645, or \$0.443 per unit for the same period in 2024. Normalized FFO¹ for the quarter was \$10,168,070, or \$0.494 per unit, compared to \$9,310,559, or \$0.453 per unit for the same period in 2024. The increase in Normalized FFO¹ is derived from higher rental income from property acquisitions and lower interest charges on credit facilities, partially offset by higher interest charges on mortgages.

CAPITAL STRUCTURE

The real estate business requires capital in order to continue to fund acquisitions, which is a key part of growth and success. The Trust is authorized to issue an unlimited number of trust units. During the 9-month period ended September 30, 2025, the Trust issued units as follows:

On March 19, 2025, the Trust announced the issuance of 36,577 units of the Trust at a price of \$5.68 per unit, which equates to \$207,757, and 106,710 deferred trust units as partial compensation for the services rendered by certain employees, members of management and the board of trustees during the fiscal year ended on December 31st, 2024.

The issuance of the units and deferred trust units of Canadian Net constitutes a portion of salaries as per the Equity Incentive Plan approved by unitholders on May 25, 2022 (the "Equity Incentive Plan").

Canadian Net also announces the grant of 154,048 performance units ("Performance Units") to certain members of management under the Equity Incentive Plan. These units will vest in accordance with the criteria set forth in the Equity Incentive Plan and the achievement of performance targets set by the board of trustees.

On July 17, 2025, the Trust announces that it received approval from the TSX Venture Exchange ("TSX") for the annual renewal of its normal course issuer bid ("NCIB").

For its NCIB that expired on July 31, 2025, the Trust previously sought and received approval from the TSX to repurchase up to 1,028,053 units of Canadian Net (the "Units"). The Trust did not purchase any Units over the course of this NCIB.

Under the renewed NCIB, Canadian Net may purchase for cancellation, through the facilities of TSX Venture Exchange, other designated exchanges and/or alternative Canadian trading systems, if in the best interest of the Trust, a maximum of 1,029,881 Units, which represents approximately 5% of the units in circulation. As of July 17, 2025, the Trust had 20,597,637 Units issued and outstanding. Over the course of any 30-day period, the Trust will not purchase more than 411,952 Units in total, which represents 2% of the Units issued and outstanding on July 17, 2025.

All purchases and settlements of said securities are to be made through the facilities of TSX Venture Exchange, other designated exchanges and/or alternative Canadian trading systems in accordance with their rules and regulations. All

units redeemed by the Trust pursuant to the NCIB will be cancelled. National Bank Financial will be handling the offer on behalf of the Trust. The price paid by the Trust for the redemption of these units will be the price of the units at the time of acquisition. The renewed normal course issuer bid will begin on August 1, 2025, and will expire on July 31, 2026.

TRUST UNITS

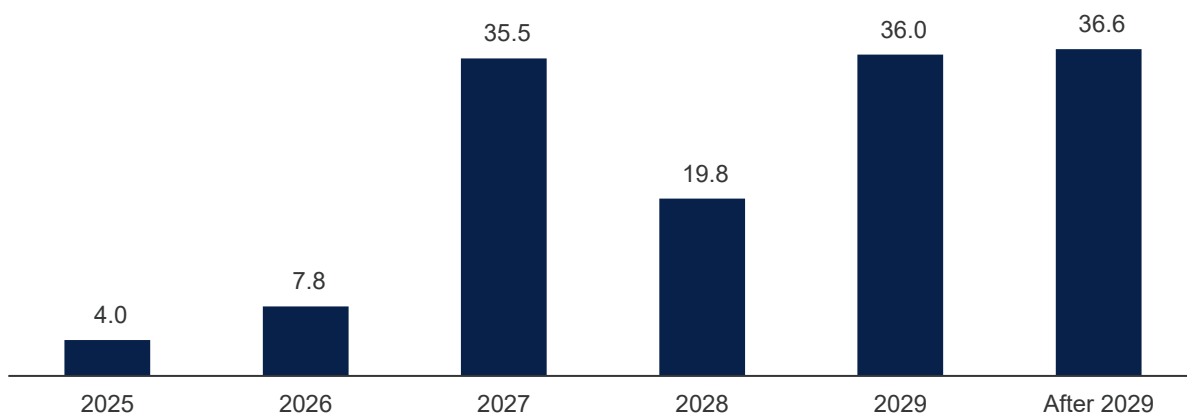
Units issued:	# of units	
Units as at December 31, 2023	20,528,502	
March 20, 2024 (units for service)	32,558	
Units as at December 31, 2024	20,561,060	
March 19, 2025 (units for service)	36,577	
Units as at September 30, 2025	20,597,637	
Potential dilutive impact of financial instruments as at September 30, 2025		Exercise price
Deferred Trust Units	206,069	N/A
Conversion of convertible debentures (in units)	738,007	\$8.13 per unit

Convertible debentures

As of September 30, 2025, the outstanding nominal value of convertible debentures is \$6,000,000, with a conversion price of \$8.13 per unit. There were no conversions during the 9-month period ended September 30, 2025.

