



Primaris REIT Announces Strong Q3/24; Raises and Tightens 2024 Guidance

Toronto, Ontario, October 31, 2024 – Primaris Real Estate Investment Trust ("Primaris" or "the Trust") (TSX: PMZ.UN) announced today financial and operating results for the third quarter ended September 30, 2024.

Quarterly Financial and Operating Results Highlights

- \$119.5 million total rental revenue;
- +4.6% Same Properties Cash Net Operating Income** ("Cash NOI**") growth;
- +4.6% Same Properties shopping centres Cash NOI** growth;
- 94.8% committed occupancy, 93.4% in-place occupancy, and 90.2% long-term occupancy;
- +1.8% weighted average spread on renewing rents across 345,000 square feet;
- +(0.5)% Funds from Operations** ("FFO**") per average diluted unit growth to \$0.419, or +5.2% to \$0.443 excluding impacts related to senior unsecured debenture issuance;
- 52.5% FFO Payout Ratio**;
- \$4.1 billion total assets;
- 5.8x Average Net Debt** to Adjusted EBITDA**;
- \$701.6 million in liquidity;
- \$3.3 billion in unencumbered assets; and
- \$21.82 Net Asset Value** ("NAV**") per unit outstanding.

Business Update Highlights

- Raises 2024 FFO** per average diluted unit guidance to \$1.66 to \$1.68 from \$1.63 to \$1.66;
- On October 1, 2024 acquired Les Galeries de la Capitale in Quebec City, Quebec for total consideration of \$325 million;
- On October 3, 2024, in relation to the acquisition of Les Galeries de la Capitale, Primaris announced a \$74.7 million treasury and secondary equity offering;
- On September 30, 2024, sold Sunridge Plaza, in Calgary, Alberta, an open air, non-grocery anchored property for \$14.2 million;
- Issued \$300,000 aggregate principal amount of Series E senior unsecured debentures due March 15, 2030 bearing a fixed annual rate of 4.998% and \$200,000 aggregate principal amount of Series F senior unsecured debentures due March 15, 2032 bearing a fixed annual rate of 5.304%;
- Completed second annual GRESB submission achieving 3 green stars, or a 15 point improvement to 80 points; and
- Reported total NCIB activity since inception of 9,439,300 Trust Units repurchased at an average price of \$13.80, or a discount to NAV** per unit of approximately 36.8%.

"Our NOI growth continues to be supported both by the strong fundamentals we are experiencing including; low retail supply, strong tenant sales, population growth and increasing tenant demand for quality space, as well as our national, full-service platform and team," said Patrick Sullivan, President and Chief Operating Officer. "Occupancy is rising, former anchor premises are being remerchandised, sales remain strong, non-recoverable expenses are falling. Our business is performing very well and we are positioned to capture continued growth within our malls."

Chief Financial Officer, Rags Davloor added, "Our capital allocation strategy was front and centre this fall as we raised \$500 million in debentures, completed a secondary and treasury equity offering, and closed on Les Galeries de la

Capitale, while maintaining industry leading credit metrics. This is a testament to the strategic advantages provided by Primaris REIT's differentiated financial model. With unencumbered assets of \$3.3 billion and no unfunded debt maturing until 2027, we have reduced refinancing risk, with significant access to liquidity. We have capacity for more than \$1.5 billion of acquisitions, and require no financing conditions in our deals."

"We are very pleased with our strong performance thus far in 2024, driving our outperformance and increased FFO per unit guidance for the balance of the year," said Alex Avery, Chief Executive Officer. "With the acquisition of Les Galeries de la Capitale, we are increasing our relevance with retailers, and are building on Primaris' profile as an attractive buyer of large, high-quality assets, having transacted with five of Canada's ten largest pension funds. Our commitment to maintaining an extremely well capitalized balance sheet positions Primaris as a highly credible transaction counterparty, at a time when many other groups are finding access to capital, and particularly financing, challenging."

2024 Financial Outlook

Guidance: In the MD&A for the three months and year ended December 31, 2023, Primaris provided guidance for the full year of 2024 which was reproduced and updated in the Trust's MD&A for the three months ended March 31, 2024. The guidance was further updated in the MD&A for the three and six months ended June 30, 2024 and again in the September 25, 2024 press release. The previously published guidance for the full year of 2024 has been reproduced again below and updated for management's current expectations based on the most recent information available to management.

