CANADIANNET
REAL ESTATE INVESTMENT TRUST

Management Discussion & Analysis

Q3 2026
Period ended September 30, 2026
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, 2026. It should be read in conjunction with the Condensed Consolidated Financial Statements for the period ended September 30, 2026 and the Condensed Consolidated Financial Statements and MD&A for the period ended September 30, 2025. 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 17, 2026, this MD&A reflects all significant information available as of that date and should be read in conjunction with the Condensed Consolidated Financial Statements for the period ended September 30, 2026 and accompanying notes included in this report.

The audit committee reviewed the contents of this MD&A and the Condensed Consolidated 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 17, 2026.

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.

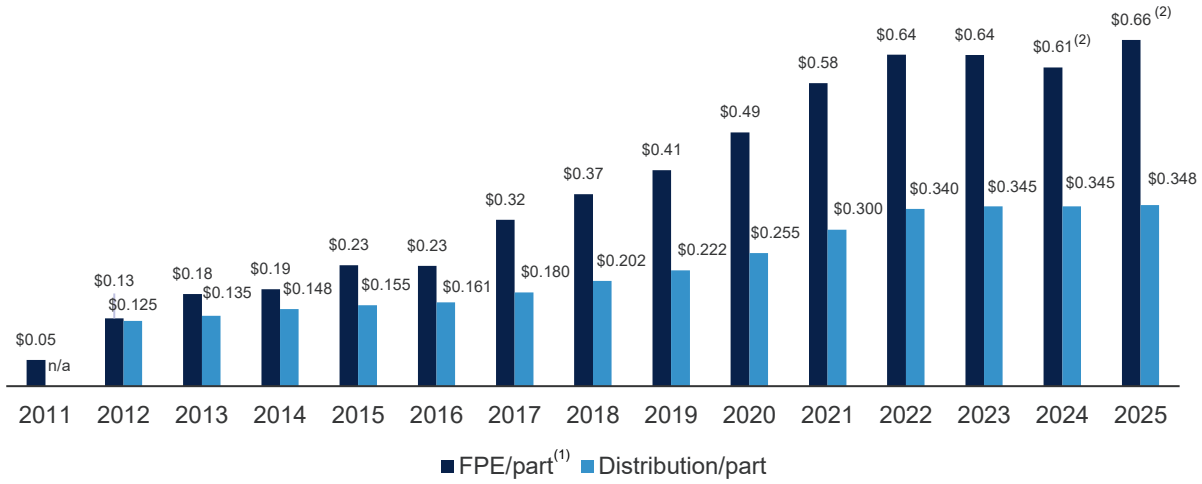
FFO, Normalized FFO, FFO per unit, Normalized FFO per unit, AFFO, AFFO per unit, NOI, EBITDA, Adjusted EBITDA, Adjusted Investment Properties, Distributable Income, Distributions as % of FFO, Distributions as % of Normalized FFO, Distributions as % of AFFO, the Debt Service Coverage Ratio based on Adjusted 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 2026	2025	Δ	%
Financial info				
Property rental income	21,190,003	20,651,186	538,817	3%
Net income and comprehensive income	15,293,317	11,690,874	3,602,443	31%
NOI [1]	15,265,492	15,055,315	210,177	1%
FFO [1]	10,479,913	10,168,070	311,843	3%
Normalized FFO [1]	10,479,913	10,168,070	311,843	3%
AFFO [1]	9,798,938	9,756,269	42,669	-
EBITDA [1]	20,537,760	17,087,314	3,450,446	20%
Adjusted EBITDA [1]	14,665,438	14,743,962	(78,524)	(1%)
Investment properties	302,340,061	291,142,734	11,197,327	4%
Adjusted investment properties [1]	354,836,823	341,092,506	13,744,317	4%
Total assets	331,089,647	316,821,303	14,268,344	5%
Mortgages	138,376,710	144,430,085	(6,053,375)	(4%)
Current portion of mortgages	21,510,621	12,706,069	8,804,552	69%
Credit facilities	11,325,000	12,840,000	(1,515,000)	(12%)
Total convertible debentures	3,916,860	5,984,565	(2,067,705)	(35%)
Total equity	149,179,887	135,986,974	13,192,913	10%
Weighted average units o/s - basic	20,619,313	20,587,320	31,993	-
Amounts on a per unit basis				
FFO[1]	0.508	0.494	0.014	3%
Normalized FFO[1]	0.508	0.494	0.014	3%
AFFO[1]	0.475	0.474	0.001	-
Distributions	0.265	0.260	0.005	2%
Financial ratios				
Weighted avg. interest rate	4.09%	4.02%	0.07%	
Debt to total assets[1]	53%	56%	(3%)	
Debt to total assets - Excluding convertible debentures[1]	52%	54%	(2%)	
Interest coverage ratio based on adjusted EBITDA[1]	2.7x	2.6x	0.1x	
Debt service coverage ratio based on adjusted EBITDA[1]	1.6x	1.6x	-	
Distributions as a % of FFO[1]	52%	53%	(1%)	
Distributions as a % of Normalized FFO[1]	52%	53%	(1%)	
Distributions as a % of AFFO[1]	56%	55%	1%	
Leasing information				
Occupancy	100%	100%	-	
Mix of tenancy based on NOI[1]				
National	92%	91%	1%	
Regional	7%	7%	-	
Local	1%	2%	(1%)	
Breakdown of NOI[1] per property type				
Retail	66%	66%	-	
National service-station and c-store chains	17%	17%	-	
Quick Service Restaurants	14%	14%	-	
Other	3%	3%	-	
	100%	100%	-	
Number of properties	98	97	1	
Other				
Average term to maturity – mortgages (years)	2.9	3.4	(0.5)	
Average term to maturity – leases (years)	5.5	6.1	(0.6)	
IFRS capitalization rate	6.38%	6.44%	(0.06%)	