The total number of units outstanding as at September 30, 2025 was 20,597,637.

MORTGAGE BALANCES DUE AT MATURITY (in \$M)



Maturity	2025	2026	2027	2028	2029	After 2029
Total due (\$):	4,010,904	7,780,755	35,524,834	19,837,992	35,958,128	36,574,796
Interest rate:	4.68% - 4.70%	3.70% - 6.99%	2.53% - 6.13%	2.31% - 6.37%	3.63% - 5.95%	3.80% - 5.76%
% of total debt:	2.9%	5.6%	25.4%	14.2%	25.7%	26.2%

Debts are composed of mortgages, loans, convertible debentures and secured credit facilities, and exclude Canadian Net's interest in mortgages and loans held through joint ventures.

As at September 30, 2025, the Trust had mortgages with Canadian financial institutions with a total carrying value of \$157,136,154 (\$148,374,136 at December 31, 2024). These mortgages require the Trust to make principal payments of \$118,613,302 over the next 5 year and \$38,522,852 thereafter. The mortgages outstanding currently have an average term to maturity of 3.4 years (3.9 years at December 31, 2024). Convertible debentures in circulation as at September 30, 2025 have a carrying value of \$5,984,565 (\$5,898,927 at December 31, 2024). The Trust currently has 2 secured lines of credit with authorized limits of \$13,160,000, \$3,500,000. These lines of credit have a balance of \$12,840,000 as at September 30, 2025 (\$13,240,000 at December 31, 2024).

Management believes that Canadian Net's blend of debt and equity in its capital base provides stability and reduces risk, while generating an acceptable return on investment. This complements the long-term business strategy of the Trust, which is to grow its presence in the commercial real estate market in Canada.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The preparation of the Trust's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of certain assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. The significant estimates and judgments include assessing the nature of an acquisition and whether it represents a business combination or an acquisition of assets and liabilities, whether a joint arrangement structured through a separate vehicle is a joint operation or a joint venture, the assessment of the fair values of investment properties and the assessment of the unit-based compensation and derivative financial instruments where the fair value cannot be derived from active markets.

One significant judgment and key estimate that affects the reported amounts of assets at the date of the consolidated financial statements and the reported amounts of profit or loss during the period relates to property valuations. Investment properties, which are carried on the consolidated statements of financial position at fair value, are valued by the Trust. The valuation of investment properties is one of the principal estimates and uncertainties of these financial statements. The valuations are based on a number of assumptions, such as appropriate discount rates and capitalization rates and estimates of future rental income, operating expenses and capital expenditures. These investment properties are sensitive to fluctuations in capitalization and discount rates. Investment properties are appraised primarily based on adjusted cash flows obtained from existing tenants since market participants focus more on expected income. The fair value of investment properties indicated in the consolidated financial statements has been calculated internally using the direct capitalization method based on rental income. This fair value has been calculated by using a capitalization rate, provided by qualified independent professional appraisers, and applied on adjusted rental income. Rental income is adjusted to take into consideration provisions for vacancies, administrative fees, structural reserves and discounts on variable income.

RISKS AND UNCERTAINTIES

All property investments are subject to a degree of risk and uncertainty. Property investments are affected by various factors including general economic conditions and local market circumstances. Local business conditions such as oversupply of space or a reduction in demand for space particularly affect property investments. As at September 30, 2025 the Trust held interests in 97 properties in Quebec, Ontario, Nova Scotia and New Brunswick, across 4 market segments. The Trust is exposed to credit risk, interest rate risk and liquidity risk. In order to limit the effects of changes in interest rates on its expenses and cash flows, the Trust constantly follows the evolution of the market interest rate risk and consequently determines the composition of its debts.

Credit Risk

Credit risk comes primarily from the potential inability of customers to discharge their rental obligations. Canadian Net strives to obtain rent payments every month to limit this risk while minimizing its receivable balance (\$963,695 at September 30, 2025 compared to \$1,023,750 as at December 31, 2024). The composition of this balance mostly includes major Canadian companies with small credit risk.

The Trust has a portfolio of loans receivable from joint venture partners. These loans are secured by interest in said joint ventures and underlying assets. As at September 30, 2025, loans receivable amount to \$3,901,700 (\$4,041,700 as at December 31, 2024).

Interest Rate Risk

Interest rate risk affects the Trust through its loans receivable, mortgages, long-term debt, and convertible debentures. These instruments bear fixed interest rates and as such expose the Trust to fair value risk. Lines of credit with a floating interest rate expose the Trust to a cash flow risk. If market conditions warrant, the Trust may attempt to renegotiate its existing debt to take advantage of lower interest rates. The Trust has an ongoing requirement to access debt makers and there is a risk that lenders will not refinance such maturing debt on terms and conditions acceptable to the Trust or on any terms at all. Each change of 1% of the interest rates would have an impact of \$421,476 on the financial expenses for the quarter.

Liquidity Risk

Liquidity risk is the risk of being unable to honour financial commitments by the deadlines set out under the terms of such commitments. Senior management manages the Trust's cash resources with respect to financial forecasts and anticipated cash flows.