(unaudited)	2024 Guidance		Additional Notes	MD&A Section Reference
	Previously Published	Updated		
Occupancy	Increase of 0.8% to 1.0%	No change in guidance		Section 8.1, "Occupancy"
Contractual rent steps in rental revenue	\$2.7 to \$2.9 million	No change in guidance		Section 9.1, "Components of Net Income (Loss)"
Straight-line rent adjustment in rental revenue	\$4.8 to \$5.0 million	No change in guidance		Section 9.1, "Components of Net Income (Loss)"
Same Properties Cash Net Operating Income** growth	3.0% to 4.0%	No change in guidance	Same Properties total 33, excludes Northland Village (under redevelopment), and the acquisitions of Conestoga Mall and the Halifax Shopping Complex, and the disposition of Garden City Square	Section 9.1, "Components of Net Income (Loss)"
Cash NOI**	\$273 - \$278 million	No change in guidance	From press release dated September 25, 2024	Section 9.1, "Components of Net Income (Loss)"
General and administrative expenses	\$31 to \$33 million	\$32 to \$34 million		Section 9.1, "Components of Net Income (Loss)"
Operating capital expenditures	Recoverable Capital \$16 to \$18 million Leasing Capital \$28 to \$30 million	Leasing Capital \$20 - \$25 million		Section 8.7, "Operating Capital Expenditures "
Redevelopment capital expenditures	\$30 to \$40 million	\$40 to \$45 million	Primarily attributable to Northland Village and Devonshire Mall	Section 7.4, "Redevelopment and Development"
Funds from Operations** per unit ¹ fully diluted	\$1.63 to \$1.66 per unit fully diluted	\$1.66 to \$1.68 per unit fully diluted		Section 9.2, "FFO** and AFFO**"

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

¹ Units outstanding and weighted average units outstanding assumes the exchange of Convertible Preferred LP Units for Trust Units. See Section 10.6, "Unit Equity and Distributions" in the MD&A.

On September 24, 2024, Primaris released targets for the period ending December 31, 2027. These targets are not guidance, but are an outlook based on the execution of Primaris' strategic pillars.

(unaudited)	3 Year Targets	Additional Notes	MD&A Section Reference
In-place Occupancy	96.0 %	In-place occupancy was 92.4% at December 31, 2023.	Section 8.1, "Occupancy"
Annual Same Properties Cash NOI** growth	3% - 4%		Section 9.1, "Components of Net Income (Loss)"
Acquisitions	> \$1 billion	October 1, 2024 completed acquisition of Les Galeries de la Capitale for \$325 million	Section 7.3, "Transactions"
Dispositions	> \$500 million		Section 7.3, "Transactions"
Annual Funds from Operations** per unit ¹ fully diluted growth	4.0% to 6.0%		Section 9.2, "FFO** and AFFO**"
Annual Distribution Growth	2% - 4%	November 2022 announced a 2.5% increase; November 2023 announced a 2.4% increase	Section 10.6, "Unit Equity and Distributions"

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures".

¹ Per weighted average units outstanding calculated on a diluted basis, assuming the exchange of Convertible Preferred LP Units for Trust Units. See Section 10.6, "Unit Equity and Distributions".

Readers are cautioned that there is a significant risk that actual results for the year ending December 31, 2024 and the performance against the December 2027 targets will vary from the financial outlook statements provided in this MD&A and that such variations may be material. See Section 2, "Forward-Looking Statements and Future-Oriented Financial Information" for further cautions on material factors, assumptions, risks and uncertainties that could impact the financial outlook statements.

Select Financial and Operational Metrics

As at or for the three months ended September 30, (in thousands of Canadian dollars unless otherwise indicated) (unaudited)	2024	2023	Change
Number of investment properties	37	36	1
Gross leasable area (in millions of square feet)	12.4	11.5	0.9
In-place occupancy	93.4 %	91.0 %	2.4%
Committed occupancy	94.8 %	92.8 %	2.0%
Weighted average net rent per occupied square foot ¹	\$ 25.38	\$ 24.85	\$ 0.53
Same stores sales productivity ^{1,2}	\$ 684	\$ 652	\$ 32
Total assets	\$ 4,139,415	\$ 3,507,605	\$ 631,810
Total liabilities	\$ 2,052,539	\$ 1,410,619	\$ 641,920
Total rental revenue	\$ 119,536	\$ 104,826	\$ 14,710
Cash flow from (used in) operating activities	\$ 43,550	\$ 48,062	\$ (4,512)
Distributions per Trust Unit	\$ 0.210	\$ 0.205	\$ 0.005
Cash Net Operating Income** ("Cash NOI")	\$ 70,024	\$ 58,263	\$ 11,761
Same Properties ³ Cash NOI** growth	4.6 %	—	—
Net income (loss)	\$ (30,818)	\$ 20,230	\$ (51,048)
Net income (loss) per unit ⁴	\$ (0.294)	\$ 0.202	\$ (0.496)
Funds from Operations** ("FFO") per unit ⁴ - average diluted	\$ 0.419	\$ 0.421	\$ (0.002)
FFO Payout Ratio**	52.5 %	49.4 %	3.1 %
Adjusted Funds from Operations** ("AFFO") per unit ⁴ - average diluted	\$ 0.304	\$ 0.296	\$ 0.008
AFFO Payout Ratio**	72.4 %	70.3 %	2.1 %
Weighted average units outstanding ⁴ - diluted (in thousands)	106,237	101,050	5,187
Net Asset Value** ("NAV") per unit outstanding ⁴	\$ 21.82	\$ 21.76	\$ 0.06
Average Net Debt** to Adjusted EBITDA** ⁵	5.8x	5.3x	0.5x
Interest Coverage** ^{5,6}	3.1x	3.8x	(0.7)x
Liquidity	\$ 701,595	\$ 279,281	\$ 422,314
Unencumbered assets	\$ 3,325,797	\$ 2,998,687	\$ 327,110
Unencumbered assets to unsecured debt	2.2x	3.2x	(1.0)x
Secured debt to Total Debt**	13.7 %	24.1 %	(10.4)%
Total Debt** to Total Assets** ⁶	42.1 %	35.0 %	7.1%
Fixed rate debt as a percent of Total Debt**	96.0 %	89.2 %	6.8%
Weighted average term to debt maturity - Total Debt** (in years)	4.2	3.6	0.6
Weighted average interest rate of Total Debt**	5.30 %	4.96 %	0.34 %

