

CROMBIE REAL ESTATE INVESTMENT TRUST
Interim Condensed Consolidated Financial Statements
September 30, 2025

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CROMBIE REAL ESTATE INVESTMENT TRUST
Interim Condensed Consolidated Balance Sheets
(In thousands of Canadian dollars)

	Note	September 30, 2025	December 31, 2024
Assets			
Non-current assets			
Investment properties	3	\$ 3,832,274	\$ 3,923,880
Investment in joint ventures	4	39,119	29,761
Other assets	5	439,403	422,776
		4,310,796	4,376,417
Current assets			
Cash and cash equivalents	16	4,791	10,021
Other assets	5	68,929	43,928
		73,720	53,949
Total assets		4,384,516	4,430,366
Liabilities			
Non-current liabilities			
Fixed rate mortgages	6	762,894	792,265
Credit facilities	7	58,242	52,604
Senior unsecured notes	8	1,297,004	1,495,293
Employee future benefits obligation		7,282	7,415
Trade and other payables	9	13,236	20,598
Lease liabilities	20	24,238	31,236
		2,162,896	2,399,411
Current liabilities			
Fixed rate mortgages	6	42,578	30,539
Credit facilities	7	—	12,527
Senior unsecured notes	8	199,023	—
Employee future benefits obligation		525	525
Trade and other payables	9	127,680	129,123
Lease liabilities	20	2,853	2,701
		372,659	175,415
Total liabilities excluding net assets attributable to Unitholders		2,535,555	2,574,826
Net assets attributable to Unitholders		\$ 1,848,961	\$ 1,855,540
Net assets attributable to Unitholders represented by:			
Crombie REIT Unitholders		\$ 1,095,559	\$ 1,099,588
Special Voting Units and Class B Limited Partnership Unitholders		753,402	755,952
		\$ 1,848,961	\$ 1,855,540
Commitments, contingencies and guarantees	22		
Subsequent events	23		

See accompanying notes to the interim condensed consolidated financial statements.

CROMBIE REAL ESTATE INVESTMENT TRUST
Interim Condensed Consolidated Statements of Comprehensive Loss
(In thousands of Canadian dollars)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2025	2024	2025	2024
Property revenue	10	\$ 120,084	\$ 114,460	\$ 366,593	\$ 349,430
Revenue from management and development services	11	4,428	1,083	8,814	3,938
Property operating expenses	12	(40,610)	(39,454)	(128,632)	(125,895)
Net gain (loss) on disposal of investment properties	3	(100)	—	3,089	2,163
Gain on derecognition of right-of-use asset	3	—	—	1,770	—
Impairment of investment properties	3	—	—	—	(2,000)
Depreciation and amortization	3,5	(21,627)	(20,359)	(65,712)	(60,334)
General and administrative expenses	13	(6,480)	(6,014)	(20,173)	(16,198)
Finance costs - operations	14	(24,360)	(22,677)	(72,856)	(67,142)
Loss from equity-accounted investments	4	(518)	(469)	(1,649)	(1,840)
Operating income attributable to Unitholders		30,817	26,570	91,244	82,122
Distributions to Unitholders		(41,669)	(40,735)	(123,926)	(121,698)
Change in fair value of financial instruments	13	(454)	(3,506)	(2,649)	(2,321)
Decrease in net assets attributable to Unitholders		(42,123)	(44,241)	(126,575)	(124,019)
		(11,306)	(17,671)	(35,331)	(41,897)
Other comprehensive loss					
Items that will be subsequently reclassified to net assets attributable to Unitholders:					
Share of net change in derivatives designated as cash flow hedges of equity-accounted investments	18	(278)	(1,837)	(761)	(1,428)
Net change in derivatives designated as cash flow hedges	18	(13)	(845)	(27)	(1,634)
Other comprehensive loss		(291)	(2,682)	(788)	(3,062)
Comprehensive loss		\$ (11,597)	\$ (20,353)	\$ (36,119)	\$ (44,959)

See accompanying notes to the interim condensed consolidated financial statements.

CROMBIE REAL ESTATE INVESTMENT TRUST
Interim Condensed Consolidated Statements of Changes in Net Assets Attributable to Unitholders
(In thousands of Canadian dollars)

	REIT Units, Special Voting Units and Class B LP Units (Note 15)	Net Assets Attributable to Unitholders	Accumulated Other Comprehensive Income (Loss)	Total	Attributable to	
					REIT Units	Class B LP Units
Balance, January 1, 2025	\$ 2,272,550	\$ (419,478)	\$ 2,468	\$ 1,855,540	\$ 1,099,588	\$ 755,952
Comprehensive loss	—	(35,331)	(788)	(36,119)	(21,320)	(14,799)
Units issued under Distribution Reinvestment Plan ("DRIP")	29,540	—	—	29,540	17,291	12,249
Balance, September 30, 2025	\$ 2,302,090	\$ (454,809)	\$ 1,680	\$ 1,848,961	\$ 1,095,559	\$ 753,402

	REIT Units, Special Voting Units and Class B LP Units (Note 15)	Net Assets Attributable to Unitholders	Accumulated Other Comprehensive Income (Loss)	Total	Attributable to	
					REIT Units	Class B LP Units
Balance, January 1, 2024	\$ 2,233,731	\$ (415,426)	\$ 6,408	\$ 1,824,713	\$ 1,081,631	\$ 743,082
Comprehensive loss	—	(41,897)	(3,062)	(44,959)	(26,541)	(18,418)
Units issued under DRIP	29,238	—	—	29,238	17,114	12,124
Balance, September 30, 2024	\$ 2,262,969	\$ (457,323)	\$ 3,346	\$ 1,808,992	\$ 1,072,204	\$ 736,788

See accompanying notes to the interim condensed consolidated financial statements.

CROMBIE REAL ESTATE INVESTMENT TRUST
Interim Condensed Consolidated Statements of Cash Flows
(In thousands of Canadian dollars)

	Note	Three months ended September 30,		Nine months ended September 30,	
		2025	2024 ⁽¹⁾	2025	2024 ⁽¹⁾
Cash flows provided by (used in)					
Operating Activities					
Decrease in net assets attributable to Unitholders		\$ (11,306)	\$ (17,671)	\$ (35,331)	\$ (41,897)
Additions to tenant incentives		(11,881)	(21,664)	(26,652)	(37,433)
Items not affecting operating cash	16	29,866	30,726	85,899	81,671
Change in non-cash working capital	16	6,410	6,116	(14,883)	(14,963)
Finance costs - operations	14	24,360	22,677	72,856	67,142
Distributions to Unitholders		41,669	40,735	123,926	121,698
Cash provided by operating activities		79,118	60,919	205,815	176,218
Financing Activities					
Issuance of mortgages	6	—	—	—	32,967
Financing - other		(104)	(633)	(462)	(2,088)
Repayment of mortgages - principal		(6,318)	(6,971)	(18,760)	(21,420)
Repayment of mortgages - maturity	6	—	—	—	(82,955)
Finance costs - operations	14	(37,094)	(31,361)	(76,892)	(71,433)
Advance of floating rate credit facilities and construction financing facility	7	11,000	79,207	23,574	154,407
Repayment of floating rate credit facilities and construction financing facility		(5,000)	(47,854)	(5,000)	(245,945)
Advance of joint operation credit facility	7	50	17	50	17
Issuance of senior unsecured notes	8	—	—	—	200,000
Cash distributions to Unitholders		(31,867)	(30,688)	(94,074)	(92,296)
Payments of lease liabilities		(283)	(233)	(758)	(708)
Cash used in financing activities		(69,616)	(38,516)	(172,322)	(129,454)
Investing Activities					
Acquisition of investment properties and intangible assets		—	(3,838)	(22,109)	(14,821)
Additions to investment properties		(5,097)	(16,314)	(33,459)	(41,044)
Additions to predevelopment costs		(2,250)	(2,024)	(10,870)	(5,357)
Proceeds (costs) on disposal of investment properties		(100)	—	26,266	6,218
Contributions to joint ventures	4	(439)	(504)	(1,385)	(3,059)
Distributions from joint ventures	4	30	30	8,714	955
Additions to fixtures and computer equipment		(116)	(99)	(272)	(699)
Additions to deferred leasing costs		(94)	(88)	(541)	(391)
Collections (advances) on related party receivables	5	690	434	(5,067)	11,434
Cash used in investing activities		(7,376)	(22,403)	(38,723)	(46,764)
Net change in cash and cash equivalents		2,126	—	(5,230)	—
Cash and cash equivalents, beginning of period		2,665	—	10,021	—
Cash and cash equivalents, end of period		\$ 4,791	\$ —	\$ 4,791	\$ —

(1) Cash provided by (used in) operating and investing activities for the three and nine months ended September 30, 2024 were updated from the previously reported figures for a change in presentation of predevelopment costs.

