



ANNUAL REPORT 2024

RIO CAN
REAL VISION, SOLID GROUND.



STRENGTH IN RETAIL



 East Hills
Calgary, AB

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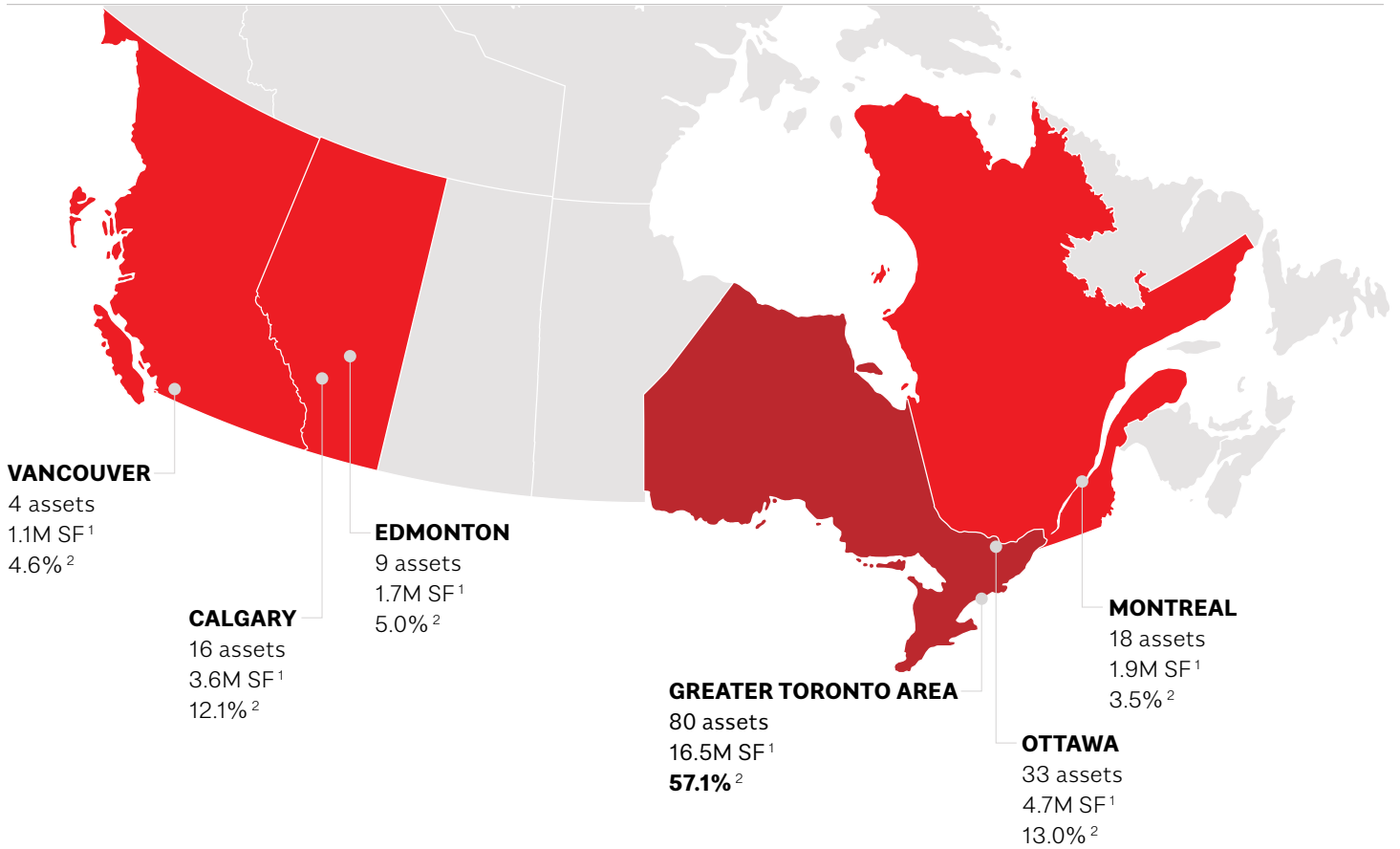


1860 Bayview
Toronto, ON 

ABOUT RIOCAN

RioCan owns, manages and develops retail-focused, mixed-use properties concentrated in prime, high-density, transit-oriented areas where Canadians want to shop, live and work.

As at December 31, 2024, our portfolio is comprised of 178 properties with an aggregate net leasable area of approximately 32 million square feet, consisting primarily of retail, residential, and mixed-use properties.

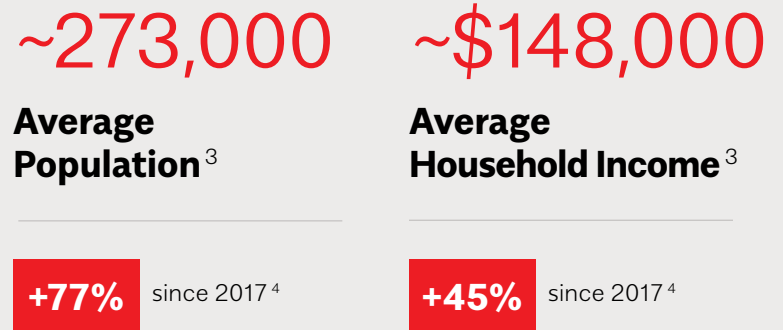


MAJOR MARKET ADVANTAGE

% OF GROSS RENT FROM CANADA'S SIX MAJOR MARKETS



STRONG DEMOGRAPHIC PROFILE



¹ Income producing properties at RioCan's interest

² Percentage of total fair value of income producing properties at RioCan's interest

³ Within 5km radius. Data is updated annually in the second quarter, with the disclosure reflecting new statistics that become available each spring. Source: 2024 - Trends, 2024 Environics Analytics

⁴ The baseline year for comparison is 2017 as it is the year prior to the commencement of RioCan's purposeful secondary market and non-core disposition program.

RIOCAN AT A GLANCE

 Record-High

98.0% 

**Committed
Occupancy**

98.7% 

**Retail Committed
Occupancy**

\$22.39 

**Average Net Rent Per
Occupied Square Foot**

88.0% 

**Strong and Stable
Tenants**

18.7% 

**Blended
Leasing Spread**

36.7% 

**New
Leasing Spread**

32.2 million

NLA (sq. ft.)

85.1%

**Annualized Contractual
Gross Rent From Retail
Portfolio**

2.2%^{1,3}
(~3.5% 2025 Outlook)

**Commercial
SPNOI Growth**

FINANCIALS



\$1.81

FFO Adjusted/Unit^{2,3}



61.9%

FFO Payout Ratio^{3,4}



\$740.9M

Operating Income



8.98x

Adjusted Debt/Adjusted EBITDA^{3,4}



\$1.7B

Available Liquidity^{3,4}



\$8.2B

Unencumbered Assets^{3,4}

1 The 2.2% represents Commercial SPNOI growth excluding provision for the year ended December 31, 2024.

2 FFO: Funds from Operations

3 This is a Non-GAAP measurement. For more information, refer to the *Non-GAAP Measures* section in the MD&A for the three months and year ended December 31, 2024.

4 RioCan's proportionate share.



LETTER FROM THE

PRESIDENT & CEO

Dear Fellow Unitholders,

In 2024, RioCan once again demonstrated an exceptional year of strong operational performance and financial results. We delivered on our commitments to improve our cash flow, de-risk our portfolio, and strengthen our balance sheet. Our success was driven by our dedicated, experienced team and our high-quality, major market portfolio.

With high-quality real estate in short supply, there continues to be robust demand for our well-located, open-air shopping centres that attract necessity-based tenants and high foot traffic. These premium centres are the foundation of our portfolio. We consistently benefit from favorable retail fundamentals that enhance the resiliency of our business while fueling our future growth. While the macro-economic environment continues to be volatile, heightened by the recent threat of import tariffs between Canada and the U.S., our necessity-based portfolio is well positioned to perform in any market conditions.

We delivered on our commitments to improve our cash flow, de-risk our portfolio, and strengthen our balance sheet.

RioCan's distribution increase to \$1.16 per unit annualized, effective with the February 2025 distribution, reflects our confidence in our skilled team and ongoing operational excellence.

In addition to our solid performance, we remain committed to responsible growth, sustainability, and ethical governance. Among our numerous accomplishments in 2024, we achieved Regional Sector Leader status in the Americas under the Retail sector in the GRESB 2024 Real Estate Assessment, attained an ESG rating upgrade to AA from MSCI, and recorded top-decile performance for employee engagement among our industry peers for a third consecutive year.

With our solid foundation and growth prospects, we expect to continue growing cash flows for our Unitholders and to deliver on our strengths in 2025 and beyond.



Wellington Market
Toronto, ON 

VIBRANT COMMUNITIES IN CANADA'S MAJOR MARKETS

RioCan's properties are concentrated in prime, high-density, and transit-oriented areas where people want to shop, live, and work. The vast majority of our revenue comes from properties in Canada's six major urban centres – markets with attractive demographics and growing populations that present meaningful demand drivers for our space.

Our acute focus on demographics has shown positive results. Within a 5-kilometer radius of RioCan's centres, the average population is 273,000 people, an increase of 77% since 2017, and the average household income is \$148,000, up from \$102,000 in 2017.

CAPITALIZING ON ACCELERATED DEMAND FOR HIGH-QUALITY RETAIL SPACES

High-quality retail real estate, particularly assets of RioCan's caliber, remains in limited supply, which drives increasing demand for our locations. We believe this scarcity will persist due to stringent zoning laws and high construction costs for new properties in the markets we serve, creating an insulated marketplace that favors established owners and operators such as RioCan.

Our retail assets have consistently been and will remain the cornerstone of our business. The committed occupancy of our retail portfolio is a record-breaking 98.7% and our long-term, forward-looking leasing strategy ensures steady growth.

Our retail assets have been and will continue to be the cornerstone of our business.

In 2024, our best-in-class leasing team completed nearly 4.8 million square feet of new leases and renewals. The average net rent per square foot of these new and renewal leases was \$26.17 and \$25.23, which is \$3.78 and \$2.84 per square foot above our portfolio average net rent per occupied square foot. Our blended leasing spread for the year was 18.7%, with renewals at 13.1% and new leases at 36.7%. We are confident that strong market dynamics will sustain this upward trend in 2025 and beyond.

Our leasing activity and rising rental rates were driven by demand from major, necessity-based tenants. Our strong and stable tenant roster has improved by 50 basis points from 2023 to 88.0%. These tenants attract steady traffic, enhance cross-shopping convenience, provide stable and growing income, and increase asset value in any economic environment.



Sage Hill Crossing
Calgary, AB

In 2024, we added seven new grocery stores, such as No Frills and Longo's, which transformed sites into highly valued, grocery-anchored centres. The new grocery store square footage total approximately 130,000 square feet. In addition to our new leases this year, we entered into a land lease to replace less-resilient fashion-focused tenants with a new 158,000-square-foot Costco store at RioCan Centre Burloak in Oakville, Ontario, which will increase traffic to the site and enhance the property's long-term value.

We also continue to proactively increase our asset value and tenant quality. Our occupancy is at an all time high. When vacancies arise, they offer opportunity to improve our tenant mix. We fill vacancies with relevant and resilient retailers at high rents consistent with today's strong market. This past year, we secured improved lease terms on all 10 of the vacant units that resulted from two tenant failures discussed in Q1 2024 that feature 23.9% higher base rents. In addition, we entered into leases with contractual rent steps with tenants such as HomeSense, Canadian Tire, Winners, Rexall and Dollarama.

We continue to convert lower growth, lower-quality leases to the high-quality tenancies typically associated with a RioCan shopping centre.

Success begets success. Our new leases set precedents for future negotiations in all market environments. We continue to convert lower-growth, lower-quality leases to the high-quality tenancies typically associated with a RioCan shopping centre. This strategic focus drives sustainable growth in Funds From Operation and net asset value.



 Elgin Mills Crossing
Richmond Hill, ON

PROPERTY MIX*

Grocery Anchored Centre



Mixed-Use / Urban



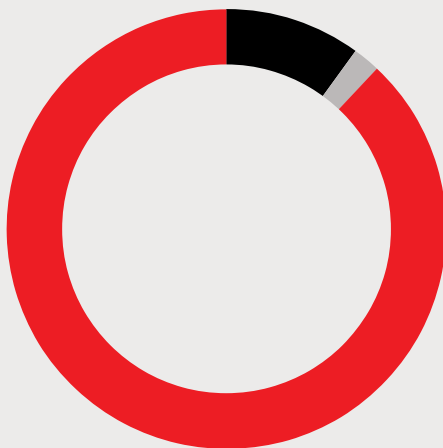
Open Air Centre and Other



*Percentage of total fair value

TENANT COMPOSITION

By Annualized Net Rent



88.0%
Strong and Stable

9.9%
Compelling Traffic Drivers

2.1%
Transitional

TRAFFIC-DRAWING TENANT MIX¹

By Annualized Net Rent

19.8%

Grocery, Pharmacy, Liquor

Loblaws, Sobeys, Metro, Walmart, Costco, Shoppers Drug Mart, Rexall Pharma Plus, LCBO, Jean Coutu, SAQ

23.9%

Essential Goods and Services

Canadian Tire, PetSmart, Bell, Rogers, Bank of Montreal, CIBC, Royal Bank of Canada, TD Bank, Scotiabank, Medical, Dental, Optical

12.8%

Value Retailers

Dollarama, Winners, HomeSense, Value Village

10.2%

Experiential and Dine-in Restaurants

Cineplex, The Keg, Activate

7.7%

Specialty Retailers

Sephora, Sport Chek, Indigo

7.7%

Quick Service Restaurants

Chipotle, Tim Hortons, McDonald's

7.1%

Fitness and Personal Services

GoodLife Fitness, LA Fitness, Healthy Planet

5.1%

Furniture and Home

The Brick, Sleep Country, Structube

5.7%

Other Tenants

Apparel and Other Retailers

Note: Percentage represents annualized net rental revenue as at December 31, 2024.

¹ Selected retailers are presented for example purposes.

Pivot
Toronto, ON



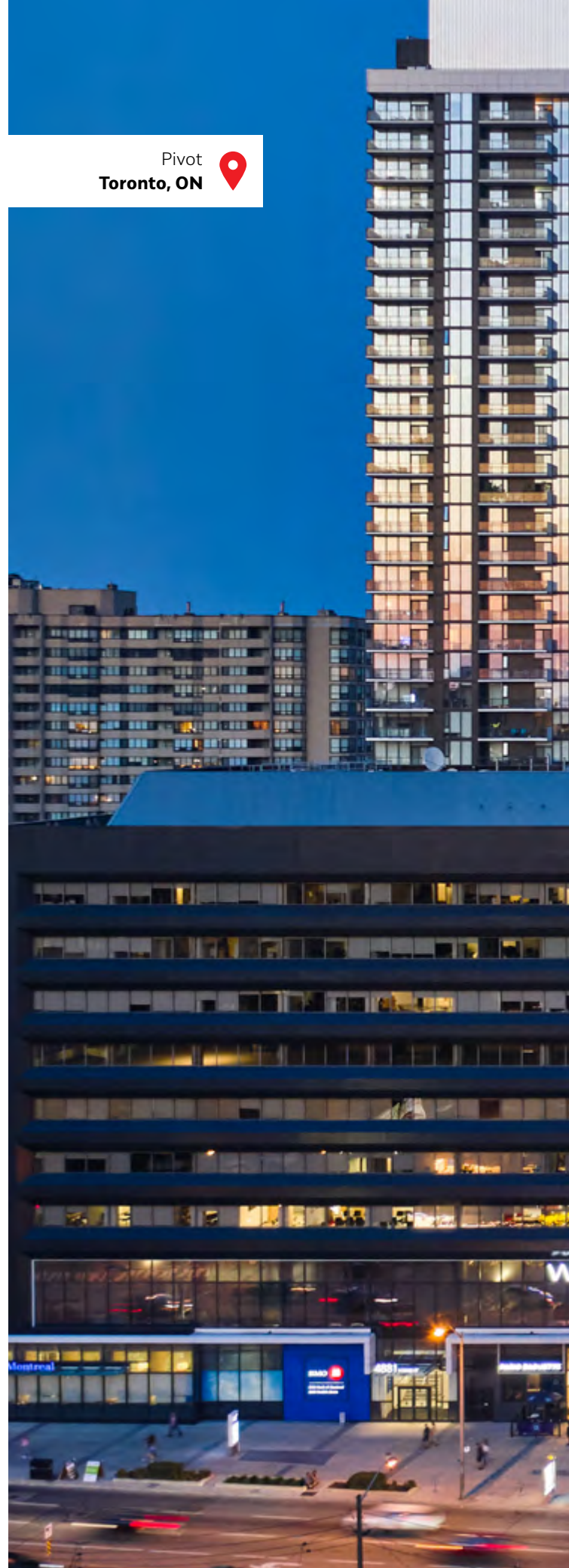
CAPITALIZING ON RIOCAN LIVING, OUR BEST-IN-CLASS RESIDENTIAL PORTFOLIO

While our retail assets comprise our foundation, our mixed-use properties add strategic value. The RioCan Living™ portfolio is concentrated in Canada's major markets, with over 50% in the Greater Toronto Area. We complement residential spaces with high-quality retail tenants, creating vibrant, mixed-use communities that meet the growing demand for urban living and offer residents unmatched convenience and accessibility. Together, the amenities, community focus and access to necessity-based retailers drive new demand for RioCan Living properties.


We've now reached the scale that allows optionality for maximizing our portfolio's value going forward.

From the outset, our RioCan Living strategy sought to scale the portfolio for flexibility. Over the past six years, we've developed exceptional mixed-use residential rental buildings, and we've now reached the scale that allows optionality for maximizing our portfolio's value going forward. Our residential rental portfolio consists of 13 buildings with a fair value of \$0.9 billion as at December 31, 2024.

In late 2024, we sold Strada, a premium mixed-use residential rental building in downtown Toronto, at a 6% premium over IFRS value, further reinforcing the value of our sought-after portfolio.





 Yonge Sheppard Centre
Toronto, ON

WINNERS

Longos

BASIL

Five Guys

LA FITNESS
SIGNATURE CLUB

EXECUTING WITH A SOLID BALANCE SHEET

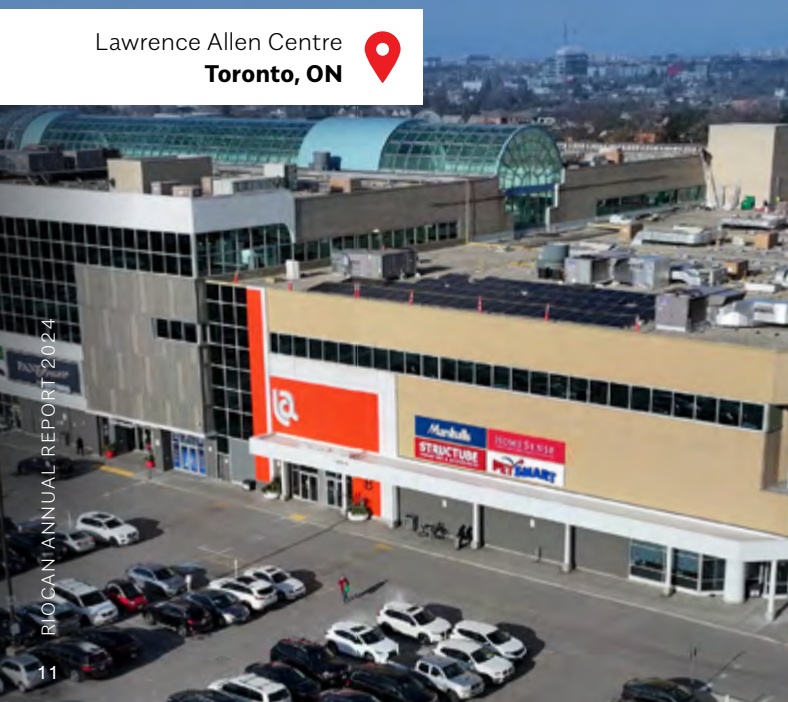
We are actively managing our portfolio to enhance income quality and asset value while improving our balance sheet. In 2024, we reduced our leverage within our target range of 8.0x – 9.0x Adjusted Debt to Adjusted EBITDA. Our increased EBITDA figures were supported by a steady stream of Net Operating Income from strong operations and development deliveries in properties like The Well™.

Our deleveraging strategy also includes reducing construction spend and repatriating proceeds from residential inventory sales. Since 2019, RioCan has generated \$479.2 million in revenue on a proportionate share basis from the sale of condominium and townhouse units. This has contributed \$92.5 million to FFO. During the fourth quarter alone, we successfully completed approximately \$73.3 million of sales on a proportionate share basis and, as at February 18, 2025, 98% of the 372 expected fourth quarter 2024 interim closings were completed.

Our strategy of allocating capital for residential rental and condo development has been a profitable endeavour and unlocked the intrinsic value of our assets. The sales proceeds from these assets enhance RioCan's financial flexibility and capacity to deliver positive returns to our Unitholders.

Adapting to the current environment, we made a strategic decision to pause new construction starts in 2024 and in 2025. We continue to explore opportunities to maximize value from our development pipeline by advancing zoning approvals and ensuring our future development strategy focuses on a balance sheet-light approach.

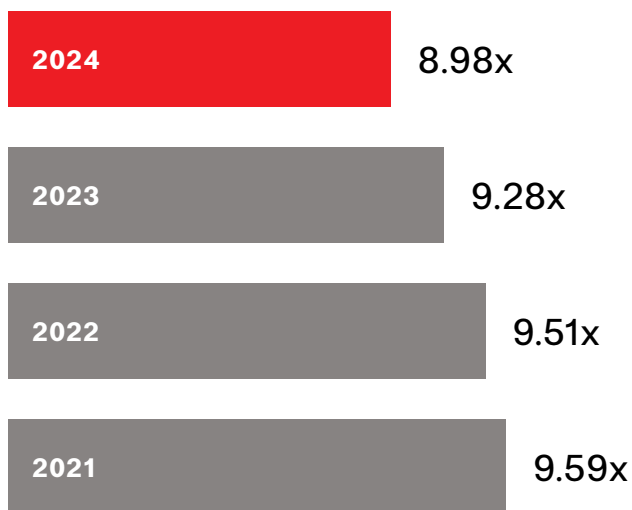
Lawrence Allen Centre
Toronto, ON



ADJUSTED DEBT TO ADJUSTED EBITDA ¹

8.0x-9.0x

Debt to EBITDA Target



¹ Represents Non-GAAP measure and RioCan's Proportionate share

SUSTAINABLE GROWTH IN DISTRIBUTION

\$1.16
Annualized
distributions / unit ¹

6.2%
Distribution Yield ^{1,2}

~60%
FFO Payout
Ratio, Target

71.9%
FFO Payout Ratio,
Peer Average ³

¹ Represents annualized totals based on monthly distributions of \$0.0965

² Distribution yield is calculated using annualized distribution, including RioCan's recent 4.3% increase, and closing unit price as of February 14, 2025.

³ Peer group includes Choice Properties REIT, Crombie REIT, CT REIT, First Capital REIT and SmartCentres REIT. Peer average based on Q4-2024 except for Crombie REIT, which is based on Q3-2024.

DELIVERING FOR OUR UNITHOLDERS IN 2025 AND BEYOND

As we head into 2025, RioCan maintains a strong operating position. Our curated portfolio is designed to thrive in any economic condition. Current retail real estate market dynamics create long-term demand for high quality assets, and we are uniquely positioned to capitalize on this demand.

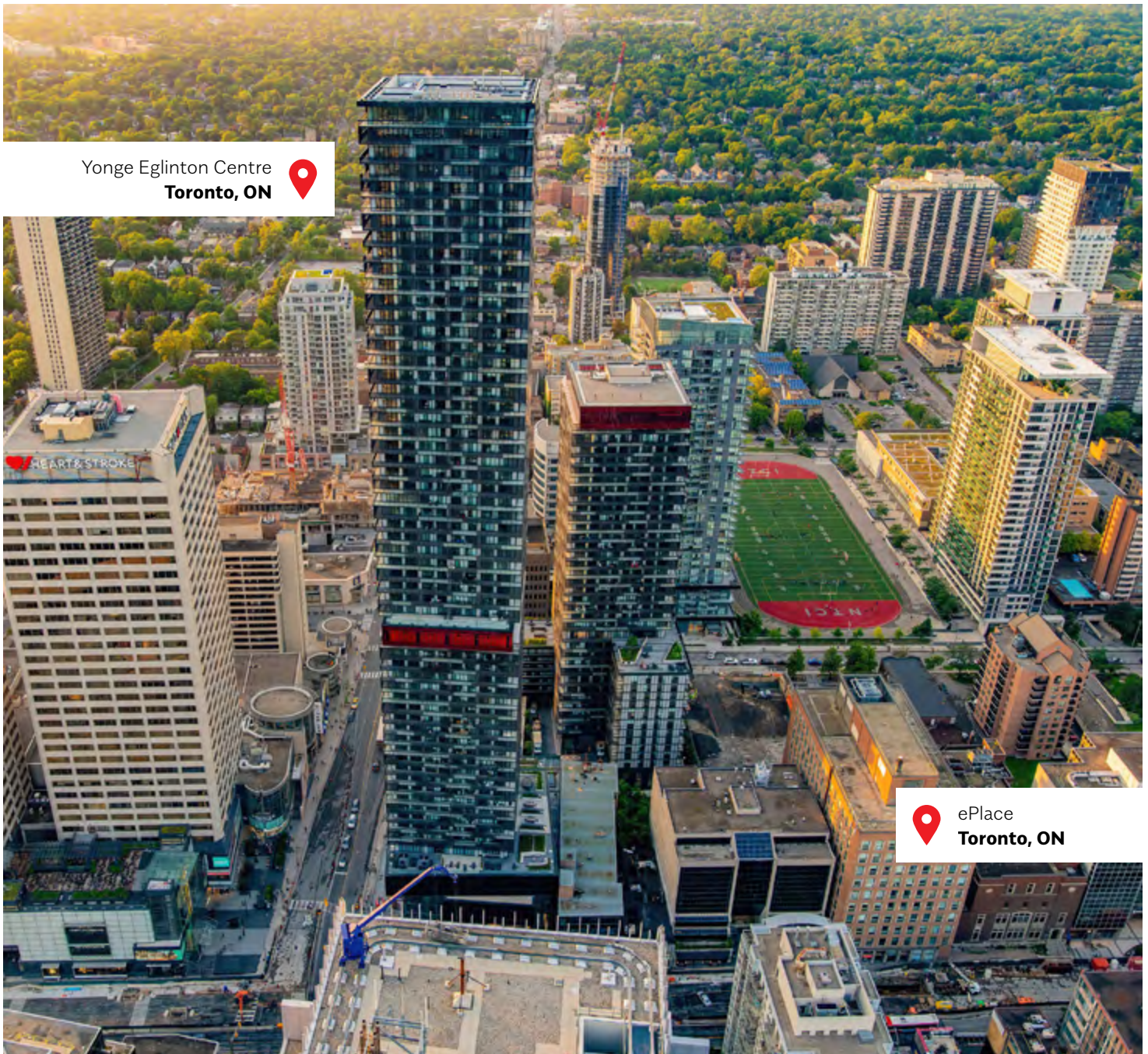
In repositioning our portfolio, tenants and platform, we have enhanced our efficiency, effectiveness and resilience. Our portfolio is more defensive and well positioned than ever, and our business is poised to improve further over the next year through significant catalysts including additional de-leveraging, continued condominium closings, and increased optionality with RioCan Living. We will continue to use every opportunity to strengthen our portfolio and foster strategic growth to deliver superior total Unitholder returns.

With a solid foundation, multiple levers to drive growth, prudent financial management, and a commitment to responsible capital allocation, RioCan is well-positioned to continue delivering value to its Unitholders.

Thank you to our RioCan team, tenants and Unitholders for your continued confidence and support.



Jonathan Gitlin
President and Chief Executive Officer



Yonge Eglinton Centre
Toronto, ON



ePlace
Toronto, ON

DEDICATED ESG PROGRAM

RESILIENT BUSINESS

Future-proofing RioCan through best-in-class governance and climate-resilient assets

Climate: ensure our operations, portfolio and developments are resilient to the effects of climate change and contribute to the transition to a low-carbon economy

Governance: operate with leading ESG governance and risk management practices and continuously provide high-quality and transparent reporting

Finance: use sustainable strategies to generate long-term value for our investors and gain access to new sources of capital

PURPOSEFUL IMPACT

Pursuing sustainable economic growth by purposefully creating value and impact for our environment, people and communities

Environment: design and operate high-quality assets that minimize our environmental footprint, support and enhance the natural environment, and contribute to the circular economy

People: attract, retain and develop a diverse and talented workforce and create a workplace where all employees are valued, included and empowered to do their best work

Community: enhance the communities in which we operate through purposeful design and economic and social growth initiatives

STRATEGIC PARTNERSHIPS

Collaborating with RioCan's partners to address the pertinent challenges facing our society

Tenants: continuously enhance tenant experience, well-being and safety, and identify opportunities to engage them to identify and achieve mutual ESG objectives

Suppliers: apply procurement and partner selection criteria that support positive environmental and social change and supply chain resilience

Industry: collaborate with industry initiatives and groups to collectively address material ESG challenges facing our industry

KEY ACHIEVEMENTS

1

GRESB SECTOR LEADER

Awarded Regional Sector Leader status in the Americas under the Retail sector in the GRESB 2024 Real Estate Assessment - Standing Investments Benchmark, and received the top score under Retail: Centres sector in North America

2

AA ESG RATED BY MSCI

Achieved ESG rating upgrade from A to AA by Morgan Stanley Capital International (MSCI)

3

GREEN LEASE LEADER PLATINUM LEVEL

Earned the 2024 Green Lease Leader (Platinum Level) recognition by the Institute for Market Transformation (IMT) and the U.S. Department of Energy's Better Building Alliance

4

LEED CERTIFIED

Awarded LEED Platinum Certification at The Well for the retail and office components and for RioCan's head office at Yonge Eglinton Centre - the highest level of LEED achievement



 **Hunt Club Centre**
Ottawa, ON

FINANCIAL REVIEW



RioCan Windfields
Oshawa, ON



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KEY PERFORMANCE INDICATORS

(In thousands of dollars, except percentages, square feet and per unit values)

FINANCIAL

Rental Revenue

Q4 2024			Year 2024			Rental revenue increased for the year and quarter primarily from higher base rent, recoveries and straight-line rent. Base rent increases from rental growth, development completions and asset acquisitions were partially offset by the impact of asset dispositions.
\$293,327			\$1,137,127			
Q4 2023	\$276,510	+6.1%	Year 2023	\$1,091,105	+4.2%	

Commercial Same Property NOI (i)

Q4 2024			Year 2024			Commercial SPNOI growth on an annual and quarterly basis was impacted by pandemic related provision reversals in the prior year. Excluding the impact of prior year provision reversals, Commercial SPNOI growth for the year and quarter was 2.2% and 3.5%, respectively.
\$150,744			\$588,278			
Q4 2023	\$147,307	+2.3%	Year 2023	\$581,360	+1.2%	

Operating Income

Q4 2024			Year 2024			The increases in operating income for the year and quarter were mainly driven by higher Net Operating Income ⁽ⁱ⁾ from strong underlying property fundamentals and higher inventory gains from the effect of the timing of condominium/townhouses sales, partially offset by lower property management and other service fees. Operating income for the year also benefited from the disposition of non-core residential inventory development land in Calgary, Alberta.
\$195,973			\$740,948			
Q4 2023	\$186,074	+5.3%	Year 2023	\$714,408	+3.7%	

FFO Per Unit - Diluted (i)

Q4 2024			Year 2024			FFO Adjusted per unit, which excludes restructuring and debt prepayment costs, increased by \$0.04 to \$1.81 for the year and by \$0.03 to \$0.47 for the quarter compared to the same periods last year. For the year, strong operating performance and completed developments increased NOI. This growth was partially offset by disposed NOI relating to the sale of lower growth commercial properties. Higher residential inventory gains, higher FFO from equity-accounted investments, mainly driven by the underlying gains on the residential inventory, and increases in interest income were offset by higher interest expense. The increase in FFO Adjusted for the quarter was largely driven by the same factors except FFO from equity-accounted investments, which was lower.
\$0.47	FFO Adjusted per Unit		\$1.81	FFO Adjusted per Unit		
\$0.45	FFO per Unit		\$1.78	FFO per Unit		
Q4 2023	\$0.44	+6.8%(vii)	Year 2023	\$1.77	+2.3%(vii)	

FFO Payout Ratio (i) (vi)

Q4 2024			Q4 2024			The FFO Payout Ratio is within the Trust's long-term target range of 55% to 65%. FFO and AFFO Payout Ratios increased when compared to the same period last year mainly due to a \$0.06 and \$0.03 per unit per annum increase in distributions effective February 2023 and 2024, respectively.
61.9%			72.8%			
Q4 2023	60.5%	+1.4%	Q4 2023	70.0%	+2.8%	

Net Income (Loss)

Q4 2024			Year 2024			The increase in net income for the year and quarter was mainly due to a favourable change in fair value on investment properties and an increase in operating income, higher income from equity-accounted investments and increased interest income, partially offset by higher interest expense.
\$125,648			\$473,465			
Q4 2023	\$(117,659)	nm	Year 2023	\$38,802	+1120.2%	

KEY PERFORMANCE INDICATORS

(In thousands of dollars, except percentages, square feet and per unit values)

LEASING - COMMERCIAL

Committed Occupancy(iii) (vi) In-Place Occupancy (iii) (vi)

Q4 2024			Q4 2024		
98.0%			97.4%		
Q4 2023	97.4%	+0.6%	Q4 2023	97.1%	+0.3%

Committed and retail committed occupancy reached all-time highs of 98.0% and 98.7%, respectively, reflecting unprecedented demand for RioCan's premium retail portfolio. At these occupancy levels, the portfolio is effectively full, providing flexibility for tenant turnover and minor vacancies.

New Leasing Spread (iv) (vi) (vi)

Q4 2024			Year 2024		
52.5%			36.7%		
Q4 2023	13.2%	+39.3%	Year 2023	14.7%	+22.0%

New leasing spreads for the year and quarter were strong at 36.7% and 52.5%, respectively, due to high-quality tenants backfilling space, demonstrating the portfolio's quality and resiliency. This marks RioCan's tenth sequential quarter of double-digit new leasing spreads.

Renewal Leasing Spread (iv) (vi)

Q4 2024			Year 2024		
17.6%			13.1%		
Q4 2023	8.7%	+8.9%	Year 2023	9.8%	+3.3%

Approximately 2,305,000 and 629,000 square feet of renewals were executed at market rental rates, representing 71% and 91% of total renewals for the year end and quarter, respectively. The average net rent per square for renewals is significantly higher than in-place rent, reflecting the strong demand for the Trust's quality assets.

Blended Leasing Spread (iv) (vi)

Q4 2024			Year 2024		
25.5%			18.7%		
Q4 2023	9.0%	+16.5%	Year 2023	10.7%	+8.0%

Strong new leasing spreads drove blended leasing spread to notably high levels. The portfolio's prime locations, well curated tenant mix and the supply constraint of high-quality retail space created sustained leasing momentum.

DEVELOPMENT

Development Spending (i) (ii)

Q4 2024			Year 2024		
\$85,081			\$349,384		
Q4 2023	\$94,365	-9.8%	Year 2023	\$399,946	-12.6%

Full year Development Spending amounted to \$349.4 million with \$309.4 million allocated to mixed-use projects to complete projects initiated prior to 2024 and \$39.9 million to retail in-fill projects. These expenditures were largely in line with the anticipated 2024 ranges of \$250 million to \$300 million and \$30 million to \$40 million, respectively.

We remain disciplined in our approach to construction with no new mixed-use starts planned in the foreseeable future. Refer to the *Outlook* section of this MD&A for further details.

Development NLA Completions (sq. ft.) (v)

Q4 2024			Year 2024		
43,000			180,000		
Q4 2023	272,000	-84.2%	Year 2023	599,000	-69.9%

The 180,000 square feet of property under development completions for the year included the completion of 52,000 square feet of commercial space at The Well™. Total combined year-to-date transfers related to The Well, including purpose-built rental at FourFifty The Well™, was 125,000 square feet. In addition, on a year-to-date basis, 387 units were completed at U.C. Towns 2, U.C. Tower 2 and 11 YV for a \$16.1 million residential inventory gain on a proportionate share basis.

KEY PERFORMANCE INDICATORS

(In thousands of dollars, except percentages, square feet and per unit values)

BALANCE SHEET

Liquidity (i)(ii)(iii)			Unencumbered Assets (i)(ii)(iii)			
Q4 2024			Q4 2024			<p>The Trust has \$1.7 billion of Liquidity to meet its financial obligations, including a fully undrawn \$1.25 billion revolving operating line of credit. The decrease in Liquidity from Q4 2023 was due to timing of capital recycling, investment and financing activities.</p> <p>Unencumbered Assets increased from Q4 2023 as the Trust repaid certain mortgages upon maturity, enhancing financial flexibility. The ratio of Unencumbered Property Assets to Unsecured Indebtedness is 1.8x.</p>
\$1,694,049			\$8,201,345			
Q4 2023	\$1,964,018	-13.7%	Q4 2023	\$8,089,927	+1.4%	

Adjusted Debt to Adjusted EBITDA (i)(ii)			Total Debt (i)(ii)			
Q4 2024			Q4 2024			<p>Adjusted Debt to Adjusted EBITDA improved to 8.98x from 9.28x at the end of 2023, in line with the target range of 8.0x - 9.0x. The decrease in Adjusted Debt to Adjusted EBITDA was driven by higher Adjusted EBITDA partially offset by higher Average Total Adjusted Debt. Adjusted EBITDA increased for the rolling twelve months ended Q4 2024 when compared to Q4 2023 due to higher NOI from rent growth and completed developments, higher residential inventory gains and higher interest income, partially offset by lower NOI from asset dispositions, net of acquisitions.</p> <p>Total Debt increased from Q4 2023 mainly due to development and incremental investment activities partially funded with debt.</p>
8.98x			\$7,683,297			
Q4 2023	9.28x	-0.30x	Q4 2023	\$7,251,368	+6.0%	

- (i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for more information on each non-GAAP financial measure.
- (ii) At RioCan's proportionate share.
- (iii) Information presented as at the respective period end.
- (iv) Based on annualized contractual base rent.
- (v) NLA for development completions includes properties under development (PUD) only and excludes residential inventory.
- (vi) The quarter over quarter and year over year changes are based on absolute changes.
- (vii) Both FFO per unit and FFO - Adjusted per unit for Q4 2023 and Year 2023 were \$0.44 and \$1.77, respectively. Percentage change is calculated using FFO Adjusted per Unit.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction	Our Business and Our Business Environment	Environmental, Social and Governance (ESG) Initiatives	Property Portfolio Overview	Results of Operations	Asset Profile	Development Activities	Capital Resources and Liquidity	Other Disclosures	Non-GAAP Measures	Risks and Uncertainties
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INTRODUCTION

About this Management's Discussion and Analysis

This Management's Discussion and Analysis (MD&A) for the three months and year ended December 31, 2024 (Q4 2024 and YTD 2024, respectively) is dated February 18, 2025 and should be read in conjunction with the annual audited consolidated financial statements and related notes for the year ended December 31, 2024 (2024 Annual Consolidated Financial Statements). Unless the context indicates otherwise, references to "RioCan", "the Trust", "we", "us" and "our" in this MD&A refer to RioCan Real Estate Investment Trust and its consolidated operations. Unless otherwise specified, all amounts are based on financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). These documents, as well as additional information relating to RioCan, including our most recently filed Annual Information Form (AIF), have been filed electronically with Canadian securities regulators through the System for Electronic Document Analysis and Retrieval (SEDAR+) and may be accessed through the SEDAR+ website at www.sedarplus.com or RioCan's website at www.riocan.com.

In addition to using performance measures determined in accordance with IFRS, RioCan also measures performance using certain additional non-IFRS performance measures and provides these measures in this MD&A so that investors may do the same. Such measures do not have any standardized definitions prescribed under IFRS generally accepted accounting principles (GAAP) and, therefore, may not be comparable to similar measures presented by other real estate investment trusts or enterprises. Refer to the *Non-GAAP Measures* section of this MD&A for a list of defined Non-GAAP financial measures and reconciliations.

Unless otherwise specified, amounts are in thousands of Canadian dollars, and percentage changes are calculated using whole numbers.

Forward-Looking Information

Certain information included in this MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information can generally be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events. This information includes, but is not limited to, statements made in the *Key Performance Indicators*, *Our Business and Our Business Environment*, *Property Portfolio Overview*, *Asset Profile*, *Development Activities* and *Capital Resources and Liquidity* sections in this MD&A. This MD&A includes, but is not limited to, forward-looking statements regarding increases to RioCan's SPNOI; occupancy levels, expected annual Development Spending and capital expenditures during 2025; completion of construction and estimated revenues and project costs in connection with residential inventory and Properties Under Development ("PUD"); estimated FFO per unit and FFO per unit growth and the FFO Payout Ratio; continued demand for space in our target markets; RioCan's internal forecast; the creation of future value; NOI and growth from PUD; RioCan's property and tenant mix; return on investments; market trends and anticipated demand for retail and residential properties; our expectations regarding development of potential incremental density; anticipated net leasing activity and rental rates; management's expectations regarding future distributions; completion of future financings, cost and availability of capital, and debt levels; RioCan's greenhouse gas emissions targets; and other statements concerning RioCan's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. All forward-looking information in this MD&A is qualified by the following cautionary statements.

Forward-looking information is not a guarantee of future events or performance and, by its nature, is based on RioCan's current estimates and assumptions about future events and financial trends, which RioCan believes may affect its financial condition, business and operations, and financial results, including, but not limited to: growth of the retail environment; a changing interest rate environment; land use intensification at reasonable costs and development yields, including residential development in urban markets; the Trust's ability to redevelop, sell or enter into partnerships with respect to the future incremental density it has identified in its portfolio; continued access to equity and debt capital markets to meet the Trust's current and future financing needs; and the availability of investment opportunities for growth in Canada. Risks and uncertainties which could cause actual events or results to differ materially from the forward-looking information contained in this MD&A include those described under the *Risks and Uncertainties* section in this MD&A and the Trust's AIF, as well as those related to: interest rate and financing risk; trade tariffs; operations and the financial condition of RioCan and its tenants, as well as on consumer behaviours and the economy in general; financial and liquidity risks; tenant concentrations and related risk of bankruptcy or restructuring (and the terms of any bankruptcy or restructuring proceeding); occupancy levels and defaults, including the failure to fulfill contractual obligations by the tenant or a related party thereof; lease renewals and rental increases; the ability to re-lease and find new tenants for vacant space; retailer competition; the relative illiquidity of real property; the timing and ability of RioCan to sell certain properties; the valuations to be realized on property sales relative to current IFRS values; regulatory risk including changes to rent control legislation; development risk associated with construction commitments, project costs and timing, related zoning and other permit approvals and pace of lease-up or pre-sale; risks related to the residential rental business; credit risk related to our mortgages and loans receivable, access to debt and equity capital; credit ratings; joint ventures and partnerships; the Trust's ability to utilize the capital gain refund mechanism; changes in income tax legislation; unexpected costs or liabilities related to acquisitions and dispositions; environmental matters; climate change; litigation; uninsured losses; reliance on key personnel; Unitholder liability; income, sales and land transfer taxes; and cyber security.

Although the forward-looking information contained in this MD&A is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with this forward-looking information. Certain statements included in this MD&A may be considered "financial outlook" for the purposes of applicable Canadian securities laws, and as such the financial outlook may not be appropriate for purposes other than this MD&A. The forward-looking information contained in this MD&A is made as of the date of this MD&A, and should not be relied upon as representing RioCan's views as of any date subsequent to the date of this MD&A. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction	Our Business and Our Business Environment	Environmental, Social and Governance (ESG) Initiatives	Property Portfolio Overview	Results of Operations	Asset Profile	Development Activities	Capital Resources and Liquidity	Other Disclosures	Non-GAAP Measures	Risks and Uncertainties
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OUR BUSINESS AND OUR BUSINESS ENVIRONMENT

Business Overview

RioCan is an unincorporated "closed-end" trust governed by the laws of the Province of Ontario constituted pursuant to the amended and restated declaration of Trust dated June 2, 2020 (the "Declaration of Trust"). RioCan's trust units (Units) are listed on the Toronto Stock Exchange (TSX) under the symbol REI.UN. RioCan is one of Canada's largest real estate investment trusts.

RioCan owns, manages and develops retail-focused, mixed-use properties in prime, high-density transit-oriented areas where Canadians want to shop, live and work.

RioCan's property portfolio includes Mixed-Use / Urban, Grocery Anchored centres and Open Air centres and Other which are defined in the *Property Portfolio Overview* section of this MD&A.

As at December 31, 2024, the portfolio was comprised of 100% owned and co-owned properties as follows:

<i>(thousands of sq. ft., except where otherwise noted)</i>	NLA at RioCan's Interest	Property Count
100% owned properties	27,153	135
Co-owned properties	5,026	43
Total	32,179	178

In addition, the Trust owns partial interests in 17 properties through eight joint ventures, representing 1.7 million square feet, that are accounted for as equity-accounted investments. RioCan enters into co-ownership arrangements and joint ventures to leverage its robust pipeline of prime locations to efficiently raise capital, mitigate development and concentration risk and earn management fees for its expertise in managing income producing properties (IPP) and development projects. As at December 31, 2024, our retail portfolio accounts for 85.1% of the Trust's annualized contractual gross rent, followed by office at 10.6% and residential at 4.3%.

Strategy

RioCan's strategy builds on its differentiated advantages that offer an exceptional balance of quality and growth. The Trust's high-quality portfolio consists of well-positioned assets located in Canada's six largest, most densely populated markets which are predominantly transit-oriented. The average population within five kilometres is 273,000⁽ⁱ⁾, with an average household income of \$148,000⁽ⁱ⁾, both of which have increased by more than 5% from prior year statistics of 260,000 and \$140,000, respectively. This growth reflects the attractiveness of RioCan's locations, the rapid pace of growth within those markets and the impact of new, mixed-use developments. The portfolio generates resilient and growing income from a strong and stable tenant base, anchored by necessity uses such as grocery stores, pharmacies and value retailers. These necessity-based tenants are crucial in an economy that may face headwinds as a result of trade tariffs or other significant disruptions. Grocery anchored centres and mixed-use urban sites represent 89.9% of RioCan's income producing properties' fair value, respectively. Strong and stable tenants who can reliably pay rent through challenging economic cycles generate 88.0% of RioCan's annualized net rent.

In addition to attracting consumer traffic and best-in-class tenants, RioCan's desirable locations offer consistent organic growth through robust leasing spreads. The reinvestment of the retained earnings has also resulted in an industry leading low FFO payout ratio. The utilization of its development pipeline has delivered new and growing NOI and an improved portfolio. Since 2021, RioCan has delivered approximately 1.7 million square feet of newly developed mixed-use and retail assets. Given current market conditions, RioCan intends to focus on harvesting future density and to forego new construction starts.

RioCan's strategy is anchored in four pillars:

- Resilient Retail - A strong, stable retail core that delivers reliable income and steady growth through a relentless commitment to customer centricism and operational excellence;
- Disciplined Capital Management - A prudent approach to capital allocation that drives growth without compromising balance sheet strength;
- Intelligent Diversification - Responsibly diversified asset base, income streams and overall tenant mix; and
- Responsible Growth - Industry leadership in ESG and corporate culture.

Guided by its strategic pillars, RioCan focuses on enhancing its retail core, delivering reliable income and steady growth and further enhancing its tenant mix. It aims to maximize leasing and opportunistically divest slower-growth assets, focusing on quality, high growth retail and residential assets in the best markets in Canada.

RioCan's portfolio is dominated by resilient assets with a diversified tenant base that aligns with consumer purchasing patterns. We continuously build on our core of necessity-based tenants, including grocery, pharmacy, and value retailers, which drive steady and high volumes of traffic to our properties. We build deep tenant relationships and offer superior amenities and services to meet their current and future needs.

RioCan maintains ample liquidity and prudently manages its balance sheet and capital structure. The Trust aims to maintain leverage within target ranges and optimize the mix of unsecured and secured debt to provide financial flexibility and liquidity.

(i) Data is updated annually in the second quarter, with the disclosure reflecting new statistics that become available each spring.

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RioCan aims to maintain a well distributed debt maturity profile and limit its exposure to floating rate debt to reduce its refinancing and interest rate risks. The Trust relies on its established lender relationships and seeks to utilize multiple sources of capital to maintain the financial flexibility and capacity needed for growth in the evolving marketplace.

To enhance the quality, stability and growth of its income, RioCan diversifies its asset base, tenants and income sources through initiatives such as optimizing its tenant mix, generating ancillary revenue and maximizing alternative income streams. Capital recycling is an avenue through which the Trust improves asset quality, diversifies its income streams and strengthens its balance sheet. The Trust expects to continue establishing long-term relationships to recycle capital through sales of density and form capital partnerships with recognized investors. This strategy provides benefits to RioCan, including diversified risk, efficient use of capital and value realization of its zoned excess density.

RioCan's mezzanine and co-owner financing is another means to diversify income while earning interest at attractive rates higher than the cost of capital. The loans are typically full recourse to the borrowers and are secured by real property assets, thereby mitigating counterparty risk. These assets align with the desired location, asset mix and overall strategy of the Trust. In certain instances, the Trust will negotiate an option and/or other rights to acquire an interest in the real property assets.

Committed to responsible growth, RioCan fosters a culture of excellence that drives results and retains, develops and attracts top talent. The Trust is executing its culture roadmap through continuous improvement of processes, policies and initiatives to create a more productive, diverse and united workforce. RioCan is also a leader within the Canadian real estate industry in ESG best practices. It is taking action to continuously improve and monitor its progress and embed ESG into all facets of its business to enhance the organization and assets and to deliver long-term Unitholder value.

Operating Environment

Canadian Retail Environment

Strong, well-positioned retail assets, such as those owned by RioCan, continue to demonstrate resilience. Located in growing major markets, RioCan's properties are mainly comprised of national, necessity-based retailers with strong covenants. Approximately 88% of the Trust's tenants are considered to be strong and stable. These well-established tenants adapt effectively to various economic cycles.

Consumers continue to prioritize necessities, value and convenience while retailers enhance the omni-channel experience and use brick and mortar store networks for efficient distribution. Retailers, especially those providing everyday conveniences and essential goods and services, continue to expand their physical footprint. However, prolonged trade tariffs could create economic instability, negatively affecting certain tenant categories, potentially leading to downward pressure on occupancy and leasing spreads.

As a responsible and forward-thinking commercial landlord, RioCan supports retailers in adapting their stores to provide their customers with flexibility. This ongoing effort ensures that RioCan provides relevant and resilient shopping environments.

The demand for high-quality retail remains strong as tenants aim to serve an expanded customer base. Recently, the Canadian federal government announced a plan to temporarily slow population growth by reducing the number of new permanent and temporary residents. This plan is expected to result in marginal population declines in 2025 and 2026 before growth resumes in 2027. Since 2020, Canada has added nearly 2 million people, mainly in the major markets, particularly in the Greater Toronto Area (GTA). However, there has not been sufficient new retail and residential development to accommodate this growth. This shortage keeps demand robust even during this pause, while the country catches up on infrastructure to support the population. Additionally, Canada boasts a favourable retail operating landscape. Compared to other countries, Canada has low retail space per capita and a limited number of retailers within each retail category, creating a more stable retail ecosystem. In the past year alone, retail square foot per capita has fallen by 4%, tightening the market further.

The lack of supply from limited investment in recent years due to strict building zoning controls and high construction costs will persist as replacement costs exceed market values. This supply/demand imbalance creates positive tension during lease negotiations, benefiting RioCan through higher rental rates and more favourable lease terms. Retailers are reluctant to relocate since customers value the convenience and familiarity of incumbent locations. This often results in higher retention ratios, reducing the need for costly refitting of space.

These factors ensure that RioCan enjoys resilient and sustainable growth from quality retail centres. RioCan's portfolio attributes, such as proximity to transit, an exceptional demographic profile and high visibility at key intersections and major thoroughfares, remain appealing and difficult to replicate.

Development Environment

The Trust closely monitors market trends and adjusts its development program accordingly. With limited land available for development, residential development has faced challenges in meeting demand, contributing to the housing shortage. Recently, skilled labour shortages, higher interest costs and increasing fees, taxes and charges by municipalities have presented challenges for new construction. Higher demand for purpose-built residential rental, and therefore higher rents, have provided a partial offset to cost inflation and higher interest rates. Various levels of government have also introduced several initiatives to encourage increased supply of housing. However, these offsets have not been sufficient to fully prevent deferred and canceled projects.

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RioCan did not start new physical construction of mixed-use properties in 2024 and does not intend to do so in 2025 as it focuses on other capital allocation priorities. RioCan has the flexibility to choose when or if to begin construction as the underlying lands are typically productive retail properties with a low invested land cost. RioCan continues, to pursue value creation by advancing projects through the entitlement and re-zoning process to optimize density and use. Such activities are significantly less capital intensive than physical construction.

For condominium/townhouse projects currently under construction, approximately 85% are pre-sold, with significant deposits providing security against homebuyer default.

Refer to the *Development Activities* section of this MD&A for further details regarding the development pipeline.

Residential Rental Environment

The residential rental market in Canada is characterized by strong demand for rental housing and changing market dynamics. The Canada Mortgage and Housing Corporation (CMHC) estimates that an additional 3.5 million housing units are needed by 2030 to restore affordability levels, highlighting the significant housing supply deficit in the country. The completion of new condominiums has helped ease housing supply pressures, particularly in the GTA. While the influx of new units has put pressure on short-term rental growth as these new units are delivered and rented, it has not fully resolved the issue of housing supply deficit.

With the ongoing limited supply of housing in major markets, RioCan Living™ properties are in high demand. RioCan's residential portfolio consists of 13 new buildings which are overseen by a dedicated residential team. RioCan Living's portfolio offers significant advantages that appeal to tenants. These properties are inviting places to live, with excellent amenities that foster a sense of community. Their prime locations provide easy access to public transit and enhance their desirability in competitive markets. Recent economic volatility and higher interest rates have made homeownership less attainable for many, further driving the demand for rental housing. Notably, approximately 98% of the Trust's residential rental portfolio is exempt from rent controls and prescribed rents, allowing flexible pricing to align with market trends, thereby enhancing the overall financial performance of the portfolio.

RioCan is confident that its high-quality residential offering will be in high demand given its age, design, amenities, community focus, professional management and access to strong retail offerings.

Economic Environment

At its latest meeting, the Bank of Canada (BOC) cut the overnight interest rate to 3.00%, the sixth consecutive reduction since June 2024. This decision was influenced by several factors including slack in the economy, an elevated unemployment rate and ongoing uncertainty surrounding U.S. tariffs. Inflation has shown signs of easing but core inflation measures such as energy prices continue to exert price pressure. The BOC continues to closely monitor inflation and economic growth data and will evaluate the need for further rate cuts one decision at a time.

Amid ongoing market volatility, since the start of 2024, longer-term Government of Canada bond yields have generally declined and corporate spreads in the Canadian REIT sector have compressed, leading to lower all-in interest rates. Ample credit remains available in the Canadian financial markets, but lenders are selective between asset classes, locations and borrowers. However, RioCan, with its strong operating fundamentals and robust balance sheet, remains attractive to lenders.

RioCan's portfolio and balance sheet provide the Trust with the flexibility needed to navigate volatile economic conditions. With well-located real estate that is part of the fabric of vibrant communities, RioCan is positioned to attract top-tier tenants. Our strong and stable tenants are less susceptible to economic uncertainty, and necessity-based goods and services tenants remain resilient even amidst shifts in discretionary spending.

Higher interest rates have increased the cost of capital resulting in a slowdown in the transaction market. Robust NOI growth from solid operating fundamentals and a limited supply of high-quality assets serve as an offset to these fluctuations in interest rate pressures. We have been adjusting our IFRS investment property values with changing economic conditions and recorded \$29.4 million in cumulative fair value net losses in 2024. RioCan expects to see a tightening of capitalization rates for high-quality retail and residential assets in 2025 as operating fundamentals continue to strengthen.

If imposed, US tariffs will cause economic volatility in Canada, which may elicit a reaction from the BOC, potentially resulting in lower interest rates. While lower interest rates can reduce borrowing costs, they also introduce interest rate risk. To manage this volatility, we maintain a balanced fixed/floating ratio, use derivatives to lock in long-term fixed rates, and ensure a well-distributed debt ladder. Ample Liquidity of \$1.7 billion and Unencumbered Assets of \$8.2 billion provide additional financial flexibility to the Trust in the current economic environment.

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Outlook

RioCan manages its portfolio and capital structure to focus on long-term growth and deliver on its commitment to optimize Total Unitholder Return. By focusing on the quality of our portfolio and the advancement of our development completions, we will continue to generate resilient income and grow FFO to support sustainable and growing distributions and increase net asset value (NAV).

Subsequent to year end, RioCan's Board of Trustees approved a 4.3% increase to the monthly distribution to Unitholders from \$0.0925 to \$0.0965 per unit commencing with the February 2025 distribution, payable on March 7, 2025 to Unitholders of record as at February 28, 2025. This brings RioCan's annualized distribution to \$1.16 per unit and is the fourth consecutive annual distribution increase.

Based on our FFO guidance for 2025, we expect to maintain a payout ratio within our long-term target range of 55%-65%:

	Outlook 2025 (i)
FFO per unit (ii)	\$1.89 to \$1.92
FFO Payout Ratio	~ 60%
Commercial Same Property NOI growth (iii)	~3.5%

- (i) The Trust continuously reviews its longer-term targets in the context of ever-evolving macroeconomic and business environments. This Outlook assumes normalized economic conditions and does not reflect any potential negative impact of tariffs, which could significantly alter economic conditions and market dynamics.
- (ii) Assumes weighted average interest rate of approximately 5% for 2025 financing activities compared to ~3% for maturing debt.
- (iii) Commercial SPNOI growth is expected to be generated by contractual rent increases, the full year impact of leases signed in 2024, and by 2025 leasing activities assuming low to mid-teen blended leasing spreads and committed occupancy of ~ 98%.

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INITIATIVES

RioCan embeds ESG into every aspect of its business, including developments, operations, investment activities and corporate functions. Embedding ESG is important for RioCan to:

- promote resource efficiency, cost savings and minimizing environmental degradation;
- increase property values, contributing to stakeholder satisfaction, and driving long-term net asset value growth;
- drive the appeal of our assets, helping to attract and retain tenants;
- build collaborative relationships with our tenants and employees, which accelerates the pace of positive change;
- manage risks and comply with evolving regulations, enhancing operations management and governance practices; and
- provide employees with sustainability impact opportunities, leading to increased employee job satisfaction and retention.

To meet its ESG objectives, RioCan is executing a multi-year plan that includes commitments and targets as well as actions and initiatives to improve its ESG performance year-over-year. For performance tracking and reporting, the GRESB Real Estate Assessment provides the Trust with a framework to benchmark organization-wide performance and ensure transparency and continuous improvement. The Trust published its sixth annual ESG report in 2024, which includes indicators from the Sustainability Accounting Standards Board (SASB) Real Estate sub-sector and recommended disclosure from the Financial Stability Board (FSB) and the Task Force on Climate-related Financial Disclosures (TCFD).

RioCan's ESG Council is comprised of cross-functional executive and leadership team members that oversee the Trust's ESG strategy implementation and drive performance improvements. Council members sponsor and provide guidance on ESG initiatives within the organization and enable performance measurement. In addition, RioCan has a dedicated ESG team, led by the SVP, General Counsel, ESG & Corporate Secretary, responsible for reporting ESG goals, plans and performance to the ESG Council and Board of Trustees and ensuring ESG initiatives are resourced and elevated across the Trust. For RioCan's ESG policy and additional information about its strategy and plan, visit RioCan's website.