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

¹ Supplementary financial measure, see Section 1, "Basis of Presentation" - "Use of Operating Metrics" in the MD&A.

² For the rolling twelve-month periods ending August 31, 2024 and August 31, 2023, respectively.

³ Properties owned throughout the entire 21 months ended September 30, 2024, excluding properties under development or major redevelopment, are referred to as "Same Properties".

⁴ Units outstanding and weighted average units outstanding assumes the exchange of Convertible Preferred LP Units for Trust Units. See Section 10.6, "Unit Equity and Distributions" in the MD&A.

⁵ For the rolling four-quarters ended September 30, 2024 and 2023, respectively.

⁶ Calculated on the basis described in the trust indenture and supplemental indentures that govern the Trust's senior unsecured debentures (collectively, the "Trust Indentures"). See Section 10.4, "Capital Structure" in the MD&A.

Operating Results

The below table compares the composition of FFO** and AFFO** and calculates the drivers of the changes for the three months ended September 30, 2024 as compared to the same period in 2023.

For the three months ended September 30,	2024		2023		Change	
(\$ thousands except per unit amounts) (unaudited)	Contribution	per unit ¹	Contribution	per unit ¹	Contribution	per unit ¹
NOI** from:						
Same Properties ²	\$ 56,108	\$ 0.528	\$ 54,329	\$ 0.538	\$ 1,779	\$ 0.018
Acquisitions	13,153	0.124	3,658	0.036	9,495	0.094
Dispositions	775	0.007	1,307	0.013	(532)	(0.005)
Property under redevelopment	1,909	0.018	1,190	0.012	719	0.007
Interest and other income	3,583	0.034	2,028	0.020	1,555	0.015
Net interest and other financing charges (excluding distributions on Convertible Preferred LP Units)	(23,106)	(0.218)	(14,213)	(0.141)	(8,893)	(0.088)
General and administrative expenses (net of internal costs for leasing activity)	(5,973)	(0.056)	(5,368)	(0.053)	(605)	(0.006)
Unhedged portion of derivative fair value adjustment	(1,700)	(0.016)	—	—	(1,700)	(0.017)
Amortization	(191)	(0.002)	(374)	(0.004)	183	0.002
Impact from variance of units outstanding	—	—	—	—	—	(0.022)
FFO** and FFO** per unit - average diluted	\$ 44,558	\$ 0.419	\$ 42,557	\$ 0.421	\$ 2,001	\$ (0.002)
FFO*	\$ 44,558	\$ 0.419	\$ 42,557	\$ 0.421	\$ 2,001	\$ 0.020
Internal expenses for leases	(1,954)	(0.018)	(1,972)	(0.019)	18	—
Straight-line rent	(1,635)	(0.015)	(730)	(0.007)	(905)	(0.009)
Recoverable and non-recoverable costs	(3,691)	(0.035)	(5,245)	(0.052)	1,554	0.015
Tenant allowances and leasing costs	(4,994)	(0.047)	(4,726)	(0.047)	(268)	(0.003)
Impact from variance of units outstanding	—	—	—	—	—	(0.015)
AFFO** and AFFO** per unit - average diluted	\$ 32,284	\$ 0.304	\$ 29,884	\$ 0.296	\$ 2,400	\$ 0.008

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

¹ Per weighted average diluted unit. Weighted average units outstanding assumes the exchange of Convertible Preferred LP Units for Trust Units. See Section 10.6, "Unit Equity and Distributions" of the MD&A.

² Properties owned throughout the entire 21 months ended September 30, 2024, excluding properties under development or major redevelopment, are referred to as "Same Properties". Per unit calculations separate the impact of change in contribution from the change in the weighted average diluted units outstanding.

FFO** for the three months ended September 30, 2024 was \$0.002 per unit, or (0.5)%, lower than the same period of the prior year. NOI** from Same Properties increased \$0.018 per unit and NOI** from Acquisitions increased \$0.094 per unit.