See accompanying notes to the interim condensed consolidated financial statements.

1) GENERAL INFORMATION AND NATURE OF OPERATIONS

Crombie Real Estate Investment Trust ("Crombie") is an unincorporated open-ended real estate investment trust created pursuant to the Declaration of Trust dated January 1, 2006, as amended and restated as of May 6, 2021. The principal business of Crombie is investing in income-producing retail, retail-related industrial, mixed-use, residential, and office properties in Canada. Crombie is registered in Canada and the address of its registered office is 610 East River Road, Suite 200, New Glasgow, Nova Scotia, Canada, B2H 3S2. The interim condensed consolidated financial statements for the three and nine months ended September 30, 2025 and September 30, 2024 include the accounts of Crombie and all of its subsidiary entities. The Units of Crombie are traded on the Toronto Stock Exchange ("TSX") under the symbol "CRR.UN".

The interim condensed consolidated financial statements for the three and nine months ended September 30, 2025 were authorized for issue by the Board of Trustees on November 5, 2025.

2) SUMMARY OF MATERIAL ACCOUNTING POLICIES

These financial statements have been prepared using the same policies and methods of computation as the audited financial statements for the year ended December 31, 2024.

(a) Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting", and do not contain all the information required by IAS 1, "Presentation of Financial Statements". Therefore, they should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024.

(b) Basis of presentation

These interim condensed consolidated financial statements are presented in Canadian dollars ("CAD"), Crombie's functional and reporting currency, rounded to the nearest thousand. The interim condensed consolidated financial statements are prepared on a historical cost basis except for any financial assets and liabilities classified at fair value, with changes in fair value either recognized as an increase (decrease) in net assets attributable to Unitholders ("FVTPL" classification) or fair value through other comprehensive income (loss) ("FVOCI" classification).

(c) Critical accounting estimates and assumptions

The preparation of the interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the interim condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Critical estimates and judgments disclosed in the annual audited consolidated financial statements also apply to these financial statements. The estimates and assumptions that are critical to the determination of the amounts reported in the interim condensed consolidated financial statements relate to the following:

(i) Fair value measurement

A number of assets and liabilities included in Crombie's interim condensed consolidated financial statements require measurement at, and/or disclosure of, fair value. In estimating the fair value of an asset or a liability, Crombie uses market-observable data to the extent it is available. Where market-observable data is not available, Crombie estimates the fair value based on discounted future cash flows using discount rates that reflect current market conditions for instruments with similar terms and risks.

(ii) Investment properties

Investment properties are carried at cost less accumulated depreciation. Crombie estimates the residual value and useful lives of investment properties and the significant components thereof to calculate depreciation and amortization.

CROMBIE REAL ESTATE INVESTMENT TRUST
Notes to the Interim Condensed Consolidated Financial Statements
(In thousands of Canadian dollars)
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(iii) Investment property valuation

External, independent valuation companies, having appropriate, recognized professional qualifications and recent experience in the location and category of properties being valued, value substantially all of Crombie's investment property portfolio on a rotating basis over a maximum period of four years. The fair values, based on the measurement date, represent the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Internal quarterly valuations are performed using internally generated valuation models prepared considering the aggregate trailing annual net operating income (property revenue less property operating expenses) recognized from leasing the property, that is stabilized for any major tenant movement. Biannual capitalization rates are obtained from an independent valuation company, which reflect the specific risks inherent in the net operating income, to arrive at property valuations. As at September 30, 2025, management's determination of fair value was updated for current market assumptions, including net operating income, market capitalization rates, and recent appraisals provided by independent appraisal professionals.

3) INVESTMENT PROPERTIES

	September 30, 2025		December 31, 2024
Income properties	\$ 3,708,899	\$	3,754,741
Properties under development	123,375		169,139
Total investment properties	\$ 3,832,274	\$	3,923,880

Income properties

	Land	Buildings	Intangibles	Deferred Leasing Costs	Total
Cost					
Opening balance, January 1, 2025	\$ 1,234,852	\$ 3,312,882	\$ 74,198	\$ 21,683	\$ 4,643,615
Acquisitions	1,076	17,267	3,204	—	21,547
Additions	4	11,883	—	650	12,537
Dispositions	(1,789)	(35,447)	—	(560)	(37,796)
Derecognition of right-of-use land asset	(5,027)	—	—	—	(5,027)
Write-off of fully depreciated assets	—	(10,061)	(3,418)	(624)	(14,103)
Balance, September 30, 2025	1,229,116	3,296,524	73,984	21,149	4,620,773
Accumulated depreciation, amortization, and impairment					
Opening balance, January 1, 2025	12,702	830,178	39,458	6,536	888,874
Depreciation and amortization	199	59,035	3,886	1,481	64,601
Dispositions	—	(26,583)	—	(420)	(27,003)
Derecognition of right-of-use land asset	(495)	—	—	—	(495)
Write-off of fully depreciated assets	—	(10,061)	(3,418)	(624)	(14,103)
Balance, September 30, 2025	12,406	852,569	39,926	6,973	911,874
Net carrying value, September 30, 2025	\$ 1,216,710	\$ 2,443,955	\$ 34,058	\$ 14,176	\$ 3,708,899

Included in land are right-of-use assets of \$10,197 net of accumulated depreciation of \$1,451 for land held under lease.

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Properties under development

	Land	Buildings	Total
Opening balance, January 1, 2025	\$ 94,780	\$ 74,359	\$ 169,139
Acquisitions	12,063	—	12,063
Additions	4,346	12,215	16,561
Dispositions ⁽¹⁾	(11,449)	(62,939)	(74,388)
Balance, September 30, 2025	\$ 99,740	\$ 23,635	\$ 123,375

(1) Dispositions include the disposal of the Marlstone development to a joint venture partnership during the nine months ended September 30, 2025 (Note 17).

Fair Value

The fair value of investment properties is a Level 3 fair value measurement. The fair value represents the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Crombie's total fair value of investment properties exceeds carrying value by \$1,589,692 at September 30, 2025 (December 31, 2024 - \$1,289,615). Crombie uses the cost method of accounting for investment properties and increases in fair value over carrying value are not recognized until realized through disposition or derecognition of properties, while impairment, if any, is recognized on a property-by-property basis when circumstances indicate that the carrying value may not be recoverable.

The estimated fair values of Crombie's investment properties are as follows:

	Fair Value	Carrying Value
September 30, 2025	\$ 5,827,000	\$ 4,237,308
December 31, 2024	5,604,000	4,314,385

Carrying value consists of the net carrying value of:

	Note	September 30, 2025	December 31, 2024
Income properties		\$ 3,708,899	3,754,741
Properties under development		123,375	169,139
Accrued straight-line rent receivable	5	111,197	108,800
Tenant incentives	5	293,837	281,705
Total carrying value		\$ 4,237,308	4,314,385

Crombie has utilized the following weighted average capitalization rate for the valuation of income properties. Crombie reports the weighted average capitalization rate excluding properties under development. Once development is completed on these properties and they become income producing, Crombie includes them in the calculation of its weighted average capitalization rate.

