



Annual Information Form

For the year ended December 31, 2022

February 28, 2023

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GLOSSARY OF TERMS USED IN THIS ANNUAL INFORMATION FORM

As used in this Annual Information Form, the following acronyms and terms have the respective meanings set out below:

“affiliate” with relation to any person means an associate or an affiliated, controlled or subsidiary company of such person, all such terms (except person) having the meaning ascribed thereto by National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators, as replaced or amended from time to time (including any successor rule or policy thereto);

“AIF” means Annual Information Form;

“annuitant” means the annuitant or beneficiary of an Exempt Plan or any other plan of which a Unitholder acts as trustee or carrier;

“associate” has the meaning ascribed thereto by the CBCA, as amended from time to time;

“Audit Committee” has the meaning set out under the heading “Audit Committee” in this AIF;

“Canadian Dollar Offered Rate” is a benchmark reference rate for bankers’ acceptance borrowings denominated in Canadian dollars that is administered and posted daily by Refinitiv Benchmark Services (UK) Limited;

“CBCA” means the Canada Business Corporations Act, as amended, including the regulations promulgated thereunder;

“Committed Occupancy” means the committed occupancy rate which includes executed lease agreements where the tenants have not yet taken possession;

“CRU” means commercial retail units;

“CRU Sales Productivity” refers to the sales reported by the tenant attributable to a specific period of time, on the basis of the square footage in their leased premises.

“CSR” means corporate social responsibility;

“Debentures” has the meaning as set out under the heading “Debentures” in this AIF;

“Declaration of Trust” means the declaration of trust of Primaris, as amended, supplemented or amended and restated from time to time, as more particularly described under “Declaration of Trust and Description of Capital Structure” in this AIF;

“DRS Advice” means a direct registration system advice or similar document evidencing the electronic registration of ownership of Units or Exchangeable Units;

“Exchange Ratio” has the meaning as set out under the heading “Declaration of Trust and Description of Capital Structure – Conversion of Series B Units” in this AIF;

“ESG Strategy” means Primaris’ 2023-2025 ESG Strategic Plan;

“Exchangeable Units” means securities of any trust, limited partnership or corporation other than Primaris that are convertible or exchangeable directly for Units without the payment of additional consideration therefor;

“executive officer” has the meaning set out in National Instrument 51-102 – Continuous Disclosure Obligations;

“Exempt Plans” means, collectively, registered retirement savings plans, registered retirement income funds, deferred profit-sharing plans, registered education savings plans, registered disability savings plans, tax-free saving accounts, and first home savings accounts, each as defined in the Tax Act;

“FFO” is a non-GAAP financial measure and follows the meaning set out in the definition prescribed by the Real Estate Property Association of Canada publication on Funds From Operations & Adjusted Funds From Operations, dated January 2022 (non-GAAP measures in this AIF are denoted by the suffix “**”);

“FFO Payout Ratio” is a non-GAAP financial measure and has the meaning set out in "Non-GAAP Financial Measures" (non-GAAP measures in this AIF are denoted by the suffix “**”);

“FHSA” means first home savings account;

“Financial Statements” means Primaris’ consolidated and combined carve-out financial statements and the accompanying notes for the years ended December 31, 2022 and 2021;

“GLA” means gross leasable area;

“H&R REIT” means H&R Real Estate Investment Trust, a trust established under the laws of the Province of Ontario on November 4, 1996;

“HOOPP Properties” means the portfolio of eight investment properties that were indirectly acquired by Primaris from HOOPP on December 31, 2021 pursuant to the HOOPP Transaction, and includes: Devonshire Mall, Highstreet Mall, New Sudbury Centre, Quinte Mall, Lansdowne Place, Lansdowne Industrial, Marlborough Mall and Marlborough Professional Centre;

“HOOPP” means, collectively, HOOPP Realty Inc., Lansdowne Mall Inc. and Lansdowne Industrial Inc., affiliates of Healthcare of Ontario Pension Plan, each of which is arm’s length to Primaris;

“HOOPP Transaction” has the meaning ascribed to it under “General Development of the Business – General – Three Year History”;

“In-place Occupancy” means the percentage of space available for lease that is occupied by tenants physically in the premises;

“Investment Properties” means collectively the Primaris Properties and the HOOPP Properties;

“IFRS” means International Financial Reporting Standards as issued by the International Accounting Standards Board, and as adopted by the Chartered Professional Accountants of Canada in Part I of the CPA Canada Handbook – Accounting, as amended from time to time;

“Initial Subscription Note” means the demand promissory note in the principal amount of \$10.00 issued by H&R REIT to Primaris on the formation of Primaris;

“MD&A” means management’s discussion and analysis of the results of operations and financial position of Primaris for the three months and years ended December 31, 2022 and 2021;

“mortgage” means any mortgage, charge, hypothec, bond, debenture, note or other evidence of indebtedness, in each case which is directly or indirectly secured by real property;

“NCIB” means normal course issuer bid;

“Nominating Unitholder” has the meaning as set out under the heading “Declaration of Trust and Description of Capital Structure – Meetings of Unitholders and Special Voting Unitholders” in this AIF;

“Non-Resident” means a non-resident of Canada (within the meaning of the Tax Act) or a partnership that is not a “Canadian partnership” within the meaning of the Tax Act;

“offeror” means a person, other than an agent, who makes a take-over bid, and includes two or more persons who, directly or indirectly, make a take-over bid jointly or in concert; or intend to exercise jointly or in concert voting rights attached to the Units for which a take-over bid is made;

“Other Securities” has the meaning as set out in “Declaration of Trust – Issuance of Units”;

“participating securities” means securities that give the holder of the securities a right to share in the earnings of the person that issued the securities and after the liquidation, dissolution, or winding up of the person that issued the securities or, in the case of Primaris, upon the termination of Primaris, a right to share in its assets; for greater certainty, participating securities includes the Units;

“person” means and includes individuals, corporations, limited partnerships, limited liability partnerships, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, pension funds, land trusts, business trusts or other organizations, whether or not legal entities and governments and agencies and political subdivisions thereof;

“Plan of Arrangement” has the meaning ascribed to it under “General Development of the Business – General – Three Year History”;

“Primaris Properties” means the portfolio of 27 investment properties that were spun-out to Primaris through the Plan of Arrangement on December 31, 2021;

“Primaris REIT”, “Primaris”, “the REIT”, or “the Trust” means an unincorporated open-ended unit trust established under the laws of the Province of Ontario called Primaris Real Estate Investment Trust;

“Prime” also known as the prime lending rate or prime interest rate refers to the interest rate that large commercial banks charge on loans and products held by their customers with the highest credit rating;

“PRR Trust” means PRR Trust, a unit trust formed under the laws of the Province of Ontario;

“Purchase Agreement” means the purchase and sale agreement dated October 26, 2021 between H&R REIT, HOOPP, and the other parties thereto, as such agreement may be amended, modified or supplemented in accordance with its terms, providing for the sale of the HOOPP Properties by HOOPP to Primaris;

“real property” means property which in law is real property and includes, whether or not the same would in law be real property, leaseholds, mortgages, undivided joint interests in real property (whether by way of tenancy-in-common, joint tenancy, co-ownership, partnership, joint venture or otherwise), any interests in any of the foregoing and securities of corporations, trusts, or partnerships whose sole or principal purpose and activity is to invest in, hold and deal in real property;

“Redemption Date” has the meaning as set out under the heading “Declaration of Trust and Description of Capital Structure – Redemption Price and Payment” in this AIF;

“Redemption Notes” means the unsecured subordinated promissory notes of Primaris or a Subsidiary of Primaris having a maturity date and interest rate to be determined at the time of issuance by the Trustees, such promissory notes to provide that Primaris or such Subsidiary, as the case may be, shall at any time be allowed to prepay all or any part of the outstanding principal without notice or bonus;

“Redemption Notice” has the meaning as set out under the heading “Declaration of Trust and Description of Capital Structure – Redemption of Units” in this AIF;

“Redemption Price” has the meaning as set out under the heading “Declaration of Trust and Description of Capital Structure – Redemption Price and Payment” in this AIF;

“REIT” or **“Primaris REIT”** or **“Primaris”** means an unincorporated open-ended unit trust established under the laws of the Province of Ontario called Primaris Real Estate Investment Trust;

"REITA" values mean Primaris' cultural values of Respect, Empowerment, Integrity, Teamwork and Accountability;

“Related Party” means, with respect to Primaris, a person who is a “related party” as that term is defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions of the Canadian Securities Administrators, as replaced or amended from time to time (including any successor rule or policy thereto);

“resident Canadian” means an individual (including a trust) or corporation who is a resident of Canada for purposes of the Tax Act, or a partnership that is a “Canadian partnership” for purposes of the Tax Act;

"SASB" means Sustainability Accounting Standards Board;

“Series A Units” means units of participating interest in Primaris designated in the Declaration of Trust as **“Series A Units”**, each such unit representing an equal undivided beneficial interest, together with the Series B Units, in Primaris;

“Series B Units” means non-voting units of participating interest in Primaris designated in the Declaration of Trust as **“Series B Units”**, each such unit representing an equal undivided beneficial interest, together with the Series A Units, in Primaris;

“SIFT Rules” has the meaning set out under the heading “Enterprise Risks and Risk Management - Risks Relating to Financial Markets and Liquidity - Tax Risk” in this AIF;

“SIFT Tax” means the tax payable by a SIFT trust pursuant to paragraph 122(1)(b) of the Tax Act or by a SIFT partnership pursuant to section 197 of the Tax Act;

“SIFT trust” has the meaning ascribed thereto in subsection 122.1(1) of the Tax Act;

“Special Voting Unit” means a non-participating special voting unit of Primaris issued in accordance with the provisions of the Declaration of Trust from time to time and includes a fraction of a Special Voting Unit;

“Special Voting Unitholder” has the meaning ascribed thereto in the Declaration of Trust;

“Special Voting Unitholders” means the holders of the Special Voting Units, and **“Special Voting Unitholder”** means any one of them;

“Special Voting Units” means, collectively, the units of Primaris designated as **“Special Voting Units”** under the Declaration of Trust, and **“Special Voting Unit”** means any one of them;

“Subsidiary” and **“Subsidiaries”** with relation to any person have the meanings ascribed thereto by National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators, as replaced or amended from time to time (including any successor rule or policy thereto);

“take-over bid” has the meaning ascribed to such term in the Securities Act (Ontario), as amended from time to time;

“Tax Act” means the Income Tax Act (Canada) and the regulations thereunder, as amended;

“Tax Proposals” has the meaning provided under “Certain Canadian Federal Income Tax Considerations”;

"TCFD" means Task Force on Climate-Related Financial Disclosures;

“Total Assets” means, at any time, the sum of the assets as recorded on the most recent statement of financial position of Primaris, prepared on a consolidated basis in accordance with IFRS;

“Transfer Agent” means TSX Trust Company, in its capacity as transfer agent for Primaris’ Units or the Primaris Units, Series A, as applicable;

“Trustees” means the individuals who act as trustees of Primaris;

“TSX” means the Toronto Stock Exchange;

“U.S. Securities Act” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

“Unitholders” means the holders of Units and Special Voting Units (as the context may require), and **“Unitholder”** means any one of them;

“Units” or **“Trust Units”** means the Series A Units and the Series B Units, or any of them as the context may require, but for the avoidance of doubt does not include Special Voting Units;

“Voting Units” means, collectively, the Series A Units and Special Voting Units; and

“WALT” means weighted average lease term.

FORWARD-LOOKING INFORMATION

Certain information in this Annual Information Form ("AIF") contains forward-looking information within the meaning of applicable securities laws (also known as forward-looking statements) including, among others, statements made or implied relating to Primaris' future plans, including Primaris' ESG initiatives and objectives, significant development projects, Primaris' expectation with respect to the activities of its development properties, the timing of construction, the timing of occupancy, the timing of lease-up, and the expected total cost of development properties, management's expectations regarding future intensification opportunities including the timing of approvals for re-zoning and site plan applications, the impact of the COVID-19 pandemic on Primaris and its tenants, management's expectations regarding the growth of the markets in which its shopping centres are located, management's belief that bricks and mortar stores are and will continue to be essential to the omni-channel strategy of retailers, management's belief that the improving enclosed mall and retail environment will lead to rising rents for financially strong retailers and that there will be significant opportunities for growth and for attractive acquisitions, management's belief that Primaris can maintain financial stability and strength in a rising interest rate environment, Primaris' expected credit losses, expectations regarding tenant retention and closures, the expected rental revenues from leases with replacement tenants, including any offset of a reduction in gross revenues relating to store closures, the significant revenue opportunity represented by percentage rent participation, the state of the retail market, expected operating capital expenditures, discount rates, terminal capitalization rates and cash flow models used to estimate fair values, management's expectations regarding the Trust's leverage and portfolio quality, management's expectations regarding future distributions, management's belief that Primaris has sufficient funds and liquidity for future commitments, management's expectation to be able to meet all of its ongoing obligations, expected benefits from activities under the normal course issuer bid, and management's belief that Primaris satisfies certain prescribed conditions relating to the nature of its assets and revenue under the Income Tax Act (Canada) (the "Tax Act"). Forward-looking statements generally can be identified by words such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans", "project", "budget" or "continue" or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect Primaris' current beliefs and are based on information currently available to management.

Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements are not guarantees of future performance and are based on estimates and assumptions that are inherently subject to risks and uncertainties, and other factors. Primaris cautions that although it is believed that the assumptions are reasonable in the circumstances, actual results, performance or achievements of Primaris may differ materially from the forward-looking statements contained in this AIF.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements include that the general economy is currently volatile in part as a result of the COVID-19 pandemic; interest rates have risen and may continue to rise further in the near term as a result of persistent inflation; and debt markets will continue to provide access to capital at a reasonable cost, notwithstanding recent interest rate hikes. Additional risks and uncertainties include, among other things, risks related to: owning and operating real property; real property valuations; geographic concentration of properties; credit risk and tenant concentration; reliance on anchor tenants and tenant bankruptcies; lease rollover risk; competition for real property investments; asset class concentration risk; construction risks; supply chain risks; development risks; capital expenditures risk; co-ownership interest in properties; financial markets and liquidity risk; cyber security risk; environmental and climate change risk; litigation risk; general uninsured losses; dependence on key personnel, talent management and succession planning; potential acquisition, investment and disposition opportunities and joint venture arrangements; potential undisclosed liabilities associated with acquisitions; Trust Unit price risk; availability of cash for distributions; ability to access capital markets; dilution; Unitholder liability; redemption right risk; tax risk, and additional tax risk applicable to Unitholders. Certain of these risks, and others, are discussed in more detail under the Enterprise Risks and Risk Management section of this AIF.

Primaris cautions that these lists of factors, risks and uncertainties are not exhaustive. Other risks and uncertainties not presently known to Primaris could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Although the forward-looking statements contained in this AIF are based upon what Primaris believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements.

Readers are also urged to examine Primaris' materials filed with the Canadian securities regulatory authorities from time to time as they may contain discussions on risks and uncertainties which could cause the actual results and performance of Primaris to differ materially from the forward-looking statements contained in this AIF. All forward-looking statements in this AIF are qualified by these cautionary statements. These forward-looking statements are made as of February 28, 2023, and Primaris, except as required by applicable securities laws, assumes no obligation to update or revise them to reflect new information or the occurrence of future events or circumstances.

NON-GAAP MEASURES

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). However, in this AIF, certain measures are presented which do not have a standardized meaning prescribed under generally accepted accounting principles ("GAAP") in accordance with IFRS, including non-GAAP financial measures and non-GAAP ratios, each as defined in National Instrument 52-112, Non-GAAP and Other Financial Measures Disclosure ("NI 52-112"). These non-GAAP measures include: Funds from operations ("FFO"), FFO Payout Ratio (a non-GAAP ratio calculated by dividing Primaris' distribution per unit by FFO per unit), Net Asset Value ("NAV") and NAV per unit (a non-GAAP ratio calculated by dividing NAV by the number of units outstanding). Management believes these non-GAAP measures are useful to assessing Primaris' performance period over period and its ability to meet its financial obligations. However, none of the non-GAAP measures should be construed as an alternative to financial measures calculated in accordance with GAAP. Furthermore, these non-GAAP measures may not be comparable to similar measures presented by other real estate entities and should not be construed as an alternative to financial measures determined in accordance with IFRS. Non-GAAP measures in this AIF are denoted by the suffix "***".

Additional information regarding these non-GAAP measures, including definitions and reconciliations to the most directly comparable GAAP figure, where applicable, can be found in the MD&A which is available at www.primarisreit.com and on www.sedar.com. See Section 12, "Non-GAAP Measures" of the MD&A for the descriptions of each non-GAAP measure used in this AIF, Section 9.2, "FFO and AFFO" of the MD&A for the quantitative reconciliations to the most directly comparable GAAP figure for FFO and FFO Payout Ratio and Section 10.4, "Capital Structure" of the MD&A for the quantitative reconciliations to the most directly comparable GAAP figure for NAV and NAV per unit; these sections are incorporated by reference.

USE OF OPERATING METRICS

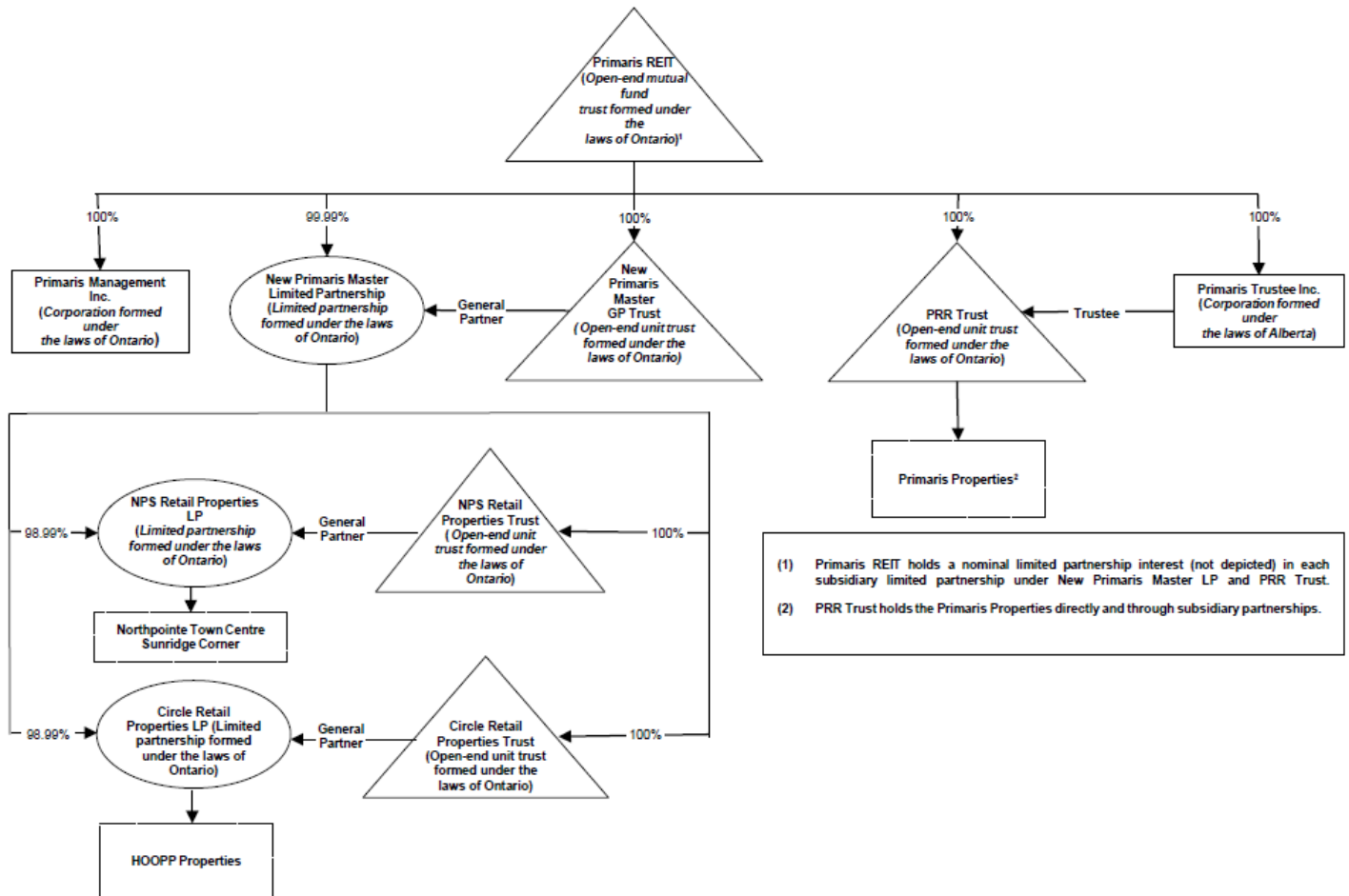
Primaris uses certain operating metrics to monitor and measure the operational performance of its portfolio. Operating metrics in this AIF include GLA, in-place occupancy, committed occupancy, weighted average net rent per occupied square foot, weighted average lease term, CRU sales productivity and store count. Certain of these operating metrics, including weighted average net rent per occupied square foot, may constitute supplementary financial measures as defined in National Instrument 52-112 "Non-GAAP and Other Financial Measures Disclosure". These supplementary measures are not derived from directly comparable measures contained in the Financial Statements but may be used by management and disclosed on a periodic basis to depict the historical or future expected financial performance, financial position or cash flow of the Trust. For an explanation of the composition of weighted average net rent per occupied square foot Section 8, "Operational Performance" – "Weighted Average Net Rent" of the MD&A; this section is incorporated by reference.

ORGANIZATIONAL STRUCTURE

Primaris is an open-ended, internally managed unit trust established under the laws of the Province of Ontario. Primaris' head office is located at 26 Wellington Street East, Suite 400, Toronto, Ontario M5E 1S2.

Intercorporate Relationships

The following chart summarizes the intercorporate relationships among Primaris and its material subsidiaries as at December 31, 2022.



GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

2021

Following the acquisition by H&R REIT of certain assets of Primaris in April 2013, the business of Primaris was operated by H&R REIT as part of its retail segment. On October 27, 2021, H&R REIT announced that its board of trustees approved the spin-out of its Primaris division to a new stand-alone real estate investment trust pursuant to a statutory plan of arrangement (the "**Plan of Arrangement**").

On December 31, 2021, the internal reorganization of H&R REIT pursuant to which H&R REIT's enclosed shopping mall business and certain other assets were spun-out to Primaris was completed. Under the Plan of Arrangement, H&R REIT unitholders received one unit of Primaris for every four units of H&R held immediately prior to closing of the Plan of Arrangement. The completion of the Plan of Arrangement was announced jointly by H&R REIT and Primaris on January 4, 2021. H&R REIT contributed the Primaris Properties, which had an appraised value of approximately \$2.4 billion. The Primaris Properties were secured with debt totaling approximately \$723.0 million. The appraised value, net of debt, equated to a Net Asset Value** of the Primaris spin-out of \$5.57 per H&R REIT unit before any working capital adjustments.

Immediately following the Plan of Arrangement, Primaris entered into a transaction with HOOPP (the "**HOOPP Transaction**") pursuant to which it acquired the HOOPP Properties, which had an appraised value of \$0.8 billion. As a result of the Plan of Arrangement and the HOOPP Transaction, Primaris owns interests in 35 Investment Properties with an appraised value of approximately \$3.1 billion as at December 31, 2022, encompassing 10.9 million square feet of gross leasable area.

Pursuant to the Plan of Arrangement and the HOOPP Transaction, an aggregate of approximately 98.3 million Series A Units were issued. Primaris also issued 3,336,016 Exchangeable Units to H&R REIT under the Plan of Arrangement.

2022

On January 4, 2022 Primaris established a \$700 million unsecured revolving credit facility (the "**Credit Facility**"). See "Debt Profile".

On January 5, 2022, the Series A Units began trading on the TSX under the symbol PMZ.UN.

On January 5, 2022 Primaris repaid a \$200.2 million non-interest-bearing note payable to HOOPP in connection with the acquisition of the HOOPP Properties, utilizing a draw on its Credit Facility.

On January 6, 2022 Primaris declared its first monthly distribution of \$0.0667 per unit for the month of January, paid on February 15, 2022, reflecting \$0.80 per unit on an annualized basis.

On January 10, 2022, H&R REIT exchanged 3,336,016 Exchangeable Units for Series A Units and the Special Voting Units were cancelled.

On February 28, 2022, Primaris received final acceptance from the TSX of Primaris' notice of intention to make a NCIB. See "Market for Securities - Normal Course Issuer Bid".