In August 2024, Primaris issued \$500 million of senior unsecured debentures and used a portion of the proceeds to repay outstanding debt (see Section 10.3, "Components of Total Debt" in the MD&A). As a result of the \$500 million senior unsecured debenture issuance in August 2024, Primaris extended the term to maturity and eliminated the refinancing risk for the March 2025 Series B senior unsecured debenture maturity. There are no other debt maturities until 2027. FFO** was impacted these financing activities in the third quarter of 2024:

- \$1.7 million of the negative adjustment to fair value on settled derivatives related to an unhedged position;
- \$0.9 million increase in interest expense from the interest rate differences between debt issued, debt repaid, and interest earned the term deposit and cash balances; and
- \$0.2 million gain on the repurchase and cancellation of debentures.

Excluding the \$2.4 million net impact of these financing activities, FFO** per unit for the three months ended September 30, 2024 would have been \$0.443 per unit which would be \$0.022, or 5.2%, higher than the same period of the prior year.

Same Properties Cash NOI** for the three month ended September 30, 2024 was \$2.4 million, or 4.6%, higher than the same period of the prior year. Cash NOI** from Same Properties shopping centres increased \$2.3 million, or 4.6%, over the same period of the prior year. The increase in the Same Properties shopping centres' Cash NOI** was primarily driven by higher revenues from base rent and net operating cost recoveries, partially offset by a decline in percentage rent in lieu of base rent. Long-term leases typically include contractual rents steps. In 2024, the Same Property shopping centres earned incremental base rent of \$1.1 million from these contractual increases.

Completed redevelopment projects contributed \$1.9 million, year to date, incremental rent to the portfolio (see Section 7.4, "Redevelopment and Development" of the MD&A).

Occupancy and Leasing Results

Primaris' leasing activities are focused on driving value by actively managing the tenant and merchandising mix at its investment properties. In-place occupancy increased 2.4% from December 31, 2023 to 93.4% at September 30, 2024.

	September 30, 2024	December 31, 2023	September 30, 2023
Long-term in-place occupancy	90.2%	89.0%	87.1%
Add: Short-term leases ¹	3.2%	3.4%	2.7%
In-place occupancy	93.4%	92.4%	89.8%
Add: Committed leases ²	1.4%	1.8%	1.2%
Committed occupancy	94.8%	94.2%	91.0%

¹ Leases with an original term of less than one year.

² Executed leases with future commencement dates.

In the quarter, Primaris completed 154 leasing deals totaling 0.5 million square feet. The weighted average spread on renewing rents (for the 96 leases renewed in the quarter) was 1.8% (4.3% for commercial retail unit renewals and (4.4)% for large format renewals). During the quarter, a large format tenant comprising 35 thousand square feet renewed at a lower rate than the expiring lease. Excluding this transaction, the weighted average leasing spread for large format tenants would have been 2.1% and the total weighted average leasing spread would have been 3.8%.

Included in the leasing activity for the quarter were 22 leases that were for a lease term of less than one year, or for percentage rent in lieu of base rent. While these lease structures have always been a tool to manage tenant relocations and the timing of development plans, during the pandemic, leases structured as percentage rent in lieu of base rent were more prevalent to assist tenants and to maintain occupancy rates. As these leases mature, management anticipates moving tenants back to traditional lease structures. At September 30, 2024, percentage rent in lieu of base rent leases were in place for 0.6 million square feet of GLA, or 3.2% of in-place leases and had an average remaining lease term of approximately 2.6 years.

Percentage Rent in Lieu of Base Rent Leases		
As at	Number of Leases	Portion of Leases by Count ¹
September 30, 2024	80	3.2 %
December 31, 2023	122	4.8 %
December 31, 2022	169	7.7 %
March 31, 2022	184	8.5 %

¹ Lease count excludes short term leases.

Robust Liquidity and Differentiated Financial Model

Primaris' differentiated financial model is core to its overall strategy, providing a best-in-class capital structure upon which to build the business, providing on-going financial stability and strength. The following table summarizes key metrics relating to Primaris' unencumbered assets and unsecured debt.

(\$ thousands) (unaudited)				
As at	Target Ratio	September 30, 2024	December 31, 2023	Change
Unencumbered assets - number		30	33	(3)
Unencumbered assets - value		\$ 3,325,797	\$ 3,362,901	\$ (37,104)
Unencumbered assets as a percentage of the investment properties		87.5%	88.8%	(1.3)%
Secured debt to Total Debt**	<40%	13.7%	19.7%	(6.0)%
Unsecured Debt		\$ 1,503,120	\$ 1,200,000	\$ 303,120
Unencumbered assets to unsecured debt		2.2x	2.8x	(0.6)x
Unencumbered assets in excess of unsecured debt		\$ 1,822,677	\$ 2,162,901	\$ (340,224)
Percent of Cash NOI** generated by unencumbered assets		86.1%	85.4%	0.7%

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

Liquidity at quarter end was \$701.6 million, or 40.3% of Total Debt**.