(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”.

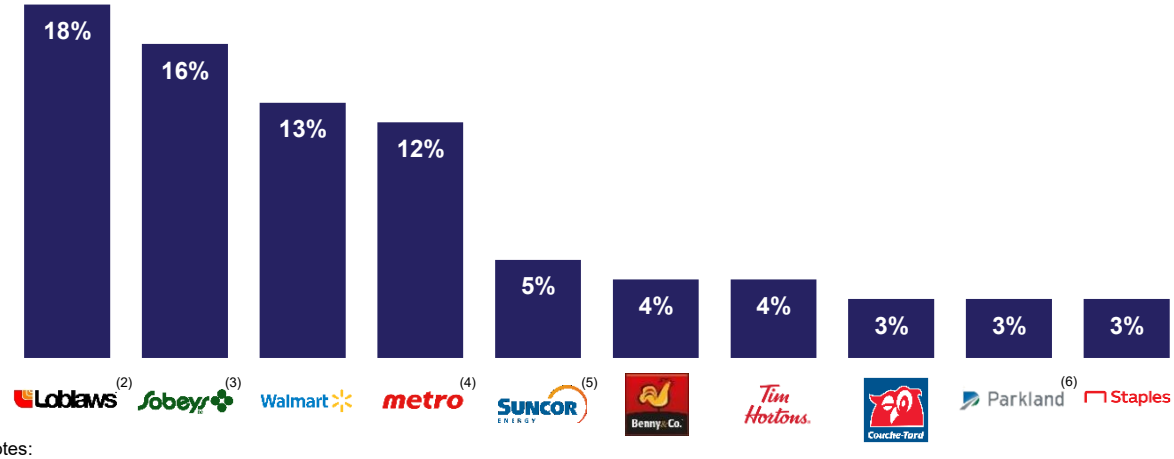
HISTORICAL FINANCIAL PERFORMANCE



(1) This is a non-IFRS financial measure that does not have any standardized IFRS meaning and 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, 2026

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) Loblaws 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

BREAKDOWN OF PROPERTIES & OPERATING SECTORS

					Area (sf)			
#	Address	City/Province	Type	Ownership	Land	Building	CNET %	Status
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 Iles, 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 Laflèche Blvd.	Baie-Comeau, QC	Retail	100%	102 K	19,676	19,676	Income producing