On March 4, 2022, DBRS Morningstar ("**DBRS**") issued Primaris a rating of BBB with a Stable Trend. A copy of DBRS' published rating is available at www.dbrsmorningstar.com. See "Ratings".

On March 30, 2022, the REIT secured a private placement of \$350 million aggregate principal amount of senior unsecured debentures. See "Debt Profile".

On March 30, 2022, as a result of the debenture issuance, the commitment under the Credit Facility reduced from \$700.0 million to \$400.0 million.

On March 31, 2022 the REIT established an automatic securities purchase plan in respect of its previously announced NCIB. See "Market for Securities - Normal Course Issuer Bid".

On August 8, 2022, the REIT announced that it had entered into a \$200 million unsecured, non-revolving, delayed-draw term loan that carries an annual rate of CDOR + 150 basis points, maturing on February 5, 2026. See "Debt Profile".

As of August 26, 2022, the Series A Units were listed on the List of Securities Eligible for Reduced Margin ("LSERM") which provides margin lending guidance for investment dealers.

On November 2, 2022, the REIT announced a distribution increase of 2.5%, from \$0.80 to \$0.82 per Unit on an annualized basis effective for the December 2022 distribution that was paid in January 2023.

At December 31, 2022 the REIT had 97,712,717 issued and outstanding Series A Units.

DESCRIPTION OF THE BUSINESS

Overview

Primaris is Canada's only enclosed shopping centre focused REIT, with ownership interests primarily in enclosed shopping centres dominant in their markets. The portfolio totals 10.9 million square feet and economies of scale are achieved through its fully internal, vertically integrated, full-service national management platform. Primaris' scale, portfolio composition, and capital structure are designed to enable Primaris to grow and thrive in the new retail landscape.

Strategy

Primaris' strategy focuses on three key tactical pillars:

1. Retailer affordability through operational management;
2. Consolidation of retail assets in a market with limited institutional competition; and
3. Disciplined capital allocation across investment opportunities.

1. Retailer affordability through operational management

Primaris focuses on retailer affordability, offering attractive and economic store locations, through a disciplined approach to cost management, achieving economies of scale from its management platform, and collaborative relationship building with tenant partners. The resulting lower cost operating structure significantly improves retailer profitability, and therefore, tenants' willingness to commit to the shopping centres.

Management believes its retailer tenants operate in a competitive market place and pursue all opportunities to enhance profitability while maintaining strong brand awareness. They are rightsizing and adapting their business models to the new ways in which their customers shop: in-store, online, click-and-collect, and return-to-store or return-by-mail. By maintaining a disciplined cost operating structure, Primaris creates more attractive and affordable shopping centres for retailers.

2. Consolidation opportunity

Management believes there is a significant opportunity for Primaris to be the consolidator in the enclosed shopping centre space, a market that currently has limited institutional competition for assets. Primaris is uniquely positioned, as Canada's only REIT focused on owning and managing enclosed shopping centres, with an established, fully

internal and scalable management platform, and balance sheet capacity for growth. Some of Canada's largest enclosed shopping centre owners are overweight the retail sector and may consider rebalancing their property portfolios, creating a more active property market from which Primaris can potentially benefit. These assets are traditionally well maintained, making them an ideal acquisition for the Primaris platform, where the team can surface additional value through operating efficiencies, new leasing opportunities, and margin expansion.

3. Disciplined capital allocation

Primaris has a strong balance sheet with a conservative capital structure allowing it to maintain and upgrade its properties as needed and to take advantage of strategic acquisitions. As well, the strength of Primaris' capital structure makes it an attractive partner for institutional real estate owners. Primaris will continue to adhere to a disciplined capital allocation strategy, striving to minimize its cost of capital while maximizing value for its Unitholders.

Management Team and Employees

Primaris' management team creates value by leveraging its decades of experience in property acquisitions, operations, leasing, property development, capital markets, financing, risk management, and stakeholder relations. Each member of the management team has been selected for the strength, capabilities and reputations that they bring to their respective roles. As of the date of this AIF, Primaris has approximately 400 employees.

Impacts of the COVID-19 Pandemic

By the second quarter of 2022, most public health restrictions and mask mandates were lifted, essential and non-essential businesses were operating at full capacity, and the government programs to assist businesses were completed. Canadians have adapted to living with the COVID-19 virus, balancing concerns about new variants with the resumption of pre-pandemic lifestyles and activities. Primaris' shopping centres have operated under normal business conditions since the second quarter of 2022.

Environmental, Social and Governance Initiatives ("ESG")

In 2022 Primaris developed a Board-led ESG Strategic Plan that aligns to the Trust's mission, vision and strategy, and supports long-term value creation. The 2023-2025 ESG Strategic Plan ("**ESG Strategy**") identifies Primaris' key ESG priorities, goals, actions, and performance measures. The ESG Strategy is a 'living document' that will evolve over time as Primaris progresses and adapts to the changing needs of operating and investing environments.

The Plan aligns to current investor focused ESG standards and frameworks:

- Sustainability Accounting Standards Board ("**SASB**") Real Estate Standard (IF-RE);
- recommendations of the Task Force on Climate-Related Financial Disclosures ("**TCFD**"); and
- GRESB, the global ESG benchmark for real assets.

Primaris' objective is to conform all elements of the ESG Strategic Plan within industry standard within 3 years, with a longer-term ambition of selectively developing a leading edge position in a number of areas. A detailed 3 years Implementation Roadmap has been created alongside the Plan to achieve the objectives.

ESG Governance Structure and Systems

The success of the ESG Strategy relies on commitment and oversight from the Board of Trustees. The Trustees are responsible for the oversight of the ESG Strategic Plan and initiatives developed by management. The Board of

Trustee's Compensation, Governance and Nominating Committee oversees and monitors Primaris' performance against the ESG Strategy.

The Compensation, Governance and Nominating Committee is responsible for overseeing management's identification and assessment of social and sustainability matters, including, but not limited to, monitoring the Trust's progress on integrating environmental, social and governance factors into business strategy and decision making, and adopting ESG policies. The Compensation, Governance and Nominating Committee also reviews and approves periodic ESG reports and monitors ongoing compliance with the reported initiatives.

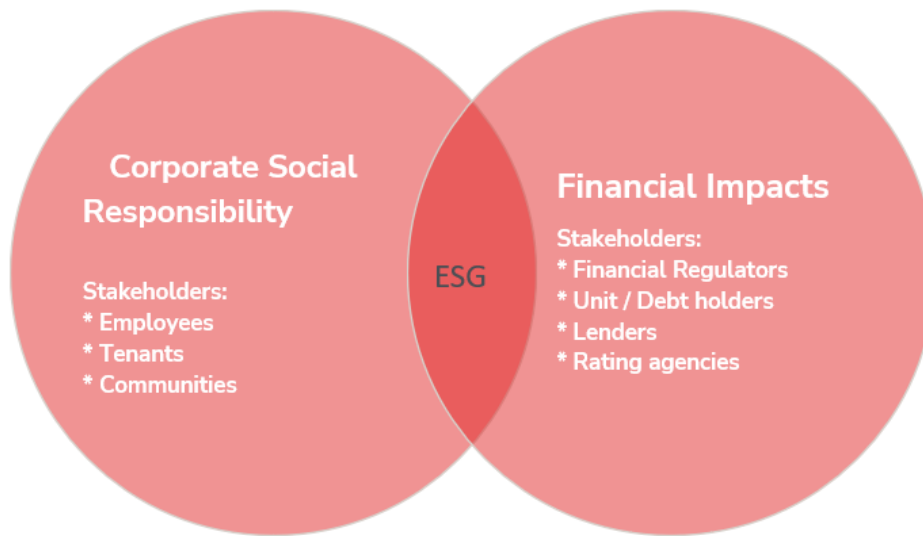
Two members of the Board attend management's regularly scheduled ESG Committee meetings to gain insight into implementation of ESG initiatives under the Plan and assess the potential for the advancement of the ESG Strategy, policies and practices. The Board's ability to provide effective oversight is supported by the governance structure and systems.

Key aspects of ESG governance structure and systems include:

<p>Board Composition</p> <ul style="list-style-type: none"> * All Trustees joined the Institute of Corporate Directors, which provided ESG training * ESG included the Trustee skills matrix * Board-level diversity policy 	<p>Management Accountabilities</p> <ul style="list-style-type: none"> * Chief Financial Officer is the senior executive accountable for ESG program oversight * Regular reporting to Board
<p>Board Structure and Practices</p> <ul style="list-style-type: none"> * Lead Trustee for ESG program identified * Compensation, Governance and Nominating Committee Charter includes ESG * ESG risk review included in Audit Committee Charter * Establishment of ESG policies (on-going) * ESG Committee established including Trustee representation 	<p>Board Oversight of ESG-Related Risk Management</p> <ul style="list-style-type: none"> * ESG materiality assessment updated every three years <p>Board Oversight of ESG Reporting and Disclosure</p> <ul style="list-style-type: none"> * ESG included in Management's Discussion and Analysis <p>Integration of ESG into Corporate Strategy</p> <ul style="list-style-type: none"> * ESG included in Management's Discussion and Analysis

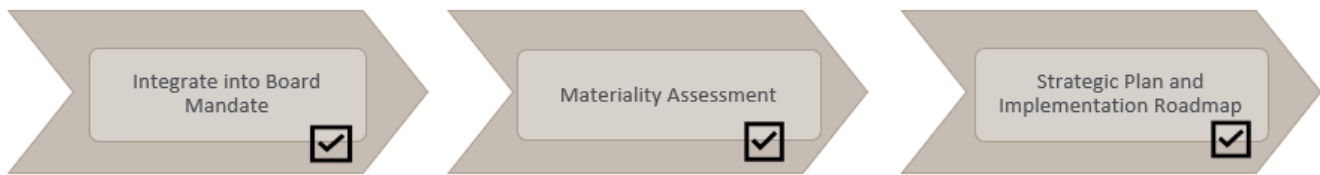
ESG Journey

Throughout its 20-year history, Primaris held itself socially accountable to its stakeholders and the public. By practicing corporate social responsibility ("CSR"), Primaris was conscious of the social, environmental and economic impacts of its operations and made concerted efforts to operate in ways that enhanced rather than degraded society and the environment.



While both CSR and ESG initiatives play a role in Primaris' public accountability, ESG incorporates quantifiable, recognized standards and frameworks. Through transparency and measurable action, the ESG Strategy is intended to safeguard financial success and reputation.

Primaris approached the development of its ESG Strategic Plan by first creating a strong governance foundation.



Materiality Assessment and Material ESG Factors

The ESG Strategic Plan was developed based on the results of an ESG Materiality Assessment, that identified and prioritized the ESG-related risks and opportunities based on their potential impact to financial performance or the long term value of Primaris, and their importance to stakeholders. Below are Primaris' material ESG factors for each of its three ESG pillars.

Environment	Social	Governance
Reduce our environmental footprint and use resources efficiently	Be a landlord and employer of choice, and provide community gathering places	Integrate ESG into our strong governance and disclosure practices
Energy management	Tenant relations	Business ethics and transparency
GHG ¹ emissions and climate change	Human capital management	Diversity, equity and inclusion
Water and waste management	Community relations	Supply Chain
Tenant sustainability Impacts		
Green buildings		

¹greenhouse gas ("GHG")

Environment: The REIT's material environmental factors relate to the operation and condition of its shopping centres. The REIT invests in its properties in order to maintain and drive asset value, reduce the environmental footprint, and improve operating efficiencies to drive tenant affordability. The key environmental objectives are:

Energy Management

- * Integrate energy considerations into property investment analysis and operational strategy
- * Reduce energy consumption
- * Increase energy efficiency
- * Increase renewable energy use

Water and Waste Management

- * Reduce water use and increase efficiency
- Reduce total waste generated and increase diversion rates

GHG Emissions and Climate Change

- * Determine capital expenditure requirements for management of climate-related transition and physical risks
- * Reduce total GHG emissions and emissions intensity
- * Develop GHG emissions reduction targets

Green Buildings

- * Integrate green building considerations into property investment analysis and operational strategy
- * Increase number of green building certificates

Tenant Sustainability Impacts

- * Increase tenant sub-metering
-

Social: The REIT's culture is defined through its "REITA" values - Respect, Empowerment, Integrity, Teamwork and Accountability. These values are the foundation of the REIT's relationships and interactions with employees, tenants and the shopping centres' communities. The REIT seeks to be an employer and landlord of choice, and a trusted partner to its retail tenants with shopping centres that are the communities' focal point and gathering places. The key social objectives are:

Tenant Relations

- * Enhance existing tenant communication platforms and develop additional avenues of communication to reach all tenants
- * Continuous improvement of tenant relations

Community Relations

- * Support local economies through employment
- * Support and participate in local community causes

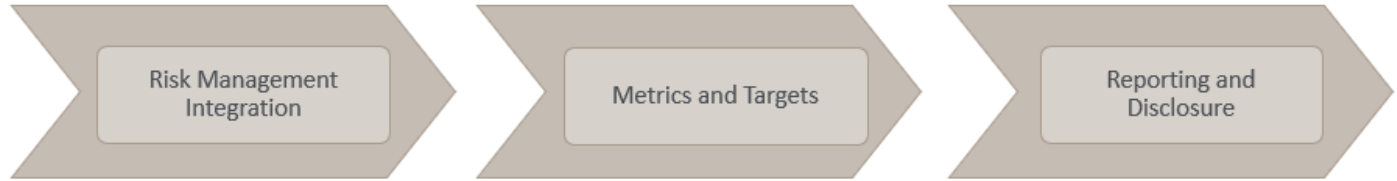
Human Capital Management

- * Continuous improvement of employee engagement and satisfaction survey scores
 - * Maintain high standards of employee health, safety and well-being
 - Enhance employee training, including ESG-specific training
 - * Support diversity, equity and inclusion at all levels
 - * Promote supportive culture through REITA values
-

Governance: Corporate governance practices are evolving as regulators and investors seek better clarity and consistency. The following governance objectives have been identified as being material to the real estate sector and to Primaris:

<p>Business Ethics and Transparency</p> <ul style="list-style-type: none"> * Policies and processes for management of risks related to ethical business conduct * Policies and practices relating to collection, usage and retention of personal information * Systems and programs to identify and mitigate data security risks 	<p>Diversity, Equity and Inclusion</p> <ul style="list-style-type: none"> * Diversity Policy is reviewed annually and communicated to all employees <p>Supply Chain</p> <ul style="list-style-type: none"> * Elements of ESG integrated into the tendering process
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Next Steps



During 2023 the REIT will focus on:

- Collecting baseline environmental and social data sets;
- Developing targets for core environmental and social factors;
- Sourcing and implementing systems to collect and manage environmental and social data;
- Submitting the REIT's inaugural GRESB Real Estate Assessment;
- Establishing ESG monitoring and reporting requirements for the Board;
- Completing the development and implementation of the enterprise risk management initiative, ensuring integration of ESG risks; and
- Preparing an inaugural ESG report.

ESG is an essential component in Primaris' overall strategy from both risk mitigation and opportunity optimization standpoints.

REAL ESTATE PORTFOLIO

INVESTMENT PROPERTIES

Primaris owns, manages, leases, and develops retail properties in Canada. On December 31, 2022, the portfolio consisted of 35 properties. The portfolio is geographically diversified across Canada to reduce concentration risk and to enhance the long-term reliability of its revenue stream.

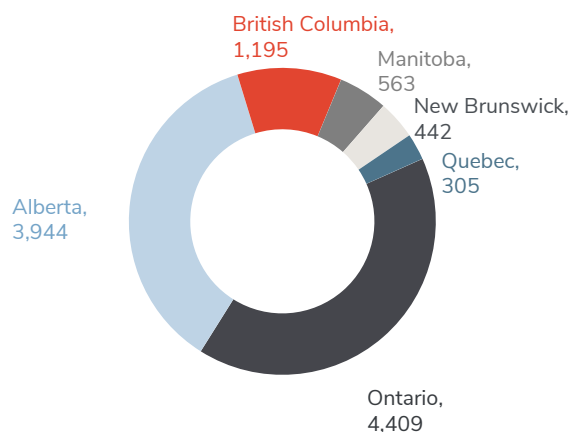
The shopping centre portfolio comprises 23 assets nationwide (21 enclosed malls) and is situated on 900 acres of land. The properties are located close to major transportation nodes and transit, with broad zoning permitting a wide range of uses beyond retail. Primaris' 5 largest properties represent approximately 46% of the portfolio value (10 largest properties approximately 60%).

Management is currently reviewing the Trust's portfolio of Investment Properties to identify potential non-core asset dispositions to provide capital to recycle into enclosed mall acquisitions.

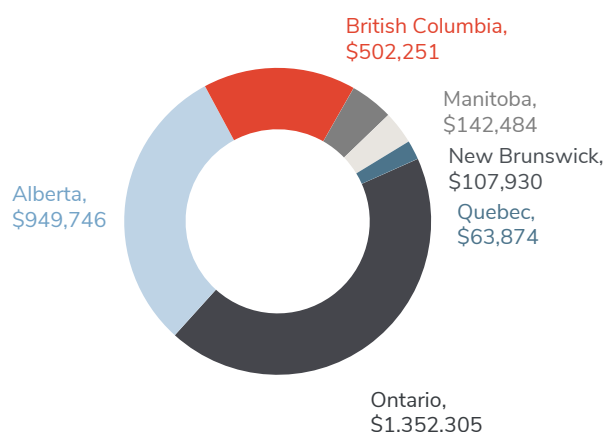
As at December 31, 2022		Total Portfolio		Primaris Properties		Acquisition Properties	
(\$ thousand and '000 square feet, unless otherwise indicated)	Fair Value	GLA	In-place Occupancy ¹	GLA	In-place Occupancy ¹	GLA	In-place Occupancy ¹
Ontario	\$ 1,352,305	4,409	88.5 %	1,838	90.0 %	2,571	87.4 %
Alberta	949,746	3,944	91.1 %	3,351	91.0 %	593	91.4 %
British Columbia	502,251	1,195	94.9 %	651	98.8 %	544	90.3 %
Manitoba	142,484	563	93.9 %	563	93.9 %	—	— %
New Brunswick	107,930	442	98.9 %	442	98.9 %	—	— %
Quebec	63,874	305	97.3 %	305	97.3 %	—	— %
Portfolio	\$ 3,118,590	10,858	91.1 %	7,150	92.4 %	3,708	88.4 %

¹ Supplementary financial measure, see "Use of Operating Metrics".

**Total Portfolio GLA by Province
(square feet, 000's)**



**Total Portfolio Value by Province
(000's)**



The table below lists all of the Investment Properties as at December 31, 2022 with the location, property segment, ownership percentage, GLA, store count and major tenants as of that date.

Enclosed Properties

#	Property Name	City	Province	Segment	Ownership Share	GLA at Share (SF)	Store Count	Major Tenants
1	Catarauqui Town Centre	Kingston	Ontario	Enclosed	50%	296,834	111	Hudson's Bay, Sport Chek, Marshalls, Indigo, Dollarama, Urban Planet, Shoppers Drug Mart, Trillium College
2	Devonshire Mall	Windsor	Ontario	Enclosed	100%	854,325	164	Cineplex Cinemas, Sport Chek, Metro, Goodlife Fitness, Indigo, Shoppers Drug Mart, Old Navy and H&M
3	Dufferin Mall	Toronto	Ontario	Enclosed	100%	574,584	118	Walmart, No Frills, Marshalls, Winners, City of Toronto, Toys "R" Us, Urban Planet, H&M
4	Grant Park	Winnipeg	Manitoba	Enclosed	50%	202,540	64	Canadian Tire, Red River Co-Op, Goodlife Fitness, Landmark Cinemas, Winners
5	Kildonan Place	Winnipeg	Manitoba	Enclosed	50%	199,253	102	Marshalls, Cineplex Odeon, Save On Foods, H&M, Urban Planet
6	Lansdowne Place	Peterborough	Ontario	Enclosed	100%	396,108	98	Loblaws, Sport Chek, Old Navy, H&M
7	Marlborough Mall	Calgary	Alberta	Enclosed	100%	542,479	101	Walmart, Makami College, Shoppers Drug Mart
8	McAllister Place	Saint John	New Brunswick	Enclosed	50%	201,751	93	Sport Chek, Toys "R" Us, Goodlife Fitness, Marshalls, The Brick, Mark's, Urban Planet
9	Medicine Hat Mall	Medicine Hat	Alberta	Enclosed	100%	425,238	85	Hudson's Bay, Freshco, Galaxy Cinemas, Marshalls, Home Sense, Best Buy, Shoppers Drug Mart,
10	New Sudbury Centre	Sudbury	Ontario	Enclosed	100%	487,624	103	Walmart, Sport Chek, H&M, Shoppers Drug Mart
11	Orchard Park	Kelowna	British Columbia	Enclosed	100%	651,038	161	Hudson's Bay, Sport Chek, Best Buy, Mark's, Leons, Indigo, Urban Planet, Shoppers Drug Mart, Old Navy, Planet Fitness
12	Park Place Mall	Lethbridge	Alberta	Enclosed	100%	473,424	101	Cineplex Odeon, Winners, Sport Chek, Staples, Shoppers Drug Mart, JYSK, Old Navy
13	Peter Pond Mall	Fort McMurray	Alberta	Enclosed	100%	207,860	68	Rivers Casino, Sport Chek, Dollarama
14	Place D'Orleans	Orleans	Ontario	Enclosed	50%	346,990	122	Hudson's Bay, Sport Chek, Public Works and Government, Services Canada, Aubaunerie, Farm Boy, H&M, Marks, Urban Planet
15	Place du Royaume	Chicoutimi	Quebec	Enclosed	50%	304,896	117	Walmart, Winners, Sports Experts, Best Buy, Cinemas Odyssee, Winners, Best Buy, H&M, Urban Planet, Shoppers Drug Mart, Old Navy
16	Regent Mall	Fredericton	New Brunswick	Enclosed	50%	239,880	89	Walmart, The Brick, Cineplex Odeon, Sport Chek, Chapters, Old Navy, Toys "R" Us, Urban Planet, Lawtons Drugs, Dollarama

#	Property Name	City	Province	Segment	Ownership Share	GLA at Share (SF)	Store Count	Major Tenants
17	Sherwood Park Mall	Sherwood Park	Alberta	Enclosed	100%	386,522	76	Sobeys, Galaxy Cinemas, Goodlife Fitness, Indigo, Shoppers Drug Mart, Urban Planet, Dollarama, Ardene
18	Stone Road Mall	Guelph	Ontario	Enclosed	100%	506,216	128	Sport Chek, Home Sense, Marshalls, Indigo, Mark's Work Wearhouse, Toys R Us, H&M, Ardene, Old Navy, Urban Planet
19	St. Albert Centre	St. Albert	Alberta	Enclosed	100%	352,863	63	Hudson's Bay, London Drugs, Sport Chek, Winners, Mark's Work Wearhouse, Ardene
20	Sunridge Mall	Calgary	Alberta	Enclosed	100%	803,457	154	Hudson's Bay, Alberta Health Services, Sport Chek, Best Buy, Winners, Daily Fresh Produce, Urban Planet, Mark's Work Wearhouse, Shoppers Drug Mart, Ardene, Fit 4 Less, Dollarama
21	Quinte Mall	Belleville	Ontario	Enclosed	100%	568,008	126	Galaxy Cinemas, Toys "R" Us, Winners, Sport Chek, Staples, Chapters, Shoppers Drug Mart, Old Navy, Home Sense, Goodlife Fitness
						9,021,890		

Unenclosed Centres and Other

#	Property Name	City	Province	Segment	Ownership Share	GLA at Share (SF)	Store Count	Major Tenants
1	Edinburgh Market Place	Guelph	Ontario	Open Air	100%	113,349	15	Metro, Staples Canada Inc.
2	Garden City Square	Winnipeg	Manitoba	Open Air	100%	160,811	13	Staples Canada Inc., Mark's, Marshalls, JYSK, Planet Fitness
3	Carry Drive Plaza	Medicine Hat	Alberta	Open Air	100%	30,086	11	Sushi & Thai, CosmoProf
4	Dunmore Plaza	Medicine Hat	Alberta	Open Air	100%	28,274	7	EasyHome, Lammle's Western Wear Ltd.
5	Highstreet Shopping Centre	Abbotsford	British Columbia	Open Air	100%	544,405	55	Walmart, Cineplex Cinemas, London Drugs, Marshalls, H&M, Structube
6	Lansdowne Industrial	Peterborough	Ontario	Industrial	100%	265,076	5	Crayola Canada, Covia Canada Ltd, Nexicom System
7	Marlborough Professional Centre	Calgary	Alberta	Office	100%	50,762	18	Calgary Housing Company, Mosaic Primary Care
8	Park Plaza	Medicine Hat	Alberta	Open Air	100%	35,479	8	Dollarama, Olympia Liquor
9	Scotia Plaza	Medicine Hat	Alberta	Open Air	100%	11,440	2	Scotiabank
10	Northland Professional Centre	Calgary	Alberta	Office	100%	52,344	20	Dentistry, Medical, Chiropractic
11	Northland Village	Calgary	Alberta	Open Air	100%	277,635	10	Walmart, Best Buy, Winners, Goodlife Fitness
12	Northpointe Town Centre	Calgary	Alberta	Open Air	100%	200,582	15	Landmark Cinemas, Canadian Tire

#	Property Name	City	Province	Segment	Ownership Share	GLA at Share (SF)	Store Count	Major Tenants
13	Park Place Professional Centre	Sherwood Park	Alberta	Office	100%	30,704	9	Sherwood Dental Inc.
14	Sunridge Corner	Calgary	Alberta	Open Air	100%	35,252	8	CIBC, Petland
						1,836,199		

Co-ownership Arrangements

Primaris has co-ownership interests in several properties, as listed below, that are subject to joint control and are accounted for as joint operations. This chart below depicts Primaris' proportionate share of the GLA of these properties. Primaris performs the management services on behalf of the co-owners of these properties for which it earns fee income.