Primaris' NAV** per unit outstanding at quarter end was \$21.82.

Subsequent Events

Subsequent to September 30, 2024, Primaris:

- Acquired Les Galeries de la Capitale in Quebec City, Quebec for consideration of \$325 million comprised of:
 - \$170.0 million in cash;
 - \$100.0 million aggregate face value of 6.25% Convertible Preferred LP Units of a newly formed subsidiary limited partnership, which are exchangeable into Trust Units at an exchange price of \$21.86 per unit for 4,574,566 Trust Units; and
 - \$55.0 million of Trust Units at an issue price of \$21.86, or 2,516,011 Trust Units. These Trust Units had a contracted price of \$13.55 per unit or \$34.1 million. Primaris elected to provide the cash consideration of \$34.1 million to the vendors on October 1, 2024 rather than issue Trust Units from treasury.
- Completed a bought deal for an aggregate amount of 4,803,294 Trust Units, including the over-allotment, at a price of \$15.55 per unit. The bought deal consisted of 2,516,011 Trust Units, including the over-allotment, issued from treasury in relation to the acquisition of Les Galeries de la Capitale, and 2,287,283 Units issued from treasury to satisfy the conversion of 50% of the Convertible Preferred LP Units, issued as part of the consideration for Les Galeries de la Capitale. The Offering closed on October 9, 2024. Primaris received proceeds net of underwriters' fees of \$37.6 million.

Conference Call and Webcast

Date: Friday, November 1, 2024, at 9:00 a.m. (ET)

Webcast link: Please go to the Investor Relations section on Primaris' website or click [here](#).

Conference call details:

Dial: 1-833-950-0062

Passcode: 502398

The call will be accessible for replay until November 8, 2024, by dialing 1-866-813-9403 with access code 289304, or on the Investor Relations section of the website.

About Primaris Real Estate Investment Trust

Primaris is Canada's only enclosed shopping centre focused REIT, with ownership interests primarily in leading enclosed shopping centres located in growing mid-sized markets. The current portfolio totals 13.4 million square feet valued at approximately \$4.1 billion at Primaris' share. Economies of scale are achieved through its fully internal, vertically integrated, full-service national management platform. Primaris is very well-capitalized and is exceptionally well positioned to take advantage of market opportunities at an extraordinary moment in the evolution of the Canadian retail property landscape.

Forward-Looking Statements and Future Oriented Financial Information Disclaimer

Certain statements included in this news release constitute “forward-looking information” or “forward-looking statements” within the meaning of applicable securities laws. The words “will”, “expects”, “plans”, “estimates”, “intends” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements made or implied in this news release include but are not limited to statements regarding: growth opportunities, estimated growth of Same Properties Cash NOI**, the Trust’s development activities, expected benefits from the Trust’s normal course issuer bid activity, occupancy improvement, increasing rental rates, future acquisitions, reinvestment in select shopping centres, internal NOI** growth opportunity, refinancing risk, the Trust’s targets for managing its financial condition, the recovery of tenant sales, and the movement of tenants back to traditional lease structures. 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. 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 expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in the MD&A which is available on SEDAR+, and in Primaris’ other materials filed with the Canadian securities regulatory authorities from time to time. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, Primaris undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Readers are cautioned that there is a significant risk that actual results for the year ending December 31, 2024 will vary from the financial outlook statements provided in this news release and MD&A and that such variations may be material.

Certain forward-looking information included in this news release may also be considered “future-oriented financial information” or “financial outlook” for purposes of applicable securities laws (collectively, “FOFI”). FOFI about the Trust’s prospective results of operations including, without limitation, anticipated FFO** per unit, anticipated NOI** growth, impact on rental revenue of contractual rent-steps, anticipated general and administrative expense levels, and anticipated capital spending, is subject to the same assumptions, risk factors, limitations and qualifications set out in the MD&A which is available on SEDAR+, and in Primaris’ other materials filed with the Canadian securities regulatory authorities from time to time. The Trust and management believe that such FOFI have been prepared on a reasonable basis, reflecting management’s best estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. FOFI contained in this news release was made as of the date of this news release and was provided for the purpose of providing further information about the Trust’s prospective results of operations. Readers are cautioned that the FOFI contained herein should not be used for purposes other than for which it is disclosed herein.

Readers are also urged to examine the Trust’s 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 news release. All forward-looking statements in this news release are qualified by these cautionary statements. These forward-looking statements are made as of October 31, 2024 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

Information in this news release is a select summary of results. This news release should be read in conjunction with the MD&A and the Trust's unaudited interim condensed consolidated financial statements and the accompanying notes for the three and nine months ended September 30, 2024 and 2023 (the "Financial Statements").