Key accomplishments in 2024 include the following:

Environmental

- Achieved top rank amongst North American retail peers in the 2024 GRESB Real Estate Assessment;
- Achieved Regional Sector Leader status in the Americas under the Retail sector in the GRESB 2024 Real Estate Assessment - Standing Investments Benchmark;
- First rank amongst its Canadian peers in the GRESB Public Disclosure Assessment with an A rating for the sixth consecutive year;
- Won BOMA Toronto's race2reduce Commercial Real Estate Trailblazers (CREST) Award for emission reduction at two properties, for the Mixed-Use: over 500,000 square feet and Open Air Retail categories;
- RioCan Mayfield was honoured with BOMA Edmonton's prestigious 2024 'The Outstanding Building of the Year' (TOBY®) Award, recognizing commercial real estate industry excellence in the Edmonton Metropolitan Region, Central and Northern Alberta, Northwest Territories and Yukon; and
- Achieved LEED Platinum Certification at The Well for the retail and office components. The Platinum certification represents the highest level of LEED achievement, awarded to projects that earn more than 80% of the available points.

Social

- Achieved a top-decile ranking on our Employee Engagement survey for the third consecutive year, relative to a benchmark of similar-sized Canadian companies;
- Awarded "Canada's Most Admired Corporate Culture" by Waterstone Human Capital;
- Established a landmark partnership with SickKids to increase access to essential pediatric health services. This endeavour is the first of its kind in Canada;
- Recognized as one of Greater Toronto's Top 100 Employers by Mediacorp Canada Inc.;
- In recognition of National Truth and Reconciliation Day 2024, select RioCan properties featured artist markets to celebrate Indigenous creativity, launched community lending libraries, and provided complimentary books to enhance education and awareness;
- RioCan collaborated with industry peers to host a 2024 Pride-themed event, promoting engagement during Pride season and promoting industry allyship; and
- Achieved Fitwel Commercial Interior Space Certification of RioCan's head offices at the Yonge Eglinton Centre. Fitwel is the world's leading certification system committed to building health for all. Fitwel is implementing a vision for a healthier future where all buildings and communities are enhanced to strengthen health and well-being.

Governance

- Jennifer Suess, SVP, General Counsel, ESG & Corporate Secretary has been appointed to the 2024 Order of Ontario, the highest honour granted to civilians by the Province. The Minister of Citizenship and Multiculturalism commends the Appointees for their achievements, dedication and exemplifying the spirit that makes Ontario a great place to live;
- Achieved an ESG rating upgrade of 'AA' from 'A' by Morgan Stanley Capital International (MSCI);
- Maintained "Prime" status by Institutional Shareholder Services (ISS);
- RioCan developed an expansive Supplier Code of Conduct (the "Supplier Code") which was approved in 2024. The Supplier Code was introduced to set out the principles, standards and behaviours for our suppliers to follow in conducting their business and to highlight the importance of RioCan's commitment to avoid any form of modern slavery within its operations or its supply chains; and
- Earned the 2024 Green Lease Leader (Platinum Level) recognition presented by the Institute for Market Transformation (IMT) and the U.S. Department of Energy's Better Building Alliance. The Green Lease Leaders designation is applied to organizations that exhibit a strong commitment to high performance and sustainability in buildings and best practice leasing.

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PROPERTY PORTFOLIO OVERVIEW

Property Operations - Total Portfolio

Net Leasable Area (NLA) and Property Count

RioCan's portfolio of net leasable area and properties consisted of the following as at December 31, 2024:

(thousands of sq. ft., except where otherwise noted)	NLA at RioCan's Interest				Total Portfolio	
	Retail	Office	Total Commercial	Residential Rental (iii)	NLA	Property Count
Total NLA (i) (ii)	28,144	2,636	30,780	1,399	32,179	178

- (i) Includes NLA that was occupied or available for occupancy on or before December 31, 2024. Excludes 12 income producing properties that are owned through joint ventures and reported under equity-accounted investments and included 74 thousand square feet of legacy residential rental NLA that are excluded from the metrics disclosed in the *Property Operations - Residential Rental* section of this MD&A.
- (ii) Includes 0.8 million NLA of Development Projects Under Construction, except for five development properties that are owned through joint ventures and reported under equity-accounted investments and condominium and townhouse units. Includes completed properties under development NLA and have a rent commencement date after December 31, 2024.
- (iii) See the *Property Portfolio Overview - Property Operations - Residential Rental* section of this MD&A for further details.

Total Portfolio

At RioCan's Interest	% of NLA		% of total fair value of income producing properties	
	2024	2023	2024	2023
As at December 31				
Greater Toronto Area (i)	51.9 %	51.4 %	57.1 %	57.2 %
Ottawa (ii)	14.9 %	14.9 %	13.0 %	12.9 %
Calgary	11.3 %	10.9 %	12.1 %	11.9 %
Montreal	6.0 %	6.0 %	3.5 %	3.3 %
Edmonton	5.4 %	5.5 %	5.0 %	5.0 %
Vancouver (iii)	3.5 %	3.4 %	4.6 %	4.7 %
Other	7.0 %	7.9 %	4.7 %	5.0 %
Total Portfolio	100.0 %	100.0 %	100.0 %	100.0 %

- (i) Area extends north to Newmarket, Ontario; west to Hamilton, Ontario; and east to Oshawa, Ontario.
- (ii) Area extends from Nepean and Vanier to Gatineau, Quebec.
- (iii) Area extends east to Abbotsford, British Columbia.

Property Mix

The Trust operates a variety of income producing property formats or classes to best serve the communities in which it operates. The Trust has identified the following three major categories of property classes:

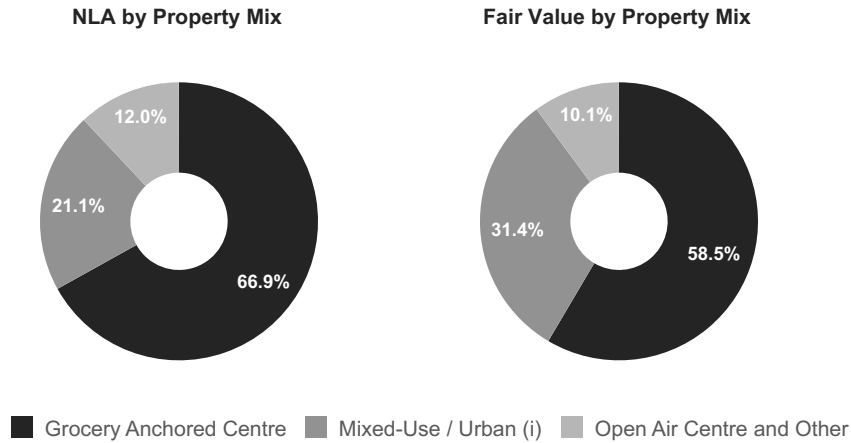
Category	Description
Grocery Anchored Centre	Assets with a grocery anchor tenant or shadow grocery anchor ⁽ⁱ⁾ . Properties anchored or shadow-anchored by Walmart or Costco are included in this category. Examples of these properties include: Clarkson Crossing and RioCan Durham Centre.
Mixed-Use/Urban	Assets with more than one type of use (retail, office, residential mixed-use assets) located in major markets and non mixed-use assets located in high-density urban areas. Examples of these properties include: The Well and Yonge Eglinton Centre.
Open Air Centre and Other	Community shopping centres with little or no enclosed component. They often include high-quality anchor tenants such as pharmacy, liquor, home improvement and/or a bank branch. Examples of these properties include: RioCan Warden and RioCan Thickson Ridge.

- (i) A shadow anchor is a retail store that is adjacent or in close proximity to an owned property that generates a great deal of traffic and attracts business to a property of the Trust, but the underlying property/land for this retail store is not owned by the Trust.

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As at December 31, 2024, RioCan's portfolio of income producing properties consisted of the following:



(i) Mixed-Use/Urban includes approximately 1.3 million square feet of residential rental NLA and the corresponding fair value.

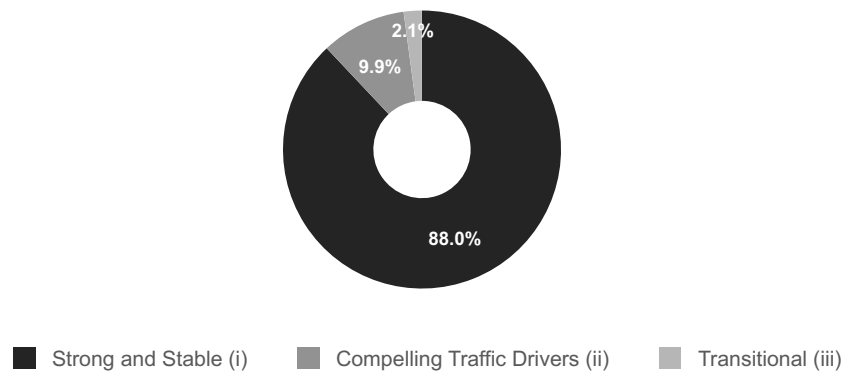
The majority of the Trust's portfolio is comprised of formats that are attractive to tenants and are resilient in the face of economic fluctuations and evolving retail trends. Strategic leasing continued to improve the tenant mix, adding grocers during the year to three assets: Grant Crossing, RioCan Hall and RioCan Langley, transforming each asset into a grocery-anchored centre.

Tenant Composition

The Trust strategically manages its tenant mix by segmenting its tenants into the following three categories: strong and stable, compelling traffic drivers and transitional tenants. Defining tenant mix using these three categories helps to guide decision-making with respect to tenancies.

Based on annualized net rent as at December 31, 2024, 88.0% of the Trust's tenants are classified as "strong and stable", an improvement of 50 basis points year-over-year.

% of Annualized Net Rent by Tenant Composition



- (i) Strong and Stable is represented by tenants with stable rent-paying ability, strong covenants, and reliable foot traffic. This category is largely comprised of national, necessity-based retail tenants.
- (ii) Compelling Traffic Drivers is represented by tenants that drive meaningful traffic and/or incremental visits to our properties, such as services, experiential tenants, and independent food service providers which have covenants of lesser quality than Strong and Stable tenants.
- (iii) Transitional are tenants that are currently fulfilling their rent obligation but can be transitioned out for a strong covenant tenant that drives meaningful traffic.

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Property Operations - Commercial

Top 30 Commercial Tenants

RioCan reduces its exposure to rental revenue risk through major market geographical diversification, staggered lease maturities, diversifying revenue sources, avoiding dependence on any single tenant by ensuring no individual tenant contributes a significant percentage of our gross revenue and ensuring a considerable portion of rental revenue is earned from national and anchor tenants. As at December 31, 2024, RioCan's 30 largest commercial tenants measured by annualized contractual gross rent are as follows:

Rank	Tenant name	Percentage of total annualized contractual gross rent	Number of locations	NLA (thousands of sq. ft.)	Percentage of total IPP NLA	Weighted average remaining lease term (years) (i)
1	Canadian Tire Corporation (ii)	4.3 %	55	1,603	5.2 %	5.9
2	The TJX Companies, Inc. (iii)	4.2 %	61	1,743	5.7 %	4.8
3	Loblaws/Shoppers Drug Mart (iv)	4.1 %	53	1,349	4.4 %	8.6
4	Cineplex (v)	2.7 %	16	947	3.1 %	5.0
5	Metro/Jean Coutu (vi)	2.6 %	33	1,283	4.2 %	7.4
6	Walmart	2.0 %	11	1,399	4.6 %	5.6
7	Sobeys/Safeway (vii)	1.9 %	23	797	2.6 %	10.5
8	Dollarama	1.8 %	66	641	2.1 %	6.8
9	Shopify	1.5 %	2	263	0.9 %	11.2
10	GoodLife Fitness	1.4 %	23	516	1.7 %	9.0
11	Michaels	1.4 %	22	481	1.6 %	4.8
12	TD Bank	1.2 %	44	225	0.7 %	5.4
13	Recipe Unlimited (viii)	1.2 %	59	278	0.9 %	5.1
14	Staples/Business Depot	1.2 %	23	470	1.5 %	6.4
15	PetSmart	1.0 %	22	333	1.1 %	5.2
16	Chapters/Indigo	1.0 %	13	280	0.9 %	6.8
17	Rona Inc.	1.0 %	6	780	2.6 %	5.4
18	Value Village	1.0 %	15	379	1.2 %	8.2
19	Liquor Control Board of Ontario (LCBO)	0.8 %	22	179	0.6 %	7.5
20	DSW/The Shoe Company	0.7 %	27	214	0.7 %	4.4
21	Bank Of Montreal	0.7 %	27	138	0.5 %	4.6
22	Restaurant Brands International (ix)	0.7 %	60	139	0.5 %	6.1
23	Best Buy	0.7 %	11	218	0.7 %	5.1
24	Leon's/The Brick	0.6 %	8	226	0.7 %	4.6
25	The Bank Of Nova Scotia	0.6 %	23	114	0.4 %	4.2
26	LA Fitness	0.6 %	6	265	0.9 %	11.8
27	Gap Inc. (x)	0.6 %	20	188	0.6 %	3.9
28	Canadian Imperial Bank of Commerce	0.5 %	18	101	0.3 %	4.1
29	Royal Bank of Canada	0.5 %	16	91	0.3 %	4.2
30	Rexall Pharma Plus	0.5 %	9	98	0.3 %	5.5
Top 30 Commercial Tenants		43.0 %	794	15,738	51.5 %	6.5
Total commercial portfolio						7.9

(i) Weighted average remaining lease term based on annualized contractual gross rent.

(ii) Canadian Tire Corporation includes Canadian Tire, PartSource, Mark's, Sport Chek, Sports Experts, National Sports, Atmosphere and Party City.

(iii) The TJX Companies, Inc. includes Winners, HomeSense and Marshalls.

(iv) Loblaws/Shoppers Drug Mart includes No Frills, Fortinos, Zehrs Markets, Joe Fresh, Maxi and T&T Supermarket, among others.

(v) Cineplex includes Galaxy Cinemas.

(vi) Metro/Jean Coutu includes Super C, Loeb, Food Basics and Adonis.

(vii) Sobeys/Safeway includes Farm Boy, Longo's and FreshCo.

(viii) Recipe Unlimited includes Montana's, Harvey's, Swiss Chalet, Kelseys, The Keg and East Side Mario's, among others.

(ix) Restaurant Brands International includes Tim Hortons, Burger King, Popeyes and Firehouse Subs.

(x) Gap Inc. includes The Gap, Old Navy and Banana Republic banners.

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Occupancy by Markets and Usages

The committed (tenants that have signed leases) and in-place (tenants that are in possession of their space) occupancy rates for our commercial property portfolio at RioCan's interest are as follows:

At RioCan's Interest As at December 31	Committed Occupancy		In-Place Occupancy	
	2024	2023	2024	2023
Greater Toronto Area (i)	97.5 %	97.2 %	96.9 %	96.9 %
Ottawa (ii)	99.2 %	99.4 %	99.2 %	99.2 %
Calgary	98.4 %	98.4 %	97.2 %	98.0 %
Montreal	95.7 %	94.6 %	95.1 %	94.6 %
Edmonton	98.5 %	95.6 %	98.0 %	94.7 %
Vancouver (iii)	99.1 %	100.0 %	97.5 %	99.0 %
Other	99.2 %	96.1 %	99.2 %	95.6 %
Total Commercial Occupancy	98.0 %	97.4 %	97.4 %	97.1 %

(i) Area extends north to Newmarket, Ontario; west to Hamilton, Ontario; and east to Oshawa, Ontario.

(ii) Area extends from Nepean and Vanier to Gatineau, Quebec.

(iii) Area extends east to Abbotsford, British Columbia.

The following table summarizes the Trust's committed and in-place occupancy rates by retail and office as at December 31, 2024 and December 31, 2023.

As at	December 31, 2024			December 31, 2023		
	Retail	Office	Total Commercial	Retail	Office	Total Commercial
Total Commercial Portfolio	98.7%	90.1%	98.0%	98.4%	87.5%	97.4%
	98.2%	89.6%	97.4%	98.0%	87.4%	97.1%

Committed occupancy increased 60 basis points and in-place occupancy increased 30 basis points, when compared to the same period last year. When compared to Q3 2024, committed occupancy and in-place occupancy increased by 20 and 40 basis points, respectively.

Retail committed and in-place occupancy improved by 30 and 20 basis points, respectively, when compared to the same period last year and by 10 and 20 basis points, respectively, when compared to Q3 2024.

As at December 31, 2024, all 10 of the initial vacant units that resulted from the two tenant failures discussed in Q1 2024, Bad Boy and Rooms+Spaces, have been re-leased to improved tenancies, including grocers. As of February 18, 2025, tenants at four of those locations are paying cash rent. Cash rents from the remaining six locations will commence at varying points over the next seven months. These units were backfilled by relevant and resilient retailers at improved lease terms featuring 23.9% higher base rents on a weighted average basis, further improving the portfolio's overall quality and cash flow growth. This delay in rent commencement had a negative impact on Commercial SPNOI in 2024, but the tenancies will contribute to future Commercial SPNOI, AFFO and NAV growth.

Compared to the same period last year, office committed occupancy increased by 260 basis points and in-place occupancy increased by 220 basis points. When compared to Q3 2024, office committed occupancy increased by 120 basis points and in-place occupancy increased by 240 basis points. The disposition of a non-core office building with high vacancy located in a secondary market during the quarter positively impacted the quarterly and annual increase.

The spread between committed and in-place occupancy of 60 basis points reflects the impact of executed deals where tenants have not yet taken possession, including the leasing of several of the retail units noted above. We anticipate this gap will narrow as the tenancies are completed. The increase in in-place occupancy during the quarter and for the year was due to tenants taking possession.

Future Lease Commencements

On a prospective basis, we expect to generate approximately \$8.4 million of annualized gross incremental rent, on an IFRS basis, from tenants that have signed leases but have not taken possession of the space as at December 31, 2024. This includes base rent, operating cost recoveries and straight-line rent, but excludes operating costs capitalized while a property is under redevelopment.

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Average Net Rent

The portfolio weighted average net rent per occupied square foot for our income producing properties is as follows:

As at December 31	2024	2023
Average net rent per occupied square foot (i)	\$ 22.39	\$ 21.51
Retail	\$ 22.05	\$ 21.22
Office	\$ 26.54	\$ 24.97

(i) Net rent is primarily contractual base rent pursuant to tenant leases.

Average net rent per occupied square foot increased when compared to the prior year mainly due to contractual rent steps, rent increases upon renewals, higher-than-average net rent per occupied square foot on new deals, vacancies and properties sold during the intervening period that had a lower average net rent per square foot. Our leasing strategy includes a focus on embedding contractual rent steps into every lease.

New Leasing Activity

<i>(in thousands, except per sqft amounts)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
New Leasing NLA at 100% - IPP & PUD	294	122	1,517	1,029
Average net rent per square foot - IPP & PUD (i)	\$ 31.79	\$ 30.53	\$ 26.17	\$ 27.75
IPP	\$ 32.47	\$ 29.54	\$ 25.36	\$ 25.61
PUD	\$ 28.16	\$ 34.06	\$ 34.85	\$ 42.93

(i) Net rent is primarily contractual base rent pursuant to tenant leases. Includes new square footage that has not previously been tenanted and existing square footage leased to a new tenant.

New leasing activity for the three months and year ended December 31, 2024 totalled 294,000 and 1,517,000 square feet at an average rate of \$31.79 and \$26.17 per square foot, respectively. In addition to the 1,517,000 square feet of new leasing, RioCan also finalized a land lease for a 158,000 square foot Costco at RioCan Centre Burloak during the year. As part of our ongoing initiatives to continuously improve tenant quality and the quality of our shopping centres, we strategically replaced fashion-focused tenants with a strong, service-based anchor. This is expected to attract significant traffic, draw other tenants and enhance the overall property appeal, generating incremental net asset value. Higher new lease volumes for the year are mainly due to new high-quality tenants including a number of new grocery stores backfilling space, demonstrating the resiliency and the high quality of the portfolio.

Average net rent per square foot for new leasing for the quarter is \$9.40 per square foot above our portfolio average net rent per occupied square foot.

Renewal Leasing Activity

<i>(in thousands, except percentage and per sqft amounts)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Square feet renewed at market rental rates (at 100%)	629	552	2,305	2,395
Square feet renewed at fixed rental rates (at 100%)	62	510	947	1,349
Total square feet renewed (at 100%)	691	1,062	3,252	3,744
Average net rent per square foot (i)	\$ 28.34	\$ 23.60	\$ 25.23	\$ 23.36
Renewal leasing spread in average net rent (ii)	\$ 4.25	\$ 1.89	\$ 2.92	\$ 2.08
Retention ratio	78.8%	93.4%	88.6%	87.7%

(i) Net rent is primarily contractual base rent pursuant to tenant leases.

(ii) Represents increase in average net rent per square foot for renewal leasing.

A high proportion of leases expiring in Q4 2024 and full year were renewed at market rates, which contributed to the strong renewal leasing spread. The retention ratios were impacted by one large vacancy upon expiry at a property in the GTA. The Trust took advantage of this turnover and quickly re-leased the space at higher base rent.

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Leasing Spreads

	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
New leasing spread (i)	52.5%	13.2%	36.7%	14.7%
Renewal leasing spread	17.6%	8.7%	13.1%	9.8%
Blended leasing spread (ii)	25.5%	9.0%	18.7%	10.7%

- (i) The new leasing spread excludes any units that have not previously been tenanted (such as a newly completed development) or that have been vacant for longer than two years. The quarterly new leasing spread is calculated for properties owned by the Trust as of each quarter end date. The year-to-date leasing spread is the weighted average net rent of the quarterly new leasing spread as reported over the respective period. For further clarity, net rent on new leases signed on new square footage from new development projects is included in the average net rent per square foot for new leases but is excluded in calculating the new leasing spread given that there is no base to compare to for such new developments.
- (ii) The blended leasing spread is the weighted average net rent leasing spread for both renewal leasing and new leasing for each period indicated.

A favourable retail environment, high demand for desirable locations and limited space continued into Q4 2024, the benefits of which were reflected in the leasing spreads for the quarter and year end.

Lease Expiries

Lease expiries for the next five years are as follows:

(in thousands, except per sqft and percentage amounts)

	Total Commercial IPP NLA	For the years ending				
		2025	2026	2027	2028	2029
At RioCan's interest						
Square feet	30,560	2,971	4,031	3,815	3,714	4,792
Square feet expiring/Portfolio NLA		9.7%	13.2%	12.5%	12.2%	15.7%
Average net rent per occupied square foot		\$ 22.16	\$ 20.96	\$ 22.84	\$ 24.32	\$ 24.00

Contractual Rent Increases

Certain of our leases provide periodic increases in rates during the lease terms which contribute to growth in Commercial Same Property NOI. Contractual rent increases in each year for the next five years for our properties are as follows:

(thousands of dollars)

At RioCan's interest	For the years ending				
	2025	2026	2027	2028	2029
Contractual rent increases	\$ 9,999	\$ 7,633	\$ 6,750	\$ 5,043	\$ 3,653

The contractual rent increases noted above are based on existing leases as at December 31, 2024 and are on a year-over-year incremental increase basis. The contractual rent increases in 2025 reflect more market rent changes as a result of new leasing and renewals completed in 2024 than in the outer years. The above schedule is on a cash rent basis and accounts for the timing of contractual rent increases year-over-year (in other words, not on an annualized basis but based on a year-over-year cash rent change basis).

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Property Operations - Residential Rental

RioCan's residential brand, RioCan Living, includes purpose-built residential rental buildings developed or acquired by RioCan and condominium and townhouse developments, as further discussed in the *Development Activities* and *Asset Profile - Joint Arrangements* sections of this MD&A.

Strong demand for well-located, professionally-managed, amenity-rich rental accommodations with easy access to transit continued in the quarter.

RioCan Living's residential rental portfolio consists of 13 buildings, with a fair value of \$0.9 billion, comprised of 3,099 residential rental units in operation, including 225 income producing property residential rental units acquired by RioCan on February 2, 2024 through its purchase of a 50% interest in The Underwood Apartments located in Calgary, Alberta. On November 29, 2024, the Trust sold its 50% interest in 61 units at Strada for gross sale proceeds of \$23.9 million. Upon stabilization, RioCan will acquire a 90% interest in 297 units at Phase Two/Three of Market. RioCan has also agreed to purchase a 100% interest in an additional 60 units at Bellevue Phase Three subject to certain conditions. Both transactions are expected to close in the first half of 2025.

At FourFifty The Well, construction of all 592 units was completed in the first half of 2024.

Approximately 98% of the residential rental portfolio is exempt from rent controls and prescribed rents.

Occupancy and Leasing

Residential Rental Buildings in Operation	Number of total units (i)	Occupancy as at	Leasing as of
		December 31, 2024	February 18, 2025
		% of occupied units	% of leased units
<u>Stabilized (12 properties)</u>	2,507	94.6 %	95.0 %
<u>In lease-up</u>			
FourFifty The Well (Toronto) (ii)	592	87.3 %	92.4 %

(i) Number of units are at 100% ownership interest and all buildings are 50% owned except for Market which is 90% owned and Bellevue which is 100% owned.

(ii) Phased occupancy commenced on August 1, 2023.

Residential properties in lease-up initially generate negative FFO, as property operating costs and interest expense exceed rent revenue due to unoccupied units during this phase. Capitalization of interest expense and other carrying costs ceases when units are completed and transferred to income producing properties. While FourFifty The Well generated positive NOI in Q4 2024, it was not sufficient to cover the associated interest expense causing this property in lease-up to generate negative FFO of \$0.1 million and \$2.1 million for the three months and year ended December 31, 2024, respectively. As this property reaches stabilization, the Trust expects this property positively contribute to FFO.

Average Market Rent

As at December 31,	2024	2023
Market units average monthly rent per occupied square foot (i) (ii)	\$ 3.37 \$	3.23

(i) Market units average monthly rent per occupied square foot is calculated as monthly gross rents as at December 31, 2024 (excluding utilities which are paid by tenants) from leased residential units divided by the total number of net leasable square feet for these leased residential units. It does not include revenue from parking or other sources.

(ii) Market units average monthly rent per occupied square foot includes only properties that are owned and stabilized as at the end of each of the reporting dates presented. A property is considered to have reached stabilization upon the earlier of (i) achieving 95% occupancy or (ii) 24 months after first occupancy as of the quarter end reporting date. Properties disposed during the year are excluded from the comparative calculation. As at December 31, 2024 and 2023, 10 properties (eCentral™, Pivot™, and Litho™ located in Toronto, Ontario, Frontier™, Latitude™ and Luma™ located in Ottawa, Ontario, Brio™ located in Calgary, Alberta and Market, Bellevue Phase One and Two located in Montreal, Quebec) are included.

For the properties listed in footnote (ii) above, the market units average monthly rent per occupied square foot increased by 4.3% when compared to December 31, 2023 due to new leasing and renewals at higher rents. The increase in market units average monthly rent per unit that were turned over or renewed was 4.0% for the year ended December 31, 2024.

In the GTA, on a total stabilized portfolio basis, market units average monthly rent per occupied square foot was \$4.19 as at December 31, 2024, an increase of 2.2% compared to December 31, 2023.

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RESULTS OF OPERATIONS

Summary of Selected Financial Information

The following table summarizes key selected financial information that is based on or derived from, and should be read in conjunction with, the Consolidated Financial Statements of the Trust for the respective years indicated in the table.

(thousands of dollars, except where otherwise noted)

As at or for the years ended December 31	2024	2023	2022
Revenue	\$ 1,239,526	\$ 1,123,871	\$ 1,213,847
Net income	473,465	38,802	236,772
Operating income	740,948	714,408	712,692
Net Operating Income (NOI) (i)	712,156	697,353	674,989
Net Operating Income NOI (RioCan's Proportionate Share) (i)	737,764	724,217	698,118
FFO (i)	535,971	531,281	524,678
FFO Adjusted (i)	544,278	532,649	528,967
Weighted average Units outstanding (in thousands)			
Basic	300,464	300,392	306,069
Diluted	300,473	300,479	306,247
Per unit basis			
Net income - basic	\$ 1.58	\$ 0.13	\$ 0.77
Net income - diluted	\$ 1.58	\$ 0.13	\$ 0.77
FFO - diluted (i)	\$ 1.78	\$ 1.77	\$ 1.71
FFO Adjusted - diluted (i)	\$ 1.81	\$ 1.77	\$ 1.73
Unitholder distributions (iii)	\$ 1.1075	\$ 1.0750	\$ 1.0200
FFO Payout Ratio (i) (ii)	61.9 %	60.5 %	59.0 %
FFO Payout Ratio Adjusted (i) (ii)	61.0 %	60.3 %	58.5 %
AFFO Payout Ratio (i) (ii)	72.8 %	70.0 %	67.1 %
AFFO Payout Ratio Adjusted (i) (ii)	71.5 %	69.7 %	66.4 %
Investment properties	\$ 13,839,154	\$ 13,561,718	\$ 13,807,740
Total assets	15,472,044	14,842,281	15,101,859
Total debt	7,323,914	6,861,113	6,742,343
Total equity	7,558,338	7,437,770	7,728,892
Adjusted Debt to Adjusted EBITDA (RioCan's Proportionate Share) (i) (ii)	8.98	9.28	9.51
Weighted average contractual interest rate (iv)	3.89%	3.78%	3.41 %
Weighted average effective interest rate (iv) (v)	3.90%	3.74%	3.40 %
Net book value per unit	\$ 25.16	\$ 24.76	\$ 25.73

(i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for more information on each non-GAAP financial measure.

(ii) Calculated on a trailing twelve-months basis. For further discussion of the Trust's FFO and AFFO Payout Ratios and Adjusted Debt to Adjusted EBITDA (RioCan's Proportionate Share) refer to the *Non-GAAP Measures* section in this MD&A.

(iii) Effective February 2024, the distribution was increased to \$1.11 from \$1.08 on an annualized basis.

(iv) For hedged floating rate debt, the interest rate reflects the fixed rate in the interest swap.

(v) Inclusive of bond forward hedges.

The Trust's year-over-year changes in revenues, FFO, operating income and net income, as well as other key financial metrics were primarily impacted by strong operating fundamentals, the magnitude and pace of development expenditures and project completions, the timing and magnitude of its various residential condominium and townhouse projects closings and property dispositions. Net income, investment properties, total assets and total equity were further impacted by the year-over-year changes in the fair values of investment properties. Unitholder distributions were within the targeted FFO Payout ratio of 55% to 65% and increased accordingly year-over-year. NCIB purchases completed in 2022 reduced the number of Units outstanding and had an accretive impact on FFO per Unit. Refer to the various sections of this MD&A for more detail on the Trust's key financial and operational information.

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The Q4 2024 and YTD 2024 variances discussed in the following sections compare the respective 2024 results to the same comparable periods in 2023, unless otherwise noted.

Revenue

The revenue for the three months and years ended December 31, 2024 and 2023 is as follows:

<i>(thousands of dollars)</i>	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Rental revenue	\$ 293,327	\$ 276,510	\$ 16,817	\$ 1,137,127	\$ 1,091,105	\$ 46,022
Residential inventory sales	59,670	13,789	45,881	84,483	13,789	70,694
Property management and other service fees	4,606	6,611	(2,005)	17,916	18,977	(1,061)
Revenue	\$ 357,603	\$ 296,910	\$ 60,693	\$ 1,239,526	\$ 1,123,871	\$ 115,655

The rental revenue for the three months and years ended December 31, 2024 and 2023 is as follows:

<i>(thousands of dollars)</i>	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Base rent	\$ 182,709	\$ 174,393	\$ 8,316	\$ 710,525	\$ 689,609	\$ 20,916
Realty tax and insurance recoveries	54,272	49,538	4,734	213,555	200,858	12,697
Common area maintenance recoveries	47,673	46,253	1,420	183,501	176,080	7,421
Percentage rent	2,616	2,339	277	8,184	8,424	(240)
Straight-line rent	3,101	2,638	463	11,234	5,898	5,336
Lease cancellation fees	1,591	70	1,521	4,817	5,253	(436)
Parking revenue	1,365	1,279	86	5,311	4,983	328
Rental revenue	\$ 293,327	\$ 276,510	\$ 16,817	\$ 1,137,127	\$ 1,091,105	\$ 46,022

YTD 2024

The increase in revenue was mainly due to higher residential inventory sales, higher rental revenue partially offset by lower property management and other service fees.

The increase in residential inventory sales was primarily due to the disposition of non-core residential inventory development land located in Calgary, Alberta and timing of condominium and townhouse sales.

The increase in rental revenue was mainly due to higher base rent, higher recoveries and higher straight-line rent. Base rent increases from rental growth, development completions and asset acquisitions were partially offset by the impact of asset dispositions.

The decrease in property management and other service fees was primarily due to lower construction and development fees and lower other fees, partially offset by higher financing and higher property management fees.

Q4 2024

The increase in revenue was mainly due to the same reasons described above in YTD 2024.

Residential inventory sales increased primarily due to the timing of condominium and townhouse sales.

The increase in rental revenue was mainly due to the same reasons described above in YTD 2024.

Property management and other service fees decreased primarily due to lower construction and development fees and lower other fees partially offset by higher financing fees.

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Operating Income and Net Operating Income (NOI)

The operating income and NOI for the three months and years ended December 31, 2024 and 2023 is as follows:

(thousands of dollars)	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Operating income	\$ 195,973	\$ 186,074	\$ 9,899	\$ 740,948	\$ 714,408	\$ 26,540
NOI (i)	\$ 184,230	\$ 176,306	\$ 7,924	\$ 712,156	\$ 697,353	\$ 14,803
NOI (RioCan's proportionate share) (i)	\$ 190,623	\$ 182,722	\$ 7,901	\$ 737,764	\$ 724,217	\$ 13,547
NOI						
Commercial	\$ 176,521	\$ 169,860	\$ 6,661	\$ 682,932	\$ 675,876	\$ 7,056
Residential (ii)	7,709	6,446	1,263	29,224	21,477	7,747
Total NOI	\$ 184,230	\$ 176,306	\$ 7,924	\$ 712,156	\$ 697,353	\$ 14,803

(i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for more information on each non-GAAP financial measure.

(ii) Includes \$0.2 million and \$0.2 million of non-recoverable operating costs from residential operations for the three months and year ended December 31, 2024 (three months and year ended December 31, 2023 - \$0.0 million and \$0.1 million).

YTD 2024

The increase in operating income was largely the combined effect of \$14.8 million higher NOI, \$15.3 million higher inventory gains primarily due to disposition of non-core residential inventory development land located in Calgary, Alberta and timing of condominium and townhouse sales, partially offset by \$1.1 million in lower property management and other service fee revenue.

The increase in commercial NOI was largely due to \$11.4 million higher NOI from completed developments, \$7.5 million higher straight-line rent and Commercial Same Property NOI growth of 1.2% or \$6.9 million. Excluding the impact of prior year provision reversals, Commercial SPNOI growth for year-to-date was 2.2%. These increases were partially offset by \$15.6 million lower NOI due to asset dispositions net of the impact of acquisitions, \$2.7 million lower NOI from properties under de-leasing and \$0.4 million lower lease cancellation fees.

Residential NOI increased primarily due to completed developments, acquisitions and strong leasing progress in the residential rental portfolio.

Q4 2024

The increase in operating income was largely due to \$7.9 million higher NOI, \$6.2 million in higher residential inventory gains due to the timing of condominium and townhouse sales, partially offset by \$2.0 million lower property management and other service fee revenue.

The increase in commercial NOI was largely due to Commercial Same Property NOI growth of 2.3% or \$3.4 million, \$2.6 million higher straight-line rent, \$1.9 million in higher NOI from completed developments, \$1.5 million higher lease cancellation fees, and \$0.2 million higher NOI from properties under de-leasing. Excluding the impact of prior year provision reversals, Commercial SPNOI growth for the quarter was 3.5%. These increases were partially offset by \$2.9 million lower NOI due to asset dispositions net of the impact of acquisitions.

Residential NOI increased primarily due to completed developments, acquisitions and strong leasing progress in the residential rental portfolio, partially offset by the impact of the provision for credit losses and property tax settlements in the same quarter last year.

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Same Property NOI

Same Property NOI for commercial and residential portfolio for the three months and years ended December 31, 2024 and 2023 is as follows:

(thousands of dollars, except where otherwise noted)	Three months ended December 31			Years ended December 31		
	2024	2023	% change	2024	2023	% change
Commercial Same Property NOI (i)	\$ 150,744	\$ 147,307	2.3 %	\$ 588,278	\$ 581,360	1.2 %
Residential Same Property NOI (i)	\$ 5,362	\$ 5,426	(1.2)%	\$ 18,008	\$ 17,139	5.1 %
Same Property NOI (i)	\$ 156,106	\$ 152,733	2.2 %	\$ 606,286	\$ 598,499	1.3 %
Commercial Same Property NOI excluding provision (i)	\$ 151,628	\$ 146,470	3.5 %	\$ 588,425	\$ 576,016	2.2 %
Adjusted Commercial Same Property NOI (i)	\$ 149,870	\$ 145,329	3.1 %	\$ 581,362	\$ 570,360	1.9 %
Adjusted Residential Same Property NOI (i)	\$ 5,467	\$ 5,260	3.9 %	\$ 17,842	\$ 17,024	4.8 %

(i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for more information on each non-GAAP financial measure.

YTD 2024

Commercial Same Property NOI increased by 1.2% due to organic growth that was tempered by a higher provision reversal in the prior year and the short-term impact of tenant turnovers which occurred in Q1 2024. Tenant turnovers included 10 retail locations that were vacated due to two tenant failures. As at December 31, 2024, all 10 locations have been re-leased to improved tenancies, including grocers. Refer to the analysis of the change in occupancy included in the *Property Portfolio Overview - Property Operations - Commercial* section of this MD&A for further details.

Commercial Same Property NOI excluding provision increased by 2.2%. Adjusted Commercial Same Property NOI, which adjusts for the impact of the provision for credit losses and legal and CAM/property tax settlements, increased by 1.9%.

Residential Same Property NOI increased by 5.1%. Adjusted Residential Same Property NOI, which adjusts for the impact of the provision for credit losses and property tax settlements, increased by 4.8%.

Q4 2024

Commercial Same Property NOI increased by 2.3% due to the same reasons described above in YTD 2024.

Commercial Same Property NOI excluding provision increased by 3.5%. Adjusted Commercial Same Property NOI increased by 3.1%.

Residential Same Property NOI decreased by 1.2%. Adjusted Residential Same Property NOI increased by 3.9%.

Other Income (Loss)

(thousands of dollars)	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Interest income	\$ 12,301	\$ 6,401	\$ 5,900	\$ 42,469	\$ 25,131	\$ 17,338
Income from equity-accounted investments	3,977	(7,190)	11,167	38,507	18,383	20,124
Fair value gain (loss) on investment properties, net	2,004	(222,921)	224,925	(29,353)	(450,408)	421,055
Investment and other income, net	3,782	4,459	(677)	17,531	8,501	9,030
Other income (loss)	\$ 22,064	\$ (219,251)	\$ 241,315	\$ 69,154	\$ (398,393)	\$ 467,547

YTD 2024

Interest income increased mainly due to higher average mortgages and loans receivable outstanding and higher effective interest rates, and higher other interest from cash on deposit and funds held in trust.

RioCan's share of FFO from equity-accounted investments was \$47.7 million, \$10.6 million higher than the comparative period in 2023, primarily due to \$11.2 million higher gains from two dispositions of a combined 25.0% interest in the 11YV project during the year, as compared to a 12.5% interest sold in the comparable period last year, \$3.1 million higher residential inventory gains from the sale of condominium units within the equity-accounted investments and \$1.0 million higher capitalized interest from additional equity-accounted investments in 2024. These increases were partially offset by \$3.5 million lower FFO from the RioCan-HBC joint venture. The gains from the dispositions of the interests in the 11YV project were generated predominantly from the underlying gains on the residential inventory component. For further details on the results of operations of the RioCan-HBC joint venture and the gains from the dispositions of our interests in the 11YV project, refer to the *Joint Arrangements* section of this MD&A.

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The Trust recognized net fair value losses of \$29.4 million on investment properties including assets held for sale compared to net fair value losses of \$450.4 million in the same period last year. Refer to the *Property Valuations* section of this MD&A for further details.

Investment and other income increased due to a \$5.5 million increase in the change in unrealized fair value on marketable securities (which does not impact FFO), \$1.9 million in higher realized gain on sale of marketable securities, \$1.9 million higher transaction gains and other income, partially offset by lower income from marketable securities.

Q4 2024

Interest income was higher primarily due to higher average mortgages and loans receivable outstanding and higher effective interest rates.

RioCan's share of FFO from equity-accounted investments was \$7.3 million, \$0.8 million lower than the comparative period, primarily due to a \$2.0 million gain from the disposition of a 2.1% interest in the 11YV project during the comparative period, \$0.3 million lower capitalized interest from equity-accounted investments and \$0.2 million lower FFO from the RioCan-HBC joint venture. These decreases were partially offset by \$1.8 million higher residential inventory gains from the sale of condominium units within the equity-accounted investments.

The Trust recognized net fair value gains of \$2.0 million on investment properties including assets held for sale, compared to net fair value losses of \$222.9 million in the same period last year. Refer to the *Property Valuations* section of this MD&A for further details.

Investment and other income decreased due to a \$1.8 million decrease in the change in unrealized fair value on marketable securities (which does not impact FFO), \$0.1 million decrease in realized gain on sale of marketable securities, lower income from marketable securities, partially offset by \$1.6 million higher transaction gains and other income.

Other Expenses

(thousands of dollars)	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Interest costs, net	\$ 66,040	\$ 58,940	\$ 7,100	\$ 257,544	\$ 208,948	\$ 48,596
General and administrative	19,070	15,459	3,611	59,847	60,367	(520)
Internal leasing costs	3,262	3,156	106	13,293	11,919	1,374
Transaction and other costs	4,017	6,945	(2,928)	6,747	9,344	(2,597)
Other expenses	\$ 92,389	\$ 84,500	\$ 7,889	\$ 337,431	\$ 290,578	\$ 46,853

Interest Costs

(thousands of dollars, except where otherwise noted)	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Total interest	\$ 73,567	\$ 66,679	\$ 6,888	\$ 289,251	\$ 250,537	\$ 38,714
Interest costs capitalized (i)	(7,527)	(7,739)	212	(31,707)	(41,589)	9,882
Interest costs, net	\$ 66,040	\$ 58,940	\$ 7,100	\$ 257,544	\$ 208,948	\$ 48,596
Capitalized interest as percentage of total interest	10.2%	11.6%	(1.4)%	11.0%	16.6%	(5.6)%

(i) Includes amounts capitalized to properties under development and residential inventory.

YTD 2024

Total interest costs increased mainly due to higher average debt balances and higher average cost of debt. As at December 31, 2024, the weighted average effective interest rate of our total debt is 3.90% (December 31, 2023 – 3.74%).

Interest was capitalized to properties under development and residential inventory at a weighted average effective interest rate of 4.27% for the year ended December 31, 2024 (year ended December 31, 2023 – 3.88%).

Q4 2024

Total interest costs increased mainly due to higher average debt balances and higher average cost of debt.

Interest was capitalized to properties under development and residential inventory at a weighted average effective interest rate of 4.32% for the three months ended December 31, 2024 (three months ended December 31, 2023 – 3.90%).

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General and Administrative (G&A)

(thousands of dollars, except where otherwise noted)	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Non-recoverable salaries and benefits, net	\$ 12,674	\$ 5,305	\$ 7,369	\$ 30,293	\$ 22,438	\$ 7,855
Unit-based compensation expense	2,188	1,882	306	7,795	7,807	(12)
Depreciation and amortization	359	646	(287)	1,450	2,632	(1,182)
Other G&A expense (i)	3,849	4,123	(274)	14,941	15,458	(517)
G&A expense before Enterprise Resource Planning (ERP) implementation costs	19,070	11,956	7,114	54,479	48,335	6,144
ERP implementation costs (ii)	—	3,503	(3,503)	5,368	12,032	(6,664)
Total G&A expense (iii)	\$ 19,070	\$ 15,459	\$ 3,611	\$ 59,847	\$ 60,367	\$ (520)
Adjusted G&A Expense as a percentage of rental revenue (iv)	4.1%	4.2%	(0.1)%	4.1%	4.2%	(0.1)%

- (i) Primarily includes information technology costs, public company costs, travel, marketing, legal and professional fees, as well as trustee costs.
- (ii) ERP implementation costs include salaries and benefits, and consultant and licensing costs.
- (iii) G&A expenses are presented net of recoverable expenses and expenses capitalized to development and residential inventory.
- (iv) Adjusted G&A Expense is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for more information on each non-GAAP financial measure.

YTD 2024

G&A expenses decreased primarily due to a \$6.7 million decrease in ERP implementation costs, \$1.2 million decrease in depreciation and amortization expense, \$0.5 million decrease in other G&A expenses, partially offset by a \$7.8 million increase in compensation costs, mainly from a \$7.9 million restructuring charge.

During Q2 2024, the Trust successfully deployed its new ERP system. Our new ERP system supports efficiencies in our financial processes and data management, leading to better overall business operations.

During 2024, RioCan restructured its organization, reducing its workforce by approximately 9.5%. The corporate restructuring is part of RioCan's ongoing cost management efforts, which include cutting back on construction spending, using our national procurement program, and implementing advanced technology capabilities including an upgraded ERP solution.

Going forward, annualized cash savings of approximately \$8 million are anticipated as a result of the restructuring, with an estimated net G&A impact of approximately \$4 million. RioCan's restructuring aligns with responsible cost management, enhances workflow efficiency, and optimizes resource allocation to better align with business needs.

Adjusted G&A Expense as a percentage of rental revenue decreased from the prior year due to higher rental revenue and a decrease in discretionary expenses.

Q4 2024

G&A expenses increased primarily due to a \$7.7 million increase in compensation costs mainly from a \$7.2 million restructuring charge recognized in the quarter, partially offset by \$3.5 million decrease in ERP implementation costs, \$0.3 million decrease in other G&A expenses and \$0.3 million decrease in depreciation and amortization expense.

Adjusted G&A Expense as a percentage of rental revenue decreased from the prior year for the same reasons described above.

Internal Leasing Costs and Transaction Costs

(thousands of dollars)	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Internal leasing costs (i)	\$ 3,262	\$ 3,156	\$ 106	\$ 13,293	\$ 11,919	\$ 1,374
Transaction and other costs (ii)	\$ 4,017	\$ 6,945	\$ (2,928)	\$ 6,747	\$ 9,344	\$ (2,597)

- (i) Comprised of the payroll costs of our internal leasing department and related administration costs.
- (ii) Includes marketing costs related to condominium and townhouse projects which are expensed as incurred before condominium sales revenue are recognized into income. For the three months and year ended December 31, 2024, transaction and other costs includes a net debt prepayment loss of \$0.9 million and \$0.5 million (three months and year ended December 31, 2023 - nil).

YTD 2024

Transaction and other costs decreased mainly due to lower disposition costs, lower marketing costs, partially offset by a net debt prepayment loss. The Trust incurred \$1.9 million in marketing costs for the year ended December 31, 2024 (year ended December 31, 2023 - \$2.9 million).

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Q4 2024

Transaction and other costs decreased mainly due to the same reasons noted above. The Trust incurred \$0.5 million in marketing costs for the three months ended December 31, 2024 (three months ended December 31, 2023 - \$1.7 million).

Net Income (Loss) Attributable to Unitholders

<i>(thousands of dollars, except per unit amounts)</i>	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Net income (loss) attributable to Unitholders	\$ 125,648	\$ (117,659)	\$ 243,307	\$ 473,465	\$ 38,802	\$ 434,663
Net income (loss) attributable to Unitholders (basic)	\$ 0.42	\$ (0.39)	\$ 0.81	\$ 1.58	\$ 0.13	\$ 1.45
Net income (loss) attributable to Unitholders (diluted)	\$ 0.42	\$ (0.39)	\$ 0.81	\$ 1.58	\$ 0.13	\$ 1.45

YTD 2024

Net income attributable to Unitholders increased largely as a result of a \$26.5 million increase in operating income and \$467.5 million higher other income inclusive of a \$421.1 million favourable change in fair value on investment properties, a \$20.1 million increase in income from equity-accounted investments, a \$17.3 million increase in interest income, and a \$9.0 million increase in investment and other income. These were partially offset by \$46.9 million higher other expenses, predominantly net interest costs, and \$12.6 million lower current income tax recovery. Refer to the *Results of Operations - Operating Income and Net Operating Income (NOI)*, *Results of Operations - Other Income (Loss)* and *Results of Operations - Other Expenses* sections of this MD&A for further details.

Q4 2024

Net income (loss) attributable to Unitholders increased largely as a result of a \$9.9 million increase in operating income and \$241.3 million higher other income, inclusive of a \$224.9 million favourable change in fair value on investment properties, a \$11.2 million increase in income from equity-accounted investments, and a \$5.9 million increase in interest income. These were partially offset by a \$7.9 million increase in other expenses, predominantly net interest costs. Refer to the *Results of Operations - Operating Income and Net Operating Income (NOI)*, *Results of Operations - Other Income (Loss)* and *Results of Operations - Other Expenses* sections of this MD&A for further details.

Funds From Operations (FFO)

RioCan's method of calculating FFO is in compliance with the REALPAC definition issued in January 2022, except that RioCan excludes unrealized fair value gains or losses on marketable securities and ERP implementation costs (net of amortization) in its calculation of FFO and, for clarity, continues to include realized gains or losses on marketable securities in FFO. Refer to the *Non-GAAP Measures* section of this MD&A for more information.

<i>(thousands of dollars, except where otherwise noted)</i>	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
FFO	\$ 134,379	\$ 132,890	\$ 1,489	\$ 535,971	\$ 531,281	\$ 4,690
FFO Adjusted	\$ 142,493	\$ 132,914	\$ 9,579	\$ 544,278	\$ 532,649	\$ 11,629
FFO per unit - basic	\$ 0.45	\$ 0.44	\$ 0.01	\$ 1.78	\$ 1.77	\$ 0.01
FFO per unit - diluted	\$ 0.45	\$ 0.44	\$ 0.01	\$ 1.78	\$ 1.77	\$ 0.01
FFO Adjusted per unit - diluted	\$ 0.47	\$ 0.44	\$ 0.03	\$ 1.81	\$ 1.77	\$ 0.04
Weighted average number of Units - basic (in thousands)	300,469	300,417	52	300,464	300,392	72
Weighted average number of Units - diluted (in thousands)	300,524	300,417	107	300,473	300,479	(6)
FFO Payout Ratio (i)				61.9%	60.5%	1.4%
FFO Payout Ratio Adjusted (i)				61.0%	60.3%	0.7%

(i) Calculated on a twelve-months trailing basis. For a definition of the Trust's Unitholder distributions as a percentage of FFO and FFO Adjusted, refer to the *Non-GAAP Measures* section of this MD&A.

YTD 2024

FFO increased by \$4.7 million and FFO Adjusted increased by \$11.6 million when compared to last year. On a diluted per unit basis, FFO increased by \$0.01 or 0.6% and FFO Adjusted increased by \$0.04 or 2.3%.

The \$11.6 million increase in FFO Adjusted resulted mainly from a \$26.5 million increase in operating income, \$17.3 million increase in interest income, \$10.6 million higher FFO from equity-accounted investments, \$2.9 million in higher investment and other income, and \$1.1 million lower transaction and other costs, partially offset by higher net interest costs of \$48.6 million. The

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increase in FFO from equity-accounted investments is mainly due to the gains from two dispositions of a combined 25.0% interest in the 11YV project during the year, as compared to a 12.5% interest sold in the comparable period last year, and \$3.1 million higher residential inventory gain within the equity-accounted investments, partially offset by \$3.5 million lower FFO from the RioCan-HBC joint venture. The gains from the disposition of the interest in the 11YV project were generated predominantly from the underlying gains on the residential inventory component. The increase in operating income was primarily due to \$14.8 million higher NOI, \$15.3 million higher inventory gains primarily due to disposition of non-core residential inventory development land located in Calgary, Alberta and timing of condominium and townhouse sales, partially offset by \$1.1 million in lower property management and other service fee revenue. The improvement in NOI was driven by a \$7.7 million increase in residential NOI due to continued strong performance and leasing environment for our residential properties and \$7.1 million higher commercial NOI. The increase in commercial NOI was largely due to \$11.4 million higher NOI from completed developments, \$7.5 million higher straight-line rent and Commercial Same Property NOI growth of 1.2% or \$6.9 million. Excluding the impact of prior year provision reversals, Commercial SPNOI growth for year-to-date was 2.2%. These increases were partially offset by \$15.6 million lower NOI due to asset dispositions net of the impact of acquisitions, \$2.7 million lower NOI from properties under de-leasing and \$0.4 million lower lease cancellation fees.

Residential NOI increased primarily due to completed developments, acquisitions and strong leasing progress in the residential rental portfolio.

Q4 2024

FFO increased by \$1.5 million and FFO Adjusted increased by \$9.6 million when compared to the same respective period last year. On a diluted per unit basis, FFO increased by \$0.01 or 2.3% and FFO Adjusted increased by \$0.03 or 6.8%.

The \$9.6 million increase in FFO Adjusted resulted mainly from a \$9.9 million increase in operating income, a \$5.9 million increase in interest income, \$1.2 million in lower transaction and other costs, partially offset by \$7.1 million higher net interest costs, \$1.3 million in lower investment and other income, and \$0.8 million lower FFO from equity-accounted investments. The increase in operating income was primarily from \$7.9 million higher NOI, and \$6.2 million in higher residential inventory gains due to timing of condominium and townhouse sales, partially offset by \$2.0 million lower property management and other service fee revenue. The higher NOI pertaining to our commercial properties was mainly driven by Commercial Same Property NOI growth of 2.3% or \$3.4 million, \$2.6 million higher straight-line rent, \$1.9 million in higher NOI from completed developments, \$1.5 million higher lease cancellation fees, and \$0.2 million higher NOI from properties under de-leasing. Excluding the impact of prior year provision reversals, Commercial SPNOI growth for the quarter was 3.5%. These increases were partially offset by \$2.9 million lower NOI due to asset dispositions net of the impact of acquisitions. Continued strong performance and leasing environment for our residential properties and operating residential properties acquired increased residential NOI by \$1.3 million.

FFO Payout Ratio

The FFO Payout Ratio was 61.9% for the twelve-month period ended December 31, 2024 compared to 60.5% in 2023. The increase in the FFO Payout Ratio relative to last year is due to a \$0.06 and \$0.03 per unit per annum increase in distributions effective February 2023 and February 2024, respectively.

Adjusted Funds From Operations (AFFO)

AFFO is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section of this MD&A for more information. RioCan's method of calculating AFFO is in compliance with the REALPAC definition issued in January 2022, except that RioCan excludes unrealized fair value gains or losses on marketable securities and ERP implementation costs (net of amortization) and continues to include realized gains or losses on marketable securities in its calculation of FFO and by extension AFFO.

(thousands of dollars, except where otherwise noted)	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
AFFO	\$ 112,604	\$ 113,670	\$ (1,066)	\$ 455,995	\$ 459,483	\$ (3,488)
AFFO Adjusted	\$ 120,718	\$ 113,694	\$ 7,024	\$ 464,302	\$ 460,851	\$ 3,451
AFFO per unit - basic	\$ 0.37	\$ 0.38	\$ (0.01)	\$ 1.52	\$ 1.53	\$ (0.01)
AFFO per unit - diluted	\$ 0.37	\$ 0.38	\$ (0.01)	\$ 1.52	\$ 1.53	\$ (0.01)
AFFO Adjusted per unit - diluted	\$ 0.40	\$ 0.38	\$ 0.02	\$ 1.55	\$ 1.53	\$ 0.02
Weighted average number of Units - basic (in thousands)	300,469	300,417	52	300,464	300,392	72
Weighted average number of Units - diluted (in thousands)	300,524	300,417	107	300,473	300,479	(6)
AFFO Payout Ratio (i)				72.8%	70.0%	2.8%
AFFO Payout Ratio Adjusted (i)				71.5%	69.7%	1.8%

(i) Calculated on a twelve-months trailing basis. For a definition of the Trust's Unitholder distributions as a percentage of AFFO and AFFO Adjusted, refer to the *Non-GAAP Measures* section of this MD&A.

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YTD 2024

AFFO decreased by \$3.5 million and AFFO Adjusted increased by \$3.5 million over the comparable period. On a diluted per unit basis, AFFO decreased by \$0.01 or 0.7% and AFFO Adjusted increased by \$0.02 or 1.3%.

The \$3.5 million increase in AFFO Adjusted was primarily due to higher FFO Adjusted, excluding the benefit of higher straight-line rent and including higher internal leasing costs. Refer to the *Results of Operations - Funds From Operations (FFO)* section of this MD&A for further details.

Q4 2024

AFFO decreased by \$1.1 million and AFFO Adjusted increased by \$7.0 million over the comparable period. On a diluted per unit basis, AFFO decreased by \$0.01 or 2.6% and AFFO Adjusted increased by \$0.02 or 5.3%.

The \$7.0 million increase in AFFO Adjusted was primarily due to the same reasons as described above for FFO Adjusted, excluding the benefit of higher straight-line rent. Refer to the *Results of Operations - Funds From Operations (FFO)* section of this MD&A for further details.

AFFO Payout Ratio

The AFFO Payout Ratio was 72.8% for the twelve-month period ended December 31, 2024 compared to 70.0% in 2023. The increase compared to last year was primarily due to a \$0.06 and \$0.03 per unit per annum increase in distributions effective February 2023 and February 2024, respectively.

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ASSET PROFILE

Property Valuations

Refer to Note 3 of the 2024 Annual Consolidated Financial Statements for a continuity schedule for the change in consolidated IFRS carrying values of our investment properties.

Investment Property Valuation

The Trust recorded net fair value gains of \$2.0 million and net fair value losses of \$29.4 million, including assets held for sale, for the three months and year ended December 31, 2024, respectively. The fair value gains in the current quarter were primarily due to higher stabilized NOI partially offset by changes in capitalization rates and the impact of cost-to-complete adjustments on properties under development. The fair value losses on year-to-date basis were primarily due to changes in capitalization rates including those for certain office properties and the impact of costs-to-complete adjustments on properties under development, partially offset by the impact of higher stabilized NOI.

Capitalization Rates

The weighted average capitalization rate is based on the location and quality of the properties and takes into account market data at the valuation date. The table below provides details of the change in the weighted average capitalization rate (weighted by Stabilized NOI):

Weighted Average Capitalization Rate	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Beginning of period	5.41 %	5.40 %	5.41 %	5.33 %
Impact of dispositions	— %	(0.05)%	(0.01)%	(0.05)%
Impact of acquisitions	— %	— %	(0.01)%	(0.01)%
Development yield	(0.01)%	— %	(0.01)%	— %
Other adjustments	0.01 %	0.06 %	0.03 %	0.14 %
End of period	5.41 %	5.41 %	5.41 %	5.41 %

At December 31, 2024, the weighted average capitalization rate of the Trust's investment portfolio remained unchanged when compared to September 30, 2024 and December 31, 2023. The carrying value of investment properties reflects the Trust's best estimate for the highest and best-use as at December 31, 2024.

The valuation of investment properties is subject to a number of factors underlying the estimated cash flows and capitalization rates used in the valuation process. These factors include but are not limited to geographic location, property type, strength of underlying tenant covenants, future intensification opportunities, estimated vacancy allowances and the resulting re-tenanting costs. Property values can also be impacted by changes in interest rates as they tend to exert pressure on capitalization rates. Additionally, macroeconomic volatility resulting from trade tariffs can impact interest rates, further influencing property values. Interest rates, however, are only one of the many factors that impact property values. Favourable supply/demand dynamics, strong property fundamentals, the delivery of highly valued mixed-use residential developments and rising replacement costs, which further restrict the supply of quality open-air retail centres, can all provide support for fair values. Notwithstanding low visibility in a distorted market that is short of transactions, our valuations have been validated by third-party appraisals and substantiated with available market data points including recent transactions in which we have participated. Refer to Note 3 of the 2024 Annual Consolidated Financial Statements for a sensitivity analysis of investment property valuations to changes in the three key inputs to the property valuation - Stabilized NOI, capitalization rates and costs-to-complete.

