



DREAM OFFICE REIT REPORTS Q4 2025 RESULTS

This press release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release. All dollar amounts in our tables are presented in thousands of Canadian dollars, except for rental rates and per unit amounts, unless otherwise stated.

TORONTO, FEBRUARY 19, 2026, DREAM OFFICE REAL ESTATE INVESTMENT TRUST (D.UN-TSX) (“Dream Office REIT”, the “Trust” or “we”) today announced its financial results for the three months ended December 31, 2025. Management will host a conference call to discuss the financial results on Friday, February 20, 2026, at 10:00 a.m. (ET).

OPERATIONAL HIGHLIGHTS AND UPDATE

(unaudited)

	As at		
	December 31, 2025	September 30, 2025	December 31, 2024
Total properties⁽¹⁾			
Number of active properties	24	24	24
Number of properties under development	—	2	2
Gross leasable area (in millions of square feet)	4.5	4.8	4.8
Investment properties value - Toronto downtown	\$ 1,744,597	\$ 1,711,228	\$ 1,750,357
Investment properties value - Other markets	325,652	345,770	372,346
Investment properties value	2,070,249	2,108,515	2,175,015
Toronto downtown⁽²⁾			
Occupancy rate – including committed – Toronto (period-end)	87.4%	85.5%	83.8%
Occupancy rate – in-place – Toronto (period-end)	79.4%	79.0%	80.2%
Weighted average in-place and committed net rent per square foot – Toronto	\$ 33.34	\$ 32.97	\$ 32.43
Weighted average lease term – Toronto (years)	6.3	6.1	5.4
Total portfolio⁽²⁾			
Occupancy rate – including committed (period-end)	82.1%	81.7%	81.1%
Occupancy rate – in-place (period-end)	76.6%	77.2%	77.5%
Average in-place and committed net rent per square foot (period-end)	\$ 28.71	\$ 27.76	\$ 27.20
Weighted average lease term (years)	6.2	5.9	5.5

See footnotes at end.

	Three months ended	
	December 31, 2025	December 31, 2024
Operating results		
Funds from operations (“FFO”) ⁽³⁾	\$ 10,986	\$ 14,104
Comparative properties net operating income (“NOI”) ⁽⁴⁾	24,198	23,513
Net rental income	26,189	27,286
Net loss	(24,370)	(19,101)
Per unit amounts		
Diluted FFO per unit ⁽⁵⁾⁽⁶⁾	\$ 0.56	\$ 0.72
Distribution rate per Unit ⁽⁶⁾	0.25	0.25

See footnotes at end.

“We are seeing meaningful improvements in the use of office space and demand for leasing for the first time in six years since COVID-19 became a global pandemic. We have recently begun to see the purchase of office properties in downtown Toronto by investors, as opposed to the last few years where almost all transactions were buyers converting the buildings for their own use. Altogether, these changes bode well for Dream Office REIT,” said Michael Cooper, Chief Executive Officer of Dream Office REIT. “Consistent with the improvement in market occupancy, our downtown Toronto portfolio improved its in-place and committed occupancy from 83.8% at the start of 2025 to 87.4% at the end of the year, primarily driven by 700,000 sf of leasing done in 2025. Our focus in 2026 is to continue to take care of our buildings and tenants, improve occupancy and increase the value of our business.”



Driven primarily by demand from major financial institutions, the downtown Toronto office market realized 1.0 million square feet of positive absorption, and overall vacancy improved by 110 bps quarter-over-quarter to 15.9%⁽⁷⁾ in Q4 2025. The new office construction pipeline in downtown Toronto remains low, with just 1.9 million square feet currently under construction⁽⁷⁾.

National sublet space decreased by 1.0 million square feet in the quarter, and over 2025 a cumulative 3.2 million square feet of sublet space came off the market, bringing the total amount of national sublease space down to 11.4 million square feet, which is now consistent with 2017 levels⁽⁷⁾. This significant reduction reflects growing tenant confidence and a decrease in corporate space optimization efforts. The drop in sublease availability also aligns with the coordinated return-to-office mandates announced by several major Canadian financial institutions starting in fall 2025, aimed at fostering increased in-person collaboration and strengthening company culture.

Over the past seven years, we have invested capital in our best buildings in downtown Toronto, and the renovations are now substantially complete. We believe our portfolio is strategically located within the Toronto central financial district, with convenient connectivity to public transit. Our portfolio is difficult to replace and uniquely positioned to attract high-quality tenants for long-term outperformance if positive momentum in office fundamentals continues to improve in 2026 and beyond.

For the three months ended December 31, 2025, comparative properties NOI⁽⁴⁾ increased by 2.9%, or \$0.7 million over the prior year comparative quarter, as higher in-place rents in both regions from new leasing and higher weighted average occupancy in Other markets were partly offset by reduced weighted average occupancy from the lease expiry at 74 Victoria Street in Toronto downtown in Q4 2024. In Toronto downtown, comparative properties NOI in Toronto downtown increased by 1.8%, or \$0.3 million, over the prior year comparative quarter, while in the Other markets region, comparative properties NOI increased by 7.6%, or \$0.4 million.