	September 30, 2025	December 31, 2024
Weighted average capitalization rate	5.90 %	5.98 %

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Fair value sensitivity

Crombie has determined that a change in this applied capitalization rate and net operating income at September 30, 2025 would result in a corresponding change in the fair value of the investment properties as follows:

Capitalization rate change	Net operating income change							
	\$ (15,000)	\$ (10,000)	\$ (5,000)	— \$	5,000 \$	10,000 \$	15,000 \$	
(0.75) %	\$ 605,000	\$ 689,000	\$ 774,000	\$ 859,000	\$ 944,000	\$ 1,029,000	\$ 1,113,000	
(0.50) %	\$ 290,000	\$ 374,000	\$ 459,000	\$ 544,000	\$ 629,000	\$ 714,000	\$ 798,000	
(0.25) %	\$ 5,000	\$ 89,000	\$ 174,000	\$ 259,000	\$ 344,000	\$ 429,000	\$ 513,000	
— %	\$ (254,000)	\$ (170,000)	\$ (85,000)	\$ —	\$ 85,000	\$ 170,000	\$ 254,000	
0.25 %	\$ (490,000)	\$ (406,000)	\$ (321,000)	\$ (236,000)	\$ (151,000)	\$ (66,000)	\$ 18,000	
0.50 %	\$ (707,000)	\$ (623,000)	\$ (538,000)	\$ (453,000)	\$ (368,000)	\$ (283,000)	\$ (199,000)	
0.75 %	\$ (906,000)	\$ (822,000)	\$ (737,000)	\$ (652,000)	\$ (567,000)	\$ (482,000)	\$ (398,000)	

Property acquisitions and dispositions

The operating results of acquired properties are included from the respective date of acquisition and for disposed properties up to the date of disposition.

Transaction Date	Vendor/Purchaser	Properties Acquired (Disposed)	Approximate Square Footage	Initial Acquisition (Disposition) Price ⁽¹⁾
January 20, 2025 ⁽²⁾	Third Party	—	— \$	(74)
February 14, 2025	Third Party	(1)	(188,000) \$	(3,300)
April 10, 2025 ⁽³⁾	Joint Venture	(1)	— \$	(66,850)
April 22, 2025	Third Party	1	12,000 \$	1,095
June 13, 2025 ⁽⁴⁾	Third Party	(1)	(140,000) \$	(8,500)
June 25, 2025	Third party	3	134,000 \$	20,110
June 27, 2025 ⁽⁵⁾	Third party	1	— \$	11,500
June 27, 2025 ⁽⁵⁾	Third Party	(1)	— \$	(11,500)

(1) The initial acquisition (disposition) prices exclude closing and transaction costs.

(2) Expropriation of a parcel of land at an existing retail property.

(3) If certain conditions are met, Crombie may receive variable consideration in the form of an HST rebate from The Marlstone Limited Partnership joint venture following development completion of the property (see Note 17).

(4) This disposition resulted in a gain of \$1,770 on derecognition of the right-of-use asset associated with the land lease.

(5) Crombie swapped an existing parcel of development land for a parcel held by the City of Halifax, NS.

CROMBIE REAL ESTATE INVESTMENT TRUST
Notes to the Interim Condensed Consolidated Financial Statements
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Investment property disposals

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Selling price	\$ —	\$ —	\$ 90,224	\$ 13,000
Selling costs	(100) ⁽¹⁾	—	(3,455)	(532)
Net selling price	(100)	—	86,769	12,468
Carrying values derecognized:				
Land	—	—	(13,238)	(1,766)
Buildings	—	—	(71,802)	(8,295)
Intangibles	—	—	—	(113)
Deferred leasing costs	—	—	(140)	—
Tenant incentives	—	—	(1,172)	—
Accrued straight-line rent	—	—	(448)	—
Provisions ⁽²⁾	—	—	3,120	(131)
Total net gain (loss) on disposal	\$ (100)	\$ —	\$ 3,089	\$ 2,163

(1) Post-closing transaction costs arising from a prior period property disposition.

(2) Provisions includes holdback balances assumed by The Marlstone Limited Partnership.

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Net selling price	\$ (100)	\$ —	\$ 86,769	\$ —
Non-cash land swap	—	—	(11,500)	—
Vendor financing	—	—	(3,750)	—
Debt assumed by buyer ⁽¹⁾	—	—	(26,021)	—
Non-cash consideration	—	—	(19,232)	—
Total cash proceeds (costs) on disposal of investment properties	\$ (100)	\$ —	\$ 26,266	\$ —

(1) The Marlstone Limited Partnership assumed the outstanding balance of the construction financing.

On April 10, 2025, Crombie formed a joint venture partnership with Montez Corporation and then disposed of The Marlstone development to The Marlstone Limited Partnership for gross proceeds of \$66,850, consisting of cash proceeds of \$19,232, a one-time development fee of \$2,365 and an equity interest in the joint venture of \$19,232 with the joint venture assuming \$26,021 in construction financing debt. As a result of these transactions, Crombie's ownership percentage changed from 100% to 50% (see Note 17).

Co-owned properties

Crombie owns partial interests in a number of properties. These co-owned properties are subject to proportionate consolidation, the results of which are reflected in Crombie's interim condensed consolidated financial statements, based on the proportionate interest in such joint operations.

	September 30, 2025		December 31, 2024	
	Number of co-owned properties	Ownership	Number of co-owned properties	Ownership
Retail	59	11 %-50 %	59	11 %-50 %
Retail-related industrial	3	50 %	3	50 %
Total co-owned properties	62		62	

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4) INVESTMENT IN JOINT VENTURES

The following represents Crombie's interest in equity-accounted investments:

	September 30, 2025	December 31, 2024
Bronte Village Limited Partnership	50.0 %	50.0 %
The Duke Limited Partnership	50.0 %	50.0 %
Penhorn Residential Holdings Limited Partnership	50.0 %	50.0 %
140 CPN Limited	50.0 %	50.0 %
1700 East Broadway Limited Partnership	50.0 %	50.0 %
Lynn Valley Limited Partnership	50.0 %	50.0 %
Kingsway & Tyne Property Development Limited Partnership	50.0 %	50.0 %
2733 West Broadway Limited Partnership	50.0 %	—
4440 Hastings Limited Partnership	50.0 %	—
The Marlstone Limited Partnership	50.0 %	—
Beacon Developments Limited Partnership	50.0 %	—
Harbourview Property Development Limited Partnership	50.0 %	—

Crombie acquired the remaining 50% interest in 1600 Davie Limited Partnership on October 15, 2024.

The following tables represent 100% of the financial position and financial results of equity-accounted entities:

	September 30, 2025				December 31, 2024			
	Bronte LP	Duke LP	Other	Total	Bronte LP	Duke LP	Other	Total
Non-current assets	\$ 248,388	\$ 109,191	\$ 180,402	\$ 537,981	\$ 252,600	\$ 110,502	\$ 45,576	\$ 408,678
Current assets	2,557	3,875	11,177	17,609	3,785	6,777	2,752	13,314
Non-current liabilities	(253,725)	(98,743)	(71,994)	(424,462)	(239,311)	(100,233)	(27,841)	(367,385)
Current liabilities	(6,158)	(2,876)	(59,478)	(68,512)	(5,310)	(2,778)	(1,468)	(9,556)
Net assets	(8,938)	11,447	60,107	62,616	11,764	14,268	19,019	45,051
Crombie's share at 50%	(4,469)	5,723	30,053	31,307	5,882	7,134	9,509	22,525
Reconciling items:								
Deferred gain	—	—	(136)	(136)	—	—	—	—
Additional net investment	5,551	2,397	—	7,948	5,551	1,685	—	7,236
Crombie's investment in joint ventures	\$ 1,082	\$ 8,120	\$ 29,917	\$ 39,119	\$ 11,433	\$ 8,819	\$ 9,509	\$ 29,761

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	Three months ended September 30, 2025					Three months ended September 30, 2024				
	Davie LP	Bronte LP	Duke LP	Other	Total	Davie LP	Bronte LP	Duke LP	Other	Total
Property revenue	\$ —	\$ 4,775	\$ 2,474	\$ 141	\$ 7,390	\$ 3,207	\$ 4,895	\$ 2,347	\$ 202	\$ 10,651
Property operating expenses	—	(1,941)	(878)	(57)	(2,876)	(839)	(1,844)	(865)	(82)	(3,630)
General and administrative expenses	—	35	(6)	(6)	23	(40)	(123)	(4)	(54)	(221)
Depreciation and amortization	—	(1,090)	(477)	(14)	(1,581)	(687)	(1,089)	(476)	(14)	(2,266)
Finance costs - operations	—	(3,167)	(802)	(25)	(3,994)	(1,620)	(3,009)	(812)	(11)	(5,452)
Net income (loss)	\$ —	\$ (1,388)	\$ 311	\$ 39	\$ (1,038)	\$ 21	\$ (1,170)	\$ 190	\$ 41	\$ (918)
Crombie's income (loss) from equity-accounted investments	\$ —	\$ (694)	\$ 156	\$ 20	\$ (518)	\$ —	\$ (585)	\$ 95	\$ 21	\$ (469)