Given the volatility in the current macroeconomic environment, the impact on the Trust's investment property valuation remains difficult to assess and predict. Refer to the *Risks and Uncertainties - Interest Rate and Financing Risk and Trade Tariffs* sections of this MD&A for discussions on these risks and uncertainties.

Valuation Processes

Internal Valuations

RioCan measures the vast majority of its investment properties, including co-owned properties, using valuations prepared by its internal valuation team which utilizes appraisal methodologies largely consistent with the practices employed by third-party appraisers. This team of individuals has specialized industry experience in real estate valuations and report directly to a senior member of the Trust's management. The internal valuation team's processes and results are reviewed and approved by the Valuations Committee on a quarterly basis.

The Trust's Valuations Committee is responsible for approving any fair value changes to the investment properties and consists of senior management of the Trust including the Chief Financial Officer, Chief Operating Officer, Chief Investment Officer and other executive members.

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External Valuations

Depending on the property asset type and location, management may opt to obtain independent third-party valuations from accredited valuation professionals for purposes of adopting such appraised values in the case of land parcels or assessing the reasonableness of its internal investment property valuations.

During the year ended December 31, 2024, the Trust obtained a total of 21 external property appraisals which supported an IFRS fair value of approximately \$1.8 billion or 13.3% of the Trust's investment property portfolio as at December 31, 2024. Our mandate is to conduct an average of five external appraisals on investment properties on a quarterly basis or 20 investment properties a year, plus a selection of external land valuations, which are done every fourth quarter on our excess land and greenfield sites.

Acquisitions and Dispositions

Acquisitions

Acquisitions for the year ended December 31, 2024 are as follows:

<i>(in thousands of dollars or sq. ft., except where otherwise noted)</i>			Purchase price (i) (At RioCan's interest)				Total Acquisitions (ii)	Vendor take-back mortgage, purchase price payable and/or debt assumed	NLA acquired (thousands of sq. ft.)
Property name and location	Date acquired	Interest acquired	IPP	PUD	Residential Inventory				
Q4 2024 - No acquisitions									
Q3 2024 - No acquisitions									
Q2 2024									
Property adjacent to Mega Centre Notre Dame, Laval, QC	May 22	50.0 %	\$ 3,631	\$ —	\$ —	\$ 3,631	\$ —	3	
			\$ 3,631	\$ —	\$ —	\$ 3,631	\$ —	3	
Q1 2024									
Land at Georgian Mall, Barrie, ON (iii)	March 25	50.0 %	\$ 5,133	\$ —	\$ —	\$ 5,133	\$ —	—	
The Underwood Apartments, Calgary, AB (iv)	February 2	50.0 %	48,654	—	—	48,654	28,280	79	
Lawrence Plaza, Toronto, ON (v)	January 11	50.0 %	60,774	42,539	—	103,313	44,866	132	
			\$ 114,561	\$ 42,539	\$ —	\$ 157,100	\$ 73,146	211	
Total 2024 acquisitions			\$ 118,192	\$ 42,539	\$ —	\$ 160,731	\$ 73,146	214	

(i) Purchase price includes transaction costs of \$4.8 million in aggregate.

(ii) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for more information on this non-GAAP financial measure.

(iii) RioCan exercised the purchase option in a land lease to acquire a parcel of land at the property.

(iv) Gross purchase price before transaction costs of \$0.2 million was \$52.9 million, of which \$48.5 million was allocated to investment properties and \$4.4 million was allocated to mortgages payable. The mortgages payable assumed on closing had an aggregate contractual balance of \$32.7 million, weighted average contractual interest rate of 1.97% and weighted average maturity term of 6.73 years.

(v) Gross purchase price before transaction costs of \$4.3 million was \$100.2 million, of which \$99.0 million was allocated to investment properties and \$1.2 million was allocated to mortgages payable. The transaction includes density contingent consideration valued at \$40.9 million. The debt assumed on closing had an aggregate contractual balance of \$46.1 million, with a weighted average contractual interest rate of 3.20% and weighted average term to maturity of 1.58 years.

Total Acquisitions included a 50.0% ownership interest in an operating and stabilized residential rental property in Calgary, Alberta and a 50.0% managing interest in an urban grocery-anchored centre in Toronto, Ontario which is currently undergoing re-zoning to create additional density.

Subsequent to year end, the Trust acquired a 50% interest in a residential rental development property located in the beltline neighbourhood of Calgary Alberta, for the purchase price of \$51.2 million including transaction costs. The acquisition included the assumption of \$34.6 million of debt at a floating interest rate of CORRA plus 2.55%. RioCan also assumed its share of the remaining cost-to-complete estimated to be \$11.4 million. A mezzanine loan receivable due to RioCan from the vendor of \$15.7 million was settled upon closing.

The Trust also acquired its partner's 75% interest in the condominium lands at RioCan Leaside Centre in Toronto, Ontario for the purchase price of \$59.3 million. A mezzanine loan receivable due to RioCan from the vendor of \$59.1 million was settled upon closing.

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Dispositions

Dispositions for the year ended December 31, 2024 are as follows:

<i>(in thousands of dollars or sq. ft., except where otherwise noted)</i>			Gross sales proceeds (at RioCan's interest) (i)				Debt associated with property (v)	NLA disposed at RioCan's Interest
Property name and location	Date disposed	Ownership interest disposed	IPP	PUD	Residential Inventory	Total		
Q4 2024								
RioCan Centre Vaughan, Vaughan, ON	December 30	100.0 %	\$ 45,400	\$ —	\$ —	\$ 45,400	\$ —	262
2335 Boulevard Lapiniere, Brossard, QC	December 12	100.0 %	1,600	—	—	1,600	—	2
541 Boulevard Saint-Joseph, Gatineau, QC	December 3	100.0 %	1,315	—	—	1,315	—	3
Strada - 555-563 College Street, Toronto, ON	November 29	50.0 %	23,896	—	—	23,896	14,850	27
1556 Bank Street, Ottawa, ON	November 28	100.0 %	4,000	—	—	4,000	—	5
145 Woodbridge Avenue, Woodbridge, ON	November 21	100.0 %	2,740	—	—	2,740	—	5
Timberlea Landing - office building, Fort McMurray, AB	October 18	100.0 %	7,570	—	—	7,570	—	41
2422 Fairview Street, Burlington, ON (ii)	October 1	100.0 %	4,200	—	—	4,200	—	6
			\$ 90,721	\$ —	\$ —	\$ 90,721	\$ 14,850	351
Q3 2024								
Timmins Square, Timmins, ON	August 21	30.0 %	\$ 8,850	\$ —	\$ —	\$ 8,850	\$ —	84
			\$ 8,850	\$ —	\$ —	\$ 8,850	\$ —	84
Q2 2024								
519 Brant Street, Burlington, ON (iii)	June 20	100.0 %	\$ 2,076	\$ —	\$ —	\$ 2,076	\$ —	5
East Hills South Block, Calgary, AB (iv)	April 15	40.0 %	—	—	12,000	12,000	—	—
			\$ 2,076	\$ —	\$ 12,000	\$ 14,076	\$ —	5
Q1 2024								
Belleville Centre, Belleville, ON	March 28	100.0 %	\$ 5,200	\$ —	\$ —	\$ 5,200	\$ —	89
Galaxy Centre, Owen Sound, ON	February 20	100.0 %	13,610	290	—	13,900	—	92
			\$ 18,810	\$ 290	\$ —	\$ 19,100	\$ —	181
Total 2024 dispositions			\$120,457	\$ 290	\$ 12,000	\$ 132,747	\$ 14,850	621

- (i) Residential Inventory proceeds represent dispositions of ownership interest in projects and do not include sale of inventory units to purchasers.
- (ii) RioCan provided a vendor take-back mortgage of \$2.0 million.
- (iii) RioCan provided a vendor take-back mortgage of \$1.0 million.
- (iv) Non-core residential inventory development land was sold in Q2 2024 resulting in inventory gain of \$5.0 million.
- (v) Excludes debt associated with property paid prior to or on closing.

In 2024, the Trust completed \$132.7 million of dispositions at a weighted average capitalization rate of 5.60%, which include \$120.5 million of income producing assets at a weighted average capitalization rate of 5.61% and \$12.3 million of development property and non-core residential inventory development land with no in-place income.

As of February 18, 2025, the Trust has firm and conditional deals to sell full or partial interest in a number of properties totaling \$56.6 million. These transactions include a cinema-anchored property in Alberta and the sale of a portion of an open-air retail site in Quebec to an industrial developer.

RioCan's disposition program is an effective means to raise capital that can be put to beneficial use to strengthen its balance sheet. In some cases, dispositions offer the additional benefits of removing lower-growth or vulnerable assets from the Trust's portfolio.

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Mortgages and Loans Receivable

Contractual mortgages and loans receivable as at December 31, 2024 and December 31, 2023 are comprised of the following:

	Weighted average			December 31, 2024	December 31, 2023
	Contractual interest rate (i)	Effective interest rate (i)	Terms to maturity (in years) (i)		
<i>(thousands of dollars, except where otherwise noted)</i>					
As at					
Mezzanine financing and other	9.86%	9.86%	1.5	\$ 367,731	\$ 207,814
Vendor take-back	5.07%	6.51%	1.8	102,998	81,719
Total				\$ 470,729	\$ 289,533
Floating rate loans (ii)	10.21%	10.21%	1.4	\$ 256,600	\$ 142,009
Fixed rate loans (iii) (iv)	7.13%	7.83%	1.8	214,129	147,524
Total				\$ 470,729	\$ 289,533
Weighted average contractual interest rate				8.81%	8.57%
Weighted average effective interest rate				9.13%	9.06%
Weighted average terms to maturity (years)				1.5	2.9

(i) Information presented as at December 31, 2024.

(ii) As at December 31, 2023, contractual interest rates and effective interest rates were 11.33% and 11.33%, respectively.

(iii) As at December 31, 2024, \$12.1 million included in fixed rate loans was variable to the prime rate, with a prime rate floor of 3.95% and prime rate cap of 4.95% (December 31, 2023 - \$11.1 million).

(iv) As at December 31, 2023, weighted average contractual interest rates and effective interest rates were 5.91% and 6.87%, respectively.

All of the \$470.7 million of mortgages and loans receivable as at December 31, 2024 are carried at amortized cost. Mortgages and loans receivable are either directly or indirectly secured by real property, and as at December 31, 2024, \$141.3 million are full recourse to or guaranteed by the project/property sponsors.

RioCan's Declaration of Trust and certain credit agreements contain provisions that have the effect of limiting the investment in mortgages receivable under specific circumstances. Refer to Note 26 of the 2024 Annual Consolidated Financial Statements for further details.

Joint Arrangements

Joint arrangement activities represent real estate investments in which RioCan has joint control and either owns an undivided interest in the assets and liabilities with its co-owners (co-ownership or joint operations) or ownership rights to the residual equity of a separate entity holding the property interests (joint ventures) that are accounted for as equity-accounted investments (EAI JV). RioCan has 43 properties in joint operations and 17 properties in 8 joint ventures. RioCan's primary co-ownership arrangements are with Allied Properties REIT (Allied); Boardwalk REIT (Boardwalk); Broccolini Real Estate Group (Broccolini); Canada Pension Plan Investment Board (CPPIB); Killam Apartment REIT (Killam); KingSett Capital (KingSett); Tanger Factory Outlet Centres, Inc. (Tanger); Woodbourne Capital Management (Woodbourne); and Sun Life Financial. The Trust also has partial interests in 17 properties held through joint ventures with Hudson's Bay Company (HBC), Marketvest Corporation, Fieldgate Urban (Fieldgate), Parallax Properties Inc. (Parallax), Metropia, Lee Chow Group, and with a number of investors in RC (Queensway) LP, which are included in our equity-accounted investments in the 2024 Annual Consolidated Financial Statements.

The Trust's co-ownership arrangements are governed by co-ownership agreements with its various co-owners. The Trust's joint venture arrangements are typically governed by limited partnership agreements and/or shareholders' agreements. RioCan's standard joint arrangements provide exit and transfer provisions, including, but not limited to, buy/sell and/or right-of-first offers or refusals that allow for the unwinding of these joint arrangements should the circumstances necessitate.

Generally, the Trust is only liable for its proportionate share of the obligations of the joint arrangements in which it participates, except in limited circumstances. Credit risk may arise in the event that co-owners default on the payment of their proportionate share of such obligations. The joint arrangement agreements will typically provide RioCan with an option to remedy any non-performance by a defaulting co-owner/partner. These credit risks are mitigated as the Trust has recourse against the assets under its joint arrangement agreements in the event of default by its co-owners/partners, in which case the Trust's claim would be against both the underlying real estate investments and the co-owners/partners that are in default. In addition, RioCan has provided guarantees on debt totalling \$600.7 million as at December 31, 2024 on behalf of co-owners/partners (December 31, 2023 - \$341.2 million). These guarantees are expected to decrease as certain development projects are completed. Refer to the *Off-Balance Sheet Arrangements - Guarantees* section of this MD&A for further details.

In addition to the 8 joint ventures, the Trust has significant influence over 4 limited partnerships, and, as a result, these are also equity-accounted investments. The total aggregate carrying-value of equity-accounted investments was \$408.6 million as at December 31, 2024 (December 31, 2023 - \$383.9 million), of which the most significant equity-accounted investments were RioCan-HBC JV \$249.0 million, PR Bloor Street LP \$52.6 million and the combined WhiteCastle New Urban Fund LPs \$50.7 million (December 31, 2023 - \$248.6 million, \$48.9 million and \$44.6 million, respectively). In addition to its net equity in equity-

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accounted investments, RioCan has guaranteed its share of debt within equity-accounted investments to third-party lenders in the aggregate amount of \$160.1 million (December 31, 2023 - \$190.8 million). For clarity, the \$160.1 million of debt is included in the calculation of Total Debt (RioCan's Proportionate Share).

Selected Financial Information of Joint Ventures and Other Equity-Accounted Investments

Total Assets

(thousands of dollars)	Income producing properties	PUD	Residential inventory	Other (i)	Total assets	Total assets as at December 31, 2023
As at December 31, 2024						
Joint operations:						
Total assets of proportionately consolidated joint operations	\$ 2,649,324	\$ 260,308	\$ 244,896	\$ 119,779	\$ 3,274,307	\$ 2,985,221
Equity-accounted joint ventures:						
RioCan-HBC JV	\$ 383,362	\$ —	\$ —	\$ 33,444	\$ 416,806	\$ 414,979
Dawson-Yonge LP	9,807	—	—	243	10,050	9,663
RioCan-Fieldgate LP	—	2,223	17,062	143	19,428	18,683
RC (Queensway) LP	—	4,571	47,882	2,315	54,768	32,316
RC (Leaside) LP - Class B	—	—	10,367	74	10,441	10,373
PR Bloor Street LP	—	2,399	99,929	876	103,204	97,063
RC Yorkville LP	—	5,448	48,069	16,743	70,260	166,401
RCLC King and Sherbourne LP	17,848	32	—	5,959	23,839	—
Total assets of equity-accounted joint ventures (ii)	\$ 411,017	\$ 14,673	\$ 223,309	\$ 59,797	\$ 708,796	\$ 749,478
Other equity-accounted investments (ii)	—	—	114,611	22,345	136,956	128,761
Total assets of equity-accounted investments (ii)	\$ 411,017	\$ 14,673	\$ 337,920	\$ 82,142	\$ 845,752	\$ 878,239
Total joint operations and equity-accounted investments (ii)	\$ 3,060,341	\$ 274,981	\$ 582,816	\$ 201,921	\$ 4,120,059	\$ 3,863,460

- (i) Primarily includes finance lease receivable, cash and cash equivalents, rents receivable and other operating expenditures recoverable from tenants.
- (ii) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for more information on each non-GAAP financial measure.

Total NOI

NOI of proportionately consolidated joint operations and NOI of joint operations and equity-accounted investments are non-GAAP financial measures. Refer to the *Non-GAAP Measures* section of this MD&A for more information.

(thousands of dollars)	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Joint Operations:				
Total NOI from proportionately consolidated joint operations	\$ 31,792	\$ 28,737	\$ 124,274	\$ 102,117
Equity-accounted investments:				
Joint ventures:				
RioCan-HBC JV	\$ 5,933	\$ 6,012	\$ 23,676	\$ 25,181
Dawson-Yonge LP	128	130	517	509
RioCan-Fieldgate LP	—	—	5	24
RC (Queensway) LP	(10)	—	—	(19)
PR Bloor Street LP	292	245	1,116	1,016
RCLC King and Sherbourne LP	65	—	65	—
Total NOI of equity-accounted joint ventures	\$ 6,408	\$ 6,387	\$ 25,379	\$ 26,711
Other equity-accounted investments	(15)	29	229	153
Total NOI of equity-accounted investments (i)	\$ 6,393	\$ 6,416	\$ 25,608	\$ 26,864
Total NOI of joint operations and equity-accounted investments	\$ 38,185	\$ 35,153	\$ 149,882	\$ 128,981

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- (i) Total FFO from equity-accounted investments was \$7.3 million and \$47.7 million for the three months and year ended December 31, 2024 (December 31, 2023 - \$8.1 million and \$37.1 million). Included in FFO was nil and \$23.3 million related to the gain on disposition of 25.0% in the underlying 11YV project for the three months and year ended December 31, 2024, respectively. Also included in FFO was \$2.1 million and \$5.2 million related to the gain on sale of condominium units for the three months and year ended December 31, 2024, respectively. The remaining FFO from equity-accounted investments is predominantly from the RioCan-HBC JV, which contributed \$3.5 million and \$13.6 million of FFO for the three months and year ended December 31, 2024 (December 31, 2023 - \$3.7 million and \$17.1 million, respectively).

RC Yorkville LP

On January 1, 2024, RioCan sold a 25.0% interest in the units of RC Yorkville LP for proceeds of \$15.0 million, recognizing a \$12.2 million gain on sale and reducing its interest to 50.0% or 25.0% in the underlying 11YV project. RioCan provided a loan of \$9.8 million to the purchaser to finance the acquisition of units from RC Yorkville LP.

On September 20, 2024, RioCan sold an additional 25.0% interest in the units of RC Yorkville LP for proceeds of \$14.6 million, recognizing a \$11.6 million gain on sale and further reducing its interest to 25.0% or 12.5% in the underlying 11YV project. RioCan provided a loan of \$10.6 million to the purchaser to finance the acquisition of units from RC Yorkville LP.

RioCan-HBC JV

On February 12, 2024, RioCan advanced a mezzanine loan of \$19.5 million to the RioCan-HBC JV with a CORRA + 7.75% with CORRA floor of 5.0% maturing on February 12, 2029 to partially repay a maturing mortgage, and on March 22, 2024, an additional \$4.8 million to finance the exercise of a purchase option for land. On October 3, 2024, RioCan advanced a mezzanine loan of \$14.2 million to the RioCan-HBC JV with a CORRA + 7.75% with CORRA floor of 4.25% maturing on October 3, 2029 to partially repay a maturing mortgage. Both loans are secured by a second mortgage on the related income producing property.

On November 30, 2023, RioCan advanced a \$30.0 million bridge financing loan to the RioCan-HBC JV. This bridge financing loan was subsequently repaid on January 26, 2024, upon the re-financing of a property in the RioCan-HBC JV for \$75.0 million, for which RioCan has provided a guarantee to the third-party lender. This guarantee is inclusive of RioCan's 22.0% interest. In exchange for this guarantee, RioCan has received security interests in other assets of the RioCan-HBC JV. Refer to the *Off-Balance Sheet Arrangements- Guarantees* section of this MD&A for further details.

For the year ended December 31, 2024, RioCan earned \$6.6 million in fees in respect of certain financing services provided to the RioCan-HBC JV.

RCLC King and Sherbourne LP

On October 1, 2024, RioCan and its partner restructured their co-ownership arrangement into a joint venture arrangement, forming RCLC King and Sherbourne LP, for the development of King and Sherbourne properties into residential mixed-use development. RioCan retained a 50% interest in the limited partnership. As a result of the re-organization, RioCan transferred net assets of \$9.3 million, including investment property of \$11.9 million and mortgage liabilities of \$2.7 million, into the limited partnership.

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Capital Expenditures on Income Producing Properties

Maintenance Capital Expenditures

Maintenance capital expenditures consist primarily of tenant improvements, third-party leasing commissions and certain recoverable and non-recoverable capital expenditures. Maintenance capital expenditures maintain the earnings capacity of our property portfolio and are dependent upon numerous factors. These include, but are not limited to, lease expiry profile, tenant vacancies, the age and location of the income producing properties and general economic and market conditions, which impact the level of tenant bankruptcies.

Actual maintenance capital expenditures can vary widely from period to period depending on a number of factors as noted above, as well as the level of acquisition and disposition activity. As a result, management believes that for the purpose of determining AFFO, as discussed in the *Non-GAAP Measures* section of this MD&A, using Normalized Capital Expenditures as an input in assessing a REIT's recurring economic earnings is more relevant than using actual capital expenditures. Refer to the *Non-GAAP Measures* section of this MD&A for details on how management estimates its Normalized Capital Expenditures used in the determination of AFFO.

Tenant improvements and external leasing commissions

The Trust's portfolio requires ongoing investments of capital for costs related to tenant improvements, broker commissions on new and renewal tenant leases and other third-party leasing costs. The amount and timing of capital outlays to fund tenant improvements on the Trust's income producing property portfolio depend on several factors, which may include the lease maturity profile, unforeseen tenant bankruptcies and the location of the income producing property.

Recoverable and non-recoverable capital expenditures

The Trust invests capital on a regular basis to physically maintain its income producing properties. Typical costs incurred are for expenditures such as roof replacement programs and resurfacing parking lots. Tenant leases generally provide for the ability to recover a significant portion of such costs from tenants over time as property operating costs. The Trust expenses or capitalizes these amounts to income producing properties, as appropriate. The majority of such activities occur when weather conditions are favourable. As a result, these expenditures are generally not consistent throughout the year.

Revenue Enhancing Capital Expenditures

Capital spending for new or existing income producing properties that is expected to create, improve and/or add to the overall earnings capacity of the property portfolio is considered revenue enhancing. RioCan considers such amounts to be investing activities. As a result, it does not expect such expenditures to be funded from cash flows from operating activities and does not consider such amounts as a key determinant in setting the amount that is distributed to our Unitholders. Revenue enhancing capital expenditures are not included in the determination of AFFO.

Summary of Capital Expenditures

Expenditures for third-party leasing commissions and tenant improvements, recoverable and non-recoverable, and revenue enhancing capital expenditures pertaining to our income producing properties are as follows:

(thousands of dollars)	Three months ended December 31			Years ended December 31			Normalized Capital Expenditures (i)	
	2024	2023	Change	2024	2023	Change	2024	2025
Maintenance capital expenditures:								
Tenant improvements and external leasing commissions	\$ 15,233	\$ 9,590	\$ 5,643	\$ 42,407	\$ 29,512	\$ 12,895	\$26,000	\$ 32,000
Recoverable from tenants	7,890	7,505	385	21,453	28,545	(7,092)	27,000	18,000
Non-recoverable	1,389	1,549	(160)	5,255	6,447	(1,192)	2,000	5,000
	\$ 24,512	\$ 18,644	\$ 5,868	\$ 69,115	\$ 64,504	\$ 4,611	\$55,000	\$ 55,000
Revenue enhancing capital expenditures	4,050	24,319	(20,269)	35,724	61,350	(25,626)		
	\$ 28,562	\$ 42,963	\$ (14,401)	\$ 104,839	\$ 125,854	\$ (21,015)		

(i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for details on how management estimates its Normalized Capital Expenditures.

RioCan's total maintenance capital expenditures for the year ended December 31, 2024 were \$69.1 million, \$14.1 million higher than the Normalized Capital Expenditures estimate of \$55.0 million, primarily due to higher tenant improvements and external leasing commissions and non-recoverable capital expenditures, partially offset by lower recoverable expenditures from tenants. For 2025, normalized maintenance capital expenditure guidance is set at \$55.0 million, allocated evenly to each quarter, although quarterly fluctuations between the estimated normalized maintenance capital expenditures and actual expenditures are expected. The Trust will reassess the estimated normalized maintenance capital expenditures as necessary on a going forward basis. Revenue enhancing capital expenditures for 2024 were within the expected range of \$30.0 million to \$40.0 million. Revenue enhancing capital expenditures for 2025 are expected to be between \$10.0 million to \$20.0 million.

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DEVELOPMENT ACTIVITIES

Development Opportunities

RioCan's sizable portfolio provides embedded long-term value-enhancement opportunities. The Trust's well-located retail centres are generally built with lot coverages of approximately 25% of the underlying lands which provide excess density for potential intensification. All development sites are well-located, transit-oriented locations in Canada's six largest metropolitan markets with 79.5% of projects located in the GTA.

Established Development Expertise

RioCan operates an in-house development team with extensive experience to execute every stage of the development lifecycle from site identification, development planning, zoning, design, construction management oversight, product delivery, and operations. The Trust has a track record of successfully executing development projects and over 30 years of experience in the Canadian commercial real estate landscape.

Strategic Financial & Risk Management

RioCan's management team actively manages development capital requirements and adapts to changing market conditions. RioCan continues to advance properties to shovel ready status. RioCan did not start new physical construction of mixed-use properties in 2024 and does not intend to do so in 2025 as we focus on other capital allocation priorities. Given that RioCan's development pipeline is primarily comprised of excess density embedded within existing income producing assets, the Trust is able to manage the timing of development starts. If required, these assets can continue to generate income until the appropriate time to commence physical construction is reached in order to generate strong incremental returns and increase the Trust's net asset value. Refer to the *Our Business and Our Business Environment* and *Risks and Uncertainties* sections of this MD&A for discussions about the development environment as well as associated development risk.

The Trust categorizes the projects within its development pipeline as follows:

Category	Description
Projects under construction	Development projects under active construction or anticipated to commence active construction in the next three months.
Shovel ready development sites	Zoning by-law approval, legal obligations achieved, as well as environmental and tenant encumbrances resolved. Upon financial commitment and site plan approval, project will commence construction.
Zoning approved	Achieved full zoning by-law amendment approval.
Zoning application submitted	Trust has submitted re-zoning application to change municipality zoning designation and/or increase density.
Future developments	Sites identified in key urban markets with potential for mixed-use and residential development. The Trust is actively reviewing redevelopment strategy on these sites including re-zoning and entitlement process to seek incremental density.

Development Pipeline

RioCan's development pipeline on a proportionate share basis in equity-accounted joint ventures as at December 31, 2024 is summarized below:

(in thousands of dollars or sq. ft. and at RioCan's interest unless otherwise noted)	Estimated GFA (i)			Residential units at 100% ownership (i)(ii)	Investment				
	Commercial	Residential (ii)	Total (iii)		Residential inventory cost to date (iv)(v)	PUD cost to date (iv)	Estimated cost to complete	Estimated total	
Projects under construction (vi)	213	672	885	2,512	\$ 296,441	\$ 228,407	\$ 190,536	\$ 715,384	
Shovel ready development sites	838	801	1,639	1,389	6,280	177,366	—	183,646	
Zoning approved (vii)	1,734	16,045	17,779	20,259	161,456	209,552	—	371,008	
Zoning application submitted	38	2,975	3,013	5,661	49,949	75,990	—	125,939	
Future developments	1,787	18,251	20,038	15,453	4,284	80,244	—	84,528	
Development lands & others	—	—	—	—	—	86,884	—	86,884	
Total Development at Cost	4,610	38,744	43,354	45,274	\$ 518,410	\$ 858,443	\$ 190,536	\$ 1,567,389	
Total properties under development at fair value							\$ 859,589		

- (i) Estimated GFA and the number of residential units are based on current development plans; final square footage and units may differ.
- (ii) Includes residential condominiums, townhouses, and residential rental development.
- (iii) Estimated total square footage includes 4.7 million square feet of NLA currently income producing.
- (iv) Non-GAAP financial measures are presented at RioCan's Proportionate Share in Equity-Accounted Investments Joint Ventures. Refer to the *Non-GAAP Measures* section in this MD&A for more information.
- (v) Residential inventory cost to date includes commissions.
- (vi) Estimated NLA on projects under construction approximates 0.8 million square feet by applying a 90% GFA conversion factor.
- (vii) During Q4 2024, the Trust achieved zoning approval for 2.7 million square feet of mixed-use development at Lincoln Fields, Ottawa.

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Completed Developments

For the year ended December 31, 2024, RioCan transferred a total of 180,000 square feet of new development NLA, including 42,000 square feet of commercial space completed in Q4 2024.

The following table details RioCan's development completion in the year ended December 31, 2024:

(in thousands and at RioCan's interest unless otherwise noted)

Project / Location	Ownership	Residential units at 100% ownership	NLA (in '000 sq. ft.)					Total	Notable Tenants
			Q1	Q2	Q3	Q4			
Mixed-use									
The Well, Toronto, ON	50%	n/a	17	15	19	1	52	Wellington Market merchants, Lululemon, HealthOne, La Plume, Gotstyle, Frank And Oak, Bone & Biscuit, Fix Coffee + Bikes, Sephora, National	
FourFifty The Well, Toronto, ON	50%	197	36	37	—	—	73	Residential rental units	
Luma, Ottawa, ON	50%	n/a	—	—	2	—	2	Pür & Simple	
Subtotal mixed-use		197	53	52	21	1	127		
Retail									
RioCan Windfields Phase Two, Oshawa, ON	100%	n/a	1	1	—	—	2	Rehab Clinic, Barbershop	
Heart Lake Town Centre, Brampton, ON	100%	n/a	—	—	6	—	6	Wendy's, Edo Japan, Mucho Burrito, Lazeez Shawarma	
Tanger Outlets, Ottawa, ON	50%	n/a	—	—	3	—	3	Chick-fil-A	
Yonge Eglinton Centre, Toronto, ON	100%	n/a	—	—	—	25	25	Winners	
South Edmonton Common, Edmonton AB	100%	n/a	—	—	—	5	5	Chick-fil-A	
RioCan Windfields Phase Three, Oshawa ON	100%	n/a	—	—	—	12	12	McDonald's, Mary Brown's, Dr. Siciliano, CIBC	
Subtotal retail		—	1	1	9	42	53		
Total completed developments		197	54	53	30	43	180		

For the year ended December 31, 2024, RioCan completed a total of 387 condominium / townhouse units, recognizing a total inventory gain of \$16.1 million on a total cost of \$70.1 million including commissions.

The following table details RioCan's condominium and townhouse completions in the year ended December 31, 2024:

(in thousands of dollars and at RioCan's interest unless otherwise noted)

Project / Location	Ownership	Units at 100% ownership	Revenue	Cost	Commissions	Inventory gain
Townhouses/ Condominium						
U.C. Towns 2, Oshawa, ON (i)	50.0%	33	\$ 13,524	\$ 8,873	\$ 394	\$ 4,257
U.C. Tower 2, Oshawa, ON (ii) (iii)	50.0%	234	58,959	45,635	2,448	10,876
11 YV, Toronto, ON (ii) (iii)	12.5%	120	13,669	12,136	591	942
Total townhouse & condominium development		387	\$ 86,152	\$ 66,644	\$ 3,433	\$ 16,075

- (i) Total development is comprised of 65 townhouse units. As of December 31, 2024, all units have been closed which includes 2 units in Q4 2024.
- (ii) U.C. Tower 2 and 11YV developments are comprised of 606 and 617 condominium units, respectively. As of December 31, 2024, interim occupancy has occurred on 234 and 120 units respectively. The remaining units are expected to commence interim occupancy in 2025.
- (iii) Q4 2024 completions.

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2022-2026 Development Deliveries

RioCan's development pipeline is expected to deliver 3.0 million square feet of GFA. The following table details the Trust's development deliveries:

(in thousands of dollars and RioCan's interest unless otherwise noted)

Completion year	Development Completion (i)						Residential Inventory Completion (i)(ii)		
	GFA (in sq. ft.)	Residential units at 100% ownership	IFRS cost transfer from PUD to IPP	Net cost transfer from PUD to IPP(iii) (iv)	Stabilized cash NOI(v)	GFA (in sq. ft.)	Residential units at 100% ownership	Total residential inventory sales revenue	
2022	721,800	650	\$ 565,520	\$ 504,967	\$ 24,132	254,110	608	\$ 118,659	
2023	653,900	395	530,600	466,800	27,200	25,000	32	13,789	
2024 (vi)	210,700	197	291,500	244,600	9,000	120,100	387	86,152	
2025	245,000	151	238,000	205,200	9,200	374,400	1,526	340,000 - 350,000	
2026 & Thereafter	247,300	175	142,700	68,200	4,300	184,700	660	180,000 - 190,000	
Total (vii)	2,078,700	1,568	\$ 1,768,320	\$ 1,489,767	\$ 73,832	958,310	3,213	\$739,000 - \$759,000	

- (i) 2022 to 2024 represents actual completions. Figures for 2025-2026 & Thereafter are estimates and represent forward-looking information.
- (ii) Residential inventory includes condominium and townhouse units. All condominium pre-sold units are expected to close by Q4 2026. The closing of unsold units will occur in due course and are dependent on market conditions.
- (iii) Net cost transfer is expressed on a cash basis. It excludes vacant land costs and invested costs on retail redevelopment at date of transfer. It is also net of proceeds from land sales, applicable interim income or fee income earned, capitalized interest on invested equity, and fair value on initial amounts transferred into properties under development.
- (iv) Refer to the *Non-GAAP Measures* section of this MD&A for further information on net cost transfers from PUD to IPP during 2024 and 2023.
- (v) Forward-looking non-GAAP financial measure calculated based on proforma annualized Stabilized NOI. Refer to the *Non-GAAP Measures* section of this MD&A for further information on NOI.
- (vi) The Trust completed 180,000 square feet of NLA (210,700 square feet of GFA) year-to-date. Residential inventory sales revenue includes \$86.2 million from U.C. Towns 2, U.C. Tower 2 and 11YV for the year ended December 31, 2024.
- (vii) Includes only the remaining 12.5% ownership interest in 11YV.

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Development Projects Under Construction

RioCan currently has eight mixed-use developments and six retail developments under active construction. Upon completion of these projects, the Trust is expected to deliver approximately 213,000 square feet of commercial space and 2,512 residential units, including 2,186 condominium units.

The following table details RioCan's development projects under construction on a proportionate share basis including equity-accounted joint ventures as at December 31, 2024:

		Estimated GFA ('000 sq. ft.) (i)			Investment					
		Ownership	Estimated Residential units at 100% ownership (i)	Residential	Commercial	Total cost to date (ii) (iii)	Estimated cost to complete	Estimated total (iii)	Estimated residential inventory sales revenue (vii)	Residential inventory pre-sold %
Mixed-use										
11YV, Toronto, ON (Condominium) (v)(ix)	12.5 %	497	48	—	\$ 49,217	\$ 8,798	\$ 58,015	\$70,000 - \$72,000	100 %	2025 Q1 - 2025 Q3
U.C. Tower 2, Oshawa, ON (Condominium) (ix)	50.0 %	372	144	—	48,692	29,752	78,444	\$97,000 - \$99,000	94 %	2025 Q1 - 2025 Q2
Queen & Ashbridge, Toronto, ON (Condominium)	50.0 %	399	144	—	103,626	28,954	132,580	\$153,000 - \$155,000	96 %	2025 Q2 - 2026 Q1
U.C. Tower 3, Oshawa, ON (Condominium)	50.0 %	386	138	—	45,315	40,060	85,375	\$126,000 - \$128,000	40 %	2025 Q2 - 2026 Q4
Verge, Toronto, ON (Condominium) (v)	20.0 %	532	85	—	49,591	18,193	67,784	\$78,000 - \$80,000	90 %	2025 Q3 - 2026 Q1
Subtotal - residential inventory		2,186	559	—	\$ 296,441	\$ 125,757	\$ 422,198	\$524,000 - \$534,000		
The Well, Toronto, ON	50.0 %	—	—	74	\$ 112,655	\$ 2,690	\$ 115,345	n/a	n/a	2025 Q1 - 2025 Q2
11YV, Toronto, ON (Rental) (v) (viii)	12.5 %	81	7	3	10,281	2,545	12,826	n/a	n/a	2025 Q1 - 2025 Q2
Queen & Ashbridge, Toronto, ON (Rental)	50.0 %	233	104	10	60,037	18,310	78,347	n/a	n/a	2025 Q1 - 2026 Q3
Verge, Toronto, ON (Rental) (v)	20.0 %	12	2	6	3,518	2,180	5,698	n/a	n/a	2025 Q3 - 2026 Q1
Others	Various	—	—	14	10,273	3,261	13,534	n/a	n/a	2025 Q1 - 2025 Q4
Subtotal - commercial and residential rental		326	113	107	\$ 196,764	\$ 28,986	\$ 225,750	n/a		
Subtotal mixed-use		2,512	672	107	\$ 493,205	\$ 154,743	\$ 647,948	\$524,000 - \$534,000		
Retail										
RioCan Signal Hill Centre, Calgary, AB (vi)	100.0 %	n/a	—	9	\$ 3,552	\$ 1,098	\$ 4,650	n/a	n/a	2025 Q1
East Hills Shopping Centre, Calgary, AB	40.0 %	n/a	—	3	416	359	775	n/a	n/a	2025 Q1
Mega Centre Notre-Dame, Laval, QC	50.0 %	n/a	—	20	1,734	11,409	13,143	n/a	n/a	2025 Q1 - 2025 Q4
Clarkson Crossing, Mississauga, ON (vi)	100.0 %	n/a	—	25	10,126	1,787	11,913	n/a	n/a	2025 Q2
RioCan Windfields Phase Two, Oshawa, ON	100.0 %	n/a	—	11	3,940	4,380	8,320	n/a	n/a	2025 Q3
South Edmonton Common, Edmonton, AB (vi)	100.0 %	n/a	—	38	11,875	16,760	28,635	n/a	n/a	2025 Q4
Subtotal retail		—	—	106	\$ 31,643	\$ 35,793	\$ 67,436	n/a		
Total projects under construction		2,512	672	213	\$ 524,848	\$ 190,536	\$ 715,384	\$524,000 - \$534,000		

- (i) Estimated GFA and residential units are based on current development plans, final square footage and units may differ.
- (ii) Non-GAAP financial measures, refer to the *Non-GAAP Measures* section in this MD&A for more information.
- (iii) Includes selling commissions which are included in prepaid expenses and other assets. Costs are transferred to cost of sales upon buyer interim closing.
- (iv) Estimated completion period on condominium developments based on interim closing period of pre-sold units. Final closings of pre-sold units are expected to occur approximately 6 to 9 months following the first interim closing. The final closing of remaining units will occur in due course depending on market conditions.
- (v) Equity-accounted joint ventures.
- (vi) Total estimated costs include historical carrying amounts of \$13.7 million in aggregate transferred from IPP for redevelopment.
- (vii) Represents a reduction of \$266.0 million from December 31, 2023, primarily from condominium and townhouse closings at U.C. Towns 2 of \$13.5 million, U.C. Tower 2 of \$59.0 million, 11YV project of \$13.7 million and the 11YV project of \$180.2 million from the sale of an aggregate 25.0% interest in the project for inventory revenue of \$128.9 million, partially offset by a \$0.5 million net increase in the estimated residential sales revenue for other projects. The \$51.3 million difference in the 11YV project represents the assumption of cost-to-complete and risk by the

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purchaser. The purchase price was settled with cash, VTB loan receivable (refer to the *Asset Profile - Joint Arrangements* section of this MD&A) and, as part of the acquisition of LP units, the assumption of debt, condominium purchaser deposits and construction accounts payable and other net working capital balances.

(viii) Firm deal to dispose of 100% of the rental replacement units from all owners expected to close in Q2 2025.

(ix) The information represents all pre-sold and unsold remaining units.

Development Projects in Planning

RioCan is actively identifying high-quality development opportunities in its existing portfolio. The Trust's development pipeline focuses on mixed-use development projects with substantially all of its developments located in Canada's six largest urban markets. The Trust aims to generate land value appreciation through re-zoning to increase density on its existing assets.

The following table details RioCan's development projects in planning on a proportionate share basis including equity-accounted joint ventures as at December 31, 2024:

<i>(in thousands of dollars and at RioCan's interest unless otherwise noted)</i>	Potential Density (i) (<i>'000 sq.ft.</i>)							Total	Potential residential units at 100% ownership	Carrying cost
	Greater Toronto area	Greater Ottawa area	Greater Montreal area	Greater Calgary area	Greater Edmonton area	Greater Vancouver area				
Shovel ready development sites	1,246	282	—	111	—	—	1,639	1,389	\$ 183,646	
Zoning approved development	10,702	5,112	—	810	1,155	—	17,779	20,259	371,008	
Zoning application submitted development	3,013	—	—	—	—	—	3,013	5,661	125,939	
Future developments	18,860	—	1,178	—	—	—	20,038	15,453	84,528	
Total	33,821	5,394	1,178	921	1,155	—	42,469	42,762	\$ 765,121	

(i) Includes 38.1 million square feet of residential density and 4.4 million square feet of commercial density.

2025 Development Spending

For 2025, the anticipated Development Spending is as follows:

	2025 (i)
Development Spending related to:	
Residential inventory	\$105 million - \$115 million
Retail in-fill projects	\$65 million - \$75 million
Mixed-use projects (ii)	\$45 million - \$55 million
Pipeline advancement	\$40 million - \$45 million

(i) The Trust continuously reviews its longer-term targets in the context of ever-evolving macroeconomic and business environments.

(ii) No new physical construction of mixed-use properties is expected in 2025.

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CAPITAL RESOURCES AND LIQUIDITY

Capital Management Framework

RioCan defines capital as the aggregate of Unitholder and preferred Unitholders' equity and debt. RioCan's capital is as follows:

(thousands of dollars)	IFRS basis		RioCan's proportionate share (i)	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
As at				
Total debt	\$ 7,323,914	\$ 6,861,113	\$ 7,683,297	\$ 7,251,368
Total equity	7,558,338	7,437,770	7,558,338	7,437,770
Total capital	\$ 14,882,252	\$ 14,298,883	\$ 15,241,635	\$ 14,689,138

(i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section in this MD&A for more information on each non-GAAP financial measure.

The Trust's capital management framework is designed to maintain a level of capital that:

- complies with investment and debt restrictions pursuant to the Trust's Declaration of Trust;
- complies with debt covenants;
- enables RioCan to achieve target credit ratings; and
- funds the Trust's business strategies and builds long-term Unitholder value.

The key elements of RioCan's capital management framework are set out in the Declaration of Trust, and/or approved by the Trust's Board, through the Board's annual review of the strategic plan and budget, supplemented by periodic Board and related committee meetings. Management monitors capital adequacy of the Trust by assessing performance against the approved annual plan throughout the year, which is updated accordingly, and by monitoring compliance with investment and debt restrictions contained in the Declaration of Trust and debt covenants. In selecting appropriate funding choices, RioCan's objective is to diversify its funding sources while minimizing its funding costs and risks. RioCan expects to satisfy all of its financing requirements through the use of some or all of the following: cash on hand, cash generated by operations, refinancing of maturing debt, utilization of its operating line of credit, credit facilities, construction financing facilities, conventional mortgages and CMHC financing, sale of non-core properties or sale of partial or whole interests in developments or air rights, sale of condominium/townhouse units and through public offerings of debt and common equity or preferred units.

RioCan's objectives related to managing total debt are to change the weighting of unsecured and secured debt to 70%/30% of total debt respectively and to extend the weighted average term to maturity of the total debt portfolio beyond the current 3.73 years, as market conditions permit. This transition is expected to take time and will be balanced with credit rating implications, cost of debt, debt maturity composition and liquidity needs. Refer to the *Debt Metrics* section of this MD&A for progress against these objectives.

Declaration of Trust and Debt Covenants

As noted above, the Trust is subject to certain investment and debt restrictions. These restrictions include but are not limited to, total indebtedness, secured indebtedness, a debt service coverage ratio, minimum Unitholders' equity, a ratio of unencumbered property assets to unsecured indebtedness and properties held for development as a percentage of consolidated gross book value of assets. In addition, the Declaration of Trust limits direct and indirect investments in greenfield developments and development properties held for resale (each net of related mortgage debt but including mezzanine financing which funds the co-owners' share of such developments) to no more than 15% of Adjusted Unitholders' Equity of the Trust (herein referred to as the "Basket Ratio" which, along with Adjusted Unitholders' Equity, is defined in the Declaration of Trust). As at December 31, 2024, the Basket Ratio was 6.9%. These and other covenants and restrictions are more fully described in Note 26 of the 2024 Annual Consolidated Financial Statements.

As at December 31, 2024, the Trust was in compliance with all of the restrictions under the Declaration of Trust and all covenants pursuant to its various debt agreements.

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Debt Metrics

In addition to financial and non-financial covenants and the restrictions under the Declaration of Trust and various debt agreements, the Trust utilizes certain management-targeted debt metrics noted in the table below to assess performance against RioCan's objectives and adherence with its capital management framework. Total Indebtedness Ratio and Debt Service Coverage Ratio are managed pursuant to the unsecured credit facility agreements and the Interest Coverage Ratio is managed pursuant to Trust Indentures as defined therein. Refer to Note 26 of the 2024 Annual Consolidated Financial Statements for the year ended December 31, 2024. As at December 31, 2024, the Trust was in compliance with all of its debt covenants.

The following table summarizes the Trust's long-term management targets for debt metrics, presented on both an IFRS and RioCan's proportionate share basis:

	Long-term targets	Rolling 12 months ended			
		IFRS basis		RioCan's proportionate share (i)	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Adjusted EBITDA (i)		\$ 805,211	\$ 735,665	\$ 820,217	\$ 760,990
Adjusted Debt to Adjusted EBITDA (i)	8.0x - 9.0x	8.71	9.19	8.98	9.28
Ratio of floating rate debt to total debt (ii)	<15.0%	2.0%	4.6%	4.3%	6.8%
Ratio of Unsecured Debt to Total Contractual Debt (i) (ii)	70.0%	58.4%	57.4%	55.7%	54.3%
Weighted average term to maturity (in years) (ii)		3.73	3.25	3.72	2.97
Weighted average effective interest rate (ii) (iii)		3.90%	3.74%	3.99%	3.87%

(i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section of this MD&A for more information on each non-GAAP financial measure.

(ii) Information is as of respective period end.

(iii) Inclusive of hedges.

The decrease in Adjusted Debt to Adjusted EBITDA at RioCan's Proportionate Share for the rolling twelve months ended December 31, 2024 when compared to December 31, 2023 was due to the higher Adjusted EBITDA partially offset by higher Average Total Adjusted Debt. As at December 31, 2024, Adjusted Debt to Adjusted EBITDA at RioCan's Proportionate Share was within the 8.0x - 9.0x long-term target range.

Adjusted EBITDA at RioCan's Proportionate Share increased for the rolling twelve months ended December 31, 2024 when compared to December 31, 2023 as a result of higher NOI from rent growth and completed developments, higher residential inventory gains and higher interest income, partially offset by lower NOI from asset dispositions, net of acquisitions.

Average Total Adjusted Debt increased when compared to December 31, 2023 mainly due to development and incremental investment activities that were partially funded with debt.

The floating interest rate debt exposure decreased from December 31, 2023 mainly due to refinancing of certain floating rate mortgages upon maturity with fixed rate mortgages.

Credit Ratings

RioCan is committed to maintaining strong debt-to-EBITDA and interest and debt service coverage ratios as part of its commitment to maintaining its investment-grade debt ratings. RioCan is rated BBB by DBRS Morningstar (DBRS), an independent credit rating agency. A credit rating of BBB (low) or higher by DBRS is considered an investment-grade rating.

The following table summarizes RioCan's credit ratings as at December 31, 2024:

	DBRS	
	Credit Rating	Trend
Issuer Credit Rating	BBB	Stable
Senior Unsecured Debentures	BBB	Stable

In September 2024, Standard and Poor's (S&P) withdrew its issuer credit rating of BBB with a negative outlook and a credit rating for senior unsecured debentures of BBB at RioCan's request.

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Total Debt Profile

RioCan's debt maturity profile and future repayments are as outlined below:

(thousands of dollars, except otherwise noted)	Principal maturities and interest rates							
	Debentures payable	Weighted average interest rate (ii)	Mortgages payable	Weighted average interest rate (ii)	Lines of credit and other bank loans	Weighted average interest rate (ii)	Total debt	Weighted average interest rate (ii)
Year of debt maturity								
2025	\$ 500,000	2.58%	\$ 572,564	3.32%	\$ 10,000	5.69%	\$ 1,082,564	3.00%
2026	600,000	2.64%	151,918	3.61%	55,049	5.28%	806,967	3.00%
2027	550,000	3.54%	242,059	2.96%	83,620	5.49%	875,679	3.57%
2028	650,000	3.19%	413,600	3.20%	—	—%	1,063,600	3.19%
2029	550,000	5.36%	602,585	4.35%	—	—%	1,152,585	4.83%
Thereafter	1,250,000	5.13%	890,642	3.87%	237,367	4.25%	2,378,009	4.57%
Total Contractual Debt (i) (ii)	\$ 4,100,000	3.96%	\$ 2,873,368	3.67%	\$ 386,036	4.70%	\$ 7,359,404	3.89%
Unamortized debt financing costs, premiums and discounts on origination and debt assumed, and modifications	(11,346)		(21,766)		(2,378)		(35,490)	
Total debt (iii)	\$ 4,088,654	3.97 %	\$ 2,851,602	3.68%	\$ 383,658	4.73 %	\$ 7,323,914	3.90 %

- (i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section of this MD&A for more information on each non-GAAP financial measure.
- (ii) For hedged floating rate debt, the weighted average contractual interest rate per annum reflects the fixed rate in the interest swaps. Including bond forward hedges, the weighted average contractual interest rate for total debentures is 3.87%, total mortgages is 3.55% and total debt is 3.79%.
- (iii) Weighted average interest rate reflects the effective interest rate, inclusive of bond forward hedges for debentures payable and mortgages payable.

The Total Contractual Debt continuity schedule for the year ended December 31, 2024 is as follows:

(thousands of dollars, except otherwise noted)	Debentures Payable	Mortgages Payable	Lines of Credit and Other Bank Loans	Total
Year ended December 31, 2024				
Total Contractual Debt, beginning of year	\$ 3,250,000	\$ 2,753,848	\$ 881,285	\$ 6,885,133
Borrowings	1,450,000	427,055	482,272	2,359,327
Debt assumed and vendor take-back mortgage	—	78,800	—	78,800
Scheduled amortization	—	(52,237)	—	(52,237)
Repayments	(600,000)	(316,571)	(977,521)	(1,894,092)
Disposed on the sale of properties	—	(14,850)	—	(14,850)
Transfer to equity-accounted investments	—	(2,677)	—	(2,677)
Total Contractual Debt, end of year	\$ 4,100,000	\$ 2,873,368	\$ 386,036	\$ 7,359,404
Interest rates of new borrowings, debt assumed and vendor take-back mortgage				
Weighted average contractual interest rate (i)	4.97%	4.52%	5.69%	5.01%
Weighted average effective interest rate (ii)	5.12%	4.86%	5.69%	5.17%

- (i) For hedged floating rate debt, the contractual interest rate per annum reflects the fixed rate in the interest rate swap. Including bond forward hedges, the weighted average contractual interest rate for new debentures is 5.03% and the weighted average contractual interest rate for total contractual debt is 5.05%. For floating rate new borrowings, the interest rate reflects the floating rate at the end of the period.
- (ii) Weighted average interest rate reflects the effective interest rate, inclusive of bond forward hedges and premium/discounts on issuance or assumption.

As at December 31, 2024, there is \$605.0 million total debt associated with assets in RioCan Living's residential rental portfolio, including \$562.6 million of CMHC insured fixed rate mortgages payable, a \$37.4 million fixed rate CMHC construction line and \$5.0 million of conventional mortgages payable.

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Debentures Payable

(thousands of dollars, except otherwise noted)

As at	December 31, 2024	December 31, 2023
Debentures payable (i)	\$ 4,088,654	\$ 3,240,943
Weighted average effective interest rate (ii)	3.97 %	3.65 %
Weighted average term to maturity (years)	3.6	3.1

(i) Amount outstanding deducts a total of \$11.3 million as at December 31, 2024 (December 31, 2023 - \$9.1 million) in unamortized financing costs.

(ii) Inclusive of bond forward hedges.

Issuance

On February 12, 2024, RioCan issued \$300.0 million Series AJ senior unsecured debentures. These debentures were issued at a coupon rate of 5.470% per annum and will mature on March 1, 2030. Inclusive of bond forward hedges, the all-in rate is 5.452%.

On March 25, 2024, RioCan issued an additional \$150.0 million of Series AJ senior unsecured debentures. These additional debentures have the same terms and conditions and constitute part of the same series as the existing \$300.0 million in Series AJ debentures issued on February 12, 2024. Inclusive of the premium on issuance and bond forward hedges, the all-in rate is 5.273%.

On May 31, 2024, RioCan issued \$300.0 million Series AK senior unsecured debentures. These debentures were issued at a coupon rate of 5.455% per annum and will mature on March 1, 2031.

On October 3, 2024, RioCan issued \$700.0 million aggregate principal amount of senior unsecured debentures of the Trust in two series: \$500.0 million Series AL senior unsecured debentures, which carry a coupon rate of 4.623% per annum and will mature on October 3, 2031, and \$200.0 million Series AM senior unsecured debentures, which carry a coupon rate of 4.004% per annum and will mature on March 1, 2028. Inclusive of bond forward hedges, the all-in rate for Series AL is 4.832%.

Subsequent to year end, on February 12, 2025, RioCan issued \$550.0 million aggregate principal amount of senior unsecured debentures of the Trust in two series. The \$250.0 million Series AN senior unsecured debentures carry a coupon rate of Daily Compounded CORRA plus 0.85% per annum with an all-in swapped-to-fixed interest rate of 3.31%, and will mature on March 1, 2027. The \$300.0 million Series AO senior unsecured debentures carry a coupon rate of 4.671% per annum and will mature on March 1, 2032. The aggregate \$550.0 million of debentures had all-in weighted average interest rate of 4.05% per annum, inclusive of the interest rate swap, and a weighted average term to maturity of 4.8 years.

Redemption

On February 12, 2024, RioCan repaid, in full, its \$300.0 million, 3.287% Series W unsecured debentures upon maturity.

On October 4, 2024, RioCan redeemed, in full, its \$300.0 million, 6.488% Series AI senior unsecured debentures due September 29, 2026 in accordance with its terms at a total redemption price of \$300.0 million, plus accrued and unpaid interest.

Subsequent to year end, on February 12, 2025, RioCan redeemed, in full, its \$500.0 million, 2.576% Series AB senior unsecured debentures upon maturity.

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RioCan's debenture maturity profile and future repayments are as outlined below:

(thousands of dollars)

As at

Series	Maturity date	Coupon rate	Interest payment frequency	December 31, 2024	December 31, 2023
W	February 12, 2024	3.29%	Semi-annual	\$ —	\$ 300,000
AB	February 12, 2025	2.58%	Semi-annual	500,000	500,000
I	February 6, 2026	5.95%	Semi-annual	100,000	100,000
AD	June 15, 2026	1.97%	Semi-annual	500,000	500,000
AI	September 29, 2026	6.49%	Semi-annual	—	300,000
AC	March 10, 2027	2.36%	Semi-annual	350,000	350,000
AG	October 6, 2027	5.61%	Semi-annual	200,000	200,000
AM	March 1, 2028	4.00%	Semi-annual	200,000	—
AE	November 8, 2028	2.83%	Semi-annual	450,000	450,000
AF	May 1, 2029	4.63%	Semi-annual	250,000	250,000
AH	October 1, 2029	5.96%	Semi-annual	300,000	300,000
AJ	March 1, 2030	5.47%	Semi-annual	450,000	—
AK	March 1, 2031	5.46%	Semi-annual	300,000	—
AL	October 3, 2031	4.62%	Semi-annual	500,000	—
Contractual obligations				\$ 4,100,000	\$ 3,250,000
Unamortized debt financing costs				(11,346)	(9,057)
Balance, end of year				\$ 4,088,654	\$ 3,240,943

The Series I debentures, which are due in 2026 and are \$100 million in aggregate, have an additional provision that provides RioCan with the right, at any time, to convert these debentures to mortgage debt, subject to the acceptability of the security given to the debenture holders. In such an event, the covenants relating to the 60% leverage limit, and minimum Adjusted Unitholders' Equity ratio would be eliminated for this series of debentures.

Mortgages Payable

Mortgages payable consist of the following:

(thousands of dollars, except otherwise noted)

As at

			December 31, 2024	December 31, 2023
	Weighted average effective interest rate (i)(iv)	Weighted average term to maturity (years)(i)	Total	Total
Fixed rate mortgages - Conventional (ii) (iii)	3.71%	3.4	\$ 2,289,034	\$ 2,210,175
Fixed rate mortgages - CMHC (iii)	3.57%	7.7	562,568	379,957
Floating rate mortgages - Conventional	— %	—	—	150,792
Total (iii)			\$ 2,851,602	\$ 2,740,924
Weighted average effective interest rate (iv)(ii)			3.68 %	3.59 %
Weighted average term to maturity (years)			4.2	4.2

(i) Information presented as at December 31, 2024.

(ii) Includes hedged floating rate mortgages. Interest rate reflects the fixed rate in the interest rate swap.

(iii) Amount outstanding deducts a total of \$21.8 million as at December 31, 2024 (December 31, 2023 - \$12.9 million) in unamortized financing costs, net of unamortized differential between contractual and market interest rates on liabilities assumed at the acquisition of properties and unamortized debt modification losses.

(iv) Inclusive of the bond forward hedges.

At the outset of 2024, RioCan had \$398.4 million of mortgage principal maturing in 2024 at a weighted average contractual interest rate of 4.74%. For the year ended December 31, 2024, RioCan completed total new term mortgage borrowings of \$427.1 million and mortgage renewals of \$47.8 million at a combined weighted average contractual interest rate of 4.80% and a weighted average term of 7.3 years, assumed contractual debt and a vendor take-back mortgage of \$78.8 million at a weighted average contractual interest rate of 2.69% and a weighted average remaining term of 3.7 years, and repaid \$368.8 million of mortgage balances and scheduled amortization. Mortgages disposed on the sale of investment properties were \$14.9 million and mortgages transferred to equity-accounted investment were \$2.7 million.

Maximizing CMHC insured mortgages is a key component of the Trust's debt strategy as they provide access to an alternative source of financing and lower the overall cost of debt.

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The majority of our mortgage debt provides recourse to the assets of the Trust or certain subsidiaries of the Trust, as opposed to only having recourse to the specific property charged. The Trust follows this policy as it generally results in lower interest rates for the Trust.

Subsequent to year end, the Trust repaid \$131.5 million of fixed rate mortgages upon maturity.

Lines of Credit and Other Bank Loans

Lines of credit and other bank loans consist of the following:

(thousands of dollars, except otherwise noted)

As at			December 31, 2024	December 31, 2023
	Available facility (i)	Weighted average interest rate (i)(iii)	Maturity Date (i)	Amounts drawn
Revolving unsecured operating line of credit (ii)(iv)	\$ 1,250,000	5.07 %	May 31, 2029	\$ —
Non-revolving unsecured credit facilities (ii)	200,000	4.47 %	January 31, 2030	200,000
Non-revolving unsecured credit facilities (ii)	—	—	February 7, 2024	350,000
Non-revolving unsecured credit facilities (ii)	—	—	June 27, 2024	150,000
Construction lines and other bank loans (v)	332,060	4.95 %	June 2025 to March 2033	186,036
Total Contractual	\$ 1,782,060			\$ 881,287
Unamortized debt financing costs, premiums and discounts on origination and debt assumed, and modifications				(2,378)
Total	\$ 1,782,060			\$ 879,246
Weighted average effective interest rate (iii)				4.73 %
				4.52 %

(i) Information presented as at December 31, 2024.