For the year ended December 31, 2025, the Trust secured 827,000 square feet of leasing across 24 properties, compared to 634,000 square feet of leasing across 26 properties at in 2024 and 785,000 square feet of leasing across 28 properties in 2023. To date, the Trust has already secured commitments in Toronto downtown for approximately 388,000 square feet, or 119% of 2026 full-year natural lease expiries.

Our Toronto downtown in-place and committed occupancy rate has improved from 85.5% as at September 30, 2025 to 87.4% as at December 31, 2025 and is 360 bps higher than the in-place and committed occupancy rate of 83.8% at the beginning of 2025.

Relative to Q3 2025, in-place and committed occupancy in our Other markets region, comprising the Trust's properties located in Calgary, Saskatoon, Regina, Mississauga, and Scarborough, decreased from 75.5% to 72.1%, primarily attributed to the disposition of 12800 Foster Street, Overland Park in Kansas, U.S., the Trust's sole asset in the United States, for \$9.5 million (or US\$7.0 million). Excluding 12800 Foster Street, in-place and committed occupancy across the remainder of the Other markets region decreased by 0.5% as a result of negative absorption.

Since the end of the prior quarter, our Toronto downtown in-place occupancy improved from 79.0% to 79.4%. The Trust currently has a spread of 800 bps between in-place and in-place and committed occupancy in the region, which is attributable to extended timelines between the signing of a lease with a new tenant, and the date that tenant takes economic occupancy in the space. This delay is often attributed to the current environment's longer fixturing periods as tenants are making significant space planning decisions and fixturing improvements to facilitate increasing return-to-office programs. The Trust anticipates that, over the course of 2026, net of natural expiries, this spread will narrow, leading to higher annualized comparative properties NOI⁽⁴⁾ in the latter half of 2026 which will be fully reflected in the Trust's 2027 results.

Relative to Q3 2025, our Other markets in-place occupancy decreased from 74.3% to 71.2%, which is primarily attributed to the aforementioned disposition of 12800 Foster Street, Overland Park in Kansas, U.S.

In Toronto downtown, the Trust is committed to continuing to invest in our portfolio to improve occupancy, income and value. In the Other markets region, the Trust continues to manage its assets to improve net cash flow and liquidity, and will continue to seek opportunities to sell assets at a fair price to the Trust.

During Q4 2025, the Trust executed leases totalling approximately 224,000 square feet across its portfolio. In Toronto downtown, the Trust executed 201,000 square feet of leases at a weighted average initial net rent of \$30.86 per square foot, or 2.0% lower than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 8.0 years.



In the Other markets region, the Trust executed leases totalling 23,000 square feet over Q4 2025 at a weighted average initial net rent of \$16.25 per square foot, or 4.8% lower than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 2.5 years.

Subsequent to December 31, 2025, the Trust executed a further 31,000 square feet of leases in Toronto downtown at a weighted average initial net rent of \$26.10 per square foot, with a weighted average lease term of 4.7 years.

Since the beginning of 2025 to today's date, the Trust has executed leases totalling approximately 858,000 square feet across our portfolio. In Toronto downtown, the Trust has executed 731,000 square feet of leases at a weighted average initial net rent of \$31.78 per square foot, or 2.0% higher than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 7.7 years. In the Other markets region, the Trust has executed leases totalling 127,000 square feet at a weighted average initial net rent per square foot of \$18.73, or 8.4% lower than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 7.6 years.

As at December 31, 2025, the Trust had secured contractual 2026 commencements totalling 448,000 square feet across its portfolio, compared to 444,000 square feet of natural expiries. In Toronto downtown, the Trust had secured 381,000 square feet of contractual 2026 commencements compared to 326,000 square feet of natural expiries. This 55,000 square feet of in-place absorption represents a contractual growth in in-place occupancy totalling 1.9% for the region.

DISPOSITION OF 12800 FOSTER STREET, OVERLAND PARK, KANSAS, U.S.

As at December 31, 2025, the Trust classified its sole investment property located in the United States as an asset held for sale totalling \$9.5 million (or US\$7.0 million). The transaction closed on January 2, 2026 for gross proceeds before transaction costs of US\$7.0 million. The property was vacant and unencumbered at the time of sale.

REDEVELOPMENT PROJECTS UPDATE

As at December 31, 2025, the Trust had no properties under development.

On October 16, 2025, the Trust closed a 50/50 joint venture partnership with PCap Real Assets Fund L.P., managed by Pomerleau Capital Inc., whereby 606-4th Street, including the development costs incurred to date, was sold into a newly formed joint venture for \$15.3 million of total proceeds comprising equity in the joint venture totalling \$3.6 million with the remainder settled in cash.

Overall, the development strategy and joint venture allowed the Trust to improve the occupancy at 444-7th through a tenant relocation while creating a new residential building in downtown Calgary, thereby reducing the operational and financial risk of both buildings.

Also during the fourth quarter of 2025, the Trust completed the redevelopment project at 67 Richmond Street West in Toronto, Ontario and transferred it to Completed properties under development within Active properties. During the quarter, the Trust secured a 32,000 square foot lease for the entire remaining vacant space at the building with a major technology tenant for a term of ten years. Initial base rents for the lease are \$35.00 per square foot, escalating to \$47.75 per square foot over the term of the lease. The tenant is currently in the fixturing period for the lease for a staggered economic commencement in June and December 2026.