	Nine months ended September 30, 2025					Nine months ended September 30, 2024				
	Davie LP	Bronte LP	Duke LP	Other	Total	Davie LP	Bronte LP	Duke LP	Other	Total
Property revenue	\$ —	\$ 14,079	\$ 7,437	\$ 373	\$ 21,889	\$ 9,515	\$ 13,770	\$ 7,049	\$ 575	\$ 30,909
Property operating expenses	—	(5,496)	(2,650)	(215)	(8,361)	(2,157)	(4,705)	(2,530)	(207)	(9,599)
General and administrative expenses	—	(69)	(51)	(20)	(140)	(134)	(171)	(48)	(107)	(460)
Depreciation and amortization	—	(3,265)	(1,430)	(42)	(4,737)	(2,149)	(3,337)	(1,432)	(42)	(6,960)
Finance costs - operations	—	(9,451)	(2,432)	(66)	(11,949)	(4,529)	(9,999)	(2,461)	(35)	(17,024)
Net income (loss)	\$ —	\$ (4,202)	\$ 874	\$ 30	\$ (3,298)	\$ 546	\$ (4,442)	\$ 578	\$ 184	\$ (3,134)
Crombie's income (loss) from equity-accounted investments	\$ —	\$ (2,101)	\$ 437	\$ 15	\$ (1,649)	\$ —	\$ (2,221)	\$ 289	\$ 91	\$ (1,840)

The following table shows the changes in the total carrying value of Crombie's investment in joint ventures for the nine months and year ended:

	September 30, 2025		December 31, 2024	
Opening balance	\$	29,761	\$	30,778
Contributions		20,618		3,574
Distributions		(8,714)		(1,235)
Deferred gain		(136)		—
Share of loss		(1,649)		(1,970)
Share of other comprehensive loss		(761)		(1,386)
Closing balance	\$	39,119	\$	29,761

Fair Value

The estimated fair value of the investment properties held within Crombie's equity-accounted joint ventures at 100% is as follows:

	Fair Value		Carrying Value	
September 30, 2025	\$	636,000	\$	531,526
December 31, 2024	\$	570,000	\$	401,569

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Carrying value consists of the net carrying value at 100% of:

	September 30, 2025	December 31, 2024
Income properties	\$ 352,969	\$ 357,105
Properties under development	174,144	39,754
Accrued straight-line rent receivable	591	546
Tenant incentives	3,822	4,164
Total carrying value	\$ 531,526	\$ 401,569

The fair value of joint venture properties is a Level 3 fair value measurement. The fair value represents the estimated price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value included in this summary reflects the fair value of the properties as at September 30, 2025 and December 31, 2024, respectively, based on each property's current use as a revenue-generating property or property under development. Additionally, as properties are prepared for redevelopment, Crombie considers each property's progress through entitlement in determining the fair value of the property. The fair value of properties under development is assumed to equal cost, plus any incremental fair value recognized through entitlement, until the property is substantially completed. As at September 30, 2025, Bronte Village Limited Partnership, The Duke Limited Partnership, and 140 CPN Limited are revenue-generating properties.

Crombie has utilized the following weighted average capitalization rates for its joint venture properties:

	September 30, 2025	December 31, 2024
Weighted average capitalization rate	4.29 %	4.27 %

Fair value sensitivity of the investment properties held within Crombie's equity-accounted joint ventures

Crombie has determined that a change in this applied capitalization rate and net operating income at September 30, 2025 would result in a corresponding change in the fair value of the investment properties as follows:

Capitalization rate change	Net operating income change							
	\$ (1,500)	\$ (1,000)	\$ (500)	—	\$ 500	\$ 1,000	\$ 1,500	
(0.75) %	\$ 66,000	\$ 78,000	\$ 89,000	\$ 101,000	\$ 113,000	\$ 124,000	\$ 136,000	
(0.50) %	\$ 29,000	\$ 41,000	\$ 52,000	\$ 64,000	\$ 76,000	\$ 87,000	\$ 99,000	
(0.25) %	\$ (3,000)	\$ 9,000	\$ 20,000	\$ 32,000	\$ 44,000	\$ 55,000	\$ 67,000	
— %	\$ (35,000)	\$ (23,000)	\$ (12,000)	\$ —	\$ 12,000	\$ 23,000	\$ 35,000	
0.25 %	\$ (56,000)	\$ (44,000)	\$ (33,000)	\$ (21,000)	\$ (9,000)	\$ 2,000	\$ 14,000	
0.50 %	\$ (79,000)	\$ (67,000)	\$ (56,000)	\$ (44,000)	\$ (32,000)	\$ (21,000)	\$ (9,000)	
0.75 %	\$ (99,000)	\$ (87,000)	\$ (76,000)	\$ (64,000)	\$ (52,000)	\$ (41,000)	\$ (29,000)	

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5) OTHER ASSETS

	September 30, 2025			December 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Trade receivables	\$ 20,887	\$ —	\$ 20,887	\$ 21,838	\$ —	\$ 21,838
Provision for doubtful accounts	(1,294)	—	(1,294)	(1,472)	—	(1,472)
Net trade receivables	19,593	—	19,593	20,366	—	20,366
Prepaid expenses and deposits	40,384	—	40,384	19,946	—	19,946
Other fixed assets ⁽¹⁾	—	8,870	8,870	—	9,526	9,526
Finance lease receivable	729	10,029	10,758	699	10,609	11,308
Accrued straight-line rent receivable	—	111,197	111,197	—	108,800	108,800
Tenant incentives	—	293,837	293,837	—	281,705	281,705
Vendor financing ⁽²⁾	1,857	4,336	6,193	786	1,834	2,620
Amounts receivable from related parties	6,366	11,134	17,500	2,131	10,302	12,433
Total other assets	\$ 68,929	\$ 439,403	\$ 508,332	\$ 43,928	\$ 422,776	\$ 466,704

- (1) For the nine months ended September 30, 2025, depreciation of other fixed assets was \$1,111 (September 30, 2024 - \$1,104). Other fixed assets include right-of-use assets of \$1,977 (December 31, 2024 - \$2,175) net of accumulated depreciation of \$1,680 (December 31, 2024 - \$1,574) relating to office and vehicle leases.
- (2) Vendor financing arising from the disposition of two properties in the fourth quarter of 2024 and one property in the second quarter of 2025, with repayment due in three annual interest-free installments beginning one year following the transaction dates.

Tenant Incentives	Cost	Accumulated Amortization	Net Carrying Value
Balance, January 1, 2025	\$ 416,640	\$ (134,935)	\$ 281,705
Additions	36,897	—	36,897
Amortization	—	(23,593)	(23,593)
Disposition	(3,187)	2,015	(1,172)
Write-off of fully depreciated assets	(10,764)	10,764	—
Balance, September 30, 2025	\$ 439,586	\$ (145,749)	\$ 293,837

6) MORTGAGES PAYABLE

	Weighted Average Term to Maturity	September 30, 2025	December 31, 2024
		\$	\$
Fixed rate mortgages	5.1 years	\$ 809,859	\$ 827,930
Deferred financing charges		(4,387)	(5,126)
Total mortgage debt		\$ 805,472	\$ 822,804
Non-current		\$ 762,894	\$ 792,265
Current		42,578	30,539
		\$ 805,472	\$ 822,804
Weighted average interest rate for outstanding mortgage debt		4.12 %	4.13 %

Specific investment properties with a carrying value of \$1,412,417 as at September 30, 2025 (December 31, 2024 - \$1,480,863) are currently pledged as security for mortgages. Carrying value includes investment properties, as well as accrued straight-line rent receivable and tenant incentives, which are included in other assets.