Property	Location	Ownership interest as at December 31, 2022
McAllister Place	Saint John, NB	50%
Regent Mall	Fredericton, NB	50%
Place Du Royaume	Chicoutimi, QC	50%
Place D'Orleans Shopping Centre	Ottawa, ON	50%
Cataraqui Town Centre	Kingston, ON	50%
Grant Park	Winnipeg, MB	50%
Kildonan Place	Winnipeg, MB	50%

Redevelopment and Development Activities

The redevelopment program for space vacated by former anchor tenants is nearing completion. In 2022, projects were completed at four properties:

- Cineplex (35,000 square feet in December 2022) opened at Kildonan Place in Winnipeg, Manitoba;
- Planet Fitness (22,400 square feet in May 2022), and Structube (9,400 square feet in July 2022) opened at Orchard Park Mall in Kelowna, British Columbia;
- LL Bean (15,100 square feet in November 2022) opened at Cataraqui Centre in Kingston, Ontario; and
- Sport Chek (24,800 square feet in November 2022) opened at Lansdowne Place in Peterborough, Ontario.

Redevelopment projects underway include Quinte Mall, in Belleville, Ontario where 60,000 square feet of the former Sears space has been demolished in favour of future intensification opportunities and the remaining 30,000 square feet will be converted to a Winners store with an anticipated opening in spring 2023.

Two former Sears spaces remain to be addressed: Park Place Mall in Lethbridge, Alberta, where management is reviewing various options; and Devonshire Mall in Windsor, Ontario where the vacated Sears space plus the adjoining lands comprise approximately 18 acres. Given the significant opportunity at Devonshire Mall, Primaris is designing plans for the entire area which will likely include the demolition of the former Sears space.

On the site of Dufferin Mall, located on Dufferin Street just south of Bloor Street West in a high-density urban neighbourhood in central Toronto, Ontario, are approximately four acres of land known as Dufferin Grove which are intended for redevelopment. Currently, the land is primarily used as parking. City of Toronto permit approvals were received in late 2022 to allow the redevelopment of this underutilized urban site into a mixed use neighbourhood project that builds on the success of Dufferin Mall by adding more than 1,100 residential units, a public park and the addition of

new retail uses. A strategic plan for the development of Dufferin Grove will be a focus in 2023, such strategic plan to consider alternatives such as selling the Dufferin Grove site to a residential developer.

Northland Village, an enclosed shopping centre with a gross leasable area of approximately 521,000 square feet situated on 32 acres in northwest Calgary, is being redeveloped into a mixed-use development including 380,000 square feet of retail and office space. Walmart, Best Buy and Winners will remain as anchors of the retail development. Approximately two acres were sold in 2022 to a third-party residential developer that has commenced construction on 219 rental residential units. In the summer of 2022, the interior portion of Northland Village was demolished, Walmart completed a renovation to their store, and Primaris commenced construction of a fully pre-leased outparcel building. The project will be completed over multiple phases with an estimated completion date of Q4 2025.

The development expenditures in 2023 are anticipated to be lower than 2022, but will include finalizing the construction of a 35,000 square foot Freshco grocery store at Medicine Hat Mall and the commencement of construction on a new 16,000 square foot bank pad at Lansdowne Place.

Leasing Activities

Primaris' leasing activities are focused on driving value by actively managing the tenant and merchandising mix at its Investment Properties. The future performance of income-producing properties is a function of a number of factors. The principal factors include occupancy rates, trends in rental rates achieved on leasing or renewing space currently leased, retail sales productivity, and the contractual increases over the life of the lease.

Primaris contracts with different types of tenants including:

- Anchor tenants (large format tenants) that primarily lease units in excess of 15,000 square feet; and
- CRU tenants that lease units up to 15,000 square feet and include food court and kiosk tenants.

During the year ended December 31, 2022, Primaris completed 538 leasing deals totaling 1.8 million square feet.

(unaudited)							
For the year ended December 31, 2022	Count	GLA (in thousands of square feet)	Weighted Average Lease Term (in years)	Weighted Average Net Rent per occupied square foot¹	Weighted Average Spread on Renewing Rents	Tenant Allowances and Leasing Costs	
						Count	Costs per square foot
CRU							
New tenants	65	136	7.8	\$ 37.10			
Renewing tenants	230	403	3.5	\$ 45.40	(0.4)%		
	295	539		\$ 43.30		47	\$ 65
Large format							
New tenants	2	30	12.5	\$ 26.50			
Renewing tenants	13	619	6.5	\$ 10.10	7.5 %		
	15	649		\$ 10.90		3	\$ 113
Office							
New tenants	5	18	6.2	\$ 15.50			
Renewing tenants	19	40	4.3	\$ 16.80	3.1 %		
	24	58		\$ 16.40		3	\$ 46
Short term and percent rent in lieu	204	584	N/A	N/A			
Total leasing	538	1,830			1.8 %		

¹ Supplementary financial measure, see "Use of Operating Metrics".

A number of the CRU renewing tenant lease agreements, particularly in Q1 2022, were renewed at a rental rate lower than the expiring rental rate due in part to tenant sales operating at below pre-pandemic levels. These renewals at reduced rental rates were for shorter terms, deferring longer term lease commitments as tenant sales continue to recover, enhancing Primaris' negotiating leverage. Leasing spreads rose over the course of 2022, reflecting rising tenant demand for space and the recovery in tenant sales performance.

Included in the leasing activity for the year ended December 31, 2022 were 204 new leases that were for a lease term of less than one year, or for percentage rent in lieu of base rent. These lease structures have always been a tool to manage tenant relocations, the timing of development plans, and to work in partnership with tenants.

Occupancy

	Leasable Area ¹ (in thousands of square feet)	Occupied Area ¹ (in thousands of square feet)	In-place Occupancy ¹
December 31, 2021	11,499	9,889	86.0 %
Tenant departures:			
Net rent tenants		(104)	
Gross rent tenants		(124)	
Percent rent in lieu tenants		(104)	
		(332)	
Tenant possessions:			
Net rent tenants		215	
Gross rent tenants		179	
Percent rent in lieu tenants		123	
		517	
Other activity including remeasurements ²	(641)	(184)	
December 31, 2022	10,858	9,890	91.1 %
Tenant renewals:			
Square footage renewed (in thousands)		1,622	
Renewal rate		72.3 %	

¹ Supplementary financial measure, see "Use of Operating Metrics".

² Includes adjustments for demolition of vacant space and adjustments to remove storage units from leasable and occupied area.

As at December 31, 2022, the portfolio had an In-place Occupancy rate of 91.1%, and a Committed Occupancy rate of 91.5%. The Committed Occupancy rate includes executed lease agreements where the tenants have not yet taken possession of the space.

Lease Maturities

As at December 31, 2022, the weighted average lease term for the portfolio was 4.5 years (December 31, 2021 – 4.9 years) with the following lease maturity profile. As at December 31, 2022, the weighted average lease term for CRU tenants was 3.3 years and for large format tenants was 6.5 years with the following lease maturity profiles.

	Number of leases	GLA (in thousands of square feet)	% of Total GLA	Weighted average net rent per square foot ^{2,3}
Portfolio:				
Short-term ¹	100	155	1.6%	\$ 38.55
2023	520	1,205	12.2%	\$ 29.94
2024	391	1,032	10.4%	\$ 32.04
2025	297	909	9.2%	\$ 29.71
2026	193	817	8.2%	\$ 26.41
2027	172	950	9.6%	\$ 24.58
Thereafter	494	4,822	48.8%	\$ 21.95
Total portfolio	2,167	9,890	100.0%	\$ 25.57
CRU tenants only:				
Short-term ¹	98	131	1.3%	\$ 42.18
2023	504	768	7.8%	\$ 42.38
2024	374	633	6.4%	\$ 42.09
2025	287	517	5.2%	\$ 43.31
2026	176	311	3.1%	\$ 47.12
2027	141	229	2.3%	\$ 48.55
Thereafter	396	1,570	15.9%	\$ 44.01
Total CRU tenants	1,976	4,159	42.0%	\$ 43.76
Large format tenants only				
Short-term ¹	2	24	0.3%	\$ 19.00
2023	16	437	4.4%	\$ 14.17
2024	17	399	4.0%	\$ 16.26
2025	10	392	4.0%	\$ 11.82
2026	17	506	5.1%	\$ 13.68
2027	31	721	7.3%	\$ 16.98
Thereafter	98	3,252	32.9%	\$ 15.97
Total large format tenants	191	5,731	58.0%	\$ 15.49

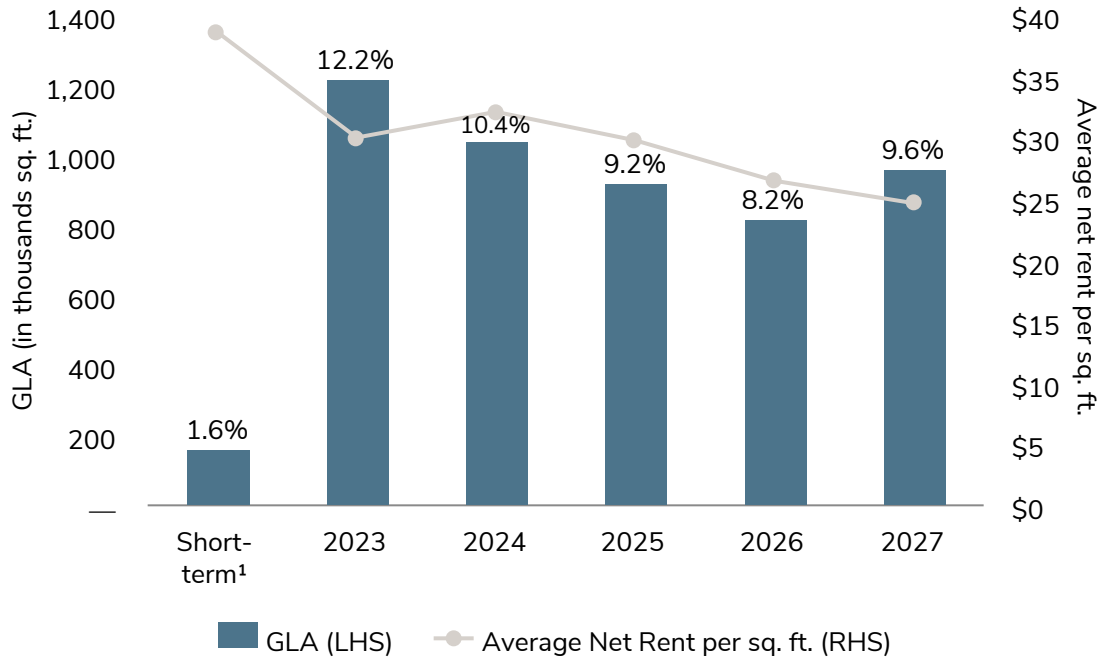
¹ Includes month-to-month leases and leases on overhold

² Based on rental rates in the last term of the lease

³ See "Use of Operating Metrics".

While CRU tenants currently occupy approximately 42% of the portfolio's GLA, they represent approximately 72% of the average minimum rent (based on the weighted average net rental rates in the last term of the expiring leases).

Lease Maturity Profile - Portfolio



Top 30 Tenants

As at December 31, 2022, 48.9% of Primaris' annualized minimum rent came from a group of 30 tenants. Primaris top 10 tenants represent many of Canada's leading national retailers.

Top Tenants ¹	Tenant Sector	Annualized Minimum Rent ³ (% of Total)	Store Count (all banners)	Total GLA	% of occupied GLA ³	WALT ^{2,3} (in years)	Credit Ratings (S&P/ Moody's/ DBRS)	
1	Canadian Tire	Value Retail	6.0%	30	708,486	7.2%	4.7	BBB / - / BBB
2	Walmart	Value Retail	4.1%	8	908,076	9.2%	7.5	AA / Aa2 / AA
3	Loblaws	Grocery	3.6%	17	354,805	3.6%	5.3	BBB / - / BBB(H)
4	TJX	Value Retail	3.1%	19	452,617	4.6%	4.2	A / A2 / -
5	Bell Canada	Telecomm	2.4%	91	65,892	0.7%	1.7	BBB+ / Baa2 / BBB
6	Cineplex	Entertainment	2.2%	9	296,215	3.0%	6.9	-
7	Gap	Apparel	1.8%	16	200,021	2.0%	2.1	BB / Ba2 / -
8	Comark	Apparel	1.7%	35	112,561	1.1%	2.7	-
9	Rogers	Telecomm	1.7%	84	31,759	0.3%	2.1	BBB+ / Baa1 / BBB(H)
10	Telus	Telecomm	1.5%	45	34,023	0.3%	3.9	BBB+ / Baa1 / BBB(H)
Top 10 tenants			28.1%	354	3,164,455	32.0%		
11	Dollarama	Value Retail	1.5%	17	165,145	1.7%	5.2	BBB / Baa2 / BBB
12	Best Buy	Other Retail	1.4%	14	151,122	1.5%	4.1	BBB+ / A3 / -
13	Indigo Books & Music	Other Retail	1.4%	13	154,364	1.6%	4.4	-
14	HBC	Dept Store	1.3%	6	589,428	6.0%	6.8	-
15	MTY Group	Food	1.3%	45	23,144	0.2%	3.4	-
16	American Eagle Outfitters	Apparel	1.2%	15	74,652	0.8%	2.9	-
17	YM	Apparel	1.1%	56	308,531	3.1%	2.7	-
18	Luxtottica Retail	Personal Care	1.1%	27	53,248	0.5%	3.1	A / A2 / -
19	H&M	Apparel	1.0%	11	162,461	1.6%	4.1	BBB / - / -
20	Goodlife	Personal Care	1.0%	8	151,257	1.5%	6.5	- / B2 / -
21	Foot Locker	Apparel	1.0%	14	52,529	0.5%	3.6	BB+ / Ba1 / -
22	Ardene	Apparel	0.9%	18	138,417	1.4%	5.0	-
23	Zale Canada	Apparel	0.9%	15	22,304	0.2%	1.3	-
24	La Vie en Rose	Apparel	0.9%	23	56,476	0.6%	5.4	-
25	Sobeys	Grocery	0.9%	7	100,981	1.0%	11.6	BBB- / - / BBB(L)
26	Recipe Unlimited	Food	0.8%	22	37,602	0.4%	4.7	-
27	CIBC	Financial Services	0.8%	9	48,496	0.5%	3.9	A+ / Aa2 / AA
28	Michael Hill Jewellers	Other Retail	0.8%	18	16,152	0.2%	3.6	-
29	Limited Brands	Apparel	0.8%	23	54,539	0.6%	2.2	BB / Ba2 / -
30	London Drugs	Other Retail	0.7%	2	74,519	0.8%	8.3	-
Top 30 tenants			48.9%	717	5,599,822	56.7%		

¹ The names noted above may be the names of the parent entities and are not necessarily the tenant covenants under the leases.

² Weighted average lease term ("WALT")

³ See "Use of Operating Metrics".

DESCRIPTION OF PRIMARIS SHOPPING CENTRES

Below is a more detailed description of the Investment Properties that have a net rentable area of more than 400,000 square feet.

Cataraqui Town Centre

Cataraqui Centre is located at the intersection of Gardiners Road and Princess Street in Kingston, Ontario which has a population of 117,400 people. The total trade area population of the mall in 2022 was approximately 295,000 people and it is expected to grow 3.6% by 2027. Cataraqui Centre is an approximately 597,000 square foot two-level shopping centre anchored by Hudson's Bay, Sport Chek, Marshalls, Indigo, H&M, Urban Planet, Dollarama, Shoppers Drug Mart, and Trillium College. The average CRU sales productivity was \$594 per square foot for the year ended December 31, 2022. The Centre was built in 1982 and underwent extensive renovations in 1999, 2000, 2005/2006 and 2018. The total site area is approximately 39 acres. Cataraqui Centre had 77.7% In-place Occupancy as of December 31, 2022 which includes the remaining portion of the vacant Sears store encompassing 110,000 square feet. Excluding the Sears vacancy, the Committed Occupancy was 95.8% as of December 31, 2022.

Devonshire Mall

Devonshire Mall is a super-regional mall in Windsor, Ontario located proximate to the United States border. Windsor has a population of 336,000 people in its Census Metropolitan Area. The trade area population of the mall in 2022 was approximately 498,000 people and it is expected to grow 3.6% by 2027. Devonshire Mall is an approximately 854,000 square foot regional shopping centre anchored by Sport Chek, Metro, Cineplex, Indigo, H&M, Old Navy, Shoppers Drug Mart and Goodlife Fitness. Hudson's Bay is a shadow anchor of the property and has direct interior access into the mall. The average CRU sales productivity was \$643 per square foot for the year ended December 31, 2022. The mall, initially developed in 1970, is situated on approximately 73 acres and was last renovated in 2019. Devonshire Mall had 76.7% In-place Occupancy as of December 31, 2022, which includes approximately 185,000 square feet of space vacated by Sears. Excluding the Sears vacancy, the Committed Occupancy was 97.9% as of December 31, 2022.

Dufferin Mall

Dufferin Mall is located on Dufferin Street just south of Bloor Street West in a high-density urban neighbourhood in central Toronto, Ontario. The Greater Toronto Area (GTA) Census Metropolitan Area has a population of 6.7 million people. The total trade area population of the mall in 2022 was approximately 509,000 people and it is expected to grow 6.4% by 2027. Dufferin Mall is an approximately 575,000 square foot enclosed shopping centre anchored by Walmart, No Frills, Marshalls, Winners, City of Toronto, Toys "R" Us, Urban Planet and H&M. Dufferin Mall is situated on approximately 21 acres and was originally developed over several phases between 1956 and 1976, with a number of renovations and expansions occurring since, including the most recent being a renovation of the food court in 2016. The average CRU sales productivity was \$615 per square foot for the year ended December 31, 2022. Dufferin Mall had 96.8% In-place Occupancy as of December 31, 2022. The Committed Occupancy was 97.1% as of December 31, 2022. Approximately four acres of land – "Dufferin Grove" - primarily used as parking, received city approvals in late 2022 to redevelop this underutilized urban site into a mixed use neighbourhood that builds on the success of Dufferin Mall by adding more than 1,100 residential units, a public park and the addition of new retail uses. A strategic plan for the development of Dufferin Grove will be a focus in 2023, which may include Primaris selling the site to a residential developer.

Grant Park Shopping Centre

Grant Park Shopping Centre is located on the south side of Grant Avenue in an area known as River Heights in Winnipeg, Manitoba. Winnipeg has a Census Metropolitan Area population of 867,000 people and is the capital of

Manitoba. The total trade area population of the mall in 2022 was approximately 361,000 people and it is expected to grow 8.2% by 2027. Grant Park is an approximately 405,000 square foot community shopping centre with a second-floor office component. The shopping centre is anchored by Canadian Tire, Red River Co-Op, Goodlife Fitness, Winners and Landmark Cinemas. The average CRU sales productivity was \$484 per square foot for the year ended December 31, 2022. Initially developed in 1962, the mall is situated on approximately 32 acres and was expanded in 1968, 1989 and 1996. The mall was fully renovated in 2011. Grant Park had 98.8% in-place and Committed Occupancy as of December 31, 2022.

Highstreet Shopping Centre

Highstreet Shopping Centre is located along the intersection of the TransCanada and Fraser Highways in the west end of Abbotsford, British Columbia. The Abbotsford-Mission Census Metropolitan Area had a population of 209,000 people in 2022. The total trade area population of the mall in 2022 was approximately 165,000 people and it is expected to grow 8.4% by 2027. Highstreet Shopping Centre is an approximately 544,000 square foot three level open air shopping centre. The shopping centre is anchored by Walmart, Cineplex, Marshalls, London Drugs, H&M and Structube. Initially developed in 2013, the mall is situated on approximately 20 acres. Highstreet Shopping Centre had 90.3% In-place Occupancy as of December 31, 2022. Committed Occupancy was 91.4% as of December 31, 2022.

Kildonan Place

Kildonan Place Shopping Centre is located on Regent Avenue in northeast Winnipeg. Winnipeg has a Census Metropolitan Area population of 867,000 people and is the capital of Manitoba. The total trade area population of the mall in 2022 was approximately 389,600 people and it is expected to grow 7.5% by 2027. Kildonan Place is an approximately 399,000 square foot regional shopping centre anchored by Save-On-Foods, Marshalls, Cineplex, H&M and Urban Planet. The average CRU sales productivity was \$585 per square foot for the year ended December 31, 2022. Initially developed in 1980, the mall is situated on 56 acres and was last renovated in 2021. Approximately eight acres of the site is undeveloped representing a residential intensification opportunity. Kildonan Place Shopping Centre had 90.6% In-place Occupancy as of December 31, 2022. Committed Occupancy was 90.7% as of December 31, 2022.

Lansdowne Place

Lansdowne Place is located at the intersection of Lansdowne St and Monaghan Rd in Peterborough, Ontario which has a population of 133,400 people. The total trade area population of the mall in 2022 was approximately 190,400 people and it is expected to grow 4.6% by 2027. Lansdowne Place is an approximately 396,000 square foot two-level shopping centre anchored by Real Canadian Superstore, Old Navy, H&M and Sport Chek. The CRU sales productivity was \$647 per square foot for the year ended December 31, 2022. The Centre was built in 1980 and underwent extensive renovations in 2009 and again in 2021 when the former Sears store was re-developed and the second floor was removed. A new pad is scheduled to open on the property in 2024. The total site area is approximately 35 acres. Lansdowne Place had 88.1% In-place Occupancy as of December 31, 2022. Committed Occupancy was 88.2% as of December 31, 2022.

Marlborough Mall

Marlborough Mall is located in northeast Calgary proximate to the TransCanada Highway. Calgary's Census Metropolitan Area has a population of 1.6 million people. The trade area population for the property in 2022 was 301,300 people and it is expected to grow 7.9% by 2027. Marlborough Mall, including Marlborough Professional Centre, is an approximately 542,000 square foot regional shopping centre anchored by Walmart, MaKami College and Shoppers Drug Mart. The average CRU sales productivity was \$379 per square foot for the year ended December 31, 2022. Initially developed in 1971, the mall is situated on 46 acres and was last renovated in 2020. The City of Calgary Light Rail Transit has a stop at the property creating the potential for redevelopment of the site for mixed use. Marlborough Mall had In-place

Occupancy, excluding the professional centre, of 92.6% as of December 31, 2022. Committed Occupancy for the mall, excluding the professional centre, was 92.8% as of December 31, 2022.

McAllister Place

McAllister Place is located in Saint John, New Brunswick. The Saint John Census Metropolitan Area has a population of 133,410 people. The total trade area population of the mall in 2022 was approximately 177,000 people and it is expected to grow 2.5% by 2027. McAllister Place is an approximately 404,000 square foot regional shopping centre anchored by Sport Chek, Toys “R” Us, Goodlife Fitness, Marshalls, H&M, Urban Planet, The Brick and Mark’s. The average CRU sales productivity was \$493 per square foot for the year ended December 31, 2022. Initially developed in 1978, the mall is situated on approximately 46 acres and was last renovated in 2020. McAllister Place had 99.1% in-place and Committed Occupancy as of December 31, 2022.

Medicine Hat Mall

Medicine Hat Mall is located adjacent to the TransCanada Highway in Medicine Hat, Alberta. Medicine Hat has a population of 79,500 people and is located approximately 2.5 hours from Calgary by vehicle. The total trade area population of the mall in 2022 was approximately 146,500 people and it is expected to grow 2.1% by 2027. Medicine Hat Mall is an approximately 425,000 square foot regional shopping centre anchored by Hudson’s Bay, Cineplex, Marshalls, Home Sense, Shoppers Drug Mart and Best Buy. The average CRU sales productivity was \$460 per square foot for the year ended December 31, 2022. Initially developed in 1980, the mall is situated on approximately 50 acres and was last renovated in 2019. Medicine Hat Mall had 99.0% in-place and Committed Occupancy as of December 31, 2022.