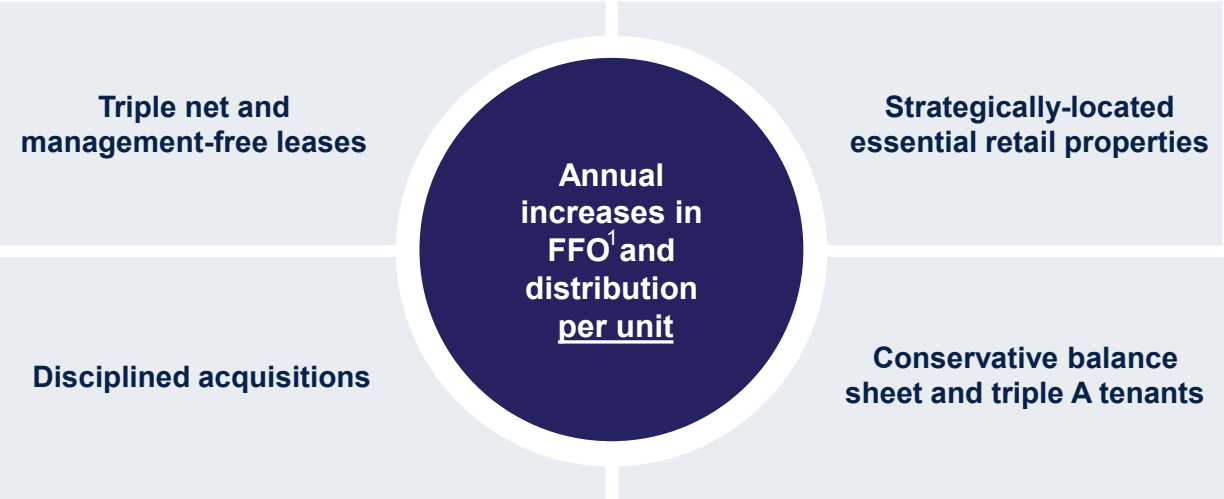
#	Address	City/Province	Type	Ownership	Area (sf)			Status
					Land	Building	CNET %	
47	304 LaSalle Blvd.	Baie-Comeau, QC	QSR	100%	13 K	3,300	3,300	Income producing
48	35 route 201	Coteau-du-Lac, QC	QSR, gas, c-store	50%	31 K	4,500	2,250	Income producing
49	835 Lucien Chenier St.	Farnham, QC	QSR, gas, c-store	100%	89 K	7,000	7,000	Income producing
50	24 Miikana 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

#	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 6th Street	La Baie, QC	Retail	100%	156 K	34,568	34,568	Income producing
96	170 6th Street	La Baie, QC	Other	100%	35 K	4,519	4,519	Income producing
97	180 6th Street	La Baie, QC	Retail	100%	50 K	11,000	11,000	Income producing
98	250 Hôtel-de-Ville Blvd.	Rivière-du-Loup, QC	Retail	100%	96 K	19,992	19,992	Income producing
QSR: Quick Service Restaurant					**8,920 K**	**1,540,030**	**1,465,975**	

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, 2026, the Trust held 98 investment properties, 81 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, 2026, 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 2026

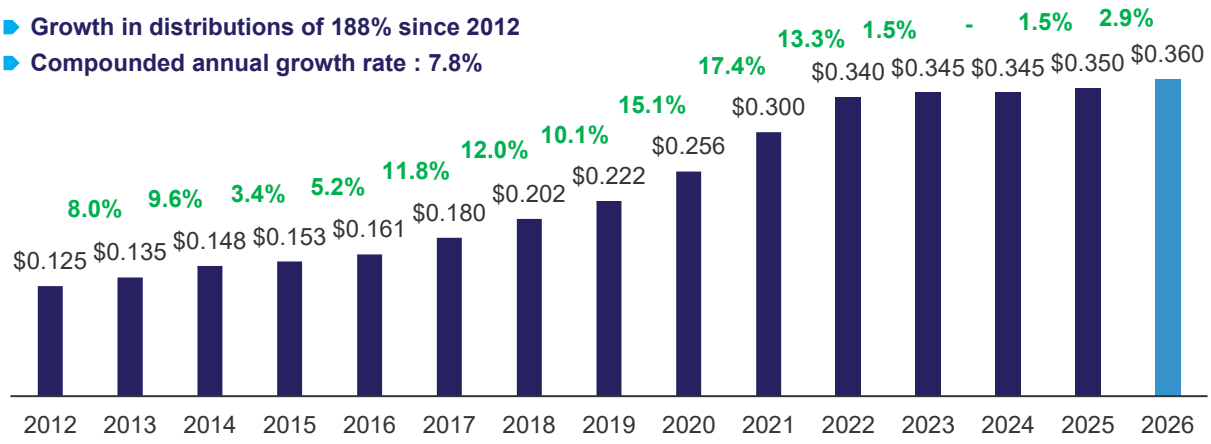
The Trust is constantly seeking commercial real estate properties with minimal management and triple-net leases. These types of acquisitions limit the overhead required to run the business and, in turn, allow management to focus on adding value through strategic acquisitions that are accretive to the Trust's FFO[1] and AFFO per unit[1].