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7) CREDIT FACILITIES

	Weighted Average Term to Maturity	Total Available Facility	September 30, 2025	December 31, 2024
Construction financing ⁽¹⁾	— years	\$ —	\$ —	\$ 13,447
Unsecured non-revolving credit facility ⁽²⁾	2.3 years	50,000	50,000	50,000
Unsecured revolving credit facility	3.2 years	550,000	—	—
Joint operation credit facility II ⁽²⁾	4.0 years	4,510	3,570	3,520
Unsecured bilateral credit facility	1.7 years	130,000	6,000	—
Deferred financing charges			(1,328)	(1,836)
Total credit facilities		\$ 734,510	\$ 58,242	\$ 65,131
Non-current			\$ 58,242	\$ 52,604
Current			—	12,527
			\$ 58,242	\$ 65,131
Weighted average interest rate for drawn credit facilities			4.26 %	4.58 %

- (1) Construction financing was derecognized in the second quarter of 2025 due to the disposition of The Marlstone development property to a joint venture (see Note 17).
(2) Credit facility is fixed under an interest rate swap agreement.

Unsecured bilateral credit facility

The unsecured bilateral credit facility agreement was extended effective June 30, 2025. The unsecured bilateral credit facility has a maximum principal amount of \$130,000 and matures June 30, 2027. The facility is used by Crombie for working capital purposes and to provide temporary financing for acquisitions and development activity.

Joint operation credit facility II

The \$9,000 revolving credit facility became available on July 11, 2025 when an additional property was pledged as security. As at September 30, 2025, Crombie's portion of the term and revolving credit facilities was \$3,520 and \$50, respectively.

8) SENIOR UNSECURED NOTES

	Maturity Date ⁽¹⁾	Contractual Interest Rate	September 30, 2025	December 31, 2024
Series F	August 26, 2026	3.68 %	\$ 200,000	\$ 200,000
Series G	June 21, 2027	3.92 %	150,000	150,000
Series H	March 31, 2028	2.69 %	150,000	150,000
Series I	October 9, 2030	3.21 %	150,000	150,000
Series J	August 12, 2031	3.13 %	150,000	150,000
Series K	September 28, 2029	5.24 %	200,000	200,000
Series L	March 29, 2030	5.14 %	200,000	200,000
Series M	January 15, 2032	4.73 %	300,000	300,000
Deferred financing charges			(3,973)	(4,707)
Total senior unsecured notes			\$ 1,496,027	\$ 1,495,293
Non-current			\$ 1,297,004	\$ 1,495,293
Current			199,023	—
			\$ 1,496,027	\$ 1,495,293
Weighted average interest rate			4.12 %	4.12 %

- (1) The weighted average term to maturity as at September 30, 2025 was 4.0 years (December 31, 2024 - 4.8 years).

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9) TRADE AND OTHER PAYABLES

	September 30, 2025			December 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Tenant incentives and capital expenditures	\$ 33,311	\$ —	\$ 33,311	\$ 27,763	\$ —	\$ 27,763
Property operating costs	39,353	—	39,353	47,504	—	47,504
Prepaid rents	13,725	—	13,725	14,468	—	14,468
Finance costs on long term debt	11,632	—	11,632	18,394	—	18,394
Amounts payable to related party	—	—	—	1,376	—	1,376
Fair value of interest rate swap agreements	—	1,021	1,021	545	—	545
Distributions payable	13,959	—	13,959	13,647	—	13,647
Unit-based compensation plans	15,020	10,468	25,488	2,779	16,440	19,219
Deferred revenue	680	1,747	2,427	2,647	4,158	6,805
Total trade and other payables	\$ 127,680	\$ 13,236	\$ 140,916	\$ 129,123	\$ 20,598	\$ 149,721

10) PROPERTY REVENUE

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Operating lease revenue				
Rental revenue contractually due from tenants	\$ 111,674	\$ 104,405	\$ 329,850	\$ 310,596
Contingent rental revenue	622	575	1,983	1,979
Straight-line rent recognition	986	1,271	2,845	4,163
Tenant incentive amortization	(8,153)	(7,663)	(23,593)	(21,502)
Lease termination income	61	543	3,387	1,610
Revenue from contracts with customers				
Common area cost recoveries	13,711	13,930	48,123	48,368
Parking revenue	1,183	1,399	3,998	4,216
Total property revenue	\$ 120,084	\$ 114,460	\$ 366,593	\$ 349,430

The following table sets out tenants that contributed in excess of 10% of total property revenue:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Sobeys Inc. (including all subsidiaries of Empire Company Limited ("Empire"))	\$ 68,607	57.1 %	\$ 65,795	57.5 %
	\$ 204,920	55.9 %	\$ 194,886	55.8 %

11) REVENUE FROM MANAGEMENT AND DEVELOPMENT SERVICES

Crombie provides development and property management services to co-owners, related parties and third parties. Crombie's revenue from development, construction and other fees are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Development fees	\$ 4,183	\$ 1,000	\$ 7,613	\$ 3,492
Management fees	245	83	1,201	446
Total revenue from management and development services	\$ 4,428	\$ 1,083	\$ 8,814	\$ 3,938

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12) PROPERTY OPERATING EXPENSES

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Recoverable property taxes	\$ 24,719	\$ 23,997	\$ 73,393	\$ 71,736
Recoverable operating expenses	13,389	13,747	49,196	49,259
Other operating costs ⁽¹⁾	2,502	1,710	6,043	4,900
Total property operating expenses	\$ 40,610	\$ 39,454	\$ 128,632	\$ 125,895

(1) Includes residential non-shareable expenses.

13) GENERAL AND ADMINISTRATIVE EXPENSES AND CHANGE IN FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) General and administrative expenses

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Salaries and benefits	\$ 4,204	\$ 4,543	\$ 13,232	\$ 10,406
Professional and public company costs	1,331	739	4,235	3,452
Occupancy and other	945	732	2,706	2,340
Total general and administrative expenses	\$ 6,480	\$ 6,014	\$ 20,173	\$ 16,198

General and administrative expenses for the three and nine months ended September 30, 2025 include employee transition costs of \$Nil and \$810, respectively (September 30, 2024 - \$Nil and \$784, respectively).

(b) Change in fair value of financial instruments

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Deferred Unit Plan	\$ (250)	\$ (3,506)	\$ (2,201)	\$ (2,321)
Net change in derivative not designated as cash flow hedge	(204)	—	(448)	—
Total change in fair value of financial instruments	\$ (454)	\$ (3,506)	\$ (2,649)	\$ (2,321)

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14) FINANCE COSTS - OPERATIONS

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Fixed rate mortgages	\$ 8,768	\$ 8,437	\$ 26,755	\$ 26,090
Floating rate term, revolving, and demand facilities	1,147	1,083	3,110	3,781
Capitalized interest ⁽¹⁾	(1,683)	(1,537)	(5,092)	(4,654)
Senior unsecured notes	15,826	14,272	47,001	40,659
Interest income on finance lease receivable	(89)	(127)	(334)	(386)
Interest on lease liability	391	549	1,416	1,652
Finance costs - operations, expense	24,360	22,677	72,856	67,142
Amortization of fair value debt adjustment	(229)	(8)	(688)	(24)
Change in accrued finance costs	13,683	9,250	6,762	6,027
Amortization of deferred financing charges	(720)	(558)	(2,038)	(1,712)
Finance costs - operations, paid	\$ 37,094	\$ 31,361	\$ 76,892	\$ 71,433

(1) For the three and nine months ended September 30, 2025, interest was capitalized for qualifying development projects based on a weighted average interest rate of 3.91% and 3.95%, respectively (September 30, 2024 - 3.86% and 3.83%, respectively).