New Sudbury Centre

New Sudbury Centre is located in Sudbury, Ontario. The Sudbury Census Metropolitan Area has a population of 172,400 people and is located in northern Ontario approximately 400 kilometres northeast of Toronto. The trade area population of the mall in 2022 was approximately 558,000 people. New Sudbury Centre is an approximately 488,000 square foot regional shopping centre anchored by Walmart, Sport Chek, H&M and Shoppers Drug Mart. The average CRU sales productivity was \$719 per square foot for the year ended December 31, 2022. Initially developed in 1956, the mall is situated on approximately 40 acres and was last renovated in 2020. New Sudbury Centre had 93.5% in-place and Committed Occupancy as of December 31, 2022.

Northland Village

Northland Village is located in northwest Calgary, Alberta at the major intersection of Shaganappi and Crowchild Trails. Calgary has a population of approximately 1.6 million people. The total trade area population of the mall in 2022 was approximately 246,000 people and it is expected to grow 10.6% by 2027. Northland Village is an approximately 278,000 square foot open air shopping centre anchored by Walmart, Best Buy, Winners and Goodlife Fitness. The centre is situated on approximately 32.5 acres. Originally built as an enclosed mall in 1971, redevelopment plans were launched in early 2022 that include demolition of the enclosed mall and construction of a mixed-use project. Redevelopment of the centre has commenced and the interior portion of the former mall has been demolished. The project will be initiated in several phases starting in 2023 with completion expected in 2025 and the completed centre will be approximately 380,000 square feet..

Orchard Park Shopping Centre

Orchard Park Shopping Centre is a regional shopping centre, located in Kelowna, British Columbia, four kilometres east of the city’s downtown core. The Kelowna Census Metropolitan Area has a population of 223,000 people. The total trade area population of the mall in 2022 was approximately 452,000 people and it is expected to grow 6.3% by 2027.

Orchard Park is the largest regional enclosed mall between the Greater Vancouver Area and Calgary, situated in British Columbia's interior region. Orchard Park is an approximately 651,000 square foot single-level enclosed regional shopping centre anchored by Hudson's Bay, Sport Chek, Best Buy, Mark's, Leon's, Indigo, Shoppers Drug Mart, Urban Planet and Old Navy . The property is situated on approximately 51 acres which includes a five-acre portion located on land leased until May 1, 2031. Primaris has an option to purchase the land on June 1, 2031 at the appraised value as well as an ongoing right of first refusal throughout the lease term. The property was built in 1971, redeveloped in 2000 and 2006/07 and most recently renovated in 2021. The average CRU sales productivity was \$788 per square foot for the year ended December 31, 2022. Orchard Park Shopping Centre had In-place Occupancy of 98.8% as of December 31, 2022. Committed Occupancy was 98.9% as of December 31, 2022.

Park Place Shopping Centre

Park Place Shopping Centre is located at the intersection of 1st Avenue South and Scenic Drive in Lethbridge, Alberta which has a population of 130,600 people. The total trade area population of the mall in 2022 was approximately 253,000 people and it is expected to grow 5.3% by 2027. Park Place Shopping Centre is an approximately 473,000 square foot regional shopping centre anchored by Cineplex, Winners, Sport Chek, Staples, Shoppers Drug Mart, JYSK and Old Navy. Park Place Shopping Centre is situated on an approximate 38- acre site which is leased from the City of Lethbridge for a term ending July 31, 2028, with three ten-year options to extend and one further five-year option thereafter. Park Place Mall Holdings Inc., as tenant under the ground lease, has an ongoing right of first refusal and a right of first offer to purchase the lands throughout the lease term. Park Place Shopping Centre was built in 1988, expanded in 1996 and most recently renovated in 2017. The average CRU sales productivity was \$687 per square foot for the year ended December 31, 2022. Park Place Shopping Centre had in-place 77.0% occupancy as of December 31, 2022, which includes approximately 106,000 square feet of space vacated by Sears. Excluding the Sears vacancy, Committed Occupancy was 99.3% as at December 31, 2022.

Place d'Orleans Shopping Centre

Place d'Orleans is located in the eastern quadrant of Ottawa, Ontario, the capital city of Canada. The Ottawa-Gatineau Census Metropolitan Area is Canada's fourth largest metropolitan area with a population of 1.49 million people. The total trade area population of the mall in 2022 was approximately 244,000 people and is expected to grow 7.7% by 2027. The shopping centre is located adjacent to the Queensway at Place d'Orleans Drive and, in addition to already accommodating a bus loop at the site, the property is scheduled to have a light rail transit stop in 2024/2025. The total trade area population of the mall in 2020 was approximately 205,000 people and is expected to grow 7% by 2025. Place d'Orleans is an approximately 694,000 square foot enclosed regional shopping centre and is anchored by Hudson's Bay, Sport Chek, Public Works and Government Services Canada, Aubauerie, Farm Boy, H&M, Mark's and Urban Planet. The shopping centre is situated on approximately 43 acres and was developed in several phases between 1979 and 1999. In 2019, the second floor was redeveloped for office use and leased to Public Works. The average CRU sales productivity was \$445 per square foot for the year ended December 31, 2022. Place d'Orleans had In-place Occupancy of 85.0% as of December 31, 2022. Committed Occupancy was 85.3% as of December 31, 2022.

Place du Royaume

Place du Royaume is located on Talbot Boulevard in the Chicoutimi borough of Saguenay, Québec. Talbot Boulevard is directly linked to Highway 175 leading to Québec City. The Greater Saguenay Area, with a population of 162,000 people in 2022, is 250 kilometres north of Québec City. The total trade area population of the mall in 2022 was approximately 276,000 people. The shopping centre was originally constructed in 1973 and was renovated in 2000, 2001 and 2007/08. The property is situated on approximately 54 acres. Place du Royaume is an enclosed regional mall of approximately 610,000 square feet, anchored by Walmart, Winners, Sports Experts, Best Buy, Cinéma Odyssee, H&M, Urban Planet, Shoppers Drug Mart and Old Navy. Canadian Tire is a shadow anchor. The average CRU sales productivity was \$492 per

square foot for the year ended December 31, 2022. Place du Royaume had in-place and Committed Occupancy of 97.3% as of December 31, 2022.

Quinte Mall

Quinte Mall is located in Belleville, Ontario. Belleville has a Census Metropolitan Area population of approximately 114,400 people. The trade area population of the mall in 2022 was approximately 219,600 people and is expected to grow 3.7% by 2027. Quinte Mall is an approximately 568,000 square foot regional shopping centre comprised of an enclosed mall, an office building and a several pad buildings. Quinte Mall is anchored by Sport Chek, Winners, Goodlife Fitness, Toys "R" Us, Staples, Chapters, Shoppers Drug Mart, Homesense, Old Navy, Goodlife Fitness and Cineplex. The average CRU sales productivity was \$568 per square foot for the year ended December 31, 2022. The mall is situated on approximately 61 acres and was initially developed in 1971 and renovated in 2019. Quinte Mall had 91.9% occupancy as of December 31, 2022, which includes approximately 76,000 square feet of space vacated by Sears. Excluding the Sears vacancy, occupancy at the centre was 95.3% as of December 31, 2022.

Regent Mall

Regent Mall is located in Fredericton, New Brunswick. Fredericton is the capital city of New Brunswick and has a Census Metropolitan Area population of 113,000 people. The total trade area population of the mall in 2022 was approximately 241,500 people and is expected to grow 3.0% by 2027. Regent Mall is an approximately 480,000 square foot regional shopping centre anchored by Walmart, Cineplex, Sport Chek, Chapters, Toys "R" Us, Urban Planet, Old Navy, Lawtons Drugs, The Brick and Dollarama. The average CRU sales productivity was \$647 per square foot for the year ended December 31, 2022. Initially developed in 1976, the mall is situated on approximately 47 acres and was most recently renovated in 2020. Regent Mall had In-place Occupancy of 98.7% as of December 31, 2022. Committed Occupancy was 99.9% as of December 31, 2022.

Stone Road Mall

Stone Road Mall is located in Guelph, Ontario which has a population of 172,000 people and is about 60 minutes west of Toronto by vehicle. The trade area population of the mall in 2022 was approximately 214,800 people and is expected to grow 9.1% by 2027. Stone Road Mall is an approximately 506,000 square foot enclosed regional shopping centre anchored by Sport Chek, Home Sense, Marshalls, Indigo, Mark's, Toys "R" Us, H&M, Ardene, Old Navy and Urban Planet. Stone Road Mall is situated on an approximate 36-acre site and was built in 1975. The mall was expanded in 1989 and, in 2005, an addition of 28,000 square feet was completed to accommodate Old Navy. In 2008, Primaris completed a substantial re-development project at Stone Road Mall and a renovation was completed in 2020 to accommodate three new anchor tenants as well as to upgrade the food court. The average CRU sales productivity was \$602 per square foot for the year ended December 31, 2022. Stone Road Mall had In-place Occupancy of 91.4% as of December 31, 2022. Committed Occupancy was 92.1% as of December 31, 2022.

Sunridge Mall

Sunridge Mall is located in northeast Calgary, Alberta within the Sunridge Commercial Area, proximate to the TransCanada Highway. In addition, the property is adjacent to one of Calgary's largest hospitals, Peter Lougheed Hospital, and there is a light rail transit stop at the property. Calgary has a population of 1.6 million people. The trade area population for the mall in 2022 was approximately 326,701 people and is expected to grow 7.5% by 2025.

Sunridge Mall is a two-level, approximately 803,000 square foot enclosed shopping centre that is anchored by Hudson's Bay, Alberta Health Services, Sport Chek, Best Buy, Winners, Daily Fresh Produce, Urban Planet, Mark's, Shoppers Drug Mart, Ardene, Fit 4 Less and Dollarama. The average CRU sales productivity was \$492 per square foot for the year ended December 31, 2022. The mall is situated on approximately 66 acres and was initially developed in 1981, extensively renovated in 2005 and most recently renovated in 2019. Given the large site and the proximity to light rail transit, future

master planning for the site may include residential intensification. Sunridge Mall had in-place and Committed Occupancy of 94.6% as of December 31, 2022.

DEBT PROFILE

The Declaration of Trust provides that the aggregate of the total indebtedness of Primaris and its subsidiaries (including the amount of any indebtedness to be assumed) is restricted to 65% of total assets. Management has established a target range of 25% - 35% for its debt-to-total asset ratio. As at December 31, 2022, Primaris' debt-to-total asset ratio was 31.5%.

Future principal repayments of Primaris' outstanding debt are as follows:

Years ended December 31 (\$000)	Senior Unsecured Debentures	Mortgages Payable	Credit Facilities	Total Debt	% Due
2023	\$ —	\$ 6,877	\$ —	\$ 6,877	0.7%
2024	—	91,177	—	91,177	9.0%
2025	200,000	3,975	—	203,975	20.2%
2026	—	4,120	444,000	448,120	44.4%
2027	150,000	64,810	—	214,810	21.3%
Thereafter	—	44,721	—	44,721	4.4%
	\$ 350,000	\$ 215,680	\$ 444,000	\$ 1,009,680	100.0%
Unamortized financing costs and mark-to-market adjustments	(1,693)	(472)	—	(2,165)	
	\$ 348,307	\$ 215,208	\$ 444,000	\$ 1,007,515	

Mortgages payable

At December 31, 2022, Primaris had \$215.7 million mortgages payable bearing interest at fixed rates with a weighted average effective interest rate of 3.40% and a weighted term to maturity of 3.8 years.

Credit facilities

On January 4, 2022, Primaris entered into a \$700.0 million Credit Facility. The Credit Facility bears interest at variable rates of either: (i) Prime plus 0.45% or (ii) Canadian Dollar Offered Rate plus 1.45%; and contains certain financial covenants. On March 30, 2022, as a result of issuing the Debentures, the commitment under the Credit Facility reduced from \$700.0 million to \$400.0 million. In December 2022, Primaris exercised the option to extend the maturity of the facility by one-year to January 4, 2026. \$244.0 million was drawn on the Credit Facility at December 31, 2022.

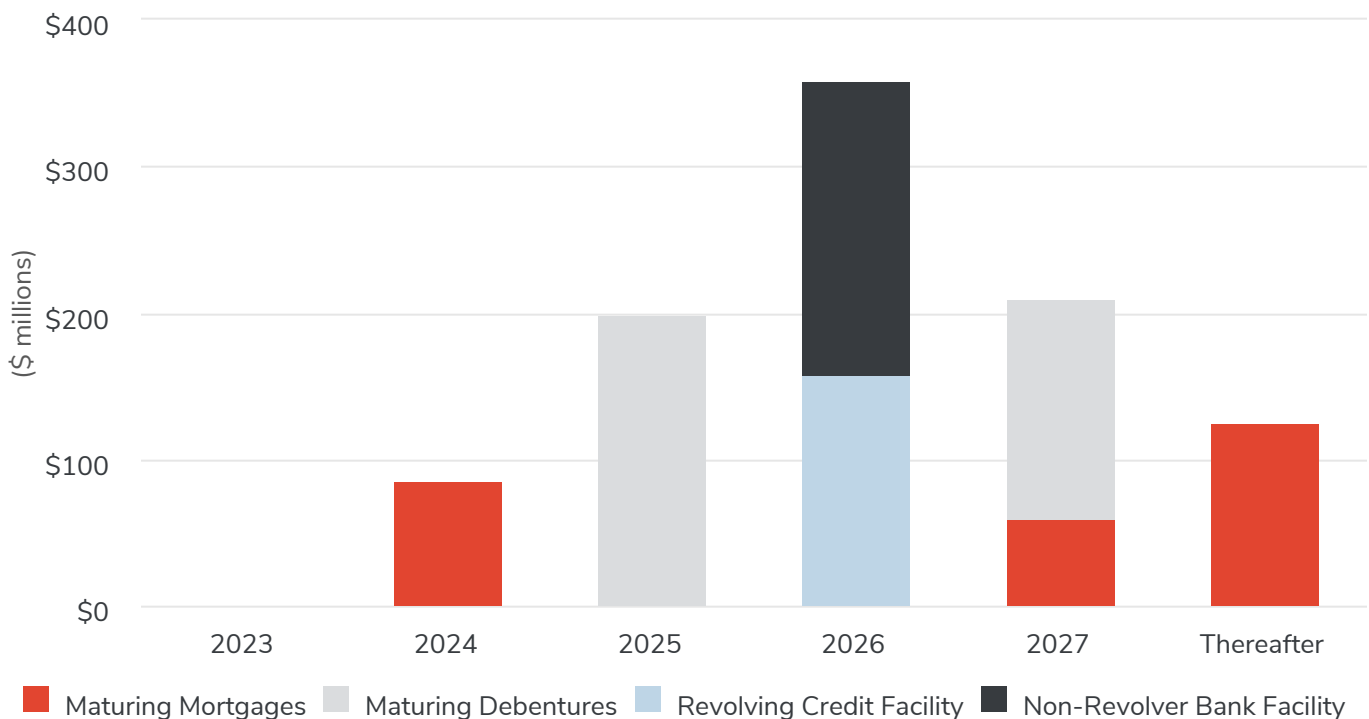
On August 8, 2022, Primaris entered into a \$200.0 million unsecured syndicated non-revolving delayed draw term facility maturing February 5, 2026. The non-revolving credit facility bears interest at variable rates of CDOR plus 1.50%, and contains certain financial covenants. As at December 31, 2022, Primaris was fully drawn on this facility. All proceeds were used to repay maturing mortgages.

Debentures

On March 30, 2022, the REIT closed a private placement of \$350 million aggregate principal amount of senior unsecured debentures (the “Debentures”), consisting of \$150 million aggregate principal amount of Series A Debentures maturing March 30, 2027 and \$200 million aggregate principal amount of Series B Debentures maturing March 30, 2025. The Debentures were offered on a private placement basis in each of the provinces of Canada by a syndicate of agents led by Scotia Capital Inc., BMO Nesbitt Burns Inc. and CIBC World Markets Inc., and including Desjardins Securities Inc., RBC Dominion Securities Inc. and TD Securities Inc.

The Series A Debentures bear interest at a fixed annual the rate of 4.727% per annum, payable in equal semi-annual instalments in arrears on March 30th and September 30th in each year, until maturity, unless redeemed at an earlier date. The Series B Debentures bear interest at a fixed annual the rate of 4.267% per annum, payable in equal semi-annual instalments in arrears on March 30th and September 30th in each year, unless redeemed at an earlier date. The Debentures are direct senior unsecured obligations of the Trust and rank equally and rateably with all other unsecured and unsubordinated indebtedness of the REIT, except to the extent prescribed by law.

Debt Maturity Profile as of December 31, 2022



Guarantees

In the normal course of operations, Primaris issues letters of credit in connection with developments, financings, operations and acquisitions. As at December 31, 2022, Primaris had outstanding letters of credit totaling \$892 million.

Primaris has co-owners on various properties. As a rule, Primaris does not provide guarantees or indemnities for these co-owners because should such guarantees be provided, recourse would be available against Primaris in the event of a default of the co-owners. In such case, Primaris would have a claim against the underlying real estate investment. However, in certain circumstances, subject to compliance with the Declaration of Trust and the determination of

management that the fair value of the co-owner's investment is greater than the mortgages payable which require Primaris' guarantee, such guarantees may be provided.

As at December 31, 2022, Primaris had issued guarantees relating to co-owners' share of mortgage liabilities amounting to \$91.3 million, which expire between 2024 and 2027.

Financing Strategy

Primaris' overall strategy is underpinned by its commitment to its low-leverage, low FFO Payout Ratio** financial model that allows it to significantly reduce its reliance on accessing external capital, and specifically equity markets, to fund its business. Primaris' financing strategy is to maintain financial leverage appropriate to its real estate portfolio, conservatively below the levels available from lenders, to ensure financial stability and adequate capital availability to fund the capital requirements of the business. Primaris aims to maintain an investment grade rating, and will rely on a combination of unsecured credit facilities and unsecured debentures as the primary forms of financing, with secured mortgages providing a further alternative source of debt capital.

Interest rates and debt maturities will be reviewed regularly by the Trustees in order to ensure that appropriate debt management strategies are implemented. Debt maturities will be managed to avoid having 20% or more of total debt maturing in a single year to minimize refinancing risk, taking into account the availability of financing, market conditions and Primaris REIT's liquidity.

Primaris may, from time to time, enter into instruments to hedge the amount of interest to be paid by Primaris on future debt and to reduce its exposure to refinancing risks, provided that such hedging will not affect Primaris' status as a "real estate investment trust" for purposes of the Tax Act.

Liquidity Strategy

Primaris' liquidity strategy will reflect Primaris' financing strategy and overall strategy. Low leverage and a low FFO Payout Ratio** are expected to provide significant free cash flow after distributions and ordinary course re-investments into Primaris' portfolio, while an emphasis on unsecured debt will reduce the magnitude of amortization payments more common with secured mortgage debt.

TRUSTEES AND OFFICERS

As of the date of the AIF, the Board consists of seven Trustees, five of whom are independent Trustees within the meaning of National Instrument 58-101 – Disclosure of Corporate Governance Practices. The Trustees are elected by Unitholders at each annual meeting of Unitholders entitled to vote and hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed and are eligible for re-election or re-appointment. The following tables set forth the name, province and country of residence, positions held within Primaris (or functions performed on behalf of Primaris) and principal occupation of each Trustee and executive officer of Primaris.

Detailed biographies for each Trustee and executive officer follow the tables.

TRUSTEES		
Name Province/State of Residence	Position(s) with Primaris REIT	Principal Occupations During the Preceding Five Years
Alex Avery Ontario, Canada	Trustee (Non-independent) and Chief Executive Officer since 2021 Investment Committee	Chief Executive Officer, Primaris REIT (2021 – present) Executive Vice President, Asset Management & Strategic Initiatives at H&R REIT, an open-ended real estate investment trust specializing in commercial real estate (2020-2021) Portfolio Manager, FrontFour Real Asset Alternatives, an investment fund issuer (2017-2020)
Avtar Bains British Columbia, Canada	Trustee (Independent) since 2021 Investment Committee Chair	President, Premise Properties, a privately-owned real estate investment and development company (2011-present)
Anne Fitzgerald Ontario, Canada	Trustee (Independent) since 2021 Compensation, Governance and Nominating Committee Investment Committee	Director, NOVA Cannabis Inc. (2022 - present) Director, LifeSpeak Inc. (2021 - present) Chair of the Board of Directors, Outward Bound Canada (2015 - present) Chief Legal Officer & Corporate Secretary at Cineplex Inc., an entertainment company and Executive Vice President, Real Estate at Cineplex Inc. (various titles 2005-2022)
Louis Forbes Ontario, Canada	Trustee (Independent) since 2021 Audit Committee Chair Compensation, Governance and Nominating Committee	Trustee, Flagship Communities REIT, an unincorporated closed-end real estate investment trust (2020-present) Trustee, Automotive Properties REIT, an unincorporated closed-end real estate investment trust (2017 – 2022) Senior Vice President and Chief Financial Officer of CT Real Estate Investment Trust, an unincorporated closed-end real estate investment trust (2013-2018)
Tim Pire Wisconsin, United States	Trustee (Independent) since 2021 Audit Committee	Corporate Director & Adjunct Professor, University of Wisconsin (2016 – present) Trustee, TerraFina, Technical Committee, Debt Committee and Audit Committee, an industrial real estate investment trust (2021 – present) University of Wisconsin's Applied Real Estate Investment Track program (2016 – present) Director, Monogram Residential Trust, a multi-family real estate investment trust (2016-2018)
Patrick Sullivan Alberta, Canada	Trustee (Non-independent) and President and Chief Operating Officer since 2021	President & Chief Operating Officer, Primaris REIT (2021 - present) Chief Operating Officer, Primaris (predecessor and H&R REIT's subsidiary) (2013-2021)
Deborah Weinswig New York, United States	Trustee (Independent) since 2021 Audit Committee Compensation, Governance and Nominating Committee	Founder and CEO of Coresight Research, a research company delivering data-driven insights focusing on retail and technology (2018 – present) Director, XCEL Brands and member of the Audit Committee (2018 - present) Director, Guess? Inc. and member of the Audit Committee (2018 - present) Director, Nogin, Corp Gov Committee (2022-2023) Director, CHW Acquisition Corporation and member of the Audit Committee. CHW Acquisition Corporation (2021 - 2021)

EXECUTIVE OFFICERS

Name Province/State of Residence	Position(s) with Primaris REIT	Principal Occupation
Alex Avery Ontario, Canada	Chief Executive Officer since 2021	Executive Vice President, Asset Management & Strategic Initiatives at H&R REIT, an unincorporated closed-end real estate investment trust (2020-2021) Portfolio Manager, FrontFour Real Asset Alternatives, an investment fund issuer (2017-2020)
Patrick Sullivan Alberta, Canada	President and Chief Operating Officer since 2021	Chief Operating Officer, Primaris' (predecessor and H&R REIT's subsidiary) (2013-2021)
Rags Davloor Ontario, Canada	Chief Financial Officer since 2021	Executive Vice President, Finance and Strategy, Tridel, a developer and builder of condominium residences(2019-2021) President and Chief Operating Officer, RioCan REIT, an unincorporated closed- end real estate investment trust (2014-2018)
Mordecai Bobrowsky Ontario, Canada	Senior Vice President, Legal since 2021	Vice President, Legal at Primaris (predecessor and H&R REIT's subsidiary) (2013-2021)
Leslie Buist Ontario, Canada	Senior Vice-President, Finance since 2022	Senior Director, Corporate Accounting, First Capital REIT, an unincorporated closed-end real estate investment trust (2019 – 2022) Senior Director, Corporate Finance, Choice Properties REIT, an unincorporated closed-end real estate investment trust (2013 – 2019)
Brenda Huggins Ontario, Canada	Senior Vice-President, Human Resources since 2021	Senior Vice-President, Human Resources Primaris' (predecessor and H&R REIT's subsidiary) (2013-2021)
Graham Procter Ontario, Canada	Senior Vice President, Asset Management since 2021	Vice President, Asset Management at Primaris (predecessor and H&R REIT's subsidiary) (2017-2021)
Laurel Adamson Calgary, Alberta	Vice-President, Leasing West (since 2021)	Principal of Laurel Adamson & Associates Inc. (2018 to present)
Joseph Martino Ontario, Canada	Vice-President, Information Technology since 2021	Adastra Corp, Toronto, ON — Consultant, Digital Transformation (2019 - 2021) Fleet Complete, Toronto, ON — Global VP, Business Solutions (2017-2019)
Leigh Murray Ontario, Canada	Vice President, Leasing East since 2021	Vice President, Asset Management at Primaris (predecessor and H&R REIT's subsidiary) (2013-2021)

Pursuant to the Declaration of Trust, the Board has established three committees which are to be composed of at least three Trustees: the Audit Committee, the Compensation, Governance and Nominating Committee and the Investment Committee. Each of the Audit Committee and Compensation, Governance and Nominating Committee must be comprised of independent Trustees. The Investment Committee must have a majority of independent Trustees. The nominees for election as Trustees are determined by the Compensation, Governance and Nominating Committee in accordance with the provisions of the Declaration of Trust and the charter of the Compensation, Governance and Nominating Committee.