The Trust believes in a long-term growth strategy through acquiring properties that will increase its funds from operations per unit[1], 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 188% since 2012
- Compounded annual growth rate : 7.8%



FINANCIAL HIGHLIGHTS

	2026			2025				2024
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Rental income	7,144,182	7,110,613	6,935,208	7,329,167	6,916,249	6,885,960	6,848,977	6,786,773
Net Operating Income [1]	5,145,866	5,114,009	5,005,617	5,171,163	5,049,422	5,029,528	4,976,365	4,750,890
Net income (loss) to unitholders	9,356,231	3,454,944	2,482,142	4,982,219	2,858,807	(1,349,193)	10,181,260	1,788,202
FFO [1]	3,538,010	3,527,093	3,414,810	3,482,793	3,377,871	3,412,036	3,378,163	3,252,599
Normalized FFO [1]	3,538,010	3,527,093	3,414,810	3,507,793	3,377,871	3,412,036	3,378,163	3,252,599
FFO per unit [1]	0.172	0.171	0.166	0.169	0.164	0.166	0.164	0.158
Normalized FFO per unit [1]	0.172	0.171	0.166	0.170	0.164	0.166	0.164	0.158
Value of investment properties (000's)	302,340	296,003	291,087	291,526	291,143	291,324	295,094	275,479
Adjusted investment properties (000's) [1]	354,837	348,277	343,268	343,446	341,093	340,767	344,782	325,033
Total assets (000's)	331,090	323,797	318,792	318,719	316,821	316,838	321,277	301,322
Total liabilities (000's)	181,910	182,117	178,762	179,553	180,834	181,908	183,220	171,881
Equity (000's)	149,180	141,680	140,030	139,167	135,987	134,931	138,057	129,441
Weighted avg. units o/s Basic (000's)	20,619	20,615	20,602	20,598	20,598	20,598	20,566	20,561

(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	2026	2025	Δ
Investment Properties			
Developed properties	302,340,061	291,142,734	4%
Joint Venture Ownership[1]			
Developed properties	48,752,212	48,641,089	-
Investment properties held for sale	2,370,375	-	NA
Properties under development	1,374,175	1,308,683	5%
Adjusted Investment Properties[2]	**354,836,823**	**341,092,506**	4%

(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

	3 months			9 months		
Periods ended September 30	**2026**	**2025**	**Δ**	**2026**	**2025**	**Δ**
Net income attributable to unitholders	9,356,231	2,858,807	6,497,424	15,293,317	11,690,874	3,602,443
Δ in value of investment properties	(5,842,810)	308,554	(6,151,364)	(5,587,291)	(2,869,132)	(2,718,159)
Δ in value of investment properties in joint ventures	(187,565)	(32,637)	(154,928)	(427,931)	526,196	(954,127)
Unit-based compensation	201,312	243,147	(41,835)	1,058,918	820,548	238,370
Δ fair value adjustments on derivative financial instruments	10,842	-	10,842	142,900	(416)	143,316
FFO[1]	3,538,010	3,377,871	5%	10,479,913	10,168,070	3%
FFO per unit[1]	0.172	0.164	5%	0.508	0.494	3%
Distributions	1,856,194	1,802,544	53,650	5,463,911	5,352,607	111,304
Distributions per unit	0.090	0.088	2%	0.265	0.260	2%
FFO per unit[1] - after distributions	0.082	0.076	8%	0.243	0.234	4%
Distributions as a % of FFO[1]	52%	54%	(2%)	52%	53%	(1%)
Weighted avg. units o/s						
Basic	20,627,675	20,597,637	30,038	20,619,313	20,587,320	31,993