15) UNITS OUTSTANDING

	Crombie REIT Units		Class B LP Units and Attached Special Voting Units		Total	
	Number of Units	Amount	Number of Units	Amount	Number of Units	Amount
Balance, January 1, 2025	108,606,866	\$ 1,339,813	75,383,579	\$ 932,737	183,990,445	\$ 2,272,550
Units issued under DRIP	1,244,365	17,291	881,497	12,249	2,125,862	29,540
Balance, September 30, 2025	109,851,231	\$ 1,357,104	76,265,076	\$ 944,986	186,116,307	\$ 2,302,090

	Crombie REIT Units		Class B LP Units and Attached Special Voting Units		Total	
	Number of Units	Amount	Number of Units	Amount	Number of Units	Amount
Balance, January 1, 2024	106,905,347	\$ 1,317,139	74,178,234	\$ 916,592	181,083,581	\$ 2,233,731
Units issued under DRIP	1,301,024	17,114	921,637	12,124	2,222,661	29,238
Balance, September 30, 2024	108,206,371	\$ 1,334,253	75,099,871	\$ 928,716	183,306,242	\$ 2,262,969

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16) SUPPLEMENTARY CASH FLOW INFORMATION

(a) Items not affecting operating cash

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Items not affecting operating cash:				
Straight-line rent recognition	\$ (986)	\$ (1,271)	\$ (2,845)	\$ (4,163)
Amortization of tenant incentives	8,153	7,663	23,593	21,502
Net (gain) loss on disposal of investment properties	100	—	(3,089)	(2,163)
Gain on derecognition of right-of-use asset	—	—	(1,770)	—
Impairment of investment properties	—	—	—	2,000
Depreciation and amortization	21,627	20,359	65,712	60,334
Loss from equity-accounted investments	518	469	1,649	1,840
Change in fair value of financial instruments	454	3,506	2,649	2,321
Total items not affecting operating cash	\$ 29,866	\$ 30,726	\$ 85,899	\$ 81,671

(b) Change in non-cash working capital

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Cash provided by (used in):				
Trade receivables	\$ 225	\$ (3,347)	\$ 773	\$ (3,605)
Prepaid expenses and deposits and other assets ⁽¹⁾	6,997	1,726	(9,903)	(14,582)
Payables and other liabilities	(812)	7,737	(5,753)	3,224
Total change in non-cash working capital	\$ 6,410	\$ 6,116	\$ (14,883)	\$ (14,963)

(1) Cash used in prepaid expenses and deposits and other assets for the three and nine months ended September 30, 2024 were updated from the previously reported figures for a change in presentation of predevelopment costs as cash flows used in investing activities.

(c) Cash and cash equivalents

	September 30, 2025	December 31, 2024
Restricted cash ⁽¹⁾	\$ —	\$ 2,605
Cash	4,791	7,416
Total cash and cash equivalents	\$ 4,791	\$ 10,021

(1) In the fourth quarter of 2024, Crombie received funds on closing of the remaining 50% interest in 1600 Davie Limited Partnership that were held in escrow.

17) RELATED PARTY TRANSACTIONS

As at September 30, 2025, Empire, through its wholly owned subsidiary ECL Developments Limited ("ECLD"), holds a 41.5% indirect interest in Crombie. Related party transactions primarily include transactions with entities associated with Crombie through Empire's indirect interest. Related party transactions also include transactions with joint venture entities in which Crombie has a 50% interest, as well as transactions with key management personnel and post-employment benefit plans.

Related party transactions are measured at the amount of consideration established and agreed by the related parties.

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Crombie's revenue (expense) transactions with related parties are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Property revenue				
Property revenue	\$ 68,607	\$ 65,795	\$ 204,920	\$ 194,886
Head lease income	\$ 261	\$ 203	\$ 945	\$ 649
Revenue from management and development services	\$ 4,428	\$ 1,083	\$ 8,814	\$ 3,780
Property operating expenses	\$ (2)	\$ —	\$ (2)	\$ (45)
General and administrative expenses				
Property management services recovered	\$ 32	\$ 23	\$ 102	\$ 98
Other general and administrative expenses	\$ (19)	\$ (42)	\$ (56)	\$ (123)
Finance costs - distributions to Unitholders	\$ (17,279)	\$ (16,891)	\$ (51,387)	\$ (50,463)

Crombie provides property management, development management, project management, leasing services, and environmental risk management to certain of its properties held in joint arrangements, and to specific properties owned by certain subsidiaries of Empire on a fee-for-service basis pursuant to a Property Management Agreement which is being recognized as revenue from management and development services.

During the nine months ended September 30, 2025, Crombie issued 881,497 (September 30, 2024 - 921,637) Class B LP Units to ECLD under the DRIP (Note 15).

During the nine months ended September 30, 2025, Crombie invested \$29,365 (September 30, 2024 - \$33,903) in properties anchored by subsidiaries of Empire, which resulted in amended lease terms. These amounts have been included in tenant incentive additions or income property additions depending on the nature of the work completed. These costs are being amortized over the amended lease terms.

During the nine months ended September 30, 2025, Crombie disposed of The Marlstone development to a joint venture partnership with Montez Corporation for cash proceeds of \$19,232 with the joint venture assuming \$26,021 in construction financing debt. Amounts due from related parties include a \$4,000 interest-free short-term note receivable due from The Marlstone Limited Partnership, which was funded subsequent to the disposition.

Amounts due from related parties include \$195 (December 31, 2024 - \$40) in a note receivable due from Lynn Valley Limited Partnership related to development services.

Amounts due from related parties include \$156 (December 31, 2024 - \$Nil) in a note receivable due from Kingsway & Tyne Property Development Limited Partnership related to development services.

During the nine months ended September 30, 2025, Crombie assigned two Right to Development agreements related to properties at 1170 East 27th Street, North Vancouver, British Columbia and 3400/3410 Kingsway, Vancouver, British Columbia. Each agreement had a nil carrying value and was transferred for nominal consideration as part of Wesgroup Partnership assumption of Empire's share of Lynn Valley Limited Partnership and Kingsway & Tyne Property Development Limited Partnership.

18) FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments

The fair value of a financial instrument is the estimated amount that Crombie would receive to sell a financial asset or pay to transfer a financial liability in an orderly transaction between market participants at the measurement date.

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Fair value determination is classified within a three-level hierarchy, based on observability of significant inputs, as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - unobservable inputs for the asset or liability.

There were no transfers between levels of the fair value hierarchy during the nine months ended September 30, 2025 (nine months ended September 30, 2024 - no transfers).

The fair values of other financial instruments are based on discounted cash flows using discount rates that reflect current market conditions for instruments with similar terms and risks. The following table summarizes the estimated fair values of other financial instruments that have fair values different from their carrying values:

	September 30, 2025		December 31, 2024	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial liabilities				
Fixed rate mortgages	\$ 812,526	\$ 805,472	\$ 814,111	\$ 822,804
Credit facilities	59,570	58,242	66,967	65,131
Senior unsecured notes	1,518,691	1,496,027	1,496,790	1,495,293
Total financial liabilities	\$ 2,390,787	\$ 2,359,741	\$ 2,377,868	\$ 2,383,228

The fair values of fixed rate mortgages, credit facilities, and senior unsecured notes were estimated using Level 2 inputs.

Due to their short-term nature, the carrying values of the following financial instruments approximate their fair values at the balance sheet dates:

- Cash and cash equivalents
- Accounts receivable
- Trade and other payables.

(b) Risk management

In the normal course of business, Crombie is exposed to a number of financial risks that can affect its operating performance. The significant risks, and the actions taken to manage them, are as follows:

Credit risk

Credit risk arises from the possibility that tenants may experience financial difficulty and be unable to fulfill their lease commitments. A provision for doubtful accounts and other adjustments are taken for all anticipated collectability risks.

Crombie mitigates credit risk by geographical diversification, diversifying both its tenant mix and asset mix, and conducting credit assessments for new and renewing tenants.

Receivables are substantially comprised of current balances due from tenants and past due receivables. The balance of accounts receivable past due is usually not significant. Generally, rents are due the first of each month and other tenant billings are due 30 days after invoicing, and balances over 30 days are considered past due. The total provision for doubtful accounts is reviewed at each balance sheet date and current and long-term accounts receivable are reviewed on a regular basis.

Crombie assesses, on a forward-looking basis, the expected credit losses associated with its rent receivables. In determining the expected credit losses, Crombie takes into account, on a tenant-by-tenant basis, the payment history, future expectations, and knowledge gathered

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through discussions for rental concessions and ongoing discussions with tenants.

Interest rate risk

Interest rate risk is the potential for financial loss arising from increasing interest rates. Crombie mitigates this risk by utilizing staggered debt maturities and limiting the use of permanent floating rate debt and, on occasion, utilizing interest rate swap agreements. Crombie does not enter into interest rate swaps on a speculative basis.

Hedge accounting on financial instruments

The following tables summarize Crombie's financial instruments that are hedged:

				As at September 30, 2025	
Hedge type	Maturity date	Fixed interest rate	Hedge effectiveness	Notional amount of the hedging instrument ⁽¹⁾	Fair value of hedging instrument ⁽¹⁾
Cash flow hedge ⁽²⁾	March 1, 2029	3.15 %	100 %	\$ 50,485	\$ 762
Cash flow hedge ⁽³⁾	October 7, 2029	5.20 %	100 %	3,570	(90)
Cash flow hedge ⁽³⁾	October 15, 2029	4.19 %	— %	50,000	(931)
				\$ 104,055	\$ (259)

(1) Amounts are shown at Crombie's ownership percentage.