Audit Committee	Compensation, Governance and Nominating Committee	Investment Committee
Louis Forbes, Chair Tim Pire Deborah Weinswig	Anne Fitzgerald, Chair Louis Forbes Deborah Weinswig	Avtar Bains, Chair Anne Fitzgerald Alex Avery

As a group, the Trustees and executive officers beneficially own, or control or direct, directly or indirectly, 687,747 Units, representing 0.7% of the issued and outstanding Units as at February 28, 2023.

Penalties or Sanctions

None of the Trustees or executive officers, and to the best of the Trustees' knowledge, no Unitholder holding a sufficient number of the Primaris securities to affect materially the control of Primaris, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Individual Bankruptcies

None of the Trustees or executive officers, and to the best of the Trustees' knowledge, no Unitholder holding a sufficient number of the Primaris securities to affect materially the control of Primaris, has, within the 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Corporate Cease Trade Orders and Bankruptcies

Except as noted below, none of the Trustees or executive officers, and to the best of the Trustees' knowledge, no Unitholder holding a sufficient number of Primaris' securities to affect materially the control of Primaris is, as at the date hereof, or has been within the 10 years before the date hereof,

- a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the existing or proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
- b) was subject to an order that was issued after the existing or proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or (c) a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Mr. Forbes served as a director of CHC Student Housing Corp. from 2014 to 2017. On May 8, 2017, the Ontario Securities Commission issued a management cease trade order restricting all trading in securities of CHC Student Housing Corp. by management and insiders of CHC Student Housing Corp. due to a failure to file its annual financial statements, management's discussion and analysis and related certifications within the time period prescribed by securities legislation. The management cease trade order expired on July 4, 2017 following the filing of the annual financial statements, management's discussion and analysis and related certifications.

Independent Trustee Matters

In addition to requiring the approval of a majority of the Trustees, to become effective, the following matters require the approval of at least a majority of Primaris' independent Trustees who have no interest in the matter:

- (a) an acquisition of a property or an investment in a property, whether by co-investment or otherwise, or the provision of any financing, or development or leasing services in respect of a property, in which any Related Party of Primaris has any direct or indirect interest, whether as owner, operator or manager;
- (b) a material change to any agreement with a Related Party of Primaris or any approval, consent, waiver or other decision of the Trustees thereunder, or any renewal, extension or termination thereof or any increase in any fees (including any transaction fees) or distributions payable thereunder;
- (c) the entering into of, or the waiver, exercise or enforcement of any rights or remedies under, any agreement entered into by Primaris or any of its Subsidiaries, or the making, directly or indirectly, of any co-investment, in each case, with (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or in other similar capacity;
- (d) the refinancing, increase or renewal of any indebtedness owed by or to (i) any Trustee, (ii) any entity directly or indirectly controlled by any Trustee or in which any Trustee holds a significant interest, or (iii) any entity for which any Trustee acts as a director or in other similar capacity; or
- (e) decisions relating to any claims by or against one or more parties to any agreement with any Related Party to Primaris.

The Board of Trustees has adopted a related party policy that creates a framework for the fair consideration and approval of related party transactions. A related party transaction will be entered into or continued only if the Board approves or ratifies the transaction in accordance with the guidelines set out in the policy having determined that the transaction is on terms that are in or not inconsistent with the best interest of the REIT.

Conflict of Interest Restrictions and Provisions

The Declaration of Trust contains “conflict of interest” provisions similar to those applicable to corporations under Section 120 of the CBCA, which serve to protect Unitholders without creating undue limitations on Primaris. Given that the Trustees and officers will be engaged in a wide range of real estate and other business activities, the Declaration of Trust requires each of the Trustees and officers to disclose to Primaris if he or she is a party to a material contract or transaction or proposed material contract or transaction with Primaris or the fact that such person is a director or officer of or otherwise has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with Primaris. The Board has also adopted a written code of conduct that applies to all of the Trustees, officers and employees and addresses conflicts of interests, among other fair dealing, compliance and ethical obligations of such persons.

Certain Trustees may have conflicts of interest as a result of their current full-time positions and these conflicts will be expressly acknowledged. See “Enterprise Risks and Risk Management”.

ENTERPRISE RISKS AND RISK MANAGEMENT

Primaris is exposed to various risks and uncertainties, many of which are beyond its control, the occurrence of which could materially and adversely affect Primaris’ investments, prospects, cash flows, results of operations or financial condition and the ability to make cash distributions to Unitholders and negatively affect the value of the Units. Management believes the risk factors described below are the most material risks that are faced by Primaris; however, they are not the only ones. Additional risk factors not presently known to management, or that management currently believes are immaterial could also materially and adversely affect Primaris’ investments, prospects, cash flows, results of operations or financial condition and ability to make cash distributions to Unitholders and negatively affect the value of the Units.

Risks Associated with the COVID-19 Pandemic

Through the successful application of vaccinations and other disease control measures, Canada, and most countries around the world, continues to adapt to living with the virus that causes COVID-19 and the variants that emerge from time to time.

It is not currently possible to ascertain the long-term impact of COVID-19 on Primaris' business and operations. Certain aspects of Primaris' business and operations that could potentially be impacted include rental income, occupancy, tenant inducements, future demand for space and market rents, changes in the preferences of tenants and prospective tenants, temporary or long-term labour shortages or disruptions, temporary or long-term impacts on domestic and global supply chains, increased risks to IT systems and networks, impairments and/or write-downs of assets, and the deterioration of worldwide credit and financial markets that could limit Primaris' ability to access capital and financing on acceptable terms or at all.

Risks Associated with Owning and Operating Real Property

All real property investments are subject to a degree of risk and uncertainty. Such investments are affected by various factors including general economic conditions, local real estate markets, demand for leased premises, competition from other available premises, and various other factors.

The value of real property, and any improvements thereto, may also depend on the credit and financial stability of the tenants. Distributable cash and Primaris' income would be adversely affected if one or more key tenants or a significant number of tenants were to become unable to meet their obligations under their leases or if a significant amount of available space in the properties, in which Primaris has an interest, is not able to be leased on economically favourable lease terms. In the event of default by a tenant, delays, or limitations in enforcing rights as lessor may be experienced and substantial costs in protecting Primaris' investment may be incurred. Furthermore, at any time, a tenant of any of the properties in which Primaris has an interest may seek the protection of bankruptcy, insolvency, or similar laws that could result in the rejection and termination of such tenant's lease and thereby cause a reduction in the cash flow available to Primaris.

Primaris may, in the future, be exposed to a general decline of demand by tenants for space in properties. As well, certain of the leases of the properties held by Primaris have early termination provisions which, if exercised, would reduce the average lease term. However, such termination rights are generally exercisable only at a cost to the tenant and the amount of space in the portfolio of properties currently held by Primaris which could be affected is not significant.

The ability to rent unleased space in the properties in which Primaris has an interest will be affected by many factors and costs may be incurred in making improvements or repairs to property required by a new tenant. A prolonged deterioration in economic conditions could increase and exacerbate the foregoing risks. The failure to rent unleased space on a timely basis or at all would likely have an adverse effect on Primaris' financial condition.

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether the property is producing any income. If Primaris is unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or sale.

A mortgage on any one property may, from time to time, exceed the estimated current market value of the related property. The cash flow from such a property may not be sufficient to cover debt servicing for that property. The cash flow from the portfolio of properties currently held by Primaris is, however, expected by management to be sufficient to cover any cash flow shortfalls on such a property.

Current economic environment

Primaris will be subject to risks involving the economy in general, including inflation, deflation or stagflation, recession, depression, rising interest rates, unemployment, geopolitical issues, and a local, regional, national or international outbreak of a contagious disease, including the outbreak of COVID-19. Poor economic conditions could adversely affect Primaris' ability to generate revenues, thereby reducing its operating income and earnings. It could also have an adverse impact on the ability of Primaris to maintain occupancy rates which could harm Primaris' financial condition. In weak economic environments, Primaris' tenants may be unable to meet their rental payments and other obligations due to Primaris, which could have a material and adverse effect on Primaris. In addition, fluctuation in interest rates or other financial market volatility may adversely affect Primaris' ability to refinance existing indebtedness on its maturity or on terms that are as favourable as the terms of existing indebtedness, which may impact negatively on Primaris' performance, may restrict the availability of financing for future prospective purchasers of Primaris' investments, and could potentially reduce the value of such investments, or may adversely affect the ability of Primaris to complete acquisitions on financially desirable terms. With respect to the COVID-19 pandemic, refer to "Risks Associated with the COVID-19 Pandemic" above.

Real property valuations

Valuations of real property reflect an assessment of value based on the facts and circumstances as of the date the valuations were made. Such valuations may not have incorporated all relevant facts or may have relied on incorrect assumptions which may have been too optimistic or not sufficiently optimistic. Furthermore, valuations conducted at one point in time may not be reflective of value at another point in time, nor may the valuation be reflective of the value that could be obtained on a sale or other transaction.

Land leases

To the extent that the properties in which Primaris has or will have an interest are located on leased land, the land leases may be subject to periodic rate resets that may fluctuate. This may result in significant rental rate adjustments and therefore have a potential negative effect on the cash flow of Primaris.

Geographic concentration

Primaris' portfolio of properties is limited to Canadian retail properties, the majority of which are located in Ontario, British Columbia, and Alberta. As a result, Primaris' performance, the market value of the properties and the income generated by Primaris are particularly sensitive to changes in the economic condition and regulatory environment of Ontario, British Columbia and Alberta. Adverse changes in the economic condition or regulatory environment of Ontario, British Columbia, and Alberta may have a material adverse effect on Primaris' business, cash flows, financial condition and results of operations and its ability to make distributions to Unitholders.

Credit risk and tenant concentration

Primaris will be exposed to credit risk as an owner of real estate in that tenants may become unable to pay the contracted rents. Management mitigates this risk by carrying out appropriate credit checks and related due diligence on the significant tenants. In addition, management ensures that no tenant or related group of tenants, other than investment grade tenants, account for a significant portion of the cash flow.

In that regard, the Declaration of Trust restricts the leasing or subleasing of real property, premises or space to any person where that person and its affiliates would, after the contemplated lease or sublease, be leasing or subleasing real property, premises or space having a fair market value net of encumbrances in excess of 20% of Total Assets (as defined in the Declaration of Trust), unless the lessee or sublessee is, or the lease or sublease is guaranteed by, the Government of Canada, the Government of the United States, any province or territory of Canada, any state of the United States, any

municipality or city in Canada or the United States, or any agency or crown corporation thereof and certain issuers, the securities of which meet stated investment criteria or are investment grade.

Reliance on anchor tenants and tenant bankruptcies

Retail shopping centres have traditionally relied on anchor tenants (department stores, discount department stores, and grocery stores), and therefore they are subject to the risk of such anchor tenants either moving out of the property or going out of business. Anchor tenants generally occupy large amounts of leasable area, pay a significant portion of the total rents at a property, and contribute to the success of other tenants by drawing significant numbers of customers to a property. Certain of the anchor tenants are permitted to cease operating from their leased premises at any time at their option, however they remain liable to pay all remaining rent in accordance with their leases. Other anchor tenants are permitted to cease operating from their leased premises or to terminate their leases if certain events occur. The exercise of such rights by an anchor tenant may have a negative effect on a property. There can be no assurance that such rights will not be exercised in the future.

Primaris' profit could be adversely affected in the event of a downturn in the business or the bankruptcy, or insolvency of any anchor tenant. The closing of one or more anchor stores at a multi-tenant property could have an adverse effect on that property. At a multi-tenant property, vacated anchor tenant space tends to adversely affect the entire shopping centre because of the loss of the departed anchor tenant's power to draw customers to the centre, which in turn may cause other tenants' operations to suffer and adversely affect such other tenants' ability to pay rent or perform any other obligations under their leases. Moreover, a lease termination by an anchor tenant or a failure by that anchor tenant to occupy the premises may entitle other tenants of the centre to cease operating from their premises, to a reduction of rent payable under their leases, and/or to terminate their leases. No assurance can be given that Primaris will be able to quickly re-lease space vacated by an anchor tenant on favourable terms, if at all. If any anchor tenant were to leave a property, the property could be negatively affected, which could have an adverse effect on Primaris' financial condition and results of operations, and could decrease the amount of cash available to pay distributions to Unitholders.

Bankruptcy filings by retailers occur periodically in the normal course of operations for reasons such as increased competition, out-dated business models, internet sales, changing demographics, poor economic conditions, rising costs, and changing shopping trends. Primaris continually seeks to re-lease vacant space resulting from any tenant bankruptcies.

Lease rollover risk

Lease rollover risk arises from the possibility that Primaris may experience difficulty renewing leases as they expire, or in re-leasing space vacated by tenants upon lease expiry, or that Primaris may not achieve rental rate increases upon such renewals. Management's strategy is to sign creditworthy tenants to leases that are long-term in nature, and to mitigate the risk by having staggered lease maturities and using built-in rental escalations which assists in Primaris' attempt to fulfill its primary goal of maintaining a predictable cash flow. The ability to rent unleased space in the properties in which Primaris has an interest will be affected by many factors. The failure to rent unleased space on a timely basis, or at all, or to achieve rental rate increases would likely have an adverse effect on Primaris' financial condition, and cash available for distributions may be adversely affected.

Competition

The real estate business is competitive. Numerous other developers, managers, and owners of properties compete with Primaris in seeking tenants. Some of the properties located in the same markets as Primaris' properties may be newer, better located, less levered, or have stronger anchor tenants than Primaris' properties. Some property owners with properties located in the same markets as Primaris' properties may be better capitalized and may be stronger financially, and hence better able to withstand an economic downturn. Competitive pressures in such markets could have a negative

effect on Primaris' ability to lease space in its properties, and on the rents charged or concessions granted, which could have an adverse effect on Primaris' financial condition and results of operation and decrease the amount of cash available for distribution.

Primaris competes for suitable real property investments with individuals, corporations, other real estate investment trusts, and institutions (both Canadian and foreign) which are presently seeking, or which may seek in the future, real property investments similar to those desired by Primaris. Many of these investors have greater financial resources than those of Primaris, or operate without Primaris' investment restrictions, or according to more flexible conditions. An increase in the availability of investment funds and an increase in interest in real property investments, would tend to increase competition for real property investments, thereby increasing purchase prices and reducing the yields thereon.

Asset class concentration

Primaris' portfolio of retail properties is primarily comprised of dominant enclosed shopping centre properties, with the remainder of the properties being unenclosed shopping centres and mixed-use properties and one industrial centre. Significant deterioration of the retail shopping centre market in general, or the financial health of key tenants in particular, could have an adverse effect on Primaris' business, financial condition or results of operations. As well, shifting consumer preferences toward e-commerce may result in a decrease in the demand for physical space by retail tenants. The failure of Primaris to adapt to changes in the retail landscape, including finding new tenants to replace any lost income stream from existing tenants that reduce the amount of physical space they lease from Primaris could adversely affect Primaris' financial performance.

Construction risks

It is likely that Primaris will be involved in various development projects. Primaris' obligations in respect of properties under construction, or which are to be constructed, are subject to risks which include (i) the potential insolvency of a third-party developer (where Primaris is not the developer); (ii) a third-party developer's failure to use advanced funds in payment of construction costs; (iii) construction or other unforeseeable delays, (iv) cost overruns; (v) the failure of tenants to occupy and pay rent in accordance with existing lease agreements, some of which are conditional; (vi) the incurring of construction costs before ensuring rental revenues will be earned from the project; and (vii) increases in interest rates during the period of the development. Management strives to mitigate these risks where possible by entering into fixed price construction contracts with general contractors (and, to the extent possible, on a bonded basis) and by attempting to obtain long-term financing as early as possible during construction.

Operating capital expenditures

Operating capital expenditures are incurred in irregular amounts and may exceed actual cash available from operations during certain periods. Primaris may be required to use part of its debt capacity or reduce distributions in order to accommodate such items. Operating capital outlays for recoverable improvements may exceed recovery of amounts from tenants.

Co-ownership interest in properties

In certain situations, Primaris may be adversely affected by a default by a co-owner of a property under the terms of a mortgage, lease, or other agreement. Although all co-owners' agreements, to which Primaris is or may in the future become a party, provide for remedies to Primaris in such circumstances, such remedies may not be exercisable in all circumstances, or may be insufficient or delayed, and may not cure a default in the event that such default by a co-owner is deemed to be a default of Primaris.

Potential acquisition, investment and disposition opportunities and joint venture arrangements

Primaris will evaluate business and growth opportunities and is expected to consider a number of acquisition, investment and disposition opportunities and joint venture arrangements to achieve its business and growth strategies. In the normal course, Primaris may have outstanding non-binding letters of intent and/or conditional agreements or may otherwise be engaged in discussions with respect to potential acquisitions and financing of new assets, the refinancing of existing assets, potential dispositions, establishment of new joint venture arrangements, the viability and status of its joint venture arrangements, and changes to its capital structure, each of which, individually or in the aggregate, may or may not be material if they were to progress. However, there can be no assurance that any of these discussions will result in a definitive agreement and, if they do, what the terms or timing of any acquisition, investment or disposition would be or that such acquisition, investment, or disposition will be completed by Primaris. Similarly, there can be no assurance that Primaris will enter into new joint venture arrangements or continue any existing joint venture arrangements. If Primaris does complete such transactions, Primaris cannot provide assurance that they will ultimately strengthen its competitive position or that they will not be viewed negatively by customers, securities analysts, or investors. Such transactions may also involve significant commitments of Primaris' financial and other resources. Any such activity may not be successful in generating revenue, income or other returns to Primaris, and the resources committed to such activities will not be available to Primaris for other purposes.

Acquisitions of properties by Primaris are subject to the normal commercial risks and satisfaction of closing conditions that may include, among other things, lender approval, Competition Act (Canada) approval, receipt of estoppel certificates, and obtaining title insurance. Such acquisitions may not be completed or, if completed, may not be on terms that are exactly the same as initially negotiated. In the event that Primaris does not complete an acquisition, it may have an adverse effect on the operations and results of Primaris in the future and its cash available for distributions to Unitholders.

Potential undisclosed liabilities associated with acquisitions

Primaris is expected to acquire properties that are subject to existing liabilities, some of which may be unknown at the time of the acquisition or which Primaris may fail to uncover in its due diligence. Unknown liabilities might include liabilities for cleanup or remediation of undisclosed environmental conditions, claims by tenants, vendors or other persons dealing with the vendor or predecessor entities (that have not been asserted or threatened to date), and accrued but unpaid liabilities incurred in the ordinary course of business. Representations and warranties given by third parties to Primaris regarding acquired properties may not adequately protect against these liabilities and any recourse against third parties may be limited by the financial capacity of such third parties. While in some instances Primaris may have the right to seek reimbursement against an insurer or another third party for certain of these liabilities, Primaris may not have recourse for all of these liabilities.

Cyber security risk

Cyber security has become an increasingly problematic issue for issuers and businesses in Canada and around the world. Cyber attacks against large organizations are increasing in sophistication and are often focused on financial fraud, compromising sensitive data for inappropriate use, or disrupting business operations. A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity, or availability of Primaris' information resources. More specifically, a cyber-incident is an intentional attack or an unintentional event that can include gaining unauthorized access to information systems to disrupt operations, corrupt data, or steal confidential information. As Primaris' reliance on technology has increased, so have the risks posed to its systems. Primaris' primary risks that could directly result from the occurrence of a cyber-incident include operational interruption, damage to its reputation, damage to Primaris' business relationships with its tenants, disclosure of confidential information regarding its tenants, employees and third parties with whom Primaris interacts, and may result in negative consequences, including remediation costs, loss of

revenue, additional regulatory scrutiny, and litigation. Primaris implemented processes, procedures, and controls to help mitigate these risks, but these measures, as well as its increased awareness of a risk of a cyber-incident, do not guarantee that its financial results will not be negatively impacted by such an incident.

Data governance and decision support

Primaris depends on relevant and reliable information to operating its business. As the volume of data being generated and reported continues to increase, data accuracy, quality, and governance are required for effective decision making. Failure by Primaris to leverage data in a timely manner may adversely affect its ability to execute its strategy and therefore impact its financial performance.

Environmental and climate change risk

As an owner of interests in real property in Canada, Primaris is subject to various Canadian federal, provincial, and municipal laws relating to environmental matters. These laws impose a liability for the cost of removal and remediation of certain hazardous materials released or deposited on properties owned by Primaris or adjacent properties.

In accordance with best management practices, Phase I audits will be completed on all properties prior to acquisition. Further investigation will be conducted if Phase I tests indicate a potential problem. Primaris will have operating policies to monitor and manage risk. In addition, the standard lease requires compliance with environmental laws and regulations and restricts tenants from carrying on environmentally hazardous activities or having environmentally hazardous substances on site.

Natural disasters and severe weather such as floods, ice storms, blizzards, and rising temperatures may result in damage to Primaris' properties. The extent of Primaris' casualty losses and loss in property operating income in connection with such events is a function of the severity of the event and the total amount of exposure in the affected area. Primaris is also exposed to risks associated with inclement winter weather, including increased need for maintenance and repair of Primaris' buildings. In addition, climate change, to the extent it causes changes in weather patterns, could have effects on Primaris' business by increasing the cost to recover and repair properties and by increasing property insurance costs to insure a property against natural disasters and severe weather events.

Primaris will take proactive steps to mitigate the risk of climate change on its business and its properties and to address Primaris' environmental impact.

Dependence on key personnel, talent management and succession planning

Primaris' continued growth is dependent on its ability to hire, retain and develop its leaders and other key personnel. Any failure to effectively attract and retain talented and experienced employees and to establish adequate succession planning and retention strategies could result in a lack of requisite knowledge, skill and experience. This could erode Primaris' competitive position or result in increased costs and competition for, or high turn-over of, employees. Any of the foregoing could have an adverse effect on Primaris.

Potential conflicts of interest

Primaris may be subject to various conflicts of interest because of the fact that members of management and the Trustees may be engaged in a wide range of real estate and other business activities and Primaris may become involved in transactions which conflict with the interests of the foregoing.

Management of Primaris and the Trustees may from time-to-time deal with persons, firms, institutions, or corporations with which Primaris may be dealing, or which may be seeking investments similar to those desired by Primaris. The interests of these persons could conflict with those of Primaris. In addition, from time to time, these persons may be competing with Primaris for available investment opportunities.

Any decisions regarding the enforcement by Primaris of the terms of any agreement entered into by Primaris with a non-independent Trustee or with an associate of a non-independent Trustee may be made by a majority of the independent Trustees. There is a risk that non-independent Trustees may attempt to influence the independent Trustees in this regard.

Litigation

Primaris' operations are subject to a wide variety of laws and regulations across all of its operating jurisdictions and Primaris faces risks associated with legal and regulatory changes and litigation. In the normal course of operations, Primaris may become involved in various legal actions, including claims relating to personal injury, property damage, property taxes, land rights, and contractual and other commercial disputes and the resolution of such actions may have an adverse effect on our financial position or results of operations. Primaris retains external legal consultants to assist it in remaining current and compliant with legal and regulatory changes and to respond to litigation.

Uninsured losses

Primaris 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 under-insured loss occur, Primaris could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, and Primaris would continue to be obliged to repay any recourse mortgage indebtedness on such properties.

Risks Relating to Financial Markets and Liquidity

Interest rate and other debt-related risks

Primaris will be exposed to financing risk on maturing debt and interest rate risk on its borrowings. It will minimize this risk by negotiating fixed rate term debt with staggered maturities targeting less than 20% of total debt maturing in any one year. Consistent with a debt strategy employing significant unsecured financings, Primaris will strive to maintain undrawn credit facility capacity to accommodate 18-24 months of forward debt maturities.