(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

	3 months			9 months		
Periods ended September 30	**2026**	**2025**	**Δ**	**2026**	**2025**	**Δ**
FFO [1]	3,538,010	3,377,871	160,139	10,479,913	10,168,070	311,843
Straight-line rent adjustment[2]	(33,836)	(40,653)	6,817	(108,798)	(124,845)	16,047
Maintenance/cap-ex on existing properties	(353,161)	(110,277)	(242,884)	(572,177)	(286,956)	(285,221)
AFFO[1]	3,151,013	3,226,941	(2%)	9,798,938	9,756,269	-
AFFO per unit[1]	0.153	0.157	(3%)	0.475	0.474	-
Distributions per unit	0.090	0.088	2%	0.265	0.260	2%
AFFO per unit[1] - after distributions	0.063	0.069	(9%)	0.210	0.214	(2%)
Distributions as a % of AFFO[1]	59%	56%	3%	56%	55%	1%
Weighted avg. units o/s						
Basic	20,627,675	20,597,637	30,038	20,619,313	20,587,320	31,993

(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 2026	3 months 2025	3 months Δ	9 months 2026	9 months 2025	9 months Δ
Cash flow from:						
Operating activities	2,733,854	2,714,908	18,946	8,842,675	8,895,903	(53,228)
Investing activities	(402,042)	(263,527)	(138,515)	(4,550,489)	(11,966,315)	7,415,826
Financing activities	(2,183,129)	(2,805,356)	622,227	(4,147,433)	3,009,411	(7,156,844)
Increase (decrease) in cash & cash equivalents	148,683	(353,975)	502,658	144,753	(61,001)	205,754
Cash & cash equivalents - Beginning of period	951,177	1,172,252	(221,075)	955,107	879,278	75,829
Cash & cash equivalents - End of period	1,099,860	818,277	281,583	1,099,860	818,277	281,583

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, 2026, Canadian Net's cash from operating activities remained consistent compared to the same period in 2025.

Cash outflows from investing activities in 2026 and 2025 can be mainly attributed to property acquisitions and capital expenditures. For more details, please refer to Note 3 "Investment Properties", and Note 4 "Joint Arrangements" in the Consolidated Financial Statements dated September 30, 2026.

Cash outflows from financing activities in 2026 can be mainly attributable to periodic principal repayments on existing mortgages and distributions to unitholders offset by gross mortgage proceeds from property acquisitions. Cash inflows from financing activities in 2025 are mainly attributable to an increase in gross mortgage proceeds from refinancings and 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 2026	3 months 2025	3 months Δ	9 months 2026	9 months 2025	9 months Δ
Cash flow provided from operating activities	2,733,854	2,714,908	18,946	8,842,675	8,895,903	(53,228)
Net change in non-cash asset and liability items	396,048	186,637	209,411	274,782	(42,624)	317,406
Straight-line rent adjustment[3]	33,836	40,653	(6,817)	108,798	124,845	(16,047)
Δ in accrued interest	(500)	9,000	(9,500)	17,600	2,700	14,900
Δ in value of investment properties in joint ventures	(187,565)	(32,637)	(154,928)	(427,931)	526,196	(954,127)
Share of net income from investments in joint ventures[2]	639,112	429,571	209,541	1,735,267	726,688	1,008,579
Unit-based compensation	-	-	-	19,998	20,000	(2)
Accretion of the non-derivative liability component of convertible debentures	(76,775)	29,739	(106,514)	(91,276)	(85,638)	(5,638)
FFO[1]	3,538,010	3,377,871	5%	10,479,913	10,168,070	3%
Straight-line rent adjustment[3]	(33,836)	(40,653)	6,817	(108,798)	(124,845)	16,047
Distributions from joint ventures	12,750	12,750	-	458,750	788,000	(329,250)
Periodic mortgage principal repayments	(1,321,935)	(1,277,812)	(44,123)	(3,898,522)	(3,741,891)	(156,631)
Distributable income[1]	2,194,989	2,072,156	6%	6,931,343	7,089,334	(2%)
Distributions to unitholders	(1,856,194)	(1,802,544)	(53,650)	(5,463,911)	(5,352,607)	(111,304)
Cash surplus after distributions	338,795	269,612	26%	1,467,432	1,736,727	(16%)

