ChoiceProperties

Choice Properties Real Estate Investment Trust Reports Results for the Three and Six Months Ended June 30, 2026

Toronto, Ontario July 22, 2026 (BUSINESS WIRE) - Choice Properties Real Estate Investment Trust ("Choice Properties" or the "Trust") (TSX: CHP.UN) today announced its consolidated financial results for the three and six months ended June 30, 2026. The Second Quarter Report to Unitholders is available in the Investors section of the Trust's website at www.choicereit.ca, and has been filed on SEDAR+ at www.sedarplus.ca.

"We are pleased with Choice Properties' second quarter results, highlighted by robust leasing spreads and Same-Asset NOI growth," said Rael Diamond, President and Chief Executive Officer of the Trust. "These results reflect the strength of our portfolio and the disciplined execution of our strategy. We continue to unlock value through strategic leasing initiatives across our necessity-based retail portfolio, while capitalizing on tenant demand to drive rental rate growth in our industrial portfolio."

2026 Second Quarter Highlights

- Reported a net loss of $176.4 million compared to a net loss of $154.2 million in the prior year period. The loss in both periods was primarily due to the fair value adjustment related to the Trust's Exchangeable Units(1) resulting from the increase in the Trust's unit price.
- Reported FFO(2) per unit diluted of $0.267, representing year-over-year growth of 0.8%.
- FFO(2) per unit diluted, excluding lease surrender revenue and the reduction in Allied Properties REIT's ("Allied") distribution, increased by 1.5% compared to the prior year period.
- Achieved Same-Asset NOI, Cash Basis(2) growth of 2.8% and Total NOI, Cash Basis(2) growth of 2.8%.
- Achieved long term renewal leasing spreads(3) of 19.0%.
- Period end occupancy was 97.7%, with Retail at 97.4%, Industrial at 98.6%, and Mixed-Use & Residential at 94.3%.
- Completed $14.6 million of real estate transactions on a proportionate share basis(2).
- Delivered $3.0 million of development projects through retail intensification, adding approximately 66,000 square feet of new commercial GLA associated with ground leases on a proportionate share basis(2).
- Subsequent to the quarter end, Choice Properties and Loblaw renewed a full tranche of 50 leases expiring in 2027, comprising 3.55 million square feet, at a weighted average spread of 8.8% and a weighted average extension term of 5.0 years.

Agreement to Acquire Certain Assets of First Capital Real Estate Investment Trust

On April 16, 2026, the Trust announced that it entered into an agreement with First Capital Real Estate Investment Trust ("FCR") and KingSett Capital, on behalf of its investors, (collectively, "KingSett") pursuant to which KingSett and the Trust will acquire FCR in a unit and cash transaction valued at approximately $9.4 billion, including the assumption of certain debt (the "Transaction").

On June 23, 2026, the Transaction was approved by FCR's unitholders. On June 25, 2026, the Ontario Superior Court of Justice (Commercial List) issued a final order approving the Transaction's plan of arrangement pursuant to the arrangement agreement dated April 16, 2026. The Transaction is subject to other regulatory and customary approvals and closing conditions, and is expected to close in the second half of 2026.

(1) Exchangeable Units are required to be classified as financial liabilities at fair value through profit and loss under GAAP. They are recorded at their fair value based on the market trading price of the Trust Units, which results in a negative impact to the financial results when the Trust Unit price rises and a positive impact when the Trust Unit price declines.
(2) Refer to Non-GAAP Financial Measures and Additional Financial Information section.
(3) Long term renewal spreads are calculated as the difference between the average rate during the renewal term and the expiring rental rate.