If Primaris indebtedness is replaced by new debt that has less favourable terms or Primaris is unable to secure adequate funding, distributions by Primaris to Unitholders may be adversely impacted. In addition, failure by Primaris to comply with its obligations under the documents governing such indebtedness (including in the case of the credit facilities, the failure to meet certain financial ratios and financial conditions tests) may adversely impact cash distributions on the Units. A reversal of the low interest rate environment that the Canadian economy has experienced in recent years may lead to Primaris' debt being refinanced at higher rates, thereby reducing net income and cash flows which could ultimately affect the level of distributions.

Liquidity risk

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relationship with demand for and the perceived desirability of such investments. Such illiquidity will tend to limit Primaris' ability to vary its portfolio promptly in response to changing economic or investment conditions. If, for whatever reason, liquidation of assets is required, there is a risk that sale proceeds realized might be less than the previously estimated market value of Primaris' investments or that market conditions, and geopolitical events such as the conflict between Russia and Ukraine, would prevent prompt disposition of assets.

Ability to access capital markets

As Primaris will distribute a portion of its income to Unitholders, Primaris may need to obtain additional capital through capital markets and Primaris' ability to access the capital markets through equity issues and forms of secured or unsecured debt financing may affect the operations of Primaris as such financing may be available only on disadvantageous terms, if at all. If financing is not available on acceptable terms, acquisitions or ongoing development projects may be curtailed and cash available for distributions or to fund future commitments may be adversely affected.

Risks Relating to Primaris Securities

Prices of Primaris securities

Publicly traded Units will not necessarily trade at values determined solely by reference to the underlying value of Primaris assets. Accordingly, Units may trade at a premium or a discount to the underlying value of the assets of Primaris.

One of the factors that may influence the quoted price of Units is the annual yield on Units. Accordingly, an increase in market interest rates may lead investors in Units to demand a higher annual yield which could adversely affect the quoted price of Units. In addition, the quoted price of Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities and numerous other factors beyond the control of Primaris.

Challenging market conditions, the health of the economy as a whole and numerous other factors beyond the control of Primaris, including geopolitical events as the conflict between Russia and Ukraine, may have a material effect on the business, financial condition, liquidity, and results of operations of Primaris. Financial markets have previously experienced significant price and volume fluctuations that have particularly affected the market prices of securities of issuers and that have often been unrelated to the operating performance, underlying asset values, or the prospects of such issuers. There can be no assurance that such fluctuations in price and volume will not occur again. Accordingly, the market price of Units may decline even if Primaris' operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. If such increased levels of volatility and market turmoil occur, Primaris' operations could be adversely impacted, and the trading price of Units may be adversely affected.

Availability of cash for distributions

Although Primaris intends to make distributions of its available cash to Unitholders in accordance with its distribution policy, these cash distributions may be reduced or suspended. The actual amount distributed by Primaris will depend on numerous factors including capital market conditions, the financial performance of Primaris' properties, Primaris' debt covenants and obligations, its working capital requirements, its future capital requirements, its development commitments, and fluctuations in interest rates. Cash available to Primaris for distributions may be reduced from time to time because of items such as principal repayments on debt, tenant allowances, leasing commissions, capital expenditures, or any other business needs that Trustees deem reasonable. Primaris may be required to use part of its debt capacity in order to accommodate any or all of the above items. The market value of Units may decline significantly if Primaris suspends or reduces distributions. Trustees retain the right to re-evaluate the distribution policy from time to time as they consider appropriate.

Tax risk

The Tax Act includes rules (referred to herein as the "**SIFT Rules**") which effectively tax certain income of a publicly traded trust that is distributed to its investors or of a publicly traded partnership on the same basis as would have applied had the income been earned through a taxable corporation and distributed by way of dividend to its shareholders. The SIFT Rules apply only to "SIFT trusts", "SIFT partnerships" (each as defined in the Tax Act) and their investors. A trust

that qualifies as a “real estate investment trust” (as defined in the Tax Act) for a taxation year will not be considered to be a SIFT trust in that year (the “**REIT Exemption**”).

Based on a review of Primaris’ assets and revenues, management believes that Primaris will satisfy the tests to qualify for the REIT Exemption for its current taxation year and intends to conduct the affairs of Primaris so that it will continue to qualify for the REIT Exemption at all future times. However, as the REIT Exemption includes complex revenue and asset tests, no assurances can be provided that Primaris will qualify for the REIT Exemption for the current taxation year or any subsequent taxation year.

The Trust currently qualifies as a mutual fund trust for purposes of the Tax Act. There can be no assurance that Canadian federal income tax laws and the administrative policies and assessing practices of the Canada Revenue Agency, including in respect of the treatment of mutual fund trusts or SIFT trusts will not be changed in a manner which adversely affects the Trust or holders of Units. If the Trust does not qualify as a “mutual fund trust” under the Tax Act or were to cease to so qualify, the income tax considerations applicable to the Trust and an investment in Units of the Trust would be materially and adversely different. In particular, if the Trust were to cease to qualify as a mutual fund trust and Units cease to be listed on a designated stock exchange (which currently includes the TSX), Units would cease to be qualified investments for Exempt Plans.

On November 3, 2022, the Minister of Finance released revised proposals to amend the Tax Act (the “**EIFEL Proposals**”) that are intended, where applicable, to limit the deductibility of interest and other financing-related expenses by an entity to the extent that such expenses, net of interest and other financing-related income, exceed a fixed ratio of the entity’s tax EBITDA. The Trust does not expect the EIFEL Proposals to have an adverse impact on the Trust or its Unitholders, but there can be no assurances in this regard. If these rules were to apply to restrict deductions otherwise available to the Trust, the taxable component of distributions paid by the Trust to Unitholders may be increased, which could reduce the after-tax return associated with an investment in Units. The EIFEL Proposals are proposed to be effective for taxation years beginning on or after October 1, 2023.

If Primaris experiences a “loss restriction event”, as defined in the Tax Act (i) it will be deemed to have a year-end for tax purposes (which would result in an unscheduled distribution of undistributed net income and net realized capital gains, if any, at such time to Unitholders to the extent necessary to ensure that Primaris is not liable for income tax on such amounts under Part I of the Tax Act), and (ii) it will become subject to the loss restriction rules generally applicable to a corporation that experiences an acquisition of control, including a deemed realization of any unrealized capital losses and restrictions on its ability to carry forward unused losses to future taxation years. Generally, Primaris will be subject to a loss restriction event if a person becomes a “majority-interest beneficiary”, or a group of persons becomes a “majority-interest group of beneficiaries”, of Primaris, each as defined in the affiliated persons rules contained in the Tax Act, with certain modifications. Generally, a majority-interest beneficiary of a trust is a beneficiary of the trust whose beneficial interests in the income or capital of the trust, as the case may be, together with the beneficial interests in the income or capital of the trust, as the case may be, of persons and partnerships with whom such beneficiary is affiliated for the purposes of the Tax Act, represent greater than 50% of the fair market value of all the interests in the income or capital of the trust, as the case may be.

Dilution

The number of Units Primaris is authorized to issue is unlimited. The Trustees have the discretion to issue additional Units in certain circumstances, including under Primaris’ Unit Option Plan and Incentive Unit Plan. In addition, Primaris may issue Units pursuant to any distribution reinvestment plan and/or unit purchase plan adopted in the future. Any issuance of Units may have a dilutive effect on the investors of Units.

Unitholder liability

The Declaration of Trust provides that no Unitholder, Special Voting Unitholder, or annuitant under a plan of which a Unitholder or Special Voting Unitholder acts as trustee or carrier will be held to have any personal liability as such, and that no resort shall be had to, nor shall recourse or satisfaction be sought from, the private property of any unitholder, special voting unitholder, or annuitant for any liability whatsoever, in tort, contract or otherwise, to any person in connection with property of Primaris or the affairs of Primaris including, without limitation, for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of Primaris or of the Trustees or any obligation which a Unitholder, Special Voting Unitholder, or annuitant would otherwise have to indemnify the Trustee for any personal liability incurred by the Trustee as such. Only assets of Primaris are intended to be liable and subject to levy or execution for satisfaction of such liability.

Notwithstanding the foregoing, personal liability may arise in respect of claims against Primaris, including claims in contract tort, claims for taxes and possibly certain other statutory liabilities. The possibility of any personal liability of this nature arising is considered remote as the nature of Primaris' activities are such that most of its obligations arise by contract and non-contractual risks are largely insurable. However, the insurance policies maintained by Primaris have exclusions for certain environmental liabilities. In the event that payments of Primaris' obligations were to be made by a unitholder or special voting unitholder, such holder would be entitled to reimbursement from the available assets of Primaris.

The Trustees will cause the activities of Primaris to be conducted with the advice of counsel, in such a way and in such jurisdictions as to avoid, to the extent they determine to be practicable and consistent with their fiduciary duty to act in the best interests of the Unitholders and special voting Unitholders, any material risk of liability on the Unitholders and special voting Unitholders for claims against Primaris.

Legislation has been enacted in the Province of Ontario and certain other provinces that is intended to provide Unitholders in those provinces with limited liability. The Trust Beneficiaries' Liability Act, 2004 (Ontario) provides that Unitholders of a trust that is a reporting issuer and governed by the laws of Ontario are not liable, as beneficiaries, for any act, default, obligation, or liability of the trust or any of its trustees that arise after the legislation came into force. A trust is considered governed by the laws of Ontario if its declaration of trust or other constating instrument contains the customary provision to that effect. The Declaration of Trust contains such a provision, and accordingly, the Unitholders and Special Voting Unitholders are protected by this legislation. However, there remains a risk, which Primaris considers to be remote in the circumstances, that a Unitholder and Special Voting Unitholder could be held personally liable for Primaris' obligations to the extent that claims are not satisfied out of Primaris' assets. It is intended that Primaris' affairs will be conducted to seek to minimize such risk wherever possible.

Redemption right

Unitholders are entitled to have their Units redeemed at any time on demand. It is anticipated that this redemption right will not be the primary mechanism for Unitholders to liquidate their investments. The entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that: (i) the total amount payable by Primaris in respect of those Units and all other Units tendered for redemption in the same calendar month does not exceed \$50,000 (subject to certain adjustments and provided that the Trustees may waive this limitation at their sole discretion); (ii) at the time such Units are tendered for redemption, the outstanding Series A Units shall be listed for trading or quoted on a stock exchange or traded or quoted on another market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Units; and (iii) the normal trading of Units is not suspended or halted on any stock exchange on which Units are listed (or, if not so listed, on any market on which Units are quoted for trading) on the Redemption Date or for more than five trading days during the ten-day trading period commencing immediately prior to such date. In certain circumstances, the Declaration of Trust provides for the in-specie distribution of

property of Primaris and/or Redemption Notes in the event of a redemption of Units. The Redemption Notes which may be distributed in specie to Unitholders in connection with a redemption will not be listed on any stock exchange and are not expected to be qualified investments for Exempt Plans (as defined in the "Declaration of Trust" available on SEDAR), no established market is expected to develop for such notes, and they may be subject to resale restrictions under applicable securities laws.

Investment eligibility

The Tax Act imposes penalties for the acquisition or holding of non-qualified or prohibited investments (as defined in the Tax Act) by certain Exempt Plans. Primaris will endeavour to ensure that Units continue to be qualified investments for Exempt Plans, but there can be no assurances in this regard. Holders, annuitants, and subscribers of Exempt Plans should consult their own tax advisors with respect to whether Units would be prohibited investments having regard to their particular circumstances.

Based on the current provisions of the Tax Act, a trust governed by a FHSA will generally be subject to the qualified investment rules in the Tax Act applicable to other Exempt Plans. In addition, the rules in respect of a "prohibited investment" will also apply to FHSAs and the holders thereof. The rules in the Tax Act applicable to FHSAs come into force on April 1, 2023.

Statutory remedies

Primaris is not a legally recognized entity within the relevant definitions of the Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act and, in some cases, the Winding Up and Restructuring Act. As a result, in the event a restructuring of Primaris were necessary, Primaris would not be able to access the remedies available thereunder.

The rights granted in the Declaration of Trust are granted as contractual rights afforded to Unitholders. Similar to other existing rights contained in the Declaration of Trust (e.g. 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. 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 at the discretion of the court, and a court may choose to not accept jurisdiction to consider any claim contemplated in the Declaration of the Trust.

AUDIT COMMITTEE AND FEES

Audit Committee

National Instrument 52-110 – Audit Committees (“NI 52-110”) and the Declaration of Trust require the Board to have an Audit Committee consisting of at least three Trustees, all of whom must be independent trustees, to enhance the independence of Primaris’ external auditors and oversee the financial reporting and risk management of Primaris. A copy of the written charter for the Audit Committee is attached to this AIF as Schedule A. All of the members of the Audit Committee are financially literate and independent (as such terms are defined in NI 52-110).

The Board has appointed an Audit Committee of three members consisting of, namely, Mr. Forbes, Mr. Pire and Ms. Weinswig. The education and professional experience of each member of the Audit Committee relevant to the performance of their responsibilities on the Audit Committee is as follows:

Mr. Forbes was the Senior Vice President and Chief Financial Officer of CT Real Estate Investment Trust from its inception in 2013 until the end of 2018. For the ten years prior to that time, he was the Executive Vice President and Chief Financial Officer of Primaris Retail REIT, the predecessor to Primaris REIT which was acquired by H&R REIT in 2013. Before that position, he served as Vice President, Director and Senior Canadian Real Estate Equities Analyst at Merrill Lynch Canada, and as Vice President Finance and Chief Financial Officer of Revenue Properties Company Ltd. Mr. Forbes is also chair of the Audit Committee on another TSX-listed real estate investment trust. He holds a Bachelor of Science degree from McMaster University and a Master of Business Administration degree from Queen’s University. He also holds the Chartered Professional Accountant designation and completed the Chartered Director Program at the Directors College at McMaster University.

Mr. Pire is a corporate director & lecturer at University of Wisconsin’s Applied Real Estate Investment Track program. Mr. Pire served as a Managing Director with Heitman LLC, a Chicago based real estate investment manager from 1992 to 2016, where he was responsible for analyzing and managing global portfolios of publicly traded real estate securities. Mr. Pire served as a member of Heitman’s Management Committee, Board of Directors and Global Real Estate Securities Investment Committee. Mr. Pire was a director on the board and Chair of the Audit Committee of Monogram REIT. Mr. Pire received his Master of Science in Real Estate & Urban Land Economics and his Bachelors in Business Administration from the University of Wisconsin Madison. Mr. Pire is also a Chartered Financial Analyst (CFA), a member of the National Associate of Real Estate Investment Trust (NAREIT), a member of Pension Real Estate Association (PREA), and a member of National Association of Corporate Directors (NACD) where he serves as a Governance Fellow.

Ms. Weinswig is the founder and CEO of Coresight Research. Between 2014 to early 2018, Ms. Weinswig served as Managing Director of Fung Global Retail and Technology (FGRT), the think tank of the Fung Group. Previously, she was Managing Director and Head of the Global Staples & Consumer Discretionary team at Citi Research. She serves on the board of directors and audit committees for publicly listed GUESS?, Inc., and Xcel Brands, Inc. She holds a Master in Business Administration from University of Chicago and holds the CPA designation.

The Audit Committee pre-approves the nature and fees of any non-audit services to be provided to Primaris by the external auditors and considers whether the nature and extent of such services could detract from the independence of the external auditors in carrying out the audit function. At no time since the commencement of Primaris’ most recently completed financial year has Primaris relied on exemptions in relation to “De Minimus Non-Audit Services” or any exemption provided by Part 8 of NI 52-110.

Audit Fees

The following table sets forth all services rendered by KPMG LLP, Primaris' external auditors, for fees related to Primaris for each category of service for the financial year ended December 31, 2022.

Category of fees	December 31, 2022	
Audit Services	\$	777,596
Audit-Related Services		499,808
Tax Services		103,920
All Other Services		139,363
Total	\$	1,520,686

DECLARATION OF TRUST AND DESCRIPTION OF CAPITAL STRUCTURE

The following is a summary of certain material provisions of the Declaration of Trust and does not purport to be complete and is subject to, and is qualified in its entirety by, reference to the Declaration of Trust, as filed on SEDAR.

Units and Special Voting Units

The beneficial interests in Primaris are divided into two classes of trust units: Units and Special Voting Units. The Units are further divided into two series, described and designated as "Series A Units" and "Series B Units". The number of Units and Special Voting Units which Primaris may issue is unlimited. The legal ownership of the assets of Primaris and the right to conduct the affairs of Primaris are vested exclusively in the Trustees and no Unitholder has or is deemed to have any right of ownership in any of the assets of Primaris. Each Series A Unit and Special Voting Unit confers the right to one vote at all meetings of the Unitholders and Special Voting Unitholders. Holders of Series B Units are entitled to receive notice of and to attend all meetings of the Unitholders and Special Voting Unitholders but, except as otherwise provided in the Declaration of Trust or as required by law (including applicable securities laws), the holders of Series B Units shall not have the right to vote.

Each Unit represents an equal undivided interest in Primaris with all outstanding Units, all Units outstanding from time to time shall participate pro rata in any distributions by Primaris and, in the event of termination of Primaris, in the net assets of Primaris remaining after satisfaction of all liabilities. No Unit shall have any preference or priority over another.

Special Voting Units may be issued in series and shall only be issued concurrently with or in relation to the issuance of Exchangeable Units, on such terms and conditions as may be determined by the Trustees. Special Voting Units shall not be transferable separately from the Exchangeable Units to which they are attached and will automatically be transferred upon the transfer of any such Exchangeable Units. Special Voting Units will be automatically cancelled, without any further action of the Trustees or Primaris, and the former holder of such Special Voting Units will cease to have any rights with respect thereto, concurrently with the issuance of Units on the conversion, exchange or cancellation of the related Exchangeable Units. At all meetings of Unitholders and Special Voting Unitholders and in respect of any written resolution of the Unitholders and Special Voting Unitholders, a Special Voting Unit is entitled to the number of votes equal to the number of Units into which the Exchangeable Units to which such Special Voting Unit relates are exchangeable or convertible. Holders of Special Voting Units are not entitled to any distribution from Primaris and do not have any legal or beneficial interests in any assets of Primaris on termination or winding-up of Primaris.

Exchangeable Units to which Special Voting Units relate are intended to be, to the greatest extent practicable, the economic equivalent of Units. Holders of Exchangeable Units are entitled to receive distributions paid by the applicable subsidiary limited partnership, which distributions or advances will be equal on a per unit as-exchanged basis, to the greatest extent practicable, to the amount of distributions paid by Primaris to Unitholders. In the case of a distribution

declared on the Units in property (other than (i) cash, or (ii) a distribution of Units and immediate consolidation thereafter such that the number of outstanding Units both immediately prior to and following such transaction remains the same), holders of Exchangeable Units would generally be entitled to receive, subject to applicable law, distributions in such type and amount of property as is the same as, or economically equivalent to (as determined by the board of trustees (or other governing body) of the general partner of the applicable subsidiary limited partnership, in good faith and in its sole discretion), the type and amount of property declared as a distribution on each Unit. Each Exchangeable Security would be exchangeable for one Unit, subject to the customary anti-dilution adjustments set out in the applicable exchange agreement. Exchangeable Units would not be transferrable except in connection with an exchange for Units or those certain limited exceptions set out in the applicable limited partnership agreement governing the Exchangeable Units. The Exchangeable Units are not listed on the TSX or on any other stock exchange or quotation system.

Subject to applicable regulatory approval, the issued and outstanding Units and Special Voting Units may be subdivided or consolidated from time to time by the Trustees without notice to or approval of the Unitholders or Special Voting Unitholders. No certificates or DRS Advice documents for fractional Units or fractional Special Voting Units will be issued and fractional Units and fractional Special Voting Units will not entitle the holders thereof to vote except to the extent that they may represent in the aggregate one or more whole Units or Special Voting Units, as applicable.

Conversion of Series B Units

To the extent any Series B Units are issued, a holder of Series B Units shall be entitled at any time to exercise their right to convert all or any number of the Series B Units held by them into Series A Units on a one-for-one basis, subject to adjustment (the **"Exchange Ratio"**). The Declaration of Trust provides for certain events, including, but not limited to, an issuance or distribution of Units, rights, options, warrants or other securities exchangeable for or convertible into or carrying rights to acquire Units, or evidences of indebtedness or assets, to the holders of all or substantially all of the then-outstanding Series A Units (subject to certain exceptions), a subdivision or consolidation of Series A Units into a greater or lesser number of Series A Units without the concurrent and equivalent change in the Series B Units, and a reclassification, capital reorganization or similar change in the Series A Units, (each such event, a **"Unit Reorganization"**), pursuant to which the Exchange Ratio shall be adjusted to be the number of Series A Units that would be received by a holder of a Series B Unit immediately following the Unit Reorganization if the holder of Series B Units had exercised their conversion right in respect of the Series B Unit immediately prior to the Unit Reorganization (assuming full exercise of any such rights, options, warrants or other exchangeable or convertible securities). Certain business combinations of Primaris that result in a reclassification of the outstanding Series A Units or an exchange of outstanding Series A Units for other securities, cash or property, will also lead to adjustment of the conversion right in a manner approved by the Trustees, acting reasonably, to ensure that holders of Series B Units will be entitled to receive, in lieu of the number of Series A Units to which they would otherwise have been entitled in respect of one Series B Unit if such Series B Unit had been exchanged for Series A Units pursuant to the conversion right, the kind and number or amount of securities, cash or property that they would have been entitled to receive as a result of such event if, on the effective date thereof, they had been the registered holders of the number of Series A Units that they would have received had such Series B Units been exchanged for Series A Units pursuant to the conversion right immediately before the effective date of any such event. The Exchange Ratio may also be adjusted for other actions of Primaris which affect the rights of the holders of Series B Units in such manner as the Trustees determine to be fair and equitable in the circumstances to holders of Series B Units.

Transferability of Units and Special Voting Units

The Series A Units are freely transferable and, other than as provided in the Declaration of Trust, the Trustees shall not impose any restriction on the transfer of the Series A Units. The Series B Units are not transferable, except to an affiliate of the initial holder thereof. Special Voting Units shall not be transferable separately and apart from the Exchangeable Units to which they are attached.

Purchases of Units

Primaris may from time to time purchase Units for cancellation in accordance with applicable securities legislation and the rules prescribed under applicable stock exchange or regulatory policies.

Redemption of Units

The right of redemption provides Unitholders with a right to require Primaris to redeem their Units on demand upon delivery to Primaris of a duly completed and properly executed notice (the **“Redemption Notice”**) requesting redemption. Upon receipt of the Redemption Notice by Primaris, the Unitholder will thereafter cease to have any rights with respect to each Unit tendered for redemption other than to receive the **“Redemption Price”** (as defined below).

Redemption Price and Payment

The **“Redemption Price”** is the price per Unit equal to the amount that is the lesser of: (i) 90% of the **“market price”** (as defined in the Declaration of Trust) of a Unit during the 10-trading day period commencing immediately prior to the date on which a Unit is tendered to Primaris for redemption (the **“Redemption Date”**); and (ii) the **“closing market price”** (as defined in the Declaration of Trust) of a Unit on the Redemption Date, provided that, for purposes of the redemption of Series B Units, the **“market price”** and **“closing market price”** shall be the applicable price with respect to Series A Units multiplied by the applicable Exchange Ratio for Series B Units then in effect.

The aggregate redemption price payable by Primaris in respect of any Units surrendered for redemption during a particular calendar month will be satisfied by the mailing to the redeeming Unitholder of a payment by cheque no later than the last day of the month following the month during which Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the conditions that: (i) the total amount payable by Primaris in respect of those Units and all other Units tendered for redemption in the same calendar month does not exceed \$50,000 (subject to certain adjustments and provided that Trustees may, in their sole discretion, waive this limitation in respect of all Units tendered for redemption in any calendar month); (ii) at the time Units are tendered for redemption, the outstanding Series A Units are listed for trading or quoted on any stock exchange or market which, in the sole discretion of the Trustees, provides representative fair market value prices for the Units; and (iii) the normal trading of Units is not suspended or halted on any stock exchange on which the Units are listed (or, if not so listed, on any market on which Units are quoted for trading) on the Redemption Date or for more than five trading days during the ten-day trading period commencing immediately prior to such date.

If a redemption in cash is not applicable to all, or any, of the Units tendered for redemption by a Unitholder as a result of one or more of the foregoing conditions, the Redemption Price, or balance thereof, if applicable, will, subject to any applicable regulatory approvals (which the Primaris shall use reasonable commercial efforts to obtain), be redeemed by way of a distribution in specie of property of Primaris and/or Redemption Notes. The Redemption Notes will be unsecured subordinated promissory notes of Primaris or one of its subsidiaries and have a maturity date and interest rate determined at the time of issuance by the Trustees and provide for prepayment, in whole or in part and at any time, of the outstanding principal. Each Redemption Note distributed shall be in the principal amount of \$100 or such other amount as may be determined by the Trustees in their sole discretion. No fractional Redemption Notes shall be distributed and where the number of Redemption Notes to be received upon redemption by a Unitholder would otherwise include a fraction, that number shall be rounded down to the next lowest whole number.