(ii) For the revolving unsecured operating line of credit and the non-revolving unsecured credit facilities, the underlying rates on amounts drawn are based on floating rates and the credit spreads are based on the Trust's credit rating.

(iii) Inclusive of interest rate swaps used to hedge floating rate debt.

(iv) The weighted average interest rate represents the Canadian Overnight Repo Rate Average (CORRA) as at December 31, 2024 plus credit spread. The Trust can draw using CORRA, Secured Overnight Financing Rate (SOFR), and Prime rate, plus applicable credit spreads. On June 26, 2024, the maturity date of the revolving unsecured operating line of credit was extended to May 31, 2029. Certain covenants were amended to be less restrictive with all other material terms and conditions remaining the same.

(v) Includes \$63.0 million construction facilities that are fixed rate, of which \$37.4 million have been drawn at a weighted average fixed interest of 3.07%.

On February 7, 2024, RioCan repaid its \$350.0 million non-revolving unsecured credit facility upon maturity, in accordance with its terms.

On June 27, 2024, RioCan repaid its \$150.0 million non-revolving unsecured credit facility upon maturity, in accordance with its terms.

On September 3, 2024, RioCan unwound the associated interest rate swap agreement and hedge on the \$200.0 million non-revolving unsecured credit facility, recognizing a debt prepayment gain of \$0.5 million in net income. On September 25, 2024, RioCan entered into a forward starting interest rate swap maturing on January 31, 2030, in anticipation of amending the maturity date of the \$200.0 million term loan. On October 2, 2024, RioCan amended the term loan agreement and extended the maturity date of the \$200.0 million non-revolving unsecured credit facility to January 31, 2030, for a hedged annual all-in fixed interest rate of 4.47%.

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Liquidity

Liquidity refers to the Trust having credit availability under committed credit facilities and/or generating sufficient amounts of cash and cash equivalents to fund the ongoing operational commitments including maintenance capital and development capital expenditures, distributions to Unitholders and planned growth in the business.

RioCan maintains a committed revolving unsecured operating credit facility to provide financial flexibility and liquidity which can be drawn or repaid on short notice, reducing the need to hold liquid resources in cash and deposits. This minimizes costs arising from the difference between borrowing and deposit rates, while reducing credit exposure.

Liquidity risk is the risk that the Trust may not have access to sufficient debt and equity capital to meet its financial obligations as they become due. The Trust mitigates its liquidity risk by staggering the maturity dates of its long-term debt, actively renewing expiring credit arrangements, utilizing undrawn operating lines of credit, maintaining a large number of assets unencumbered by debt, and issuing equity when considered appropriate.

As at December 31, 2024, RioCan had \$1.7 billion of Liquidity as summarized in the following table:

<i>(thousands of dollars)</i>	IFRS basis		RioCan's proportionate share (i)	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
As at				
Undrawn revolving unsecured operating line of credit	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000
Undrawn construction lines and other bank loans	146,024	385,715	243,916	575,278
Cash and cash equivalents	190,243	124,234	200,133	138,740
Liquidity (i)	\$ 1,586,267	\$ 1,759,949	\$ 1,694,049	\$ 1,964,018

(i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section of this MD&A for more information on each non-GAAP financial measure.

The \$270.0 million decrease in Liquidity on a proportionate share basis over the prior year end was mainly due to the utilization of credit facilities for investment, including development, and working capital activities and development completions whereby construction lines with excess capacity have been repaid and refinanced with permanent financing. These were partially offset by higher cash and cash equivalents due to the timing of debenture issuances for which a portion of the proceeds have been used to repay maturing mortgages in Q1 2025.

Pursuant to the terms of its credit agreement, the Trust has an option to increase the commitment under its revolving line of credit by \$250.0 million.

Unencumbered Assets

Through its unencumbered investment properties, RioCan has the potential to obtain additional mortgages to bolster liquidity, if needed, and preserve credit availability under its revolving unsecured line of credit, while maintaining compliance with debt covenants under various credit facilities. Unencumbered investment property assets as at December 31, 2024 were as follows:

<i>(thousands of dollars, except where otherwise noted)</i>	IFRS basis		RioCan's proportionate share (i)	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
As at				
Unencumbered Assets	\$ 8,135,120	\$ 8,030,541	\$ 8,201,345	\$ 8,089,927

(i) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section of this MD&A for more information on each non-GAAP financial measure.

Following the repayment of the mortgages that matured subsequent to year end, RioCan's Unencumbered Assets pool increased by \$286.2 million. The Trust manages the Ratio of Unencumbered Property Assets to Unsecured Indebtedness calculated pursuant to unsecured credit facility agreements. Refer to Note 26 of the 2024 Annual Consolidated Financial Statements. As at December 31, 2024, the Trust was in compliance with all financial covenants.

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Contractual Commitments

The Trust's Liquidity is impacted by contractual debt commitments and committed expenditures on active development projects. Its contractual debt commitments and committed development expenditures for the next five years are as follows:

(thousands of dollars)	2025	2026	2027	2028	2029	Thereafter	Total
Contractual obligations:							
Lines of credit and other bank loans	\$ 10,000	\$ 55,049	\$ 83,620	\$ —	\$ —	\$ 237,367	\$ 386,036
Mortgages payable	572,564	151,918	242,059	413,600	602,585	890,642	2,873,368
Debentures payable	500,000	600,000	550,000	650,000	550,000	1,250,000	4,100,000
Lease liabilities (i)	1,757	1,824	1,929	1,980	2,077	18,241	27,808
Other operating lease obligations	436	241	128	96	35	—	936
Total Contractual Obligations	\$1,084,757	\$ 809,032	\$ 877,736	\$1,065,676	\$1,154,697	\$ 2,396,250	\$7,388,148
Total estimated cost-to-complete projects under construction (ii) (iii)	176,608	12,856	1,071	—	—	—	190,535
Total Commitments (iv)	\$1,261,365	\$ 821,888	\$ 878,807	\$1,065,676	\$1,154,697	\$ 2,396,250	\$7,578,683

(i) Represents the discounted minimum lease payments of lease liabilities under IFRS 16.

(ii) This includes RioCan's Proportionate Share in Equity-Accounted Investments Joint Ventures. Refer to the *Development Activities - Development Projects Under Construction* section of this MD&A.

(iii) Includes costs that do not have committed construction contracts.

(iv) The table above excludes unfunded investment commitments of \$79.8 million relating to equity-accounted investments and other investments for which timing is unknown.

The Trust's contractual debt obligations and total estimated cost-to-complete projects under construction can be funded by existing cash on hand, net proceeds from the sale of assets (including, but not limited to, sale of excess land and development density), draws on construction lines, proceeds from mortgage refinancing, the revolving unsecured operating line of credit, proceeds from the issuance of unsecured debentures and other similar debt instruments or issuance of equity Units.

RioCan has also entered into firm purchase obligations to acquire interests in certain investment properties in future periods as further described below:

The Trust has agreed to purchase 100% of the retail portion of the 11YV project upon completion, currently estimated to be during 2025, at a 6.0% capitalization rate or a current estimated purchase price of \$24 - \$26 million for the 87.5% interest the Trust will acquire. The Trust currently owns a 12.5% interest in the project through an equity-accounted investment. Refer to the *Asset Profile - Joint Arrangements* section of this MD&A for further details.

The Trust has agreed to purchase its partners' interest in the retail and residential rental components of Queen & Ashbridge™ upon stabilization, currently estimated to be during 2026, at the greater of pre-determined capitalization rates of 4.75% and 4.15%, respectively, or total cost plus 5%.

The Trust has agreed to purchase a 100% interest in Bellevue Phase Three provided certain conditions are met, currently estimated to be in the first half of 2025, for an estimated purchase price of \$28.0 million.

The Trust has agreed to purchase 90% interest in Market Laval Phase Two/Three provided certain conditions are met, currently estimated to be in the first half of 2025, at a capitalization rate of 4.16%.

RioCan, as a mutual fund trust, expects to make monthly distributions to Unitholders with the cash generated from ongoing operating activities. For more information on monthly distributions see the *Distributions to Unitholders* section of this MD&A.

Off-Balance Sheet Arrangements

Guarantees

As at December 31, 2024, the maximum exposure to credit loss resulting from the Trust's debt guarantees, on behalf of certain of our co-owners' interests and mortgages assumed by purchasers on property dispositions, is \$600.7 million (December 31, 2023 - \$341.2 million), with expiries between 2025 and 2027. The Trust expects its debt guarantees to decrease materially as development projects, including the 11YV project, are completed and the related third-party debt is repaid. The maximum exposure to credit risk relating to a guarantee is the maximum risk of loss if there was a total default, without consideration of recoveries under recourse provisions against the aforementioned parties or the properties secured.

As at and for the year ended December 31, 2024, there have been no defaults by the primary obligors for debts on which we have provided guarantees and no provision for expected losses on these guarantees has been recognized in the 2024 Annual Consolidated Financial Statements.

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The parties on behalf of which RioCan has outstanding guarantees are as follows:

(thousands of dollars)

As at		December 31, 2024	December 31, 2023
Property Type	Partners and co-owners	Expected maturity date (i)	
Development Projects:			
11YV project (iv)	Metropia, Capital Development and other partners	2025 Q1 - 2025 Q2	\$ 322,022 \$ 163,619
Verge	Various partners	2025 Q3 - 2026 Q1	120,136 45,696
Queen & Ashbridge (ii)	Context Development	2025 Q1 - 2026 Q4	92,416 24,932
			534,574 234,247
Mixed-use	Woodbourne	2024 Q2	— 76,740
Grocery Anchored Centre	Harden	2026 Q4	7,575 30,258
RioCan-HBC JV (iii)	HBC	2027 Q1	58,510 —
			\$ 600,659 \$ 341,245

- (i) For development projects, the expected maturity date is based on the estimated date of project completion. Repayment of related third-party debt and the release of the respective guarantee is expected to occur approximately 6 to 9 months following these project completion dates. The last contractual maturity date is in 2027.
- (ii) Includes a \$37.4 million guarantee related to joint and several loan obligations between RioCan Living and Context Development on the rental component of the project, which is expected to be released in Q4 2026 upon meeting certain income thresholds.
- (iii) In exchange for RioCan's guarantee to a third-party lender on a RioCan-HBC JV loan, the Trust has received security interests in several joint venture properties, including a large, well-located property with redevelopment potential, an unencumbered asset, and a multi-tenanted property in which the Trust holds 50% direct ownership outside of the joint venture. The Trust has also obtained a pledge of limited partnership units on certain properties in the GTA as additional security.
- (iv) During the year, the Trust sold 25% of interest in the underlying 11YV project or 50% interest in the LP units, as a result the guarantees on partner debt has increased as the Trust guarantees 100% of the project debt.

Letter of Credit Facilities and Surety Bonds

The Trust has aggregate letter of credit facilities with certain Schedule I banks totalling \$75.3 million (December 31, 2023 - \$91.3 million). As at December 31, 2024, the Trust's outstanding letters of credit under these facilities was \$34.5 million (December 31, 2023 - \$40.2 million).

The Trust is contingently liable for surety bonds that have been provided to support condominium developments and warranties in the amount of \$219.1 million (December 31, 2023 - \$184.4 million).

Hedging Activities

Interest Rate Risk

The Trust is exposed to interest rate risk on its borrowings and could be adversely affected if it were unable to obtain cost-effective financing. The majority of the Trust's debt is financed at fixed rates with maturities staggered over a number of years, thereby mitigating its exposure to changes in interest rates and financing risk. As at December 31, 2024, approximately 2.0% (December 31, 2023 - 4.6%) of the Trust's debt is financed at variable rates (including mortgage debt related to properties held for sale, if applicable, and excluding debt that has been hedged to fixed rates), exposing the Trust to interest rate risk. In addition, the Trust is exposed to interest rate risk on fixed rate debt upon refinancing at maturity. The current portion of fixed rate long-term debt is \$1.1 billion as at December 31, 2024.

From time to time, the Trust may enter into floating-for-fixed interest rate swaps as part of its strategy for managing its exposure to interest rate risk on debt with floating interest rates. The Trust may also enter into bond forward contracts to hedge its exposure to movements in interest rates from the time it determines it will refinance or issue a fixed rate debt and the time the fixed rate debt is issued. The intent is to use the bond forwards to manage the change in cash flows of the future interest payments on the anticipated fixed rate debt. The Trust will generally consider entering into bond forward contracts to reduce interest rate risk during periods of interest rate volatility. For the \$600.0 million bond forward contracts settled during the year ended December 31, 2024 (year ended December 31, 2023 - \$500.0 million), the Trust has realized \$6.4 million of net loss (year ended December 31, 2023 - \$19.6 million gain), which was considered effective and will be included in interest expense over the term of the hedged debt (year ended December 31, 2023 - \$16.8 million gain was effective, and \$2.8 million gain was ineffective and recognized in other income). The \$600.0 million of settled bond forward contracts were comprised of \$150.0 million of bond forward contracts entered into on December 14, 2023, which were settled on February 12, 2024 in conjunction with the offering of the Series AJ debenture, and \$150.0 million of bond forward contracts entered into on March 8, 2024, which were settled on March 28, 2024 in conjunction with the offering of the additional Series AJ debenture, and \$300.0 million of bond forward contracts entered into on June 14, 2024, which were settled on October 3, 2024 in conjunction with the closing of the offering of the Series AL debentures.

As at December 31, 2024, the outstanding notional amount of floating-to-fixed interest rate swaps was \$300.0 million (December 31, 2023 - \$833.4 million) and the term to maturity of these agreements ranges from November 2028 to January 2030.

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The Trust did not have any unrealized bond forward contracts outstanding as at December 31, 2024 (December 31, 2023 - \$150.0 million outstanding).

The fair value of the interest rate swaps and bond forwards is, in aggregate, a net financial asset of approximately \$0.1 million (December 31, 2023 - net financial asset of approximately \$6.8 million).

The Trust assesses the effectiveness of its continuing hedging relationships on a quarterly basis and has determined all such designated hedging relationships were effective as at December 31, 2024. Refer to Note 25 of the 2024 Annual Consolidated Financial Statements for further details.

Currency risk on U.S. dollar borrowings

From time to time, the Trust funds its Canadian assets by electing to draw on the revolving unsecured operating line of credit in U.S. dollars bearing interest at USD-SOFR when it is determined that it is economically advantageous to do so. The Trust will concurrently enter into cross-currency swaps to hedge foreign exchange risk on these U.S. dollar borrowings. As at December 31, 2024, the Trust has no cross-currency swaps outstanding.

Trust Units

As at December 31, 2024, there are 300.5 million Units outstanding, including exchangeable limited partnership units. All Units outstanding have equal rights and privileges and entitle the holder to one vote for each Unit at all meetings of Unitholders. During the three months and years ended December 31, 2024 and 2023, we issued and repurchased Units as follows:

<i>(in thousands)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Units outstanding, beginning of period (i)	300,466	300,405	300,455	300,359
Units issued:				
Unit-based compensation exercises, net of Units repurchased for settlement of Unit exercises	—	47	—	85
Direct purchase plan	3	3	14	11
Units outstanding, end of period (i)	300,469	300,455	300,469	300,455

(i) Included in Units outstanding are exchangeable limited partnership units of three limited partnerships that are subsidiaries of the Trust (the LP units) which were issued to vendors, as partial consideration for investment properties acquired by RioCan (December 31, 2024 – 499,754 LP units, December 31, 2023 – 499,754 LP units).

As of February 18, 2025, there are 297.2 million Units issued and outstanding. In addition, 3.8 million Unit options were issued under the Trust's incentive Unit Option Plan and 0.7 million deferred Units were issued and outstanding under the Trust's Trustee Deferred Unit Plan. The convertible securities are convertible into, or exercisable for, Units of the Trust, of which 3.5 million Unit options were exercisable at December 31, 2024, at a weighted average exercise price of \$24.55.

As at December 31, 2024, the Trust also had 0.4 million Senior Executive Restricted Equity Units (REU), 0.6 million Employee REUs, and 0.4 million Performance Equity Units (PEU) that are outstanding, which, in normal course, will be settled three years after the grant date by delivery of an equivalent number of Units purchased on the secondary market, and if elected, net of applicable withholding taxes.

Further information regarding the incentive Unit Option Plan, Trustee Deferred Unit Plan, Senior Executive REUs, Employee REUs, PEUs and the related performance metrics and other terms attributable to plans are set out in the Trust's Management Information Circular.

Normal Course Issuer Bid (NCIB)

On November 7, 2023, RioCan received TSX approval of its notice of intention to renew its NCIB (the 2023/2024 NCIB), to acquire up to a maximum of 29,895,017 Units, or approximately 10% of the public float as of October 31, 2023, for cancellation or to satisfy RioCan's obligation to deliver Units under the REU and PEU Plans, over the next 12 months, effective November 9, 2023.

On November 8, 2024, RioCan announced that it received TSX approval of its notice of intention to renew its NCIB (the 2024/2025 NCIB), to acquire up to a maximum of 29,878,867 Units, or approximately 10% of the public float as at October 31, 2024, for cancellation or to satisfy RioCan's obligation to deliver Units under the REU and PEU Plans, over the next 12 months, effective November 12, 2024.

The number of Units that can be purchased pursuant to the 2024/2025 NCIB is subject to a current daily maximum of 209,391 Units (which is equal to 25% of 837,564, being the average daily trading volume for the six months preceding October 31, 2024), subject to RioCan's ability to make one block purchase of Units per calendar week that exceeds such limits. RioCan intends to fund the purchases primarily out of its available cash and undrawn credit facilities.

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RioCan has an automatic securities purchase plan (ASPP) in connection with the 2024/2025 NCIB applicable to its outstanding Units. The ASPP is intended to allow for the purchase of Units under the NCIB at times when RioCan would ordinarily not be permitted to purchase Units due to regulatory restrictions and customary self-imposed blackout periods. Pursuant to the ASPP, purchases will be made by RioCan's designated broker based on periodically pre-established purchasing parameters, in accordance with the rules of the TSX and applicable securities laws. Outside of pre-determined blackout periods, Units may be purchased under the NCIB at such times as RioCan determines to be appropriate in compliance with TSX rules and applicable securities laws.

During the year ended December 31, 2024, the Trust did not acquire and cancel any Units.

Subsequent to December 31, 2024, up to and including February 18, 2025, the Trust purchased 3,240,849 Units at a weighted average price of \$18.51 per unit for a total cost of \$61.2 million (including \$1.2 million of equity buyback tax).

Distributions to Unitholders

RioCan qualifies as a mutual fund trust and a "real estate investment trust" (REIT Exemption) for Canadian income tax purposes. We expect to distribute all of our taxable income to Unitholders and are entitled to deduct such distributions for Canadian income tax purposes. From time to time, RioCan may retain some taxable income and net capital gains, when appropriate, in order to utilize the capital gains refund available to mutual fund trusts without incurring any income taxes. Accordingly, no provision for current income taxes payable is required, except for amounts incurred in our incorporated Canadian subsidiaries.

The Trust consolidates certain wholly-owned incorporated entities that are subject to tax. Any tax disclosures, expense and deferred tax balances relate only to these entities.

If the Trust were to cease to qualify for the REIT Exemption for Canadian income tax purposes, certain distributions (taxable distributions) would not be deductible in computing income for Canadian income tax purposes and it would be subject to tax on such distributions at a rate substantially equivalent to the general corporate income tax rate. Any remaining distributions, other than taxable distributions, would generally continue to be treated as returns of capital to Unitholders. From year-to-year, the taxability of the Trust's distributions may fluctuate depending upon the timing of recognition of certain gains and losses based on the activities of the Trust.

The Trust's monthly distribution, effective February 2024, was \$0.0925 per unit, which increased from \$0.0900 per unit. Distributions declared to Unitholders were as follows:

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Distributions declared to Unitholders	\$ 83,379	\$ 81,114	\$ 332,763	\$ 322,924

Total distributions declared increased for the three months and year ended December 31, 2024 when compared to the same period in the prior year due to the distribution increase effective February 2024.

Difference between cash flows provided by operating activities and distributions to Unitholders

A comparison of distributions to Unitholders with cash flows provided by operating activities and distributions is as follows:

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Cash flows provided by operating activities	\$ 133,116	\$ 122,416	\$ 378,280	\$ 385,516
Add/(deduct) the decrease/(increase) in non-cash working capital items	(22,180)	(11,185)	71,321	109,098
Cash flows provided by operating activities, excluding non-cash working capital items	110,936	111,231	449,601	494,614
Less: Distributions declared to Unitholders	(83,379)	(81,114)	(332,763)	(322,924)
Excess cash flows provided by operating activities excluding non-cash working capital, net of distributions declared (i)	\$ 27,557	\$ 30,117	\$ 116,838	\$ 171,690

(i) This is a non-GAAP financial measure. Refer to *Non-GAAP Measures* section of this MD&A for more information.

For the three months ended December 31, 2024, cash flows provided by operating activities, excluding non-cash working capital items, were higher than distributions declared to Unitholders during the period by \$27.6 million. For the year ended December 31, 2024, cash flows provided by operating activities, excluding non-cash working capital items, were higher than distributions declared to Unitholders during the period by \$116.8 million.

Included in the change of the non-cash working capital items for the three months and year ended December 31, 2024, are \$34.9 million and \$98.7 million decreases in non-cash working capital from residential inventory related changes, respectively (\$4.0 million and \$63.1 million decreases for the three months and year ended December 31, 2023, respectively).

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Distribution increase effective February 2024 and February 2025

RioCan's Board of Trustees approved a 2.8% increase to its monthly distributions to Unitholders from \$0.0900 per unit to \$0.0925 per unit which commenced with the February 2024 distribution, payable in March 2024, bringing RioCan's annualized distribution to \$1.11 per unit. Subsequent to year end, RioCan's Board of Trustees has approved a 4.3% increase to the monthly distribution to Unitholders from \$0.0925 to \$0.0965 per unit commencing with the February 2025 distribution, payable on March 7, 2025 to Unitholders of record as at February 28, 2025. This brings RioCan's annualized distribution to \$1.16 per unit. This increase is in keeping with the Trust's objectives to provide sustainable distribution increases supported by FFO per unit growth while maintaining a consistent FFO Payout Ratio of approximately 55% to 65% over the long-term. The retained cash flow will be used to support future growth and to pay down debt. The Trust expects to achieve its payout ratio objective.

The Trust does not use net income in accordance with IFRS as the basis to establish the level of Unitholders' distributions as net income includes, among other items, non-cash fair value adjustments related to its investment property portfolio.

The Board continuously reevaluates the level of distributions to Unitholders, considering various factors which include but are not limited to: cash flow from operating activities, forward-looking cash flow information including forecasts and budgets and the future business prospects of the Trust, the interest rate environment and cost of capital, estimated development completions and development spending, the impact of future acquisitions and dispositions, maintenance capital expenditures and leasing expenditures related to our income producing portfolio, taxable income, and debt covenants.

OTHER DISCLOSURES

Related Party Transactions

In the ordinary course of business, we may enter into transactions with entities whose directors or trustees are also RioCan trustees and/or part of RioCan's senior management. All such transactions are in the normal course of operations and are measured at market-based exchange amounts.

RioCan's related parties include the following persons and/or entities:

- Associates, joint ventures, or entities which are controlled or significantly influenced by the Trust; and
- Key management personnel including the Trustees and those persons having the authority and responsibility for planning, directing and controlling the activities of RioCan, directly or indirectly.

Activity and transactions with associates and joint ventures are disclosed in Note 4 of the 2024 Annual Consolidated Financial Statements and *Asset Profile - Joint Arrangements* section of this MD&A.

As at December 31, 2024 and 2023, the Trust's key management personnel include each of the Trustees and the following officers: President and Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Chief Operating Officer.

Effective February 1, 2024, Mr. Guy Metcalfe was appointed to RioCan's Board as a Trustee.

Remuneration of the Trust's Trustees and Key Executives during the three months and years ended December 31, 2024 and 2023 are as follows:

	Three months ended December 31				Years ended December 31			
	Trustees		Key Executives		Trustees		Key Executives	
	2024	2023	2024	2023 (i)	2024	2023	2024	2023 (i)
<i>(thousands of dollars)</i>								
Compensation and benefits	\$ 107	\$ 107	\$ 1,261	\$ 1,260	\$ 429	\$ 429	\$ 5,186	\$ 5,119
Unit-based compensation	348	328	1,083	1,205	2,503	2,239	3,903	4,626
Post-employment benefit costs	—	—	59	56	—	—	228	216
	\$ 455	\$ 435	\$ 2,403	\$ 2,521	\$ 2,932	\$ 2,668	\$ 9,317	\$ 9,961

(i) The comparatives for unit-based compensation and post-employment benefit costs for three months and year ended December 31, 2023 have been restated.

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Selected Quarterly Results and Trend Analysis

(millions of dollars, except where otherwise noted)

As at and for the quarter ended (i)	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	\$ 358	\$ 286	\$ 292	\$ 303	\$ 297	\$ 271	\$ 276	\$ 280
Net income (loss) attributable to Unitholders	\$ 126	\$ 97	\$ 122	\$ 129	\$ (118)	\$ (74)	\$ 112	\$ 118
NOI (ii)	\$ 184	\$ 179	\$ 179	\$ 170	\$ 176	\$ 175	\$ 175	\$ 170
FFO (ii)	\$ 134	\$ 138	\$ 128	\$ 136	\$ 133	\$ 135	\$ 132	\$ 131
FFO Adjusted (ii)	\$ 142	\$ 137	\$ 128	\$ 137	\$ 133	\$ 136	\$ 132	\$ 132
AFFO (ii)	\$ 113	\$ 118	\$ 109	\$ 116	\$ 114	\$ 117	\$ 114	\$ 114
AFFO Adjusted (ii)	\$ 121	\$ 118	\$ 109	\$ 116	\$ 114	\$ 118	\$ 114	\$ 115
Unitholder distributions	\$ 83	\$ 83	\$ 83	\$ 83	\$ 81	\$ 81	\$ 81	\$ 80
Weighted average Units outstanding – diluted (in thousands)	300,524	300,486	300,463	300,469	300,417	300,471	300,500	300,547
Per unit basis (diluted)								
Net income (loss) attributable to Unitholders	\$ 0.42	\$ 0.32	\$ 0.41	\$ 0.43	\$ (0.39)	\$ (0.24)	\$ 0.37	\$ 0.39
FFO (ii)	\$ 0.45	\$ 0.46	\$ 0.43	\$ 0.45	\$ 0.44	\$ 0.45	\$ 0.44	\$ 0.44
FFO Adjusted (ii)	\$ 0.47	\$ 0.46	\$ 0.43	\$ 0.45	\$ 0.44	\$ 0.45	\$ 0.44	\$ 0.44
Unitholder distributions	\$ 0.2775	\$ 0.2775	\$ 0.2775	\$ 0.2750	\$ 0.2700	\$ 0.2700	\$ 0.2700	\$ 0.2650
Net book value per unit	\$ 25.16	\$ 25.01	\$ 25.02	\$ 24.89	\$ 24.76	\$ 25.49	\$ 26.00	\$ 25.83
Closing market price per unit	\$ 18.28	\$ 20.38	\$ 16.81	\$ 18.47	\$ 18.62	\$ 18.07	\$ 19.28	\$ 20.39
Key Performance Indicator Ratios								
FFO Payout Ratio (ii)	61.9%	61.7%	61.5%	60.7%	60.5%	60.4%	59.7%	59.3%
FFO Payout Ratio Adjusted (ii)	61.0%	61.7%	61.4%	60.5%	60.3%	60.1%	59.6%	58.8%
AFFO Payout Ratio (ii)	72.8%	72.1%	71.8%	70.6%	70.0%	69.5%	68.3%	67.5%
AFFO Payout Ratio Adjusted (ii)	71.5%	72.1%	71.6%	70.4%	69.7%	69.2%	68.1%	66.9%
Total assets	\$ 15,472	\$ 15,285	\$ 15,223	\$ 15,037	\$ 14,842	\$ 15,086	\$ 15,523	\$ 15,179
Total debt	\$ 7,324	\$ 7,192	\$ 7,141	\$ 6,998	\$ 6,861	\$ 6,889	\$ 7,087	\$ 6,816
Adjusted Debt to Adjusted EBITDA (RioCan's Proportionate Share) (ii)	8.98	9.11	9.18	9.17	9.28	9.45	9.49	9.48
Other								
Total portfolio NLA (in thousands)	32,179	32,516	32,631	32,603	32,586	33,583	33,545	33,498
Number of properties	178	186	187	188	188	192	193	191
Number of employees (iii)	500	543	554	565	568	565	581	570
Residency of Unitholders (iv)								
– Canadian	68.9%	70.2%	69.2%	67.9%	68.4%	67.3%	68.3%	65.0%
– Non-resident	31.1%	29.8%	30.8%	32.1%	31.6%	32.7%	31.7%	35.0%

(i) Refer to RioCan's respective annual and interim MD&As issued for a discussion and analysis relating to those periods.

(ii) This is a non-GAAP financial measure. Refer to the *Non-GAAP Measures* section of this MD&A for more information on each non-GAAP financial measure.

(iii) The number of employees reported excludes individuals working exclusively with the third-party residential rental property managers. As at December 31, 2024, there are 36 individuals who work exclusively with third-party residential rental property managers.

(iv) Estimates based on Unitholder mailing addresses on record at the end of each reporting period.

Our revenue and operating results are not materially impacted by seasonal factors. However, macroeconomic and market trends impact the demand for space, occupancy levels, cost of funds and consequently, the Trust's revenue, financial performance and property valuations.

The Trust's quarterly changes in revenue, FFO, AFFO and net income (loss) were primarily impacted by acquisitions and dispositions, the timing and magnitude of its residential condominium and townhouse projects closings, the magnitude and pace of development expenditures, project completions and the cost of debt financing/refinancing.

Net income (loss) was further impacted by the changes in the fair values of investment properties.

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Fourth Quarter Unaudited Consolidated Statements of Income (Loss)

(thousands of dollars, except per unit amounts)

Three months ended December 31	2024	2023
Revenue		
Rental revenue	\$ 293,327	\$ 276,510
Residential inventory sales	59,670	13,789
Property management and other service fees	4,606	6,611
	357,603	296,910
Operating costs		
Rental operating costs		
Recoverable under tenant leases	101,997	94,445
Non-recoverable costs	10,989	7,397
Residential inventory cost of sales	48,644	8,994
	161,630	110,836
Operating income	195,973	186,074
Other income (loss)		
Interest income	12,301	6,401
Income (loss) from equity-accounted investments	3,977	(7,190)
Fair value gain (loss) on investment properties, net	2,004	(222,921)
Investment and other income	3,782	4,459
	22,064	(219,251)
Other expenses		
Interest costs, net	66,040	58,940
General and administrative	19,070	15,459
Internal leasing costs	3,262	3,156
Transaction and other costs	4,017	6,945
	92,389	84,500
Income (loss) before income taxes	125,648	(117,677)
Current income tax recovery	—	(18)
Net income (loss)	\$ 125,648	\$ (117,659)
Net income (loss)		
Unitholders	\$ 125,648	\$ (117,659)
	\$ 125,648	\$ (117,659)
Net income (loss) per unit		
Basic	\$ 0.42	\$ (0.39)
Diluted	\$ 0.42	\$ (0.39)
Weighted average number of units (in thousands):		
Basic	300,469	300,417
Diluted	300,524	300,417

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Accounting Policies and Estimates

Our material accounting policies are described in Note 2 of RioCan's 2024 Annual Consolidated Financial Statements. The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates under different assumptions and conditions.

Estimation Uncertainty

In the preparation of RioCan's 2024 Annual Consolidated Financial Statements, the Trust has incorporated the potential impact of the current macroeconomic environment into its significant estimates and assumptions that affect the reported amounts of its assets, liabilities, net income and related disclosures using available information as at December 31, 2024. Estimates and assumptions that are most subject to increased uncertainty caused by the current macroeconomic environment relate to the valuation of investment properties as more fully discussed in Note 3 of the 2024 Annual Consolidated Financial Statements. Due to the continuing risks and uncertainties arising from the current macroeconomic environment, actual results may differ from these estimates and assumptions.

Adoption of New Accounting Standards

Effective January 1, 2024, the Trust adopted the following amended standards as issued by the International Accounting Standards Board (IASB). As a result, significant accounting policies, estimates and judgments most affected by the adoption of the new pronouncements have been updated as applicable as indicated in Note 2 of the 2024 Annual Consolidated Financial Statements and further described below.

Amendments to IAS 1, Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69-76 of IAS 1 to clarify the requirements for classifying liabilities as current or non-current. The amendments specify that the conditions that exist at the end of a reporting period are those that will be used to determine if a right to defer settlement of a liability exists. The amendments also clarify the situations that are considered a settlement of a liability.

If an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants only at a date subsequent to the reporting period (future covenants), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies to covenants that the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date.

The amendments are effective January 1, 2024. The amendments are to be applied retrospectively. The amendments had no impact on the Trust's Consolidated Financial Statements.

Critical Accounting Judgements and Estimates

Our critical accounting judgements and estimates relate to the following areas: fair value, impairment of mortgages and loans receivable, control, the net realizable value of residential inventory, the determination of the type of lease where we are the lessor, lease term and income taxes.

Fair Value

Fair value is the amount at which an item could be bought or sold in a current transaction between independent, knowledgeable and willing parties, as opposed to a forced or liquidation sale, in an arm's length transaction under no compulsion to act.

Quoted market prices in active markets are the best evidence of fair value and are used as the basis for fair value measurement, when available. When quoted market prices are not available, estimates of fair value are based on the best information available, including prices for similar items and the results of other valuation techniques. Valuation techniques used would be consistent with the objective of measuring fair value.

The techniques used to estimate future cash flows will vary from one situation to another depending on the circumstances surrounding the asset or liability in question.

The Trust's consolidated financial statements are affected by the fair value based method of accounting, the most significant areas of which are as follows:

- Investment properties are initially measured at cost, including all amounts related to the acquisition and costs associated with improving and/or extending the life of the asset. Judgement is required in determining whether certain costs represent additions to the carrying amount of the property, in distinguishing between tenant incentives and capital improvements and for capitalization of costs to properties under development, when the project commences active development and when it is substantially complete. The investment properties are subsequently measured at fair value. The determination of fair value of investment property is based upon, among other things, rental revenue from current leases and reasonable and supportable assumptions that represent what knowledgeable, willing parties would assume about rental revenue from future leases in

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light of current conditions, less future cash outflows in respect of tenant installation costs, capital expenditures and investment property operations. The Trust uses the direct capitalization method to fairly value its income producing properties. Under this valuation method, a capitalization rate is applied to Stabilized NOI to yield a fair value. The Trust uses an internal valuation process to estimate the fair value of certain properties under development that consist of undeveloped land on a land value per acre or per buildable square foot basis using the particular attributes of the project with respect to zoning and pre-development work performed on the site. Where a site is partially developed and meets certain thresholds, the direct capitalization method is applied to capitalize the pro forma Net Operating Income, stabilized with market allowances, from which the costs to complete the development are deducted. RioCan has involved third-party appraisers in its valuation process. For the year ended December 31, 2024, RioCan had 21 properties including 2 land parcels (year ended December 31, 2023 - 26 properties including 2 land parcels) valued by experienced valuation professionals having the required qualifications in property appraisals. Going forward, our plan is to select a sample of investment properties (approximately five each quarter) on a rotational basis for external appraisal. Refer to the *Property Valuations* section of this MD&A for further discussion of fair values of investment property.

- IFRS 9, *Financial Instruments* (IFRS 9) establishes the standard for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. All financial instruments are required to be measured at fair value on initial recognition, except for certain related party transactions. Measurement in subsequent periods depends on the classification of the financial instrument.

Impairment of mortgages and loans receivable

IFRS 9 requires management to use judgment in determining if the Trust's financial assets are impaired. The Trust's mortgages and loans receivable are subject to the expected credit loss (ECL) model whereby the Trust estimates on a forward-looking basis possible default scenarios and considers various factors including macroeconomic information and other external market indicators, when determining whether a provision is necessary.

Control

When determining whether the Trust should consolidate an investment in an entity, the Trust makes judgments in its assessment of whether it has control over an entity considering the power to direct the relevant activities of the entity, its exposure or rights to the variable returns of the entity and its ability to use its power to affect its returns.

Net Realizable Value of Residential Inventory

Residential inventory is stated at the lower of cost and net realizable value. In calculating the net realizable value of residential inventory and assessing for impairment of condominium sales receivables, the Trust estimates the selling prices based on prevailing market prices, estimated cost-to-complete and selling costs.

Leases - Classification, RioCan as Lessor

The Trust makes judgments in determining whether certain leases, in particular tenant leases where the Trust is the lessor, are either operating or finance leases. When RioCan has determined, based on an evaluation of terms and conditions of the lease arrangements, that the Trust retains all of the significant risks and rewards of ownership of these properties, it accounts for these arrangements as operating leases.

Leases - Determination of lease term of contracts

The Trust determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised by the lessee, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised by the lessee, including purchase options. The Trust determines the lease commencement date as the date on which the underlying asset is made available for use by the lessee, which is based on the terms of the lease contract, the type and extent of tenant improvements, and, for properties under development, the state of completion of the property. At commencement date, the Trust determines as lessee or as lessor whether there is reasonable certainty that options to extend or cancel a lease will be exercised. To perform this analysis, the Trust takes into account the extension terms of the contract including whether the extension is likely to be below market rent, the cost to cancel a lease and significant investments made on the property. After the commencement date, the Trust revises the lease term when an extension or termination option is exercised and it was not previously included in the lease term.

Income Taxes

The Trust uses judgment to interpret income tax rules and regulations and to determine the appropriate rates and amounts in recording current and deferred income taxes, giving consideration to timing and probability. Actual income taxes could significantly vary from these estimates as a result of future events, including changes in income tax law or the outcome of reviews by tax authorities and related appeals. To the extent that the final tax outcome is different from the amounts that were initially recorded, such difference would impact the income tax provision in the period in which such determination is made.

The recognition of deferred income tax assets and liabilities also requires significant judgment as the recognition is dependent on RioCan's projection of future taxable profits and income tax rates that are expected to be in effect in the period the asset will be realized or the liability settled. Any changes to this projection will result in changes in the amount of deferred tax assets and liabilities on the consolidated balance sheets and the deferred tax expense in the consolidated statements of income.

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Future Changes in Accounting Policies

RioCan monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on RioCan's operations. Standards issued, but not yet effective, up to the date of issuance of the 2024 Annual Consolidated Financial Statements for the year ended December 31, 2024, are described below. This description is of standards and interpretations issued, which we reasonably expect to be applicable at a future date. We intend to adopt these standards when they become effective.

IFRS 18, Presentation and Disclosure in Financial Statements

The IASB has issued IFRS 18, *Presentation and Disclosure in Financial Statements*, which focuses on updates to the statement of profit or loss, including specified totals and subtotals. The key new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new;
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- Enhanced principles on aggregation and disaggregation, which apply to the primary financial statements and notes in general.

In addition, narrow-scope amendments have been made to IAS 7, *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18 will replace IAS 1. Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its "operating profit or loss". IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. Management is currently assessing the impact of this standard.

Controls and Procedures

Disclosure Controls and Procedures (DCP)

Management is responsible for establishing and maintaining a system of disclosure controls and procedures to provide reasonable assurance that all material information relating to RioCan is gathered and reported to senior management, including the CEO and CFO, on a timely basis so that appropriate decisions can be made regarding public disclosure.

As required by National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the CEO and CFO have caused the adequacy of the design of, and the effectiveness of the operation of, the disclosure controls and procedures to be evaluated. Based on that evaluation, the CEO and CFO concluded that the design and operation of the system of disclosure controls and procedures of RioCan were effective as at December 31, 2024.

Internal Controls over Financial Reporting (ICFR)

Management is also responsible for establishing and maintaining appropriate internal controls over financial reporting to provide reasonable assurance regarding the reliability of RioCan's financial reporting and preparation of its consolidated financial statements for external purposes in accordance with IFRS.

All internal control systems, no matter how well designed and operated, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation and may not prevent or detect misstatements or provide absolute assurance that all control issues, including instances of fraud, if any, have been detected.

As required by NI 52-109, the CEO and the CFO have caused the adequacy of the design of, and the effectiveness of the operations of, the internal controls over financial reporting to be evaluated using the framework established in "Internal Control - Integrated Framework (COSO Framework)" (2013) published by The Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on that evaluation, the CEO and CFO have concluded that the design and operation of the Trust's internal controls over financial reporting were effective as at December 31, 2024.

Changes in ICFR

During the quarter and year ended December 31, 2024, there have been no changes in RioCan's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, RioCan's internal controls over financial reporting.

During the second quarter of 2024, RioCan successfully implemented a new ERP system. The new ERP system is expected to support efficiencies in our financial processes and data management, leading to better overall business operations. Management employed adequate controls over the data transfer to ensure completeness and accuracy, and user acceptance testing was performed to test system functionality before go-live.

In connection with this ERP implementation, we updated our ICFR as necessary to accommodate modifications to our business processes and accounting procedures. This implementation affected multiple financial reporting functions including general ledger applications, revenue control, accounts receivable, accounts payable, project accounting, and budgeting. As a result of this ERP

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implementation, certain existing control processes and procedures were revised which resulted in changes to the internal controls over financial reporting. However, these changes to internal controls over financial reporting do not materially affect, or are reasonably likely to not materially affect the Trust's internal control over financial reporting.

Canadian REIT Status and Monitoring

RioCan currently qualifies for the REIT Exemption for purposes of the Income Tax Act (Canada). Accordingly, RioCan continues to be able to flow taxable income through to Unitholders on a tax effective basis. Generally, to qualify for the REIT Exemption, RioCan's Canadian assets must be comprised primarily of real estate and substantially all of our Canadian source revenues must be derived from rental revenue, capital gains and fee income from properties in which we have an interest.

RioCan monitors its REIT Exemption status to ensure that we continue to qualify as a Canadian REIT. From time-to-time, the members of the Board of Trustees, Audit Committee and senior management are updated on RioCan's continued REIT Exemption qualification, including any significant legislation updates.

Climate-Related Financial Disclosures

Commitment to Climate Change

Climate change poses environmental, social and business risks. RioCan understands that managing climate-related risks and opportunities is essential to growing responsibly and enhancing enterprise value. In 2021, RioCan established a climate strategy as a part of our broader ESG program. The strategy guides our approach to integrating climate management across our organization. Our climate strategy outlines three climate-related objectives as follows:

- Strengthen resilience and protect assets: Protect our operations, portfolio and developments against the physical effects of climate change
- Reduce emissions and advance towards net-zero: Decarbonize operations, portfolio and developments to support transition to a low-carbon economy
- Enhance climate governance and disclosure: Create accountability and oversight and ensure strong communication with stakeholders

Since 2020, we have used the recommendations of the Financial Stability Board's (FSB) Task Force on Climate-Related Financial Disclosures (TCFD) to guide us in communicating our approach to addressing climate change-related risks and opportunities. We also continue to monitor the evolution of mandatory disclosure standards and requirements for public companies, including the Canadian Sustainability Disclosure Standards (CSDS).

This section provides a summary of our approach to identifying, assessing and managing climate-related risk and opportunities, unless otherwise noted. For additional details related to our climate strategy, please refer to RioCan's 2024 ESG report, available on our website.

Governance

Board Oversight

The Board of Trustees has ultimate oversight of risk management and receives quarterly updates on ESG-related issues including climate-related risks and opportunities. Seven of 11 Trustees have climate and ESG competencies and skills including risk management, interpreting regulatory frameworks and overseeing decarbonization.

Oversight of climate-related risks and opportunities also falls under the purview of three Board Committees. The Board of Trustees has formally delegated the responsibility of overseeing the Trust's climate practices and policies to the Nominating, Environmental, Social and Governance Committee (NESGC). In 2024, the NESGC received climate-related and ESG updates at three separate meetings. The Audit Committee oversees reporting, internal controls and climate risk management. The Committee ensures that management integrates climate and sustainability-related risks and the associated monitoring and mitigation strategies into RioCan's enterprise risk management (ERM) processes. Lastly, the People, Culture and Compensation Committee (PCCC) is primarily concerned with remuneration and incentives, with a specific focus on RioCan's financial and ESG performance.

Management

Our President and Chief Executive Officer holds overall senior executive accountability for ESG, risk management and our climate change strategy. Our SVP, General Counsel, ESG & Corporate Secretary is responsible for reporting on ESG goals, plans and performance, including those related to our climate objectives of strengthening resilience, reducing emissions and enhancing governance and disclosures. 20% of RioCan's Executive Management Bonus Plan (EBMP) payout is weighted toward ESG-specific goals, including those related to climate.

In 2016, RioCan established an ESG Council to oversee our ESG strategy implementation and drive performance improvements. The Council is comprised of members of our executive and senior leadership teams from key functional areas of our business. Council members are responsible for integrating ESG criteria, including climate, into RioCan's decision making and performance evaluation.

In 2021, RioCan established a dedicated Climate Committee that reports to the ESG Council and consists of subject matter experts from different business functions. Chaired by the SVP, General Counsel, ESG & Corporate Secretary, this Committee is mandated to embed climate considerations within our organizational objectives. The Committee ensures that our priorities, input and achievement towards both long and short-term climate-related goals are fully aligned.

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Strategy

Per our climate strategy, RioCan strives to manage both physical and transition risks associated with climate change. Physical risks are described as chronic and acute physical impacts of climate change, including as a result of extreme weather events such as flooding and storms (acute) or increasing flood potential (chronic). Transition risks are the financial and operational risks that the business faces as we transition to a low-carbon economy. These risks and opportunities include climate-related policy actions, technological advancements, and market shifts in demand for products.

In partnership with third-party experts, RioCan conducted climate risk assessments to identify the physical and transition risks and opportunities aligned with TCFD guidelines. Conducting these risk assessments allowed us to validate our approach to climate change management, prioritize mitigation actions, and plan for the impacts of transitioning to a net-zero economy.

For further details on this process, please refer to RioCan's 2023 ESG report.

Risk Management

We action our climate strategy and measure and manage our climate-related risks and opportunities through three types of processes and actions as follows:

1. Enterprise Risk Management
2. Climate Risk Assessments
3. Strategic Initiatives

Enterprise Risk Management

Management has identified climate change as an external enterprise risk. As a result, we have integrated climate-related risks into our Enterprise Risk Management (ERM) approach, which considers both physical and transitional climate risks. We regularly review our ERM approach to identify emerging risks, ensure alignment with organizational objectives, and adapt to regulatory changes.

Climate Risk Assessments

Per the "Strategy" section above, RioCan completes physical and transition risk assessments to inform our ERM approach, capital planning and strategic initiatives.

Physical Risk Assessment

In 2022, we completed a risk assessment of potential physical climate change impacts on our properties across Canada. The assessment examined the portfolio in present day conditions and in likely hypothetical cases for 2030, 2050 and 2070, using three different Shared Socioeconomic Pathways ("SSPs"):

- SSP1-2.6 representing a sustainability scenario
- SSP2-4.5 representing a middle of the road scenario
- SSP5-8.5 representing a fossil fuel development or worst-case scenario

The assessment evaluated hazards such as flooding, high winds, hailstorms, snow, wildfires, extreme temperatures, rising sea levels, and tsunamis based on:

- Exposure: Presence of assets that could be affected by climate hazards
- Sensitivity: Severity of impact an asset may experience if affected by hazards
- Adaptive capacity: Asset's ability to withstand or respond to these hazards

Transition Risk Assessment

In 2022, RioCan conducted an assessment of our transition risks and opportunities. Through a series of workshops, we assessed short, medium and long-term risks and opportunities under three Network for Greening the Financial System scenarios:

- Net-zero 2050: Develop more stringent policies now as well as more aggressive actions to meet the Paris Agreement ambition
- Delayed transition: Delay climate policies and actions until 2030, and draft stronger policies after that
- Current policies: Business as usual under current policies

For further details on this process, please refer to RioCan's 2023 ESG report.

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Strategic Initiatives

We advance several strategic initiatives to manage our climate-related risks and achieve the objectives of our climate strategy.

Initiative	Description	Climate strategy objective		
		Strengthen resilience	Reduce emissions	Enhance governance and disclosure
Climate-related risks and opportunities workshop	Completed workshop and training with the Climate Committee to review risks and opportunities and identify key initiatives	✓	✓	✓
Integrated climate-related risk management considerations and processes throughout operations	<p><u>Development</u></p> <ul style="list-style-type: none"> Developed sustainability guidelines to embed climate-related considerations into design and construction <p><u>Operations</u></p> <ul style="list-style-type: none"> Developed environmental criteria for renovations and capital expenditures 	✓	✓	
GHG modelling	Developed a GHG modelling tool to forecast portfolio emissions		✓	
Net-zero transition studies	Conducted asset-level studies for select sites to align capital expenditure planning with decarbonization goals		✓	
GHG data management plan	Developed plan to streamline the calculation, quality assurance, and reporting of operational asset emissions			✓
Science-Based Targets Initiative (SBTi) validation	Set near-term and long-term emission targets validated by the SBTi		✓	✓
Climate education	Facilitated educational sessions to enhance organizational alignment			✓
Industry and stakeholder engagement	Participated in industry events to identify opportunities for collaboration in achieving mutual decarbonization objectives		✓	✓

Metrics and Targets

RioCan tracks key performance indicators related to physical risks, such as total floor area of properties located in 100-year floodplain zones, and transitional risks, such as Scope 1 and Scope 2 emissions, as well as select Scope 3 emissions. For our 2023 performance, please refer to our 2024 ESG Supplement, available on our website. Our 2024 performance will be disclosed in our 2025 ESG Supplement.

For further details on our targets, please refer to RioCan's 2024 ESG report.

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NON-GAAP MEASURES

The financial statements of RioCan are prepared in accordance with IFRS. In addition to reported IFRS measures, industry practice is to evaluate real estate entities giving consideration, in part, to certain non-GAAP financial performance measures described below. Management believes that these measures are helpful to investors because they are widely recognized measures of a REIT's performance and provide a relevant basis for comparison among real estate entities. In addition to the IFRS results, we also use these measures internally to measure the operating performance of our investment property portfolio. These non-GAAP measures, and related per unit amounts, should not be construed as alternatives to net income or comparable metrics determined in accordance with IFRS as indicators of RioCan's performance, liquidity, cash flows and profitability. Non-GAAP financial measures are not standardized financial measures under IFRS and may not be comparable to similar financial measures presented by other issuers. These non-GAAP measures are defined below and are cross-referenced, as applicable, to a reconciliation contained within this MD&A to the most comparable IFRS measure. RioCan believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance and financial condition of the Trust for the reasons outlined below.

Non-GAAP Financial Measure	Description	Quantitative Reconciliation
<i>RioCan's Proportionate Share</i>	<p>All references to "RioCan's Proportionate Share" refer to a non-GAAP financial measure representing RioCan's proportionate interest of the financial condition and results of operations of its entire portfolio, including equity-accounted investments. Management considers certain results presented on a proportionate share basis to be a meaningful measure because it is consistent with how RioCan and its partners assess the operating performance of each of its co-owned and equity-accounted properties. The Trust currently accounts for its investments in joint ventures and associates using the equity method of accounting.</p> <p>The remaining definitions outlined below pertain to measures that are key metrics that we use to manage capital and to assess our liquidity, borrowing capacity and cost of capital. Certain measures identified in the definitions that follow in this section are calculated on the basis of both a RioCan's Proportionate Share basis and using IFRS reported amounts to convey a more meaningful measure of financial performance with respect to the periods reported.</p>	<i>(i) RioCan's Proportionate Share</i>
<p><i>RioCan's Proportionate Share in Equity-Accounted Investments Joint Ventures (EAI JV)</i></p> <p>or</p> <p><i>RioCan's Proportionate Share in EAI JV</i></p>	<p>All references to "RioCan's Proportionate Share in Equity-Accounted Investments Joint Ventures" refers to a non-GAAP financial measure representing RioCan's proportionate interest of the financial condition and results of operations of its portfolio, including Equity-Accounted Investments Joint Ventures (EAI JV). Management considers certain results presented on a proportionate share basis including EAI JV to be meaningful, because it is consistent with how RioCan operates and manages its development program. The Trust currently accounts for its investments in joint ventures using the equity method of accounting.</p>	<p><i>Asset Profile-Joint Arrangements</i></p> <p>and</p> <p><i>Development Activities</i></p> <p>sections</p>

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Non-GAAP Financial Measure	Description	Quantitative Reconciliation
<p><i>Net Operating Income (NOI), Stabilized NOI, and NOI (RioCan's Proportionate Share)</i></p>	<p>NOI is a non-GAAP financial measure and is defined by RioCan as rental revenue from income producing properties less property operating costs, and adds sublease rents and straight-line rents classified as finance leases.</p> <p>NOI at RioCan's Proportionate Share is a non-GAAP financial measure and includes RioCan's proportionate interest in NOI of its entire portfolio, including equity-accounted investments.</p> <p>Stabilized NOI is a forward-looking non-GAAP financial measure based on budgeted rents and expenses and is supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties, adjusted to incorporate allowances for estimated vacancy rates, and management fees based on current and expected future market conditions after expiry of any current lease. The resulting capitalized value is then adjusted for non-recoverable capital expenditures as well as other costs, including leasing costs, inherent in achieving and maintaining Stabilized NOI.</p> <p>For the calculation of NOI, rental revenue includes all amounts earned from tenants related to lease agreements, including property tax and operating cost recoveries, to the extent recoverable under tenant leases. Amounts payable by tenants to terminate their lease prior to the contractual expiry date (lease cancellation fees) are included in rental revenue for the calculation of NOI.</p> <p>Management believes that NOI is a useful non-GAAP financial measure of operating performance of the Trust's income producing properties in addition to the most comparable IFRS measure, which we believe is operating income. The IFRS measure of operating income also includes residential inventory gains and losses and property and asset management fees earned from co-owners. While management considers its residential inventory and portfolio management activities parts of its business operations, and thus operating income, such revenues are not part of how we evaluate the operating performance of our income producing properties. As such, we report NOI as a useful non-GAAP financial measure to report the operating performance of our income producing properties.</p> <p>NOI is an important measure of the income generated from the income producing properties and is used by the Trust in evaluating the performance of the portfolio, as well as being a key input in determining the value of the income producing properties portfolio.</p>	(ii) NOI
<p><i>Same Property NOI (SPNOI), Commercial Same Property NOI (Commercial SPNOI), Residential Same Property NOI (Residential SPNOI), Commercial Same Property NOI excluding provision (Commercial SPNOI excluding provision), Adjusted Commercial Same Property NOI (Adjusted Commercial SPNOI), Adjusted Residential Same Property NOI (Adjusted Residential SPNOI)</i></p>	<p>Same Property NOI is comprised of Commercial Same Property NOI and Residential Same Property NOI.</p> <p>Commercial Same Property NOI is a non-GAAP financial measure used by RioCan to assess the period-over-period performance of the commercial properties owned and operated by RioCan in both periods. In calculating Commercial Same Property NOI growth, NOI for the period is adjusted to remove the impact of lease cancellation fees and straight-line rent revenue in order to highlight the 'cash impact' of rent-free periods and contractual rent increases embedded in the underlying lease agreements. Commercial Same Property NOI also excludes NOI for a limited number of properties undergoing significant de-leasing in preparation for redevelopment or intensification.</p> <p>Residential Same Property NOI is a non-GAAP financial measure used by RioCan to assess the period-over-period performance of the stabilized residential rental properties owned and operated by RioCan in both periods. A property is considered to have reached stabilization upon the earlier of (i) achieving 95% occupancy or (ii) 24 months after first occupancy in both periods.</p> <p>Commercial Same Property NOI and Residential Same Property NOI are meaningful measures of operating performance because they allow management to assess rent growth and leasing activity of its portfolio on a same property basis, including the impact of capital investments.</p> <p>Commercial Same Property NOI excluding provision starts with Commercial Same Property NOI but adds back (deducts) same property provision for credit losses (recovery).</p> <p>Adjusted Commercial Same Property NOI starts with Commercial Same Property NOI but adds back (deducts) same property provision for credit losses (recovery) and excludes legal and CAM/property tax settlements.</p> <p>Adjusted Residential Same Property NOI starts with Residential Same Property NOI but adds back (deducts) same property provision for credit losses (recovery) and excludes property tax settlement.</p>	(iii) Same Property NOI

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Non-GAAP Financial Measure	Description	Quantitative Reconciliation
<p><i>Funds From Operations (FFO)</i></p> <p>and</p> <p><i>FFO Adjusted</i></p>	<p>FFO is a non-GAAP financial measure of operating performance widely used by the Canadian real estate industry based on the definition set forth by REALPAC. It is RioCan's view that IFRS net income does not necessarily provide a complete measure of RioCan's recurring operating performance. This is primarily because IFRS net income includes items such as fair value changes of investment property that are subject to market conditions and capitalization rate fluctuations, unrealized gains or losses on marketable securities, gains and losses on the disposal of investment properties, including associated transaction costs, ERP implementation costs (net of amortization), and also excludes the principal portion of rent payments and straight-line rent for subleases classified as finance leases, all of which are not representative of recurring operating performance.</p> <p>RioCan's method of calculating FFO is in compliance with REALPAC's definition of FFO except that RioCan excludes unrealized fair value gains or losses on marketable securities and ERP implementation costs (net of amortization) in its calculation of FFO. The Trust believes that including such unrealized fair value gains or losses on marketable securities and ERP implementation costs (net of amortization) in FFO does not represent the recurring operating performance of the Trust.</p> <p>FFO Adjusted starts with FFO but adds back net debt prepayment (gain) costs and restructuring costs, to normalize FFO. Debt prepayment (gain) costs include yield maintenance, write-off of deferred financing costs and discounts/premiums, and related swap settlements that are not related to investment properties dispositions. Restructuring costs are related to elimination of certain positions.</p> <p>RioCan regards FFO as a key measure of operating performance and as a key measure for determining the level of employee incentive based compensation. RioCan also uses FFO in assessing its distribution paying capacity.</p> <p>FFO should not be construed as an alternative to net income or cash flows provided by or used in operating activities determined in accordance with IFRS.</p>	(iv) FFO
<p><i>Adjusted Funds From Operations (AFFO)</i></p> <p>and</p> <p><i>AFFO Adjusted</i></p>	<p>AFFO is non-GAAP financial measure of operating performance widely used by the real estate industry in Canada. AFFO is calculated as FFO less straight-line rent, normalized capital expenditures and internal leasing costs. RioCan calculates AFFO in accordance with the recommendations of REALPAC's January 2022 guidance, except RioCan excludes unrealized fair value gains or losses on marketable securities and ERP implementation costs (net of amortization) from FFO and by extension AFFO. Management considers AFFO a meaningful measure of recurring economic earnings and relevant in understanding RioCan's ability to service its debt, fund capital expenditures and determine an appropriate level of sustainable common Unitholder distributions over the long run.</p> <p>AFFO Adjusted starts with AFFO but adds back net debt prepayment (gain) costs and restructuring costs, to normalize AFFO. Debt prepayment (gain) costs and restructuring costs are described in FFO above.</p>	(v) AFFO
<p><i>FFO and AFFO Payout Ratios</i></p> <p>and</p> <p><i>FFO and AFFO Payout Ratios Adjusted</i></p>	<p>FFO and AFFO Payout Ratios, and FFO and AFFO Payout Ratios Adjusted are supplementary non-GAAP measures of a REIT's distribution paying capacity. These payout ratios are computed on a rolling twelve-months basis by dividing total Unitholder distributions paid (including distributions paid under RioCan's distribution reinvestment program) by FFO and AFFO and FFO Adjusted and AFFO Adjusted, respectively, over the same period.</p> <p>RioCan management uses the FFO Payout Ratio and AFFO Payout Ratio in assessing its distribution paying capacity.</p>	(iv) FFO and (v) AFFO