The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). However, Primaris also uses a number of measures which do not have a standardized meaning prescribed under generally accepted accounting principles ("GAAP") in accordance with IFRS. These non-GAAP measures, which are denoted in this news release by the suffix "***" include 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"). None of these 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. A definition of each non-GAAP measure used herein and an explanation of management's reasons as to why it believes the measure is useful to investors can be found in the section entitled "Non-GAAP Measures" in the MD&A, which section is incorporated by reference into this news release, and a reconciliation to the most directly comparable financial measure in the Financial Statements, in each case, can be found below. The MD&A is available on the Trust's profile on SEDAR+ at www.sedarplus.ca.

Use of Operating Metrics

Primaris uses certain operating metrics to monitor and measure the operational performance of its portfolio. Operating metrics in this news release include, among others, investment property count, gross leasable area ("GLA"), in-place occupancy, committed occupancy, long-term in-place occupancy and weighted average net rent per occupied square foot. Certain of these operating metrics, including weighted average net rent per occupied square foot, may constitute supplementary financial measures as defined in NI 52-112. 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, see Section 8.2, "Weighted Average Net Rent" and Section 8.7, "Operating Capital Expenditures" in the MD&A, respectively, which sections are incorporated by reference into this news release.

Reconciliations of Non-GAAP Measures

The following table reconciles NOI** to rental revenue and property operating costs as presented in the Financial Statements.

For the periods ended September 30, (\$ thousands) (unaudited)	Three months	
	2024	2023
Rental Revenue	\$ 119,536	\$ 104,826
Property operating costs	(47,591)	(44,342)
Net Operating Income**	71,945	60,484
Exclude:		
Straight-line rent	(1,635)	(730)
Lease surrender revenue	(286)	(1,491)
Cash Net Operating Income**	\$ 70,024	\$ 58,263

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

The following table is a further analysis of Cash NOI** above.

For the periods ended September 30, (\$ thousands) (unaudited)	Three months	
	2024	2023
Same Properties NOI**	\$ 56,108	\$ 54,329
Exclude:		
Straight-line rent	(1,078)	(519)
Lease surrender revenue	(286)	(1,491)
Same Properties¹ Cash NOI**	54,744	52,319
Same Properties Growth	4.6 %	
Cash NOI** from:		
Acquisitions	12,849	3,544
Disposition	754	1,251
Property under redevelopment	1,677	1,149
Cash NOI**	\$ 70,024	\$ 58,263

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

¹ Properties owned for the entire 21 months ended September 30, 2024, excluding properties under development or major redevelopment, are referred to as "Same Properties".

The following table illustrates the reconciliation of net income, as determined in accordance with GAAP, to FFO**.

For the periods ended September 30, (\$ thousands except per unit amounts) (unaudited)	Three months	
	2024	2023
Net income (loss)	\$ (30,818)	\$ 20,230
Reverse:		
Distribution on Convertible Preferred LP Units	3,075	1,063
Adjustments to fair value of derivative instruments	3,773	(3,725)
Adjustments to fair value of unit-based compensation	2,247	(171)
Adjustments to fair value of Convertible Preferred LP Units	23,108	224
Adjustments to fair value of investment properties	41,219	22,964
Internal costs for leasing activity ¹	1,954	1,972
Funds from Operations**	\$ 44,558	\$ 42,557
FFO** per unit ² - average basic	\$ 0.424	\$ 0.425
FFO** per unit ² - average diluted	\$ 0.419	\$ 0.421
FFO Payout Ratio** - Target 45% - 50%	52.5 %	49.4 %
Distributions declared per Trust Unit	\$ 0.210	\$ 0.205
Distributions declared per Convertible Preferred LP Unit	0.010	0.003
Total distributions declared per unit ³	\$ 0.220	\$ 0.208
Weighted average units outstanding ² - basic (in thousands)	105,074	100,148
Weighted average units outstanding ² - diluted (in thousands)	106,237	101,050
Number of units outstanding ² - end of period (in thousands)	104,913	99,949

¹ Costs relating to full-time leasing and legal staff, included in general and administrative expenses, that can be reasonably and directly attributed to signed leases, and that would otherwise be capitalized if incurred from external sources.

² Units outstanding and weighted average units outstanding assumes the exchange of Convertible Preferred LP Units to Trust Units. See Section 10.6, "Unit Equity and Distributions" in the MD&A.

³ Distributions declared per unit used in the FFO* Payout Ratios include distributions declared on Convertible Preferred LP Units at 6% per annum. See Section 10.6, "Unit Equity and Distributions" in the MD&A.

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

The following table illustrates the reconciliation of FFO** to AFFO**.