FINANCING AND LIQUIDITY UPDATE

KEY FINANCIAL PERFORMANCE METRICS (unaudited)	As at	
	December 31, 2025	December 31, 2024
Financing		
Weighted average face rate of interest on debt (period-end) ⁽⁸⁾	5.02%	4.75%
Interest coverage ratio (times) ⁽⁹⁾	1.7	1.8
Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years) ⁽¹⁰⁾	11.6	11.4
Level of debt (net total debt-to-net total assets) ⁽¹¹⁾	54.2%	52.9%
Average term to maturity on debt (years)	3.5	3.4
Liquidity		
Cash and cash equivalents (in millions)	\$ 15.2	\$ 18.3
Cash and undrawn revolving credit facilities (in millions) ⁽¹²⁾	97.6	56.5
Total liquidity (in millions) ⁽¹³⁾	172.7	138.0
Capital (period-end)		
Total number of REIT A and subsidiary redeemable units (in millions) ⁽⁶⁾⁽¹⁴⁾	19.0	19.0
Net asset value ("NAV") per unit ⁽⁶⁾⁽¹⁵⁾	\$ 49.92	\$ 59.47

See footnotes at end.

As at December 31, 2025, the Trust had \$2.3 billion of total assets, including \$2.1 billion of investment properties and \$1.2 billion of total debt.

On December 29, 2025, the Trust amended and extended the maturity of its \$375 million credit facility to October 2, 2028. In connection with the credit facility amendment, the Trust repaid mortgages of \$60.8 million and \$6.7 million, respectively, secured by properties in Toronto, Ontario and pledged the two additional properties as security and removed one property held for sale in connection with the amendment. The amendment addressed two upcoming 2026 mortgage maturities and added \$68 million of incremental liquidity.

The Trust refinanced its last remaining 2025 debt maturity in the second quarter of 2025. As at December 31, 2025, the Trust's 2026 mortgage maturities totalled \$92.5 million across three mortgages. The Trust anticipates that it will be able to successfully address all of its 2026 mortgage expiries at or before maturity. Subsequent to December 31, 2025, the Trust extended the maturity date of a \$66.5 million mortgage maturing in December 2026 to December 2027.

As at December 31, 2025, the Trust had approximately \$172.7 million of total liquidity⁽¹³⁾, comprising cash and undrawn revolving credit facilities⁽¹²⁾ of \$97.6 million and additional liquidity related to undrawn amounts on our CIB Facility of \$75.1 million, which provides low-cost, fixed-rate financing solely for the purpose of commercial property retrofits to achieve certain energy efficiency savings and greenhouse gas emission reductions. Cash and undrawn revolving credit facilities⁽¹²⁾ totalling \$97.6 million comprises \$15.2 million of cash and \$82.5 million of undrawn revolving credit facilities.

During Q4 2025, the Trust drew \$1.5 million against the CIB Facility. In total, we have drawn \$37.8 million against the CIB Facility since 2022. These draws represent 80% of the costs to date for capital retrofits at certain properties in Toronto downtown for projects to reduce the operational carbon emissions in these buildings. Of the \$37.8 million drawn on the CIB Facility, \$8.9 million was used to fund the full building retrofit of 366 Bay Street to secure a full building lease for a term of 15 years and \$6.3 million was used to fund the development project at 67 Richmond Street West.

SUMMARY OF KEY PERFORMANCE INDICATORS

- Net loss for the quarter:** For the three months ended December 31, 2025, the Trust generated a net loss of \$24.4 million. Included in net loss for the three months ended December 31, 2025 are negative fair value adjustments to investment properties totalling \$41.0 million across the portfolio and interest expense on debt of \$15.2 million, partially offset by net rental income totalling \$26.2 million, fair value gains on subsidiary redeemable units and rate swap contracts totalling \$8.7 million and net income from our investment in Dream Industrial REIT of \$0.7 million.