Performance Highlights

As at or for the periods ended ($ thousands except where otherwise indicated)	Three Months				Six Months			
	June 30, 2026	June 30, 2025	Change	Change %	**June 30, 2026**	June 30, 2025	Change	Change %
FFO[2]	**$ 192,904**	$ 191,567	$ 1,337	0.7 %	**$ 388,924**	$ 382,506	$ 6,418	1.7 %
FFO per unit diluted[2]	**$ 0.267**	$ 0.265	$ 0.002	0.8 %	**$ 0.537**	$ 0.528	$ 0.009	1.7 %
Net Loss	**$ (176,381)**	$ (154,247)	$(22,134)	(14.3)%	**$ (263,575)**	$ (250,480)	$(13,095)	(5.2)%
Weighted average number of units outstanding - diluted[i]	**723,810,797**	723,810,797	—	— %	**723,810,797**	723,790,848	19,949	— %

(i) Includes Trust Units and Exchangeable Units

Funds from Operations

FFO[2] increased by $1.3 million, or 0.8% per unit diluted for the three months ended June 30, 2026. The increase was primarily driven by strong same-asset net operating income growth, partially offset by higher interest expense primarily due to new debt issuances over the past twelve months bearing interest at higher rates than maturing debt, as well as a higher average debt balance. The timing of higher lease surrender revenue and the reduction of Allied's distribution further impacted growth.

Excluding lease surrender revenue and the reduction of Allied's distribution, FFO[2] per unit diluted for the three-month period increased by 1.5%.

Net Loss

Choice Properties reported a net loss of $176.4 million for the three months ended June 30, 2026, compared to a net loss of $154.2 million in the prior year period. The difference of $22.1 million was primarily due to changes in certain non-cash adjustments to fair value including:

- a $23.7 million unfavourable change in the adjustment to fair value of the Trust's Exchangeable Units[1] due to the change in the Trust's unit price;
- a $14.3 million decrease in income from equity accounted joint ventures resulting from the unfavourable change in the adjustment to fair value of related investment properties; and
- a $10.3 million unfavourable fair value adjustment of a derivative financial liability related to the Transaction; partially offset by
- a $30.0 million favourable change in the adjustment to fair value of investment properties.

[1] Exchangeable Units are required to be classified as financial liabilities at fair value through profit and loss under GAAP. They are recorded at their fair value based on the market trading price of the Trust Units, which results in a negative impact to the financial results when the Trust Unit price rises and a positive impact when the Trust Unit price declines.
[2] Refer to Non-GAAP Financial Measures and Additional Financial Information section.
[3] Long term renewal spreads are calculated as the difference between the average rate during the renewal term and the expiring rental rate.

Select Proportionate Share[2] Operational and Financial Highlights

As at or for the periods ended	Three Months				Six Months			
($ thousands except where otherwise indicated)	**June 30, 2026**	June 30, 2025	Change	Change %	**June 30, 2026**	June 30, 2025	Change	Change %
NOI, Cash Basis[2]	**$ 275,853**	$ 268,399	$ 7,454	2.8 %	**$ 548,938**	$ 530,469	$18,469	3.5 %
Same-Asset NOI, Cash basis[2]	**$ 255,403**	$ 248,504	$ 6,899	2.8 %	**$ 510,530**	$ 496,115	$14,415	2.9 %
Long term renewal spreads[3]	**19.0 %**	24.0 %	n/a	n/a	**20.0 %**	16.5 %	n/a	n/a
Occupancy (% of GLA)					**97.7 %**	97.8 %	(0.1)%	n/a
NAV[2] per unit					**$ 14.73**	$ 14.38	$ 0.35	2.4 %

- Same-Asset NOI, Cash Basis[2] increased by 2.8% for the three months ended June 30, 2026 compared to the prior year period.
  - Retail increased by 1.9%. Growth in the Retail segment was impacted by a bad debt provision related to a tenant bankruptcy in the current quarter. Excluding bad debt expense, Retail increased by 2.4%.
  - Industrial increased by 5.8%. Growth in the Industrial segment was impacted by a bad debt provision reversal in the current quarter. Excluding bad debt expense, Industrial increased by 5.2%.
  - Mixed-Use & Residential increased by 4.1%.
- Period end occupancy decreased by 40 basis points from March 31, 2026 to 97.7%, with:
  - Retail at 97.4%, Industrial at 98.6%, and Mixed-Use & Residential at 94.3%.
  - Occupancy decreased primarily as a result of the strategic repositioning of certain spaces and the expiry of a non-operational space, all within the Retail segment.
- Achieved leasing spreads[3] on long-term renewals of 19.0%, with 12.4% and 40.2% in the Retail and Industrial portfolios, respectively.