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Non-GAAP Financial Measure	Description	Quantitative Reconciliation
<p><i>Adjusted G&A Expense</i></p> <p>and</p> <p><i>Adjusted G&A Expense as a percentage of rental revenue</i></p>	<p>Adjusted G&A Expense is a non-GAAP financial measure calculated as total general and administrative expense at RioCan's Proportionate Share less ERP implementation costs net of ERP amortization costs, and restructuring costs. Adjusted G&A Expense as a percentage of rental revenue is a non-GAAP ratio calculated as Adjusted G&A Expense at RioCan's Proportionate Share divided by rental revenue at RioCan's Proportionate Share. This ratio is a useful measure of the Trust's ongoing general and administrative expenses as a percentage of rental revenue.</p>	<p>(vi) <i>Adjusted G&A Expense</i></p>
<p><i>Normalized Capital Expenditures</i></p>	<p>Normalized Capital Expenditures are estimate made by management of the amount of ongoing capital investment required to maintain the condition of the physical property and current rental revenues. Management considers a number of factors in estimating Normalized Capital Expenditures relative to the growth in the age and size of the Trust's property portfolio. Such factors include, but are not limited to, a portfolio assessment to prioritize assets and the type of capital expenditures, a review and analysis of historical capital spending, comparison of each quarter's annualized actual spending activity to the annual budgeted capital expenditures as approved by our Board of Trustees at the beginning of each year and management's expectations and/or plans for the properties. Property capital expenditures that are generally expected to add to the overall earnings capacity of the property are considered revenue enhancing capital expenditures by management and are also excluded in determining the Normalized Capital Expenditures estimate.</p> <p>RioCan does not obtain support from independent sources for its Normalized Capital Expenditures but relies on internal diligence and expertise in arriving at this management estimate. RioCan's long-tenured management team has extensive experience in commercial real estate and in-depth knowledge of the property portfolio. As a result, RioCan believes that management is best suited to make the assessment of Normalized Capital Expenditures without independent third-party sources.</p> <p>Since actual capital expenditures can vary widely from quarter-to-quarter depending on a number of factors, management believes that Normalized Capital Expenditures is a more relevant input than actual capital expenditures in assessing a REIT's distribution payout ratio and for determining an appropriate level of sustainable distributions over the long run.</p> <p>For 2024, the Trust determined that \$55.0 million was a reasonable estimate for its Normalized Capital Expenditures. Similar to last year, the Trust's estimate for Normalized Capital Expenditures for 2025 reflects its pursuit of its strategic objectives of resilient retail and better serving its tenants. The Trust has determined that \$55.0 million is a reasonable Normalized Capital Expenditures estimate for 2025, although quarterly fluctuations between the \$13.8 million quarterly Normalized Capital Expenditures spend and actual spend are expected. Normalized Capital Expenditures does not include estimated capital expenditures for mixed-use residential projects given that these are newly constructed buildings.</p>	<p><i>Asset Profile-Capital Expenditures on Income Producing Properties</i> section</p>
<p><i>Total joint operations and equity-accounted investments - Income producing properties, PUD, Residential inventory, Other, Total assets, Total NOI</i></p>	<p>This is a non-GAAP measure which represents the sum of RioCan's interest of joint operations and proportionate share of equity-accounted investments.</p> <p>This is a useful measure indicating the amount of Income producing properties, PUD, Residential inventory, Other, Total assets and Total NOI that are jointly controlled or where RioCan has significant influence.</p>	<p><i>Asset Profile-Joint Arrangements</i> section</p>
<p><i>Development Spending</i></p>	<p>Development Spending is a non-GAAP financial measure defined as the sum of total development expenditures incurred for various properties under development and for residential inventory and RioCan's proportionate share of Development Spending from EAI JVs. Development Spending is disaggregated into mixed-use projects (typically, the complete or partial redevelopment of a property that consists of retail, office, residential rental and/or residential condominiums) and retail in-fill projects projects (typically, add-on pad/building or repurposing a section of an existing retail property).</p> <p>Development Spending is a useful measure of development progress and investment in properties under development and residential inventory.</p>	<p>(vii) <i>Development Spending</i></p>

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Non-GAAP Financial Measure	Description								Quantitative Reconciliation	
<i>Net Cost Transfer from PUD to IPP</i>	<p>Net Cost Transfer from PUD to IPP is a non-GAAP financial measure defined as IFRS cost transfer from PUD to IPP, net of adjustments to cash basis. It excludes vacant land costs and invested costs on retail redevelopment at date of transfer. It is also net of proceeds from land sales, applicable interim income or fee income earned, capitalized interest on invested equity, and fair value on initial amounts transferred into properties under development.</p> <p>Net Cost Transfer from PUD to IPP is a useful measure of cash investment in the development projects.</p>								<i>(viii) Net Cost Transfer from PUD to IPP</i>	
<i>Total Development at Cost</i>	<p>Total Development at Cost is a non-GAAP financial measure defined as the sum of the cost of residential inventory and related prepaid selling commissions, and properties under development, and the cost of RioCan's proportionate share of residential inventory and related prepaid selling commissions, and properties under development from EAI JVs.</p> <p>This metric is a useful measure in determining RioCan's development costs incurred.</p>								<i>(ix) Total Development at Cost</i>	
<i>Total Acquisitions</i>	<p>Total Acquisitions is a non-GAAP financial measure defined as the sum of total acquisitions incurred for investment properties, residential inventory and RioCan's proportionate share of investment property and residential inventory acquisitions from EAI JVs. Total Acquisitions is a useful measure of RioCan's total acquisition activity.</p>								<i>(x) Total Acquisitions</i>	
<i>Total Contractual Debt and Total Debt (RioCan's Proportionate Share) and Total Contractual Debt (RioCan's Proportionate Share)</i>	<p>Total Contractual Debt is a non-GAAP financial measure defined as the sum of contractual obligations (excluding unamortized deferred financing costs and discounts/premiums) of mortgages payable, lines of credit and other bank loans, mortgages on properties held for sale and debentures payable.</p> <p>Total Debt (RioCan's Proportionate Share) and Total Contractual Debt (RioCan's Proportionate Share) are non-GAAP financial measures that include RioCan's proportionate interest in the total debt and Total Contractual Debt of its entire portfolio, including equity-accounted investments.</p> <p>These measures are useful in assisting us in monitoring various attributes of secured/unsecured debt in our debt portfolio.</p>								<i>(xi) Total Debt and Total Contractual Debt</i>	
<i>Adjusted EBITDA and Adjusted EBITDA (RioCan's Proportionate Share)</i>	<p>Adjusted EBITDA and Adjusted EBITDA (RioCan's Proportionate Share) are non-GAAP financial measures that are used by management as an input in a key debt metric that we use in measuring our debt profile and assessing our ability to service our debt.</p> <p>Adjusted EBITDA (RioCan's Proportionate Share) includes RioCan's proportionate interest in Adjusted EBITDA of its entire portfolio, including equity-accounted investments.</p> <p>Adjusted EBITDA and Adjusted EBITDA (RioCan's Proportionate Share) are used as an alternative to IFRS net income, because they exclude major non-cash items (including, but not limited to, depreciation and amortization expense, unit-based compensation costs, fair value gains and losses on investment properties, the change in unrealized gains and losses on marketable securities), interest costs, income tax expenses and recoveries, transaction gains and losses on the disposition of investment properties, transaction costs, ERP implementation costs and other items that management considers either non-operating in nature or related to the capital cost of our investment properties, net debt prepayment costs and restructuring costs, and adds the principal portion of sublease rents and straight-line rent for subleases classified as finance leases, such that the rent payment is treated as an operating lease.</p>								<i>(xv) Adjusted EBITDA and Coverage Ratios</i>	
<i>Total Adjusted Debt, Average Total Adjusted Debt, Adjusted Debt to Adjusted EBITDA and Adjusted Debt to Adjusted EBITDA (RioCan's Proportionate Share)</i>	<p>Total Adjusted Debt is a non-GAAP measure calculated based on total debt less cash and cash equivalents.</p> <p>Adjusted Debt to Adjusted EBITDA and Adjusted Debt to Adjusted EBITDA (RioCan's Proportionate Share) are both non-GAAP ratios of our financial leverage calculated on a trailing twelve-months basis and are defined as our quarterly average Total Adjusted Debt (Average Total Adjusted Debt) divided by Adjusted EBITDA. In the case of Adjusted Debt to Adjusted EBITDA (RioCan's Proportionate Share), the numerator and denominator factor in RioCan's entire portfolio, including equity-accounted investments.</p> <p>These ratios are useful measures of the Trust's ability to satisfy debt obligations.</p>								<i>(xv) Adjusted EBITDA and Coverage Ratios</i>	

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Non-GAAP Financial Measure	Description								Quantitative Reconciliation	
<p><i>Ratio of Floating Rate Debt to Total Debt (RioCan's Proportionate Share)</i></p> <p>and</p> <p><i>Ratio of Fixed Rate Debt to Total Debt (RioCan's Proportionate Share)</i></p>	<p>Ratio of Floating Rate Debt to Total Debt (RioCan's Proportionate Share) is a non-GAAP ratio calculated as RioCan's Proportionate Share in total floating rate debt of RioCan's entire portfolio, including equity-accounted investments divided by Total Debt (RioCan's Proportionate Share).</p> <p>Ratio of Fixed Rate Debt to Total Debt (RioCan's Proportionate Share) is a non-GAAP ratio calculated as RioCan's Proportionate Share in total fixed rate debt of RioCan's entire portfolio, including equity-accounted investments divided by Total Debt (RioCan's Proportionate Share).</p> <p>These ratios are useful measures of the Trust's relative exposure to fixed and floating rate debt.</p>								<p>(xii) <i>Floating Rate Debt and Fixed Rate Debt</i></p>	
<p><i>Liquidity</i></p> <p>and</p> <p><i>Liquidity (RioCan's Proportionate Share)</i></p>	<p>Liquidity is a non-GAAP measure calculated based on the sum of total cash and cash equivalents, undrawn revolving unsecured operating lines of credit and undrawn construction lines and other bank loans.</p> <p>Liquidity (RioCan's Proportionate Share) is a non-GAAP measure that includes RioCan's Proportionate Share in the sum of total cash and cash equivalents, undrawn revolving unsecured operating lines of credit and undrawn construction lines and other bank loans of RioCan's entire portfolio, including equity-accounted investments.</p> <p>These measures are useful measures of the Trust's cash resources and credit available under committed credit facilities.</p>								<p>(xiv) <i>Liquidity</i></p>	
<p><i>Ratio of Unsecured Debt to Total Contractual Debt and Ratio of Secured Debt to Total Contractual Debt</i></p> <p>and</p> <p><i>Ratio of Unsecured Debt to Total Contractual Debt (RioCan's Proportionate Share) and Ratio of Secured Debt to Total Contractual Debt (RioCan's Proportionate Share)</i></p>	<p>Ratio of Unsecured Debt to Total Contractual Debt is a non-GAAP ratio calculated as total Unsecured Debt (contractual amount of unsecured debt) divided by Total Contractual Debt.</p> <p>Ratio of Secured Debt to Total Contractual Debt is a non-GAAP ratio calculated as total Secured Debt (contractual amount of secured debt) divided by Total Contractual Debt.</p> <p>Ratio of Unsecured Debt to Total Contractual Debt (RioCan's Proportionate Share) is a non-GAAP ratio calculated as RioCan's Proportionate Share in total Unsecured Debt of RioCan's entire portfolio, including equity-accounted investments, divided by Total Contractual Debt (RioCan's Proportionate Share).</p> <p>Ratio of Secured Debt to Total Contractual Debt (RioCan's Proportionate Share) is a non-GAAP ratio calculated as RioCan's Proportionate Share in total Secured Debt of RioCan's entire portfolio, including equity-accounted investments, divided by Total Contractual Debt (RioCan's Proportionate Share).</p> <p>These ratios are useful measures of the Trust's relative exposure to secured and unsecured debt.</p>								<p>(xiii) <i>Unsecured Debt and Secured Debt</i></p>	
<p><i>Unencumbered Assets</i></p>	<p>Unencumbered Assets is a non-GAAP measure calculated as total investment properties less encumbered investment properties. Unencumbered Assets are investment properties that have not been pledged as security for debt.</p> <p>This ratio is a useful measure of investment properties that can be mortgaged to increase Liquidity.</p>								<p>(xvi) <i>Unencumbered Assets</i></p>	
<p><i>Excess cash flows provided by operating activities excluding non-cash working capital, net of distributions declared</i></p>	<p>This is a non-GAAP measure calculated as total cash flows provided by operating activities excluding non-cash working capital items less the distributions declared to Unitholders.</p> <p>This is a useful measure of the excess cash the Trust has retained after distributions to fund operations, investments and capital activities.</p>								<p><i>Distributions to Unitholders section</i></p>	

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Below are quantitative reconciliations for all non-GAAP measures indicated:

(i) RioCan's Proportionate Share

The following table reconciles the consolidated balance sheets from IFRS to RioCan's proportionate share basis as at December 31, 2024 and 2023:

As at	December 31, 2024			December 31, 2023		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Assets						
Investment properties	\$ 13,839,154	\$ 425,690	\$ 14,264,844	\$ 13,561,718	\$ 411,811	\$ 13,973,529
Equity-accounted investments	408,588	(408,588)	—	383,883	(383,883)	—
Mortgages and loans receivable	470,729	(5,321)	465,408	289,533	(6,707)	282,826
Residential inventory	284,050	337,920	621,970	217,186	407,946	625,132
Assets held for sale	16,707	—	16,707	19,075	—	19,075
Receivables and other assets	262,573	77,571	340,144	246,652	50,681	297,333
Cash and cash equivalents	190,243	9,890	200,133	124,234	14,506	138,740
Total assets	\$ 15,472,044	\$ 437,162	\$ 15,909,206	\$ 14,842,281	\$ 494,354	\$ 15,336,635
Liabilities						
Debentures payable	\$ 4,088,654	\$ —	\$ 4,088,654	\$ 3,240,943	\$ —	\$ 3,240,943
Mortgages payable	2,851,602	160,701	3,012,303	2,740,924	158,292	2,899,216
Lines of credit and other bank loans	383,658	198,682	582,340	879,246	231,963	1,111,209
Accounts payable and other liabilities	589,792	77,779	667,571	543,398	104,099	647,497
Total liabilities	\$ 7,913,706	\$ 437,162	\$ 8,350,868	\$ 7,404,511	\$ 494,354	\$ 7,898,865
Equity						
Unitholders' equity	7,558,338	—	7,558,338	7,437,770	—	7,437,770
Total liabilities and equity	\$ 15,472,044	\$ 437,162	\$ 15,909,206	\$ 14,842,281	\$ 494,354	\$ 15,336,635

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RioCan's Proportionate Share (continued)

The following table reconciles the consolidated balance sheets from IFRS to RioCan's proportionate share basis as at December 31, 2022:

As at	December 31, 2022		
(thousands of dollars)	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Assets			
Investment properties	\$ 13,807,740	\$ 398,701	\$ 14,206,441
Equity-accounted investments	364,892	(364,892)	—
Mortgages and loans receivable	269,339	—	269,339
Residential inventory	272,005	214,536	486,541
Assets held for sale	42,140	—	42,140
Receivables and other assets	259,514	37,779	297,293
Cash and cash equivalents	86,229	8,001	94,230
Total assets	\$ 15,101,859	\$ 294,125	\$ 15,395,984
Liabilities			
Debentures payable	\$ 2,942,051	\$ —	\$ 2,942,051
Mortgages payable	2,659,180	172,100	2,831,280
Lines of credit and other bank loans	1,141,112	89,187	1,230,299
Accounts payable and other liabilities	630,624	32,838	663,462
Total liabilities	\$ 7,372,967	\$ 294,125	\$ 7,667,092
Equity			
Unitholders' equity	7,728,892	—	7,728,892
Total liabilities and equity	\$ 15,101,859	\$ 294,125	\$ 15,395,984

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RioCan's Proportionate Share (continued)

The following tables reconcile the consolidated statements of income (loss) from IFRS to RioCan's proportionate share basis for the three months and years ended December 31, 2024 and December 31, 2023 and year ended December 31, 2022:

(thousands of dollars)	Three months ended December 31, 2024			Three months ended December 31, 2023		
	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Revenue						
Rental revenue	\$ 293,327	\$ 8,231	\$ 301,558	\$ 276,510	\$ 8,124	\$ 284,634
Residential inventory sales	59,670	18,902	78,572	13,789	11,365	25,154
Property management and other service fees	4,606	(375)	4,231	6,611	—	6,611
	357,603	26,758	384,361	296,910	19,489	316,399
Operating costs						
Rental operating costs						
Recoverable under tenant leases	101,997	923	102,920	94,445	881	95,326
Non-recoverable costs	10,989	693	11,682	7,397	605	8,002
Residential inventory cost of sales	48,644	16,764	65,408	8,994	9,117	18,111
	161,630	18,380	180,010	110,836	10,603	121,439
Operating income	195,973	8,378	204,351	186,074	8,886	194,960
Other income (loss)						
Interest income	12,301	568	12,869	6,401	618	7,019
Income (loss) from equity-accounted investments	3,977	(3,977)	—	(7,190)	7,190	—
Fair value gain (loss) on investment properties, net	2,004	(1,855)	149	(222,921)	(13,506)	(236,427)
Investment and other income (loss), net	3,782	(282)	3,500	4,459	(25)	4,434
	22,064	(5,546)	16,518	(219,251)	(5,723)	(224,974)
Other expenses						
Interest costs, net	66,040	2,723	68,763	58,940	3,108	62,048
General and administrative	19,070	37	19,107	15,459	23	15,482
Internal leasing costs	3,262	—	3,262	3,156	—	3,156
Transaction and other costs	4,017	72	4,089	6,945	32	6,977
	92,389	2,832	95,221	84,500	3,163	87,663
Income (loss) before income taxes	\$ 125,648	\$ —	\$ 125,648	\$ (117,677)	\$ —	\$ (117,677)
Current income tax recovery	—	—	—	(18)	—	(18)
Net income (loss)	\$ 125,648	\$ —	\$ 125,648	\$ (117,659)	\$ —	\$ (117,659)

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RioCan's Proportionate Share (continued)

	Year ended December 31, 2024			Year ended December 31, 2023		
	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
<i>(thousands of dollars)</i>						
Revenue						
Rental revenue	\$ 1,137,127	\$ 32,672	\$ 1,169,799	\$ 1,091,105	\$ 33,609	\$ 1,124,714
Residential inventory sales	84,483	166,952	251,435	13,789	63,222	77,011
Property management and other service fees	17,916	(1,320)	16,596	18,977	—	18,977
	1,239,526	198,304	1,437,830	1,123,871	96,831	1,220,702
Operating costs						
Rental operating costs						
Recoverable under tenant leases	397,042	3,453	400,495	374,149	3,549	377,698
Non-recoverable costs	37,147	2,723	39,870	26,320	2,338	28,658
Residential inventory cost of sales	64,389	137,710	202,099	8,994	49,476	58,470
	498,578	143,886	642,464	409,463	55,363	464,826
Operating income	740,948	54,418	795,366	714,408	41,468	755,876
Other income (loss)						
Interest income	42,469	2,163	44,632	25,131	2,559	27,690
Income from equity-accounted investments	38,507	(38,507)	—	18,383	(18,383)	—
Fair value loss on investment properties, net	(29,353)	(3,582)	(32,935)	(450,408)	(14,123)	(464,531)
Investment and other (loss) income, net	17,531	(2,769)	14,762	8,501	(339)	8,162
	69,154	(42,695)	26,459	(398,393)	(30,286)	(428,679)
Other expenses						
Interest costs, net	257,544	11,544	269,088	208,948	11,339	220,287
General and administrative	59,847	86	59,933	60,367	56	60,423
Internal leasing costs	13,293	—	13,293	11,919	—	11,919
Transaction and other costs	6,747	93	6,840	9,344	(213)	9,131
	337,431	11,723	349,154	290,578	11,182	301,760
Income before income taxes	\$ 472,671	\$ —	\$ 472,671	\$ 25,437	\$ —	\$ 25,437
Current income tax recovery	(794)	—	(794)	(13,365)	—	(13,365)
Net income	\$ 473,465	\$ —	\$ 473,465	\$ 38,802	\$ —	\$ 38,802

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RioCan's Proportionate Share (continued)

	Year ended December 31, 2022		
	IFRS basis	Equity-accounted investments	RioCan's proportionate share
<i>(thousands of dollars)</i>			
Revenue			
Rental revenue	\$ 1,074,192	\$ 29,221	\$ 1,103,413
Residential inventory sales	118,659	936	119,595
Property management and other service fees	20,996	—	20,996
	1,213,847	30,157	1,244,004
Operating costs			
Rental operating costs			
Recoverable under tenant leases	376,914	2,889	379,803
Non-recoverable costs	27,955	2,394	30,349
Residential inventory cost of sales	96,286	422	96,708
	501,155	5,705	506,860
Operating income	712,692	24,452	737,144
Other income (loss)			
Interest income	20,902	2,326	23,228
Income from equity-accounted investments	2,349	(2,349)	—
Fair value gain (loss) on investment properties, net	(241,128)	(16,208)	(257,336)
Investment and other income (loss)	(1,842)	277	(1,565)
	(219,719)	(15,954)	(235,673)
Other expenses			
Interest costs, net	180,365	8,242	188,607
General and administrative	54,437	74	54,511
Internal leasing costs	12,204	—	12,204
Transaction and other costs	8,274	182	8,456
	255,280	8,498	263,778
Income before income taxes	\$ 237,693	\$ —	\$ 237,693
Current income tax recovery	921	—	921
Net income	\$ 236,772	\$ —	\$ 236,772

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(ii) NOI

The following table reconciles operating income to NOI for the three months ended December 31, 2024 and 2023 and years ended December 31, 2024, 2023 and 2022:

<i>(thousands of dollars, except where otherwise noted)</i>	Three months ended December 31		Years ended December 31		
	2024	2023	2024	2023	2022
Operating Income	\$ 195,973	\$ 186,074	\$ 740,948	\$ 714,408	\$ 712,692
<i>Adjusted for the following:</i>					
Property management and other service fees	(4,606)	(6,611)	(17,916)	(18,977)	(20,996)
Residential inventory gains	(11,026)	(4,795)	(20,094)	(4,795)	(22,373)
Operational lease revenue from ROU assets, net (i)	3,889	1,638	9,218	6,717	5,666
NOI	\$ 184,230	\$ 176,306	\$ 712,156	\$ 697,353	\$ 674,989

(i) Includes \$2.1 million straight-line rent from operational lease revenue from ROU assets for three months and year ended December 31, 2024.

NOI at RioCan's Proportionate Share

The following table reconciles operating income to NOI for equity-accounted investments for the three months ended December 31, 2024 and 2023 and years ended December 31, 2024, 2023 and 2022:

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31		
	2024	2023	2024	2023	2022
NOI at IFRS basis	\$ 184,230	\$ 176,306	\$ 712,156	\$ 697,353	\$ 674,989
<i>Add equity-accounted investments:</i>					
Operating Income	8,378	8,886	54,418	41,468	24,452
<i>Adjusted for the following:</i>					
Property management and other service fees	375	—	1,320	—	—
Residential inventory gains	(2,138)	(2,248)	(29,242)	(13,746)	(514)
Operational lease expenses from ROU assets, net	(222)	(222)	(888)	(858)	(809)
NOI from equity-accounted investments	\$ 6,393	\$ 6,416	\$ 25,608	\$ 26,864	\$ 23,129
NOI at RioCan's proportionate share	\$ 190,623	\$ 182,722	\$ 737,764	\$ 724,217	\$ 698,118

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(iii) Same Property NOI

The following table reconciles Same Property NOI to NOI for the three months and years ended December 31, 2024 and 2023:

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Commercial				
Commercial Same Property NOI	\$ 150,744	\$ 147,307	\$ 588,278	\$ 581,360
NOI from income producing properties:				
Acquired (i)	903	69	5,060	1,780
Disposed (i)	1,726	5,504	8,382	27,250
	2,629	5,573	13,442	29,030
NOI from completed commercial developments	10,916	9,033	42,739	31,380
NOI from properties under de-leasing (ii)	5,415	5,239	20,297	22,955
Lease cancellation fees	1,591	70	4,817	5,253
Straight-line rent adjustment (iv)	5,226	2,638	13,359	5,898
NOI from commercial properties	176,521	169,860	682,932	675,876
Residential				
Residential Same Property NOI	5,362	5,426	18,008	17,139
NOI from income producing properties:				
Acquired (i)	500	—	3,733	1,063
Disposed (i)	73	145	547	695
	573	145	4,280	1,758
NOI from completed residential developments	1,774	875	6,936	2,580
NOI from residential rental	7,709	6,446	29,224	21,477
NOI (iii)	\$ 184,230	\$ 176,306	\$ 712,156	\$ 697,353

(i) Includes properties acquired or disposed of during the periods being compared.

(ii) NOI from limited number of properties undergoing significant de-leasing in preparation for redevelopment or intensification.

(iii) Refer to (ii) NOI in this *Non-GAAP Measures* section of this MD&A for reconciliation from NOI to operating income.

(iv) Includes \$2.1 million straight-line rent from operational lease revenue from ROU assets for three months and year ended December 31, 2024.

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Commercial Same Property NOI	\$ 150,744	\$ 147,307	\$ 588,278	\$ 581,360
Residential Same Property NOI	5,362	5,426	18,008	17,139
Same Property NOI	\$ 156,106	\$ 152,733	\$ 606,286	\$ 598,499

Adjusted Commercial Same Property NOI

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Commercial Same Property NOI	\$ 150,744	\$ 147,307	\$ 588,278	\$ 581,360
Add (exclude):				
Same property provision for (recovery of) for credit losses	884	(837)	147	(5,344)
Commercial Same Property NOI excluding provision	\$ 151,628	\$ 146,470	\$ 588,425	\$ 576,016
Exclude:				
Legal and CAM/property tax settlements	(1,758)	(1,141)	(7,063)	(5,656)
Adjusted Commercial Same Property NOI	\$ 149,870	\$ 145,329	\$ 581,362	\$ 570,360

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Adjusted Residential Same Property NOI

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Residential Same Property NOI	\$ 5,362	\$ 5,426	\$ 18,008	\$ 17,139
<i>Add (exclude):</i>				
Same property provision for (recovery of) for credit losses	105	8	133	50
Residential Same Property NOI excluding provision	\$ 5,467	\$ 5,434	\$ 18,141	\$ 17,189
<i>Exclude:</i>				
Property tax settlements	—	(174)	(299)	(165)
Adjusted Residential Same Property NOI	\$ 5,467	\$ 5,260	\$ 17,842	\$ 17,024

(iv) FFO

The following table reconciles net income (loss) attributable to Unitholders to FFO for the three months and years ended December 31, 2024 and 2023:

<i>(thousands of dollars, except where otherwise noted)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Net income (loss) attributable to Unitholders	\$ 125,648	\$ (117,659)	\$ 473,465	\$ 38,802
<i>Add back (deduct):</i>				
Fair value (gains) losses, net	(2,004)	222,921	29,353	450,408
Fair value losses included in equity-accounted investments	1,855	13,506	3,584	14,124
Internal leasing costs	3,262	3,156	13,293	11,919
Transaction (gains) losses on investment properties, net (i)	(1,345)	1,147	534	1,182
Transaction gains on equity-accounted investments	—	(14)	(52)	(83)
Transaction costs on sale of investment properties	2,435	5,094	3,666	5,601
ERP implementation costs	—	3,503	5,368	12,032
ERP amortization	(484)	—	(1,302)	—
Change in unrealized fair value on marketable securities	—	(1,846)	(4,648)	865
Current income tax recovery	—	(18)	(794)	(13,365)
Operational lease revenue from ROU assets	3,534	1,283	7,814	5,116
Operational lease expenses from ROU assets in equity-accounted investments	(18)	(16)	(69)	(55)
Capitalized interest related to equity-accounted investments(ii):				
Capitalized interest related to properties under development	110	134	426	219
Capitalized interest related to residential inventory	1,386	1,699	5,333	4,516
FFO	\$ 134,379	\$ 132,890	\$ 535,971	\$ 531,281
<i>Add back:</i>				
Debt prepayment cost, net	912	—	455	—
Restructuring costs	7,202	24	7,852	1,368
FFO Adjusted	\$ 142,493	\$ 132,914	\$ 544,278	\$ 532,649
FFO per unit - basic	\$ 0.45	\$ 0.44	\$ 1.78	\$ 1.77
FFO per unit - diluted	\$ 0.45	\$ 0.44	\$ 1.78	\$ 1.77
FFO Adjusted per unit - diluted	\$ 0.47	\$ 0.44	\$ 1.81	\$ 1.77
Weighted average number of Units - basic (in thousands)	300,469	300,417	300,464	300,392
Weighted average number of Units - diluted (in thousands)	300,524	300,417	300,473	300,479

(i) Represents net transaction gains or losses connected to certain investment properties during the period.

(ii) Refer to table below.

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FFO from equity-accounted investments

The following table reconciles income from equity-accounted investments to FFO from equity-accounted investments for the three months and years ended December 31, 2024 and 2023:

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Income from equity-accounted investments	\$ 3,977	\$ (7,190)	\$ 38,507	\$ 18,383
Fair value losses included in equity-accounted investments	1,855	13,506	3,584	14,124
Transaction gains on equity-accounted investments	—	(14)	(52)	(83)
Operational lease expenses from ROU assets in equity-accounted investments	(18)	(16)	(69)	(55)
Capitalized interest related to equity-accounted investments (i)	1,496	1,833	5,759	4,735
FFO from equity-accounted investments	\$ 7,310	\$ 8,119	\$ 47,729	\$ 37,104

- (i) This amount represents the interest capitalized to RioCan's equity-accounted investment in WhiteCastle New Urban Fund 2, LP, WhiteCastle New Urban Fund 3, LP, WhiteCastle New Urban Fund 4, LP, WhiteCastle New Urban Fund 5, LP, RioCan-Fieldgate JV, RC (Queensway) LP, RC (Leaside) LP - Class B, PR Bloor Street LP and RC Yorkville LP. This amount is not capitalized to development projects under IFRS but is allowed as an adjustment under REALPAC's definition of FFO.

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Quarterly FFO, FFO Adjusted, FFO Payout Ratio and FFO Payout Ratio Adjusted

The following tables reconcile quarterly net income (loss) attributable to Unitholders to FFO for the years ended December 31, 2024, 2023 and 2022:

<i>(thousands of dollars, except where otherwise noted)</i>	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Twelve months ended December 31, 2024
Net income (loss) attributable to Unitholders	\$ 125,648	\$ 96,858	\$ 122,363	\$ 128,596	\$ 473,465
Add back (deduct):					
Fair value losses (gains), net	(2,004)	40,495	(5,887)	(3,251)	29,353
Fair value losses (gains) included in equity-accounted investments	1,855	(473)	1,810	392	3,584
Internal leasing costs	3,262	3,346	3,092	3,593	13,293
Transaction (gains) losses on investment properties, net	(1,345)	422	1,508	(51)	534
Transaction gains on equity-accounted investments	—	(21)	—	(31)	(52)
Transaction costs on sale of investment properties	2,435	284	73	874	3,666
ERP implementation costs	—	958	1,874	2,536	5,368
ERP amortization	(484)	(409)	(409)	—	(1,302)
Change in unrealized fair value on marketable securities	—	(5,908)	142	1,118	(4,648)
Current income tax (recovery) expense	—	—	—	(794)	(794)
Operational lease revenue from ROU assets	3,534	1,508	1,427	1,345	7,814
Operational lease expenses from ROU assets in equity-accounted investments	(18)	(17)	(17)	(17)	(69)
Capitalized interest related to equity-accounted investments:					
Capitalized interest related to properties under development	110	67	117	132	426
Capitalized interest related to residential inventory	1,386	741	1,693	1,513	5,333
FFO	\$ 134,379	\$ 137,851	\$ 127,786	\$ 135,955	\$ 535,971
Add (Deduct):					
Debt prepayment loss (gain), net	912	(457)	—	—	455
Restructuring costs	7,202	4	—	646	7,852
FFO Adjusted	\$ 142,493	\$ 137,398	\$ 127,786	\$ 136,601	\$ 544,278
Distribution paid	\$ 83,379	\$ 83,380	\$ 83,377	\$ 81,875	\$ 332,011
FFO for last four quarters	\$ 535,971	\$ 534,482	\$ 532,053	\$ 535,899	
FFO Adjusted for last four quarters	\$ 544,278	\$ 534,699	\$ 533,443	\$ 537,300	
Distributions for last four quarters	\$ 332,011	\$ 329,741	\$ 327,471	\$ 325,195	
FFO Payout Ratio					61.9%
FFO Payout Ratio Adjusted					61.0%

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Quarterly FFO, FFO Adjusted, FFO Payout Ratio and FFO Payout Ratio Adjusted (continued)

<i>(thousands of dollars, except per unit amounts)</i>	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Twelve months ended December 31, 2023
Net income (loss) attributable to Unitholders	\$ (117,659)	\$ (73,510)	\$ 111,967	\$ 118,004	\$ 38,802
Add back (deduct):					
Fair value losses, net	222,921	199,528	10,594	17,365	450,408
Fair value losses (gains) included in equity-accounted investments	13,506	167	1,072	(621)	14,124
Internal leasing costs	3,156	3,020	3,018	2,725	11,919
Transaction losses (gains) on investment properties, net	1,147	(77)	176	(64)	1,182
Transaction (gains) losses on equity-accounted investments	(14)	(69)	—	—	(83)
Transaction costs (recoveries) on sale of investment properties	5,094	(4)	344	167	5,601
ERP implementation costs	3,503	2,121	2,454	3,954	12,032
Change in unrealized fair value on marketable securities	(1,846)	1,898	(173)	986	865
Current income tax (recovery) expense	(18)	20	31	(13,398)	(13,365)
Operational lease revenue from ROU assets	1,283	1,283	1,196	1,354	5,116
Operational lease expenses from ROU assets in equity-accounted investments	(16)	(14)	(13)	(12)	(55)
Capitalized interest related to equity-accounted investments:					
Capitalized interest related to properties under development	134	31	28	26	219
Capitalized interest related to residential inventory	1,699	1,028	938	851	4,516
FFO	\$ 132,890	\$ 135,422	\$ 131,632	\$ 131,337	\$ 531,281
Add back:					
Restructuring costs	24	720	11	613	1,368
FFO Adjusted	\$ 132,914	\$ 136,142	\$ 131,643	\$ 131,950	\$ 532,649
Distribution paid	\$ 81,109	\$ 81,110	\$ 81,101	\$ 78,094	\$ 321,414
FFO for last four quarters	\$ 531,281	\$ 526,034	\$ 525,415	\$ 525,440	
FFO Adjusted for last four quarters	\$ 532,649	\$ 527,888	\$ 526,549	\$ 529,733	
Distributions for last four quarters	\$ 321,414	\$ 317,500	\$ 313,887	\$ 311,603	
FFO Payout Ratio					60.5%
FFO Payout Ratio Adjusted					60.3%

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Quarterly FFO, FFO Adjusted, FFO Payout Ratio and FFO Payout Ratio Adjusted (continued)

<i>(thousands of dollars, except per unit amounts)</i>	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Twelve months ended December 31, 2022
Net income attributable to Unitholders	\$ (4,961)	\$ 3,215	\$ 78,460	\$ 160,058	\$ 236,772
Add back (deduct):					
Fair value losses (gains), net	115,507	118,783	42,270	(35,432)	241,128
Fair value losses included in equity-accounted investments	8,404	3,537	3,476	790	16,207
Internal leasing costs	3,306	3,088	2,825	2,985	12,204
Transaction losses (gains) on investment properties, net	560	(270)	353	384	1,027
Transaction costs on sale of investment properties	2,652	1,769	713	600	5,734
Change in unrealized fair value on marketable securities	382	1,999	1,401	—	3,782
Current income tax (recovery) expense	(184)	834	452	(181)	921
Operational lease revenue from ROU assets	1,120	1,035	985	946	4,086
Operational lease (expenses) from ROU assets in equity-accounted investments	(12)	(12)	(11)	(11)	(46)
Capitalized interest related to equity-accounted investments:					
Capitalized interest related to properties under development	25	24	20	12	81
Capitalized interest related to residential inventory	844	801	713	424	2,782
FFO	\$ 127,643	\$ 134,803	\$ 131,657	\$ 130,575	\$ 524,678
Add back:					
Restructuring costs	\$ 510	\$ —	\$ 3,170	\$ 609	\$ 4,289
FFO Adjusted	\$ 128,153	\$ 134,803	\$ 134,827	\$ 131,184	\$ 528,967
Distribution paid	\$ 77,195	\$ 77,497	\$ 78,817	\$ 75,907	\$ 309,416
FFO Payout Ratio					59.0%
FFO Payout Ratio Adjusted					58.5%

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(v) AFFO

The following table reconciles FFO to AFFO for the three months and years ended December 31, 2024 and 2023:

(thousands of dollars)	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
FFO (i)	\$ 134,379	\$ 132,890	\$ 535,971	\$ 531,281
<i>Add back (deduct):</i>				
Straight-line rent	(5,226)	(2,638)	(13,359)	(5,898)
Straight-line rent in equity-accounted investments	(139)	(258)	(776)	(1,180)
Normalized capital expenditures:				
Leasing commissions and tenant improvements	(6,500)	(7,075)	(26,000)	(28,300)
Capital expenditures on recoverable from tenants	(6,750)	(5,875)	(27,000)	(23,500)
Capital expenditures not recoverable from tenants	(500)	(800)	(2,000)	(3,200)
Internal leasing costs	(3,262)	(3,156)	(13,293)	(11,919)
Internal leasing costs related to development properties	602	582	2,452	2,199
AFFO	112,604	113,670	455,995	459,483
<i>Add back:</i>				
Debt prepayment cost, net	912	—	455	—
Restructuring costs	7,202	24	7,852	1,368
AFFO Adjusted	\$ 120,718	\$ 113,694	\$ 464,302	\$ 460,851

(i) Refer to (iv) FFO of this Non-GAAP Measures section of this MD&A for reconciliation from net income to FFO.

Quarterly AFFO, AFFO Payout Ratio and AFFO Payout Ratio Adjusted

The following tables reconcile FFO to AFFO for the years ended December 31, 2024, 2023 and 2022:

(thousands of dollars, except where otherwise noted)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Twelve months ended December 31, 2024
FFO (i)	\$ 134,379	\$ 137,851	\$ 127,786	\$ 135,955	\$ 535,971
<i>Add back (deduct):</i>					
Straight-line rent	(5,226)	(2,707)	(2,179)	(3,247)	(13,359)
Straight-line rent in equity-accounted investments	(139)	(169)	(235)	(233)	(776)
Normalized capital expenditures:					
Leasing commissions and tenant improvements	(6,500)	(6,500)	(6,500)	(6,500)	(26,000)
Capital expenditures on recoverable from tenants	(6,750)	(6,750)	(6,750)	(6,750)	(27,000)
Capital expenditures not recoverable from tenants	(500)	(500)	(500)	(500)	(2,000)
Internal leasing costs	(3,262)	(3,346)	(3,092)	(3,593)	(13,293)
Internal leasing costs related to development properties	602	617	570	663	2,452
AFFO	\$ 112,604	\$ 118,496	\$ 109,100	\$ 115,795	\$ 455,995
<i>Add (Deduct):</i>					
Debt prepayment loss (gain), net	912	(457)	—	—	455
Restructuring costs	7,202	4	—	646	7,852
AFFO Adjusted	\$ 120,718	\$ 118,043	\$ 109,100	\$ 116,441	\$ 464,302
Distributions paid	\$ 83,379	\$ 83,380	\$ 83,377	\$ 81,875	\$ 332,011
AFFO last four quarters	\$ 455,995	\$ 457,061	\$ 455,852	\$ 460,793	
AFFO Adjusted for last four quarters	\$ 464,302	\$ 457,278	\$ 457,242	\$ 462,194	
Distributions for last four quarters	\$ 332,011	\$ 329,741	\$ 327,471	\$ 325,195	

AFFO Payout Ratio 72.8 %

AFFO Payout Ratio Adjusted 71.5 %

(i) Refer to (iv) FFO of this Non-GAAP Measures section of this MD&A for reconciliation from net income to FFO.

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Quarterly AFFO, AFFO Payout Ratio and AFFO Payout Ratio Adjusted (continued)

<i>(thousands of dollars, except where otherwise noted)</i>	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Twelve months ended December 31, 2023
FFO (i)	\$ 132,890	\$ 135,422	\$ 131,632	\$ 131,337	\$ 531,281
<i>Add back (deduct):</i>					
Straight-line rent	(2,638)	(1,660)	(1,027)	(573)	(5,898)
Straight-line rent in equity-accounted investments	(258)	(262)	(353)	(307)	(1,180)
Normalized capital expenditures:					
Leasing commissions and tenant improvements	(7,075)	(7,075)	(7,075)	(7,075)	(28,300)
Capital expenditures on recoverable from tenants	(5,875)	(5,875)	(5,875)	(5,875)	(23,500)
Capital expenditures not recoverable from tenants	(800)	(800)	(800)	(800)	(3,200)
Internal leasing costs	(3,156)	(3,020)	(3,018)	(2,725)	(11,919)
Internal leasing costs related to development properties	582	557	557	503	2,199
AFFO	\$ 113,670	\$ 117,287	\$ 114,041	\$ 114,485	\$ 459,483
<i>Add back:</i>					
Restructuring costs	24	720	11	613	1,368
AFFO Adjusted	\$ 113,694	\$ 118,007	\$ 114,052	\$ 115,098	\$ 460,851
Distributions paid	\$ 81,109	\$ 81,110	\$ 81,101	\$ 78,094	\$ 321,414
AFFO last four quarters	\$ 459,483	\$ 457,159	\$ 459,483	\$ 461,530	
AFFO Adjusted for last four quarters	\$ 460,851	\$ 459,013	\$ 460,617	\$ 465,823	
Distributions for last four quarters	\$ 321,414	\$ 317,500	\$ 313,887	\$ 311,603	
AFFO Payout Ratio					70.0%
AFFO Payout Ratio Adjusted					69.7%

(i) Refer to (iv) FFO in this Non-GAAP Measures section of this MD&A for reconciliation from net income to FFO.

<i>(thousands of dollars, except where otherwise noted)</i>	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Twelve months ended December 31, 2022
FFO (i)	\$ 127,643	\$ 134,803	\$ 131,657	\$ 130,575	\$ 524,678
<i>Add back (deduct):</i>					
Straight-line rent	(806)	196	(359)	(915)	(1,884)
Straight-line rent in equity-accounted investments	(295)	(370)	(406)	(390)	(1,461)
Normalized capital expenditures:					
Leasing commissions and tenant improvements	(5,625)	(5,625)	(5,625)	(5,625)	(22,500)
Capital expenditures on recoverable from tenants	(5,625)	(5,625)	(5,625)	(5,625)	(22,500)
Capital expenditures not recoverable from tenants	(1,250)	(1,250)	(1,250)	(1,250)	(5,000)
Internal leasing costs	(3,306)	(3,088)	(2,825)	(2,985)	(12,204)
Internal leasing costs related to development properties	610	570	521	551	2,252
AFFO	\$ 111,346	\$ 119,611	\$ 116,088	\$ 114,336	\$ 461,381
<i>Add back:</i>					
Restructuring costs	510	—	3,170	609	4,289
AFFO Adjusted	\$ 111,856	\$ 119,611	\$ 119,258	\$ 114,945	\$ 465,670
Distributions paid	\$ 77,195	\$ 77,497	\$ 78,817	\$ 75,907	\$ 309,416
AFFO Payout Ratio					67.1 %
AFFO Payout Ratio Adjusted					66.4 %

(i) Refer to (iv) FFO in this Non-GAAP Measures section of this MD&A for reconciliation from net income to FFO.

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(vi) Adjusted G&A Expense

Adjusted G&A Expense for the three months and years ended December 31, 2024 and 2023 are as follows:

(thousands of dollars, except where otherwise noted)	Three months ended December 31			Years ended December 31		
	2024	2023	Change	2024	2023	Change
Total G&A expense - IFRS	\$ 19,070	\$ 15,459	\$ 3,611	\$ 59,847	\$ 60,367	\$ (520)
Add back (deduct):						
ERP implementation costs	—	(3,503)	3,503	(5,368)	(12,032)	6,664
ERP amortization	484	—	484	1,302	—	1,302
Restructuring costs	(7,202)	(24)	(7,178)	(7,852)	(1,368)	(6,484)
Adjusted G&A Expense - IFRS	12,352	11,932	420	47,929	46,967	962
Add:						
G&A expense from equity- accounted investments	37	23	14	86	56	30
Adjusted G&A Expense - RioCan's proportionate share	\$ 12,389	\$ 11,955	\$ 434	\$ 48,015	\$ 47,023	\$ 992
Rental revenue - IFRS	293,327	276,510	16,817	1,137,127	1,091,105	46,022
Add:						
Rental revenue from equity-accounted investments	8,221	8,109	112	32,626	33,594	(968)
Rental revenue - RioCan's proportionate share	\$ 301,548	\$ 284,619	\$ 16,929	\$ 1,169,753	\$ 1,124,699	\$ 45,054
Adjusted G&A Expense as a percentage of rental revenue	4.1%	4.2%	(0.1)%	4.1%	4.2%	(0.1)%

(vii) Development Spending

Total Development Spending for the three months and years ended December 31, 2024 and 2023 are as follows:

(thousands of dollars)	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Development expenditures on balance sheet:				
Properties under development	\$ 36,459	\$ 52,267	\$ 164,658	\$ 244,260
Residential inventory	34,447	26,875	128,214	127,118
RioCan's share of Development Spending from equity-accounted joint ventures	14,175	15,223	56,512	28,568
Total Development Spending	\$ 85,081	\$ 94,365	\$ 349,384	\$ 399,946

(thousands of dollars)	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Mixed-use projects	\$ 70,261	\$ 83,271	\$ 309,440	\$ 346,956
Retail in-fill projects	14,820	11,094	39,944	52,990
Total Development Spending	\$ 85,081	\$ 94,365	\$ 349,384	\$ 399,946

(viii) Net Cost Transfer from PUD to IPP

(thousands of dollars)

Year ended December 31,	2024	2023
IFRS cost transfer from PUD to IPP	\$ 291,500	530,600
Adjustments to cash basis (i)	(46,900)	(63,800)
Net Cost Transfer from PUD to IPP	\$ 244,600	\$ 466,800

(i) Includes vacant land costs, invested costs on retail redevelopment at date of transfer, proceeds from land sales, applicable interim income or fee income earned, capitalized interest on invested equity, and fair value on initial amounts transferred into properties under development.

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(ix) Total Development at Cost

Total Development at Cost as at December 31, 2024 is as follows:

<i>(thousands of dollars)</i>	Residential inventory cost to date				PUD cost to date			Total Residential inventory and PUD cost to date
	IFRS basis		Adjustments for EAI JV (i)	Total	IFRS basis	Adjustments for EAI JV	Total	
	Cost	Commissions						
Projects under construction	\$190,576	\$ 7,056	\$ 98,809	\$296,441	\$ 218,212	\$ 10,195	\$ 228,407	\$ 524,848
Shovel ready development sites	6,280	—	—	6,280	177,366	—	177,366	183,646
Zoning approved	51,160	—	110,296	161,456	207,153	2,399	209,552	371,008
Zoning application submitted	31,750	1,137	17,062	49,949	73,767	2,223	75,990	125,939
Future developments	4,284	—	—	4,284	80,244	—	80,244	84,528
Development lands & others	—	—	—	—	86,884	—	86,884	86,884
Total Development at Cost	\$284,050	\$ 8,193	\$ 226,167	\$518,410	\$ 843,626	\$ 14,817	\$ 858,443	\$ 1,376,853
Cumulative fair value gain on properties under development					1,290	(144)	1,146	
Total properties under development at fair value					\$ 844,916	\$ 14,673	\$ 859,589	

(i) Includes selling commissions that are included in prepaid expenses and other assets.

(ii) Includes \$3.5 million in commissions for EAI JV.

(x) Total Acquisitions

Total Acquisitions for the three months and years ended December 31, 2024 and 2023 are as follows:

<i>(thousands of dollars)</i>	Three months ended December 31		Years ended December 31	
	2024	2023	2024	2023
Income producing properties	\$ —	\$ —	\$ 118,192	\$ 75,473
Properties under development	—	—	42,539	34,583
Total Acquisitions (i)	\$ —	\$ —	\$ 160,731	\$ 110,056

(i) Includes transaction costs.

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(xi) Total Debt and Total Contractual Debt

RioCan uses both debt and equity in its capital structure, which is summarized as follows as at December 31, 2024 and December 31, 2023:

As at	December 31, 2024			December 31, 2023		
<i>(thousands of dollars)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Debentures payable	\$ 4,088,654	\$ —	\$ 4,088,654	\$ 3,240,943	\$ —	\$ 3,240,943
Mortgages payable	2,851,602	160,701	3,012,303	2,740,924	158,292	2,899,216
Lines of credit and other bank loans	383,658	198,682	582,340	879,246	231,963	1,111,209
Total debt	\$ 7,323,914	\$ 359,383	\$ 7,683,297	\$ 6,861,113	\$ 390,255	\$ 7,251,368
Total equity	7,558,338	—	7,558,338	7,437,770	—	7,437,770
Total capital	\$ 14,882,252	\$ 359,383	\$ 15,241,635	\$ 14,298,883	\$ 390,255	\$ 14,689,138

As at	December 31, 2024			December 31, 2023		
<i>(thousands of dollars)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Total debt	\$ 7,323,914	\$ 359,383	\$ 7,683,297	\$ 6,861,113	\$ 390,255	\$ 7,251,368
Less:						
Unamortized debt financing costs, premiums and discounts on origination and debt assumed, and modifications	(35,490)	(526)	(36,016)	(24,019)	(484)	(24,503)
Total Contractual Debt	\$ 7,359,404	\$ 359,909	\$ 7,719,313	\$ 6,885,132	\$ 390,739	\$ 7,275,871

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(xii) Floating Rate Debt and Fixed Rate Debt

The following table reconciles total fixed rate debt and floating rate debt as at December 31, 2024 and December 31, 2023:

As at	December 31, 2024			December 31, 2023		
<i>(thousands of dollars, except where otherwise noted)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Total fixed rate debt	\$ 7,177,150	\$ 172,925	\$ 7,350,075	\$ 6,543,106	\$ 212,554	\$ 6,755,660
Total floating rate debt	146,764	186,458	333,222	318,007	177,701	495,708
Total debt	\$ 7,323,914	\$ 359,383	\$ 7,683,297	\$ 6,861,113	\$ 390,255	\$ 7,251,368
Ratio of floating rate debt to total debt	2.0%		4.3%	4.6%		6.8%

(xiii) Unsecured Debt and Secured Debt

The following table reconciles Total Unsecured and Secured Debt to Total Contractual Debt as at December 31, 2024 and December 31, 2023:

As at	December 31, 2024			December 31, 2023		
<i>(thousands of dollars, except where otherwise noted)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Total Unsecured Debt	\$ 4,300,000	\$ —	\$ 4,300,000	\$ 3,950,000	\$ —	\$ 3,950,000
Total Secured Debt	3,059,404	359,909	3,419,313	2,935,132	390,739	3,325,871
Total Contractual Debt	\$ 7,359,404	\$ 359,909	\$ 7,719,313	\$ 6,885,132	\$ 390,739	\$ 7,275,871
Percentage of Total Contractual Debt:						
Unsecured Debt	58.4%		55.7%	57.4%		54.3%
Secured Debt	41.6%		44.3%	42.6%		45.7%

(xiv) Liquidity

As at December 31, 2024, RioCan had \$1.7 billion of Liquidity as summarized in the following table:

As at	December 31, 2024			December 31, 2023		
<i>(thousands of dollars)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Undrawn revolving unsecured operating line of credit	\$ 1,250,000	\$ —	\$ 1,250,000	\$ 1,250,000	\$ —	\$ 1,250,000
Undrawn construction lines and other bank loans	146,024	97,892	243,916	385,715	189,563	575,278
Cash and cash equivalents	190,243	9,890	200,133	124,234	14,506	138,740
Liquidity	\$ 1,586,267	\$ 107,782	\$ 1,694,049	\$ 1,759,949	\$ 204,069	\$ 1,964,018

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(xv) Adjusted EBITDA and Coverage Ratios

The following table reconciles consolidated net income attributable to Unitholders to Adjusted EBITDA:

Year ended	December 31, 2024			December 31, 2023		
	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
<i>(thousands of dollars)</i>						
Net income attributable to Unitholders	\$ 473,465	\$ —	\$ 473,465	\$ 38,802	\$ —	\$ 38,802
Add (deduct) the following items:						
Income tax recovery:						
Current	(794)	—	(794)	(13,365)	—	(13,365)
Fair value losses on investment properties, net	29,353	3,582	32,935	450,408	14,123	464,531
Change in unrealized fair value on marketable securities (i)	(4,648)	—	(4,648)	865	—	865
Internal leasing costs	13,293	—	13,293	11,919	—	11,919
Non-cash unit-based compensation expense	10,385	—	10,385	10,154	—	10,154
Interest costs, net	257,544	11,544	269,088	208,948	11,339	220,287
Debt prepayment loss, net	455	—	455	—	—	—
Restructuring costs	7,852	—	7,852	1,368	—	1,368
ERP implementation costs	5,368	—	5,368	12,032	—	12,032
Depreciation and amortization	1,450	—	1,450	2,632	—	2,632
Transaction losses (gains) on the sale of investment properties, net (ii)	2	(52)	(50)	1,180	(83)	1,097
Transaction costs on investment properties	3,672	1	3,673	5,606	1	5,607
Operational lease revenue (expenses) from ROU assets	7,814	(69)	7,745	5,116	(55)	5,061
Adjusted EBITDA	\$ 805,211	\$ 15,006	\$ 820,217	\$ 735,665	\$ 25,325	\$ 760,990

(i) The fair value gains and losses on marketable securities may include both the change in unrealized fair value and realized gains and losses on the sale of marketable securities. By adding back the change in unrealized fair value on marketable securities, RioCan effectively continues to include realized gains and losses on the sale of marketable securities in Adjusted EBITDA and excludes unrealized fair value gains and losses on marketable securities in Adjusted EBITDA.

(ii) Includes transaction gains and losses realized on the disposition of investment properties.

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Year ended	December 31, 2022		
<i>(thousands of dollars)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Net income attributable to Unitholders	\$ 236,772	\$ —	\$ 236,772
<i>Add (deduct) the following items:</i>			
Income tax recovery:			
Current	921	—	921
Fair value losses on investment properties, net	241,128	16,208	257,336
Change in unrealized fair value on marketable securities (i)	3,783	—	3,783
Internal leasing costs	12,204	—	12,204
Non-cash unit-based compensation expense	9,056	—	9,056
Interest costs, net	180,365	8,242	188,607
Restructuring costs	4,289	—	4,289
Depreciation and amortization	4,774	—	4,774
Transaction losses on the sale of investment properties, net (ii)	1,024	—	1,024
Transaction costs on investment properties	5,734	3	5,737
Operational lease revenue (expenses) from ROU assets	4,086	(46)	4,040
Adjusted EBITDA	\$ 704,136	\$ 24,407	\$ 728,543

(i) The fair value gains on marketable securities include both the change in unrealized fair value and realized gains on the sale of marketable securities. By adding back the change in unrealized fair value on marketable securities, RioCan effectively continues to include realized gains or losses on the sale of marketable securities in Adjusted EBITDA and excludes unrealized fair value gains (losses) on marketable securities in Adjusted EBITDA.

(ii) Includes transaction gains and losses realized on the disposition of investment properties.

Adjusted EBITDA Ratios

Adjusted Debt to Adjusted EBITDA ratio is calculated as follows:

As at	Twelve months ended					
	December 31, 2024			December 31, 2023		
<i>(thousands of dollars, except where otherwise noted)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Adjusted Debt to Adjusted EBITDA						
Average total debt outstanding	\$ 7,103,232	\$ 365,916	\$ 7,469,148	\$ 6,879,087	\$ 317,231	\$ 7,196,318
Less: average cash and cash equivalents	(89,937)	(10,307)	(100,244)	(120,952)	(11,408)	(132,360)
Average Total Adjusted Debt	\$ 7,013,295	\$ 355,609	\$ 7,368,904	\$ 6,758,135	\$ 305,823	\$ 7,063,958
Adjusted EBITDA	\$ 805,211	\$ 15,006	\$ 820,217	\$ 735,665	\$ 25,325	\$ 760,990
Adjusted Debt to Adjusted EBITDA	8.71		8.98	9.19		9.28

As at twelve months ended	December 31, 2022		
<i>(thousands of dollars, except where otherwise noted)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Adjusted Debt to Adjusted EBITDA			
Average total debt outstanding	\$ 6,756,628	\$ 251,888	\$ 7,008,516
Less: average cash and cash equivalents	(74,871)	(8,791)	(83,662)
Average Total Adjusted Debt	\$ 6,681,757	\$ 243,097	\$ 6,924,854
Adjusted EBITDA	\$ 704,136	\$ 24,407	\$ 728,543
Adjusted Debt to Adjusted EBITDA	9.49		9.51

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(xvi) Unencumbered Assets

The table below summarizes RioCan's Unencumbered Assets as at December 31, 2024 and December 31, 2023:

As at	December 31, 2024			December 31, 2023		
<i>(thousands of dollars, except where otherwise noted)</i>	IFRS basis	Equity-accounted investments	RioCan's proportionate share	IFRS basis	Equity-accounted investments	RioCan's proportionate share
Investment properties	\$ 13,839,154	\$ 425,690	\$ 14,264,844	\$ 13,561,718	\$ 411,811	\$ 13,973,529
Less: Encumbered investment properties	5,704,034	359,465	6,063,499	5,531,177	352,425	5,883,602
Unencumbered Assets	\$ 8,135,120	\$ 66,225	\$ 8,201,345	\$ 8,030,541	\$ 59,386	\$ 8,089,927

Selected Quarterly Non-GAAP measures

NOI

<i>(thousands of dollars)</i>	2024				2023			
Three months ended	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Operating Income	\$ 195,973	\$ 182,873	\$ 185,688	\$ 176,415	\$ 186,074	\$ 176,255	\$ 178,836	\$ 173,243
<i>Adjusted for the following:</i>								
Property management and other service fees	(4,606)	(5,303)	(3,469)	(4,539)	(6,611)	(2,408)	(5,139)	(4,819)
Residential inventory gains	(11,026)	(356)	(5,266)	(3,446)	(4,795)	—	—	—
Operational lease revenue from ROU assets	3,889	1,850	1,783	1,695	1,638	1,650	1,571	1,858
NOI	\$ 184,230	\$ 179,064	\$ 178,736	\$ 170,125	\$ 176,306	\$ 175,497	\$ 175,268	\$ 170,282

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Adjusted Debt to Adjusted EBITDA at RioCan's proportionate share

Twelve months ended <i>(thousands of dollars, except where otherwise noted)</i>	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income attributable to Unitholders	\$ 473,465	\$ 230,158	\$ 59,790	\$ 49,394	\$ 38,802	\$ 151,500	\$ 228,225	\$ 194,718
<i>Add (deduct) the following items:</i>								
Income tax (recovery) expense:								
Current	(794)	(812)	(792)	(761)	(13,365)	(13,531)	(12,717)	(12,296)
Fair value losses on investment properties, net	29,353	254,278	413,311	429,792	450,408	342,994	262,249	293,925
Change in unrealized fair value on marketable securities	(4,648)	(6,494)	1,312	997	865	3,094	3,195	4,769
Internal leasing costs	13,293	13,187	12,861	12,787	11,919	12,069	12,137	11,944
Non-cash unit-based compensation expense	10,385	10,085	10,007	10,436	10,154	10,002	9,766	9,269
Interest costs, net	257,544	250,444	236,823	222,404	208,948	198,328	192,897	186,582
Debt prepayment loss (gain), net	455	(457)	—	—	—	—	—	—
Restructuring costs	7,852	674	1,390	1,401	1,368	1,854	1,134	4,293
ERP implementation costs	5,368	8,870	10,034	10,614	12,032	8,530	6,408	3,954
Depreciation and amortization	1,450	1,737	2,057	2,251	2,632	2,712	4,201	4,461
Transaction losses on the sale of investment properties, net	2	2,654	2,312	1,136	1,180	594	400	576
Transaction costs on investment properties	3,672	6,331	6,043	6,314	5,606	3,162	4,935	5,305
Operational lease revenue from ROU assets	7,814	5,563	5,338	5,107	5,116	4,955	4,706	4,494
Adjusted EBITDA - IFRS basis	\$ 805,211	\$ 776,218	\$ 760,486	\$ 751,872	\$ 735,665	\$ 726,263	\$ 717,536	\$ 711,994
<i>Add: equity-accounted investments</i>								
Fair value losses on investment properties, net	3,582	15,233	15,874	15,136	14,123	9,023	12,393	14,797
Interest costs, net	11,544	11,929	12,023	11,879	11,339	10,624	9,812	8,895
Transaction gains on equity-accounted investments	(52)	(65)	(114)	(114)	(83)	(69)	—	—
Transaction costs on investment properties	1	1	1	—	1	(1)	—	—
Operational lease expenses from ROU assets	(69)	(67)	(64)	(60)	(55)	(51)	(48)	(47)
Adjusted EBITDA - RioCan's proportionate share	\$ 820,217	\$ 803,249	\$ 788,206	\$ 778,713	\$ 760,990	\$ 745,789	\$ 739,693	\$ 735,639
IFRS basis:								
Average total debt outstanding	\$ 7,103,232	\$ 7,016,318	\$ 6,995,346	\$ 6,930,252	\$ 6,879,087	\$ 6,875,311	\$ 6,872,987	\$ 6,797,665
Less: average cash and cash equivalents	(89,937)	(60,532)	(103,374)	(112,642)	(120,952)	(106,768)	(112,497)	(78,746)
Average Total Adjusted Debt	\$ 7,013,295	\$ 6,955,786	\$ 6,891,972	\$ 6,817,610	\$ 6,758,135	\$ 6,768,543	\$ 6,760,490	\$ 6,718,919
<i>Add: equity-accounted investments</i>								
Average total debt outstanding	\$ 365,916	\$ 369,811	\$ 358,122	\$ 337,145	\$ 317,231	\$ 292,517	\$ 268,708	\$ 263,022
Less: average cash and cash equivalents	(10,307)	(10,200)	(10,911)	(11,818)	(11,408)	(10,343)	(10,092)	(9,339)
Average Total Adjusted Debt - Equity-accounted investments	\$ 355,609	\$ 359,611	\$ 347,211	\$ 325,327	\$ 305,823	\$ 282,174	\$ 258,616	\$ 253,683
Average Total Adjusted Debt - RioCan's proportionate share	\$ 7,368,904	\$ 7,315,397	\$ 7,239,183	\$ 7,142,937	\$ 7,063,958	\$ 7,050,717	\$ 7,019,106	\$ 6,972,602
Adjusted Debt to Adjusted EBITDA - RioCan's proportionate share	8.98	9.11	9.18	9.17	9.28	9.45	9.49	9.48

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RISKS AND UNCERTAINTIES

Achieving RioCan's objectives is, in part, dependent on mitigating identified business risks. Real estate investments are subject to a degree of risk. They are affected by factors including changes in general economic and local market conditions, equity and credit markets, fluctuations in interest costs, the attractiveness of the properties to tenants, competition from other available space, the stability and creditworthiness of tenants, and various other factors.