(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

	3 months			9 months		
Periods ended September 30	**2026**	**2025**	**Δ**	**2026**	**2025**	**Δ**
Rental Income	7,144,182	6,916,249	227,933	21,190,003	20,651,186	538,817
Operating expenses	(1,998,316)	(1,866,827)	(131,489)	(5,924,511)	(5,595,871)	(328,640)
Net Operating Income[(1)]	5,145,866	5,049,422	96,444	15,265,492	15,055,315	210,177
Share of net income from investments in joint ventures	653,650	453,043	200,607	1,789,257	788,403	1,000,854
Change in fair values of investment properties	5,842,810	(308,554)	6,151,364	5,587,291	2,869,132	2,718,159
Unit-based compensation	(201,312)	(243,147)	41,835	(1,058,918)	(820,548)	(238,370)
Administrative expenses	(284,183)	(257,339)	(26,844)	(888,488)	(798,620)	(89,868)
Financial expenses	(1,800,600)	(1,834,618)	34,018	(5,401,317)	(5,402,808)	1,491
Net income attributable to unitholders	9,356,231	2,858,807	6,497,424	15,293,317	11,690,874	3,602,443
FFO[(1)]	3,538,010	3,377,871	5%	10,479,913	10,168,070	3%
FFO per unit[(1)]	0.172	0.164	5%	0.508	0.494	3%
Weighted avg. units o/s						
Basic	20,627,675	20,597,637	30,038	20,619,313	20,587,320	31,993

(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

	3 months			9 months		
Periods ended September 30	**2026**	**2025**	**Δ**	**2026**	**2025**	**Δ**
Net income attributable to unitholders	9,356,231	2,858,807	6,497,424	15,293,317	11,690,874	3,602,443
Net interest expense	1,786,154	1,832,177	(46,023)	5,244,443	5,396,440	(151,997)
EBITDA[(1)]	11,142,385	4,690,984	6,451,401	20,537,760	17,087,314	3,450,446
Δ in value of investment properties	(5,842,810)	308,554	(6,151,364)	(5,587,291)	(2,869,132)	(2,718,159)
Δ in value of investment properties in joint ventures	(187,565)	(32,637)	(154,928)	(427,931)	526,196	(954,127)
Δ in value of convertible debentures	10,842	-	10,842	142,900	(416)	143,316
Adjusted EBITDA[(1)]	5,122,852	4,966,901	3%	14,665,438	14,743,962	(1%)
Interest expense	1,848,031	1,900,199	(52,168)	5,464,312	5,634,008	(169,696)
Principal repayments	1,321,935	1,277,812	44,123	3,898,522	3,741,891	156,631
Debt service requirements	3,169,966	3,178,011	-	9,362,834	9,375,899	-
Interest coverage ratio based on adjusted EBITDA[(1)]	2.8x	2.6x	0.2x	2.7x	2.6x	0.1x
Debt service coverage based on adjusted EBITDA[(1)]	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"

RESULTS OF OPERATIONS FOR THE QUARTER ENDED SEPTEMBER 30, 2026

For the quarter ended September 30, 2026, the Trust had rental income of $7,144,182 ($6,916,249 in Q3 2025). 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, 2026, 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 $12,390,459 ($11,893,426 in Q3 2025) while an increase of 0.25% in the capitalization rate would decrease the fair value of the investment properties by approximately $11,430,106 ($10,976,303 in Q3 2025). The weighted average capitalization rate used in the calculation of the fair value of investment property is 6.38% (6.44% in Q3 2025) while the range of capitalization rates used is 5.25% to 7.50% (5.25% to 7.25% in Q3 2025). 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 $1,800,600 in Q3 2026 compared to $1,834,618 in Q3 2025. Net financial expenses remained relatively consistent compared to the same period in 2025.