Outlook

We are focused on capital preservation, delivering stable and growing cash flows and net asset value appreciation. Our high-quality portfolio is primarily leased to necessity-based tenants and logistics providers, who are less sensitive to economic volatility and therefore provide stability to our overall portfolio. We will continue to advance our development program, with a focus on commercial developments, which provides us with the best opportunity to add high-quality real estate to our portfolio at a reasonable cost and drive net asset value appreciation over time.

We are confident that our business model, stable tenant base, strong balance sheet, and disciplined approach to financial management will continue to benefit us. We cannot predict the timing of the closing of the Transaction with FCR and KingSett, and its impact on our financial results. In 2026, excluding this impact, Choice Properties is targeting:

- Stable occupancy across the portfolio, resulting in approximately 2%-3% year-over-year growth in Same-Asset NOI, Cash Basis[2];
- Annual FFO per unit diluted[2] in a range of approximately $1.08 to $1.10; and
- Strong leverage metrics, targeting Adjusted Debt to EBITDAFV[2] below 7.5x.

[2] Refer to Non-GAAP Financial Measures and Additional Financial Information section.
[3] Long term renewal spreads are calculated as the difference between the average rate during the renewal term and the expiring rental rate.

Conference Call and Webcast

Management will host a conference call on Thursday, July 23, 2026 at 10:00 AM (EDT) with a simultaneous audio webcast. To access via teleconference, please dial +1 (888) 330-2454 or +1 (240) 789-2714 and enter the event passcode: 4788974. The link to the audio webcast will be available on www.choicereit.ca/investors.

About Choice Properties Real Estate Investment Trust

Choice Properties is Canada's largest real estate investment trust, guided by a clear purpose: to create places where people thrive. This is how we build enduring value. As a national owner, operator, and developer of high-quality commercial and residential real estate, we go beyond managing assets. We create places that strengthen how tenants and communities live, work, and connect. Our platform is built on industry leadership in sustainability, community engagement, and social impact, embedded across how we operate, build, and grow. As a trusted steward of capital, we are committed to disciplined execution, long-term value creation, and responsible growth. Everything we do is guided by our core values of Care, Ownership, Respect, and Excellence. For more information, visit Choice Properties' website at www.choicereit.ca and Choice Properties' issuer profile at www.sedarplus.ca.

Non-GAAP Financial Measures and Additional Financial Information

Choice Properties prepares and releases unaudited interim and audited annual consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS" or "GAAP"), along with its MD&A, which should be read in conjunction with this news release.

In addition to results provided in accordance with IFRS, Choice Properties also measures its performance using certain non-GAAP measures, which are provided in this news release so that investors may do the same. These non-GAAP measures include FFO, NOI Cash basis, Same-Asset NOI Cash basis, NAV, Proportionate share, and Adjusted Debt to EBITDAFV. Such measures and related per-unit amounts are not defined by IFRS and therefore should not be construed as alternatives to net income or cash flows from operating activities determined in accordance with IFRS. Furthermore, the supplemental measures used by management may not be comparable to similar measures presented by other real estate investment trusts or enterprises. The non-GAAP measures included in this news release are defined and reconciled to the most comparable GAAP measure below. Choice Properties believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance and financial condition of the Trust for the reasons outlined below.

Proportionate share represents financial information adjusted to reflect the Trust's equity accounted joint ventures and financial real estate assets and its share of net income (loss) from equity accounted joint ventures and financial real estate assets on a proportionately consolidated basis at the Trust's ownership percentage of the related investment. Management views this method as relevant in demonstrating the Trust's ability to manage the underlying economics of the related investments, including the financial performance and cash flows and the extent to which the underlying assets are leveraged, which is an important component of risk management.