- **Diluted FFO per unit⁽⁵⁾⁽⁶⁾ for the quarter:** For the three months ended December 31, 2025, diluted FFO per unit decreased by \$0.16 per unit to \$0.56 per unit relative to \$0.72 per unit in Q4 2024, driven by lower net rental income due to the sale of 438 University Avenue in Q1 2025 (-\$0.14), reduced FFO from Dream Industrial REIT due to the sale of units in Q1 and Q2 (-\$0.07), lower straight-line rent due to free rent periods rolling off (-\$0.03), lower NOI from a property held for sale (-\$0.03), lower lease termination fees and other income (-\$0.03), higher bad debt provisions (-\$0.02), reduced interest and other income from the sale of the VTB in Q2 2025 (-\$0.02) and accretion of the diluted weighted average number of units due to an increase in unissued Deferred Unit Incentive Plan ("DUIP") units granted under the Deferred Unit Incentive Plan and other items (-\$0.02), partially offset by lower interest expense (+\$0.11), higher comparative properties NOI (+\$0.04), higher income from the completed development at 366 Bay Street and 67 Richmond Street West in Toronto (+\$0.02), lower G&A expenses (+\$0.02) and higher income from investments in equity accounted investments (+\$0.01).
- **Net rental income for the quarter:** For the three months ended December 31, 2025, net rental income decreased by 4.0%, or \$1.1 million, over the prior year comparative quarter, largely due to lower income attributed to the sale of 438 University Avenue in Q1 2025 and our U.S. property held for sale this quarter, as well as lower straight-line rent from free rent periods ending and higher other income in the prior period comprising derecognition of provisions which were no longer required. Included in Q4 2025 net rental income is approximately \$3.1 million of income related to certain prior period tax refunds that were recognized in Q4 2025. The Trust determined that since this income is not reflective of the ongoing operations of the Trust and does not anticipate receiving any additional refunds of this nature in the future, the Trust has applied adjustments to exclude this tax refund income in the determination of FFO.⁽³⁾
- **Comparative properties NOI⁽⁴⁾ for the quarter:** For the three months ended December 31, 2025, comparative properties NOI increased by 2.9%, or \$0.7 million over the prior year comparative quarter, as higher in-place rents in both regions from new leasing and higher weighted average occupancy in Other markets were partly offset by reduced weighted average occupancy from the lease expiry at 74 Victoria Street in Toronto downtown in Q4 2024.

For the three months ended December 31, 2025, comparative properties NOI in Toronto downtown increased by 1.8%, or \$0.3 million, over the prior year comparative quarter, as higher in-place rents from rent step-ups and new leasing were offset by lower weighted average occupancy in the region driven by the 206,000 square foot lease expiry at 74 Victoria Street in Q4 2024. In the Other markets region, comparative properties NOI increased by 7.6%, or \$0.4 million, over the prior year comparative quarter, primarily driven by positive net absorption and higher parking revenues.

- **In-place occupancy:** In Toronto downtown, in-place occupancy increased slightly by 0.4%, primarily driven by net positive absorption (+1.1%) as 93,000 square feet of renewals and 60,000 square feet of new lease commencements were partially offset by 114,000 square feet of expiries. The positive absorption in the region was partially offset by the reclassification of 67 Richmond Street West (-0.7%) from properties under development to active properties at the end of Q4 2025 as the property was leased, but economic occupancy is scheduled in the second half of 2026. During the quarter, the Trust secured a commitment at 67 Richmond Street West for the remaining 32,000 square feet of vacancy for a term extending 10 years with initial rents starting at \$35.00 per square foot, and escalating to \$47.50 per square foot over the term of the lease, bringing committed occupancy at the property to 100%.

In the Other markets region, in-place occupancy decreased by 3.1%. The decrease in in-place occupancy in Other markets was largely driven by the reclassification of 12800 Foster Street, Overland Park in Kansas, U.S., to assets held for sale at quarter-end and subsequent sale in Q1 2026. Absorption in the remainder of the region was flat as 7,000 square feet of renewals and 15,000 square feet of new lease commencements were offset by 22,000 square feet of expiries.

- **Lease commencements for the quarter:** For the three months ended December 31, 2025, excluding temporary leasing, 153,000 square feet of leases commenced in Toronto downtown at net rents of \$32.96 per square foot, or 9.9% lower compared to the previous rent on the same space with a weighted average lease term of 7.2 years. In the Other markets region, excluding temporary leasing, 19,000 square feet of leases commenced at \$17.71 per square foot, or 34.2% lower than the previous rent on the same space with a weighted average lease term of 4.7 years.
- **NAV per unit⁽⁶⁾⁽¹⁵⁾:** As at December 31, 2025, our NAV per unit decreased to \$49.92 compared to \$59.47 at December 31, 2024. The decrease in NAV per unit relative to December 31, 2024 was primarily driven by fair value losses on investment properties primarily due to changes in assumptions and maintenance capital and leasing cost write-offs in both regions, partially offset by cash flow retention (FFO net of distributions). As at December 31, 2025, equity per the consolidated financial statements was \$0.9 billion.



- **Fair value adjustments to investment properties for the quarter:** For the three months ended December 31, 2025, the Trust recorded a fair value loss totalling \$41.0 million, comprising fair value losses of \$24.3 million in Toronto downtown, \$12.8 million in Other markets and \$3.9 million in our properties under development. Fair value losses in both regions were primarily driven by expansions in cap rates and write-offs of maintenance capital spend. During Q4 2025, the Trust appraised six properties totalling \$344 million, or 17% of its investment property portfolio.

CONFERENCE CALL

Management will host a conference call to discuss the financial results on Friday, February 20, 2026, at 10:00 a.m. (ET). To access the conference call, please dial 1-800-715-9871 in Canada or 647-932-3411 elsewhere. To access the conference call via webcast, please go to Dream Office REIT's website at www.dreamofficereit.ca and click on the link for News, then click on Events. A taped replay of the conference call and the webcast will be archived for 90 days.

OTHER INFORMATION

Information appearing in this press release is a selected summary of results. The condensed consolidated financial statements and Management's Discussion and Analysis ("MD&A") of the Trust are available at www.dreamofficereit.ca and on www.sedarplus.ca.