For the quarter ended September 30, 2026, the Trust's administrative expenses were $284,183 ($257,339 in Q3 2025).

For the quarter ended September 30, 2026, the Trust recorded FFO[1] of $3,538,010, or $0.172 per unit, in comparison to $3,377,871, or $0.164 per unit in Q3 2025. The increase in FFO[1] is mainly derived from property acquisitions and increases in rent of certain existing properties as well as lower interest charges on credit facilities and convertible debentures. The increase in FFO was partially offset by higher interest charges on mortgage renewals.

RESULTS OF OPERATIONS FOR THE 9-MONTH PERIOD ENDED SEPTEMBER 30, 2026

For the 9-month period ended September 30, 2026, the Trust had rental income of $21,190,003 ($20,651,186 for the same period in 2025). 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).

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 $5,401,317 for the 9-month period ended September 30, 2026, compared to $5,402,808 for the same period last year. Net financial expenses remained relatively consistent compared to the same period in 2025.

For the 9-month period ended September 30, 2026, The Trust's administrative expenses were $888,488 ($798,620 in 2025).

For the 9-month period ended September 30, 2026, the Trust recorded FFO[1] of $10,479,913, or $0.508 per unit, in comparison to $10,168,070, or $0.494 per unit for the same period in 2025. The increase in FFO[1] is mainly derived from property acquisitions and increases in rent of certain existing properties as well as lower interest charges on credit facilities and convertible debentures. The increase in FFO was partially offset by higher interest charges on mortgage renewals.

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, 2026, the Trust issued units as follows:

On March 17, 2026, the Trust issued 30,038 units of the Trust at a price of $6.12 per unit, which equates to $183,833, and 115,527 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, 2025.

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 announced the grant of 157,270 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 30, 2026, the Trust announced that it received approval from the TSX Venture Exchange ("TSX") for the annual renewal of its normal course issuer bid ("NCIB").

[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

The Trust had received approval from the TSX to repurchase up to 1,029,881 units pursuant to its NCIB, which expired on July 31, 2026. No units were purchased pursuant to the NCIB prior to its expiry.

Under the renewed NCIB, Canadian Net may purchase for cancellation up to 1,031,383 units, representing approximately 5% of the units in circulation, through the facilities of the TSX Venture Exchange, other designated exchanges and/or alternative Canadian trading systems, where considered to be in the best interests of the Trust. As at July 30, 2026, the Trust had 20,627,675 units issued and outstanding.

Purchases under the NCIB are subject to a maximum of 412,553 units in any 30-day period, representing 2% of the units issued and outstanding as at July 30, 2026. All purchases will be made and settled in accordance with the applicable rules and regulations of the relevant trading facilities, and any units purchased by the Trust under the NCIB will be cancelled.

National Bank Financial will act on behalf of the Trust in connection with the NCIB. The purchase price for any units acquired will be the market price at the time of acquisition. The renewed NCIB commenced on August 1, 2026 and will expire on July 31, 2027.