(2) Included in Note 4 in the interim condensed consolidated financial statements.

(3) Included in Note 9 in the interim condensed consolidated financial statements.

			Three months ended September 30, 2025		Nine months ended September 30, 2025	
Hedge type	Maturity date	Fixed interest rate	Change in fair value gain (loss) recognized in other comprehensive income (loss) ⁽¹⁾	Hedge recognized in statements of comprehensive loss	Change in fair value gain (loss) recognized in other comprehensive income (loss) ⁽¹⁾	Hedge recognized in statements of comprehensive loss
Cash flow hedge	March 1, 2029	3.15 %	\$ (278)	\$ —	\$ (761)	\$ —
Cash flow hedge	October 7, 2029	5.20 %	(13)	—	(27)	—
Cash flow hedge	October 15, 2029	4.19 %	—	(204)	—	(448)
			\$ (291)	\$ (204)	\$ (788)	\$ (448)

(1) Amounts are shown at Crombie's ownership percentage.

A fluctuation in interest rates would currently not have an impact on Crombie's operating income as all floating rate debt balances, with the exception of the bilateral credit facility, have been hedged with interest rate swaps. The following tables look at the impacts of selected interest rate moves on other comprehensive loss and net assets attributable to Unitholders:

		As at September 30, 2025	
		Increase in Rate	Decrease in Rate
Impact on other comprehensive loss of interest rate changes on interest rate swap agreements at Crombie's share			
Impact of a 0.5 % interest rate change	\$	882	\$ (882)
Impact of a 1.0 % interest rate change	\$	1,767	\$ (1,767)
Impact of a 1.5 % interest rate change	\$	2,646	\$ (2,646)

		As at September 30, 2025	
		Increase in Rate	Decrease in Rate
Impact on decrease in net assets attributable to Unitholders of interest rate changes on interest rate swap agreements not designated as a hedge			
Impact of a 0.5 % interest rate change	\$	951	\$ (972)
Impact of a 1.0 % interest rate change	\$	1,881	\$ (1,966)
Impact of a 1.5 % interest rate change	\$	2,790	\$ (2,983)

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- Crombie's weighted average term to maturity of its fixed rate mortgages is 5.1 years (December 31, 2024 - 5.8 years);
- Crombie's weighted average term to maturity of its fixed rate unsecured notes is 4.0 years (December 31, 2024 - 4.8 years);
- Crombie has a fixed rate unsecured non-revolving credit facility to a maximum of \$50,000 with a balance of \$50,000 outstanding (December 31, 2024 - \$50,000);
- Crombie's \$550,000 floating rate unsecured revolving credit facility is reduced by the amount of any outstanding letters of credit. As at September 30, 2025, \$547,315 was available on this facility with no balance outstanding/drawn (December 31, 2024 - \$544,802 available with no balance outstanding/drawn);
- Crombie has a floating rate unsecured bilateral credit facility available to a maximum of \$130,000 with a balance of \$6,000 outstanding/drawn (December 31, 2024 - no balance outstanding/drawn);
- Crombie has a fixed rate joint operation credit facility available to a maximum of \$4,510 (December 31, 2024- \$3,520) at Crombie's share with a balance of \$3,570 outstanding (December 31, 2024 - \$3,520);
- Crombie has interest rate swap agreements in place on \$53,570 of floating rate debt (December 31, 2024 - \$53,520) and an interest rate swap agreement in place held in equity-accounted investments on \$50,485 of floating rate debt, at Crombie's share (December 31, 2024 - \$51,206); and
- Crombie has floating rate credit facilities, included in debt held in equity-accounted investments, available to a maximum of \$98,588 with a balance of \$55,332 outstanding, at Crombie's share (December 31, 2024 - \$10,250).

Liquidity risk

The real estate industry is capital intensive, and most assets are non-current in nature. These assets produce income through long-term leases, which funds current liabilities as they come due. While rents are contractually committed, they are not recognized as current assets, and this imbalance creates a working capital deficit, despite cash flows from contractually committed rents and credit facilities being more than adequate to satisfy current liabilities. Liquidity risk is the risk that Crombie may not have access to sufficient debt and equity capital to fund its growth program, refinance debt obligations as they mature, or meet its ongoing obligations as they arise. Cash flow generated from operating the property portfolio represents the primary source of liquidity used to service the interest on debt, fund general and administrative expenses, reinvest in the portfolio through capital expenditures, as well as fund tenant incentive costs and make distributions to Unitholders. Debt repayment requirements are primarily funded from refinancing Crombie's maturing debt obligations. Property acquisition funding requirements are funded through a combination of accessing the debt and equity capital markets and recycling capital from property dispositions.

There is a risk that the debt capital markets may not refinance maturing fixed rate and floating rate debt on terms and conditions acceptable to Crombie or at any terms at all. Crombie seeks to mitigate this risk by staggering its debt maturity dates. There is also a risk that the equity capital markets may not be receptive to a REIT Unit offering issuance from Crombie with financial terms acceptable to Crombie. Access to the \$550,000 unsecured revolving credit facility is limited by the amount utilized under the facility and the amount of any outstanding letters of credit. As at September 30, 2025, \$547,315 was available on this facility.

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The estimated payments, including principal and interest, on financial liabilities to maturity date are as follows:

	Contractual Cash Flows ⁽¹⁾	Twelve months ending September 30,					
		2026	2027	2028	2029	2030	Thereafter
Fixed rate mortgages	\$ 963,951	\$ 76,933	\$ 140,396	\$ 267,888	\$ 96,142	\$ 57,537	\$ 325,055
Senior unsecured notes	1,756,148	261,021	202,753	196,494	244,479	228,852	622,549
Trade and other payables	129,284	116,048	2,525	1,366	860	1,881	6,604
Lease liabilities	87,073	4,299	2,430	2,176	2,041	1,936	74,191
	2,936,456	458,301	348,104	467,924	343,522	290,206	1,028,399
Credit facilities ⁽²⁾	65,686	2,605	8,524	50,797	186	3,574	—
Total estimated payments	\$ 3,002,142	\$ 460,906	\$ 356,628	\$ 518,721	\$ 343,708	\$ 293,780	\$ 1,028,399

(1) Includes principal and interest and excludes extension options.

(2) Includes the fixed portion of the interest expense for credit facilities under swap agreements.

19) CAPITAL MANAGEMENT

Crombie's objective when managing capital on a long-term basis is to maintain overall indebtedness, at reasonable levels, utilize staggered debt maturities, minimize long-term exposure to excessive levels of floating rate debt and maintain conservative payout ratios.

Crombie's capital structure consists of the following:

	September 30, 2025	December 31, 2024
Fixed rate mortgages ⁽¹⁾	\$ 805,472	\$ 822,804
Drawn credit facilities ⁽¹⁾	58,242	65,131
Senior unsecured notes ⁽¹⁾	1,496,027	1,495,293
Lease liabilities	27,091	33,937
Crombie REIT Unitholders	1,095,559	1,099,588
SVU and Class B LP Unitholders ⁽²⁾	753,402	755,952
	\$ 4,235,793	\$ 4,272,705

(1) Net of deferred financing charges.

(2) Crombie REIT Special Voting Units ("SVU") and Class B LP Units.

At a minimum, Crombie's capital structure is managed to ensure that it complies with the limitations pursuant to Crombie's Declaration of Trust, the criteria contained in the Income Tax Act (Canada) in regard to the definition of a REIT, and existing debt covenants. One of the restrictions pursuant to Crombie's Declaration of Trust would include, among other items, a restriction that Crombie shall not incur total indebtedness of more than 60% of gross book value.

For the debt to gross book value calculation, Crombie does not include in total debt the financial liabilities to REIT Unitholders and to holders of Class B LP Units, as shown on the balance sheets as net assets attributable to Unitholders. Crombie's debt to gross book value is defined as the total obligation for borrowed funds and lease liabilities, including the proportionate share of any borrowings held within joint ventures, divided by the gross book value of Crombie's assets which includes its proportionate share of gross assets held within joint ventures.