The following table reconciles net loss, as determined in accordance with GAAP, to net loss on a proportionate share basis for the three and six months ended June 30, 2026:

	Three Months			Six Months		
($ thousands)	GAAP Basis	Adjustment to Proportionate Share Basis	Proportionate Share Basis	GAAP Basis	Adjustment to Proportionate Share Basis	Proportionate Share Basis
Net Operating Income						
Rental revenue	$ 361,331	$ 31,338	$ 392,669	$ 722,523	$ 62,636	$ 785,159
Property operating costs	(105,300)	(9,930)	(115,230)	(210,395)	(19,544)	(229,939)
	256,031	21,408	277,439	512,128	43,092	555,220
Other Income and Expenses						
Interest income	8,891	(3,208)	5,683	19,900	(7,692)	12,208
Investment income	2,125	—	2,125	4,251	—	4,251
Fee income	1,303	—	1,303	2,470	—	2,470
Net interest expense and other financing charges	(151,012)	(7,998)	(159,010)	(301,075)	(15,388)	(316,463)
General and administrative expenses	(16,768)	—	(16,768)	(32,826)	—	(32,826)
Share of loss from equity accounted joint ventures	(8,539)	8,539	—	(11,304)	11,304	—
Amortization of intangible assets	(250)	—	(250)	(500)	—	(500)
Adjustment to fair value of unit-based compensation	(1,447)	—	(1,447)	(1,743)	—	(1,743)
Adjustment to fair value of Exchangeable Units	(387,870)	—	(387,870)	(605,553)	—	(605,553)
Adjustment to fair value of investment properties	123,535	(18,741)	104,794	202,538	(31,316)	171,222
Adjustment to fair value of investment in real estate securities	7,912	—	7,912	(41,568)	—	(41,568)
Adjustment to fair value of derivative financial liability	(10,290)	—	(10,290)	(10,290)	—	(10,290)
Loss before Income Taxes	(176,379)	—	(176,379)	(263,572)	—	(263,572)
Income tax expense	(2)	—	(2)	(3)	—	(3)
Net Loss	$ (176,381)	$ —	$ (176,381)	$ (263,575)	$ —	$ (263,575)

The following table reconciles net loss, as determined in accordance with GAAP, to net loss on a proportionate share basis for the three and six months ended June 30, 2025:

	Three Months			Six Months		
($ thousands)	**GAAP Basis**	**Adjustment to Proportionate Share Basis**	**Proportionate Share Basis**	**GAAP Basis**	**Adjustment to Proportionate Share Basis**	**Proportionate Share Basis**
Net Operating Income						
Rental revenue	$ 350,779	$ 25,496	$ 376,275	$ 697,691	$ 50,630	$ 748,321
Property operating costs	(99,223)	(7,614)	(106,837)	(200,286)	(15,444)	(215,730)
	251,556	17,882	269,438	497,405	35,186	532,591
Other Income and Expenses						
Interest income	9,028	(2,893)	6,135	20,689	(7,203)	13,486
Investment income	5,315	—	5,315	10,630	—	10,630
Fee income	738	—	738	3,208	—	3,208
Net interest expense and other financing charges	(148,957)	(6,818)	(155,775)	(295,146)	(13,677)	(308,823)
General and administrative expenses	(14,976)	—	(14,976)	(29,713)	—	(29,713)
Share of income from equity accounted joint ventures	5,720	(5,720)	—	21,875	(21,875)	—
Amortization of intangible assets	(250)	—	(250)	(500)	—	(500)
Adjustment to fair value of unit-based compensation	(875)	—	(875)	(893)	—	(893)
Adjustment to fair value of Exchangeable Units	(364,124)	—	(364,124)	(601,596)	—	(601,596)
Adjustment to fair value of investment properties	93,486	(2,451)	91,035	123,444	7,569	131,013
Adjustment to fair value of investment in real estate securities	9,093	—	9,093	119	—	119
Loss before Income Taxes	(154,246)	—	(154,246)	(250,478)	—	(250,478)
Income tax expense	(1)	—	(1)	(2)	—	(2)
Net Loss	$ (154,247)	$ —	$ (154,247)	$ (250,480)	$ —	$ (250,480)