The Trust has cash availability which allows it to control its current liquidity risks, mainly composed of accounts payable, current portion of mortgages and long-term debt.

Lease Roll-over Risk

Lease roll-over risk arises from the possibility that Canadian Net may experience difficulty renewing leases as they expire or in re-leasing space vacated by tenants. Canadian Net's principal management of occupancy risk is the skewing of tenancies towards national tenants, the signing of longer-term leases and significant pre-leasing of development space.

Development and Acquisition Risk

The Trust's external growth prospects will depend in large part on identifying suitable acquisition opportunities and conducting necessary due diligence. If the Trust is unable to manage its growth and integrate its acquisitions and developments effectively, its business operating results, and financial condition could be adversely affected. Developments and acquisitions may not meet operational or financial expectations due to unexpected costs or market conditions, which could impact the Trust's performance. An increase in interest rates could also adversely impact the Trust's ability to acquire and develop real estate that satisfies its investment criteria and as such, adversely impact the Trust's growth profile.

Environmental Risk

Canadian Net is subject to various laws relating to the environment which deal primarily with the costs of removal and remediation of hazardous substances such as petroleum products. Environmental risk is relevant to Canadian Net's ability to sell or finance affected assets and could potentially result in liabilities for the costs of removal and remediation of hazardous substances or claims against Canadian Net. Management is not aware of any material non-compliance with environmental laws or regulations with regard to Canadian Net's portfolio, or of any material pending or threatened actions, investigations or claims against Canadian Net relating to environmental matters. Canadian Net manages environmental exposures in a proactive manner by conducting thorough due diligence before the acquisition of each property and by taking environmental insurance coverage on properties where risk could potentially arise.

Status of the REIT

The Trust is required to comply with specific restrictions regarding its activities and the investments held by it in order to maintain its real estate investment trust status ("REIT"). Should the Trust cease to qualify as a REIT, the consequences could be material and adverse. As well, the Trust conducts its affairs in order to qualify as a REIT under applicable tax statutes so that it retains its status as a flowthrough vehicle for the particular year. Should the Trust not meet the conditions to qualify as a REIT in a particular year, it may be subject to tax similar to a corporation, which may have an adverse impact on it and its unitholders, on the value of the units and on its ability to undertake financings and acquisitions. This could also materially reduce its distributable cash. Management believes that it complies with the REIT rules.

Access to Capital

The Trust's growth prospects depend on its ability to access capital, mainly debt and equity. Adverse market conditions could lead to a negative capital markets environment in which the Trust might not be able to issue units, debentures or any other financial instruments in order to raise capital. Access to debt, mainly through mortgages, is also crucial for financing purposes, and the unavailability of the debt market would make it harder for Canadian Net to acquire real estate assets that satisfy its investment criteria.

Market events and conditions, including disruptions that sometimes affect international and regional credit markets and other financial systems and global economic conditions, could impede the Trust's access to capital (including debt financing) or increase the cost of such capital. Failure to raise or access capital in a timely manner or under favourable terms could have a material adverse effect on the Trust's financial position and results of operations, including on its acquisition and development plan and growth strategy.

Economic Environment Risk

The Trust is subject to risks resulting from uncertainty over the general business and economic conditions and their impacts on Canada. Uncertainty over whether the economy will be adversely affected by volatile energy costs, geopolitical issues, tariffs and volatility in the credit and capital markets could have an adverse effect on the Trust's tenants' ability to meet their rental payments, which could affect the financial condition and results of operations of the Trust.

The potential effects of recent U.S. announcements on tariffs for Canadian exports, along with Canada's retaliatory measures, remain uncertain. These tariffs could significantly impact the economy and heighten both the likelihood and severity of the other risks outlined.

Risks Related to Certain Tax Matters

During the year ended December 31, 2024, the Trust recorded an amount of \$117,150 in other expenses and \$217,392 in the statement of changes in equity which relate to previously claimed input tax credits as well as related interest and penalties for the 2020 to 2023 fiscal periods. Accordingly, The Trust filed a voluntary disclosure agreement with the Canada Revenue Agency with the assistance of expert consultants. The voluntary disclosure agreement is subject to audit from the Canada Revenue Agency and therefore the final amount could be different than the amount filed.

RELATED PARTY TRANSACTIONS

The loans receivable include an amount of \$190,000 (2024: \$190,000) due from officers of the Trust. The loans were granted for a term of 5 years, and bears interest at rates between the prescribed rate and prime plus 0.75% per annum. During the quarter ended September 30, 2025, interest income on the loans amounted to \$2,108 (Q3 2024: \$3,010) for which no amount is receivable as at September 30, 2025 (2024: nil).

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Officers and Trustees Compensation

Key management personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly. Key management personnel are comprised of the Trust's executive officers and Trustees and their compensation is as follows:

Period ended September 30	3 months		9 months	
	2025	2024	2025	2024
Salaries and benefits	96,477	88,539	285,877	260,289
Unit-based compensation	192,041	171,755	638,474	549,420
Total	288,518	260,294	924,351	809,709