Dream Office REIT is an unincorporated, open-ended real estate investment trust. Dream Office REIT is a premier office landlord in downtown Toronto with over 4 million square feet owned and managed. We have carefully curated an investment portfolio of high-quality assets that are well located in the central financial district with convenient access to public transportation and amenities. For more information, please visit our website at www.dreamofficereit.ca.

FOOTNOTES

- (1) Excludes properties held for sale and investments in joint ventures that are equity accounted at the end of each period.
- (2) Excludes properties under development, properties held for sale and investments in joint ventures that are equity accounted at the end of each period.
- (3) FFO is a non-GAAP financial measure. The most directly comparable financial measure to FFO is net income. The tables included in the Appendices section of this press release reconcile FFO for the three months ended December 31, 2025 and December 31, 2024 to net income. FFO is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.
- (4) Comparative properties NOI is a non-GAAP financial measure. The most directly comparable financial measure to comparative properties NOI is net rental income. The tables included in the Appendices section of this press release reconcile comparative properties NOI for the three months ended December 31, 2025 and December 31, 2024 to net rental income. Comparative properties NOI is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure, please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.
- (5) Diluted FFO per unit is a non-GAAP ratio. Diluted FFO per unit is calculated as FFO (a non-GAAP financial measure) divided by diluted weighted average number of units. Diluted FFO per unit is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio, please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release. A description of the determination of the diluted weighted average number of units can be found in the management's discussion and analysis of the financial condition and results of operations of the Trust for the three months ended December 31, 2025 and December 31, 2024, dated February 19, 2026 (the "MD&A for the fourth quarter of 2025") in the section "Supplementary Financial Measures and Other Disclosures" under the heading "Weighted average number of units".
- (6) On February 22, 2024, the Trust implemented the Unit Consolidation of all the issued and outstanding REIT Units, Series A, REIT Units, Series B, Special Trust Units and subsidiary redeemable units on the basis of one (1) post-consolidation unit for every two (2) pre-consolidation units. All unit and per-unit amounts disclosed reflect the post-Unit Consolidation units for all periods presented.
- (7) CBRE Canada Office Figures Q4 2025.
- (8) Weighted average face rate of interest on debt is calculated as the weighted average face rate of all interest-bearing debt balances excluding debt in joint ventures that are equity accounted.
- (9) Interest coverage ratio (times) is a non-GAAP ratio. Interest coverage ratio comprises trailing 12-month adjusted EBITDAFV divided by trailing 12-month interest expense on debt. Adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt are non-GAAP measures. The tables in the Appendices section reconcile adjusted EBITDAFV to net income for the three months and years ended December 31, 2025 and December 31, 2024 and for the year ended December 31, 2024 and trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt to adjusted EBITDAFV and interest expense on debt, respectively, for the trailing 12-month period ended December 31, 2025. Interest coverage ratio (times), adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading "Non-GAAP Financial Measures and Ratios and Supplementary Financial Measures" in this press release.
- (10) Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years) is a non-GAAP ratio. Net total debt-to-normalized trailing 12-month adjusted EBITDAFV comprises net total debt (a non-GAAP financial measure) divided by normalized trailing 12-month adjusted EBITDAFV (a non-GAAP financial measure). Normalized trailing 12-month adjusted EBITDAFV comprises trailing 12-month adjusted EBITDAFV (a non-GAAP financial measure)



- adjusted for trailing 12-month NOI of disposed properties. Net total debt-to-normalized trailed 12-month adjusted EBITDAFV ratio (years) and net total debt are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading “Non-GAAP Financial Measures and Ratios and Supplementary Financial Measures” in this press release.
- (11) Level of debt (net total debt-to-net total assets) is a non-GAAP ratio. Net total debt-to-net total assets comprises net total debt (a non-GAAP financial measure) divided by net total assets (a non-GAAP financial measure). The tables in the Appendices section reconcile net total debt and net total assets to total debt and total assets, the most directly comparable financial measures to these non-GAAP financial measures, respectively, as at December 31, 2025 and December 31, 2024. Level of debt (net total debt-to-net total assets), net total debt and net total assets are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (12) Cash and undrawn revolving credit facilities is a non-GAAP financial measure. The most directly comparable financial measure to cash and undrawn credit facilities is cash and cash equivalents. The tables included in the Appendices section of this press release reconcile cash and undrawn revolving credit facilities to cash and cash equivalents as at December 31, 2025 and December 31, 2024. Cash and undrawn revolving credit facilities is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (13) Total liquidity is a non-GAAP financial measure. The most directly comparable financial measure to total liquidity is cash and cash equivalents. The tables included in the Appendices section of this press release reconcile total liquidity to cash and cash equivalents as at December 31, 2025 and December 31, 2024. Total liquidity is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (14) Total number of REIT A and LP B units includes 2.6 million subsidiary redeemable units which are classified as a liability under IFRS Accounting Standards.
- (15) NAV per unit is a non-GAAP ratio. NAV per unit is calculated as Total equity (including subsidiary redeemable units) (a non-GAAP financial measure) divided by the total number of REIT A and LP B units outstanding at the end of the period. Total equity (including subsidiary redeemable units) is a non-GAAP measure. The most directly comparable financial measure to total equity (including subsidiary redeemable units) is total equity. The tables included in the Appendices section of this press release reconcile total equity (including subsidiary redeemable units) to total equity as at December 31, 2025 and December 31, 2024. NAV per unit is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.