TRUST UNITS

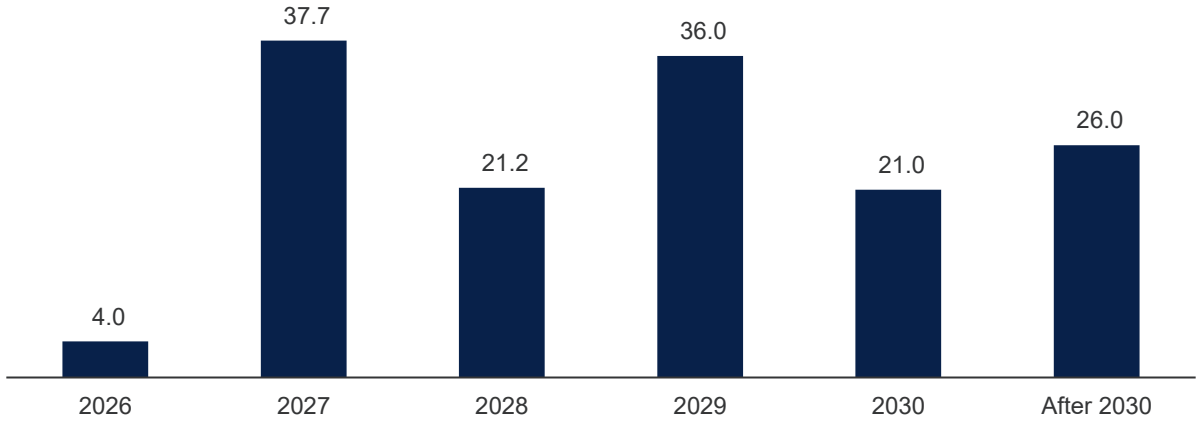
Units issued:	**# of units**	
Units as at December 31, 2024	**20,561,060**	
March 19, 2025 (units for service)	36,577	
Units as at December 31, 2025	**20,597,637**	
March 17, 2026 (units for service)	30,038	
Units as at September 30, 2026	**20,627,675**	
Potential dilutive impact of financial instruments as at September 30, 2026		**Exercise price**
Deferred Trust Units	336,797	N/A
Conversion of convertible debentures (in units)	592,593	$6.75 per unit

Convertible debentures

As of September 30, 2026, the outstanding nominal value of convertible debentures is $4,000,000, with a conversion price of $6.75 per unit. There were no conversions during the 9-month period ended September 30, 2026.

The total number of units outstanding as at September 30, 2026 was 20,627,675.

MORTGAGE BALANCES DUE AT MATURITY (in $M)



Maturity	**2026**	**2027**	**2028**	**2029**	**2030**	**After 2030**
Total due ($):	4,028,293	37,693,597	21,234,588	35,958,128	21,026,931	25,968,881
Interest rate:	3.70%	2.53% - 6.13%	2.31% - 6.37%	3.63% - 5.95%	3.80% - 5.76%	3.81% - 4.98%
% of total debt:	2.8%	25.8%	14.6%	24.6%	14.4%	17.8%

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, 2026, the Trust had mortgages with Canadian financial institutions with a total carrying value of $159,887,331 ($160,585,853 at December 31, 2025). These mortgages require the Trust to make principal payments

of $132,177,783 over the next 5 years and $27,709,548 thereafter. The mortgages outstanding currently have an average term to maturity of 2.9 years (3.5 years at December 31, 2025). Convertible debentures in circulation as at September 30, 2026 have a carrying value of $3,916,860 ($3,825,584 at December 31, 2025). The Trust currently has 2 secured lines of credit with authorized limits of $13,160,000 and $3,500,000. These lines of credit have a balance of $11,325,000 as at September 30, 2026 ($9,310,000 at December 31, 2025).

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.

FUTURE ACCOUNTING POLICIES

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements that will replace IAS 1 Presentation of Financial Statements. The new standard will require presentation of separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. IFRS 18 applies for annual reporting periods beginning on or after January 1, 2027.

The Trust is currently assessing the impact of the new standard.

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, 2026 the Trust held interests in 98 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 ($1,149,668 at September 30, 2026 compared to $804,320 as at December 31, 2025). 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, 2026, loans receivable amount to $3,715,851 ($3,831,700 as at December 31, 2025).

Interest Rate Risk
Interest rate risk affects the Trust through its loans receivable, mortgages, credit facilities, 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 $437,355 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 credit facilities.

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 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.

RELATED PARTY TRANSACTIONS

The loans receivable include an amount of $190,000 (2025: $190,000) due from officers of the Trust. The loans were granted for a term of 5 years, and bear interest at rates between the prescribed rate and prime plus 0.75% per annum. During the quarter ended September 30, 2026, interest income on the loans amounted to $1,991 (Q3 2025: $2,108) for which no amount is receivable as at September 30, 2026 (2025: 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:

	3 months		9 months	
Period ended September 30	**2026**	**2025**	**2026**	**2025**
Salaries and benefits	106,350	96,477	318,950	285,877
Unit-based compensation	194,591	192,041	647,812	638,474
Total	300,941	288,518	966,762	924,351