The rights in RioCan's Declaration of Trust are granted as contractual rights afforded to Unitholders (rather than as statutory rights). Similar to other existing rights contained in the Declaration of Trust (i.e. the take-over bid provisions and conflict of interest provisions), making these rights and remedies and certain procedures available by contract is structurally different from the manner in which the equivalent rights and remedies or procedures (including the procedure for enforcing such remedies) are made available to shareholders of a corporation, who benefit from those rights and remedies or procedures by the corporate statute that governs the corporation, such as the *Canada Business Corporations Act* (CBCA). As such, there is no certainty how these rights, remedies or procedures may be treated by the courts in the non-corporate context or that a Unitholder will be able to enforce the rights and remedies in the manner contemplated by the Declaration of Trust. Furthermore, how the courts will treat these rights, remedies and procedures will be in the discretion of the court, and the courts may choose to not accept jurisdiction to consider any claim contemplated in the provisions.

Financial and Liquidity Risk

Interest Rate and Financing Risk

The terms of RioCan's credit agreements require the Trust to comply with a number of customary financial and other covenants, such as maintaining debt service coverage and leverage ratios, adequate insurance coverage and certain credit ratings. These covenants may limit our flexibility in conducting our operations and breaches of these covenants could result in defaults under the instruments governing the applicable indebtedness.

Diversifying funding sources, maintaining a strong liquidity position, and maintaining a well-distributed debt maturity profile mitigate (re)financing risk. RioCan's \$1.25 billion revolving unsecured line of credit acts as a backstop to refinance maturing debt, provides financial flexibility to execute the strategic plan, provides a low cost bridge to "permanent" financing, and safeguards against a liquidity/financial crisis. Limiting floating rate debt exposure and maintaining a well-distributed debt maturity profile also help to mitigate interest rate risk.

RioCan's operations are also impacted by interest rates, as interest expense represents a significant cost in the ownership of real estate investments. Although the Bank of Canada has reduced the overnight lending rate by 200 basis points since June 2024, interest rates are still subject to significant volatility and an increase in interest rates may result in a significant increase in the amount paid by the Trust to service debt, which could in turn adversely affect RioCan's financial condition and results of operations. Further, in a higher interest rate environment, the cost of acquiring, financing, developing, expanding and renovating investment property also increases, and together with upward pressure on capitalization rates and decreased investment property demand, the Trust's investment property values may decline as a result.

RioCan has proactively employed a variety of financial tactics to protect against fluctuations in interest rates. The Trust seeks to reduce interest rate risk by staggering the maturities of long-term debt and limiting the use of floating rate debt so as to minimize exposure to interest rate fluctuations. As at December 31, 2024, 4.3% of our total debt was at floating interest rates on RioCan's proportionate basis. From time to time, the Trust may enter into floating-for-fixed interest rate swaps as part of its strategy for managing its exposure to interest rate risk on debt with floating interest rates. The Trust may also enter into bond forward contracts to hedge its exposure to movements in interest rates from the time it determines it will refinance or issue a fixed rate debt and the time the fixed rate debt is issued. The intent is to use the bond forwards to manage the change in cash flows of the future interest payments on the anticipated fixed rate debt. As at December 31, 2024, the carrying value of our floating rate debt, not subject to a hedging strategy, is \$146.8 million. A 50 basis point increase or decrease in interest rates would result in an annualized increase or decrease in interest expensed or capitalized in aggregate of \$0.7 million (December 31, 2023 - \$1.6 million).

Trade Tariffs

On February 1, 2025, the U.S. announced new tariffs on imports from Canada, Mexico, and China, leading Canada to declare counter-tariffs on U.S. goods. However, on February 3, 2025, both countries agreed to delay the tariffs for at least a month. If imposed, these tariffs could increase prices for imported goods between Canada and the U.S., leading to reduced margins, higher consumer prices, decreased demand, economic volatility, and potentially lower interest rates from the Bank of Canada, which also introduces interest rate risk. To manage this volatility, RioCan maintains a balanced fixed/floating debt ratio, uses derivatives to lock in long-term fixed rates, and ensures it has a well-distributed debt ladder. Ample Liquidity of \$1.7 billion and Unencumbered Assets of \$8.2 billion provide additional financial flexibility to the Trust in the current economic environment.

Risks and uncertainties arising from prolonged tariffs include, but are not limited to, economic instability which may negatively affect certain tenant categories, potentially leading to downward pressure on occupancy and leasing spreads; changing consumer demands for tenants' products or services; tenants' ability to pay rent as required under their leases; increased costs related to the Trust's development projects; and disruptions in domestic and global supply chains. The duration and severity of any tariffs

MANAGEMENT'S DISCUSSION AND ANALYSIS

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could adversely affect global economies, including credit and capital markets, resulting in a short-term or long-term economic downturn, which could potentially increase the difficulty and cost of accessing capital.

Access to Capital

A risk to the Trust's growth program and the refinancing of its debt upon maturity is that of not having sufficient debt and equity capital available to RioCan. Given the relatively small size of the Canadian marketplace, there are a limited number of lenders from which RioCan can borrow. RioCan's financial condition and results of operations would be adversely affected if it were unable to obtain financing or cost-effective financing.

As at December 31, 2024, RioCan's total debt on a proportionate share basis had a 3.72 year weighted average term to maturity, bearing interest at a weighted average contractual interest rate of 3.98% per annum.

Credit Ratings

Real or anticipated changes in credit ratings on our debentures or preferred units may affect the market value thereof. In addition, such changes can affect the cost at which we can access the debenture market, and the credit spreads on unsecured lines of credit, as applicable.

Lending Activities

RioCan utilizes mezzanine and co-owner financing as a means to diversify income while earning interest at attractive rates. RioCan is exposed to customary risks through these forms of financing such as business failure or other defaults or non-performance by a third-party counterparty or business fluctuations. To mitigate against these risks, the loans are either directly or indirectly secured by real property, and certain loans are full recourse to or guaranteed by the project/property sponsor, thereby mitigating counterparty risk.

Joint Ventures and Co-ownerships

RioCan participates in joint ventures, partnerships and similar arrangements that may involve risks and uncertainties not present absent third-party involvement, including, but not limited to, RioCan's dependency on partners, co-tenants or co-venturers that are not under our control and that might compete with RioCan for opportunities, become bankrupt or otherwise fail to fund their share of required capital contributions, or suffer reputational damage that could have an adverse impact on the Trust. Additionally, our partners might at any time have economic or other business interests or goals that are different than or inconsistent with those of the Trust, and we may be required to take actions that are in the interest of the partners collectively, but not in RioCan's sole best interests. Accordingly, we may not be able to favourably resolve issues with respect to such decisions, or we could become engaged in a dispute with any of them that might affect our ability to operate the business or assets in question. RioCan has proactively employed a variety of contractual provisions to protect against joint venture and co-ownership risk. The Trust's joint venture arrangements are typically governed by limited partnership agreements and/or shareholders' agreements. RioCan's standard joint arrangement contracts provide exit and transfer provisions, including, but not limited to, buy/sell and/or right-of-first offers or refusals that allow for the unwinding of these joint arrangements should the circumstances necessitate. In addition, joint arrangement agreements will typically provide RioCan with an option to remedy any nonperformance by a defaulting co-owner/partner.

Unexpected Costs or Liabilities Related to Acquisitions

A risk associated with a real property acquisition is that there may be an undisclosed or unknown liability concerning the acquired properties, and RioCan may not be indemnified for some or all of these liabilities. Following an acquisition, RioCan may discover that it has acquired undisclosed liabilities, which may be material. RioCan conducts what it believes to be an appropriate level of investigation in connection with its acquisitions and seeks through contract to ensure that risks lie with the appropriate party.

Ownership of Real Estate

Tenant Concentration

In the event tenants experience financial difficulty as a result of the macro-economic environment, or otherwise, and are unable to fulfill their lease commitments, a given geographical area suffers an economic decline, or changing consumer/retail trends result in less demand for rental space, we could experience a decline in revenue.

RioCan strives to manage tenant concentration risk through both geographical and revenue source diversification to mitigate reliance on any single tenant. RioCan's objective, outlined in its Declaration of Trust noted above, is to ensure that no individual tenant contributes a significant percentage of its gross revenue and that a considerable portion of our revenue is earned from national and anchor tenants. RioCan aims to lease to credit worthy tenants, conducts credit assessments for new tenants when deemed appropriate and generally is provided security by tenants as part of negotiated deals. RioCan seeks to reduce its risks associated with occupancy levels and lease renewals through staggered lease maturities, negotiating commercial leases with base terms between five and 10 years, and by negotiating longer-term commercial leases with built-in minimum rent escalations where deemed appropriate.

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To reduce RioCan's exposure to the risks relating to credit and the financial stability of tenants, the Declaration of Trust restricts the amount of space which can be leased to any person and that person's affiliates, other than in respect of leases with or guaranteed by the Government of Canada, a province of Canada, a municipality in Canada or any agency thereof and certain corporations, the securities of which meet stated investment criteria, to a maximum premises or space having an aggregate gross leasable area of 20% of the aggregate gross leasable area of all real property held by RioCan. As of December 31, 2024, RioCan was in compliance with this restriction.

It is common practice for a major tenant, such as Canadian Tire or Loblaws/Shoppers Drug Mart, to lease space from other landlords similar to RioCan in addition to owning real estate either within a controlled publicly traded REIT or within its own operating entity. Past experience and industry practice indicate that it is the strength of a location rather than the ownership of the property that influences the business decisions of RioCan's tenants. Despite this, there may be instances where a tenant may forgo the competitive advantage of RioCan's property location to better utilize its own real estate. RioCan does not consider the collective impact of this risk to be significant.

Tenant Bankruptcies

The majority of RioCan's properties are anchored by large national tenants. The value of some of our properties, including any improvements thereto, could be adversely affected if these anchor stores or major tenants fail to comply with their contractual obligations, experience credit or financial instability or cease their operations.

Bankruptcy filings by retailers occur periodically in the course of normal operations for a number of factors, including, but not limited to, increased competition, internet sales, changing population demographics, poor economic conditions, rising costs and changing shopping trends and/or perceptions. Confirmed closures represent 0.3% and 1.0% of the total portfolio in 2024 and 2023, respectively, on a total annualized contractual gross rent basis.

Nonetheless, tenant bankruptcies or restructurings remain a risk that RioCan closely manages. RioCan continually seeks to re-lease vacant spaces resulting from tenant terminations. The bankruptcy of a tenant, particularly an anchor tenant, may make it more difficult to lease the remainder of the affected properties or may give rise to certain rights under existing leases with other tenants.

Lease Renewals and Rental Increases

Growth of rental income is dependent on strong leasing markets to ensure expiring leases are renewed and new tenants are found promptly to fill vacancies at rental rates similar to those paid by existing tenants in order for us to maintain existing occupancy levels of our properties. It is possible that we may face a disproportionate amount of space expiring in any one period. Additionally, rental rates could decline, tenant bankruptcies could increase and tenant renewals may not be achieved, particularly in the event of a protracted disruption in the economy, such as a recession.

As at December 31, 2024, RioCan had a commercial NLA, at its interest, of 30,560,000 square feet of income producing properties and a portfolio in-place occupancy rate of 97.4%. Based on our current annualized portfolio weighted average commercial rental revenue of approximately \$37.21 per square foot including CAM and tax recoveries, for every fluctuation in occupancy by a differential of 1%, our operations would be impacted by approximately \$11.4 million annually.

RioCan's aggregate net rental revenue from leases expiring over the next five years is \$442.8 million based on current contractual rental rates, excluding CAM and tax recoveries. If the leases associated with these expiring net rents are renewed upon maturity at an aggregate rental rate differential of 100 basis points, the Trust's net income would be impacted by approximately \$4.4 million annually.

Some of our retail lease agreements include co-tenancy clauses which allow the tenant to pay a reduced rent amount and, in certain instances, terminate the lease, if RioCan fails to maintain certain occupancy levels or retain certain anchor tenancies. In addition, certain of our tenants have the ability to terminate their leases prior to the lease expiration date if their sales do not meet agreed upon thresholds. If occupancy, tenancy or sales fall below certain thresholds, rents that we are entitled to receive from tenants could be reduced.

Relative Liquidity of Real Property

Real estate investments are relatively illiquid. A large proportion of RioCan's capital is invested in physical assets which can be difficult to sell, especially if local market conditions are poor. A lack of liquidity could limit our ability to sell components of the portfolio promptly in response to changing economic or investment conditions. If RioCan were required to quickly liquidate its assets, there is a risk that we would realize sale proceeds of less than the current book value of our real estate investments.

As well, certain significant expenditures involved in real property investments, such as property taxes, maintenance costs and mortgage payments, represent obligations that must be met regardless of whether the property is producing sufficient, or any, revenue.

Regulatory Risk

Any reintroduction of rent control legislation in the future and/or prolonged rent freezes could impact the Trust's existing residential rental operations and also certain mixed-use development projects' future NOI growth potential. As at January 1, 2025, the guideline on rent increases for 2025 in Ontario is 2.5%.

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Inclusionary zoning is a land-use planning tool in the Province of Ontario which permits municipalities to require new developments or redevelopments to dedicate or maintain a portion of new residential units as affordable housing. Based on the City of Toronto's inclusionary zoning framework, RioCan's existing lands in the City of Toronto located within identified Protected Major Transit Station Areas ("PMTSA") intended for development or re-development will be subject to the City of Toronto's inclusionary zoning requirements unless certain factors are satisfied. At this time, the Minister of Municipal Affairs and Housing has not approved any PMTSAs in the City of Toronto, therefore, inclusionary zoning is not in force in the City of Toronto as of the date hereof. The financial impact of the new requirements on the originally contemplated development plans remains unknown, particularly as other municipalities move forward with their own inclusionary zoning frameworks and recent proposed legislative changes could potentially impose a cap on the number of units required and limit the affordability period for each unit.

Municipalities are in the process of revamping their *Planning Act* application review process and the City of Toronto continues to pursue an Official Plan Amendment ("OPA") making zoning compliance a complete application requirement for the filing of Site Plan Approval ("SPA") applications. The delays related to the filing of complete SPA applications have the potential to impact the calculation of Development Charges payable in relation to a development, inclusionary zoning transition requirements, and the application of costly green building application related requirements such as the City of Toronto Green Standards. RioCan has appealed related Official Plan Amendments made in the City of Toronto, which is currently proceeding through an Ontario Land Tribunal led mediation.

In addition to removing the planning application refund scheme set out in the *Planning Act*, the "Cutting Red Tape to Build More Homes Act, 2024" (Bill 185) which is substantially in force, has made a number of changes to the planning approval process in Ontario. Certain of these changes may benefit RioCan (including, but not limited to, limiting third party appeals with respect to planning and zoning applications), but others may be detrimental (including, but not limited to, limiting RioCan's right to appeal planning and zoning applications that it may oppose and allowing municipalities to impose a lapsing provision on Site Plans and Plans of Subdivision if a building permit is not issued within a set period of time that cannot be less than three years).

Development Risk

As discussed in the *Our Business* and *Our Business Environment* section of this MD&A, after many years of construction and housing booms in Canada's major markets, there are a number of emerging factors that are affecting development risks that the Trust faces. Such factors include, but are not limited to, rising construction costs and development charges, a shortage of experienced labour in certain construction related trades and fluctuations in interest rates. Macroeconomic uncertainty has imposed additional risks and uncertainties on development, including, but not limited to, potential development or construction delays or shutdowns, volatile costs, pace of property lease-up or condominium pre-sales and lower condominium sales prices. The impact of development risk factors will be further assessed and observed in terms of broader market reactions. These factors could impact certain of the Trust's mixed-use development projects' future NOI growth potential, and profit margin or development yield potential. Regarding development charges specifically, the City of Toronto passed a new development charge by-law in 2022 which increased the development charges payable on new residential development by 46%, with the increase phased in through May of 2024. It should be noted that the cost of development charges continues to rise, particularly in the City of Toronto.

Residential Business Risk

RioCan's mixed-use development projects under construction include residential condominiums and rental apartments. Currently, 85% of the Trust's condominium units under construction have been pre-sold, with an average deposit of 20%. Purchaser demand for residential condominiums is cyclical and is affected by changes in general market and economic conditions, such as consumer confidence, employment levels, availability of financing for home buyers, interest rates, demographic trends, housing supply and housing demand. As a landlord of rental apartments, RioCan is subject to the risks inherent in the multi-unit residential rental business, including, but not limited to, fluctuations in occupancy levels, individual credit risk, heightened reputation risk, tenant privacy concerns, potential changes to rent control regulations, increases in operating costs including the costs of utilities and the imposition of new taxes or increased property taxes.

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Other Risks

Environmental Matters

Environmental and ecological related policies have become increasingly important in recent years. Under various Federal, Provincial, and Municipal laws, RioCan, as an owner or operator of real property, could become liable for the costs of removal or remediation of certain hazardous or toxic substances released on or in its properties or disposed of at other locations. The failure to remove or remediate such substances, or address such matters through alternative measures prescribed by the governing authority, may adversely affect RioCan's ability to sell such real estate or to borrow using such real estate as collateral, and could, potentially, also result in claims against the Trust. RioCan is not currently aware of any material non-compliance, liability or other claim in connection with any of its properties, nor is RioCan currently aware of any environmental condition with respect to any properties that it believes would involve material expenditures by the Trust.

It is our policy to obtain a Phase I environmental audit conducted by a qualified environmental consultant prior to acquiring any additional property. In addition, where appropriate, tenant leases generally specify that the tenant will conduct its business in accordance with environmental regulations and be responsible for any liabilities arising out of infractions to such regulations. It is RioCan's practice to regularly inspect tenant premises that may be subject to environmental risk. We maintain insurance to cover a sudden and/or accidental environmental mishap.

Climate Change Risk

Climate change poses environmental, social and business risks. RioCan believes that climate-related risks and opportunities should be identified, assessed and managed. To that end, RioCan has aligned our climate change strategy and disclosures with TCFD. For details, refer to the *Climate-Related Financial Disclosures* section of this MD&A.

Cyber Security Risk

Cyber security continues to be an increasing area of focus as reliance on digital technologies to conduct business operations has grown significantly. Cyber attacks can include but are not limited to intrusions into operating systems, cyber extortion, social engineering fraud, theft of personal or other sensitive data and may cause disruptions to normal operations. Such cyber attacks could compromise the Trust's confidential information as well as that of the Trust's employees, tenants and third parties with whom the Trust interacts and may result in negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny, litigation and reputational damage.

As a result, the Trust has developed a cyber security program focused across a spectrum of preventative protective and detective measures. These measures include, but are not limited to, active monitoring of security events, security awareness programs for employees, regular vulnerability testing performed by both internal and external parties, establishing and maintaining a robust disaster recovery program, implementation of a formal incident response program and enhancing email security. The Trust continues to evolve its security tactics and defenses in response to emerging threats. The Trust also follows certain protocols when it engages technology vendors concerning data security and access control.

Litigation

RioCan's operations are subject to a wide variety of laws and regulations across all of its operating jurisdictions and RioCan faces risks associated with legal and regulatory changes and litigation. In the normal course of operations, RioCan becomes involved in various legal actions, including claims relating to personal injury, property damage, property taxes, land rights, and contractual and other commercial disputes. The final outcome with respect to outstanding, pending or future actions cannot be predicted with certainty, and the resolution of such actions may have an adverse effect on our financial position or results of operations. RioCan retains external legal consultants to assist it in remaining current and compliant with legal and regulatory changes and to respond to litigation.

Uninsured Losses

RioCan carries comprehensive general liability, environmental, fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks (including, but not limited to, environmental contamination or catastrophic events such as war, insurrection, rebellion, revolution, civil war, usurped power, or action taken by a government authority in hindering, combating or defending against such an event, nuclear reaction or nuclear radiation or radioactive contamination or acts of terrorism) which are either uninsurable, in whole or in part, or not insurable on an economically viable basis. Should an uninsured or underinsured loss occur, the Trust could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, and the Trust would continue to be obliged to repay any recourse mortgage indebtedness on such properties.

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Key Personnel

RioCan's executive and other senior officers have a significant role in our success and oversee the execution of RioCan's strategy. Our ability to retain our management team or attract suitable replacements should any members of the management group leave is dependent on, among other things, the competitive nature of the employment market. RioCan has experienced departures of key professionals in the past and may do so in the future, and we cannot predict the impact that any such departures will have on its ability to achieve its objectives. The loss of services from key members of the management team or a limitation in their availability could adversely impact our financial condition and cash flow.

We rely on the services of key personnel on our executive team, including our President and Chief Executive Officer, Jonathan Gitlin, our Chief Financial Officer, Dennis Blasutti, our Chief Operating Officer, John Ballantyne and our Chief Investment Officer, Andrew Duncan, and the loss of their services could have an adverse effect on RioCan. We mitigate key personnel risk through succession planning, but do not maintain key personnel insurance.

Unitholder Liability

There is a risk that RioCan's Unitholders could become subject to liability. The Trust's Declaration provides that no Unitholder or annuitant under a plan of which a Unitholder acts as trustee or carrier will be held to have any personal liability as such, and that no resort shall be had to the private property of any Unitholder or annuitant for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of RioCan. Only RioCan's assets are intended to be subject to levy or execution. The Declaration of Trust further provides that, whenever possible, certain written instruments signed by RioCan must contain a provision to the effect that such obligation will not be binding upon Unitholders personally or upon any annuitant under a plan of which a Unitholder acts as trustee or carrier. In conducting its affairs, RioCan has acquired and may acquire real property investments subject to existing contractual obligations, including obligations under mortgages and leases that do not include such provisions. RioCan will use its best efforts to ensure that provisions disclaiming personal liability are included in contractual obligations related to properties acquired, and leases entered into, in the future.

Certain provinces have legislation relating to Unitholder liability protection, including British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec. To RioCan's knowledge, certain of these statutes have not yet been judicially considered and it is possible that reliance on such statutes by a Unitholder could be successfully challenged on jurisdictional or other grounds.

Income Taxes

RioCan currently qualifies as a mutual fund trust and for the REIT Exemption for income tax purposes. RioCan expects to distribute the Trust's taxable income to Unitholders such that it will not be subject to tax. From time to time, RioCan may retain some taxable income and net capital gains in order to utilize the capital gains refund available to mutual fund trusts without incurring any income taxes. In order to maintain RioCan's current mutual fund trust status, the Trust is required to comply with specific restrictions regarding its activities and the investments held by the Trust. If the Trust was to cease to qualify as a mutual fund trust, or for the REIT Exemption for income tax purposes, the consequences could be material and adverse.

No assurance can be given that the provisions of the Tax Act regarding mutual fund trusts and the REIT Exemption will not be changed in a manner that adversely affects RioCan and its Unitholders. From year-to-year, there is a risk that the taxable allocation to Unitholders can change depending upon the Trust's activities.

RioCan is of the view that the expenses it has claimed by it and its subsidiaries will be reasonable and deductible, that the cost amount and capital cost allowance claims of the Trust and entities directly or indirectly owned by the Trust will have been correctly determined, and the calculation of its tax disposition gains will be appropriate. However, there can be no assurance that the Tax Act, or the interpretation of the Tax Act, will not change, or that the Canada Revenue Agency (the "CRA") will agree. If the CRA successfully challenges the deductibility and positions taken or the allocation of such income, RioCan's taxable income, and indirectly the taxable income of Unitholders, will increase or change.

**Audited Annual Consolidated Financial Statements
for the Years Ended December 31, 2024 and 2023**

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The management of RioCan Real Estate Investment Trust (the Trust or RioCan) is responsible for the preparation and fair presentation of the accompanying annual consolidated financial statements and Management's Discussion and Analysis (MD&A). The annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The annual consolidated financial statements and information in the MD&A necessarily include amounts based on best estimates and judgments by management of the expected effects of current events and transactions with the appropriate consideration given to materiality. In addition, in preparing this financial information, we must make determinations about the relevancy of information to be included, and estimates and assumptions that affect the reported information. The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected. The annual consolidated financial statements have been properly prepared within reasonable limits of materiality and in light of information available up to February 18, 2025.

In meeting our responsibility for the integrity and fairness of the annual consolidated financial statements and MD&A, and for the accounting systems from which they are derived, management has established the necessary internal controls designed to ensure that our financial records are reliable for preparing consolidated financial statements and other financial information, transactions are properly authorized and recorded, and assets are safeguarded against unauthorized use or disposition.

As at December 31, 2024, our Chief Executive Officer and Chief Financial Officer evaluated, or caused an evaluation under their direct supervision, the design and operation of our internal controls over financial reporting (as defined in National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*) and, based on that evaluation, determined that our internal controls over financial reporting were appropriately designed and operating effectively.

The Board of Trustees oversees management's responsibility for financial reporting through an Audit Committee, which is composed entirely of independent trustees. The Audit Committee reviews RioCan's annual consolidated financial statements and MD&A with both management and the independent auditor before such statements are approved by the Board of Trustees. Other key responsibilities of the Audit Committee include selecting RioCan's independent auditor, reviewing and approving, with the delegated authority from the Trustees, the annual consolidated financial statements and MD&A, and monitoring RioCan's existing systems of internal controls.

Ernst & Young LLP, the independent auditor appointed by the Unitholders of RioCan upon the recommendation of the Board of Trustees, has examined our 2024 and 2023 annual consolidated financial statements and has expressed their opinion upon the completion of such examination in the following report to the Unitholders. The auditor has full and free access to, and meets at least quarterly with, the Audit Committee to discuss their audits and related matters.

(signed) Jonathan Gitlin

Jonathan Gitlin
President & Chief Executive Officer

(signed) Dennis Blasutti

Dennis Blasutti
Chief Financial Officer

Toronto, Canada
February 18, 2025

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of RioCan Real Estate Investment Trust

Opinion

We have audited the consolidated financial statements of RioCan Real Estate Investment Trust and its subsidiaries (the Trust), which comprise the consolidated balance sheets as at December 31, 2024 and 2023, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Trust as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT (continued)

Key audit matter

Valuation of investment properties

The Trust's investment property portfolio comprises income-producing properties and properties under development with a fair value of \$13.8B which represents 89% of total assets at December 31, 2024.

The Trust measures the vast majority of its investment properties using valuations prepared by an internal valuations team, consisting of individuals with specialized industry experience in real estate valuations. The valuation methodology for these investment properties is primarily based on an income approach, utilizing the direct capitalization method. Properties under development - undeveloped land is measured using a comparable sales approach on a land value per acre or a per buildable square foot basis. Depending on the property asset type and location, the Trust may also obtain independent third-party valuations from firms that employ qualified appraisers.

Note 2.8 of the consolidated financial statements describes the accounting policy for investment properties, and Note 3 describes the valuation method and key valuation inputs.

Note 3 of the consolidated financial statements discloses the sensitivity of the fair value of investment properties to a change in capitalization rates and stabilized net operating income.

The valuation of the Trust's investment property portfolio is a key audit matter given the inherently subjective nature of significant assumptions including capitalization rates, and stabilized net operating income including occupancy and rental rate assumptions. These assumptions are influenced by property-specific characteristics including location, type and quality of the properties and tenancy agreements.

For properties under development, depending on the complexity and stage of completion, costs to complete construction as well as leasing and construction risk, and land values per acre or buildable square foot, are additional significant assumptions that impact the final valuation.

How our audit addressed the key audit matter

With the assistance of our real estate valuation specialists, we obtained an understanding of the valuation process, evaluated the appropriateness of the underlying valuation methodology, and performed the following audit procedures, among others:

We assessed the competence and objectivity of management's internal valuations team, and any third-party appraisers engaged, by considering the qualifications and expertise of the individuals involved in the preparation and review of the valuations.

We selected a sample of properties where either the fair value change from prior year or significant assumptions fell outside our expectations, based on our understanding of the geographical real estate market for the specific asset type. For this sample of investment properties, we evaluated the significant assumptions by comparison to the expected real estate market benchmark range for similar assets and tenancies, in similar locations. We also considered whether there were any additional asset-specific characteristics that may impact the significant assumptions utilized and that these were appropriately considered in the overall assessment of fair value. We performed a look-back analysis to assess the accuracy of management's historical fair value estimates through comparison to transactions to acquire and dispose of interests in investment properties completed by the Trust during the year.

For properties under development, in addition to the procedures performed above, we compared construction budgets to actual expenditures and evaluated estimated costs to complete by comparing to contractual arrangements or reference to third party data, as applicable, on a sample basis. We also evaluated whether the capitalization rate used to value properties under development considered the complexity of the development, stage of completion, and timing of cashflows.

We evaluated the Trust's related accounting policies and disclosures in the consolidated financial statements to assess appropriateness and conformity with IFRS.

Other information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the consolidated financial statements and our auditor's report thereon, in the Annual Report

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion & Analysis and the Annual Report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (continued)

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Trust as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mark Vrooman.

The logo for Ernst & Young LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
February 18, 2025

RIOCAN REAL ESTATE INVESTMENT TRUST
CONSOLIDATED BALANCE SHEETS

(In thousands of Canadian dollars)

As at	Note	December 31, 2024	December 31, 2023
Assets			
Investment properties	3	\$ 13,839,154	\$ 13,561,718
Equity-accounted investments	4	408,588	383,883
Mortgages and loans receivable	6	470,729	289,533
Residential inventory	5	284,050	217,186
Assets held for sale	3	16,707	19,075
Receivables and other assets	7, 8	262,573	246,652
Cash and cash equivalents		190,243	124,234
Total assets		\$ 15,472,044	\$ 14,842,281
Liabilities			
Debentures payable	10	\$ 4,088,654	\$ 3,240,943
Mortgages payable	11	2,851,602	2,740,924
Lines of credit and other bank loans	12	383,658	879,246
Accounts payable and other liabilities	13	589,792	543,398
Total liabilities		\$ 7,913,706	\$ 7,404,511
Equity			
Unitholders' equity		7,558,338	7,437,770
Total liabilities and equity		\$ 15,472,044	\$ 14,842,281

The accompanying notes are an integral part of the consolidated financial statements.

Approved on behalf of the Board of Trustees

(signed) Janice Fukakusa
Janice Fukakusa
Chair of the Audit Committee
Trustee

(signed) Jonathan Gitlin
Jonathan Gitlin
President and Chief Executive Officer
Trustee

RIOCAN REAL ESTATE INVESTMENT TRUST
CONSOLIDATED STATEMENTS OF INCOME
(In thousands of Canadian dollars, except per unit amounts)

Years ended December 31,	Note	2024	2023
Revenue			
Rental revenue	17	\$ 1,137,127	\$ 1,091,105
Residential inventory sales	5, 17	84,483	13,789
Property management and other service fees	17	17,916	18,977
		1,239,526	1,123,871
Operating costs			
Rental operating costs			
Recoverable under tenant leases		397,042	374,149
Non-recoverable costs		37,147	26,320
Residential inventory cost of sales	5	64,389	8,994
		498,578	409,463
		740,948	714,408
Operating income			
Other income (loss)			
Interest income	19	42,469	25,131
Income from equity-accounted investments	4	38,507	18,383
Fair value loss on investment properties, net	3	(29,353)	(450,408)
Investment and other income, net	18	17,531	8,501
		69,154	(398,393)
Other expenses			
Interest costs, net	20	257,544	208,948
General and administrative	21	59,847	60,367
Internal leasing costs		13,293	11,919
Transaction and other costs	22	6,747	9,344
		337,431	290,578
		472,671	25,437
Income before income taxes		472,671	25,437
Current income tax recovery		(794)	(13,365)
Net income		\$ 473,465	\$ 38,802
Net income per unit			
Basic	23	\$ 1.58	\$ 0.13
Diluted	23	\$ 1.58	\$ 0.13

The accompanying notes are an integral part of the consolidated financial statements.

RIOCAN REAL ESTATE INVESTMENT TRUST
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands of Canadian dollars)

Years ended December 31,	Note	2024	2023
Net income		\$ 473,465	\$ 38,802
Other comprehensive income (loss)			
Items that may be reclassified subsequently to income, net of tax:			
Interest rate swap agreements:			
Unrealized gain during the year	14, 25	767	8,877
Reclassified during the year to income	14, 25	(9,404)	(22,921)
Bond forward agreement:			
Unrealized gain (loss) during the year	14, 25	1,997	(6,338)
Realized (loss) gain during the year	14, 25	(6,354)	16,770
Reclassified during the year to income	14, 25	(8,269)	(7,127)
Other comprehensive (loss) income from equity-accounted investments	4, 14	(769)	132
Item that is not to be reclassified to income, net of tax:			
Actuarial gain (loss) on pension plan	14	142	(517)
Other comprehensive loss, net of tax		(21,890)	(11,124)
Comprehensive income, net of tax		\$ 451,575	\$ 27,678

The accompanying notes are an integral part of the consolidated financial statements.

RIOCAN REAL ESTATE INVESTMENT TRUST CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands of Canadian dollars)

	Note	Trust Units	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total equity
Balance, December 31, 2022		\$ 4,556,783	\$ 55,210	\$ 3,054,526	\$ 62,373	\$ 7,728,892
Changes during the year:						
Net income		—	—	38,802	—	38,802
Other comprehensive loss	14	—	—	—	(11,124)	(11,124)
Unit-based compensation exercises, net of Units repurchased for settlement of Unit exercises	14	3,173	(12,227)	—	—	(9,054)
Units issued, net of issuance costs	14	210	—	—	—	210
Unit-based compensation awards	14	—	12,968	—	—	12,968
Distributions to Unitholders	16	—	—	(322,924)	—	(322,924)
Balance, December 31, 2023		\$ 4,560,166	\$ 55,951	\$ 2,770,404	\$ 51,249	\$ 7,437,770

	Note	Trust Units	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total equity
Balance, December 31, 2023		\$ 4,560,166	\$ 55,951	\$ 2,770,404	\$ 51,249	\$ 7,437,770
Changes during the year:						
Net income		—	—	473,465	—	473,465
Other comprehensive loss	14	—	—	—	(21,890)	(21,890)
Unit-based compensation exercises, net of Units repurchased for settlement of Unit exercises	14	(56)	(11,901)	—	—	(11,957)
Units issued, net of issuance costs	14	251	—	—	—	251
Unit-based compensation awards	14	—	13,462	—	—	13,462
Distributions to Unitholders	16	—	—	(332,763)	—	(332,763)
Balance, December 31, 2024		\$ 4,560,361	\$ 57,512	\$ 2,911,106	\$ 29,359	\$ 7,558,338

The accompanying notes are an integral part of the consolidated financial statements.

RIOCAN REAL ESTATE INVESTMENT TRUST
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of Canadian dollars)

Years ended December 31,	2024	2023
Operating activities		
Net income	\$ 473,465	\$ 38,802
Items not affecting cash:		
Depreciation and amortization	1,450	2,632
Amortization of straight-line rent	(11,234)	(5,898)
Amortization of bond forward hedge settlement	(8,269)	(7,127)
Amortization of deferred financing charges	5,951	5,161
Unit-based compensation expense	10,385	10,154
Income from equity-accounted investments	(38,507)	(18,383)
Fair value loss on investment properties, net	29,353	450,408
Fair value (gain) loss on marketable securities	(6,645)	761
Transaction losses, net on disposition of investment properties	6	1,334
(Payments for) proceeds from bond forward hedge settlement in hedge reserve	(6,354)	16,770
Adjustments for changes in other working capital items	(71,321)	(109,098)
Cash provided by operating activities	378,280	385,516
Investing activities		
Acquisitions of investment properties	(41,642)	(76,005)
Construction expenditures on properties under development	(192,099)	(265,144)
Capital expenditures on income producing properties	(104,839)	(125,854)
Proceeds from sale of investment properties	104,119	286,541
Contributions to equity-accounted investments	(20,077)	(19,828)
Distributions received from equity-accounted investments	13,166	14,141
Proceeds from disposition of equity-accounted investments	29,601	14,601
Advances of mortgages and loans receivable	(210,527)	(84,080)
Repayments of mortgages and loans receivable	43,056	74,617
Purchase of marketable securities	—	(7,173)
Purchase of other investments	(15,665)	(30,000)
Proceeds from other investments	1,020	9,921
Proceeds from sale of marketable securities, net of selling costs	27,294	2,862
Lease payments received from finance lease receivables	5,827	5,256
Cash used in investing activities	(360,766)	(200,145)
Financing activities		
Proceeds from mortgage financing, net of issue costs	420,419	212,739
Repayments of mortgage principal	(368,810)	(172,964)
Advances from bank credit lines, net of issue costs	480,995	320,014
Repayment of bank credit lines	(977,521)	(471,139)
Proceeds from issuance of debentures, net of issue costs	1,443,922	796,114
Repayment of unsecured debentures	(600,000)	(500,000)
Distributions paid to Unitholders	(332,011)	(321,414)
Units repurchased for settlement of Unit compensation exercises and proceeds received from issuance of Units, net of issue costs	(11,706)	(8,844)
Repayment of lease liabilities	(6,793)	(1,872)
Cash provided by (used in) financing activities	48,495	(147,366)
Net change in cash and cash equivalents	66,009	38,005
Cash and cash equivalents, beginning of year	124,234	86,229
Cash and cash equivalents, end of year	\$ 190,243	\$ 124,234
Supplemental cash flow information	Note 28	

The accompanying notes are an integral part of the consolidated financial statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED December 31, 2024 AND 2023**

(In thousands of Canadian dollars, tabular amounts, except per unit amounts or unless otherwise noted)

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RIOCAN REAL ESTATE INVESTMENT TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In thousands of Canadian dollars, tabular amounts in thousands, except per unit amounts or unless otherwise noted)

1. GENERAL INFORMATION

RioCan Real Estate Investment Trust and its consolidated subsidiaries (collectively, the Trust or RioCan) own, develop and operate one of Canada's largest portfolios of retail-focused and mixed-use properties. The parent trust, RioCan Real Estate Investment Trust, is an unincorporated closed-end trust governed under the laws of the Province of Ontario, Canada, and constituted pursuant to a Declaration of Trust (Declaration) dated November 30, 1993, as most recently amended and restated on June 2, 2020. The Trust's corporate headquarters and registered head office are located at the RioCan Yonge Eglinton Centre, 2300 Yonge Street, Toronto, Ontario, Canada.

RioCan's trust units (Units) are listed on the Toronto Stock Exchange (TSX) under the ticker symbol REI.UN.

These annual audited consolidated financial statements of the Trust as at and for the years ended December 31, 2024 and 2023 were authorized for issue by RioCan's Board of Trustees on February 18, 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies (and any changes thereto) used in the preparation of these consolidated financial statements are summarized below. These accounting policies have been applied consistently in all material respects in the preparation of these consolidated financial statements. Any International Financial Reporting Standards (IFRS) issued but not yet effective for the current accounting year are described in Note 2.25.

2.1 Statement of compliance

RioCan's consolidated financial statements are prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB).

2.2 Basis of presentation

These consolidated financial statements are prepared on a going concern basis using the historical cost method modified to include the fair value measurement of investment property, including properties held for sale, and certain financial instruments, as set out in the relevant accounting policies. These consolidated financial statements are presented in Canadian dollars, which is the functional and presentation currency of the Trust. All dollar amounts discussed herein are in thousands of Canadian dollars, unless otherwise stated.

The Trust presents its consolidated balance sheets based on the liquidity method, whereby all assets and liabilities are presented in increasing order of liquidity. RioCan considers this presentation to be more relevant than a classified balance sheet as the Trust considers its operating cycle to be longer than one year. The notes to the consolidated financial statements distinguish between current and non-current assets and liabilities. Current assets and liabilities are those expected to be recovered or settled within one year from the reporting period, and non-current assets and liabilities are those where the recovery or settlement is expected to be greater than a year from the reporting period. Any IFRS issued but not yet effective up to the date of issuance of these consolidated financial statements are described in Note 2.25. Certain comparative amounts have been reclassified to conform to the current year's presentation.

2.3 Significant judgments

The preparation of RioCan's consolidated financial statements requires management to make significant judgments that affect the carrying amounts of assets and liabilities, and the reported amounts of revenues and expenses. In the process of applying RioCan's accounting policies, management was required to apply judgment in the areas discussed below.

Control

When determining whether the Trust should consolidate an investment in an entity, the Trust makes judgments in its assessment of whether it has control over an entity considering the power to direct the relevant activities of the entity, its exposure or rights to the variable returns of the entity and its ability to use its power to affect its returns.

Investment properties

RioCan's accounting policies relating to investment properties are described in Note 2.8. In applying these policies, judgment is required in determining whether certain costs represent additions to the carrying amount of the property and in distinguishing between tenant incentives and capital improvements.

Properties under development and residential inventory

Development costs for properties under development and residential inventory are capitalized during active development in accordance with the accounting policy in Note 2.8. Management's judgment is required in determining when a property is in active development, which generally begins when a development commences and ceases when a development is substantially completed and the asset can operate in a manner intended by management.

RIOCAN REAL ESTATE INVESTMENT TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In thousands of Canadian dollars, tabular amounts in thousands, except per unit amounts or unless otherwise noted)

Impairment of mortgages and loans receivable

IFRS 9 requires management to use judgment in determining if the Trust's financial assets are impaired. The Trust's mortgages and loans receivable are subject to the expected credit loss (ECL) model whereby the Trust estimates on a forward-looking basis possible default scenarios and considers various factors including macroeconomic information and other external market indicators, when determining whether a provision is necessary.

Leases - Classification, RioCan as lessor

The Trust makes judgments in determining whether certain leases, in particular tenant leases where the Trust is the lessor, are either operating or finance leases. When RioCan has determined, based on an evaluation of terms and conditions of the lease arrangements, that the Trust retains all of the significant risks and rewards of ownership of these properties, it accounts for these arrangements as operating leases.

Leases - Determination of lease term of contracts

The Trust determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised by the lessee, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised by the lessee, including purchase options. The Trust determines the lease commencement date as the date on which the underlying asset is made available for use by the lessee, which is based on the terms of the lease contract, the type and extent of tenant improvements, and, for properties under development, the state of completion of the property. At commencement date, the Trust determines as lessee or as lessor whether there is reasonable certainty that options to extend or cancel a lease will be exercised. To perform this analysis, the Trust takes into account the extension terms of the contract including whether the extension is likely to be below market rent, the cost to cancel a lease and significant investments made on the property. After the commencement date, the Trust revises the lease term when an extension or termination option is exercised and it was not previously included in the lease term.

Income taxes

The Trust uses judgment to interpret income tax rules and regulations and to determine the appropriate rates and amounts in recording current and deferred income taxes, giving consideration to timing and probability. Actual income taxes could significantly vary from these estimates as a result of future events, including changes in income tax law or the outcome of reviews by tax authorities and related appeals. To the extent that the final tax outcome is different from the amounts that were initially recorded, such difference would impact the income tax provision in the period in which such determination is made.

The recognition of deferred income tax assets and liabilities also requires significant judgment as the recognition is dependent on RioCan's projection of future taxable profits and income tax rates that are expected to be in effect in the period the asset will be realized or the liability settled. Any changes to this projection will result in changes in the amount of deferred tax assets and liabilities on the consolidated balance sheets and the deferred tax expense in the consolidated statements of income.

2.4 Use of estimates and assumptions

The preparation of RioCan's consolidated financial statements requires management to make estimates and assumptions that have a significant risk of causing a material adjustment to the reported amounts of assets, liabilities, net income and related disclosures over the following reporting period. Estimates made by management are based on events and circumstances that existed as at the consolidated balance sheet date. Accordingly, actual results may differ from these estimates.

Given the volatility in the current macroeconomic environment, it is difficult to predict with certainty the nature and extent of, and the impact of changes in inflation and interest rates and their combined effects on demand and economic growth. Estimates and assumptions that are most subject to increased uncertainty caused by the current macroeconomic environment relate to the valuation of investment properties (Note 3). Changes in assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the affected asset or liability in the future.

Investment property

Estimates and assumptions used in determining fair value of the Trust's investment properties include, but are not limited to, capitalization rates, stabilized net operating income (including vacancy allowances and management fees), and costs to complete. Other temporary valuation allowances, if applicable, are adjusted to reflect lease-up assumptions and construction risk, when appropriate. The Trust examines the key assumptions at the end of each reporting period and updates these assumptions based on recent leasing activity and external data available at the time. A change to any of these inputs may significantly alter the fair value of an investment property. The carrying value for the Trust's investment properties reflects its best estimate for the highest and best use as at December 31, 2024 (Note 3).

Net realizable value of residential inventory

Residential inventory is stated at the lower of cost and net realizable value. In calculating the net realizable value of residential inventory and assessing for impairment of condominium sales receivables, the Trust estimates the selling prices based on prevailing market prices, estimated cost-to-complete and selling costs.

RIOCAN REAL ESTATE INVESTMENT TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In thousands of Canadian dollars, tabular amounts in thousands, except per unit amounts or unless otherwise noted)

Financial instruments

The Trust uses estimates and assumptions that affect the carrying amounts of certain financial instruments; these are described in Note 2.15. In addition, the Trust uses estimates and assumptions for determining the fair values of financial instruments for disclosure purposes (Note 24).

2.5 Basis of consolidation

These consolidated financial statements include the accounts of the parent trust, RioCan Real Estate Investment Trust, and its subsidiaries, after elimination of intercompany transactions, balances, revenues and expenses.

(i) Subsidiaries

Subsidiaries are entities over which the Trust has control. The Trust reassesses whether it controls an investee based on current facts and circumstances.

All subsidiaries are consolidated from the date RioCan obtains control and continue to be consolidated until the date that such control ceases.

(ii) Associates and joint ventures

Associates are entities over which RioCan has significant influence but not control or joint control, generally accompanying an ownership between 20% and 50% of the voting rights, although other factors such as the ability to impact key operating decisions could also indicate significant influence.

Joint ventures are entities over which the Trust has joint control and whereby the parties that share joint control have rights to the net assets of the joint venture. Investments in associates and joint ventures are accounted for using the equity method. The financial statements of RioCan's associates and joint ventures are prepared for the same reporting period as the Trust, and where necessary, adjustments are made to bring the accounting policies of such entities in line with those of the Trust.

(iii) Joint operations

A joint operation is a joint arrangement where parties have joint control and have rights to the assets and obligations for the liabilities relating to the arrangement. RioCan records only its share of the assets, liabilities and share of the results of operations of the joint operation. The assets, liabilities and results of joint operations are included within the respective line items of the consolidated balance sheets, consolidated statements of income and consolidated statements of comprehensive income.

2.6 Business combinations

At the time of acquisition of property, whether through a controlling share investment or directly, the Trust considers whether the acquisition represents the acquisition of a business. The Trust accounts for an acquisition as a business combination where an integrated set of activities, which include significant processes, are acquired in addition to the property. If no significant processes or only insignificant processes are acquired, the acquisition is treated as an asset acquisition rather than a business combination.

The Trust has an option to apply a 'concentration test' on an asset-by-asset basis that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met, and the acquisition can be treated as an asset acquisition, if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the acquisition date. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs associated with business combinations are expensed in the period incurred.

When an acquisition does not meet the criteria for a business, it is accounted for as an acquisition of a group of assets and liabilities, the cost of which includes transaction costs that are allocated to the assets and liabilities acquired based upon their relative fair values.

2.7 Fair value measurement

The Trust measures certain financial instruments, such as derivatives, and non-financial assets, such as investment properties, at fair value as at each consolidated balance sheet date. Fair value incorporates all factors that market participants would consider in setting a price acting in their economic best interests, including commonly accepted valuation approaches. The fair value measurement presumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability that is accessible by RioCan.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

RIOCAN REAL ESTATE INVESTMENT TRUST

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(In thousands of Canadian dollars, tabular amounts in thousands, except per unit amounts or unless otherwise noted)

The Trust uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest-level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest-level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest-level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, RioCan has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.8 Investment properties

Investment properties comprise income producing properties and property under development that are held to earn rental revenue or for capital appreciation or both. Real estate property held under a lease is classified as investment property if it meets the definition of investment property, as further described in Note 2.11 A(i).

(i) Income producing properties

Income producing properties are initially measured at cost. Costs include all amounts related to acquisition, including transaction costs related to an asset acquisition as outlined in Note 2.6, and improvements of the properties. All costs associated with upgrading and extending the economic life of the existing facilities other than ordinary repairs and maintenance are capitalized to investment property. Subsequent to initial recognition, income producing properties are recorded at fair value. The determination of fair value is based on, among other things, rental revenue from current leases and reasonable and supportable assumptions that represent what knowledgeable, willing parties would assume about rental revenue from future leases in light of current conditions, less future cash outflows in respect of tenant installation costs, income producing property operations and capital expenditures. Gains or losses arising from differences between current period fair value and the sum of previously measured fair value and capitalized costs are recognized in net income in the period in which they arise.

(ii) Properties under development

Properties under development include those properties, or components thereof, that will undergo activities that will take a substantial period of time to prepare the properties for their intended use as income producing properties.

The cost of a development property that is an asset acquisition comprises the fair value of consideration, paid to acquire the property, including transaction costs. Subsequent to the acquisition, the cost of a development property includes costs that are directly attributable to these assets, including development costs, common area maintenance costs, property taxes and borrowing costs on both specific and general debt (Development Carrying Costs). Development Carrying Costs are capitalized when the activities necessary to prepare an asset for development or redevelopment begin, and continue until the date that construction is substantially complete and the unit of the property can operate in a manner intended by management, which may include that all necessary occupancy and related permits have been received, whether or not the space is leased. If RioCan is required as a condition of a lease to construct tenant improvements that enhance the value of the property, then capitalization of costs continues until improvements are completed. Development Carrying Costs are suspended if there are prolonged periods when development activity is interrupted.

Interest capitalized is calculated using the Trust's weighted average cost of borrowing after adjusting for borrowing associated with specific developments. Where borrowing is associated with specific developments, the amount capitalized is the gross interest incurred on such borrowing less any investment income arising on temporary investment of such borrowing.

Properties under development are also adjusted to fair value as at each consolidated balance sheet date with fair value adjustments recognized in net income.

Investment properties are derecognized on disposal or when no future economic benefits are expected from their use or disposal.

2.9 Residential inventory

Residential inventory consists of assets acquired or developed that RioCan has no intention of using for rental income purposes and plans to sell in the ordinary course of business. Residential inventory is recorded at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs and estimated development costs to complete. The Trust intends to sell residential inventory projects in the ordinary course of business within the normal operating cycle, which may be greater than 12 months from the balance sheet date.

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Residential inventory is reviewed for impairment at each reporting period date. An impairment loss is recognized in net income when the carrying value of the asset exceeds its net realizable value.

Transfers between residential inventory and investment property occur when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property based on management's intentions and there is observable evidence of a change in use.

2.10 Investment properties classified as held for sale

Investment property is classified as held for sale when it is expected that the carrying amount will be recovered principally through sale rather than from continuing use. Upon designation as held for sale, the investment property continues to be measured at fair value and is presented separately on the consolidated balance sheets.

2.11 Leases

A. As a lessee

(i) Right-of-use (ROU) assets

The Trust recognizes ROU assets at the date the underlying asset is available to the Trust for use. As lessee, the Trust has used the practical expedient to combine lease and non-lease components for gross leases. At inception, the ROU assets are recognized at the present value of the future minimum lease payments, and an equivalent amount is recognized as a lease obligation. Subsequent to initial recognition, ROU assets for property leases are carried at fair value.

(ii) Lease liabilities

At the commencement date of the lease, the Trust recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees, less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Trust and payments of penalties for terminating a lease, if the lease term reflects the Trust exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Trust uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Trust applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

B. As a lessor

When the Trust acts as a lessor, it determines and classifies each lease as a finance lease or operating lease at the lease commencement date.

When a lease transfers to the lessee substantially all the risk and rewards of ownership incidental to the ownership of the underlying asset, the lease is classified as a finance lease; otherwise, the lease is classified as an operating lease.

When the Trust is an intermediate lessor, it accounts for its interests in the head lease and sublease separately. The Trust assesses the sublease with reference to the ROU asset arising from the head lease.

If a lease arrangement contains lease and non-lease components, the Trust applies IFRS 15, *Revenue from Contracts with Customers* to allocate the consideration to the various components of the contract.

(i) Finance lease receivables

At the commencement date of a finance lease, the Trust recognizes a finance lease receivable at the amount of its net investment in the lease, which is measured at the present value of lease payments to be made over the lease term. The lease payments included are similar to those noted under lease liabilities above but refer to payments that a landlord is receiving.

In calculating the present value of lease payments, the Trust uses the interest rate implicit in the lease, or in the case of a sublease if the rate is not readily determinable, the discount rate used for the head lease. After the commencement date, the amount of finance lease receivables is increased to reflect the accretion of interest and reduced for the lease payments received.

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In addition, the finance lease receivable is derecognized and impairment is measured in accordance with the expected credit loss (ECL) model pursuant to IFRS 9, *Financial Instruments* (IFRS 9).

2.12 Revenue

The following is a description of the principal activities from which the Trust generates its revenues, including the nature of revenues, timing of satisfaction of performance obligations and significant payment terms.

The following specific recognition criteria must also be met before revenue is recognized:

(i) Rental revenue

The majority of the Trust's rental revenue is earned from its lease contracts with customers.

Base rent

Revenue recognition under an operating lease commences when the tenant has the right to use the leased asset, which is typically when the tenant takes possession of, or controls, the physical use of the leased property. Generally, this occurs on the lease commencement date. When RioCan is required to make additions to the property in the form of tenant improvements that enhance the value of the property or when the property is still under development, revenue recognition begins upon substantial completion of such additions or when the development is substantially complete and in a state that can be used in the manner intended. Lease contracts that contain rent escalation and/or rent-free periods are recognized on a straight-line basis over the term of the lease. A straight-line rent receivable, which is included in the carrying amount of investment properties, is recorded for the difference between the rental revenue recorded and the contractual amount of minimum base rent received or receivable.

Tenant incentives are recognized as a reduction of rental revenue on a straight-line basis over the term of the lease contract where it is determined that the tenant fixturing has no benefit to RioCan beyond the existing tenancy.

Realty tax and insurance recoveries

Tenant reimbursements for real estate taxes and insurance incurred by the Trust relate specifically to the leased property and are considered to be unavoidable costs directly related to the leased asset. The Trust recognizes realty tax and insurance recoveries as they become due.

Common area maintenance (CAM) services

The Trust has obligations pursuant to its lease contracts with tenants to provide CAM services in exchange for CAM recoveries, which are considered non-lease components. These CAM services are delivered to tenants during the period in which the tenants occupy the premises, and as such, CAM recoveries are recognized in revenue over time. The Trust receives variable consideration for the CAM recoveries to the extent of costs incurred, and revenue is recognized on this basis as this is the best estimate of amounts earned over the period these services are performed. Revenue is constrained by actual costs incurred and any restrictions in the lease contracts. The Trust is obligated to continue to provide CAM services over the remainder of the lease contract term and will recognize revenue based on actual cost incurred to fulfill the CAM services.

(ii) Residential inventory

Revenue from contracts with customers for residential land sales, the sale of townhomes and residential condominium units is recognized at the point in time when control over the property has been transferred, which is generally when possession passes to the customer (i.e., the purchaser) since the customer then has the ability to direct the use and obtain substantially all of the benefits of the respective property. Revenue is measured at the transaction price agreed to under the contract.

Funds received from the customer prior to the customer taking possession are recognized as deferred revenue (a contract liability). Non-refundable sales commissions paid by the Trust prior to the customer taking possession are capitalized as contract assets and expensed when the residential inventory revenue is recognized.

Directly attributable marketing and disposition costs are expensed as incurred.

2.13 Investment and other income and transaction and other costs

Transaction gains included in investment and other income, net, and transaction and other costs on the consolidated statements of income, are recognized on the settlement date or on the settlement of post-transaction adjustments. Transaction gains and losses may also arise from the settlement of liabilities for more or less than their carrying values.

2.14 Unit-based compensation

RioCan and its subsidiaries issue unit-based equity-settled awards to certain employees and trustees. The cost of these unit-based payments equals the fair value of each tranche of awards at their grant date. The cost of the unit-based equity settled awards is recognized on a proportionate basis consistent with the vesting features of each tranche of the grant. On settlement of the unit-based equity-settled awards the amount recognized in contributed surplus for the grant is reclassified to trust unit capital.

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2.15 Financial instruments

Financial assets include RioCan's net contractual rents and other tenant receivables, mortgages and loans receivable, cash and cash equivalents, amounts due on condominium final closings, funds held in trust, marketable securities, other investments, derivative contracts, and other receivables. Financial liabilities include RioCan's operating lines of credit, mortgages payable, debentures payable, accounts payable related to property operating costs, and capital expenditures and leasing commissions, trade payables and accruals, deposits received from customers on residential inventory, the bond forward agreement and certain other liabilities.

The Trust determines the classification of its financial assets and financial liabilities at initial recognition by considering the purpose for which they were acquired or incurred. Financial instruments are initially recorded at fair value and, in the case of financial assets or financial liabilities carried at amortized cost, adjusted for directly attributable transaction costs.