NON-GAAP FINANCIAL MEASURES, RATIOS AND SUPPLEMENTARY FINANCIAL MEASURES

The Trust’s consolidated financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). In this press release, as a complement to results provided in accordance with IFRS Accounting Standards, the Trust discloses and discusses certain non-GAAP financial measures, including FFO, comparative properties NOI, cash and undrawn revolving credit facilities, total liquidity, adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV, trailing 12-month interest expense on debt, net total debt, net total assets, normalized adjusted EBITDAFV – annualized and total equity (including subsidiary redeemable units) and non-GAAP ratios, including diluted FFO per unit, level of debt (net total debt-to-net total assets), interest coverage ratio, net total debt-to-normalized adjusted EBITDAFV and NAV per unit, as well as other measures discussed elsewhere in this release. These non-GAAP financial measures and ratios are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. The Trust has presented such non-GAAP financial measures and non-GAAP ratios as Management believes they are relevant measures of the Trust’s underlying operating and financial performance. Certain additional disclosures such as the composition, usefulness and changes, as applicable, of the non-GAAP financial measures and ratios included in this press release are expressly incorporated by reference from the MD&A for the fourth quarter of 2025 and can be found under the section “Non-GAAP Financial Measures and Ratios” and respective sub-headings labelled “Funds from operations and diluted FFO per unit”, “Comparative properties NOI”, “Level of debt (net total debt-to-net total assets)”, “Net total debt-to-normalized adjusted EBITDAFV ratio (years)”, “Interest coverage ratio (times)”, “Available liquidity”, “Total equity (including subsidiary redeemable units)”, “Adjusted earnings before interest, taxes, depreciation, amortization and fair value adjustments (“adjusted EBITDAFV)”, “Trailing 12-month Adjusted EBITDAFV and trailing 12-month interest expense on debt”, and “NAV per Unit”. The MD&A for the fourth quarter of 2025 is available on SEDAR+ at www.sedarplus.ca under the Trust’s profile and on the Trust’s website at www.dreamofficereit.ca under the Investors section. Non-GAAP financial measures should not be considered as alternatives to net income, net rental income, cash flows generated from (utilized in) operating activities, cash and cash equivalents, total assets, non-current debt, total equity, or comparable metrics determined in accordance with IFRS Accounting Standards as indicators of the Trust’s performance, liquidity, leverage, cash flow, and profitability. Reconciliations for FFO, comparative properties NOI, available liquidity, adjusted EBITDA, and total equity (including subsidiary redeemable units) to the nearest comparable IFRS Accounting Standards measure are contained at the end of this press release.



FORWARD-LOOKING INFORMATION

This press release may contain forward-looking information within the meaning of applicable securities legislation, including, but not limited to statements regarding our objectives and strategies to achieve those objectives; statements regarding the value and quality of our portfolio, the effect of the Trust's leasing strategy on the return on invested capital, occupancy at our buildings, property value, cash flows, liquidity and refinancing value; our strategies to reduce risk and improve the value of individual assets within the portfolio; the Trust's growing confidence in the office market and leasing demand, including in downtown Toronto; the Trust's expectations regarding the office sector and the impact on the Trust including occupancy, operational performance and financial results thereto; the focus on its buildings and tenants and its ability to improve occupancy and increase the value of the business; the Trust's expectation of growing tenant confidence and a decrease in corporate space optimization efforts; the impact of return-to-office mandates; the Trust's leasing performance and its ability to attract prospective tenants; the Trust's focus on reducing risk and delivering stable operational and financial performance; future increases in committed occupancy and net operating income; the ability to transition lease commitments to in-place occupancy; the Trust's expectations regarding market conditions and its impact on the spread between in-place and committed occupancy, and the impacts and timing thereof; the commitment to continue to invest in the Trust's Toronto downtown portfolio to improve occupancy, income and value; the Trust's ability to sell assets in the Other markets region, including pricing thereof; the impacts of the 606-4th Street joint venture on the risk profile of the building and 444-7th; the effect of portfolio positioning on long-term performance; our belief that our portfolio is strategically located, difficult to replace and uniquely positioned to attract high-quality tenants for long-term outperformance, subject to ongoing momentum in the office fundamentals; the effect of portfolio renovations on portfolio competitiveness and tenant quality; the effect of building improvements on tenant experience and performance; our ability to complete leases that are in an advanced stage of negotiation; our expectation that occupancy spreads will narrow leading to higher future net operating income; our expectations regarding lease commencements and net rents; our development, redevelopment and renovation plans, including timelines, square footage, our ability to lease properties under development and other project characteristics; the profitability and value of contemplated development projects; the effect of redevelopment projects on leasing risk, portfolio quality, portfolio risk and portfolio value; the effect of contemplated development projects on building operational and financial risk; our future capital requirements and cost to complete development projects; the expectation that we will be able to use our CIB Facility to fund development costs for certain projects; our ability to increase building performance and achieve certain energy efficiency and greenhouse gas reduction goals, including in respect of specific properties and of retrofits made in connection with the CIB Facility; expectations regarding our financing undertakings, including our ability to address future debt maturities; capital allocation, investments and expected benefits; the use of proceeds from dispositions and the effect of those uses on leverage and liquidity; prospective leasing activity, including with respect to our strategy to attract future potential tenants; the safety of our business; and our overall financial performance, profitability, value, safety and liquidity for future periods and years. Forward-looking statements generally can be identified by words such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "could", "likely", "plan", "project", "budget", "continue" or similar expressions suggesting future outcomes or events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream Office REIT's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, general and local economic and business conditions, including in respect of real estate; mortgage and interest rates and regulations; inflation; risks related to a potential economic slowdown in certain of the jurisdictions in which we operate and the effect inflation and any such economic slowdown may have on market conditions and lease rates; risks associated with unexpected or ongoing geopolitical events, including disputes between nations, war, terrorism or other acts of violence; the uncertainties around the availability, timing and amount of future equity and debt financings; development risks including construction costs, project timings and the availability of labour; NOI from development properties on completion; the impact of duties, tariffs and other trade restrictions on the Trust; the effect of government restrictions on leasing and building traffic; the ability of the Trust and its tenants to access government programs; the financial condition of tenants and borrowers; employment levels; the uncertainties around the timing and amount of future financings; leasing risks, including those associated with the ability to lease vacant space and properties under development; rental rates on future leasing; and interest and currency rate fluctuations.