Take-over Bids

The Declaration of Trust contains provisions to the effect that if a take-over bid is made for Units within the meaning of the Securities Act (Ontario) and not less than 90% of Units (other than Units held at the date of the take-over bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire Units held by Unitholders who did not accept the offer, either at the election of such Unitholders, on

the terms offered by the offeror, or at the fair value of such Unitholders' Units determined in accordance with the procedures set out in the Declaration of Trust.

Offers

If an offer, issuer bid (other than an issuer bid exempt from the formal bid requirements under applicable securities laws), take-over bid (other than a take-over bid exempt from the formal bid requirements under applicable securities laws) or similar transaction with respect to the Units or Series A Units, as the case may be, is proposed by Primaris or is proposed to Primaris or Unitholders and is recommended by the Trustees, or is otherwise effected or to be effected, whether or not with the consent or approval of the Trustees (each, an **"Offer"**), and the Exchangeable Units and/or Series B Units are not acquired by the related issuing entity in accordance with their terms or exchanged in accordance with the applicable exchange agreement, Primaris will, to the extent possible in the circumstances, expeditiously and in good faith, take all such actions and do all such things as are necessary or desirable to enable and permit holders of Exchangeable Units and/or Series B Units, as applicable, to participate in such Offer to the same extent and on an economically equivalent basis as the holders of Series A Units or Units, as applicable, without discrimination and to ensure that holders of Exchangeable Units and/or Series B Units, as applicable, may participate in such Offer without being required to exercise their right to exchange their Exchangeable Units and/or Series B Units, as the case may be (or, if so required, to ensure that any such exchange will be effective only upon, and will be conditional upon, the successful completion of the Offer and only to the extent necessary to tender to or deposit under the Offer).

Meetings of Unitholders and Special Voting Unitholders

The Declaration of Trust provides that meetings of Unitholders and Special Voting Unitholders must be called and held for the appointment, election or removal of Trustees, the appointment or removal of the auditors of Primaris, the approval of amendments to the Declaration of Trust (except as described under *"– Amendments to the Declaration of Trust"* below), the sale or transfer of the assets of Primaris as an entirety or substantially as an entirety (other than as part of an internal reorganization of the assets of Primaris as approved by Trustees) and the termination of Primaris. Meetings of Unitholders and Special Voting Unitholders will be called and held annually for the election of Trustees and the appointment of auditors of Primaris and for transacting such other business as Trustees may determine or as may properly be brought before the meeting.

A meeting of Unitholders and Special Voting Unitholders may be convened at any time and for any purpose by Trustees and must be convened, except in certain circumstances, if requisitioned by Unitholders and Special Voting Unitholders holding in the aggregate not less than 5% of Units and Special Voting Units then outstanding. A requisition must state in writing and in reasonable detail the business proposed to be transacted at the meeting. Unitholders and Special Voting Unitholders have the right to obtain a list of registered Unitholders and Special Voting Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the CBCA.

Holders of Series A Units and Special Voting Unitholders may attend and vote at all meetings of the Unitholders and Special Voting Unitholders either in person or by proxy and a proxyholder need not be a holder of Series A Units or Special Voting Unitholder. The Declaration of Trust contains provisions as to quorum, the notice required and other procedures with respect to the calling and holding of meetings of Unitholders and Special Voting Unitholders. In particular, the Declaration of Trust provides that only persons who are nominated in accordance with the procedures set out in the Declaration of Trust will be eligible for election as Trustees (the **"Advance Notice Policy"**). Nominations of persons for election as Trustees may be made at any annual meeting of Unitholders and Special Voting Unitholders, or at any special meeting of Unitholders and Special Voting Unitholders, if one of the purposes for which the special meeting was called was the election of Trustees: (i) by or at the direction of the Trustees, including pursuant to a notice of meeting; (ii) by or at the direction or request of one or more Unitholders pursuant to a requisition of the Unitholders or Special Voting Unitholders made in compliance with the Declaration of Trust; or (iii) by any person (a **"Nominating**

Unitholder”) who (A) at the close of business on the date of the giving of the notice provided for such purposes in the Declaration of Trust and on the record date for notice of such meeting, is entered in the register as a holder of one or more Units or Special Voting Units carrying the right to vote at such meeting or who beneficially owns Units or Special Voting Units that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth for such purposes in the Declaration of Trust. In addition to any other applicable requirements, for such a nomination to be made by a Nominating Unitholder, the Unitholder must have given timely notice thereof to Trustees in the manner prescribed by the Declaration of Trust. To be timely, a Nominating Unitholder’s notice to Trustees must be made: (i) in the case of an annual meeting of Unitholders and Special Voting Unitholders, not less than 30 days prior to the date of the annual meeting of Unitholders and Special Voting Unitholders; provided, however, that in the event that the annual meeting of Unitholders and Special Voting Unitholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Unitholder may be made not later than the close of business on the 10th day following the date of such public announcement; and (ii) in the case of a special meeting (which is not also an annual meeting) of Unitholders and Special Voting Units called for the purpose of electing Trustees (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of Unitholders and Special Voting Unitholders was made.

Issuance of Units

Primaris may issue, from time to time, new Units (subject to the provisions noted at “– *Transferability of Units and Special Voting Units*” above and “– *Limitation on Non-Resident Ownership*” below), and rights, warrants, and options to subscribe for fully paid Units (“**Other Securities**”), in such manner, for the consideration, and to such persons or class of persons that the Trustees determine. Unitholders do not have any pre-emptive rights whereby additional Units proposed to be issued must first be offered to existing Unitholders. In addition to Units or options which may be issued pursuant to any unit option plan, incentive unit plan, distribution reinvestment plan and unit purchase plan, or unitholder rights plan, new Units or Other Securities may be issued through public offerings, through rights offerings to existing Unitholders (i.e., offerings in which Unitholders receive rights to subscribe for new Units or Other Securities in proportion to their existing holdings of Units or Other Securities, which rights may be exercised or sold to other investors), through private placements (i.e., offerings to specific investors which are not made generally available to the public or existing Unitholders) or as a result of conversion or subscription rights exercised under Other Securities. Units may be also issued in satisfaction of any non-cash distribution of Primaris to Unitholders where Trustees determine that Primaris does not have available cash to fund such distribution or where Trustees otherwise determine in their absolute discretion that all or a portion of such distribution should not be paid in cash (subject to the provisions noted at “– *Transferability of Units and Special Voting Units*” above and “– *Limitation on Non-Resident Ownership*” below) or pursuant to an extraordinary distribution of Units as declared by Trustees. In certain instances, Primaris may also issue new Units as consideration for the acquisition of new properties or assets. The price or the value of the consideration for which Units may be issued will be determined by the Trustees, generally in consultation with investment dealers or brokers who may act as underwriters or agents in connection with offerings of Units.

Limitation on Non-Resident Ownership

At no time may Non-Residents be the beneficial owners of 49% or more of the Units and the Trustees have informed the transfer agent and registrar of this restriction. The transfer agent and registrar may require declarations as to the jurisdictions in which beneficial owners of Units are resident. If the transfer agent and registrar become aware, as a result of requiring such declarations as to beneficial ownership, that the beneficial owners of 49% or more of the Units then outstanding are, or may be, Non-Residents or that such a situation is imminent, the transfer agent and registrar will advise the Trustees and, upon receiving direction from the Trustees, may make a public announcement thereof and shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless the person provides a

declaration that the person is not a Non-Resident. If, notwithstanding the foregoing, the transfer agent and registrar determine that 49% or more of the Units are held by Non-Residents, the transfer agent and registrar may, upon receiving a direction and suitable indemnity from the Trustees, send a notice to registered Unitholders who are Non-Residents, chosen in inverse order to the order of acquisition or registration or in such manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 60 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not Non-Residents within such period, the transfer agent and registrar, upon receiving such a direction from the Trustees, may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to the Units forming part of such Units. Upon such sale the affected holders shall cease to be Unitholders and their rights shall be limited to receiving the net proceeds of sale upon surrender of the certificate or DRS Advice representing such Units.

Under the Tax Act, Primaris will not be considered to be a mutual fund trust if it is established or maintained primarily for the benefit of Non-Residents. The Tax Act does not provide any means of rectifying a loss of mutual fund trust status that occurs in this way, such that if, at any time, Primaris were to lose its mutual fund trust status as a result of the application of this rule, Primaris would permanently cease to be a mutual fund trust.

Management of the REIT regularly monitor and report to the Board of Trustees on the national residency status of beneficial owners of Units of the REIT.

Information and Reports

Within such time period as is acceptable under applicable securities legislation, and at least 21 days prior to each annual meeting of Unitholders and Special Voting Unitholders, to the extent required by applicable law, the Trustees shall send to a Unitholder and/or Special Voting Unitholder audited comparative financial statements for such year, prepared in compliance with applicable securities laws. Within such time period as is acceptable under applicable securities legislation and after the end of each of the first three fiscal quarters of each year, to the extent required by applicable law, the Trustees shall send unaudited comparative financial statements for the period then ended to a Unitholder and/or Special Voting Unitholder. The Trustees will supply Unitholders and Special Voting Unitholders with any information that may be required by them in connection with their obligations under the Tax Act and equivalent provincial legislation.

Notice of all meetings of the Unitholders and Special Voting Unitholders will be mailed or delivered by the Trustees to each Unitholder and Special Voting Unitholders at their address appearing in the register, to each Primaris Trustee and to the auditors of Primaris not less than 21 nor more than 60 days before the meeting. Notice of any meeting of the Unitholders and Special Voting Unitholders will state the purposes of the meeting.

A Unitholder or Special Voting Unitholder has the right to examine the Declaration of Trust during normal business hours, in the manner as contemplated by the Declaration of Trust. Unitholders and Special Voting Unitholders have the right to obtain a list of the registered Unitholders or Special Voting Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the CBCA.

Amendments to the Declaration of Trust

The Declaration of Trust may be amended or altered from time to time. The following amendments require approval by at least two-thirds of the aggregate votes cast by Unitholders and Special Voting Unitholders entitled to vote thereon at a meeting of Unitholders and Special Voting Unitholders called for such purpose: (i) to change a right with respect to any outstanding Units or Special Voting Units to reduce the amount payable on Units upon termination of Primaris or to diminish or eliminate any voting rights pertaining to Units or the Special Voting Units; (ii) any amendment to the duration or termination provisions of Primaris; (iii) any amendment relating to the powers, duties, obligations, liabilities or indemnification of Trustees; (iv) any sale or transfer of Primaris as an entirety or substantially as an entirety; and (v)

certain other amendments as described in the Declaration of Trust. Other amendments to the Declaration of Trust require approval by a majority of the aggregate votes cast by holders of Units and Special Voting Units entitled to vote thereon at a meeting called for such purpose.

The Trustees may, without the approval of the Unitholders and Special Voting Unitholders, make certain amendments to the Declaration of Trust, including amendments:

- (a) for the purpose of ensuring continuing compliance with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over Trustees or over Primaris, its status as a “mutual fund trust”, “unit trust” or “real estate investment trust” under the Tax Act or the distribution of Units;
- (b) which, in the opinion of the Trustees, provide additional protection for the Unitholders or Special Voting Unitholders;
- (c) which, in the opinion of the Trustees, are necessary or desirable to remove conflicts or inconsistencies in the Declaration of Trust or making corrections, including the rectification of any ambiguities, defective provisions, errors, mistakes or omissions, which are, in the opinion of the Trustees necessary or desirable and not prejudicial to the Unitholders or Special Voting Unitholders;
- (d) which, in the opinion of the Trustees, are necessary or desirable (i) as a result of changes in taxation laws from time to time which may affect Primaris, the Unitholders, the Special Voting Unitholders or annuitants under a plan of which a Unitholder or Special Voting Unitholder acts as trustee or carrier, or to qualify for a particular status under taxation laws including to qualify as a “real estate investment trust” for purposes of the Tax Act or to otherwise prevent Primaris or any of its subsidiaries from becoming subject to SIFT Tax, or (ii) as a result of changes in accounting standards from time to time which may affect Primaris, the Unitholders, the Special Voting Unitholders or annuitants under a plan of which a Unitholder or Special Voting Unitholder acts as trustee or carrier; and
- (e) for any purpose (except one in respect of which a Unitholder and Special Voting Unitholder vote is specifically otherwise required) if the Trustees are of the opinion that the amendment is not prejudicial to Unitholders or Special Voting Unitholders and is necessary or desirable.

Ratifying Amendments to the Declaration of Trust

Pursuant to the terms of the Declaration of Trust, the Trustees shall submit any amendment to the Declaration of Trust that has not been approved by the Unitholders pursuant to section 12.01 of the Declaration of Trust, other than amendments pursuant to Section 4.05, Section 12.01(a), Section 12.01(d) or Section 12.01(e) of the Declaration of Trust and amendments the Trustees determine are necessary or advisable pursuant to or in connection with applicable tax laws, securities laws, accounting standards or other applicable laws or regulations or such amendments, the equivalent of which, would not otherwise be required to be ratified by shareholders pursuant to the CBCA, to the Unitholders and Special Voting Unitholders at the next meeting of Unitholders and Special Voting Unitholders and the Unitholders and Special Voting Unitholders entitled to vote on the amendment may, by a vote representing at least a majority of Units and Special Voting Units voted, in person or by proxy, confirm, reject or amend the amendment to the Declaration of Trust.

If an amendment to the Declaration of Trust is rejected by the Unitholders and Special Voting Unitholders, or if the Trustees do not submit an amendment to the Unitholders and Special Voting Unitholders as required, the amendment ceases to be effective immediately after the meeting of Unitholders and Special Voting Unitholders referred to above and no subsequent resolution of the Trustees to amend the Declaration of Trust having substantially the same purpose or effect is effective until it is confirmed or confirmed as amended by the Unitholders and Special Voting Unitholders.

Term of Primaris and Sale of Substantially All Assets

Primaris has been established for an indefinite term. Pursuant to the Declaration of Trust, termination of Primaris or the sale or transfer of the assets of Primaris as an entirety or substantially as an entirety (other than as part of an internal

reorganization of the assets of Primaris as approved by the Trustees) requires approval by at least two-thirds of the aggregate votes cast by Unitholders and Special Voting Unitholders (including, for greater certainty, holders of Series B Units) entitled to vote thereon at a meeting of Unitholders and Special Voting Unitholders called for such purpose.

Rights of Unitholders and Special Voting Unitholders

The rights of Unitholders and Special Voting Unitholders, with respect to Units and Special Voting Units held, respectively, are set out in the Declaration of Trust. Although the Declaration of Trust confers upon a Unitholder and Special Voting Unitholder many of the same protections, rights and remedies an investor would have as a shareholder of a corporation governed by the CBCA, there are significant differences, some of which are discussed below.

The Declaration of Trust contains provisions entitling a Unitholder that is entitled to vote at a meeting the ability, upon compliance with the requirements set out in the Declaration of Trust, to dissent to certain matters resolved by Primaris. In particular, the dissent rights may apply in circumstances where Primaris resolves to (i) sell, lease or exchange of all or substantially all the property and assets of Primaris, (ii) carry out a going-private transaction, or (iii) make certain specified amendments to the Declaration of Trust. The Declaration of Trust also contains provisions that entitle any registered holder or beneficial owner of Units to make an application to a court for purposes of determining whether certain actions or omissions of Primaris, the conduct of the business or affairs of Primaris, or the manner in which the powers of the Trustees were exercised, were oppressive or unfairly prejudicial to or unfairly disregarded the interests of any Unitholder, securityholder, creditor, Trustee or officer. The Declaration of Trust sets forth the procedures and requirements in respect of any such application, as well as the remedies that a court may include in any interim or final order.

Special Voting Unitholders do not have recourse to the above-mentioned dissent rights and similarly do not have recourse to the oppression remedy provided in the Declaration of Trust.

The CBCA also permits shareholders to bring or intervene in derivative actions in the name of the corporation or any of its subsidiaries, with the leave of a court. The Declaration of Trust does not include a comparable right of Unitholders and Special Voting Unitholders to commence or participate in legal proceedings with respect to Primaris.

INVESTMENT GUIDELINES AND OPERATING POLICIES

Investment Guidelines

The Declaration of Trust provides for certain guidelines on investments which may be made by Primaris. The assets of Primaris may be invested only in accordance with the following guidelines:

- (a) Primaris will invest primarily, directly or indirectly, in interests (including fee ownership and leasehold interests) in income-producing real property located in Canada or the United States and assets ancillary thereto necessary for the operation of such real property and such other activities as are consistent with the other investment guidelines of Primaris;
- (b) notwithstanding anything else contained in the Declaration of Trust, Primaris shall not make or hold any investment, take any action or omit to take any action where such investment, action or omission, as the case may be, would result in: (i) Primaris not qualifying as a “mutual fund trust” or a “unit trust” (both within the meaning of the Tax Act); (ii) Units or Special Voting Units not qualifying as qualified investments under the Tax Act for Exempt Plans; (iii) Primaris being liable to pay a tax under Part XII.2 of the Tax Act; or (iv) Primaris not qualifying as a “real estate investment trust” within the meaning of the Tax Act if, as a consequence of Primaris not so qualifying, Primaris or any of its Subsidiaries would be liable to SIFT Tax;
- (c) Primaris shall not invest in any interest in a single real property if, after giving effect to the proposed investment, the cost to Primaris of such investment (net of the amount of debt incurred or assumed in connection with such investment) will exceed 20% of Total Assets at the time the investment is made;

- (d) Primaris may make its investments and conduct its activities, directly or indirectly, through an investment in one or more persons on such terms as the Trustees may from time to time determine, including by way of joint ventures, partnerships (general or limited) and limited liability companies, in which case Primaris shall require any such person to only make investments and adopt the operating policies and undertake activities that will allow Primaris to meet all requisite organizational, operational, income, asset, and distribution requirements for Primaris to qualify as a “real estate investment” trust under the Tax Act if, as a consequence of not so qualifying, Primaris or any of its Subsidiaries would be liable to pay SIFT Tax;
- (e) except for the Initial Subscription Note and any other property acquired or otherwise held by Primaris pursuant to the transactions contemplated by the Plan of Arrangement, and except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province or territory of Canada, deposits with a savings institution, trust company, credit union or similar financial institution that is organized or chartered under the laws of a state or of the United States, short-term government debt securities or money market instruments maturing prior to one year from the date of issue and except as permitted pursuant to these investment guidelines and operating policies of Primaris, Primaris may not hold securities of a person other than to the extent such securities would constitute an investment in real property (as determined by the Trustees) and provided further that, notwithstanding anything contained in the Declaration of Trust to the contrary, but in all events subject to paragraph (b) above, Primaris may hold securities of a person: (i) acquired in connection with the carrying on, directly or indirectly, of Primaris’ activities or the holding of its assets; or (ii) which focuses its activities primarily on the activities described in paragraph (a) above, provided in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding securities of an issuer (the “Acquired Issuer”), the investment is made for the purpose of subsequently effecting the merger or combination of the business and assets of Primaris and the Acquired Issuer or for otherwise ensuring that Primaris will control the business and operations of the Acquired Issuer;
- (f) Primaris shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;
- (g) Primaris shall not invest in raw land for development, except (i) for existing properties with additional development or properties adjacent to existing properties of Primaris for the purpose of the renovation or expansion of existing properties, or (ii) the development of new properties which will be capital property of Primaris, provided that the aggregate value of the investments of Primaris in raw land, excluding raw land under development, after giving effect to the proposed investment, will not exceed 20% of Total Assets;
- (h) Primaris may invest in mortgages and mortgage bonds (including participating or convertible mortgages) and similar instruments where: (i) the real property which is security therefor is income-producing real property which otherwise meets the other investment guidelines of Primaris; and (ii) the aggregate book value of the investments of Primaris in mortgages, after giving effect to the proposed investment, will not exceed 20% of Total Assets; and
- (i) Primaris may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any debt incurred or assumed in connection with such investment) up to 20% of the Total Assets of Primaris in investments which do not comply with one or more of paragraphs (a), (d), (e), (g) and (h) above.

Any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement that invests in real property.

Operating Policies

The operations and affairs of Primaris shall be conducted in accordance with the following policies:

- (a) Primaris shall not purchase, sell, market or trade in currency or interest rate futures contracts otherwise than for hedging purposes where, for this purpose the term “hedging” has the meaning given by National Instrument 81-102 — Investment Funds adopted by the Canadian Securities Administrators, as replaced or amended from time to time (including any successor rule or policy thereto), and in all events, subject to paragraph (b) of the investment guidelines described under “– Investment Guidelines” above;
 - (b) except for any obligation of an entity acquired by Primaris in conjunction with the Plan of Arrangement, (i) any written instrument creating an obligation which is or includes the granting by Primaris of a mortgage, and (ii) to the extent the Trustees determine to be practicable and consistent with their fiduciary duties to act in the best interest of Primaris, any written instrument which is, in the judgment of the Trustees, a material obligation, shall contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, by lawsuit or otherwise, the private property of any of the Trustees, Unitholders, Special Voting Unitholders, annuitants or beneficiaries under a plan of which a Unitholder or Special Voting Unitholder acts as a trustee or carrier, or officers, employees or agents of Primaris, but that only property of Primaris or a specific portion thereof shall be bound; Primaris, however, is not required, but shall use all reasonable efforts, to comply with this requirement in respect of obligations assumed by Primaris upon the acquisition of real property;
 - (c) Primaris shall not lease or sublease to any person any real property, premises or space where that person and its affiliates would, after the contemplated lease or sublease, be leasing or subleasing real property, premises or space having a fair market value net of encumbrances in excess of 20% of Total Assets;
 - (d) the limitation contained in paragraph (c) above shall not apply to the renewal of a lease or sublease and shall not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed by:
 - (i) the Government of Canada, the Government of the United States, any province or territory of Canada, any state of the United States, any municipality or city in Canada or the United States, or any agency or crown corporation thereof; or
 - (ii) any issuer, of which any of the bonds, debentures or other evidences of indebtedness or any other securities of, or guaranteed by, such issuer:
 - (A) are authorized as an investment for insurance companies pursuant to subsections 86(l)(k), (m) or (n) of the Canadian and British Insurance Companies Act in effect on December 31, 1991; or
 - (B) have received and continue to hold an “investment grade” rating from at least one recognized credit rating agency,
- in each case at the time the lease or sublease is entered into, or at the time other satisfactory leasing or pre-leasing arrangements (as determined by the Trustees in their discretion) were entered into; or
- (iii) a Canadian chartered bank or a trust company or insurance company registered or licensed federally or under the laws of a province of Canada;
- (e) Primaris may engage in construction or development of real property to maintain its real properties in good repair or to improve the income-producing potential of properties in which Primaris has an interest;

- (f) Primaris may not engage in construction or development of new properties that will be capital properties of Primaris on completion unless the aggregate value of the investments of Primaris in such properties under development, after giving effect to the proposed investment in the construction or development, shall not exceed 20% of Total Assets;
- (g) title to each real property shall be held by and registered in the name of Primaris, the Trustees, a Subsidiary, a person jointly-owned, directly or indirectly, by Primaris or a Subsidiary with joint venturers or by any other person in such manner as the Trustees consider appropriate, taking into account advice of legal counsel; provided that, where land tenure will not provide fee simple title, Primaris, the Trustees, a Subsidiary or a person jointly owned, directly or indirectly, by Primaris or such other person as the Trustees consider appropriate, as aforesaid, shall hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;
- (h) Primaris shall not incur or assume, or permit any Subsidiaries to incur or assume, any indebtedness if, after giving effect to the incurring or assumption of the indebtedness, the total indebtedness of Primaris would be more than 65% of the Total Assets; for the purposes of this subsection, the term “indebtedness” means any obligation of Primaris for borrowed money to the extent that it is classified as a liability on the balance sheet of Primaris calculated in accordance with IFRS but does not include (1) convertible debt instruments issued by Primaris under which the principal amount owing may be satisfied at the option of Primaris through the issuance of Units, (2) any preferred trust units that have not been called for redemption, (3) any trade accounts payable, distributions payable to Unitholders and accrued liabilities arising in the ordinary course of business, or (4) the fair value of any units, shares or other securities convertible into or exchangeable for Units without the payment of additional consideration therefor;
- (i) except as specifically contemplated in the Plan of Arrangement, Primaris shall not directly or indirectly guarantee any indebtedness or liabilities of any person unless such guarantee: (i) is given in connection with or incidental to an investment that is otherwise permitted by Primaris’ investment guidelines; (ii) has been approved by the Trustees; and (iii) (A) would not disqualify Primaris as a “mutual fund trust” within the meaning of the Tax Act, and (B) would not result in Primaris losing any status under the Tax Act that is otherwise beneficial to Primaris and its Unitholders;
- (j) Primaris shall directly or indirectly obtain and maintain at all times property insurance coverage in respect of potential liabilities of Primaris and the accidental loss of value of the assets of Primaris from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practice of owners of comparable properties;
- (k) other than the real property acquired pursuant to the Plan of Arrangement and the Purchase Agreement, Primaris shall have obtained an appraisal of each real property that it intends to acquire and an engineering survey with respect to the physical condition thereof, in each case, by an independent and experienced consultant, unless the requirement for such an appraisal or engineering survey is waived by the independent Trustees; and
- (l) other than the real property acquired pursuant to the Plan of Arrangement, Primaris shall either (i) obtain a Phase I environmental site assessment or (ii) be entitled to rely on an existing Phase I environmental site assessment, of each real property to be acquired by it and, if the Phase I environmental site assessment report recommends that a further environmental site assessment be conducted, Primaris shall have conducted such further environmental site assessments, in each case by an independent and experienced environmental consultant.