Net Operating Income ("NOI"), Accounting Basis, is defined as property rental revenue including straight-line rental revenue, reimbursed contract revenue and lease surrender revenue, less direct property operating expenses and realty taxes, and excludes certain expenses such as interest expense and indirect operating expenses in order to provide results that reflect a property's operations before consideration of how it is financed or the costs of operating the entity in which it is held. Management believes that NOI is an important measure of operating performance for the Trust's commercial real estate assets that is used by real estate industry analysts, investors and management, while also being a key input in determining the fair value of the Choice Properties portfolio.

NOI, Cash Basis, is defined as property rental revenue and reimbursed contract revenue, excluding straight-line rental revenue and lease surrender revenue, less direct property operating expenses and realty taxes. Management believes NOI, Cash Basis is a useful measure in understanding period-over-period changes in income from operations due to occupancy, rental rates, operating costs and realty taxes.

The following table reconciles net loss, as determined in accordance with GAAP, to Net Operating Income, Cash Basis for the periods ended as indicated:

For the periods ended June 30 ($ thousands)	Three Months			Six Months		
	2026	2025	Change $	**2026**	2025	Change $
Net Loss	**$ (176,381)**	$ (154,247)	$ (22,134)	**$ (263,575)**	$ (250,480)	$ (13,095)
Interest income	**(8,891)**	(9,028)	137	**(19,900)**	(20,689)	789
Investment income	**(2,125)**	(5,315)	3,190	**(4,251)**	(10,630)	6,379
Fee income	**(1,303)**	(738)	(565)	**(2,470)**	(3,208)	738
Net interest expense and other financing charges	**151,012**	148,957	2,055	**301,075**	295,146	5,929
General and administrative expenses	**16,768**	14,976	1,792	**32,826**	29,713	3,113
Share of loss (income) from equity accounted joint ventures	**8,539**	(5,720)	14,259	**11,304**	(21,875)	33,179
Amortization of intangible assets	**250**	250	—	**500**	500	—
Adjustment to fair value of unit-based compensation	**1,447**	875	572	**1,743**	893	850
Adjustment to fair value of Exchangeable Units	**387,870**	364,124	23,746	**605,553**	601,596	3,957
Adjustment to fair value of investment properties	**(123,535)**	(93,486)	(30,049)	**(202,538)**	(123,444)	(79,094)
Adjustment to fair value of investment in real estate securities	**(7,912)**	(9,093)	1,181	**41,568**	(119)	41,687
Adjustment to fair value of derivative financial liability	**10,290**	—	10,290	**10,290**	—	10,290
Income tax expense (recovery)	**2**	1	1	**3**	2	1
Net Operating Income, Accounting Basis - GAAP	**256,031**	251,556	4,475	**512,128**	497,405	14,723
Straight-line rental revenue	**1,375**	570	805	**2,479**	937	1,542
Lease surrender revenue	**(1,578)**	(74)	(1,504)	**(3,504)**	(158)	(3,346)
Net Operating Income, Cash Basis - GAAP	**255,828**	252,052	3,776	**511,103**	498,184	12,919
Adjustments for equity accounted joint ventures and financial real estate assets	**20,025**	16,347	3,678	**37,835**	32,285	5,550
Net Operating Income, Cash Basis - Proportionate Share	**$ 275,853**	$ 268,399	$ 7,454	**$ 548,938**	$ 530,469	$ 18,469

Same-Asset NOI, Cash Basis represents NOI only for those assets that were owned and operated by the Trust since January 1, 2025 inclusive.