Our objectives and forward-looking statements are based on certain assumptions, which include but are not limited to: that the general economy remains stable; our interest costs will be relatively low and stable; that we will have the ability to refinance our debts as they mature; inflation and interest rates will not materially increase beyond current market expectations; conditions within the real estate market remain consistent; the timing and extent of current and prospective tenants' return to the office; our future projects and plans will proceed as anticipated; that government restrictions on the ability of us and our tenants to operate their businesses at our properties will not be imposed in any material respects;



competition for acquisitions remains consistent with the current climate; and that the capital markets continue to provide ready access to equity and/or debt to fund our future projects and plans. All forward-looking information in this press release speaks as of the date of this press release. Dream Office REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law.

Additional information about these assumptions and risks and uncertainties is contained in Dream Office REIT's filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at Dream Office REIT's website at www.dreamofficereit.ca.

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APPENDICES

Funds from operations and diluted FFO per unit

	Three months ended December 31,	
	2025	2024
Net loss for the period	\$ (24,370)	\$ (19,101)
Add (deduct):		
Net income from investment in Dream Industrial REIT	(723)	(3,369)
Share of FFO from investment in Dream Industrial REIT	2,065	3,472
Depreciation and amortization	3,237	3,011
Costs attributable to sale of investment properties	56	279
Interest expense on subsidiary redeemable units	654	654
Fair value adjustments to investment properties	41,015	38,903
Fair value adjustments to investment properties held in joint ventures	29	34
Fair value adjustments to financial instruments and DUIP included in G&A expenses	(8,823)	(12,379)
Internal leasing costs	453	494
Principal repayments on finance lease liabilities	(15)	(14)
Enterprise resource planning software upgrade costs included in G&A expenses	57	14
Deferred income taxes expense (recovery)	51	(2,188)
Impairment of VTB mortgage receivables	—	4,294
Prior period tax refunds	(3,076)	—
Debt settlement costs due to disposals of investment properties, net	376	—
FFO for the period	\$ 10,986	\$ 14,104
Diluted weighted average number of units ⁽¹⁾	19,666	19,500
Diluted FFO per unit ⁽¹⁾	\$ 0.56	\$ 0.72

(1) On February 22, 2024, the Trust implemented the Unit Consolidation of all the issued and outstanding REIT Units, Series A, REIT Units, Series B, Special Trust Units and subsidiary redeemable units on the basis of one (1) post-consolidation unit for every two (2) pre-consolidation units. All unit and per unit amounts disclosed reflect the post-Unit Consolidation units for all periods presented.

Comparative properties NOI

	December 31,		Three months ended		Change in weighted average occupancy %	Change in in-place net rents %
	2025	2024	Amount	Change %		
Toronto downtown	\$ 19,217	\$ 18,882	\$ 335	1.8	(2.3)	4.3
Other markets	4,981	4,631	350	7.6	1.1	1.0
Comparative properties NOI	24,198	23,513	685	2.9	(1.2)	3.1
366 Bay Street and 67 Richmond Street West, Toronto	564	175	389			
Property management and other service fees	385	568	(183)			
Lease termination fees and other	180	776	(596)			
Prior period tax refunds	3,076	—	3,076			
Change in provisions	(412)	(23)	(389)			
Straight-line rent	339	951	(612)			
Amortization of lease incentives	(3,172)	(2,996)	(176)			
Property held for sale	736	1,232	(496)			
Sold properties ⁽¹⁾	295	3,090	(2,795)			
Net rental income	\$ 26,189	\$ 27,286	\$ (1,097)	(4.0)		

(1) Included in sold properties for the year ended December 31, 2025 is NOI from 606-4th Building & Barclay Parkade. On October 16, 2025, the property, including development costs incurred to date, was sold to the joint venture and consequently reclassified out of properties under development.