For the periods ended September 30, (\$ thousands except per unit amounts) (unaudited)	Three months	
	2024	2023
Funds from Operations**	\$ 44,558	\$ 42,557
Reverse:		
Internal costs for leasing activity	(1,954)	(1,972)
Straight-line rent	(1,635)	(730)
Deduct:		
Recoverable and non-recoverable costs	(3,691)	(5,245)
Tenant allowances and external leasing costs	(4,994)	(4,726)
Adjusted Funds from Operations**	\$ 32,284	\$ 29,884
AFFO** per unit ¹ - average basic	\$ 0.307	\$ 0.298
AFFO** per unit ¹ - average diluted	\$ 0.304	\$ 0.296
AFFO Payout Ratio**	72.4 %	70.3 %
Distributions declared per Trust Unit	\$ 0.210	\$ 0.205
Distributions declared per Convertible Preferred LP Unit	0.010	0.003
Total distributions declared per unit ²	\$ 0.220	\$ 0.208
Weighted average units outstanding ¹ - basic (in thousands)	105,074	100,148
Weighted average units outstanding ¹ - diluted (in thousands)	106,237	101,050
Number of units outstanding ¹ - end of period (in thousands)	104,913	99,949

¹ Units outstanding and weighted average units outstanding assumes the exchange of Convertible Preferred LP Units to Trust Units. See Section 10.6, "Unit Equity and Distributions" in the MD&A.

² Distributions declared per unit used in the AFFO* Payout Ratios include distributions declared on Convertible Preferred LP Units at 6% per annum. See Section 10.6, "Unit Equity and Distributions" in the MD&A.

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

The following tables illustrate the calculation of NAV** per unit outstanding.

(\$ thousands except per unit amounts) (unaudited)	As at and for the nine months ended September 30, 2024	As at and for the year ended December 31, 2023
NAV** beginning of the period	\$ 2,284,877	\$ 2,100,137
Net Income	57,309	102,271
Trust Unit Distributions	(60,513)	(79,342)
	2,281,673	2,123,066
Other capital allocation activities		
NCIB activity	(15,647)	(60,635)
Trust Units issued for Acquisitions - net of costs	—	42,667
Convertible Preferred LP Units issued for Acquisitions and adjustments to fair value of Convertible Preferred LP Units	23,566	179,150
Settlement of vested restricted trust units	—	629
NAV** end of the period	\$ 2,289,592	\$ 2,284,877
NAV** per unit outstanding	\$ 21.82	\$ 21.54
Number of units outstanding ¹ - end of period (in thousands)	104,913	106,058

As at and for the nine months ended (\$ thousands) (unaudited)	September 30, 2023	
NAV** beginning of the period	\$	2,100,137
Net Income		88,418
Trust Unit Distributions		(59,426)
		2,129,129
Other capital allocation activities		
NCIB activity		(37,837)
Trust Units issued for Acquisitions - net of costs to issue		15,316
Convertible Preferred LP Units issued for Acquisitions and adjustments to fair value of Convertible Preferred LP Units		67,808
Settlement of vested Restricted Trust Units		629
Net Asset Value**	\$	2,175,045
Net Asset Value** per unit outstanding	\$	21.76
Number of Units outstanding - end of period (in thousands)		99,949

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

¹ Units outstanding assumes the exchange of Convertible Preferred LP Units to Trust Units. See Section 10.6, "Unit Equity and Distributions" in the MD&A.

The following tables illustrate the calculation of Total Debt** to Total Assets**

(\$ thousands) (unaudited)			
As at	September 30, 2024	December 31, 2023	Change
Investment properties	\$ 3,583,797	\$ 3,695,435	\$ (111,638)
Investment properties classified as held for sale	218,353	89,912	128,441
Cash	161,595	44,323	117,272
Term deposit	100,000	—	100,000
Other assets	75,670	69,964	5,706
Total assets	\$ 4,139,415	\$ 3,899,634	\$ 239,781
Mortgages payable	\$ 238,314	\$ 293,803	\$ (55,489)
Senior unsecured debentures	1,433,120	1,000,000	433,120
Unsecured credit facilities	70,000	200,000	(130,000)
Debt or Total Debt**	\$ 1,741,434	\$ 1,493,803	\$ 247,631
Total Debt** to Total Assets** ¹	42.1%	38.3%	3.8%

(\$ thousands) (unaudited)		
As at		September 30, 2023
Investment properties	\$	3,334,571
Investment properties classified as held for sale		92,298
Cash		1,281
Other assets		79,455
Total assets	\$	3,507,605
Mortgages payable	\$	295,544
Senior unsecured debentures		600,000
Unsecured credit facilities		332,000
Debt or Total Debt**	\$	1,227,544
Total Debt** to Total Assets** ¹		35.0%

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures".

¹ The debt ratio is a non-GAAP ratio calculated on the basis described in the Trust Indentures.

The following table illustrates the calculation of Average Net Debt** to Adjusted EBITDA**, Interest Coverage** and Debt Service Coverage** ratios. The below ratios are calculated on a rolling four-quarters basis.