Financial Instruments	IFRS 9 Classification
Financial assets	
Cash and cash equivalents (i)	Amortized cost
Marketable securities (ii)	FVTPL (vii)
Other investments (ii) (viii)	FVTPL
Receivables and other assets (iii)	Amortized cost
Mortgages and loans receivable	Amortized cost or FVTPL
Interest rate swap assets (iv)	FVTPL
Financial liabilities	
Debentures payable	Amortized cost
Mortgages payable	Amortized cost
Lines of credit and other bank loans	Amortized cost
Interest rate swap liabilities (iv)	FVTPL
Bond forward agreement (v)	FVTPL
Accounts payable and other liabilities (vi)	Amortized cost

- (i) As at December 31, 2024, cash equivalents amount to \$0.6 million (December 31, 2023 - \$0.4 million).
- (ii) Included in receivables and other assets on the consolidated balance sheets.
- (iii) Financial instruments in receivables and other assets that are classified as amortized cost include net contractual rents and other tenant receivables, amounts due on condominium final closings, funds held in trust, and other receivables.
- (iv) Interest rate swaps are derivative financial instruments that are recorded at fair value on the consolidated balance sheets as interest rate swap assets or interest rate swap liabilities. The effective portion of the fair value gains (losses) is recorded in other comprehensive loss as they are designated in an effective cash flow hedging relationship. See Note 2.19 for further discussion regarding hedge accounting policies.
- (v) The bond forward agreement is a derivative financial instrument that is recorded at fair value on the consolidated balance sheets as bond forward asset or bond forward liability. The effective portion of the fair value gains (losses) is recorded in other comprehensive loss as it is designated in an effective cash flow hedging relationship. See Note 2.19 for further discussion regarding hedge accounting policies.
- (vi) Financial instruments in accounts payable and other liabilities that are classified as amortized cost include accounts payable related to property operating costs, development expenditures, capital expenditures and leasing commissions, other trade payables and accruals and deposits received from customers on residential inventory.
- (vii) Fair value through profit or loss (FVTPL).
- (viii) Includes investment funds.

The amortized cost method referenced in the table above uses an effective interest rate that discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to the net carrying amount of the financial asset or liability.

Financial instruments are initially recorded at fair value and, in the case of financial assets or financial liabilities carried at amortized cost, adjusted for directly attributable transaction costs.

Financial assets

The Trust's financial assets are classified and measured on the basis of both the business model in which the assets are managed and the contractual cash flow characteristics of the asset.

(i) Financial assets at amortized cost

Financial assets are recorded at amortized cost when financial assets are held with the objective of collecting contractual cash flows and those cash flows represent solely payments of principal and interest and are not designated as FVTPL. These assets are measured at amortized cost subsequent to initial recognition using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

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(ii) Financial assets at FVTPL

Financial assets at FVTPL are managed and evaluated on a fair value basis and measured at fair value subsequent to initial recognition. Net gains and losses, including any interest or dividend income, are recognized in profit or loss unless they are derivative instruments designated in an effective hedging relationship.

Financial liabilities

(i) Financial liabilities at amortized cost

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense is recognized in profit or loss. Any modification that results in substantially different terms or in a 10% change in carrying value is accounted for as an extinguishment or derecognition of the original financial liability and the recognition of a new financial liability. Any gain or loss on derecognition is recognized in profit or loss.

(ii) Financial liabilities at FVTPL

A financial liability is classified as FVTPL if it is classified as held for trading, it is a derivative or designated as FVTPL on initial recognition. Financial liabilities at FVTPL are subsequently measured at fair value, and net gains and losses, including any interest expenses, are recognized in profit or loss unless they are derivative instruments designated in an effective hedging relationship.

2.16 Impairment of financial assets

At each reporting date, each financial asset measured at amortized cost is assessed for impairment under an ECL model. The Trust applies the simplified approach, which uses lifetime ECLs, for net contractual rents and other tenant receivables, and the general approach for all other financial assets measured at amortized cost. Mortgages and loans receivable, amounts due on condominium final closings and finance lease receivables are classified as impaired when there is objective evidence that the full carrying amount of the loans and receivables is not collectible.

The Trust uses an accounts receivable aging provision matrix to measure the ECL for net contractual rents and other tenant receivables and applies loss factors accordingly, incorporating forward-looking information including assessing the viability of retail tenants.

Under the general approach of IFRS 9, ECLs for all other financial assets measured at amortized cost are based on which one of the three stages the financial asset is in and the difference between the cash flows the Trust expects to receive and the contractual cash flows due, discounted at the asset's original effective interest rate (if applicable). Any changes in impairment are recognized in net income.

Financial assets together with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to RioCan.

2.17 Financial guarantee contracts

Financial guarantee contracts are contracts issued by RioCan that contingently require the Trust to make specified payments to reimburse the holder for a loss it incurs because the specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantees are recognized on the consolidated balance sheets initially as a liability measured at the fair value of the obligation undertaken in issuing the guarantee, which is generally equal to the guarantee fee received, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of (i) the amount initially recognized less amortization for the passage of time; and (ii) the loss allowance measured using an ECL model.

2.18 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amounts are reported in the consolidated balance sheets if there is an enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.19 Hedges

The Trust may enter into interest rate swaps or bond forward contracts to hedge its interest rate risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

At the inception of a hedging relationship, RioCan formally designates and documents the hedging relationship to which the Trust is applying hedge accounting and the risk management objective and strategy for undertaking the hedge. For the Trust's purposes of hedge accounting, interest rate swap hedges and bond forward contract hedges are classified as cash flow hedges.

Cash flow hedges

In a cash flow hedging relationship, the effective portion of the gain or loss on the hedging instrument is recognized in other comprehensive income (OCI) and accumulated in the cash flow hedge reserve within equity. The ineffective portion is recognized immediately in net income.

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Amounts accumulated in the cash flow hedge reserve are reclassified to the consolidated statements of income in the same periods as the hedged future cash flow. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy) or no longer qualifies for hedge accounting, and the forecasted transaction is still expected to occur, the related cash flow hedge reserve is reclassified into the consolidated statements of income in the period the forecasted transaction occurs. Otherwise, it is immediately reclassified from OCI to the consolidated statements of income.

2.20 Comprehensive income

Comprehensive income comprises net income and OCI, which generally would include changes in the fair value of the effective portion of cash flow hedging instruments, actuarial gains and losses related to RioCan's defined benefit pension plans and other comprehensive income of equity-accounted investments. The Trust reports consolidated statements of comprehensive income comprising net income and OCI for the year.

2.21 Income taxes

The Trust qualifies as a mutual fund trust and a "real estate investment trust" (REIT Exemption) for income tax purposes. The Trust intends to distribute all of its taxable income to Unitholders and is entitled to deduct such distributions for income tax purposes. From time to time, RioCan may retain some taxable income and net capital gains in order to utilize the capital gains refund available to mutual fund trusts without incurring any income taxes. The Trust is therefore considered, in substance, tax exempt and does not account for income taxes, except for amounts incurred in its incorporated Canadian taxable subsidiaries that continue to be subject to income taxes. These taxable subsidiaries account for income taxes as follows:

Current income tax assets and liabilities are measured at the amount expected to be received from or paid to tax authorities based on the tax rates and laws enacted or substantively enacted as at the consolidated balance sheet dates.

Deferred tax liabilities are measured by applying the appropriate tax rate to taxable temporary differences between the carrying amounts of assets and liabilities, and their respective tax basis. The appropriate tax rate is determined by reference to the rates that are expected to apply to the year and the jurisdiction in which the assets are expected to be realized or the liabilities settled. Deferred tax assets are recorded for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits and unused tax losses can be utilized. Current and deferred income taxes are recognized in correlation to the underlying transaction either in OCI or directly in equity.

2.22 Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term investments with original maturities from the date of acquisition of three months or less.

2.23 Provisions

Provisions are recognized when the Trust has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the Trust expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in net income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.24 Changes in accounting policies

The accounting policies used in the preparation of the consolidated financial statements are consistent with those of the prior year, except for the adoption of new standards and interpretations effective January 1, 2024 as follows:

Amendments to IAS 1, Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69-76 of IAS 1 to clarify the requirements for classifying liabilities as current or non-current. The amendments specify that the conditions that exist at the end of a reporting period are those that will be used to determine if a right to defer settlement of a liability exists. The amendments also clarify the situations that are considered a settlement of a liability.

If an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants only at a date subsequent to the reporting period (future covenants), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies to covenants that the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date.

The amendments are effective January 1, 2024. The amendments are to be applied retrospectively. The amendments had no impact on the Trust's Consolidated Financial Statements.

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2.25 Future changes in accounting policies

RioCan monitors the potential changes proposed by the IASB and analyzes the effect that changes in standards may have on RioCan's operations.

Standards issued but not yet effective up to the date of issuance of these consolidated financial statements are described below. This description is of the standards and interpretations issued that the Trust reasonably expects to be applicable at a future date. The Trust intends to adopt these standards when they become effective.

IFRS 18, Presentation and Disclosure in Financial Statements

The IASB has issued IFRS 18, *Presentation and Disclosure in Financial Statements*, which focuses on updates to the statement of profit or loss, including specified totals and subtotals. The key new concepts introduced in IFRS 18 relate to:

- The structure of the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new;
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- Enhanced principles on aggregation and disaggregation, which apply to the primary financial statements and notes in general.

In addition, narrow-scope amendments have been made to IAS 7, *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18 will replace IAS 1. Many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its "operating profit or loss". IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. Management is currently assessing the impact of this standard.

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3. INVESTMENT PROPERTIES

As at	December 31, 2024		December 31, 2023
Income producing properties (IPP)	\$	12,994,238	\$ 12,632,473
Properties under development (PUD)		844,916	929,245
	\$	13,839,154	\$ 13,561,718

Year ended December 31, 2024,		Income producing properties	Properties under development	Total (iv)
Balance, beginning of year	\$	12,651,237	\$ 929,556	\$ 13,580,793
Acquisitions		118,192	42,539	160,731
Dispositions		(120,457)	(290)	(120,747)
Development expenditures		—	164,658	164,658
Capital expenditures:				
Recoverable and non-recoverable expenditures		47,369	—	47,369
Leasing commissions and tenant improvements		67,916	—	67,916
Transfers, net (i)		195,529	(195,529)	—
Fair value gain (loss), net		64,724	(94,077)	(29,353)
Straight-line rent (ii)		11,234	—	11,234
Transfers to finance lease receivables		(10,150)	—	(10,150)
Transfer to equity-accounted investment (iii)		(9,950)	(1,941)	(11,891)
Other changes		(4,432)	—	(4,432)
Earn-out consideration		(267)	—	(267)
Balance, end of year	\$	13,010,945	\$ 844,916	\$ 13,855,861
Investment properties	\$	12,994,238	\$ 844,916	\$ 13,839,154
Properties held for sale		16,707	—	16,707
	\$	13,010,945	\$ 844,916	\$ 13,855,861

- (i) During the year ended December 31, 2024, transfers to income producing properties from properties under development totalled \$225.8 million, reflecting completed developments. Transfers from income producing properties to properties under development totalled \$30.3 million, reflecting the commencement of active development on certain income producing properties during the year.
- (ii) Included in investment properties is \$130.7 million of net rents receivable arising from the recognition of rental revenue on a straight-line basis over the lease term.
- (iii) On October 1, 2024, RioCan formed a new joint venture and transferred its co-ownership interest of the King & Sherbourne properties to equity-accounted investments.
- (iv) Included in investment properties are eight properties held as (ROU) assets as at December 31, 2024.

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Year ended December 31, 2023	Income producing properties	Properties under development	Total (v)
Balance, beginning of year	\$ 12,676,651	\$ 1,173,229	\$ 13,849,880
Acquisitions	75,473	34,583	110,056
Dispositions	(285,921)	(9,485)	(295,406)
Development expenditures	—	244,260	244,260
Capital expenditures:			
Recoverable and non-recoverable expenditures	83,781	—	83,781
Leasing commissions and tenant improvements	52,472	—	52,472
Transfers, net (i)	417,417	(417,417)	—
Transfers to residential inventory (ii)	—	(6,400)	(6,400)
Fair value losses, net	(372,464)	(77,944)	(450,408)
Straight-line rent (iii)	5,898	—	5,898
Transfers to finance lease receivables	(3,774)	—	(3,774)
Transfers to equity-accounted investments (iv)	—	(11,270)	(11,270)
Other changes	1,456	—	1,456
Earn-out consideration	248	—	248
Balance, end of year	\$ 12,651,237	\$ 929,556	\$ 13,580,793
Investment properties	\$ 12,632,473	\$ 929,245	\$ 13,561,718
Properties held for sale	18,764	311	19,075
	\$ 12,651,237	\$ 929,556	\$ 13,580,793

- (i) During the year ended December 31, 2023, transfers to income producing properties from properties under development totalled \$574.0 million, reflecting completed developments. Transfers from income producing properties to properties under development totalled \$156.6 million, reflecting the commencement of active development on certain income producing properties during the year.
- (ii) During the year ended December 31, 2023, East Hills South Block was transferred to residential inventory from investment property as appropriate evidence of a change in use was established.
- (iii) Included in investment properties is \$119.3 million of net rents receivable arising from the recognition of rental revenue on a straight-line basis over the lease term.
- (iv) On September 28, 2023, RioCan formed a new joint venture and transferred its ownership of the 11YV project to equity-accounted investments.
- (v) Included in investment properties are 10 properties held as ROU assets as at December 31, 2023.

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Acquisitions

The following table summarizes the Trust's acquisitions of properties:

For the years ended December 31,	Income producing properties		Properties under development	
	2024	2023	2024	2023
Properties acquired during the year:				
Total consideration	\$ 118,192	\$ 75,473	\$ 42,539	\$ 34,583
Vendor take-back mortgage (VTB) or debt assumed	(73,146)	(40,848)	—	—
Total consideration, net of VTB, purchase price payable and/or debt assumed	\$ 45,046	\$ 34,625	\$ 42,539	\$ 34,583

Investment properties acquisitions

Property name and location	Date acquired	Interest acquired	IPP purchase price (i)	PUD purchase price (i)	VTB mortgage, purchase price payable and/or debt assumed
Q4 2024 - No acquisitions					
Q3 2024 - No acquisitions					
Q2 2024					
Property adjacent to Mega Centre Notre Dame, Laval, QC	May 22	50.0 %	\$ 3,631	\$ —	\$ —
			\$ 3,631	\$ —	\$ —
Q1 2024					
Land at Georgian Mall, Barrie, ON (ii)	March 25	50.0 %	\$ 5,133	\$ —	\$ —
The Underwood Apartments, Calgary, AB (iii)	February 2	50.0 %	48,654	—	28,280
Lawrence Plaza, Toronto, ON (iv)	January 11	50.0 %	60,774	42,539	44,866
			\$ 114,561	\$ 42,539	\$ 73,146
Total acquisitions for the year ended December 31, 2024			\$ 118,192	\$ 42,539	\$ 73,146

(i) Purchase price includes transaction costs.

(ii) RioCan exercised the purchase option in a land lease to acquire a parcel of land at the property. Refer to Note 8.

(iii) Gross purchase price before transaction costs of \$0.2 million was \$52.9 million, of which \$48.5 million was allocated to investment properties and \$4.4 million was allocated to mortgages payable. The mortgages payable assumed on closing had an aggregate contractual balance of \$32.7 million, weighted average contractual interest rate of 1.97% and weighted average maturity term of 6.73 years.

(iv) Gross purchase price before transaction costs of \$4.3 million was \$100.2 million, of which \$99.0 million was allocated to investment properties and \$1.2 million was allocated to mortgages payable. The transaction includes density contingent consideration valued at \$40.9 million. The debt assumed on closing had an aggregate contractual balance of \$46.1 million, with a weighted average contractual interest rate of 3.20% and weighted average term to maturity of 1.58 years.

Purchase obligations

The Trust has agreed to purchase 100% of the retail portion of the 11YV project upon completion, currently estimated to be during 2025, at a 6.0% capitalization rate or a current estimated purchase price of \$24 - \$26 million for the 87.5% interest the Trust will acquire. The Trust currently owns a 12.5% interest in the project through an equity-accounted investment. Refer to Note 4 for further details.

The Trust has agreed to purchase its partners' interest in the retail and residential rental components of Queen & Ashbridge™ upon stabilization, currently estimated to be during 2026, at the greater of pre-determined capitalization rates of 4.75% and 4.15%, respectively, or total cost plus 5%.

The Trust has agreed to purchase a 100% interest in Bellevue Phase Three provided certain conditions are met, currently estimated to be in the first half of 2025, for an estimated purchase price of \$28.0 million.

The Trust has agreed to purchase 90% interest in Market Laval Phase Two/Three provided certain conditions are met, currently estimated to be in the first half of 2025, at a capitalization rate of 4.16%.

Refer to Note 34 for properties acquired subsequent to the balance sheet date.

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Dispositions

The following table summarizes the Trust's dispositions of investment properties:

For the years ended December 31,	Income producing properties		Properties under development	
	2024	2023	2024	2023
Properties disposed during the year:				
Total consideration	\$ 120,457	\$ 285,921	\$ 290	\$ 9,485
Mortgages associated with investment property dispositions	(14,850)	—	—	—
Vendor take-back mortgages receivable on dispositions	(2,976)	(6,000)	—	—
Total consideration, net of related debt	\$ 102,631	\$ 279,921	\$ 290	\$ 9,485

Investment properties dispositions

Property name and location	Date disposed	Interest disposed	IPP sales proceeds	PUD sales proceeds
Q4 2024				
RioCan Centre Vaughan, Vaughan, ON	December 30	100.0 %	\$ 45,400	\$ —
2335 Boulevard Lapiniere, Brossard, QC	December 12	100.0 %	1,600	—
541 Boulevard Saint-Joseph, Gatineau, QC	December 3	100.0 %	1,315	—
Strada - 555-563 College Street, Toronto, ON	November 29	50.0 %	23,896	—
1556 Bank Street, Ottawa, ON	November 28	100.0 %	4,000	—
145 Woodbridge Avenue, Woodbridge, ON	November 21	100.0 %	2,740	—
Timberlea Landing - office building, Fort McMurray, AB	October 18	100.0 %	7,570	—
2422 Fairview Street, Burlington, ON (i)	October 1	100.0 %	4,200	—
			\$ 90,721	\$ —
Q3 2024				
Timmins Square, Timmins, ON	August 21	30.0 %	\$ 8,850	\$ —
			\$ 8,850	\$ —
Q2 2024				
519 Brant Street, Burlington, ON (ii)	June 20	100.0 %	\$ 2,076	\$ —
			\$ 2,076	\$ —
Q1 2024				
Belleville Centre, Belleville, ON	March 28	100.0 %	\$ 5,200	\$ —
Galaxy Centre, Owen Sound, ON	February 20	100.0 %	13,610	290
			\$ 18,810	\$ 290
Total dispositions for the year ended December 31, 2024			\$ 120,457	\$ 290

(i) RioCan provided a VTB mortgage of \$2.0 million.

(ii) RioCan provided a VTB mortgage of \$1.0 million.

Properties held for sale

Presented below are details of the Trust's properties held for sale:

As at	December 31, 2024	December 31, 2023
Assets		
Income producing properties	\$ 16,707	\$ 18,764
Properties under development	—	311
Total assets held for sale	\$ 16,707	\$ 19,075

As at December 31, 2024, RioCan has two investment properties held for sale with a carrying value of \$16.7 million. As at December 31, 2023, RioCan had two investment properties held for sale with a carrying value of \$19.1 million.

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Valuation methodology

Fair value

Fair value is 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 (i.e., an exit price). Expectations about future improvements or modifications to be made to the investment property to reflect its highest and best use may be considered in the valuation.

Investment properties and properties held for sale are carried at fair value, and the Trust uses significant unobservable inputs to estimate fair value of these assets at each reporting date. See below for further description of inputs used by the Trust in estimating the fair value of its properties. Significant unobservable inputs are classified as Level 3 inputs under IFRS. See Note 24 for further details.

Quoted market prices in active markets are the best evidence of fair value and are used as the basis for fair value measurement, when available. When quoted market prices are not available, judgment is required to estimate fair value based on the best information available, including prices for similar assets and the use of other valuation techniques. These valuation techniques are consistent with the objective of measuring fair value and involve a degree of estimation depending on the availability of market-based information.

Valuation processes

Internal valuations

The Trust's Valuations Committee is responsible for approving any fair value changes to the investment properties and consists of senior management of the Trust including the Chief Investment Officer, Chief Operating Officer, Chief Financial Officer and other executive members.

RioCan measures the vast majority of its investment properties, including co-owned properties, using valuations prepared by its internal valuation team. This team consists of individuals who are knowledgeable and have specialized industry experience in real estate valuations and report directly to a senior member of the Trust's management. The internal valuation team's processes and results are reviewed and approved by the Valuations Committee on a quarterly basis, in line with the Trust's quarterly reporting dates.

External valuations

Depending on the property asset type and location, management may opt to obtain independent third-party valuations from firms that employ experienced valuation professionals having the required qualifications in property appraisals for purposes of adopting such appraised values in the case of land parcels or assessing the reasonableness of its internal investment property valuations. The internal valuation team also verifies all major inputs used by the external valuator in preparing the valuation report, assesses changes to fair value by comparing the current year fair value against the fair value determined in the prior year valuation report, and holds discussions with the external valuator.

During the year, the Trust obtained a total of 21 external property appraisals (including two vacant land parcels), which supported an IFRS fair value of approximately \$1.8 billion, or 13.3% of the Trust's investment property portfolio (at 100% interest), as at December 31, 2024. In 2025, the Trust intends to select approximately five income producing properties for external appraisal on a quarterly basis.

Valuation techniques

Income producing properties

The internal valuation team estimates the fair value of each income producing property based on a valuation technique known as the direct capitalization income approach. The fair value is determined by applying a capitalization rate to stabilized net operating income (SNOI). The significant unobservable inputs are based on the following:

- SNOI is based on budgeted rents and expenses and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties, adjusted to incorporate allowances for estimated vacancy rates, and management fees based on current and expected future market conditions after expiry of any current lease. The resulting capitalized value is then adjusted for non-recoverable capital expenditures as well as other costs, including leasing costs, inherent in achieving and maintaining SNOI.
- The capitalization rate is based on the location and quality of the properties and takes into account market data at the valuation date.

Properties under development

Management uses an internal valuation process to estimate the fair value of properties under development that consist of undeveloped land on a land value per acre or per buildable square foot basis using the particular attributes of the project with respect to zoning and pre-development work performed on the site. Where a site is partially developed but has not met certain thresholds, the valuation method is a dollar per buildable square foot plus costs incurred. Where a site is partially developed and meets certain thresholds, the direct capitalization method is applied to capitalize the pro forma net operating income, stabilized

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with market allowances, from which the costs to complete the development are deducted. The significant unobservable inputs are based on the following:

- Pro forma SNOI is based on the location, type and quality of the properties and supported by the terms of actual or anticipated future leases, other contracts or external evidence such as current market rents for similar properties, adjusted for estimated vacancy rates based on expected future market conditions and estimated maintenance costs, which are consistent with internal budgets, based on management's experience and knowledge of the market conditions.
- Costs to complete are derived from internal budgets based on management's experience and knowledge of the market conditions.
- The capitalization rate is based on the location and quality of the properties and takes into account market data at the valuation date.

The primary method of valuation for undeveloped land is the comparable sales approach, which considers recent sales activity for similar land parcels in the same or similar markets. Land values are estimated using either a per acre or per buildable square foot basis based on highest and best use. Such values are applied to RioCan's properties after adjusting for factors specific to the site, including its location, intended use, zoning, servicing and configuration.

For certain properties under development with multi-phased and mixed-use attributes, the Trust employs a corroborative approach using a discounted cash flow valuation method.

The table below summarizes the classification, valuation approach and inter-relationship between the Level 3 key unobservable inputs and fair value measurements for the Trust's investment properties:

Classification	Valuation approach	Key unobservable input	Relationship between key unobservable inputs and fair value measurement
Income producing properties/ Properties under development	Direct capitalization income approach	Capitalization rate	There is an inverse relationship between the capitalization rate and the fair value; in other words, the higher the capitalization rate, the lower the estimated fair value.
		SNOI	Generally, an increase in SNOI will result in an increase in the estimated fair value of the properties.
		Costs to complete	There is an inverse relationship between costs to complete and fair value; in other words, the higher the costs to complete, the lower the estimated fair value.
Properties under development - undeveloped land and partially developed sites	Comparable sales approach	Market comparison	Site value is in line with market trends.

As at December 31, 2024, the weighted average capitalization rate for the Trust's investment properties and properties held for sale is 5.41% (December 31, 2023 - 5.41%). The carrying value of the Trust's investment properties reflects its best estimate for the highest and best use as at December 31, 2024.

The Trust has reviewed the valuation of its properties in light of the difficulty in anticipating the impact of the current global macroeconomic environment on property cash flows and capitalization rates. The impact of changes in inflation and fluctuations in interest rates and their effect on demand and economic growth continue to be uncertain. Such effects could be material to investment properties valuations. As events associated with the current macroeconomic environment continue to unfold, further adjustments to the Trust's IFRS value of investment properties, which could be negative or positive, may be required. Refer to the table below for a sensitivity analysis of investment properties valuations.

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Sensitivity analysis of changes in stabilized SNOI, capitalization rates and costs to complete

The following table is a sensitivity analysis applied to the portion of the Trust's investment properties and properties held for sale carrying value that is measured using the direct capitalization approach and, therefore, is sensitive to changes in capitalization rates:

Capitalization rate sensitivity increase (decrease)	Weighted average capitalization rate	Fair value variance
(1.00%)	4.41%	\$ 3,304,025
(0.75%)	4.66%	2,297,740
(0.50%)	4.91%	1,440,230
(0.25%)	5.16%	681,840
December 31, 2024	5.41%	—
0.25%	5.66%	(614,220)
0.50%	5.91%	(1,174,030)
0.75%	6.16%	(1,684,830)
1.00%	6.41%	(2,153,800)

A 0.25% increase in capitalization rate would result in a lower portfolio fair value of \$614.2 million. A 0.25% decrease in capitalization rate would result in a higher portfolio fair value of \$681.8 million. In addition, a 1% increase in SNOI would result in a higher portfolio fair value of \$134.1 million. A 1% decrease in SNOI would result in a lower portfolio fair value of \$132.5 million. A 1% increase in SNOI coupled with a 0.25% decrease in capitalization rates would result in a higher portfolio fair value of \$820.7 million. A 1% decrease in SNOI coupled with a 0.25% increase in capitalization rates would result in a lower portfolio fair value of \$741.7 million. A 1% increase in costs to complete for the development properties would result in a lower portfolio fair value of \$1.6 million, and a 1% decrease in costs to complete for the development properties would result in a higher portfolio fair value of \$1.6 million.

4. EQUITY-ACCOUNTED INVESTMENTS

Equity-accounted investments

The Trust has certain equity-accounted investments in associates and joint ventures. The following table details the Trust's ownership interest in each equity investee:

Equity investee	Principal activity	December 31, 2024	December 31, 2023
RC Yorkville LP(i)	Development of mixed-use project and sale of residential inventory	25.0 %	75.0 %
PR Bloor Street LP	Development of mixed-use project and sale of residential inventory	50.0 %	50.0 %
RioCan-Fieldgate LP	Development of mixed-use project and sale of residential inventory	50.0 %	50.0 %
Dawson-Yonge LP	Owns and operates an income producing property	40.0 %	40.0 %
RioCan-HBC JV	Owns and operates income producing properties	22.0 %	22.0 %
RC (Queensway) LP	Development and sale of residential inventory	20.0 %	20.0 %
RC (Leaside) LP - Class B	Development and sale of residential inventory	25.0 %	25.0 %
RCLC King and Sherbourne LP	Development and sale of residential rental	50.0 %	— %
WhiteCastle New Urban Fund 2, LP (WNUF 2)		19.3 %	19.3 %
WhiteCastle New Urban Fund 3, LP (WNUF 3)	Development of mixed-use project and sale of residential inventory	20.0 %	20.0 %
WhiteCastle New Urban Fund 4, LP (WNUF 4)		18.4 %	18.4 %
WhiteCastle New Urban Fund 5, LP (WNUF 5)		14.2 %	14.2 %

(i) RioCan's effective ownership interest in the underlying 11YV project was 12.5% as at December 31, 2024 (37.5% as at December 31, 2023).

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The following table shows the changes in the aggregate carrying value of RioCan's investment in associates and joint ventures:

Years ended December 31,	2024	2023
Balance, beginning of year	\$ 383,883	\$ 364,892
Contributions (i)	20,077	19,828
Distributions	(13,166)	(14,141)
Disposition of units (ii)	(29,601)	(14,601)
Total cash flow activities	(22,690)	(8,914)
Non-cash contributions:		
Contribution accrual	1,153	(145)
New joint venture from previously consolidated subsidiary (iii)	9,262	9,958
Share of net income and gains from redemption of units (ii)	38,507	18,383
Other comprehensive (loss) income from equity-accounted investments (ii) (iv)	(769)	132
Other	(758)	(423)
Balance, end of year (v)	\$ 408,588	\$ 383,883

(i) During the year ended December 31, 2024, the Trust made no contributions to the RioCan-HBC JV and \$20.1 million to the other equity-accounted investments. (December 31, 2023 - \$2.1 million and \$17.7 million, respectively).

(ii) During the year ended December 31, 2024, RioCan disposed 50.0% of its interest in RC Yorkville LP for proceeds of \$29.6 million, resulting in a gain of \$23.9 million, including the recycling of \$0.4 million hedge reserve from OCI to net income (December 31, 2023 - \$14.6 million of proceeds, \$12.1 million of IFRS gain and \$0.6 million of hedge reclass, respectively).

Years ended December 31,	2024	2023
Share of net income from equity-accounted investments	\$ 14,642	\$ 6,271
Gains from partial disposition of RC Yorkville LP	23,865	12,112
Share of net income and gains from redemption of units	\$ 38,507	\$ 18,383

(iii) During the year ended December 31, 2024, the Trust made non-cash contribution of \$9.3 million to King & Sherbourne properties into equity-accounted investments (December 31, 2023 - \$10.0 million non-cash contribution to 11YV properties).

(iv) Changes in OCI from equity-accounted investments consist of:

Years ended December 31,	2024	2023
Interest rate swap hedge reserve in RC Yorkville LP on initial contribution to equity-accounted investment	\$ —	\$ 2,265
Hedge reserve recycled from OCI to net income on partial disposition of RC Yorkville LP	(355)	(566)
Changes to interest rate swap hedge reserve for other equity-accounted investments	(414)	(1,567)
Other comprehensive (loss) income from equity-accounted investments	\$ (769)	\$ 132

(v) In addition to its net equity in equity-accounted investments, RioCan has guaranteed its share of debt within equity-accounted investments to third-party lenders in the aggregate amount of \$160.1 million (December 31, 2023 - \$190.8 million).

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Financial results of equity-accounted investees

The following tables present the financial results of RioCan's equity-accounted investees on a 100% basis:

As at	December 31, 2024			December 31, 2023		
	RioCan-HBC JV	Other	Total	RioCan-HBC JV	Other	Total
Current assets (i)	\$ 12,375	\$ 1,537,047	\$ 1,549,422	\$ 8,608	\$ 1,311,926	\$ 1,320,534
Non-current assets (ii)	1,869,003	114,169	1,983,172	1,870,226	61,714	1,931,940
Current liabilities (iii)	518,220	934,308	1,452,528	203,269	346,243	549,512
Non-current liabilities (iv)	269,288	173,840	443,128	583,759	566,016	1,149,775
Net assets	\$ 1,093,870	\$ 543,068	\$ 1,636,938	\$ 1,091,806	\$ 461,381	\$ 1,553,187
Equity-accounted investments	\$ 248,983	\$ 159,605	\$ 408,588	\$ 248,628	\$ 135,255	\$ 383,883

Years ended December 31,	2024			2023		
	RioCan-HBC JV	Other	Total	RioCan-HBC JV	Other	Total
Revenue	\$ 146,124	\$ 80,379	\$ 226,503	\$ 143,979	\$ 21,119	\$ 165,098
Operating expenses	22,826	65,790	88,616	21,022	13,375	34,397
Fair value (losses) gains	(9,574)	(5,267)	(14,841)	(64,667)	894	(63,773)
Interest expense	61,035	433	61,468	52,467	399	52,866
Net income	\$ 52,689	\$ 8,889	\$ 61,578	\$ 5,823	\$ 8,239	\$ 14,062
Income from equity-accounted investments (v)	\$ 11,584	\$ 26,923	\$ 38,507	\$ 2,440	\$ 15,943	\$ 18,383

- (i) As at December 31, 2024, total current assets include \$1.3 billion of residential inventory (December 31, 2023 - \$1.2 billion), for which the expected completion and sale may be greater than 12 months.
- (ii) As at December 31, 2024, the RioCan-HBC JV non-current assets include 10 investment properties with a carrying value of \$1.7 billion and 2 finance lease receivables with a carrying value of \$0.2 billion (December 31, 2023 - \$1.7 billion and \$0.2 billion, respectively). During the year, RioCan-HBC JV obtained total of three external valuations for investment properties, which supported an IFRS fair value of \$0.9 billion, or 51.8% of the JV's investment property portfolio.
- (iii) As at December 31, 2024, total current liabilities include \$1.2 billion of mortgages payable and other loans, of which \$500.4 million relates to the RioCan-HBC JV (December 31, 2023 - \$363.8 million, of which \$190.3 million relates to the RioCan-HBC JV).
- (iv) As at December 31, 2024, total non-current liabilities include \$0.3 billion of mortgages payable and lines of credit with maturities beyond twelve months, of which \$221.5 million relates to the RioCan-HBC JV (December 31, 2023 - \$1.0 billion, of which \$535.6 million relates to the RioCan-HBC JV).
- (v) Includes \$23.9 million gains from two dispositions of a combined 25.0% interest in the 11YV project for the year ended December 31, 2024 (\$12.1 million for the year ended December 31, 2023).

RC Yorkville LP

On January 1, 2024, RioCan sold 25.0% interest in the units of RC Yorkville LP reducing its interest to 50.0% or 25.0% in the underlying 11YV project for proceeds of \$15.0 million, which resulted in a gain of \$12.2 million, including the recycling of \$0.2 million hedge reserve from OCI to net income. RioCan provided a loan of \$9.8 million to the purchaser to finance the acquisition of units from RC Yorkville LP.

On September 20, 2024, RioCan sold an additional 25.0% interest in the units of RC Yorkville LP further reducing its interest to 25.0% or 12.5% in the underlying 11YV project for proceeds of \$14.6 million, which resulted in a gain of \$11.6 million, including the recycling of \$0.1 million hedge reserve from OCI to net income. RioCan provided a loan of \$10.6 million to the purchaser to finance the acquisition of units from RC Yorkville LP.

RioCan-HBC JV

On February 12, 2024, RioCan advanced a mezzanine loan of \$19.5 million to the RioCan-HBC JV with a CORRA + 7.75% with CORRA floor of 5.0% maturing on February 12, 2029 to partially repay a maturing mortgage, and on March 22, 2024, an additional \$4.8 million to finance the exercise of a purchase option for land. On October 3, 2024, RioCan advanced a mezzanine loan of \$14.2 million to the RioCan-HBC JV with a CORRA + 7.75% with CORRA floor of 4.25% maturing on October 3, 2029 to partially repay a maturing mortgage. Both loans are secured by a second mortgage on the related income producing property.

On November 30, 2023, RioCan advanced a \$30.0 million bridge financing loan to the RioCan-HBC JV. This bridge financing loan was subsequently repaid on January 26, 2024, upon the re-financing of a property in the RioCan-HBC JV for \$75.0 million, for which RioCan has provided a guarantee to the third-party lender. This guarantee is inclusive of RioCan's 22.0% interest. In exchange for this guarantee, RioCan has received security interests in other assets of RioCan-HBC JV.

For the year ended December 31, 2024, RioCan earned \$6.6 million in fees in respect of certain financing services provided to the RioCan-HBC JV (year ended December 31, 2023 - nil).

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RCLC King and Sherbourne LP

On October 1, 2024, RioCan and its partner restructured their co-ownership arrangement into a joint venture arrangement, forming RCLC King and Sherbourne LP, for the development of King and Sherbourne properties into residential mixed-use development. RioCan retained a 50% interest in the limited partnership. As a result of the re-organization, RioCan transferred net assets of \$9.3 million, including investment property of \$11.9 million and mortgage liabilities of \$2.7 million, into the limited partnership.

Joint operations

RioCan has co-ownership interests in investment properties, where it has joint control and owns an undivided interest in the assets and liabilities with the co-owners, representing joint operations under IFRS 11, *Joint Arrangements*. As at December 31, 2024, the Trust has 43 such joint operations, of which two are considered individually significant: The Well™ and FourFifty The Well™, located in Toronto, Canada. RioCan has a 50% ownership interest in the commercial component of The Well and a 50% interest in the residential project FourFifty The Well.

5. RESIDENTIAL INVENTORY

Residential inventory consists of assets that are developed by RioCan for sale in the ordinary course of business. Where market conditions result in the carrying value exceeding net realizable value, a valuation allowance is made. As at December 31, 2024, no valuation allowance has been recorded.

The following table shows the changes in the aggregate carrying value of RioCan's residential inventory:

Years ended December 31,	2024		2023	
Balance, beginning of year	\$	217,186	\$	272,005
Dispositions		(61,350)		(8,602)
Development expenditures		128,214		127,118
Transfers from investment properties		—		6,400
Transfers to equity-accounted investments		—		(179,735)
Balance, end of year	\$	284,050	\$	217,186

The following table provides details on residential inventory gains for the years ended December 31, 2024 and 2023:

Years ended December 31,	2024		2023	
Residential inventory sales	\$	84,483	\$	13,789
Residential inventory cost of sales:				
Dispositions		61,350		8,602
Commission cost and other		3,039		392
Residential inventory cost of sales	\$	64,389	\$	8,994
Residential inventory gains	\$	20,094	\$	4,795

6. MORTGAGES AND LOANS RECEIVABLE

For the years ended December 31,	2024		2023	
Current	\$	218,495	\$	49,391
Non-current		252,234		240,142
Mortgages and loans receivable measured at amortized cost	\$	470,729	\$	289,533

As at December 31, 2024, mortgages and loans receivable bear interest at a weighted average effective and contractual rate of 9.13% and 8.81% per annum, respectively (December 31, 2023 - 9.06% and 8.57%, respectively) and mature between 2025 and 2033. Mortgages and loans receivable are either directly or indirectly secured by real property, and as at December 31, 2024, \$141.3 million are full recourse to or guaranteed by the project/property sponsors.

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Future repayments of mortgages and loans receivables by year of maturity are as follows:

2025	\$	218,495
2026		126,952
2027		45,183
2028		40,752
2029		38,321
Thereafter		1,026
	\$	470,729

7. RECEIVABLES AND OTHER ASSETS

The following table details the Trust's receivables and other assets as at December 31, 2024 and December 31, 2023:

As at	December 31, 2024			December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
Prepaid expenses and other assets	\$ 20,685	\$ 58,498	\$ 79,183	\$ 67,593	\$ 43,277	\$ 110,870
Net contractual rents and other tenant receivables	45,856	—	45,856	35,345	—	35,345
Finance lease receivables	5,327	39,106	44,433	5,627	34,483	40,110
Amounts due on condominium final closings	51,619	—	51,619	6,529	—	6,529
Other receivables (i)	19,182	13,569	32,751	15,184	20,972	36,156
Funds held in trust	3,883	4,565	8,448	8,872	—	8,872
Interest rate swap agreements	—	283	283	4,202	4,568	8,770
	\$ 146,552	\$ 116,021	\$ 262,573	\$ 143,352	\$ 103,300	\$ 246,652

(i) Other receivables primarily include fees and cost reimbursements receivable from partners, and disposition proceeds receivable.

Prepaid expenses and other assets

Prepaid expenses and other assets primarily include other investments, prepaid property taxes, prepaid selling commissions, office furniture and equipment, and management information systems.

RioCan pays certain upfront non-refundable selling commissions with respect to the sale of residential inventory, which are included in other assets when it is probable that future economic benefits will flow to the Trust. No amortization prior to the recognition of revenue is recognized but, rather, a charge to income occurs when the revenue associated with the sale is recognized.

Selling commissions (contract costs)

The following table shows the change in selling commissions:

Years ended December 31,	2024	2023
Balance, beginning of year	\$ 7,653	\$ 10,603
Additions	1,042	3,597
Transfers to equity-accounted investments (i)	—	(6,155)
Selling commissions expensed during the year	(3,039)	(392)
Balance, end of year	\$ 5,656	\$ 7,653

(i) Relates to the 11YV project. Refer to Note 4 for further details.

Net contractual rents and other tenant receivables

Net contractual rents and other tenant receivables include CAM, realty tax and insurance recoveries and are presented net of an allowance for doubtful accounts of \$8.5 million as at December 31, 2024 (December 31, 2023 - \$9.6 million).

RioCan determines its allowance for doubtful accounts using the simplified lifetime ECL model for contractual rents receivable. The Trust uses an accounts receivable aging provision matrix to assess the ECL and applies loss factors based on historical loss experience calibrated with forward-looking information to its aging buckets.

The Trust recognized a \$1.1 million net provision of rent abatements and bad debts for the year ended December 31, 2024 (year ended December 31, 2023 - net recovery of \$5.6 million). These provisions (recoveries) are recorded to non-recoverable operating costs.

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The following table summarizes the Trust's movement in allowance for doubtful accounts:

Years ended December 31,		2024	2023
Allowance for doubtful accounts, beginning of year	\$	9,643	\$ 13,469
Provision for (recovery of) credit losses		1,082	(5,587)
Write-offs, net of recoveries		(2,267)	1,761
Allowance for doubtful accounts, end of year	\$	8,458	\$ 9,643

Funds held in trust

Funds held in trust include property-specific deposits held by the Trust's solicitors in the name of the Trust. These funds will be released upon funding the construction of the residential inventory projects, after posting the requisite security, or upon final closing of units within such projects. Funds held in trust may also relate to certain funds held in escrow pursuant to agreements of purchase and sale, which are to be used for the acquisition of investment properties.

8. LEASES

A. As lessee

Real estate leases

Included in investment properties are eight properties held as ROU assets arising from land and/or building leases where RioCan is the lessee as at December 31, 2024 (December 31, 2023 - 10 properties). On March 25, 2024, RioCan exercised a purchase option in a land lease at Georgian Mall and acquired land that was previously held as an ROU asset (refer to Note 3). The corresponding lease obligation included \$5.0 million for the anticipated exercise of the purchase option and was settled upon the closing of the acquisition.

The real estate lease may be a lease for a portion of a property (including access roads and parking lots) or the entire property (including land and building). The carrying value of total investment properties related to these leases, including the portions relating to RioCan's leasehold building interests, and certain other property or related property interests, and excluding sublease finance lease receivables (refer to Note 7) is \$134.5 million (December 31, 2023 - \$215.0 million). The corresponding lease liability in accounts payable and other liabilities is \$27.8 million (December 31, 2023 - \$35.1 million).

The following table shows the change in lease liabilities during the year:

Years ended December 31,		2024	2023
Balance, beginning of year	\$	35,050	\$ 36,572
Renewal of leases of properties held under lease and other changes in estimates		—	350
Assignment of lease in conjunction with the sale of property		(449)	—
Repayments of lease liabilities (i)		(6,793)	(1,872)
Balance, end of year	\$	27,808	\$ 35,050

(i) Includes a \$5.0 million payment for the exercise and settlement of a land lease purchase option at Georgian Mall for the year ended December 31, 2024.

Future lease payments under these leases are as follows:

Year ended December 31,		2024
Within twelve months	\$	3,202
Two to five years		12,592
Over five years		48,694
Total future lease payments (inclusive of renewal options) (i)	\$	64,488
Less: Future interest costs		36,680
Present value of lease payments (inclusive of renewal options)	\$	27,808

(i) Includes all renewal options at current fixed payment amounts; excludes variable rent payments (percentage rent) on two properties.

The following are the amounts recognized in net income:

Years ended December 31,		2024	2023
Revenue from subleasing ROU assets (i)	\$	23,476	\$ 23,480
Interest expense on lease liabilities		(1,570)	(1,985)
Office equipment lease payments		(832)	(984)

(i) Includes variable lease payments and excludes finance lease interest income, disclosed below as lessor.

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During the year ended December 31, 2024, the Trust had total cash outflows for leases of \$10.4 million (December 31, 2023 - \$6.1 million), including office equipment lease payments and variable lease payments of \$2.0 million (December 31, 2023 - \$2.2 million).

B. As lessor

Finance lease receivable

RioCan has real estate subleases that are classified as finance leases and that are included in receivables and other assets on the consolidated balance sheets.

The following table shows the change in finance lease receivables during the year:

Years ended December 31,		2024		2023
Balance, beginning of year	\$	40,110	\$	41,592
New sublease arrangements classified as finance leases		10,150		3,774
Repayments of finance lease receivables		(5,827)		(5,256)
Balance, end of year	\$	44,433	\$	40,110

Future minimum lease payments under these finance leases for the first five years and remaining thereafter are as follows:

For the years ended December 31,		2024
2025	\$	7,740
2026		10,557
2027		11,259
2028		11,378
2029		10,681
Thereafter		—
Total minimum lease payments	\$	51,615
Less: Future interest income		7,182
Present value of minimum lease payments	\$	44,433

Lease commitments

The Trust as lessor has entered into leases on its property portfolio. The leases typically have lease terms between five and twenty years and include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions. Some leases contain options to terminate before the end of the lease term.

Future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods are as follows:

For the years ended December 31,		2024
2025	\$	674,342
2026		581,773
2027		508,701
2028		419,682
2029		325,611
Thereafter		1,360,270
Total	\$	3,870,379

Supplemental lease disclosures in addition to Note 17 regarding income from lease contracts in which the Trust is a lessor are as follows:

Years ended December 31,		2024		2023
Variable lease payments from realty tax and insurance recoveries (i)	\$	213,555	\$	200,858
Variable lease payments from percentage and contractual rent credits (i)		8,184		8,424
Interest income from finance subleases		2,350		2,552

(i) For tenant operating and finance leases, and subleases.

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9. INCOME TAXES

The Trust qualifies for the REIT Exemption for Canadian income tax purposes; therefore, it will be entitled to deduct distributions for income tax purposes. The Trust expects to distribute its taxable income to Unitholders such that it will not be subject to tax. From time to time, RioCan may retain some taxable income and net capital gains in order to utilize the capital gains refund available to mutual fund trusts without incurring any income taxes. Accordingly, no provision for Canadian current income taxes payable is required, except for amounts incurred in its incorporated Canadian subsidiaries.

Where the Trust does not qualify for the REIT Exemption for Canadian income tax purposes, certain distributions will not be deductible by the Trust in computing its income for Canadian tax purposes. As a result, the Trust will be subject to tax at a rate substantially equivalent to the general corporate income tax rate on distributed taxable income. Distributions paid in excess of taxable income will continue to be treated as a return of capital to Unitholders. Undistributed taxable income is generally subject to the top marginal personal tax rate. The Trust consolidates certain wholly owned incorporated entities that remain subject to tax. The income tax recovery relates only to these entities.

10. DEBENTURES PAYABLE

As at	December 31, 2024	December 31, 2023
Current	\$ 500,000	\$ 300,000
Non-current	3,588,654	2,940,943
	\$ 4,088,654	\$ 3,240,943

As at December 31, 2024, total debentures payable bear interest at weighted average contractual interest rates of 3.96% and a weighted average effective interest rate of 3.97% inclusive of bond forward hedges (December 31, 2023 - 3.68% and 3.65%, respectively).

Issuance activity

On February 12, 2024, RioCan issued \$300.0 million Series AJ senior unsecured debentures. These debentures were issued at a coupon rate of 5.470% per annum and will mature on March 1, 2030. Inclusive of bond forward hedges, the all-in rate is 5.452%.

On March 25, 2024, RioCan issued an additional \$150.0 million of Series AJ senior unsecured debentures. These additional debentures have the same terms and conditions and constitute part of the same series as the \$300.0 million in Series AJ debentures issued on February 12, 2024. Inclusive of the premium on issuance and bond forward hedges, the all-in rate is 5.273%.

On May 31, 2024, RioCan issued \$300.0 million Series AK senior unsecured debentures. These debentures were issued at a coupon rate of 5.455% per annum and will mature on March 1, 2031.

On October 3, 2024, RioCan issued \$700.0 million aggregate principal amount of senior unsecured debentures of the Trust in two series: \$500.0 million Series AL senior unsecured debentures, which carry a coupon rate of 4.623% per annum and will mature on October 3, 2031; and \$200.0 million Series AM senior unsecured debentures, which carry a coupon rate of 4.004% per annum and will mature on March 1, 2028. Inclusive of bond forward hedges, the all-in rate for Series AL is 4.832%.

Redemption activity

On February 12, 2024, RioCan repaid, in full, its \$300.0 million, 3.287% Series W unsecured debentures upon maturity.

On October 4, 2024, RioCan redeemed, in full, its \$300.0 million, 6.488% Series AI senior unsecured debentures due September 29, 2026 in accordance with their terms at a total redemption price of \$300.0 million, plus accrued and unpaid interest of \$0.3 million, up to, but excluding, the redemption date. The Trust recorded \$0.8 million write-off of the related unamortized deferred financing costs.

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The Trust has the following series of senior unsecured debentures outstanding as at December 31, 2024 and 2023:

(thousands of dollars)

As at				December 31,	December 31,
Series	Maturity date	Coupon rate	Interest payment frequency	2024	2023
W	February 12, 2024	3.29 %	Semi-annual	\$ —	\$ 300,000
AB	February 12, 2025	2.58 %	Semi-annual	500,000	500,000
I	February 6, 2026	5.95 %	Semi-annual	100,000	100,000
AD	June 15, 2026	1.97 %	Semi-annual	500,000	500,000
AI	September 29, 2026	6.49 %	Semi-annual	—	300,000
AC	March 10, 2027	2.36 %	Semi-annual	350,000	350,000
AG	October 6, 2027	5.61 %	Semi-annual	200,000	200,000
AM	March 1, 2028	4.00 %	Semi-annual	200,000	—
AE	November 8, 2028	2.83 %	Semi-annual	450,000	450,000
AF	May 1, 2029	4.63 %	Semi-annual	250,000	250,000
AH	October 1, 2029	5.96 %	Semi-annual	300,000	300,000
AJ	March 1, 2030	5.47 %	Semi-annual	450,000	—
AK	March 1, 2031	5.46 %	Semi-annual	300,000	—
AL	October 3, 2031	4.62 %	Semi-annual	500,000	—
Contractual obligations				\$ 4,100,000	\$ 3,250,000

Future repayments are as follows:

		Weighted average contractual interest rate	Principal maturities
Years ending December 31:	2025	2.58 %	\$ 500,000
	2026	2.64 %	600,000
	2027	3.54 %	550,000
	2028	3.19 %	650,000
	2029	5.36 %	550,000
	Thereafter	5.13 %	1,250,000
Contractual obligations			4,100,000
Unamortized debt financing costs			(11,346)
			\$ 4,088,654

Covenant compliance

The debentures have covenants relating to RioCan's leverage limit of up to 60% of aggregate assets as set out in the Declaration and applicable supplemental indenture. In addition, under the indenture, the Trust is required to maintain a \$1.0 billion Adjusted Book Equity (as defined in the indenture) and an interest coverage ratio of 1.65 times or greater. There are no requirements under the unsecured debenture covenants for RioCan to maintain unencumbered assets. RioCan has the right, at any time, to convert the Series I debentures to mortgage debt, subject to the acceptability of the security given to the debenture holders. In such an event, the covenants relating to the 60% leverage limit, minimum book equity and interest coverage ratio would be eliminated for those debentures. As at and during the year ended December 31, 2024, the Trust is in compliance with its covenants pursuant to the Declaration and debenture indentures.

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11. MORTGAGES PAYABLE

Mortgages payable, net of deferred financing costs, consist of the following:

As at	December 31, 2024		December 31, 2023	
Current	\$	572,564	\$	398,406
Non-current		2,279,038		2,342,518
	\$	2,851,602	\$	2,740,924

Future repayments of mortgages payable by year of maturity are as follows:

Year	Weighted average contractual interest rate (i)	Scheduled principal amortization	Principal maturities	Total repayments
2025	3.32%	\$ 51,074	\$ 521,490	\$ 572,564
2026	3.61%	47,296	104,622	151,918
2027	2.96%	46,727	195,332	242,059
2028	3.20%	38,865	374,735	413,600
2029	4.35%	28,223	574,362	602,585
Thereafter	3.87%	36,857	853,785	890,642
	3.67%	\$ 249,042	\$ 2,624,326	\$ 2,873,368
Unamortized debt financing costs, net of premiums, discounts, market interest rate differential on debt assumed and debt modification losses				(21,766)
				\$ 2,851,602

(i) Inclusive of interest rate swap hedges.

As at December 31, 2024, total mortgages payable bear interest at a weighted average contractual interest rate of 3.67%, and a weighted average effective interest rate of 3.68% inclusive of bond forward hedges (December 31, 2023 - 3.66% and 3.59%, respectively), and mature between 2025 and 2034.

During the year ended December 31, 2024, RioCan completed new term mortgage borrowings of \$427.1 million and mortgage renewals of \$47.8 million at a combined weighted average contractual interest rate of 4.80% and a weighted average term of 7.3 years, and assumed contractual debt and a VTB mortgage of \$78.8 million at a weighted average contractual interest rate of 2.69% and a weighted average remaining term of 3.7 years. During the year ended December 31, 2024, repayments of mortgage balances and scheduled amortization amounted to \$368.8 million, mortgages disposed on the sale of investment properties were \$14.9 million and mortgages transferred to equity-accounted investment were \$2.7 million.

Pledged properties

As at December 31, 2024, \$6.0 billion of the aggregate carrying value of investment properties, properties held for sale, residential inventory and certain other assets serve as security for RioCan's mortgages payable (December 31, 2023 - \$5.8 billion).

12. LINES OF CREDIT AND OTHER BANK LOANS

The Trust's revolving unsecured operating line of credit and secured construction lines and other bank loans, net of deferred financing costs, are as follows:

As at	December 31, 2024		December 31, 2023	
Revolving unsecured operating line of credit (i)	\$	(1,905)	\$	(1,875)
Non-revolving unsecured credit facilities		199,527		699,836
Construction lines and other bank loans		186,036		181,285
	\$	383,658	\$	879,246
Current	\$	10,000	\$	567,015
Non-current		373,658		312,231
	\$	383,658	\$	879,246

(i) There are no drawn amounts as at December 31, 2024 and December 31, 2023. Balance represents unamortized deferred financing costs.

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Revolving unsecured operating line of credit

As at December 31, 2024, RioCan has a nil drawn balance, and \$1,250.0 million of credit is available to be drawn from this revolving unsecured operating line of credit (December 31, 2023 - nil and \$1,250.0 million, respectively).

On June 26, 2024, the Trust exercised its option to extend the maturity date on its operating line of credit to May 31, 2029. Certain covenants were amended to be less restrictive with all other material terms and conditions remaining the same.

Non-revolving unsecured credit facilities

As at December 31, 2024, the Trust has a \$200.0 million non-revolving unsecured credit facility with two Schedule I financial institutions, with a weighted average all-in fixed interest rate of 4.47% (December 31, 2023 - all-in fixed interest rate of 4.93%) through interest rate swaps and maturity date of January 31, 2030. As at December 31, 2024, this facility is fully drawn.

On February 7, 2024, RioCan repaid its \$350.0 million non-revolving unsecured credit facility upon maturity, in accordance with its terms.

On June 27, 2024, RioCan repaid its \$150.0 million non-revolving unsecured credit facility upon maturity, in accordance with its terms.

On September 3, 2024, RioCan unwound the associated interest rate swap agreement and hedge on the \$200.0 million non-revolving unsecured credit facility for a debt prepayment gain of \$0.5 million. On September 25, 2024, RioCan entered into a forward starting interest rate swap maturing on January 31, 2030, in anticipation of amending the maturity date of the \$200.0 million term loan. On October 2, 2024, RioCan amended the term loan agreement, and extended the maturity date of the \$200.0 million non-revolving unsecured credit facility to January 31, 2030, for a hedged annual all-in fixed interest rate of 4.47%.

The underlying spreads for the revolving unsecured operating line of credit and the non-revolving unsecured credit facilities are based on the Trust's credit ratings. The revolving unsecured operating line of credit and the non-revolving unsecured credit facilities agreements require the Trust to maintain certain financial covenants. Refer to Note 26 for additional details.

Construction lines of credit and other bank loans

In addition to the revolving unsecured operating line of credit and non-revolving unsecured credit facilities, the Trust has secured credit facilities and other bank loans, which include fixed rate and variable rate non-revolving secured construction and acquisition facilities for the funding of certain development properties. As at December 31, 2024, these facilities have drawn balances of \$186.0 million (December 31, 2023 - \$181.3 million), an aggregate maximum borrowing capacity of \$332.1 million (December 31, 2023 - \$567.0 million) and maturity dates between June 2025 to March 2033.. The weighted average contractual interest rate on amounts outstanding is 4.95% (December 31, 2023 - 6.51%).

13. ACCOUNTS PAYABLE AND OTHER LIABILITIES

As at	December 31, 2024			December 31, 2023		
	Current	Non-current	Total	Current	Non-current	Total
Property operating costs (i)	\$ 82,632	\$ 41,372	\$ 124,004	\$ 68,516	\$ 41,612	\$ 110,128
Development expenditures	111,730	—	111,730	125,007	—	125,007
Capital expenditures and leasing commissions on income producing properties	62,534	—	62,534	52,087	—	52,087
Deferred revenue	85,730	17,087	102,817	31,445	74,346	105,791
Unitholder distributions payable	27,790	—	27,790	27,038	—	27,038
Interest payable	56,118	—	56,118	42,043	—	42,043
Lease liability (ii)	1,757	26,051	27,808	6,793	28,257	35,050
Unfunded employee future benefits	—	10,309	10,309	—	10,579	10,579
Contingent consideration (iii)	209	40,914	41,123	476	—	476
Interest rate swap agreements	—	152	152	—	—	—
Bond forward agreement	—	—	—	—	1,997	1,997
Other payables and accruals	25,407	—	25,407	31,166	2,036	33,202
	\$ 453,907	\$ 135,885	\$ 589,792	\$ 384,571	\$ 158,827	\$ 543,398

(i) Includes amounts billed in advance for CAM, realty taxes and insurance recoveries.

(ii) Refer to Note 8 for further details.

(iii) Contingent consideration relates to Lawrence Plaza acquisition. Refer to Note 3 for further details.

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Deferred revenue

Deferred revenue consists of the following:

As at	December 31, 2024		December 31, 2023	
Deposits received on residential inventory sales (contract liabilities)	\$	67,965	\$	75,601
Other deferred revenue (i)		34,852		30,190
	\$	102,817	\$	105,791

(i) Includes prepaid rental income from tenants to be recognized over time.

Deposits received from customers on residential inventory sales (contract liabilities)

The following table shows the change in deposits received from customers (contract liabilities):

As at	December 31, 2024		December 31, 2023	
Balance, beginning of year	\$	75,601	\$	129,400
Amounts deferred from new contracts with customers during the year		6,465		15,525
Deposits transferred to equity-accounted investments (i)		—		(68,322)
Recognized as revenue during the year		(14,101)		(1,002)
Balance, end of year	\$	67,965	\$	75,601

(i) Relates to the 11YV project. Refer to Note 4 for further details.

During the year ended December 31, 2024, \$14.1 million of deposits received from customers on condominium and townhouse sales (contract liabilities) were recognized in revenue upon the purchasers taking possession of units (December 31, 2023 - \$1.0 million).