**Adjusted EBITDAFV**

	Three months ended		Year ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Net loss for the period	\$ (24,370)	\$ (19,101)	\$ (160,109)	\$ (104,934)
Add (deduct):				
Interest – debt	15,224	17,319	62,484	65,051
Interest – subsidiary redeemable units	654	654	2,617	2,835
Interest on debt related to investment properties held in joint ventures	48	34	167	138
Current and deferred income taxes expense (recovery), net	56	(2,162)	476	(2,290)
Depreciation on property and equipment	—	1	2	121
Fair value adjustments to investment properties	41,015	38,903	147,303	114,589
Fair value adjustments to investment properties held in joint ventures	29	34	51	172
Fair value adjustments to financial instruments	(8,732)	(12,278)	1,117	221
Net loss (income) from investment in Dream Industrial REIT	(723)	(3,369)	29,926	(10,425)
Distributions earned from Dream Industrial REIT	1,338	2,369	6,272	9,477
Amortization of lease incentives	3,172	2,996	12,732	12,375
Prior period tax refunds	(3,076)	—	(3,076)	—
Impairment of VTB mortgage receivables	—	4,294	2,278	29,199
Internal leasing costs and net losses on transactions	885	773	5,458	3,122
Adjusted EBITDAFV for the period	\$ 25,520	\$ 30,467	\$ 107,698	\$ 119,651

Interest coverage ratio (times)

	For the trailing 12-month period ended	
	December 31, 2025	December 31, 2024
Trailing 12-month adjusted EBITDAFV	\$ 107,698	\$ 119,651
Trailing 12-month interest expense on debt	\$ 62,484	\$ 65,051
Interest coverage ratio (times)	1.7	1.8

Level of debt (net total debt-to-net total assets)

	Amounts included in consolidated financial statements	
	December 31, 2025	December 31, 2024
Non-current debt	\$ 1,124,534	\$ 956,076
Current debt	111,156	351,538
Total debt	1,235,690	1,307,614
Add: Debt related to assets held for sale	—	68,887
Less: Cash on hand ⁽¹⁾	(14,982)	(17,545)
Net total debt	\$ 1,220,708	\$ 1,358,956
Total assets	2,266,611	2,584,927
Less: Cash on hand ⁽¹⁾	(14,982)	(17,545)
Net total assets	\$ 2,251,629	\$ 2,567,382
Net total debt-to-net total assets	54.2%	52.9%

(1) Cash on hand represents cash on hand at period-end, excluding cash held in co-owned properties and equity accounted investments.



Cash and undrawn revolving credit facilities and total liquidity

	As at	
	December 31, 2025	December 31, 2024
Cash and cash equivalents	\$ 15,169	\$ 18,268
Undrawn revolving credit facilities	82,459	38,243
Cash and undrawn revolving credit facilities	97,628	56,511
Undrawn CIB Facility	75,078	81,029
Undrawn non-revolving term loan facility	—	428
Total liquidity	\$ 172,706	\$ 137,968

Net total debt-to-normalized adjusted EBITDAFV ratio (years)

	December 31, 2025	December 31, 2024
Non-current debt	\$ 1,124,534	\$ 956,076
Current debt	111,156	351,538
Total debt	1,235,690	1,307,614
Add: Debt related to assets held for sale	—	68,887
Less: Cash on hand ⁽¹⁾	(14,982)	(17,545)
Net total debt	\$ 1,220,708	\$ 1,358,956
Trailing 12-month adjusted EBITDAFV	107,698	119,651
Less: Trailing 12-month NOI of disposed properties	(2,831)	(892)
Normalized trailing 12-month adjusted EBITDAFV	\$ 104,867	\$ 118,759
Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years)	11.6	11.4

(1) Cash on hand represents cash on hand at period-end, excluding cash held in co-owned properties and equity accounted investments.

Total equity (including subsidiary redeemable units) and NAV per unit

	December 31, 2025		Unitholders' equity December 31, 2024	
	Number of units	Amount	Number of units ⁽¹⁾	Amount
Unitholders' equity	16,368,880	\$ 1,846,187	16,337,348	\$ 1,837,446
Deficit	—	(949,439)	—	(764,786)
Accumulated other comprehensive income	—	3,265	—	7,863
Equity per consolidated financial statements	16,368,880	900,013	16,337,348	1,080,523
Add: Subsidiary redeemable units	2,616,911	47,680	2,616,911	46,738
Total equity (including subsidiary redeemable units)	18,985,791	\$ 947,693	18,954,259	\$ 1,127,261
NAV per unit ⁽¹⁾		\$ 49.92		\$ 59.47

(1) On February 22, 2024, the Trust implemented the Unit Consolidation of all the issued and outstanding REIT Units, Series A, REIT Units, Series B, Special Trust Units and subsidiary redeemable units on the basis of one (1) post-consolidation unit for every two (2) pre-consolidation units. All unit and per unit amounts disclosed reflect the post-Unit Consolidation units for all periods presented.