(\$ thousands) (unaudited) For the rolling four-quarters ended September 30,	2024	2023	Change
Adjusted EBITDA**	\$ 242,456	\$ 197,588	\$ 44,868
Average Net Debt**	\$ 1,411,836	\$ 1,051,975	\$ 359,861
Average Net Debt** to Adjusted EBITDA** ³ Target 4.0x - 6.0x	5.8x	5.3x	0.5x
Interest expense ¹	\$ 78,803	\$ 51,976	\$ 26,827
Interest Coverage** ^{2,3}	3.1x	3.8x	(0.7)x
Principal repayments	\$ 6,083	\$ 8,002	\$ (1,919)
Interest expense ¹	\$ 78,803	\$ 51,976	\$ 26,827
Debt Service Coverage** ³	2.9x	3.3x	(0.4)x

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

¹ Interest expense includes interest on senior unsecured debentures, mortgages, and unsecured credit facilities. See Section 9.1, "Components of Net Income (Loss)".

² Calculated on the basis described in the Trust Indentures.

³ For the rolling four-quarters ended September 30, 2024 and 2023, respectively.

The following table illustrates the reconciliation of net income (loss) to Adjusted EBITDA** for the three months ended September 30, 2024 and 2023.

(\$ thousands) (unaudited)	Three months	
For the periods ended September 30,	2024	2023
Net income (loss)	\$ (30,818)	\$ 20,230
Interest income ¹	(2,692)	(523)
Net interest and other financing charges	26,181	15,276
Amortization	191	374
Adjustments to fair value of derivative instruments	5,473	(3,725)
Adjustments to fair value of unit-based compensation	2,247	(171)
Adjustments to fair value of Convertible Preferred LP Units	23,108	224
Adjustments to fair value of investment properties	41,219	22,964
Adjusted EBITDA**	\$ 64,909	\$ 54,649

** Denotes a non-GAAP measure. See Section 1, "Basis of Presentation" – "Use of Non-GAAP Measures" and Section 12, "Non-GAAP Measures" in the MD&A.

¹ Interest income earned on cash balances.

The following tables illustrate Adjusted EBITDA** for the rolling four-quarters ended September 30, 2024 and 2023.

(\$ thousands) (unaudited)	Rolling 4-quarters				
For the period	September 30, 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Adjusted EBITDA**	\$ 242,456	64,909	62,790	58,543	56,214

(\$ thousands) (unaudited)	Rolling 4-quarters				
For the period	September 30, 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Adjusted EBITDA**	\$ 197,588	54,649	48,964	46,415	47,560

The following table illustrates Average Net Debt** for the periods ended September 30, 2024 and 2023 based on the average of the Net Debt** at the beginning of the period and each quarter end during the period included in the calculation of Adjusted EBITDA**.

(\$ thousands) (unaudited)					
As at	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Total Debt**	\$ 1,741,434	\$ 1,528,609	\$ 1,530,074	\$ 1,493,803	\$ 1,227,544
less: Cash and cash equivalents	(261,595)	(80,756)	(74,328)	(44,323)	(1,282)
Net Debt**	\$ 1,479,839	\$ 1,447,853	\$ 1,455,746	\$ 1,449,480	\$ 1,226,262
Average Net Debt**	\$ 1,411,836				

(\$ thousands) (unaudited)					
As at	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Total Debt**	\$ 1,227,544	\$ 1,097,270	\$ 1,098,982	\$ 1,009,680	\$ 940,158
less: Cash and cash equivalents	(1,282)	(42,206)	(59,301)	(10,954)	(14)
Net Debt**	\$ 1,226,262	\$ 1,055,064	\$ 1,039,681	\$ 998,726	\$ 940,144
Average Net Debt**	\$ 1,051,975				

The following tables illustrate interest expense, for the calculation of the Interest Coverage** and Debt Service Coverage** ratios, for the rolling four-quarters ended September 30, 2024 and 2023.

(\$ thousands) (unaudited)	Rolling 4-quarters				
For the periods	September 30, 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Interest expense ¹	\$ 78,803	22,104	20,204	19,334	17,161

(\$ thousands) (unaudited)	Rolling 4-quarters				
For the periods	September 30, 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Interest expense ¹	\$ 51,976	14,911	13,414	12,436	11,215

¹ Interest expense includes interest on senior unsecured debentures, mortgages, and unsecured credit facilities. See Section 9.1, "Components of Net Income (Loss)" in the MD&A.

The following tables illustrate principal repayments, for the calculation of the Debt Service Coverage** ratio, for the rolling four-quarters ended September 30, 2024 and 2023.

(\$ thousands) (unaudited)	Rolling 4-quarters				
For the periods	September 30, 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Principal repayments	\$ 6,083	1,399	1,465	1,478	1,741

(\$ thousands) (unaudited)	Rolling 4-quarters				
For the periods	September 30, 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Principal repayments	\$ 8,002	1,726	1,712	1,698	2,866

For more information:

TSX: PMZ.UN

www.primarisreit.com

www.sedarplus.ca

Alex Avery

Chief Executive Officer

416-642-7837

aavery@primarisreit.com

Rags Davloor

Chief Financial Officer

416-645-3716

rdavloor@primarisreit.com

Claire Mahaney

VP, Investor Relations & ESG

647-949-3093

cmahaney@primarisreit.com

Timothy Pire

Chair of the Board

chair@primarisreit.com