The following table reconciles NOI, Cash Basis to Same-Asset NOI, Cash Basis for the periods ended as indicated:

For the periods ended June 30 ($ thousands)	Three Months			Six Months		
	2026	2025	Change $	**2026**	2025	Change $
Net Operating Income, Cash Basis - Proportionate Share	**$ 275,853**	$ 268,399	$ 7,454	**$ 548,938**	$ 530,469	$ 18,469
Less:						
Transactions NOI, Cash Basis - Proportionate Share	**(20,450)**	(19,895)	(555)	**(38,408)**	(34,354)	(4,054)
Same-Asset NOI, Cash Basis - Proportionate Share	**$ 255,403**	$ 248,504	$ 6,899	**$ 510,530**	$ 496,115	$ 14,415

Funds from Operations ("FFO") is calculated in accordance with the Real Property Association of Canada's *Funds From Operations (FFO)* & *Adjusted Funds From Operations (AFFO)* for IFRS issued in January 2022. Management considers FFO to be a useful measure of operating performance as it adjusts for items included in net income (or loss) that do not arise from operating activities or do not necessarily provide an accurate depiction of the Trust's past or recurring performance, such as adjustments to fair value of Exchangeable Units, investment properties, investment in real estate securities, and unit-based compensation. From time to time, the Trust may enter into transactions that materially impact the calculation and are eliminated from the calculation for management's review purposes.

Management uses and believes that FFO is a useful measure of the Trust's performance that, when compared period over period, reflects the impact on operations of trends in occupancy levels, rental rates, operating costs and realty taxes, acquisition activities and interest costs.

The following table reconciles net loss, as determined in accordance with GAAP, to Funds from Operations for the periods ended as indicated:

For the periods ended June 30 ($ thousands except where otherwise indicated)	Three Months			Six Months		
	2026	2025	Change $	**2026**	2025	Change $
Net Loss	**$ (176,381)**	$ (154,247)	$ (22,134)	**$ (263,575)**	$ (250,480)	$ (13,095)
Add (deduct) impact of the following:						
Amortization of intangible assets	**250**	250	—	**500**	500	—
Adjustment to fair value of unit-based compensation	**1,447**	875	572	**1,743**	893	850
Adjustment to fair value of Exchangeable Units	**387,870**	364,124	23,746	**605,553**	601,596	3,957
Adjustment to fair value of investment properties	**(123,535)**	(93,486)	(30,049)	**(202,538)**	(123,444)	(79,094)
Adjustment to fair value of investment properties to proportionate share	**18,741**	2,451	16,290	**31,316**	(7,569)	38,885
Adjustment to fair value of investment in real estate securities	**(7,912)**	(9,093)	1,181	**41,568**	(119)	41,687
Adjustment to fair value of derivative financial liability	**10,290**	—	10,290	**10,290**	—	10,290
Interest otherwise capitalized for development in equity accounted joint ventures	**2,297**	2,340	(43)	**4,891**	4,836	55
Exchangeable Units distributions	**77,178**	76,189	989	**153,697**	151,718	1,979
Internal expenses for leasing	**2,657**	2,163	494	**5,476**	4,573	903
Income tax expense	**2**	1	1	**3**	2	1
Funds from Operations	**$ 192,904**	$ 191,567	$ 1,337	**$ 388,924**	$ 382,506	$ 6,418
FFO per unit - diluted	**$ 0.267**	$ 0.265	$ 0.002	**$ 0.537**	$ 0.528	$ 0.009
Weighted average number of units outstanding - diluted(i)	**723,810,797**	723,810,797	—	**723,810,797**	723,790,848	19,949

(i) Includes Trust Units and Exchangeable Units.

Earnings before Interest, Taxes, Depreciation, Amortization, and Fair Value ("EBITDAFV") is defined as net income (loss) attributable to Unitholders, reversing, where applicable, income taxes, interest expense, amortization expense, depreciation expense, adjustments to fair value and other adjustments on a proportionate share basis as allowed in the Trust Indentures, as supplemented. Management believes EBITDAFV is useful in assessing the Trust's ability to service its debt, finance capital expenditures and provide distributions to its Unitholders.