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	September 30, 2025	December 31, 2024
Fixed rate mortgages	\$ 809,859	\$ 827,930
Senior unsecured notes	1,500,000	1,500,000
Unsecured non-revolving credit facility	50,000	50,000
Construction financing facility	—	13,447
Joint operation credit facilities	3,570	3,520
Bilateral credit facility	6,000	—
Debt held in joint ventures, at Crombie's share ⁽¹⁾	237,128	185,991
Lease liabilities	27,091	33,937
Total debt	\$ 2,633,648	\$ 2,614,825
Income properties, cost ⁽²⁾	\$ 4,613,716	\$ 4,633,758
Properties under development, cost	123,375	169,139
Investment properties, held in joint ventures, cost, at Crombie's share	279,813	211,997
Below-market lease component, cost ⁽³⁾	67,591	70,182
Other assets, cost ⁽⁴⁾	660,924	607,736
Other assets, cost, held in joint ventures, at Crombie's share	11,507	9,578
Cash and cash equivalents	4,791	10,021
Cash and cash equivalents held in joint ventures, at Crombie's share	3,068	3,434
Deferred financing charges	9,688	11,669
Gross book value	\$ 5,774,473	\$ 5,727,514
Debt to gross book value - cost basis	45.6 %	45.7 %

(1) Includes Crombie's share of fixed rate mortgages, floating rate construction loans, floating rate revolving credit facilities, and lease liabilities held in joint ventures.

(2) Includes cumulative impairments on land of \$7,057 (December 31, 2024 - \$9,857).

(3) Below-market lease component is included in the carrying value of investment properties.

(4) Excludes accumulated amortization of tenant incentives and other fixed assets.

The terms of the unsecured revolving credit facility require that each quarter Crombie must maintain certain covenants:

- total leverage to total gross book value of 60% (65% including convertible debentures);
- total unencumbered property asset value must be a minimum of 1.4 times the total unsecured debt outstanding;
- annualized net operating income on all properties must be a minimum of 1.5 times the coverage of all annualized debt service requirements;
- secured debt to total gross book value less than 40%; and
- cash distributions to Unitholders are limited to 100% of funds from operations.

As at September 30, 2025, Crombie is in compliance with all externally imposed capital requirements and all covenants relating to its debt facilities.

The terms of the unsecured bilateral revolving credit facility and the unsecured non-revolving credit facility also require annualized NOI on all properties to be a minimum of 1.4 times the coverage of all annualized debt service requirements, cash distributions to Unitholders to be limited to 100% of funds from operations as defined in the credit facilities, and total leverage to total gross book value of 60% or less.

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20) LEASE LIABILITIES

Crombie's future minimum lease payments as a lessee are as follows:

	Twelve months ending September 30,							Thereafter
	Total	2026	2027	2028	2029	2030		
Future minimum lease payments	\$ 87,073	\$ 4,299	\$ 2,430	\$ 2,176	\$ 2,041	\$ 1,936	\$ 74,191	
Finance charges	(59,982)	(1,446)	(1,379)	(1,338)	(1,303)	(1,277)	(53,239)	
Present value of lease payments	\$ 27,091	\$ 2,853	\$ 1,051	\$ 838	\$ 738	\$ 659	\$ 20,952	

Lease liabilities are presented on the consolidated balance sheets as follows:

	September 30, 2025	December 31, 2024
Non-current	\$ 24,238	\$ 31,236
Current	2,853	2,701
Total lease liabilities	\$ 27,091	\$ 33,937

Some of Crombie's lease agreements contain contingent rent clauses. Contingent rental payments are recognized in the consolidated statements of comprehensive loss as required when contingent criteria are met. The lease agreements contain renewal options and purchase options, none of which are reflected in the minimum lease payments in the above table. For the nine months ended September 30, 2025, minimum lease payments of \$2,174 were paid by Crombie.

21) OPERATING LEASES

Crombie as a lessor

Crombie's operations include leasing commercial and residential real estate. Future minimum rental income under non-cancellable tenant leases as at September 30, 2025, is as follows:

	Year ending December 31,						Total
	Remaining 2025	2026	2027	2028	2029	Thereafter	
Future minimum rental income	\$ 82,303	\$ 310,075	\$ 293,133	\$ 273,465	\$ 252,968	\$ 1,561,855	\$ 2,773,799

Crombie manages its residual risk in its investment properties through an active capital expenditure program and actively leasing any vacant spaces. The residual risk throughout Crombie's portfolio is not considered significant.

22) COMMITMENTS, CONTINGENCIES, AND GUARANTEES

There are various claims and litigation in which Crombie is involved, arising out of the ordinary course of business operations. In the opinion of management, any liability that would arise from such contingencies in excess of existing accruals would not have a significant adverse effect on these financial statements.

Crombie obtains standby letters of credit to support its obligations with respect to construction work on its investment properties and satisfying mortgage financing requirements. As at September 30, 2025, Crombie had \$2,685 (December 31, 2024 - \$5,198) in outstanding letters of credit related to construction work being performed on investment properties.

As at September 30, 2025, Crombie had signed construction contracts totalling \$102,314 (December 31, 2024 - \$259,087), of which \$72,010 (December 31, 2024 - \$197,329) has been paid. This includes contracts signed within joint ventures at Crombie's ownership percentage.

Crombie has committed to funding \$37,926 (December 31, 2024 - \$37,926) in development costs at 1700 East Broadway Limited Partnership, of which \$1,128 has been funded as at September 30, 2025 (December 31, 2024 - \$719).

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Crombie has 100% guarantees on mortgages related to properties in which it has less than a 100% interest. The mortgages payable related to these guarantees are secured by specific charges against the properties. As at September 30, 2025, Crombie has provided guarantees of approximately \$25,352 (December 31, 2024 - \$26,655) on mortgages in excess of their ownership interest in the properties. Responsibility for ongoing payments of principal and interest on these mortgages remains with the joint owners of the properties. The mortgages have a weighted average term to maturity of 2.5 years (December 31, 2024 - 3.3 years).

Crombie and its partners have provided joint and several guarantees on 100% of mortgage debt outstanding in the following joint ventures: Bronte Village Limited Partnership \$256,486 (December 31, 2024 - \$241,718) and 140 CPN Limited \$3,066 (December 31, 2024 - \$3,121), and are secured by the income-producing properties related to the mortgages. Crombie and its partner have provided joint and several guarantees on 100% of debt outstanding in The Marlstone Limited Partnership \$44,788 (December 31, 2024 - \$Nil), which are secured by the property related to the debt. Crombie and its partners have provided joint and several guarantees on 100% of debt outstanding in 1700 East Broadway Limited Partnership \$22,300 (December 31, 2024 - \$20,500), 4440 Hastings Limited Partnership \$18,061 (December 31, 2024 - \$Nil), and 2733 West Broadway Limited Partnership \$25,490 (December 31, 2024 - \$Nil). Crombie includes its 50% ownership interest in the outstanding debt related to these joint ventures in its debt metrics.

Under the terms of head leases with certain of Crombie's joint operation partners, Crombie guarantees its joint operation partners their portion of any uncollected rent receivable from the sub-tenant.

Crombie currently indemnifies the entirety of a land lease throughout the duration of the term (including any extension periods), for a property it no longer owns. To minimize future risk, the purchaser has provided Crombie an identical Indemnification and, as additional security, Crombie has put in place an Equitable Mortgage, which has been placed on title of the former property.

23) SUBSEQUENT EVENTS

- (a) On October 16, 2025, Crombie declared distributions of 7.5 cents per Unit for the period from October 1, 2025 up to and including October 31, 2025. The distributions will be paid on November 14, 2025, to Unitholders of record as at October 31, 2025.
- (b) On October 30, 2025, Crombie acquired a 100% interest in a grocery-anchored retail property located in Etobicoke, Ontario from a subsidiary of Empire totalling 51,000 square feet for total consideration of \$28,472, excluding closing and transaction costs, of which \$4,660 was due on closing and \$23,812 was incurred as predevelopment costs.

24) SEGMENT DISCLOSURE

Crombie owns and operates primarily retail, retail-related industrial, office, and mixed-use real estate assets located in Canada. Management, in measuring Crombie's performance or making operating decisions, does not distinguish or group its operations on a geographical or other basis. Accordingly, Crombie has a single reportable segment.