For greater certainty, each Subsidiary of Primaris shall comply with the foregoing policies, except that all percentage thresholds set forth in the foregoing paragraphs shall be calculated on a consolidated basis.

Amendments to Investment Guidelines and Operating Policies

Pursuant to the Declaration of Trust, all of the investment guidelines set out under the heading “– Investment Guidelines” and the operating policies contained in paragraphs (a), (h), (i) or (l) under the heading “– Operating Policies” may be

amended only with the approval of at least two-thirds of the aggregate votes cast by Unitholders and Special Voting Unitholders entitled to vote thereon at a meeting of Unitholders and Special Voting Unitholders called for such purpose.

Notwithstanding the foregoing sentence, if at any time a government or regulatory authority having jurisdiction over Primaris or any property of Primaris shall enact any law, regulation or requirement which is in conflict with any investment restriction of Primaris then in force, such restriction in conflict shall, if the Trustees on the advice of legal counsel to Primaris so resolve, be deemed to have been amended to the extent necessary to resolve any such conflict and, notwithstanding anything to the contrary contained in the Declaration of Trust, any such resolution of the Trustees shall not require the prior approval of Unitholders or Special Voting Unitholders. The remaining operating policies under the heading “– Operating Policies” may be amended with the approval of a majority of the aggregate votes cast by holders of Units and Special Voting Units entitled to vote thereon at a meeting called for such purpose.

RATINGS

On March 4, 2022, DBRS assigned an Issuer Rating of BBB to Primaris with a “Stable” trend. A credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization. As is customary, Primaris paid fees to DBRS to obtain a credit rating and expects to pay similar fees in the future.

DBRS Ratings

DBRS has 10 issuer rating categories and long-term debt rating categories, each ranging from AAA to D and uses the designation “(high)” and “(low)” in all rating categories other than AAA and D to show the relative standing of a rating within a category. A credit rating of “BBB (low)” or higher is an investment grade rating. The absence of either a “(high)” or “(low)” designation indicates the rating is in the middle of the category. The BBB issuer credit rating assigned to Primaris by DBRS indicates that Primaris ranks in the fourth highest of DBRS's ten rating categories. Issuers which are rated in the BBB category by DBRS are considered to be of adequate credit quality and the capacity for the payment of their financial obligations is considered acceptable. In addition, issuers in the BBB rating category may be vulnerable to future events. DBRS uses “rating trends” to provide guidance in respect of DBRS's opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories – “Positive”, “Stable” or “Negative”. The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue.

MARKET FOR SECURITIES

Normal Course Issuer Bid

On March 9, 2022, the REIT commenced a normal course issuer bid (“NCIB”) which was established to remain in effect until the earlier of March 8, 2023 and the date on which Primaris has purchased the maximum number of Units permitted under the NCIB. Under the NCIB, Primaris has the ability to purchase for cancellation up to a maximum of 7,498,679 of its Units on the open market, representing 10% of the public float (calculated in accordance with TSX rules). Purchases of Units under the NCIB are made in accordance with TSX rules and policies through the facilities of the TSX, and through Canadian alternative trading systems. The price paid for any repurchased Units is the market price of such Units at the time of acquisition. In March 2022, the REIT established an automatic securities purchase plan in respect of the NCIB. As of December 31, 2022, 3,885,700 Series A Units had been bought back at a weighted average price of \$13.89 and a total cost of \$54.1 million including fees. As at February 28, 2023, 4,700,100 Series A Units had been bought back at a weighted average price of \$14.10 and a total cost of \$66.4 million including fees.

Trading Price and Trading Volume of the Units

The Series A Units were listed on the TSX effective January 5, 2022 and are quoted under the symbol “PMZ.UN.” The following table sets forth, for the periods indicated, the price ranges and trading volumes of the Units on the TSX.

2022	Low Price	High Price	Volume
January	\$ 12.56	\$ 15.33	16,343,434
February	\$ 13.61	\$ 14.59	8,169,040
March	\$ 13.91	\$ 16.38	15,534,297
April	\$ 13.76	\$ 15.53	7,247,117
May	\$ 13.10	\$ 14.58	9,254,315
June	\$ 11.93	\$ 14.08	6,962,362
July	\$ 12.05	\$ 13.38	4,772,324
August	\$ 13.21	\$ 14.87	4,421,693
September	\$ 12.33	\$ 14.00	4,334,189
October	\$ 12.50	\$ 14.25	4,003,096
November	\$ 13.85	\$ 15.65	3,746,669
December	\$ 13.90	\$ 15.10	3,294,619

No securities of the REIT are quoted or traded in a foreign marketplace. As of August 26, 2022, Units of the REIT have been listed on the Self-Regulatory Organization of Canada's List of Securities Eligible for Reduced Margin which provides margin lending guidance for investment dealers.

PRIOR SALES

As of February 28, 2023, Primaris does not have any class of securities that is outstanding but not listed or quoted on a marketplace.

DISTRIBUTIONS AND DISTRIBUTION POLICY

The following outlines the distribution policy of Primaris, adopted pursuant to the Declaration of Trust.

Primaris has adopted a distribution policy, as permitted under the Declaration of Trust, pursuant to which it makes pro rata monthly cash distributions to Unitholders equal to, on an annual basis, approximately 45% to 50% of FFO**. See “Enterprise Risks and Risk Management” in this AIF. Management believes that this FFO Payout Ratio** set by Primaris should allow Primaris to meet its internal funding needs, while being able to support predictable cash distributions. However, subject to compliance with the Declaration of Trust, the target FFO Payout Ratio** is determined by the Trustees in their discretion. Pursuant to the Declaration of Trust, the Trustees have full discretion respecting the timing and amounts of distributions including the adoption, amendment or revocation of any distribution policy.

Unitholders of record as at the close of business on the last business day of the month preceding a Distribution Date (as defined in the Declaration of Trust) have an entitlement on and after that day to receive distributions in respect of that month on such Distribution Date. Distributions may be adjusted for amounts paid in prior periods if the actual FFO** for the prior periods is greater than or less than the estimates for the prior periods.

Notwithstanding the foregoing, the total amount of distributions due and payable by Primaris on or before the last day of any taxation year of Primaris for purposes of the Tax Act shall not be less than the amount necessary to ensure that Primaris will not be liable to pay income tax under Part I of the Tax Act for such year. The amount, if any, which is required to be distributed to comply with the preceding sentence shall be due and payable, on the earlier of the last Distribution Date in respect of each year and the last day of such taxation year, to persons who are Unitholders of record on that date, such amount to be payable in cash unless the Trustees determine in their absolute discretion to pay such amount in Units in any particular year, in which case such amount shall be payable in Units for that year.

Where the Trustees determine that Primaris does not have available cash in an amount sufficient to make payment of the full amount of any distribution payable on the Distribution Date, or where the Trustees otherwise determine in their absolute discretion that all or a portion of such distribution should not be paid in cash, the payment may, at the option of the Trustees, include the issuance of additional Units, or fractions of Units, if necessary, having a fair market value as determined by the Trustees equal to the difference between the amount of such distribution and the amount of cash which either has been determined by the Trustees in their absolute discretion to be available, or which the Trustees have otherwise determined shall be distributed in their absolute discretion, as the case may be, for the payment of such distribution.

At any time, the Trustees may declare an extraordinary distribution of cash, Units or property of Primaris in specie. Distributions shall be made in cash or Units pursuant to any distribution reinvestment plan or distribution reinvestment and unit purchase plan adopted by the Trustees, or, in the case of an extraordinary distribution, in cash, Units or property of Primaris in specie. Any distribution, including an extraordinary distribution, of Units shall be subject to the restrictions noted under “Declaration of Trust and Description of Capital Structure – Limitation on Non-Resident Ownership” in this AIF.

The ability of Primaris to make cash distributions, and the actual amount distributed, will be entirely dependent on the operations and assets of Primaris and will be subject to various factors including financial performance, obligations under applicable credit facilities and restrictions on payment of distributions thereunder on the occurrence of an event of default, fluctuations in working capital, the sustainability of income derived from Primaris' properties and any capital expenditure requirements.

Subject to compliance with such distribution policy and the financial covenants contained in Primaris' credit facilities, determinations as to the amounts distributable are in the discretion of the Trustees to determine the percentage payout of income that would be in the best interests of Primaris in accordance with the Declaration of Trust. The total income

distributed will not be less than the amount necessary to ensure that Primaris will not be liable to pay income taxes under the Tax Act.

Primaris declared and paid its first monthly distributions of \$0.0667 per Unit (\$0.80 annualized) on February 15, 2022 for Unitholders of record January 31, 2022. On November 2, 2022, the Board of Trustees approved an increase to the distribution rate from \$0.80 to \$0.82 per Unit on an annualized basis. The rate increase was effective for the distribution declared December 30, 2022, paid January 16, 2023. The table below shows the monthly distributions for 2022.

Distributions History	2022 Monthly Distributions
January	\$ 0.0667
February	\$ 0.0667
March	\$ 0.0667
April	\$ 0.0667
May	\$ 0.0667
June	\$ 0.0667
July	\$ 0.0667
August	\$ 0.0667
September	\$ 0.0667
October	\$ 0.0667
November	\$ 0.0667
December	\$ 0.0683
Annual	\$ 0.8025

2022 Annualized Distributions	2023 Annualized Distributions
0.8025	\$0.8200

As at February 28, 2023, there were 96,938,317 Trust Units and no Exchangeable Units outstanding.

PROMOTER

In connection with the Plan of Arrangement, H&R REIT may have been considered a promoter of Primaris in accordance with applicable securities legislation in that it took the initiative in founding and organizing Primaris for the purpose of implementing the Plan of Arrangement. As disclosed elsewhere in this AIF, under the Plan of Arrangement, the Primaris Properties that were formerly held by H&R REIT were spun-out to Primaris and unitholders of H&R REIT received one Series A Unit for every four H&R REIT units held immediately prior to closing of the Plan of Arrangement. In addition, under the Plan of Arrangement, 3,336,016 Exchangeable Units were issued to H&R REIT and, in January 2022, H&R REIT exchanged all such Exchangeable Units for Series A Units on a one-for-one basis in accordance with their terms, representing an approximate 3.28% interest in Primaris as at December 31, 2021.

LEGAL PROCEEDING AND REGULATORY ACTIONS

None of Primaris or its Subsidiaries is currently involved in any outstanding, threatened or pending litigation that would have a material adverse effect on Primaris.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed below, no Trustee, executive officer, or unitholder that beneficially owns, or controls or directs more than 10% of the Units, or any associate or affiliate of any of the foregoing persons, has or has had any material interest, direct or indirect, in any transaction within the last three years, or any proposed transaction, that has materially affected or is reasonably expected to materially affect Primaris or any of the Primaris subsidiaries.

Immediately following the Plan of Arrangement and pursuant to the Purchase Agreement, Primaris acquired the HOOPP Properties. The purchase price paid by Primaris for the HOOPP Properties was approximately \$600.63 million, satisfied by the issuance of 26,142,129 Series A Units and the issuance by Primaris to HOOPP, of a non-interest-bearing note payable of approximately \$200.21 million (reflecting a gross asset value of approximately \$800.84 million for the HOOPP Properties). The non-interest-bearing note was subsequently repaid on January 5, 2022. As a result of the HOOPP Transaction, HOOPP is Primaris' largest unitholder at approximately 27% of the issued and outstanding Series A Unit]. HOOPP is under no ownership requirements or restrictions with respect to its Series A Units.

In connection with the acquisition of the HOOPP Properties, Primaris also entered into a registration rights agreement (the "**Registration Rights Agreement**") with HOOPP pursuant to which HOOPP has been provided demand registration rights and piggy-back registration rights exercisable at any time during the term of the Registration Rights Agreement, provided in each case, that HOOPP and its affiliates collectively own, in the aggregate, at least 10% of the Series A Units at the time of exercise.

EXPERTS & INTERESTS OF EXPERTS

KPMG LLP are the auditors of Primaris and have confirmed with respect to Primaris that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. KPMG LLP is located at 333 Bay St. Suite 4600, Toronto, Ontario, Canada.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Units is TSX Trust Company at its principal office located in Toronto, Ontario.

MATERIAL CONTRACTS

The following are the only material contracts in effect, other than contracts entered into in the ordinary course of business, entered into by Primaris or Primaris' subsidiaries:

1. Amended and Restated Declaration of Trust dated December 15, 2021;
2. Purchase and Sale Agreement: HOOPP Realty Inc, Lansdowne Mall Inc. and Lansdowne Industrial Inc. and H&R REIT dated October 26, 2021 and amended on December 18, 2021;
3. Registration Rights Agreement: Primaris REIT and HOOPP Realty Inc., Lansdowne Mall Inc. Lansdowne Industrial Inc. dated December 31, 2021;
4. Trustees' Regulations dated March 4, 2022;
5. Trust Indenture dated March 30, 2022;
6. First Supplemental Indenture dated March 30, 2022;
7. Second Supplemental Indenture dated March 30, 2022; and
8. Incentive Unit Plan dated May 3, 2022.

ADDITIONAL INFORMATION

Additional financial information is provided in Primaris' Financial Statements and MD&A.

Copies of the Financial Statements, MD&A, material contracts and this AIF may also be obtained by contacting Mr. Rags Davloor at Primaris REIT 26 Wellington Street East, Suite 400, Toronto, Ontario M5E 1S2 or by email at rdavloor@primarisreit.com, or on SEDAR at www.sedar.com.

SCHEDULE A

AUDIT COMMITTEE CHARTER

Effective Date: December 31, 2021

1. Introduction

The Audit Committee (the “Committee”) of Primaris Real Estate Investment Trust (the “REIT”) is a committee of the board of trustees of the REIT (the “Board”). As delegated by the Board, the Committee shall attend to the responsibilities set out in this Charter.

2. Membership

2.1. Number of Members

The Committee shall be composed of three or more members of the Board (the “Trustees”).

2.2. Independence of Members

Each member of the Committee shall be independent within the meaning of the provisions of National Instrument 52-110 – Audit Committees, as may be amended or replaced from time to time.

2.3. Term of Members

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a Trustee.

2.4. Committee Chair

At the time of the annual appointment of the members of the Committee, the Board may appoint a Chair of the Committee. If a Committee Chair is not appointed by the Board, the members of the Committee shall designate a Committee Chair by majority vote of the full Committee membership. The Committee Chair must be a member of the Committee.

In the absence of the Committee Chair at a meeting of the Committee, the members of the Committee present may appoint a chair from their number for such meeting.

2.5. Financial Literacy of Members

At the time of his or her appointment to the Committee, each member of the Committee shall have, or shall acquire within a reasonable time following appointment to the Committee, the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Primaris’ financial statements.

3. Meetings

3.1. Frequency of Meetings

The Committee shall meet as often as the Committee considers appropriate to fulfill its responsibilities, but in any event at least once per fiscal quarter of the REIT.

3.2. Quorum

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

3.3. Calling of Meetings

The Committee Chair, any member of the Committee, the external auditors, the Chair of the Board, the Lead Independent Trustee (if any), the Chief Executive Officer, the President and Chief Operating Officer or the Chief Financial Officer may call a meeting of the Committee on not less than 48 hours' notice to the members of the Committee.

3.4. Minutes; Reporting to the Board

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Committee Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

3.5. Attendance of Non-Members

The external auditors are entitled to receive notice of, to attend and be heard at each Committee meeting. In addition, the Committee may invite to a meeting any officers or employees of the REIT, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

At least once per year, the Committee shall meet with management to discuss any matters that the Committee or such individuals consider appropriate.

3.6. Meetings Without Management

As part of each meeting of the Committee, the Committee shall hold an in camera session, at which management and non-independent Trustees are not present, and the agenda for each Committee meeting will afford an opportunity for such a session.

3.7. Access to Management and Books and Records

The Committee shall have unrestricted access to Primaris' management and employees and the books and records of the REIT.

4. Responsibilities

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by the declaration of trust governing the REIT (the "Declaration of Trust") and applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the functions and responsibilities required of an audit committee by the Declaration of Trust, any exchange upon which securities of the REIT are traded, or any governmental or regulatory body exercising authority over the REIT, as are in effect from time to time (collectively, the "Applicable Requirements") or as the Board otherwise deems necessary or appropriate.

4.1. Financial Reports

(a) General

The Committee is responsible for overseeing Primaris' financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of Primaris' financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the REIT. The external auditors are

responsible for auditing Primaris' annual consolidated financial statements and for reviewing Primaris' unaudited interim financial statements.

(b) Review of Annual Financial Reports

The Committee shall review the annual consolidated audited financial statements of the REIT, the external auditors' report thereon and the related management's discussion and analysis of Primaris' financial condition and financial performance ("MD&A"). After completing its review, if advisable, the Committee shall approve and recommend the annual financial statements and the related MD&A for Board approval.

(c) Review of Interim Financial Reports

The Committee shall review the interim consolidated financial statements of the REIT and the related MD&A. After completing its review, if advisable, the Committee shall approve and recommend the interim financial statements and the related MD&A for Board approval.

(d) Review Considerations

In conducting its review of the annual financial statements or the interim financial statements, the Committee shall:

- (i) meet with management and the external auditors to discuss the financial statements and MD&A;
- (ii) review the disclosures in the financial statements;
- (iii) review the audit report or review report prepared by the external auditors;
- (iv) discuss with management, the external auditors and internal legal counsel (if any), as requested, any litigation claim or other contingency that could have a material effect on the financial statements;
- (v) review the accounting policies followed and critical accounting and other significant estimates and judgements underlying the financial statements as presented by management;
- (vi) review any material effects of regulatory accounting initiatives or off- balance sheet structures on the financial statements as presented by management, including requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under International Financial Reporting Standards ("IFRS");
- (vii) review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;
- (viii) review management's report on the effectiveness of internal controls over financial reporting;
- (ix) review the factors identified by management as factors that may affect future financial results;
- (x) review results of Primaris' audit committee whistleblower reporting program; and
- (xi) review any other matters, related to the financial statements, that are brought forward by the external auditors, management or which are required to be communicated to the Committee under accounting policies, auditing standards or Applicable Requirements.

(e) Other Financial Disclosures

The Committee is responsible for reviewing financial disclosure in a prospectus or other securities offering document of the REIT, as well as press releases disclosing, or based upon, financial results of the REIT and any other publicly disseminated material financial disclosure, including, in accordance with Primaris' Disclosure Policy, material financial outlook (e.g., earnings guidance) and forward-oriented financial information (e.g., forecasted financial statements) provided to analysts, rating agencies or otherwise publicly disseminated, and material non-IFRS financial measures.

The Committee is responsible for ensuring that satisfactory procedures are in place for the review of Primaris' public disclosure of financial information extracted or derived from Primaris' financial statements and periodically assessing those procedures.

4.2. External Auditors

(a) General

The Committee shall be directly responsible for oversight and review of the effectiveness of the work of the external auditors, including the external auditors' work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work.

(b) Nomination and Compensation

The Committee shall review and, if advisable, recommend for Board approval the external auditors to be nominated and shall approve the compensation of such external auditor. The Committee shall have ultimate authority to approve all audit engagement terms and fees, including the external auditors' audit plan.

(c) Resolution of Disagreements

The Committee shall assess the effectiveness of the working relationship of the external auditors with management and resolve any disagreements between management and the external auditors as to financial reporting matters brought to its attention.

(d) Discussions with External auditors

At least annually, the Committee shall discuss with the external auditors such matters as are required by applicable auditing standards to be discussed by the external auditors with the Committee.

(e) Audit Plan

At least annually, the Committee shall review a summary of the external auditors' annual audit plan. The Committee shall consider, review with the external auditors any material changes to the scope of the plan.

(f) Quarterly Review Report

The Committee shall review a report prepared by the external auditors in respect of each of the interim financial statements of the REIT.

(g) Independence of External Auditors

At least annually, and before the external auditors issue their report on the annual financial statements, the Committee shall obtain from the external auditors a formal written statement describing all relationships between the external auditors and the REIT; discuss with the external auditors any disclosed relationships or services that may affect the objectivity and independence of the external auditors; and obtain written confirmation from the external auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered professional accountants to which the external auditors belong and other Applicable Requirements. The Committee shall take appropriate action to oversee the independence of the external auditors.

(h) Requirement for Pre-Approval of Non-Audit Services

The Committee shall approve in advance any retainer of the external auditors to perform any non-audit service for the REIT or its subsidiary entities that it deems advisable in accordance with Applicable Requirements and Board-approved policies and procedures. The Audit Committee shall consider the impact of such service and fees on the independence of the auditor. The Committee may delegate pre-approval authority to a member of the Committee. The decisions of any

member of the Committee to whom this authority has been delegated must be presented to the full Committee at its next scheduled Committee meeting.

(i) Approval of Hiring Policies

The Committee shall review and approve Primaris' hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the REIT.

(j) Financial Executives

The Committee shall review and discuss with management the appointment of key financial executives and recommend qualified candidates to the Board, as appropriate.

4.3. Internal Controls

(a) General

The Committee shall review Primaris' system of internal controls.

(b) Establishment, Review and Approval

The Committee shall require management to implement and maintain appropriate systems of internal controls in accordance with Applicable Requirements, including internal controls over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Committee shall consider and review with management and the external auditors:

- (i) the effectiveness of, or weaknesses or deficiencies in: the design or operation of Primaris' internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions;
- (ii) any significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in Primaris' periodic regulatory filings;
- (iii) any material issues raised by any inquiry or investigation by Primaris' regulators;
- (iv) Primaris' fraud prevention and detection program, including deficiencies in internal controls that may impact the integrity of financial information, or may expose the REIT to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting; and
- (v) any related significant issues and recommendations of the external auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

4.4. Risk Management

The Committee shall be responsible for overseeing management's identification and assessment of the principal risks to the operations of the REIT and the establishment and management of appropriate systems to manage such risks with a view to achieving a proper balance between risks incurred and potential return to Unitholders and to the long-term viability of the REIT. In this regard, the Committee shall require management to report periodically to the Committee, and the Committee shall report periodically to the Board, on the principal risks faced by the REIT and the steps implemented by management to manage these risks.

4.5. Compliance with Legal and Regulatory Requirements

The Committee shall review reports from Primaris' Corporate Secretary and other management members on: (a) legal or compliance matters that may have a material impact on the REIT; (b) the effectiveness of Primaris' compliance policies; and (c) any material communications received from regulators. The Committee shall review management's evaluation of and representations relating to compliance with specific applicable law and guidance, and management's plans to remediate any deficiencies identified.

4.6. Whistleblower Procedures

The Committee shall establish procedures for (a) the receipt, retention, and treatment of complaints received by the REIT regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the REIT of concerns regarding questionable accounting or auditing matters.

Any such complaints or concerns that are received shall be reviewed by the Committee and, if the Committee determines that the matter requires further investigation, it will direct the Chair of the Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management to reach a satisfactory conclusion.

4.7. Audit Committee Disclosure

The Committee shall prepare, review and approve any Audit Committee disclosures required by Applicable Requirements in Primaris' disclosure documents.

4.8. Delegation

The Committee may, to the extent permissible by Applicable Requirements, designate a sub- committee to review any matter within this mandate as the Committee deems appropriate.

5. Outside Advisors

The Committee shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective compensation for these advisors. The REIT shall provide appropriate funding, as determined by the Committee, for the services of these advisors.

6. No Rights Created

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the REIT. While it should be interpreted in the context of all Applicable Requirements, it is not intended to establish any legally binding obligations.

7. Charter Review

The Committee shall review and update this Charter annually and, in conjunction with the review and recommendations of the Compensation, Governance and Nominating Committee regarding same, present the updated Charter to the Board for approval.