14. UNITHOLDERS' EQUITY

Trust Units

The Trust is authorized to issue an unlimited number of Units. The Units are entitled to distributions, as and when declared by the Board (and upon liquidation), and to a pro-rata share of the residual net assets remaining after the preferential claims, thereon, of debt holders and preferred Unitholders. As the Trust is a closed-end trust, the Units are not puttable.

The following represents the number of Units issued and outstanding, and the related carrying value of Unitholders' equity, for the years ended December 31, 2024 and 2023:

Years ended December 31,	2024		2023	
	Units	\$	Units	\$
Balance, beginning of year	300,455	\$ 4,560,166	300,359	\$ 4,556,783
Units issued:				
Unit-based compensation exercises, net of Units repurchased for settlement of Unit exercises	—	(56)	85	3,173
Direct purchase plan	14	251	11	210
Balance, end of year	300,469	\$ 4,560,361	300,455	\$ 4,560,166

Included in Units outstanding as at December 31, 2024 are exchangeable limited partnership Units totalling 0.5 million (December 31, 2023 - 0.5 million Units) of three limited partnerships that are subsidiaries of the Trust (the LP Units), which were issued to vendors as partial consideration for income producing properties acquired by RioCan. RioCan is the general partner of the limited partnerships. The LP Units are entitled to distributions equivalent to distributions on RioCan Units and are exchangeable for RioCan Units on a one-for-one basis at any time at the option of the holder.

Normal course issuer bid (NCIB)

On November 7, 2023, RioCan received TSX approval of its notice of intention to renew its NCIB (the 2023/2024 NCIB), to acquire up to a maximum of 29,895,017 Units, or approximately 10% of the public float as of October 31, 2023, for cancellation or to satisfy RioCan's obligation to deliver Units under the REU and PEU Plans, over the next 12 months, effective November 9, 2023.

On November 8, 2024, RioCan announced that it received TSX approval of its notice of intention to renew its NCIB (the 2024/2025 NCIB), to acquire up to a maximum of 29,878,867 Units, or approximately 10% of the public float as at October 31, 2024, for cancellation or to satisfy RioCan's obligation to deliver Units under the REU and PEU Plans, over the next 12 months, effective November 12, 2024.

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The number of Units that can be purchased pursuant to the 2024/2025 NCIB is subject to a current daily maximum of 209,391 Units (which is equal to 25% of 837,564, being the average daily trading volume for the six months preceding October 31, 2024), subject to RioCan's ability to make one block purchase of Units per calendar week that exceeds such limits. RioCan intends to fund the purchases primarily out of its available cash and undrawn credit facilities.

RioCan has an automatic securities purchase plan (ASPP) in connection with the 2024/2025 NCIB applicable to its outstanding Units. The ASPP is intended to allow for the purchase of Units under the NCIB at times when RioCan would ordinarily not be permitted to purchase Units due to regulatory restrictions and customary self-imposed blackout periods. Pursuant to the ASPP, purchases will be made by RioCan's designated broker based on periodically pre-established purchasing parameters, in accordance with the rules of the TSX and applicable securities laws. Outside of pre-determined blackout periods, Units may be purchased under the NCIB at such times as RioCan determines to be appropriate in compliance with TSX rules and applicable securities laws.

During the years ended December 31, 2024 and December 31, 2023, the Trust did not acquire and cancel any Units.

Refer to Note 34 for Units repurchased subsequent to December 31, 2024.

Contributed surplus

Awards under the Restricted Equity Unit Plans and Performance Equity Unit Plan of RioCan and its consolidated subsidiaries are settled by the delivery of Units purchased on the secondary market, net of applicable withholdings as further described in Note 15. The fair values of these equity-settled awards are recognized as an expense over the vesting period with a corresponding increase to contributed surplus, which is presented as a separate component of total Unitholders' equity.

For the year ended December 31, 2024, RioCan recorded \$13.5 million in unit-based compensation costs (year ended December 31, 2023 - \$13.0 million).

Accumulated other comprehensive income (loss)

Accumulated other comprehensive income (loss) as at and for the year ended December 31, 2024 consists of the following amounts:

	Actuarial loss on pension plan	Interest rate swap agreements (hedge reserve)	Equity-accounted investments	Bond forward agreement (hedge reserve)	Total
As at December 31, 2023	\$ (963)	\$ 9,259	\$ 388	\$ 42,565	\$ 51,249
Other comprehensive income (loss)	142	(8,637)	(769)	(12,626)	(21,890)
As at December 31, 2024	\$ (821)	\$ 622	\$ (381)	\$ 29,939	\$ 29,359

15. UNIT-BASED COMPENSATION PLANS

Restricted Equity Unit Plans (REU Plans)

Senior Executive REU Plan

As at December 31, 2024, 430,218 Senior Executive REUs are outstanding (December 31, 2023 - 478,426), of which 129,628 are vested (December 31, 2023 - 189,319). The Senior Executive REU Plan provides for the allotment of REUs to the President and Chief Executive Officer (CEO), Chief Investment Officer, Chief Operating Officer, and Chief Financial Officer of the Trust, and such other officers or executive employees of the Trust that are determined by the CEO and approved by RioCan's People, Culture and Compensation Committee. Each REU notionally represents the value of one Unit of the Trust on the date of grant. Unit distributions paid during the period from grant date until settlement date will be credited to each REU participant in the form of additional REUs.

All REUs granted prior to December 8, 2023 shall vest one-third on each of the first, second and third anniversary of the grant date, provided however that all vested REUs are only eligible for settlement upon the third anniversary of the grant date. Pursuant to amendments to the Senior Executive REU Plan approved by the Board on December 8, 2023, all REUs granted after December 8, 2023 shall vest and settle on the third anniversary of the grant date (or such other date as contemplated by the Senior Executive REU Plan) (this date, together with the vesting date of REUs granted prior to December 8, 2023, being the "Settlement Date"). Settlement of vested REUs is generally made within 30 days after the Settlement Date by the delivery of an equivalent number of trust Units purchased on the secondary market, net of applicable withholdings. Additional amendments made to the Senior Executive REU Plan set out the requirement for a 'double trigger' before permitting REUs to vest upon a change of control. This change means that REUs will now require both a termination of the executive's employment and a change of control to trigger vesting, which aligns RioCan with equity plan best-practices.

During the year ended December 31, 2024, the Trust granted 154,893 REUs under its Senior Executive REU Plan. The weighted average grant date price was \$18.56 per unit, with each grant price based on the five-day volume weighted average market price of RioCan's Units traded on the TSX prior to the grant date, resulting in an aggregate fair value of \$2.9 million.

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Employee REU Plan

As at December 31, 2024, 645,839 Employee REUs are unvested and outstanding (December 31, 2023 - 511,086). The Employee REU Plan provides for the allotment of REUs to certain employees of the Trust that do not participate in the Senior Executive REU Plan. Each REU notionally represents the value of one Unit of the Trust on the date of grant. Unit distributions paid during the period from grant date until settlement date will be credited to each REU participant in the form of additional REUs.

The number of REUs granted shall vest fully on the third anniversary of the grant date (the Settlement Date), including distribution equivalents that have accumulated during the vesting period. Settlement of vested REUs is generally made within 30 days after the Settlement Date by the delivery of an equivalent number of trust Units purchased on the secondary market, net of applicable withholdings.

During the year ended December 31, 2024, the Trust granted 301,099 REUs under its Employee REU Plan. The weighted average grant date price was \$18.56 per unit, with each grant price based on the five-day volume weighted average market price of RioCan's Units traded on the TSX prior to the grant date, resulting in an aggregate fair value of \$5.6 million.

Performance Equity Unit Plan (PEU Plan)

As at December 31, 2024, 424,105 PEUs are unvested and outstanding (December 31, 2023 - 451,522). PEUs are awarded to certain officers and senior management of the Trust, subject to Board approval. Each PEU notionally represents the value of one Unit of the Trust on the date of grant. PEUs issued contain a multiplier factor and the final number of PEUs that will be paid out upon vesting will vary based on the achievement of certain performance targets over a three-year period from the year the award was granted. The performance targets attributable to PEUs are set by the Trust at the time the awards are granted, or from time to time adjusted as permitted under the terms of the PEU Plan. The performance targets may vary between grants. Unit distributions paid during the period from grant date until settlement date will be credited to each PEU participant in the form of additional PEUs.

The PEUs vest on the Financial Statement Approval Date immediately following the last year in the three-year period and are generally settled within 30 days after the vesting date by the delivery of an equivalent number of trust Units to be acquired on the secondary market, net of applicable withholdings.

During the year ended December 31, 2024, the Trust granted 154,893 PEUs under its PEU Plan at a fair value of \$3.1 million.

The grant date fair value assumptions using a Monte-Carlo simulation model are as follows:

Years ended December 31,		2024	2023
Fair value of PEUs granted	\$	3,092	\$ 2,923
PEUs granted (in thousands)		155	126
Weighted average grant date fair value per unit	\$	19.96	\$ 23.29
Weighted average expected risk-free interest rate (i)		3.9%	4.0%
Weighted average expected unit price volatility (ii)		19.1%	34.0%
Weighted average initial total Unitholder return (iii)		1.4%	5.2%

- (i) Derived using the yield on Government of Canada benchmark bonds with an average term similar to the PEU vesting period.
- (ii) Expected unit price volatility is calculated based on the average of the actual daily closing price of RioCan's trust Units measured over a three-year historical period up to the grant date.
- (iii) PEUs are subject to certain internal and external measures of performance. The 2024 PEU grants will vest based on the following performance metrics: 40% is subject to an internal performance hurdle over three-year funds from operations per unit growth, 40% is subject to a relative total Unitholder return (TUR) performance hurdle over a three-year performance period where vesting is dependent upon RioCan's TUR performance relative to a comparative group of peer companies, 10% is subject to an internal performance hurdle over three-year cumulative average net asset value (NAV) per Unit growth and 10% is subject to an internal hurdle on ESG objectives.

The initial TUR performance has incorporated actual historical TUR performance for RioCan and each entity in the comparator group over the period from January 1, 2024 to February 22, 2024 for the 2024 PEU grants.

Units Purchased for Settlement

During the year ended December 31, 2024, RioCan purchased 298,620 Units, net of applicable withholdings, at an average price of \$18.59, for satisfying RioCan's existing obligations under the REU and PEU Plans (December 31, 2023 - 153,263 Units at average price of \$21.79).

Incentive Unit Option Plan

The Trust provides long-term incentives to certain employees by granting options through the incentive Unit option plan (Plan). RioCan is authorized to issue up to a maximum of 22 million Unit options under the Plan. As at December 31, 2024, 15.3 million Unit options remain available to be granted under the Plan. Pursuant to a board resolution in October 2021, the Board has committed to no longer issue Unit options as part of RioCan's long-term incentive plan or as special awards.

The exercise price for each option is equal to the volume weighted average trading price of the Units on the TSX for the five trading days immediately preceding the dates of grant.

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Options granted prior to February 2021 have a contractual life of 10 years and vest at 25% per annum commencing on the first anniversary of the grant date, and become fully vested after four years.

The outstanding Unit options granted on February 23, 2021 have a term of seven years and the following vesting conditions:

- 500,000 Unit options have vesting conditions that are time-based and will vest 50% on April 1, 2022 and 50% on April 1, 2023; and
- 700,000 Unit options have vesting conditions that are 50% time-based service condition only (Time-Based Options) and 50% with a time-based service condition and market-based performance condition (Performance Options). The Time-Based Options will vest 50% on February 23, 2023 and 50% on February 23, 2025. Vesting of the Performance Options depends on achieving certain performance measures based on 20 consecutive trading days (the 20-day VWAP) and only when certain time-vesting conditions are also met as follows: (i) 50% of the Performance Options shall be exercisable on or after the second anniversary of the Grant Date provided that the 20-day VWAP is equal to or greater than \$20, at any point during the seven-year term; and (ii) 50% of the Performance Options shall be exercisable on or after the fourth anniversary of the Grant Date provided that the 20-day VWAP is equal to or greater than \$24, at any point during the seven-year term.

The Trust accounts for the Plan by estimating the fair value of each tranche of an award at the grant date and subsequently recognizing the compensation expense over the vesting period.

For the years ended December 31, 2024 and December 31, 2023, there were no Unit options granted to senior management.

The following summarizes the changes in Unit options outstanding during the years ended December 31, 2024 and 2023:

Years ended December 31,	2024		2023	
	Units (in thousands)	Weighted average exercise price	Units (in thousands)	Weighted average exercise price
Options				
Outstanding, beginning of year	4,722	\$ 24.52	5,691	\$ 25.03
Expired	(873)	26.98	(969)	27.51
Outstanding, end of year	3,849	\$ 23.97	4,722	\$ 24.52
Options exercisable at end of year	3,499	\$ 24.55	4,372	\$ 25.03

The following table summarizes the Trust's outstanding options and related exercise price ranges of Units granted under the Plan:

Exercise price range (\$/unit)	Outstanding options			Vested options		
	Number of Units issuable (in thousands)	Weighted average exercise price per unit	Weighted average remaining life (years)	Number of Units issuable (in thousands)	Weighted average exercise price per unit	
As at December 31, 2024						
\$18.13 to \$20.36	1,200	\$ 18.13	3.1	850	\$ 18.13	
\$20.37 to \$22.60	—	—	—	—	—	
\$22.61 to \$24.84	350	24.00	3.2	350	24.00	
\$24.85 to \$27.08	1,566	25.96	1.9	1,566	25.96	
\$27.09 to \$29.31	733	29.24	0.2	733	29.24	
	3,849	\$ 23.97	2.1	3,499	\$ 24.55	

Trustee Unit Plan

Deferred Unit Plan (DU Plan)

The DU Plan was introduced in 2014 for non-employee Trustees of the Trust (Trustees). Trustees may be awarded deferred Units, each of which is economically equivalent to one Unit, from time to time at the discretion of the Board of Trustees upon recommendation from the People, Culture and Compensation Committee, subject to a maximum annual grant not to exceed that number of deferred Units that is \$150,000 divided by the average market price of a Unit on the award date. Trustees may also elect to receive up to 100% of his or her annual retainer and meeting fees for a calendar year otherwise payable in cash in the form of deferred Units. Pursuant to amendments to the DU Plan that were approved by Unitholders in 2023, the maximum number of Units reserved for issuance under the DU Plan at any time is 1,500,000. Unit distributions paid during the period from grant date until settlement date will be credited to each DU Plan participant in the form of additional deferred Units.

Trustees have up to two years after ceasing to be a Trustee to redeem deferred Units, upon which the Trust will issue and deliver Units.

As at December 31, 2024, there are 719,820 deferred Units vested and outstanding (December 31, 2023 - 579,234).

During the year ended December 31, 2024, 101,802 deferred Units were granted at weighted average grant price of \$17.54 per unit, with each grant price based on the five-day volume weighted average market price of RioCan's Units traded on the TSX prior to each grant date, resulting in an aggregate fair value of \$1.8 million, and nil deferred Units were exercised (year ended December 31, 2023 - 79,591 deferred Units granted and 183,838 deferred Units exercised).

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16. DISTRIBUTIONS TO UNITHOLDERS

Total distributions declared to Unitholders are as follows:

Years ended December 31,		2024		2023
Distributions declared to Unitholders	\$	332,763	\$	322,924
Distributions per unit	\$	1.1075	\$	1.0750

Commencing with the February 2024 distribution, payable in March 2024, the Trust increased its monthly distribution by \$0.0025 per unit to \$0.0925 per unit or \$1.11 per unit on an annualized basis.

On January 15, 2025, RioCan declared a distribution payable of \$0.0925 per unit for the month of January 2025, which was paid on February 7, 2025 to Unitholders of record as at January 31, 2025.

Refer to Note 34 for an increase in the monthly distribution approved by the Board of Trustees subsequent to December 31, 2024.

17. REVENUE

Rental revenue

Years ended December 31,		2024		2023
Base rent	\$	710,525	\$	689,609
Realty tax and insurance recoveries		213,555		200,858
CAM		183,501		176,080
Percentage rent		8,184		8,424
Straight-line rent		11,234		5,898
Lease cancellation fees		4,817		5,253
Parking revenue		5,311		4,983
Rental revenue	\$	1,137,127	\$	1,091,105

The following tables provide additional disclosure of the Trust's various revenue streams:

Revenue from contracts with customers

Revenue from contracts with customers includes CAM recoveries and parking revenue that are included in rental revenue:

Years ended December 31,		2024		2023
CAM	\$	183,501	\$	176,080
Property management and other service fees		17,916		18,977
Parking revenue		5,311		4,983
Residential inventory sales		84,483		13,789
Revenue from contracts with customers	\$	291,211	\$	213,829

Property management and other service fees

Property management and other service fees consist of the following:

Years ended December 31,		2024		2023
Property management fees (i)	\$	4,269	\$	3,525
Construction and development fees (i)		3,380		5,928
Leasing fees (ii)		385		381
Financing fees (iii)		7,833		5,018
Other (iv)		2,049		4,125
Property management and other service fees	\$	17,916	\$	18,977

(i) Recognized over time.

(ii) Recognized at a point in time.

(iii) During the year ended December 31, 2024, \$1.1 million is recognized at a point in time and \$6.7 million is recognized over time (year ended December 31, 2023 - \$5.0 million and nil, respectively).

(iv) During the year ended December 31, 2024, \$2.0 million is recognized over time and nil is recognized at a point in time (year ended December 31, 2023 - \$4.0 million and \$0.2 million, respectively).

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Residential inventory sales

The following table identifies estimated revenue from residential inventory sales to be recognized in future periods at the point in time when purchasers take possession of their respective residential units based on pre-sold condominiums and townhouses as at December 31, 2024 and 2023:

As at	December 31, 2024	December 31, 2023 (i)
Within one year	\$ 239,845	\$ 72,483
More than one year	46,661	284,528
Total	\$ 286,506	\$ 357,011

(i) The comparatives for estimated revenue of pre-sold residential inventory for the year ended December 31, 2023 have been restated.

18. INVESTMENT AND OTHER INCOME

Years ended December 31,	2024	2023
Income earned on marketable securities	\$ 690	\$ 932
Fair value gain (loss) on marketable securities	6,645	(761)
Transaction gains and other income, net	10,196	8,330
	\$ 17,531	\$ 8,501

The following table breaks down the fair value gain (loss) on marketable securities for the years ended December 31, 2024 and 2023:

Years ended December 31,	2024	2023
Realized gains on sale of marketable securities during the year	\$ 1,997	\$ 104
Change in unrealized fair value on marketable securities during the year	4,648	(865)
Fair value gain (loss) on marketable securities during the year	\$ 6,645	\$ (761)

19. INTEREST INCOME

Years ended December 31,	2024	2023
Interest income from mortgages and loans receivable	\$ 35,619	\$ 19,511
Other interest income (i)	6,850	5,620
	\$ 42,469	\$ 25,131

(i) Includes interest from finance subleases of \$2.4 million for the year ended December 31, 2024 (year ended December 31, 2023 - \$2.6 million).

20. INTEREST COSTS

Years ended December 31,	2024	2023
Total interest (i)	\$ 289,251	\$ 250,537
Less: Interest capitalized	(31,707)	(41,589)
	\$ 257,544	\$ 208,948

(i) Includes interest from lease liabilities of \$1.6 million for the year ended December 31, 2024 (year ended December 31, 2023 - \$2.0 million).

For the year ended December 31, 2024, interest was capitalized to properties under development and residential inventory at a weighted average effective interest rate of 4.27% (year ended December 31, 2023 - 3.88%).

21. GENERAL AND ADMINISTRATIVE

Years ended December 31,	2024	2023
Non-recoverable salaries and benefits, net	\$ 30,293	\$ 22,438
Unit-based compensation expense	7,795	7,807
Depreciation and amortization	1,450	2,632
Other general and administrative expenses	14,941	15,458
G&A expense before Enterprise Resource Planning (ERP) implementation costs	54,479	48,335
ERP implementation costs	5,368	12,032
Total G&A expense	\$ 59,847	\$ 60,367

Other general and administrative costs include information technology costs, public company costs, professional fees, travel expenses, occupancy costs, donations, advertising, promotion and marketing costs.

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During the second quarter of 2024, RioCan deployed a new ERP system. ERP implementation costs incurred during the year include salaries and benefits, consultant and licensing costs.

During the year, RioCan restructured its organization, reducing its workforce by approximately 9.5% and incurred a restructuring charge of \$7.9 million, which is included in non-recoverable salaries and benefits, net. As at December 31, 2024, RioCan had \$3.9 million accrued related to restructuring charge reported in accounts payable and other liabilities.

22. TRANSACTION AND OTHER COSTS

For the year ended December 31, 2024, transaction and other costs totalling \$6.7 million (year ended December 31, 2023 - \$9.3 million) primarily include property disposition costs, marketing costs and net debt prepayment loss.

23. NET INCOME PER UNIT

Net income per basic and diluted unit is calculated based on net income available to Unitholders divided by the weighted average number of Units outstanding taking into account the dilution effect of Unit options.

Years ended December 31,	2024		2023	
Net income attributable to Unitholders	\$	473,465	\$	38,802
Weighted average number of Units outstanding (in thousands):				
Basic		300,464		300,392
Dilutive effect of Unit options (i)		9		87
Diluted		300,473		300,479
Net income per unit (basic)	\$	1.58	\$	0.13
Net income per unit (diluted)	\$	1.58	\$	0.13

(i) The calculation of diluted weighted average number of Units outstanding excludes 2.9 million Unit options for the year ended December 31, 2024 (year ended December 31, 2023 - 3.8 million Unit options), as the exercise price of these Unit options was greater than the average market price of Units.

24. FAIR VALUE MEASUREMENT

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis in the consolidated balance sheets is as follows:

As at	December 31, 2024			December 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets measured at fair value:						
Marketable securities	\$	—	\$	—	\$	20,198
Other investments		594		—		44,537
Investment properties:						
Income producing properties		—		12,994,238		—
Properties under development		—		844,916		—
Properties held for sale		—		16,707		—
Interest rate swap assets		—		283		8,770
Total assets measured at fair value	\$	594	\$	283	\$	13,900,398
Liabilities measured at fair value:						
Interest rate swaps		—		152		—
Bond forward agreement		—		—		1,997
Total liabilities measured at fair value	\$	—	\$	152	\$	—

For assets and liabilities measured at fair value as at December 31, 2024, there were no transfers between Level 1, Level 2 and Level 3 during the year ended December 31, 2024. For changes in fair value measurements of investment properties and properties held for sale included in Level 3 of the fair value hierarchy, refer to Note 3 for details on the changes in beginning and ending balances.

Fair value of financial instruments

The following presents the carrying values and fair values of the Trust's financial instruments, excluding those classified as amortized cost and whose carrying value reasonably approximates their fair value and lease liabilities. Financial instruments that are classified as amortized cost and whose carrying value reasonably approximates their fair value include net contractual rents and other tenant receivables, amounts due on condominium final closings, funds held in trust, other receivables, accounts payable related to property operating costs, development expenditures, capital expenditures and leasing commissions, other trade payables and accruals, and deposits received from customers on residential inventory.

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As at	December 31, 2024		December 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
Marketable securities	\$ —	\$ —	\$ 20,198	\$ 20,198
Other investments	45,131	45,131	30,142	30,142
Finance lease receivables	44,433	44,433	40,110	40,110
Mortgages and loans receivable	470,729	469,398	289,533	284,512
Interest rate swap assets	283	283	8,770	8,770
Financial liabilities:				
Debentures payable	\$ 4,088,654	\$ 4,139,512	\$ 3,240,943	\$ 3,137,722
Mortgages payable	2,851,602	2,816,060	2,740,924	2,631,379
Lines of credit and other bank loans	383,658	385,083	879,246	879,460
Interest rate swap liabilities	152	152	—	—
Bond forward agreement	—	—	1,997	1,997

The fair values of the Trust's financial instruments were determined as follows:

Other investments

Other investments primarily include an investment in a real estate debt investment fund for which fair value is determined based on the reported NAV, where the underlying assets are carried at fair value, provided by the investment fund manager and is considered a Level 3 input.

Finance lease receivables

The fair value of finance lease receivables is determined by the discounted cash flow method using applicable inputs such as prevailing discount rates. Fair value measurements of these instruments were estimated using Level 3 inputs.

Mortgages and loans receivable

The fair value of mortgages and loans receivable is determined by the discounted cash flow method using applicable inputs such as prevailing interest rates, contractual rates and discounts, and considers the fair value of the underlying collateral. Fair value measurements of these instruments were estimated using Level 3 inputs. The carrying values of short-term and variable rate loans generally approximate their fair values.

Mortgages payable, lines of credit and other bank loans and debentures payable

The fair values of these instruments are estimates made at a specific point in time, based on relevant market information. These estimates are based on quoted market prices for the same or similar issues or on the current rates offered to the Trust for similar financial instruments subject to similar risk and maturities. Fair value measurements of these instruments were estimated using Level 2 inputs. The carrying values of short-term and variable rate debt generally approximate their fair values.

Interest rate swaps

The fair values of the interest rate swaps reported in receivables and other assets and accounts payable and other liabilities on the consolidated balance sheets represent estimates at a specific point in time using financial models based on interest rates that reflect current market conditions, the credit quality of counterparties and interest rate curves.

Bond forward agreement

The fair values of the bond forward agreement reported in accounts payable and other liabilities on the consolidated balance sheets represent estimates at a specific point in time using financial models based on interest rates that reflect current market conditions, the credit quality of counterparties and interest rate curves.

25. RISK MANAGEMENT

The main risks arising from the Trust's financial instruments are interest rate risk, liquidity risk and credit risk. The Trust's approach to managing these risks is summarized below.

Interest rate risk

The Trust is exposed to interest rate risk on its borrowings and could be adversely affected if it were unable to obtain cost-effective financing. The majority of the Trust's debt is financed at fixed rates with maturities staggered over a number of years, thereby mitigating its exposure to changes in interest rates and financing risks. As at December 31, 2024, approximately 2.0% (December 31, 2023 - 4.6%) of the Trust's debt is financed at variable rates (including mortgage debt related to properties held for sale, if applicable, and excluding debt that has been hedged to fixed rates), exposing the Trust to interest rate risk.

From time to time, the Trust may enter into floating-for-fixed interest rate swaps as part of its strategy for managing its exposure to interest rate risk on debt with floating interest rates. The Trust may also enter into bond forward contracts to hedge its exposure

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to movements in interest rates from the time it determines it will refinance or issue a fixed rate debt and the time the fixed rate debt is issued. The intent is to use the bond forwards to manage the change in cash flows of the future interest payments on the anticipated fixed rate debt.

Hedge effectiveness is determined at the inception of the hedge relationship, and through quarterly effectiveness assessments to ensure that an economic relationship exists between hedged item and hedging instrument. The hedge ratio is set at a ratio of 1:1 for the specific portions of floating rate debt that have been designated as the hedged item or at a ratio of 1:1 for the specific portion of forecasted debenture issuance.

The Trust enters into floating-for-fixed interest rate swap hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item; as a result, the Trust does not expect any sources of hedge ineffectiveness, except from changes in credit risk of the Trust and the counterparty. For bond forward contracts, sources of ineffectiveness include differences in the timing of duration and maturities, and changes in credit risk of the Trust and the counterparty.

The Trust has applied hedge accounting and recorded the changes in fair value for the effective portion of these derivatives in OCI accumulated in the cash flow hedge reserve in equity from the date of hedge designation. Accumulated amounts are reclassified from OCI to net income in the periods where the forecasted cash flows impact net income. For any interest rate swaps for which the Trust does not apply hedge accounting, the change in fair value of the swap contracts is recognized in net income.

As at December 31, 2024, the outstanding notional amount of the floating-for-fixed interest rate swaps is \$300.0 million (December 31, 2023 - \$833.4 million) and the term to maturity of these agreements ranges from November 2028 to January 2030.

The outstanding interest rate swaps by year of maturity are as follows:

Maturity	Notional outstanding principal amount	Weighted average effective fixed interest rate
2025	—	— %
2026	—	— %
2027	—	— %
2028	100,000	3.94 %
Thereafter	200,000	4.47 %
	\$ 300,000	

As at December 31, 2024, the Trust did not have any unrealized bond forward contracts outstanding (December 31, 2023 - \$150.0 million outstanding with a settlement date on February 12, 2024 with an effective bond yield of 3.168%).

During the year ended December 31, 2024, the Trust entered into two bond forward contracts to sell a total of \$450.0 million Government of Canada Bonds with a weighted average effective bond yield of 3.270%, to hedge its exposure to movements in underlying risk-free interest rates on a highly probable anticipated fixed rate debt issuance.

During the year ended December 31, 2024, the Trust settled a total of \$600.0 million of bond forward contracts, all of which were considered fully effective. Including the effective \$6.4 million realized bond forward net loss, the weighted average hedged interest rate was 5.115% for \$950.0 million of debentures issued with a weighted average term of 6.3 years. The net loss will be included in interest expense over the term of the hedged debt. The \$600.0 million of settled bond forward contracts were composed of \$150.0 million of bond forward contracts entered into on December 14, 2023, which were settled on February 12, 2024 in conjunction with the offering of the Series AJ debenture, and \$150.0 million of bond forward contracts entered into on March 8, 2024, which were settled on March 28, 2024 in conjunction with the offering of the additional Series AJ debenture, and \$300.0 million of bond forward contracts entered into on June 14, 2024, which were settled on October 3, 2024 in conjunction with the closing of the offering of the Series AL debentures.

The Trust assessed the effectiveness of its continuing hedging relationships and determined all such designated hedging relationships are effective as at December 31, 2024. As at December 31, 2024, the fair value of the interest rate swaps and bond forward agreements are, in aggregate, a net financial asset of approximately \$0.1 million (December 31, 2023 - net financial asset of approximately \$6.8 million).

As at December 31, 2024, the carrying value of the Trust's floating rate debt that is not subject to a hedging strategy is \$146.8 million and a 50 basis point increase in market interest rates would result in an annualized decrease of \$0.7 million in the Trust's net income.

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The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

	2024			During the year - 2024				
	Nominal amount of hedging instrument	Carry amount of the hedging instrument		Line item in the consolidated balance sheets	Fair value gain (loss) recognized in OCI	Hedge ineffectiveness recognized in profit or loss	Amounts reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by reclassification/ineffectiveness
		Assets	Liabilities					
Interest rate swaps	\$300,000	\$283	\$152	Receivables and other assets (assets), Accounts payable and other liabilities (liabilities)	\$767	\$—	\$(9,404)	Interest costs/ Debt prepayment costs, net
Bond forward agreement	\$—	\$—	\$—	Receivables and other assets (assets), Accounts payable and other liabilities (liabilities)	\$(4,357)	\$—	\$(8,269)	Interest costs

	2023			During the year - 2023				
	Nominal amount of hedging instrument	Carry amount of the hedging instrument		Line item in the consolidated balance sheets	Fair value gain recognized in OCI	Hedge ineffectiveness recognized in profit or loss	Amounts reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by reclassification
		Assets	Liabilities					
Interest rate swaps	\$833,404	\$8,770	\$—	Receivables and other assets (assets), Accounts payable and other liabilities (liabilities)	\$8,877	\$—	\$(22,921)	Interest costs/ Debt prepayment costs, net
Bond forward agreement	\$150,000	\$—	\$1,997	Receivables and other assets (assets), Accounts payable and other liabilities (liabilities)	\$10,432	\$2,792	\$(7,127)	Interest costs

The amounts at the reporting date relating to items designated as hedged items were as follows:

	2024			2023		
	Fair value gain (loss) used for calculating hedge ineffectiveness during the year	Cash flow hedge reserve for continuing hedges	Balance in cash flow hedge reserve for discontinued hedges	Fair value gain used for calculating hedge ineffectiveness during the year	Cash flow hedge reserve (loss) for continuing hedges	Balance in cash flow hedge reserve for discontinued hedges
Interest rate risk						
Variable rate mortgages and lines of credit and the bank loans	\$767	\$622	\$—	\$8,877	\$9,259	\$—
Bond forward agreement	\$(4,357)	\$—	\$29,939	\$10,432	\$(1,997)	\$44,562

The Trust's hedged items and hedging instruments for interest rate swaps were previously indexed to the one-month Canadian Dollar Offered Rate (CDOR). Under Interbank offered rates (IBOR) reform, a new risk-free benchmark interest rate, the Canadian Overnight Repo Rate Average (CORRA), was introduced as a fallback rate to CDOR, and the one-month CDOR ceased to be a benchmark rate on June 30, 2024. During the year, the Trust updated its hedge documentation and there was no impact to effective interest rates as the new benchmark rate was implemented.

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Currency risk on U.S. dollar borrowings

From time to time, the Trust funds its Canadian assets by electing to draw on the revolving unsecured operating line of credit in U.S. dollars bearing interest at USD-SOFR when it is determined that it is economically advantageous to do so. The Trust will concurrently enter into cross-currency swaps to hedge foreign exchange risk on these U.S. dollar borrowings. As at December 31, 2024, the Trust has no cross-currency swaps outstanding.

Liquidity risk

Liquidity risk is the risk that the Trust may not have access to sufficient debt and equity capital to meet its financial obligations as they become due. The Trust mitigates its liquidity risk by staggering the maturity dates of its long-term debt, actively renewing expiring credit arrangements, utilizing undrawn operating lines of credit, maintaining a large number of assets unencumbered by debt and issuing equity when considered appropriate.

- For the current and non-current scheduled repayments of mortgages, and funds drawn against the Trust's lines of credit and other bank loans, refer to Notes 11 and 12, respectively, for details.
- For current and non-current scheduled repayments of debentures, refer to Note 10 for details.

The Trust expects to continue financing future acquisitions, development, debt obligations and other financing requirements through existing cash balances, internally generated cash flows, refinancing maturing debt, utilization of its operating line of credit, credit facilities, construction financing facilities, mortgaging unencumbered assets, issuance of unsecured debentures, the sale of non-core assets, sales proceeds from residential inventory or air rights sales, strategic development partnerships and the issuance of equity when considered appropriate.

Credit risk

Credit risk is the risk of financial loss to RioCan that arises from the possibility that:

- Tenants may experience financial difficulty and are unable to fulfill their lease commitments or tenants fail to occupy and pay rent in accordance with existing lease agreements, some of which are conditional.
- Borrowers default on the repayment of their mortgages or loans receivable to the Trust or investment entity in which the Trust has an investment.
- Third parties default on the repayment of debt whereby RioCan has provided guarantees, including guarantees by RioCan on behalf of its co-owners and on behalf of purchasers who assumed mortgages on property dispositions.
- Customers may not be able to close financing on a condominium unit previously occupied and recognized in revenue.

The Trust mitigates tenant credit risk through geographical diversification, staggered lease maturities, diversification of revenue sources resulting from a large tenant base, avoiding dependence on any single tenant by ensuring no individual tenant contributes a significant percentage of the Trust's gross revenue, ensuring a considerable portion of the Trust's revenue is earned from national and anchor tenants and conducting credit assessments for new tenants. Furthermore, RioCan holds security deposits and letters of credit from a number of tenants, which can serve to offset rents owed on a tenant-by-tenant basis in the unfortunate event of unresolved tenant defaults. For condominium or townhouse sales RioCan and its partners require deposits on signing, mortgage pre-approvals, actively monitor the collection of interim occupancy payments, work closely with project-specific mortgage brokers where applicable, retain title to the unit until final closing, and initiate recovery procedures when required.

Management reviews contractual rent receivables on a regular basis and reduces carrying amounts through the use of an allowance for doubtful accounts recognizing the amount of any loss in the consolidated statements of income (loss) within non-recoverable property operating costs.

As at December 31, 2024 and December 31, 2023, the allowance for doubtful accounts totals \$8.5 million and \$9.6 million, respectively. RioCan holds approximately \$40.5 million of security deposits and approximately \$2.0 million in letters of credit from a number of tenants, which could be used to offset rents owed on a tenant-by-tenant basis in the event of unresolved tenant defaults.

Credit risk relating to mortgages and loans receivable and third-party guarantees is mitigated through recourse against such counterparties and/or the underlying real estate. These financial instruments are considered to have low credit risk. The Trust monitors the debt service ability and the fair value of the properties underlying the mortgages and loans receivable and third-party guarantees to assess for changes in credit risk. Credit risk relating to finance lease receivables is mitigated through recourse against such counterparties and/or re-recognition of the forfeited leased unit as investment property. Refer to Note 33 for third-party guarantees.

RioCan's Declaration contains provisions that have the effect of limiting the amount of space that can be leased to one tenant and its investment in mortgages and loans receivable.

The maximum exposure to credit risk on financial assets on the consolidated balance sheets is their carrying values.

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26. CAPITAL MANAGEMENT

The Trust defines capital as the aggregate of Unitholders' equity and debt. The Trust's capital management framework is designed to maintain a level of capital that complies with investment and debt restrictions pursuant to RioCan's Declaration, complies with existing debt covenants, enables the Trust to achieve target credit ratings, implements its business strategies and builds long-term unitholder value. The key elements of RioCan's capital management framework are approved by its Unitholders via the Trust's Declaration and by its Board through their annual review of the Trust's strategic plan and budget, supplemented by periodic Board and Board Committee meetings. Capital adequacy is monitored by the Trust by assessing performance against the approved annual plan throughout the year, which is updated accordingly, and by monitoring adherence to investment and debt restrictions contained in the Declaration and debt covenants.

RioCan's Declaration provides for maximum total debt levels up to 60% of Aggregate Assets (as defined in the Declaration). The Trust is in compliance with this restriction.

Additionally, RioCan's Declaration contains provisions that have the effect of limiting capital expended by the Trust for, among other items, the following:

- Direct and indirect investments (net of related mortgages payable) in non-income-producing properties (including greenfield developments and mortgages receivable to fund the Trust's co-owners' share of such developments) to no more than 15% of the Adjusted Unitholders' Equity of the Trust (herein referred to as the Basket Ratio with Adjusted Unitholders' Equity as defined in the Declaration);
- Total investment by the Trust in mortgages receivable, other than mortgages taken back by the Trust on the sale of its properties, to no more than 30% of the Adjusted Unitholders' Equity of the Trust;
- Any property acquired by the Trust, directly or indirectly, if the cost to the Trust of such acquisition (net of the amount of mortgages payable assumed) exceeds 10% of the Adjusted Unitholders' Equity of the Trust;
- Subject to the Basket Ratio, securities of an entity, other than to the extent that such securities would, for the purpose of the Declaration, constitute an investment in real estate; and
- The amount of space that can be leased or subleased to any tenant, with certain exceptions, to a maximum space having an aggregate gross leasable area of 20% of the aggregate gross leasable area of all real estate investments held by the Trust.

The Trust is in compliance with each of the above-noted restrictions as at and for the year ended December 31, 2024. The Trust intends, but is not contractually obligated, to distribute to its Unitholders in each year an amount not less than the Trust's income for the year, as calculated in accordance with the *Income Tax Act* (Canada) (the Tax Act) after all permitted deductions under the Tax Act have been taken. RioCan's Trustees rely upon forward-looking cash flow information, including forecasts and budgets and the future business prospects of RioCan, to establish the level of cash distributions.

The Trust's debentures payable have covenants that are consistent with the Debt to Aggregate Assets ratio as discussed above, maintenance of at least \$1 billion of Adjusted Book Equity (defined in the indenture), and maintenance of at least an interest coverage ratio (defined in the indenture) of 1.65x for a rolling twelve-month period. As at and for the year ended December 31, 2024, the Trust was in compliance with these covenants.

The following table presents RioCan's capital structure:

For the years ended December 31,	Note	2024	2023
Debentures payable	10	\$ 4,088,654	\$ 3,240,943
Mortgages payable	11	2,851,602	2,740,924
Lines of credit and other bank loans	12	383,658	879,246
Total debt		7,323,914	6,861,113
Unitholders' equity		7,558,338	7,437,770
Total capital		\$ 14,882,252	\$ 14,298,883

Revolving unsecured operating line of credit and non-revolving unsecured credit facilities

The Trust is subject to certain key financial covenants pursuant to the agreements governing its revolving unsecured operating line of credit and non-revolving unsecured credit facilities, which are calculated on a rolling twelve-month basis. As at and for the year ended December 31, 2024, the Trust is in compliance with all applicable financial covenants.

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The following table summarizes the Trust's performance relative to these key financial covenants:

As at	Key covenant	December 31, 2024	December 31, 2023
Total Indebtedness (i) (vi)	< 60%	54.0 %	50.9 %
Secured Indebtedness (ii) (vi)	< 40%	21.7 %	22.0 %
Debt Service Coverage (iii) (vi)	> 1.5x	2.0x	2.2x
Minimum unitholders' equity (in millions)	> \$5,000	\$7,558	\$7,438
Ratio of Unencumbered Property Assets to Unsecured indebtedness (iv) (v) (vi)	> 1.5x	1.8x	1.7x
Properties held for development as a percentage of consolidated gross book value of assets	< 15%	7.3 %	7.7 %

- (i) Total Indebtedness consists of the contractual amounts outstanding on mortgages payable, lines of credit and other bank loans, debentures payable, capital lease obligations, contingent liabilities and the maximum exposure to loss for all third-party debt where RioCan has provided a financial guarantee.
- (ii) Secured Indebtedness includes mortgages payable, secured construction lines and other bank loans and capital lease obligations, which are secured against investment properties.
- (iii) Debt Service Coverage is calculated on a rolling twelve-month basis and includes regular mortgage principal and interest payments, including interest capitalized on properties under development.
- (iv) Effective June 26, 2024, Unsecured Indebtedness includes the contractual amounts outstanding of the revolving unsecured operating line of credit, non-revolving unsecured credit facility, debentures, contingent liabilities and any third-party debt amounts guaranteed by RioCan recorded as liabilities on the consolidated balance sheets.
- (v) Unencumbered Property Assets consist of properties that have not been pledged as security for debt. The Unencumbered Property Asset to Unsecured Indebtedness Ratio is calculated as Unencumbered Assets divided by Unsecured Indebtedness.
- (vi) These ratios reflect equity-accounted investments on a proportionately consolidated basis.

27. SUBSIDIARIES

The subsidiaries listed below are wholly owned and reflect significant entities of the Trust, and are located in Canada:

Name	Name
RioCan Management (BC) Inc.	RC Dufferin LP
RioCan Management Inc.	RC 3180 Dufferin LP
RioCan (KS) Management LP	RC 2290 Lawrence (White Shield) LP
RioCan (Festival Hall) Trust	RC Well Commercial LP
Timmins Square Limited Partnership	RC Kirkland Trust
Shoppers World Brampton Investment Trust	RC Eglinton Avenue LP
RioCan Realty Investments Partnership Four LP	RC Sheppard Centre LP
RioCan Realty Investments Partnership Seven LP	RC Condo Management Trust
RioCan Realty Investments Partnership Eleven LP	RC Durham Centre LP
RioCan Realty Investments Partnership Twelve LP	RC Grand Park LP
RioCan Realty Investments Partnership Fifteen LP	RC Scarborough Centre LP
RioCan Realty Investments Partnership Twenty LP	RioCan (Bloor/St. Thomas) LP
RioCan Realty Investments Partnership Twenty-Two LP	RC Clarkson LP
RioCan Realty Investments Partnership Twenty-Three LP	RC Lachine Trust
RioCan Realty Investments Partnership Twenty-Four LP	RC Sandalwood LP
RioCan Realty Investments Partnership Twenty-Five LP	RC Holding I LP
RioCan Realty Investments Partnership Twenty-Six LP	RC Holding II LP
RioCan Realty Investments Partnership Twenty-Eight LP	RC Rental IPP LP
RioCan (GH) Limited Partnership	RioCan Living LP
RioCan Property Services Trust	RC Bloor-Lansdowne LP
RioCan White Shield Limited Partnership	RC Lender LP
RC NA Property 5 LP	RC Pierrefonds Trust
RC Elmvale Acres LP	RC Condo Development Trust
RC Westgate LP	RC Parkway Lease LP
RC Lincoln Fields LP	RC King and Sherbourne LP
RC Yonge Roehampton LP	

The Trust has investments in certain joint ventures that are structured using entities that separate the investor and the investee. As a result, the Trust only has rights to and is liable for the net assets of the investee for these joint ventures.

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Refer to Note 4 for the financial information of PR Bloor Street LP, RC Yorkville LP, RioCan-Fieldgate LP, RioCan-HBC JV, Dawson-Yonge LP, RC (Queensway) LP, RC (Leaside) LP - Class B, RCLC King and Sherbourne LP, WNUF 2, WNUF 3, WNUF 4, and WNUF 5, which are the Trust's 12 associates and joint ventures that are accounted for using the equity method as at December 31, 2024.

28. SUPPLEMENTAL CASH FLOW INFORMATION

Operating activities

Years ended December 31,	2024	2023
Interest received	\$ 25,433	\$ 16,365
Interest paid	(272,950)	(235,875)

Investing activities

The following table provides a reconciliation of capital expenditures on income producing properties:

Years ended December 31,	2024	2023
Recoverable and non-recoverable costs	\$ (53,412)	\$ (79,235)
Tenant improvements and external leasing commissions	(51,427)	(46,619)
Capital expenditures on income producing properties	\$ (104,839)	\$ (125,854)

Financing activities

Years ended December 31,	2024	2023
Distributions paid:		
Distributions declared during the year	\$ (332,763)	\$ (322,924)
Distributions declared in the prior year paid in the current year	(27,038)	(25,528)
Distributions declared in current year paid in the next year	27,790	27,038
Distributions paid	\$ (332,011)	\$ (321,414)

The following provides a reconciliation of liabilities arising from financing activities:

Year ended December 31, 2024	Mortgages payable	Lines of credit and other bank loans	Debentures
Balance, beginning of year	\$ 2,740,924	\$ 879,246	\$ 3,240,943
Proceeds/advances, net	420,419	480,995	1,443,922
Repayments	(368,810)	(977,521)	(600,000)
Non-cash changes:			
Deferred financing costs and premiums and discounts	(2,204)	938	3,789
Transfers to equity-accounted investment	(2,677)	—	—
VTB mortgage or contractual principal assumed on acquisition/disposition, net	63,950	—	—
Balance, end of year	\$ 2,851,602	\$ 383,658	\$ 4,088,654

Year ended December 31, 2023	Mortgages payable	Lines of credit and other bank loans	Debentures
Balance, beginning of year	\$ 2,659,180	\$ 1,141,112	\$ 2,942,051
Proceeds/advances, net	212,739	320,014	796,114
Repayments	(172,964)	(471,139)	(500,000)
Non-cash changes:			
Deferred financing costs and premiums and discounts	(3,048)	1,044	2,778
Transfers to equity-accounted investment	—	(111,785)	—
VTB mortgage or contractual principal assumed on acquisition/disposition, net	45,017	—	—
Balance, end of year	\$ 2,740,924	\$ 879,246	\$ 3,240,943

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29. CHANGES IN OTHER WORKING CAPITAL ITEMS

Years ended December 31,		2024	2023
Receivables and other assets	\$	(25,200)	\$ 6,671
Mortgage receivable interest		(16,749)	(5,700)
Residential inventory		(66,864)	(116,610)
Accounts payable and other liabilities		41,221	(6,339)
Deposits received from customers on residential inventory sales		(7,636)	14,766
Other		3,907	(1,886)
Net change in other working capital items	\$	(71,321)	\$ (109,098)

30. RELATED PARTY TRANSACTIONS

RioCan's related parties include the following persons and/or entities:

- Associates, joint ventures or entities that are controlled or significantly influenced by the Trust; and
- Key management personnel including the Trustees and those persons having the authority and responsibility for planning, directing and controlling the activities of RioCan, directly or indirectly.

Activity and transactions with associates and joint ventures are disclosed in Note 4.

As at December 31, 2024 and 2023, the Trust's key management personnel include each of the Trustees and the following officers: President and Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Chief Operating Officer.

Effective February 1, 2024, Mr. Guy Metcalfe was appointed to RioCan's Board as a Trustee.

Remuneration of the Trust's Trustees and Key Executives during the years ended December 31, 2024 and 2023 are as follows:

Years ended December 31,	Trustees		Key Executives	
	2024	2023	2024	2023 (i)
Compensation and benefits	\$ 429	\$ 429	\$ 5,186	\$ 5,119
Unit-based compensation	2,503	2,239	3,903	4,626
Post-employment benefit costs	—	—	228	216
	\$ 2,932	\$ 2,668	\$ 9,317	\$ 9,961

(i) The comparatives for unit-based compensation and post-employment benefit costs for the year ended December 31, 2023 have been restated.

31. EMPLOYEE BENEFITS

Plan characteristics

RioCan sponsors a defined contribution plan and three defined benefit plans that provide pension and certain post-employment benefits to eligible employees. Plan members are not required, nor are they permitted, to contribute to these plans. The defined benefit plans are closed to new members and any new employees are generally eligible to join the defined contribution pension plan. All plans are administered by separate funds that are legally segregated from RioCan.

Defined contribution plan

The Trust's defined contribution pension plan provides pension benefits based on accumulated RioCan contributions. RioCan's contributions are based on a percentage of an employee's annual earnings. For the year ended December 31, 2024, RioCan's contributions to the defined contribution plan were \$3.4 million (December 31, 2023 - \$3.0 million).

Defined benefit plans

RioCan's defined benefit pension plans, one of which is a registered plan and two of which are supplemental unregistered plans, provide pension benefits mostly based on years of credited service, the average of the highest five years of earnings and the age of the member at retirement.

The Trust measures its benefit obligations and pension assets as at December 31 each year. All plans are valued using the projected unit-credit method. The Trust funds its registered defined benefit pension plans in accordance with actuarially determined amounts required to satisfy employee benefit obligations under current pension regulations. The most recent funding actuarial valuation for the Trust's defined benefit plans was completed as at January 1, 2022, and the next valuation is scheduled for January 1, 2025.

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The fair value of the registered plan assets as at December 31, 2024 is \$4.2 million (December 31, 2023 - \$4.0 million). The recognized pension obligation (net of plan assets) as at December 31, 2024 is \$10.3 million (December 31, 2023 - \$10.6 million). Pension costs of \$0.2 million were recorded in net income for the year ended December 31, 2024 (pension costs for the year ended December 31, 2023 - \$0.2 million). The discount rate used was 4.5% (December 31, 2023 - 4.4%), the compensation growth rate was 4.0% (December 31, 2023 - 4.0%) and the expected long-term rate of return on plan assets was 4.5% (December 31, 2023 - 4.4%).

Actuarial gains and losses for the defined benefit plans are recognized in full in the period in which they occur in OCI and are not reclassified to income in subsequent periods.

32. SEGMENTED INFORMATION

RioCan primarily owns, develops, manages and operates retail-focused properties and mixed-use developments located in Canada. In measuring its performance, the Trust does not distinguish or group its operations on a geographical or other basis and, accordingly, has a single reportable segment. Management has applied judgment by aggregating its operating segments into one reportable segment for disclosure purposes. Such judgment considers the nature of property operations, tenant mix and an expectation that operating segments within a reportable segment have similar long-term economic characteristics. The Trust's President and CEO is the chief operating decision-maker and regularly reviews RioCan's operations and performance on an individual property basis. RioCan does not have any single major tenant or a significant group of tenants.

33. CONTINGENCIES AND OTHER COMMITMENTS

Third-party guarantees

As at December 31, 2024, the maximum exposure to credit loss resulting from the Trust's debt guarantees on behalf of certain co-owners' interests and mortgages assumed by purchasers on property dispositions is \$600.7 million (December 31, 2023 - \$341.2 million), which expires between 2025 and 2027. There have been no defaults by the primary obligors for debts on which the Trust has provided its guarantees, and no provision for expected losses on these guarantees has been recognized in the annual audited consolidated financial statements.

Expiry of guarantees by year is as follows:

2025	\$	322,022
2026		220,127
2027		58,510
2028		—
2029		—
Thereafter		—
Total	\$	600,659

Letters of credit and surety bonds

The Trust has aggregate letter of credit facilities with certain Schedule I banks totalling \$75.3 million (December 31, 2023 - \$91.3 million). As at December 31, 2024, the Trust's outstanding letters of credit under these facilities are \$34.5 million (December 31, 2023 - \$40.2 million).

The Trust is contingently liable for surety bonds that have been provided to support condominium developments and warranties in the amount of \$219.1 million (December 31, 2023 - \$184.4 million).

Investment commitments

As at December 31, 2024, the Trust has total unfunded investment commitments of \$79.8 million relating to equity-accounted investments and other investments (December 31, 2023 - \$84.7 million). In addition, within RioCan's investment in equity-accounted investments there are \$27.5 million in construction commitments at RioCan's ownership interest pertaining to development activities (December 31, 2023 - \$59.8 million). Refer to Note 3 for investment property purchase commitments.

Construction commitments

RioCan has entered into commitments for development activity and building renovations from leasing activity. As at December 31, 2024, the commitments for investment properties and residential inventory are \$118.6 million (December 31, 2023 - \$248.0 million).

Litigation

The Trust is involved with litigation and claims that arise from time to time in the normal course of business. In the opinion of management, any liability that may arise from such contingencies will not have a significant adverse effect on the Trust's Consolidated Financial Statements.

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34. EVENTS AFTER THE BALANCE SHEET DATE

Acquisitions

On February 03, 2025, RioCan acquired a 50% interest in a property located in Calgary, Alberta, for the purchase price of \$51.2 million including transaction costs. The acquisition included the assumption of \$34.6 million of debt at a floating interest rate of CORRA plus 2.55%. RioCan also assumed its share of the remaining cost-to-complete estimated to be \$11.4 million. A mezzanine loan receivable due to RioCan from the vendor of \$15.7 million was settled upon closing.

On January 1, 2025, RioCan acquired its partner's 75% interest in the condominium lands at RioCan Leaside Centre in Toronto, Ontario, for the purchase price of \$59.3 million. A mezzanine loan receivable due to RioCan from the vendor of \$59.1 million was settled upon closing.

Unit repurchases for cancellation

Subsequent to December 31, 2024, up to and including February 18, 2025, the Trust purchased and cancelled 3,240,849 Units at a weighted average price of \$18.51 per unit for a total cost, including \$1.2 million equity buyback tax, of \$61.2 million. These purchases were made pursuant to the ASPP adopted in connection with the Trust's 2024/2025 NCIB.

Debenture issuance

Subsequent to year end, on February 12, 2025, RioCan issued \$550.0 million aggregate principal amount of senior unsecured debentures of the Trust in two series. The \$250.0 million Series AN senior unsecured debentures carry a coupon rate of Daily Compounded CORRA plus 0.85% per annum with an all-in swapped-to-fixed interest rate of 3.31%, and will mature on March 1, 2027. The \$300.0 million Series AO senior unsecured debentures carry a coupon rate of 4.671% per annum and will mature on March 1, 2032. The aggregate \$550.0 million of debentures have an all-in weighted average interest rate of 4.05% per annum, inclusive of the interest rate swap, and a weighted average term to maturity of 4.8 years.

Debenture redemption

On February 12, 2025, RioCan redeemed, in full, its \$500.0 million, 2.576% Series AB senior unsecured debentures upon maturity.

Unit distribution

On February 18, 2025, RioCan's Board of Trustees approved an increase to its per unit monthly distributions to Unitholders from \$0.0925 to \$0.0965 beginning with the distributions declared in February 2025, payable on March 7, 2025 to Unitholders of record as of February, 28, 2025. This brings RioCan's annualized distribution to \$1.16 per unit.

CORPORATE INFORMATION

SENIOR MANAGEMENT

Jonathan Gitlin, President & Chief Executive Officer
Dennis Blasutti, Chief Financial Officer
John Ballantyne, Chief Operating Officer
Andrew Duncan, Chief Investment Officer
Terri Andrianopoulos, Senior Vice President, People & Brand
Oliver Harrison, Senior Vice President, Leasing and Tenant Experience
Franca Smith, Senior Vice President, Finance
Jennifer Suess, Senior Vice President, General Counsel, ESG & Corporate Secretary

BOARD OF TRUSTEES

Edward Sonshine, O.Ont., K.C.

Non-Executive Chairman

Slim A. Vanaselja^{2,3}

Lead Trustee and Chair of the Nominating, Environmental, Social and Governance Committee

Bonnie R. Brooks, C.M.^{1,4}

Richard Dansereau^{2,3}

Janice Fukakusa, C.M.¹

Chair of the Audit Committee

Jonathan Gitlin

Marie-Josée Lamothe^{1,4}

Dale H. Lastman, C.M., O.Ont.

Jane Marshall⁴

Chair of the People, Culture and Compensation Committee

Guy Metcalfe^{3,4}

Charles M. Winograd²

Chair of the Investment Committee

UNITHOLDER INFORMATION

Head Office

RioCan Real Estate Investment Trust
RioCan Yonge Eglinton Centre
2300 Yonge Street, Suite 2200
P.O. Box 2386, Toronto, Ontario M4P 1E4
Tel: (416) 866-3033 or 1 (800) 465-2733 | Fax: (416) 866-3020
Website: www.riocan.com | Email: ir@riocan.com

INVESTOR CONTACT

Ava Ghukasyan, Director, Investor Relations

Tel: (416) 646-8326 | Email: ir@riocan.com

TRANSFER AGENT AND REGISTRAR

TSX Trust Company

100 Adelaide Street West, Suite 301
Toronto, Ontario M5H 4H1
Telephone: (416) 682-3860 or 1 (800) 387-0825
Fax: (416) 595-9593
Website: www.tsxtrust.com | Email: shareholderinquiries@tmx.com

STOCK EXCHANGE LISTING

The Toronto Stock Exchange

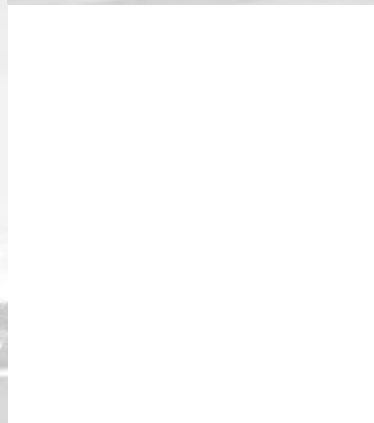
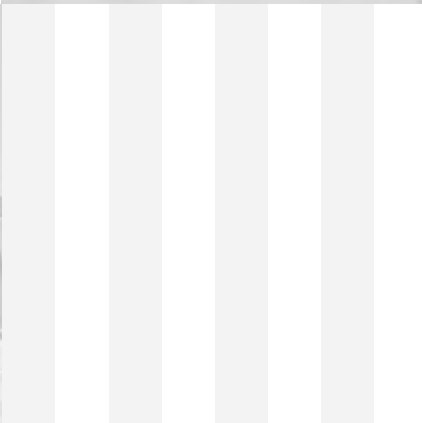
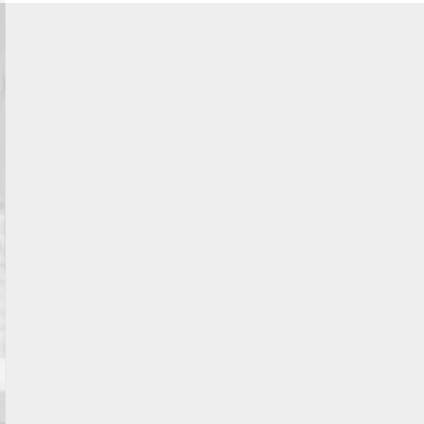
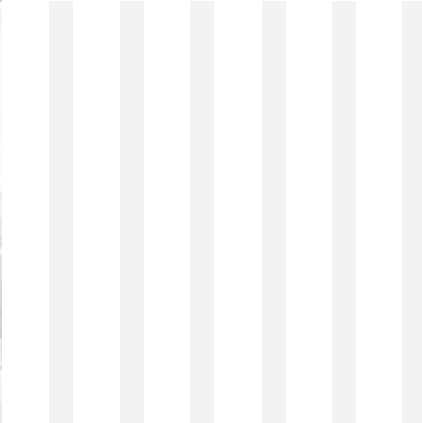
Trading Symbol: Trust Units – REI.UN

¹ Member of the Nominating, Environmental, Social and Governance Committee.

² Member of the Audit Committee.

³ Member of the People, Culture and Compensation Committee.

⁴ Member of the Investment Committee.



RIO  CAN
 REAL VISION, SOLID GROUND.

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