Total Adjusted Debt is defined as variable rate debt (construction loans, mortgages, and credit facility) and fixed rate debt (senior unsecured debentures, construction loans and mortgages), as measured on a proportionate share basis, including the impact of other finance charges and defeasance or other prepayments of debt. It does not include the Exchangeable Units which are included as part of unit equity on account of the Exchangeable Units being economically equivalent and receiving equal distributions to the Trust Units.

The following table reconciles net loss, as determined in accordance with GAAP, to EBITDAFV for the periods ended as indicated:

For the periods ended June 30 ($ thousands)	Three Months			Six Months		
	2026	2025	Change $	**2026**	2025	Change $
Net Loss	**$ (176,381)**	$ (154,247)	$ (22,134)	**$ (263,575)**	$ (250,480)	$ (13,095)
Add (deduct) impact of the following:						
Adjustment to fair value of unit-based compensation	**1,447**	875	572	**1,743**	893	850
Adjustment to fair value of Exchangeable Units	**387,870**	364,124	23,746	**605,553**	601,596	3,957
Adjustment to fair value of investment properties	**(123,535)**	(93,486)	(30,049)	**(202,538)**	(123,444)	(79,094)
Adjustment to fair value of investment properties to proportionate share	**18,741**	2,451	16,290	**31,316**	(7,569)	38,885
Adjustment to fair value of investment in real estate securities	**(7,912)**	(9,093)	1,181	**41,568**	(119)	41,687
Adjustment to fair value of derivative financial liability	**10,290**	—	10,290	**10,290**	—	10,290
Interest expense on a proportionate share basis	**159,025**	156,374	2,651	**316,585**	310,945	5,640
Amortization of other assets	**295**	315	(20)	**588**	631	(43)
Amortization of intangible assets	**250**	250	—	**500**	500	—
Income tax expense	**2**	1	1	**3**	2	1
EBITDAFV - Proportionate Share	**$ 270,092**	$ 267,564	$ 2,528	**$ 542,033**	$ 532,955	$ 9,078

Net Asset Value ("NAV") is an alternative measurement of equity. It is calculated by summing Unitholder's Equity and the fair value of the Trust's Exchangeable Units. Under IFRS Exchangeable Units are considered debt. The Exchangeable Units are not required to be repaid and the holder of these units has the right to convert them into Units, therefore management considers the Exchangeable Units to be equivalent to equity. NAV is a useful measure as it reflects management's view of the intrinsic value of the Trust. NAV per unit allows Management to determine if the Trust is trading at a discount or premium to its intrinsic value.

The following table reconciles Net Asset Value as at the dates indicated below:

($ thousands except where otherwise indicated)		**As at June 30, 2026**		As at December 31, 2025		Change $
Unitholders' equity	**$**	**4,191,890**	$	4,584,809	$	(392,919)
Exchangeable Units		**6,467,151**		5,861,598		605,553
NAV	**$**	**10,659,041**	$	10,446,407	$	212,634
NAV per unit	**$**	**14.73**	$	14.43	$	0.30
Trust Units and Exchangeable Units, end of period		**723,810,797**		723,810,797		—

Cautionary Statements Regarding Forward-looking Statements

This news release contains forward-looking statements relating to Choice Properties' operations and the environment in which the Trust operates, which are based on management's expectations, estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. Management undertakes no obligation to publicly update any such statement, to reflect new information or the occurrence of future events or circumstances, except as required by law.

Numerous risks and uncertainties could cause the Trust's actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including those described in Section 12 "Enterprise Risks and Risk Management" of the Trust's MD&A for the year ended December 31, 2025, those described in the Trust's Annual Information Form for the year ended December 31, 2025, and several risks relating to the pending Transaction with KingSett and FCR described in Section 11 "Enterprise Risks and Risk Management" of the Trust's MD&A for the three and six months ended June 30, 2026.

Contact

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